



# CHINO BASIN WATERMASTER



## NOTICE OF ANNUAL MEETINGS

**Thursday, January 10, 2013**

9:00 a.m. – Appropriative Pool Meeting

11:00 a.m. – Non-Agricultural Pool Conference Call Meeting

1:30 p.m. – Agricultural Pool Meeting

***AT THE CHINO BASIN WATERMASTER OFFICES***

*9641 San Bernardino Road  
Rancho Cucamonga, CA 91730  
(909) 484-3888*



# **CHINO BASIN WATERMASTER**

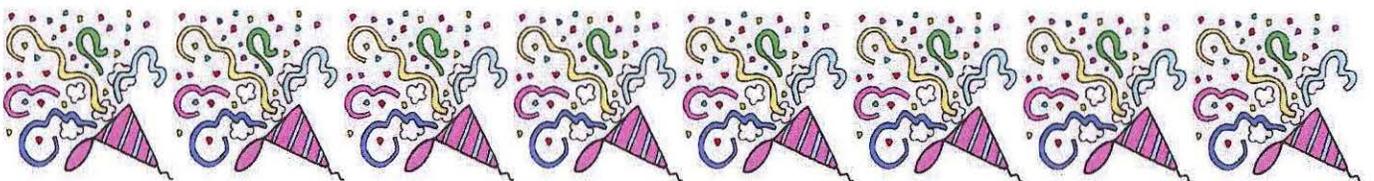
**Thursday, January 10, 2013**

9:00 a.m. – Appropriative Pool Meeting

11:00 a.m. – Non-Ag Pool Conference Call Meeting

1:30 p.m. – Agricultural Pool Meeting

***POOL AGENDA PACKAGES***



**CHINO BASIN WATERMASTER  
ANNUAL APPROPRIATIVE POOL MEETING**

9:00 a.m. – January 10, 2013

**WITH**

*Mr. Marty Zvirbulis, 2012 Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. ANNUAL ELECTIONS - ACTION**

**A. Calendar Year 2013 Appropriative Pool Officers**

Nominations will be heard for the Appropriative Pool Chair to serve during calendar year 2013.

Chair \_\_\_\_\_

Vice-Chair \_\_\_\_\_

Secretary/Treasurer Watermaster General Manager

**B. Calendar Year 2013 Advisory Committee Officer**

According to the rotation sequence established among the pools, the appropriators will be asked to appoint a designated representative to serve on the Advisory Committee during calendar year 2013.

Chair            Appropriative Pool \_\_\_\_\_

**C. Calendar Year 2013 Advisory Committee Minor Representatives**

According to the Appropriative Pool Pooling Plan, minor producers are to elect two representatives to serve on the Advisory Committee during calendar year 2013. The minor producers for 2013 are: Arrowhead Mountain Spring Water, City of Fontana, City of Norco, County of San Bernardino, Golden State Water Company, Marygold Mutual Water Company, Monte Vista Irrigation Company, Niagara Bottling Company, Nicholson Trust, San Antonio Water Company, Santa Ana River Water Company, West End Consolidated Water Company, and West Valley Water District.

Minor Rep #1 \_\_\_\_\_

Minor Rep #2 \_\_\_\_\_

**D. Calendar Year 2013 Pool Representation on the Watermaster Board**

Based on the Court-adopted Rotation Schedule for Representatives to the Watermaster, during calendar year 2013, the following will represent the Appropriative Pool on the Watermaster Board.

Jurupa Community Services District 2013-2015

New Member: Robert "Bob" Craig

Alternate: Jane Anderson

**II. 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 Appropriative Pool Meeting held December 13, 2012 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of November 2012 *(Page 29)*
2. Watermaster VISA Check Detail for the month of November 2012 *(Page 41)*
3. Combining Schedule for the Period July 1, 2012 through November 30, 2012 *(Page 45)*
4. Treasurer's Report of Financial Affairs for the Period November 1, 2012 through November 30, 2012 *(Page 49)*
5. Budget vs. Actual Report for the Period July 1, 2012 through November 30, 2012 *(Page 53)*

**C. NOTICE OF INTENT**

- Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield *(Page 63)*

**D. CHINO BASIN WATERMASTER INVESTMENT POLICY**

- Resolution 13-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy *(Page 65)*

**E. LOCAL AGENCY INVESTMENT FUND**

- Resolution 13-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) - *(Page 71)*

**F. APPROPRIATIVE POOL VOLUME VOTE**

- Consider Approval of the Calendar Year 2013 Appropriative Pool Volume Vote *(Page 73)*

**III. BUSINESS ITEMS****A. 2013 AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE**

- Consider Approval of the 2012 Amendment to the 2010 Recharge Master Plan Update Section 7 "Evaluation Criteria" *(Page 85)*

**B. NOTICE OF OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G" *(Page 111)*****IV. REPORTS/UPDATES****A. LEGAL COUNSEL REPORT**

1. December 21, 2012 Court Hearing

**B. ENGINEERING REPORT**

1. State of the Basin (Part 1 of 2) Update and HydroDaVE

**C. GM REPORT**

1. Prado Basin Habitat Sustainability Program Update

**V. INFORMATION**

1. Cash Disbursements for December 2012 *(Page 119)*

**VI. POOL MEMBER COMMENTS**

**VII. OTHER BUSINESS**

**VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

**IX. FUTURE MEETINGS AT WATERMASTER**

Thursday, January 10, 2013	9:00 a.m.	Annual & Election Appropriative Pool Meeting
Thursday, January 10, 2013	11:00 a.m.	Annual & Election Non-Ag Pool Conference Call Mtg.
Thursday, January, 10, 2013	1:30 p.m.	Annual & Election Agricultural Pool Meeting
Thursday, January 17, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, January 17, 2013	9:00 a.m.	Annual Advisory Committee Meeting
Thursday, January 17, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Tuesday, January 22, 2013	9:00 a.m.	GRCC Meeting
Thursday, January 24, 2013	11:00 a.m.	Annual & Election Watermaster Board Meeting

**Meeting Adjourn**

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**CHINO BASIN WATERMASTER  
ANNUAL NON-AGRICULTURAL POOL CONFERENCE CALL MEETING  
11:00 a.m. – January 10, 2013**

**WITH**

*Mr. Bob Bowcock, 2012 Chair*

**1-800-930-9525 PASS CODE: 917924**

**Call can be taken at  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730**

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**AGENDA - ADDITIONS/REORDER**

**I. ANNUAL ELECTIONS – Action**

**A. Calendar-Year 2013 Non-Agricultural Pool Officers**

Nominations will be heard for Pool Chair, Pool Vice-Chair, Secretary, and Treasurer to serve during Calendar-Year 2013.

Chair \_\_\_\_\_  
Vice-Chair \_\_\_\_\_  
Secretary \_\_\_\_\_  
Treasurer \_\_\_\_\_

**B. Calendar-Year 2013 Advisory Committee Members**

Pool member(s) will be asked to elect representatives and alternates to serve on the Advisory Committee during Calendar-Year 2013.

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

**C. Calendar-Year 2013 Advisory Committee Officer**

Based on the rotation sequence established among the pools, the members of the Non-Agricultural Pool will be asked to appoint a designated representative, Vice-Chair of the Advisory Committee during Calendar-Year 2013. If the appointed representative is unable to attend an Advisory Committee meeting, a remaining pool officer may serve as his/her alternate.

Vice-Chair Non-Agricultural Pool \_\_\_\_\_

**D. Calendar-Year 2013 Pool Representation on Watermaster Board**

The Pool members will be asked to select one representative to serve on the Watermaster Board during Calendar-Year 2013 and one alternate representative.

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

**II. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

- 1. Minutes of the Non-Agricultural Pool Meeting held December 13, 2012 *(Page 13)*

**B. FINANCIAL REPORTS**

- 1. Cash Disbursements for the month of November 2012 *(Page 29)*
- 2. Watermaster VISA Check Detail for the month of November 2012 *(Page 41)*
- 3. Combining Schedule for the Period July 1, 2012 through November 30, 2012 *(Page 45)*
- 4. Treasurer's Report of Financial Affairs for the Period November 1, 2012 through November 30, 2012 *(Page 49)*
- 5. Budget vs. Actual Report for the Period July 1, 2012 through November 30, 2012 *(Page 53)*

**C. NOTICE OF INTENT**

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield *(Page 63)*

**D. CHINO BASIN WATERMASTER INVESTMENT POLICY**

Resolution 13-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy *(Page 65)*

**E. LOCAL AGENCY INVESTMENT FUND**

Resolution 13-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) - *(Page 71)*

**F. NON-AGRICULTURAL POOL VOLUME VOTE**

Consider Approval of the Calendar Year 2013 Non-Agricultural Pool Volume Vote *(Page 79)*

**III. BUSINESS ITEMS**

**A. 2013 AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE**

Consider Approval of the 2012 Amendment to the 2010 Recharge Master Plan Update Section 7 "Evaluation Criteria" *(Page 85)*

**B. NOTICE OF OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G" *(Page 111)***

**IV. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

- 1. December 21, 2012 Court Hearing

**B. ENGINEERING REPORT**

- 1. State of the Basin (Part 1 of 2) Update and HydroDaVE

**C. GM REPORT**

- 1. Prado Basin Habitat Sustainability Program Update

**V. INFORMATION**

- 1. Cash Disbursements for December 2012 *(Page 119)*

**VI. POOL MEMBER COMMENTS**

**VII. OTHER BUSINESS**

**VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

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**Meeting Adjourn**

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**CHINO BASIN WATERMASTER  
ANNUAL AGRICULTURAL POOL MEETING**

1:30 p.m. – January 10, 2013

**WITH**

*Mr. Bob Feenstra, 2012 Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. ANNUAL ELECTIONS - ACTION**

**A. Calendar-Year 2013 Agricultural Pool Members**

The Agricultural Pool membership shall consist of not less than ten representatives selected at large by members of the pool. Pool members will be asked to make any necessary changes to the following list in order to establish pool membership and alternates during calendar year 2013:

Current Agricultural Pool Members

Dairy: Robert Feenstra  
Gene Koopman  
Nathan deBoom  
John Huitsing  
Rob Vanden Heuvel

Crops: Glen Durrington  
Jeff Pierson

State: Pete Hall  
Helen Arens  
Julie Cavender

Current Alternates:

Dairy: Syp Vander Dussen  
Peter Hettinga

Crops: Dan Hostetler

State: Carol Boyd  
Robert Nobles  
Brian Pahel

**B. Calendar Year 2013 Agricultural Pool Officers**

Nominations will be heard for Pool Chair, followed by nominations for Pool Vice-Chair.

Chair	_____
Vice-Chair	_____
Secretary/Treasurer	<u>Watermaster General Manager</u>

**C. Calendar Year 2013 Advisory Committee Officer**

The pool members will be asked to determine the ten agricultural representatives to serve on the Advisory Committee and, according to the rotation sequence established among the pools, appoint a representative to serve as 2<sup>nd</sup> Vice-Chair of the Advisory Committee during calendar year 2013

2<sup>nd</sup> Vice-Chair      Agricultural Pool \_\_\_\_\_

**D. Calendar-Year 2013 Pool Representation on Watermaster Board**

The Pool members will be asked to consider selecting two representatives to serve on the Watermaster Board during Calendar-Year 2013 and one or two alternate representatives.

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

Member: \_\_\_\_\_ Alternate: \_\_\_\_\_

**II. 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 Agricultural Pool Meeting held December 13, 2012 *(Page 17)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of November 2012 *(Page 29)*
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**III. BUSINESS ITEMS**

**A. 2013 AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE**

Consider Approval of the 2012 Amendment to the 2010 Recharge Master Plan Update Section 7 "Evaluation Criteria" *(Page 85)*

**B. NOTICE OF OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G" - *(Page 111)***

**C. OLD BUSINESS**

**IV. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. December 21, 2012 Court Hearing

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1. Prado Basin Habitat Sustainability Program Update

**D. AGRICULTURAL POOL LEGAL COUNSEL REPORT**

**V. INFORMATION**

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**VI. POOL MEMBER COMMENTS**

**VII. OTHER BUSINESS**

**VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

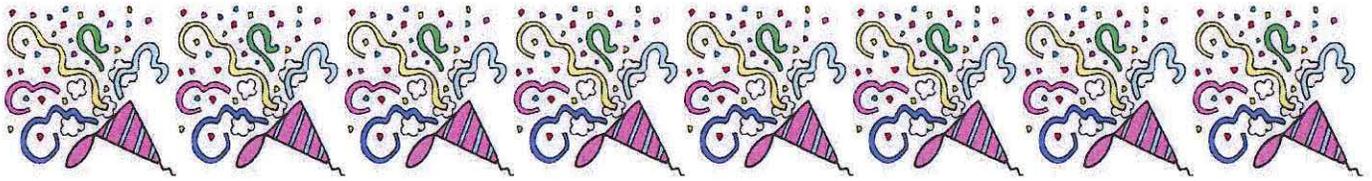
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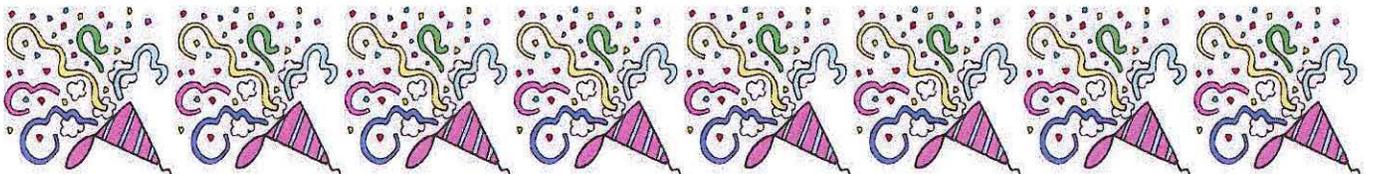


# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on December 13, 2012



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**  
December 13, 2012

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 13, 2012, at 9:00 a.m.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Marty Zvirbulis, Chair  
Scott Burton  
Rosemary Hoerning  
Curtis Aaron  
Ron Craig  
Dave Crosley  
Mark Kinsey  
Van Jew  
Robert Young  
Seth Zielke  
Tom Harder  
Teri Layton  
Shaun Stone

Cucamonga Valley Water District  
City of Ontario  
City of Upland  
City of Pomona  
City of Chino Hills  
City of Chino  
Monte Vista Water District  
Monte Vista Irrigation Company  
Fontana Union Water Company  
Fontana Water Company  
Jurupa Community Services District  
San Antonio Water Company  
West Valley Water District

**Watermaster Board Members Present**

Paula Lantz  
Bob Kuhn

City of Pomona  
Three Valleys Municipal Water District

**Watermaster Staff Present**

Peter Kavounas  
Danielle Maurizio  
Joe Joswiak  
Sherri Molino

General Manager  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**Watermaster Consultants Present**

Brad Herrema  
Mark Wildermuth

Brownstein, Hyatt, Farber & Schreck  
Wildermuth Environmental Inc.

**Others Present**

Sheri Rojo  
Rick Hansen  
Nadeem Majaj  
Todd Corbin  
Jo Lynne Russo-Pereyra  
Sandra Rose  
Craig Miller  
Ryan Shaw  
Curtis Paxton  
John Schatz

Fontana Union Water Company  
Three Valleys Municipal Water District  
City of Chino Hills  
Jurupa Community Services District  
Cucamonga Valley Water District  
Monte Vista Water District  
Inland Empire Utilities Agency  
Inland Empire Utilities Agency  
Chino Desalter Authority  
John J. Schatz, Attorney at Law

Chair Zvirbulis called the Appropriative Pool Meeting to order at 9:00 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

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

1. Minutes of the Appropriative Pool Meeting held November 8, 2012

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of October 2012
2. Watermaster VISA Check Detail for the month of October 2012
3. Combining Schedule for the Period July 1, 2012 through October 31, 2012
4. Treasurer's Report of Financial Affairs for the Period October 1, 2012 through October 31, 2012

*Motion by Young, second by Harder, and by unanimous vote*

***Moved to approve Consent Calendar items A through B1-B4, as presented***

**B5. Was pulled for discussion**

5. Budget vs. Actual Report for the Period July 1, 2012 through October 31, 2012

Ms. Layton inquired about legal services costs in the miscellaneous category on page 49 of the meeting package. Mr. Joswiak stated the miscellaneous category is for all of the items within legal for which there is not a specific line item. Mr. Joswiak offered a few examples to better explain Ms. Layton's question. Mr. Kavounas noted that he has used Watermaster legal services assistance to catch up to speed on Watermaster activities since he is new and needed more support with this regard. Mr. Kavounas stated staff will be more than happy to give a detailed presentation on all the charges July through October on this miscellaneous category. Ms. Layton referenced page 51 of the meeting package regarding Wildermuth Environmental Inc. (WEI) and sub-contractors which has the notation of carryover funds for \$44,000, and asked the meaning of "carryover funds." Mr. Kavounas stated there were monies that were unexpended in last years' budget and work that did not get finished, so the Watermaster Board voted to take those monies and that scope of work and carry the funds over into this year. Mr. Joswiak concurred and explained this matter in greater detail. A brief discussion regarding this item ensued.

*Motion by Kinsey, second by Hoerning, and by unanimous vote*

***Moved to approve Consent Calendar item B5, as presented***

**II. BUSINESS ITEMS****A. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN**

Mr. Kavounas stated the Peace II Agreement required the Recharge Master Plan Update (RMPU) to be done in 2010, and every year after that the Watermaster make a finding that it is in compliance with our Recharge Master Plan. The first such finding was made last year, and the finding was that we have enough recharge capacity to continue operating in the Chino Basin after the 400,000 acre-foot overdraft is finished. Mr. Kavounas stated the action is giving the parties the go ahead to continue using that 400,000 acre-feet; this is just for that finding and does not have to be reported to the court. It is something that the Watermaster Board needs to make a finding on and this committee is being asked to make a recommendation to the Watermaster Board.

Mr. Young inquired to Mr. Wildermuth when all of these studies were done and WEI evaluated all of the production in the Chino Basin, did WEI's consideration be given to storm production versus lost capacity from contamination or potentially increased production due to reactivation of wells that have been contaminated for a long time, which may increase production to the basin, and ultimately affect recharge. Mr. Wildermuth stated WEI went to all appropriators and producers in the basin and asked them to provide projections, starting with the Urban Water Management Plans because they require some work to get groundwater production projections out of them. Staff then vetted that through the Appropriative Pool.

Mr. Young offered comment on Fontana Water Company (FWC) wells and production capacity that has been lost in the Chino Basin, and we have been actively pursuing potentially responsible parties (PRP). Mr. Young inquired if FWC identifies a PRP and it results in a change in some of our numbers will that adjustment show in the WEI analysis or could that have an effect on recharge? Mr. Wildermuth stated that WEI ran sensitivity studies on production and the short answer to Mr. Young's question is, no. Mr. Wildermuth explained how these types of sensitivity studies provide answers for these types of questions.

Mr. Harder stated his comments relate to the annual finding for recharge compliance. Jurupa Community Service District (JCSD) doesn't really have an issue with recharge capacity on a basin wide level. One issue JCSD has is the balance of recharge and discharge. Mr. Harder stated, in particular, JCSD needs to reduce its net groundwater pumping to a sustainable level. This looks very similar to what was in last years' letter. The issue that JCSD had last year is the same issue we are going to have this year, which is too much pumping in that area, or could also be couched as too little recharge. Mr. Harder stated he feels compelled to make the statement again that JCSD is going to want to be able to pump their water right now that they are an under-producer. Mr. Harder noted he understands this is being addressed in the RMPU Steering Committee meeting, which is greatly appreciated.

Mr. Craig referenced the last paragraph in the WEI letter where it makes reference to the preemptive replenishment program. Mr. Craig stated he is looking for a better understanding on how the reference to the Preemptive Replenishment Program ties to specific needs that we may have in the long-term. Mr. Craig inquired, in other words, is the need for recharge capability to take advantage of a slug of water factored into our recharge capacity. Mr. Kavounas stated in looking at the same item which was discussed last year, it seems there is more information presented to the parties under the supporting report that WEI has prepared, which is necessary to make the finding. Mr. Kavounas stated there is enough recharge capacity and what staff is asking this committee to do is to recommend to the Watermaster Board to adopt the finding itself, and not the WEI report which was provided as background information.

A discussion regarding this matter ensued. Counsel Herrema noted the RMPU is to be updated at least every five years, if not more frequently.

*Motion by Aaron, second by Layton, and by unanimous vote*

***Moved to approve that the Watermaster Board Adopt the Finding in the Wildermuth Report that Watermaster is in Substantial Compliance with the Recharge Master Plan Update, as presented***

#### **B. WILDERMUTH ENVIRONMENTAL INC. CONTRACT WITH WATERMASTER**

Mr. Kavounas stated, as the Pools are aware, Watermaster has a contract with WEI to have engineering services performed that are technical in nature, Watermaster does not have the services as an in-house capability so Watermaster contracts that work to WEI. The WEI contract has been in place for a long time and staff has taken a good hard look at the capabilities of WEI, and staff believes WEI's staff is very capable to continue to provide those services. Mr. Kavounas stated staff has also looked at the quality of their work and their responsiveness, and staff is extremely pleased with the services WEI offers. Dialog has taken place between Watermaster and WEI, and WEI is willing to work with Watermaster as their technical engineer; a mutual agreement on the term for the contract was agreed upon. Mr. Kavounas stated staff is recommending approval of this three year contract, as budgeted, to the Watermaster Board for their final approval. The benefit to this agreement is Watermaster continuing to have the services of someone who is knowledgeable, capable and qualified and for the three-year term WEI has agreed to keep their billing rates at the same rate as what they are for 2012.

Ms. Layton stated, in reading the staff letter and seeing that Watermaster is paying for the actual model that they will not have possession of when WEI has completed it, she wanted to make

sure she understood that statement. Mr. Kavounas stated the Chino Basin Watermaster model that has been created by WEI and paid for by Watermaster is fully owned, and will continue to be owned, by Watermaster. Ms. Layton inquired if that is true then if we went to another consultant would that other consultants have the ability to use the model. Mr. Kavounas stated Watermaster has paid for and owns that model, and Watermaster will continue to own that model even if we transition to another consulting firm. Mr. Kavounas stated what we don't have is HydroDaVE (HD), which has been developed by WEI at their own expense. While they are giving Watermaster a free license to use HD, which is a tremendous benefit for Watermaster to have that program, that is something that WEI has paid for, developed, and owns. Ms. Layton inquired if Watermaster went to another consulting firm then we would no longer have that capability any more, is that correct. Ms. Layton also inquired about the not-to-exceed figure, of which the dollar amount actually seems excessive to her, is there a breakdown of tasks and an estimate of time for those tasks so that it is clear what Watermaster is paying for. Chair Zvirbulis stated that is something that is all broken down and itemized as part of the budget process, which is reviewed in great detail every year.

Ms. Hoerning stated she has a technical comment in that she noticed a definition in the WEI contract with CEO as the contract manager; it seems the term should now be General Manager or designee. Mr. Kavounas stated the language is still in the redline format and staff is still collecting comments.

Mr. Kinsey stated, from Monte Vista Water District's (MVWD) point of view, we looked at this contract and this is one of the Watermaster Board's responsibilities to hire and retain consultants. It seems like some of the things Watermaster contracts WEI to do could potentially be cost effectively and competitively bid out to other contractors. Mr. Kinsey offered further comment on this matter and asked that in the future an evaluation be done of the scope of services that has been provided by WEI to see if there are activities that can be competitively bid out by other projects and/or a construction management company. Mr. Kavounas stated he would be happy to look into that in the future.

Mr. Zielke stated he had a few clarification questions, one of which is, was the previous contract for the same amount of time as this one presented. Mr. Kavounas stated the previous contract expires this month and he believes the last WEI contract was for five-years, not for three years. Mr. Zielke inquired about the attorney fees portion of the WEI contract, and asked if the fees which would then due, would they then be assessed. Mr. Kavounas stated every Watermaster expense is assessed.

Mr. Jew inquired what would happen in the event WEI was unable to work with Watermaster or it became time to replace WEI with another firm. He then inquired about page 81 of the meeting package regarding the WEI rates and how do those rates compare to other companies doing the same work. Mr. Kavounas stated in terms of how hard it would be to replace WEI, staff would have to go through a competitive selection process which would include putting together a request for proposals; however for a small staff organization like Watermaster adding that on top of a heavy workload would be a challenge, certainly doable, but a challenge nevertheless. Mr. Kavounas offered further comment on Mr. Jew's question. Mr. Kavounas stated Watermaster could get another firm; however, he believes WEI provides competitive rates, excellent service, and the right balance for Watermaster.

*Motion by Burton, second by Young, and by unanimous vote*

***Moved to authorize the General Manager to execute the contract with Wildermuth Environmental Inc., including making non-substantive changes to the contract that may arise during the contract language finalization, as presented***

**C. RMPU AMENDMENT – POTENTIAL RECHARGE PROJECTS AREA OF FOCUS**

Mr. Kavounas stated according to the RMPU Amendment schedule staff wanted to bring some of the key steps forward through the Pools, Advisory Committee, and Watermaster Board process.

Mr. Kavounas stated one of the first questions that staff came across is how much effort should be spent on refining projects. In discussions that took place with the Steering Committee it is staffs view that we should take a look at all the possibilities basin wide before any refining is done. The Steering Committee had strong advice to not go wild and look at projects regardless of cost; they advised that there should be some limitation of costs and staff has tried to capture that in the recommendation. Mr. Kavounas stated the recommendation is to approve, move forward, gather cost and yield data for all projects unless a preliminary estimate seems to be in the \$1,500 per acre-foot or higher in range.

Mr. Young stated he had a couple of thoughts and noted he has not been able to attend the actual RMPU meetings in person; however, FWC representatives have been attending on his behalf. Mr. Young stated he believes that the \$1,500 per acre-foot number was carefully analyzed as to how that number came to be, assuming that staff and the Steering Committee thought it was feasible. Mr. Young stated typically, and we all have experienced it when we invest in something or we are going to invest in an asset, we identify what the value of that asset is, and for him in looking to invest in buying an acre-foot of water at \$1,500 for a one-time investment that he would probably receive a benefit from for a long time he would buy as much as he could. Mr. Young stated he believes that rate was based off of Metropolitan Water District's (MWD) rates; however, it is well known that MWD is not prepared to offer any water anytime soon. Mr. Young inquired if this is going to be based as an asset that we will receive some value from, and would it be of any value or benefit to us to base it as a "right," and if that is the case, it seems that the rate is slightly low. Mr. Young explained the term "right" in greater detail. Mr. Kavounas stated those are good thoughts and in those meetings the parties were very thoughtful; however, staff and Committee are taking a narrower look at this. Mr. Kavounas noted after lengthy discussions the Committee was going to look at all projects; however, if a project was very high in cost, it was basically set aside. Mr. Kavounas stated the Committee did not recommend the concept of using the MWD Tier I rate or any prior replenishment rate, it was a number that the parties felt that the \$1,000 an acre-foot was an upper limit of what they would be willing to commit to at this time. Mr. Kavounas stated in answering the question as to where do we spend our time and resources today in developing costs information, the thought was that this was a rough estimate and the recommendation is not to accept or reject anything based on \$1,500 an acre-foot. It is simply that if the preliminary estimate is looking like it is going to cost approximately \$1,500 an acre-foot, that that project won't be pursued, and based on the consensus of the Steering Committee a \$1,000 an acre-foot is the most that the parties were willing to pay at this time.

Ms. Hoerning stated it seems to her that \$1,500 an acre-foot is quite a bit if you look at it over the life of that project and you roll it back as to how much the parties are going to invest today over a thirty-year period. Mr. Hoerning stated the \$1,500 an acre-foot is going to generally be inclusive rather than exclusive, which is her first reaction to the figure.

Mr. Burton inquired if the \$1,500 an acre-foot is a one-time capital cost to build a facility that will give ongoing, year after year, storm water capture. Mr. Wildermuth stated it is a unit cost of recharge.

Mr. Kinsey stated if the parties could acquire the right to an acre-foot for \$1,500 we would all be lining up to see who could write their checks the fastest. Mr. Kinsey stated he believes it is an annual amortized cost that would be incurred over period of time, whether it is twenty years or thirty years; it is a tool to prepare it to the current cost of water that we have now, by saying buy replenishment water from MWD.

Chair Zvirbulis stated the intent was not to exclude any projects that may be more expensive, it is just a place to start and if things come about that are slightly more expensive, those are things we can consider collectively moving forward.

Mr. Young stated identifying the locations and where recharge is needed would be the first item of business before you can determine whether the project is worthwhile.

Mr. Burton stated he has a thought on setting the cap of \$1,500 an acre-foot now as opposed to taking this list of projects, doing the preliminary estimate, and seeing what the range of cost is and then coming back and saying what is the right threshold; is it \$1,500, or \$1,200, or even \$1,800 an acre-foot, or does it vary depending on the area. Mr. Burton offered examples to verify his point of setting the rate today as opposed to in the future.

Mr. Kavounas stated originally the thought was to look at all of the projects and develop costs for them. Staff heard loud and clear that parties had a concern about total cost. Mr. Kavounas stated the concept was how do we limit this, and from Watermaster's perspective, how do we manage the effort to get something done. Mr. Kavounas stated this is a very tight schedule and the effort is to try and balance both. Mr. Kavounas offered further comment on this matter and noted this will be going to the Watermaster Board next week. Mr. Kavounas stated from a project management point of view, it is strongly preferred to have the threshold identified now; staff needs to manage WEI's effort as well as Inland Empire Utilities Agency's (IEUA) effort and the more that definition is completed now the easier it will be for Watermaster to deliver.

Mr. Kinsey stated he believes there is confusion as to what the \$1,500 means. Mr. Kinsey stated there is a prioritization hierarchy and the Committee is not suggesting that if necessary projects are over \$1,500 they will not be pursued. It is his understanding the \$1,500 an acre-foot was a number that the Committee believed may be used to develop projects which provide additional storm water capture anywhere in the basin that we think that cost of the water may merit implementing that project; it is not being implemented for a balance purpose or for sustainability, it is being implemented to increase storm water capture and operating safe yield. Mr. Kinsey offered further comment on the \$1,500 cost.

Mr. Burton stated he believes Mr. Kinsey is illustrating his point; however, the agenda report does not explain it the way Mr. Kinsey does. It says that if it is over \$1,500 an acre-foot, it is out, and he thinks what Mr. Kinsey is saying is that we have to give other considerations, so it is almost premature to throw it out regardless of other benefits. Mr. Burton stated maybe that is the baseline threshold but we have to give other considerations.

Mr. Young stated when Watermaster evaluates the cost per acre-foot it also needs to see if there are grants associated with the project which will help reduce the ultimate overall cost. Mr. Young offered further comment on what could bring the final cost down.

Mr. Kavounas stated he believes this is a very good and helpful clarifying discussion. Mr. Kavounas stated if a project comes up that is \$1,500 or more the idea was that Watermaster did not pursue in developing a detailed cost estimate; however, that does not mean the project is eliminated and it still can be considered. The simplest approach would be to look at and develop a detailed cost for everything and then put it through selection criteria. Mr. Kavounas stated this needs to be moving forward, and in doing that staff and the Committee are trying to be as intelligent as possible in the way we deploy the resources that we have in the time that is allotted.

Chair Zvirbulis offered comment on different ways to analyze these projects. Chair Zvirbulis stated it should be pretty easy to make a quick determination without spending a lot of time or resources on determining what the estimated cost per acre-foot is going to be for a particular project. Mr. Kavounas stated staff is trying to develop some standardized methodology so that a cost estimate means a cost estimate. Mr. Kavounas stated Watermaster is planning on having WEI work with IEUA because IEUA will develop some of these cost estimates. Mr. Kavounas stated all of the projects have been captured in the table that everyone has seen. Mr. Kavounas offered further comment on what the table will look like in the future with a more detailed cost estimate.

Mr. Burton reiterated what he thought Mr. Kavounas was trying to explain. Mr. Kavounas stated that is correct; however, projects will not get deleted and never seen again, the projects come out with numbers and that number can be changed if that is of interest. Mr. Kavounas stated if the preliminary estimates show \$1,500 or more then it stays as preliminary, or if it is \$1,500 or less then WEI and IEUA proceed in developing a detailed cost estimate. Mr. Burton stated if a project is above that threshold and set aside, there may be an individual or appropriator that wants to partner with Watermaster which is allowed for to pursue that project; maybe at a later time that discussion will have to take place. Mr. Kavounas stated once the table comes back that has the detailed cost estimates, the table would have those projects on it, but in a separate section where everything else is shown below, and those projects would be preserved and continue to be viewed in the process. This amendment is not something that is going to happen without the Steering Committee, Pools, and Advisory Committee input, and ultimately the Watermaster Board's approval. Mr. Kavounas offered further comment on this matter.

Mr. Zielke stated he wanted to make sure that once the table is created and Watermaster has that threshold, and there will be projects above and below that threshold, that does not necessarily constitute a priority at that point. Mr. Kavounas stated no, and noted priorities are established using the evaluation selection. Mr. Zielke stated the term setting aside is a tough term and some of those projects may need and want to be revisited. Mr. Zielke stated as long as we don't lose a good opportunity just because a project is above or below the threshold line; as long as that does not constitute priority at that point then Fontana Water Company is comfortable with this direction. Mr. Kavounas stated the wording in Section 7 will reflect that.

Mr. Young inquired if staff needs to revise its recommendation for approval from the Appropriative Pool because the way it is written; it seems contrary to what was just discussed.

Chair Zvirbulis stated if there is no further discussion he would ask that somebody suggest some language to move this item forward. Chair Zvirbulis stated he believes staffs' intent is in agreement and in alignment with the discussion we had today because this is a process. Chair Zvirbulis stated he is comfortable with this because of the participation in the RMPU Steering Committee meeting discussion, this is a step that we all take to evaluate and categorize projects and decisions and/or priorities are not going to be made solely on costs. It is need-based and management-zone based, and all of those other things discussed are being taken into consideration, so from the chair's standpoint the staff recommendation is sufficient in moving this forward; however, he would entertain any suggestions from Pool members.

Mr. Kavounas stated the one thing in moving this item forward is to change the staff report. Mr. Kavounas noted the last paragraph in the staff report states something different than what is being discussed today. Mr. Kavounas read the last paragraph in the staff report. Mr. Kavounas stated one suggestion to change in the staff report would be to suggest that projects with information that has not been fully developed will also be included so that they are preserved in the process; ultimately what staff is asking today is where we should spend our resources developing our detailed cost information. Mr. Kavounas stated the recommendation suggested in the staff report is still a valid one even in light of the discussions today.

Mr. Burton stated he had one other suggestion for the staff report, in the third paragraph from the bottom in the last sentence which indicates other projects with the initial cost estimates greater than \$1,500 per acre-foot will be dropped from further consideration at this time and maybe just clarify that as well. Mr. Kavounas stated that can be done and offered comment on the clarification.

Mr. Kinsey stated it could say that this is just part of the overall ranking criteria in Section 7 on the report, which has multiple criteria and factors. Mr. Kinsey offered further comment on this matter.

A discussion on a possible motion ensued.

Mr. Young stated he will attempt to propose a motion. Mr. Young stated he will move to accept the recommendation from staff with the understanding that there may be projects that exceed the \$1,500 per acre-foot level based on their location, need, or necessity that should not be excluded and should possibly still be considered. Mr. Young stated the \$1,500 per acre-foot is a preliminary initial estimate subject change, based on location or need.

Mr. Burton stated that motion sort of covers it; however, he was wondering if it could be phrased in such a way that just adds on or captures what Mr. Young said to the end of staff's recommendation. Mr. Young stated he is comfortable with that.

Chair Zvirbulis stated it seems like the conversation today has covered it and we have heard from the General Manager that staff supports the desires of the Pool moving forward, and it may even be sufficient just to say to approve moving this forward as recommended by staff, subject to the revisions that have been discussed by the Appropriative Pool today.

Mr. Craig stated he is willing to second that we add some footnote definition of what the \$1,500 acre-foot is or what the formula is, so we are all on the same page with ourselves and IEUA.

Chair Zvirbulis stated the recording secretary is going to need to make this motion clear so if Mr. Young wants to state the motion again.

Mr. Young stated with further discussion his second attempt at a potential motion would be to approve staff moving forward with the collection/development of cost and yield information for potential recharge projects shown on the attached list. In case a preliminary estimate indicates the project cost would be greater than \$1,500 per acre-foot then a detailed estimate will not be pursued, although the project will continue to be included in the 2010 RMPU Amendment in case it is later determined that a more detailed cost estimate should be developed.

*Motion by Young, second by Craig, and by unanimous vote*

***Moved to approve staff moving forward with the collection/development of cost and yield information for potential recharge projects shown on the attached list. In case a preliminary estimate indicates the project cost would be greater than \$1,500 per acre-foot, then a detailed estimate will not be pursued, although the project will continue to be included in the 2010 RMPU Amendment in case it is later determined that a more detailed cost estimate should be developed, as presented***

#### **D. REQUEST FOR OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G"**

Mr. Kavounas stated this item is following Watermaster's procedure and is asking the Overlying Non-Agricultural Pool to let Watermaster know how much water might be available in advance of the Notice of Availability going out. This does not require any action today, this is just providing notice.

Mr. Kinsey stated the process after the Notice of Availability going out is that the Overlying Non-Agricultural Pool has a certain time period to come back and say they have a certain amount of water to sell as individual Pool members. Mr. Kavounas stated once that is done Watermaster will determine the pro-rata share to each appropriator and notify the appropriators, should they choose to purchase it. Ms. Maurizio stated Watermaster then issue the Notice of Availability to appropriators which lets them know their pro rata share of available water and then the appropriators have a period to respond if they are interested; it will then be distributed to only the appropriators who are interested in purchasing the water. Ms. Maurizio stated the date is March 1, 2013.

Mr. Burton inquired if none of the appropriators are interested in purchasing any of the water, does Watermaster have an obligation to still purchase that water. Mr. Kavounas stated, no.

**III. REPORTS/UPDATES****A. LEGAL REPORT****1. Motion for Physical Solution Transfer Rate Substitution**

Counsel Herrema stated the first item is for the court's approval of the temporary substitute rate for physical solution transfers pursuant to Exhibit G, and these are the same transfers that are the subject of the last informational item. Counsel Herrema stated in November 2012, through Watermaster process the Pools, Advisory Committee, and the Watermaster Board unanimously approved a substitute rate for the replenishment rate that is identified in Exhibit G, based on the fact that MWD has anticipated not having a replenishment rate, let alone replenishment program in 2013. Counsel Herrema stated Watermaster legal counsel filed with the court a motion requesting approval of that substitute rate on November 20, 2012. Counsel Herrema stated Watermaster is requesting the court's approval because it would require a deviation from the Judgment, and it was indicated in the motion that because of the unanimity in the approval it was not believed a court hearing was necessary; however, if it was the courts' pleasure to have a hearing that it would be scheduled before the end of 2012. Counsel Herrema stated the reason for the deadline for the court by the end of the year, is so that there could be certainty on that substitute rate prior to the December 31, 2012 deadline for the Overlying Non-Agricultural Pool members to make their water available. Counsel Herrema stated Judge Reichert requested a hearing be noticed for Friday, December 21, 2012, at 10:30 a.m. Counsel Herrema stated it is not clear why the court requested a hearing other than the Judge either wants to see Watermaster or has some questions about the proposed rate substitution. Counsel Herrema stated Watermaster legal counsel will be coordinating with the Appropriative and Non-Agricultural Pool's legal counsel in appearing at that hearing to answer any questions the court may have.

**2. Chino Court Closure**

Counsel Herrema stated the Chino courthouse will be closing its facility, and staff and counsel has learned from the court clerk that Judge Reichert will remain as Watermaster's Judge and he will be moving this case and his services to the Rancho Cucamonga courthouse.

**3. Watermaster Processing of Applications**

Counsel Herrema stated this item is related to some questions that were brought up during the processing of the Vulcan Pit Recharge Application by members of this Pool and other Pools regarding what Watermaster's obligations are in regard to applications. In response to a request from the General Manager, Watermaster legal counsel has prepared a summary memorandum that explains what those obligations are as they are spelled out in the Judgment, the Peace Agreements, and the Rules & Regulations. Counsel Herrema stated that the memorandum is available on the back table and he is available to discuss any questions by members of the Pool.

**B. ENGINEERING REPORT****1. Model Calibration Update**

Mr. Kavounas stated Mr. Wildermuth will be giving a presentation on the model calibration workshop which was held on November 27, 2012. Mr. Wildermuth gave the Update of the Chino Basin Groundwater Model and Evaluation of Basin Dynamics Draft Calibration Results presentation. This presentation covered questions to be answered, what work has been done to answer these questions, geometry and aquifer properties suggested by new borehole data and addition of Glen Avon/Stringfellow-area Paleo Channel, several maps, improvements in the resolution of land use and historical estimates of the deep infiltration of precipitation and applied water, recharge and discharge fluxes across the land surface, hydrologic budget, data requirements to estimate these flux terms, groundwater model calibration draft results, several charts, and project status.

**C. FINANCIAL REPORT**1. 2012-2013 Assessments Due December 21, 2012

Mr. Joswiak stated on November 21, 2012, Watermaster issued the standard assessments to the Appropriative and Non-Agricultural Pool members, and those per the Judgment are due 30 days from issuance, or December 21, 2012. Mr. Joswiak noted he sent out notifications on December 11, 2012, to the Pool members who had not paid yet.

2. Non-Agricultural Pool Stored Water Purchase (Payment #4) Due December 31, 2012

Mr. Joswiak stated per the Paragraph 31 Settlement Agreement the Non-Agricultural payment number 4 invoice was issued on November 30, 2012, and per the agreement the payment is due on or before December 31, 2012.

3. Watermaster Annual Audit (Presentation will be given at WM Board meeting 12-20-12)

Mr. Joswiak stated the Watermaster annual audit report has been finalized. Charles Fedak, from the Charles Z. Fedak & Company will be at the December 20, 2012, Watermaster Board meeting to provide a presentation on their findings. Mr. Joswiak stated after that meeting he will be posting those findings onto the Watermaster website.

Mr. Kavounas inquired to Mr. Joswiak about the penalty for parties paying their assessments late. Mr. Joswiak stated 10% and Mr. Kavounas reiterated it is 10% according to Watermaster rules and staff is making a concerted effort to collect payments on time.

**D. GM REPORT**1. Ninth Amendment to the Chino Basin Cyclic Storage Agreement

Mr. Kavounas stated Watermaster received a copy of the Cyclic Storage Agreement, which is an agreement that exists between MWD, IEUA, and Watermaster for a way of storing water in the basin. The Cyclic Storage Agreement came into being in 1978 and has been amended 8 times since then; this would be the ninth annual amendment. This allows MWD to store water primarily by delivering water to parties in the basin, who then back off from their pumping. According to Watermaster procedures staff needs to give at least a thirty day notice to the parties that Watermaster is considering renewing that agreement; Watermaster is at that stage of giving notice by making this report today. Mr. Kavounas stated Watermaster would like to take advantage of the thirty days and take an opportunity to meet with Rick Hansen, John Rossi, and Tom Love, who are representatives for the three MWD agencies, to discuss the Cyclic Storage Agreement, and the value it has to the basin, the provisions that are in the agreement, and whether we as a basin would benefit from any changes. Mr. Kavounas stated counsel Herrema will be assisting in this matter. Mr. Kinsey inquired if this agreement mentions a quantity in the storage amount. Mr. Kavounas stated it had been 100,000 acre-feet in the past; however, he does not believe it has a limit. Counsel Herrema stated there is a 100,000 acre-foot limit. Mr. Kinsey offered comment on this matter and reviewed some of its history.

**Added Comment:**

Mr. Kavounas stated members of the Appropriative Pool are most likely aware that Watermaster has obligations to conduct groundwater and surface water monitoring according to the Basin Plan Amendment. Mr. Kavounas stated the Basin Plan Amendment has been amended and has now been officially adopted by the Regional Water Quality Control Board and the State Water Board, and with that adoption the surface water monitoring obligations for Watermaster have changed. This change has reduced the monitoring dramatically from what the requirements were before. Mr. Kavounas stated the savings to Watermaster is expected to be approximately \$275,000 per a year. Mr. Kavounas stated this change was long overdue and staff, while Watermaster was waiting for the approval, had to continue monitoring according to the old monitoring protocol. Staff had tried to predict when that change would come into effect and how much we would be monitoring; we have had to conduct a couple rounds of additional monitoring which will put Watermaster

slightly over our budget for this year. Mr. Kavounas stated starting next year Watermaster will be seeing these new savings. Mr. Kavounas stated this is really good news.

2. Watermaster Office Holiday Schedule

Mr. Kavounas stated the Watermaster office will be closed from December 24, 2012, to January 1, 2013.

**IV. INFORMATION**

1. Cash Disbursements for November 2012

No comment was made.

**V. POOL MEMBER COMMENTS**

No comment was made.

**VI. OTHER BUSINESS**

No comment was made.

The regular open Appropriative meeting was convened to hold its confidential session at 10:25 p.m.

Chair Zvirbulis asked that the Watermaster General Manager attend the confidential session. It was noted the General Manager will be in attendance.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

1. Allocation of the \$75,000 Assessment for Legal Services

The confidential session concluded at 11:23 a.m.

The action from the confidential session was provided by Mr. Kavounas

Appropriative Pool agreed that this years' \$75,000 special assessment for legal services will be billed on a basis of "50% of operating safe yield and 50% of production" without setting precedent for any future special assessments

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, December 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, December 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, December 13, 2012	1:30 p.m.	Agricultural Pool Meeting
* Tuesday, December 18, 2012	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, December 20, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, December 20, 2012	9:00 a.m.	Advisory Committee Meeting
<del>Thursday, December 20, 2012</del>	<del>10:00 a.m.</del>	<del>CB RMPU Steering Committee Meeting</del> CANCELLED
**Thursday, December 20, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, January 3, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, January 10, 2013	9:00 a.m.	Annual & Election Appropriative Pool Meeting
Thursday, January 10, 2013	11:00 a.m.	Annual & Election Non-Ag Pool Conference Call Mtg.
Thursday, January 10, 2013	1:30 p.m.	Annual & Election Agricultural Pool Meeting
Thursday, January 17, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, January 17, 2013	9:00 a.m.	Annual Advisory Committee Meeting
Thursday, January 17, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Tuesday, January 22, 2013	9:00 a.m.	GRCC Meeting
Thursday, January 24, 2013	11:00 a.m.	Annual & Election Watermaster Board Meeting

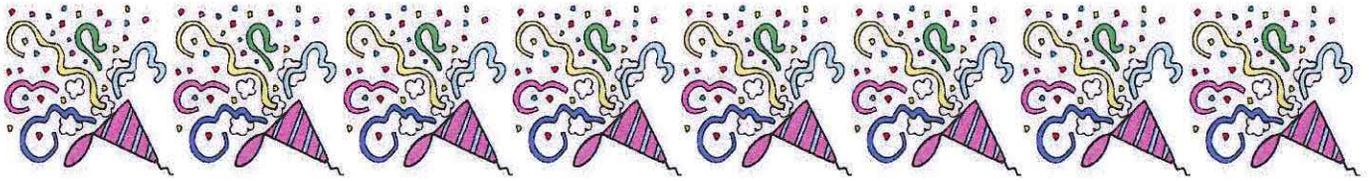
\* Recently added RMPU Steering Committee Meeting

\*\* Watermaster Board Meeting date change due to the Christmas Holiday schedule

Chair Zvirbulis adjourned the Appropriative Pool meeting at 11:23 a.m.

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

Minutes Appropriative: \_\_\_\_\_

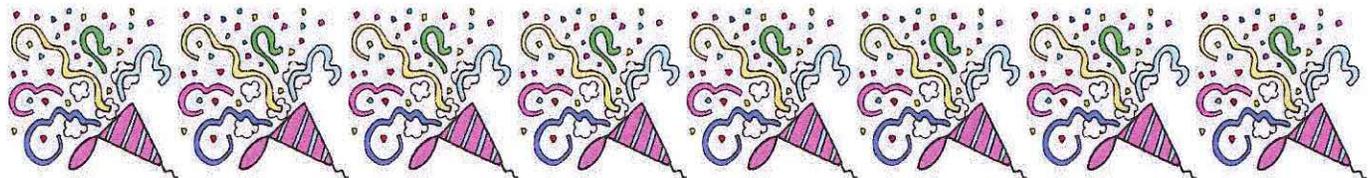


# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM ROUTINE

### A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on December 13, 2012



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL CONFERENCE CALL MEETING**  
December 13, 2012

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on December 13, 2012, at 11:00 a.m.

**NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER**

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Brian Geye	Auto Club Speedway

**NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL**

Dennis Poulsen	California Steel Industries
Tom O'Neill	Ontario City Non-Agricultural
Michael Sigsbee, alternate	Ontario City Non-Agricultural

**Watermaster Staff Present at Watermaster**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joe Joswiak	Chief Financial Officer
Janine Wilson	Recording Secretary

**Watermaster Board Counsel Present at Watermaster**

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
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**Watermaster Consultants Present at Watermaster**

Mark Wildermuth	Wildermuth Environmental Inc.
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**Non-Agricultural Pool Counsel Present on Call**

Allen Hubsch	Hogan Lovells US LLP
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**Others Present at Watermaster**

Dave Crosley	City of Chino
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Chair Bowcock called the Non-Agricultural Pool Conference Call meeting to order at 11:02 a.m.

**ROLL CALL**

Ms. Wilson called roll call.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held November 8, 2012

*Motion by Geye, second by O'Neill, and by unanimous vote*  
***Moved to approve the November 8, 2012 minutes***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of October 2012
2. Watermaster VISA Check Detail for the month of October 2012
3. Combining Schedule for the Period July 1, 2012 through October 31, 2012
4. Treasurer's Report of Financial Affairs for the Period October 1, 2012 through October 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2012 through October 31, 2012

*Motion by Geye, second by O'Neill, and by unanimous vote*

***Moved to receive and file the financial reports, without approval***

**II. BUSINESS ITEMS****A. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN**

Consider Staff Recommendation that the Pools Recommend that the Watermaster Board Adopt the Finding in the Wildermuth Report that Watermaster is in Substantial Compliance with the Recharge Master Plan

*Motion by Geye, second by O'Neill, and by unanimous vote*

***Moved to approve staff recommendation and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**B. WILDERMUTH ENVIRONMENTAL INC. CONTRACT WITH WATERMASTER**

Consider Authorizing the General Manager to Execute the Contract with WEI, Including Making Non-Substantive Changes to the Contract that May Arise During the Contract Language Finalization

*Motion by Poulsen, second by Geye, and by unanimous vote*

***Moved to approve staff recommendation and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**C. RMPU AMENDMENT – POTENTIAL RECHARGE PROJECTS AREA OF FOCUS**

Consider Approve Staff Moving Forward with the Collection/Development of Cost and Yield Information for Potential Recharge Projects Shown on the Attached List

*Motion by Geye, second by Poulsen, and by unanimous vote*

***Moved to approve staff moving forward with the collection/development of cost and yield information for potential recharge projects shown on the attached list. In case a preliminary estimate indicates the project cost would be greater than \$1,500 per acre-foot, then a detailed estimate will not be pursued, although the project will continue to be included in the 2010 RMPU Amendment in case it is later determined that a more detailed cost estimate should be developed and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**D. REQUEST FOR OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G"**

Mr. Kavounas gave a report.

No motion required for information only.

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

- 1. Motion for Physical Solution Transfer Rate Substitution  
This item was moved to be included in the confidential session.
- 2. Chino Court Closure  
Counsel Herrema gave a report.
- 3. Watermaster Processing of Applications  
Counsel Herrema gave a report.

**B. ENGINEERING REPORT**

- 1. Model Calibration Update  
Mr. Wildermuth gave a report.

**C. FINANCIAL REPORT**

- 1. 2012-2013 Assessments Due December 21, 2012  
Mr. Joswiak gave a report.
- 2. Non-Agricultural Pool Stored Water Purchase (Payment #4) Due December 31, 2012  
Mr. Joswiak gave a report.
- 3. Watermaster Annual Audit (Presentation will be given at WM Board meeting 12-20-12)  
Mr. Joswiak gave a report.

**D. GM REPORT**

- 1. Ninth Amendment to the Chino Basin Cyclic Storage Agreement  
Mr. Kavounas gave a report.
- 2. Watermaster Office Holiday Schedule  
Mr. Kavounas gave a report.

**IV. INFORMATION**

- 1. Cash Disbursements for November 2012  
No comment was made.

**V. POOL MEMBER COMMENTS**

No comment was made.

**VI. OTHER BUSINESS**

No comment was made

The regular open Non-Agricultural Pool meeting was convened to hold its confidential session at 11:33 a.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

The confidential session concluded at 11:38 a.m.

There was no reportable action.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, December 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, December 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting

Thursday, December 13 2012	1:30 p.m.	Agricultural Pool Meeting
* Tuesday, December 18, 2012	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, December 20, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, December 20, 2012	9:00 a.m.	Advisory Committee Meeting
<del>Thursday, December 20, 2012</del>	<del>10:00 a.m.</del>	<del>CB RMPU Steering Committee Meeting</del> CANCELLED
**Thursday, December 20, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, January 3, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, January 10, 2013	9:00 a.m.	Annual & Election Appropriative Pool Meeting
Thursday, January 10, 2013	11:00 a.m.	Annual & Election Non-Ag Pool Conference Call Mtg.
Thursday, January 10, 2013	1:30 p.m.	Annual & Election Agricultural Pool Meeting
Thursday, January 17, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, January 17, 2013	9:00 a.m.	Annual Advisory Committee Meeting
Thursday, January 17, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Tuesday, January 22, 2013	9:00 a.m.	GRCC Meeting
Thursday, January 24, 2013	11:00 a.m.	Annual & Election Watermaster Board Meeting

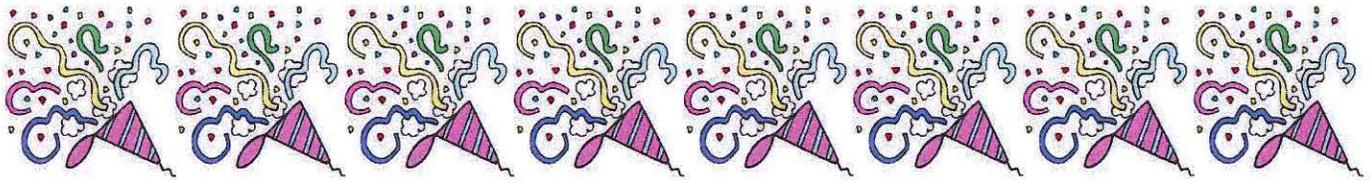
\* Recently added RMPU Steering Committee Meeting

\*\* Watermaster Board Meeting date change due to the Christmas Holiday schedule

Chair Bowcock adjourned the Non-Agricultural Pool meeting at 11:39 a.m.

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

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

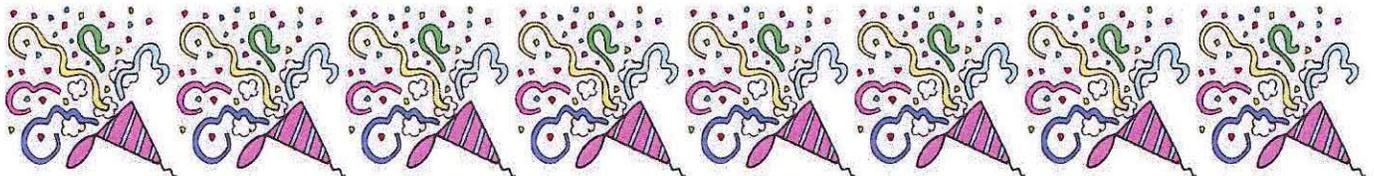


# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool Meeting held on December 13, 2012



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**AGRICULTURAL POOL MEETING**

*December 13, 2012*

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 13, 2012, at 1:30 p.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Gene Koopman	Milk Producers Council
Rob Vanden Heuvel	Milk Producers Council
Jeff Pierson	Crops
Carol Boyd	State of California, Department of Justice

**Watermaster Board Members Present**

Geoffrey Vanden Heuvel	Dairy
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**Watermaster Staff Present**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

**Watermaster Consultants Present**

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

**Others Present**

Tracy Egoscue	Egoscue Law Group
Dave Crosley	City of Chino
Rick Reese	Amec
Brian Dickenson	Chino Desalter Authority

Chair Feenstra called the Agricultural Pool meeting to order at 1:37 p.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Special Confidential Agricultural Pool Meeting held November 6, 2012
2. Minutes of the Agricultural Pool Meeting held November 8, 2012

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of October 2012
2. Watermaster VISA Check Detail for the month of October 2012
3. Combining Schedule for the Period July 1, 2012 through October 31, 2012
4. Treasurer's Report of Financial Affairs for the Period October 1, 2012 through October 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2012 through October 31, 2012

*Motion by Koopman, second by deBoom, and by unanimous vote*

***Moved to approve Consent Calendar items A through B, as presented***

## **II. BUSINESS ITEMS**

### **A. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN**

Mr. Kavounas stated the Peace II Agreement required the Recharge Master Plan Update (RMPU) to be done in 2010, and that every year after that the Watermaster make a finding that we are in compliance with our Recharge Master Plan. The first such finding was made last year, and the finding was that we do have enough recharge capacity to continue operating the Chino Basin after the 400,000 acre-foot overdraft is finished. Mr. Kavounas stated the action is basically giving the parties a green light to continue using that 400,000 acre-feet; this is just for that finding and does not have to be reported to the court, and that is what this committee is being asked to recommend that to the Watermaster Board.

*Motion by Pierson, second by Koopman, and by unanimous vote*

***Moved to approve that the Watermaster Board Adopt the Finding in the Wildermuth Report that Watermaster is in Substantial Compliance with the Recharge Master Plan Update, as presented***

### **B. WILDERMUTH ENVIRONMENTAL INC. CONTRACT WITH WATERMASTER**

Mr. Kavounas stated as the Pools are aware Watermaster has a contract with WEI to have services performed that are technical in nature. Watermaster does not have an in-house capability for those services so Watermaster contracts that work with WEI. The WEI contract has been in place for a long time and staff has taken a good hard look at the capabilities of WEI and staff believes WEI is very capable to continue to provide those services. Mr. Kavounas stated staff has also looked at the quality of their work and, their responsiveness, and staff is extremely pleased with the services WEI offers. Dialog has taken place between Watermaster and WEI, and WEI is willing to work with Watermaster as their technical engineer; a mutual agreement on a term for the contract was agreed upon. Mr. Kavounas stated staff is recommending approval of this three-year contract, as budgeted, to the Watermaster Board for their final approval. The benefit of this contract is continuing to have the services of someone who is knowledgeable, capable and qualified, and for the three-year term WEI has agreed to keep their billing rates flat, at the same rate as what they are right now in 2012. Mr. Kavounas stated both the Appropriative and Non-Agricultural Pools approved the WEI contract at their meetings today.

Mr. Geoffrey Vanden Heuvel referenced the redline version of the WEI contract regarding the ownership of the work product and the model and asked for further explanation. Mr. Kavounas stated there are no changes to the ownership of the model; the model has been developed by WEI, and paid for and owned by Watermaster. Mr. Kavounas stated as a result of this agreement the model will continue to belong to Watermaster; the intent in the agreement is to clarify that if Watermaster uses the model, WEI is not liable for the results and would like to be informed of any results. Mr. Kavounas stated this agreement also notes that if WEI wants to use the model for their own purposes, they would also have access to the model – but the model clearly belongs to the Chino Basin Watermaster. Mr. Kavounas stated the second set of changes is clarifying that HydroDaVE (HD), which is an exceptional tool that WEI has developed at their expense, is a tool that does not belong to Watermaster and WEI has offered the consultant protection from any future claims Watermaster might make on that program. Mr. Kavounas stated HD is not something Watermaster has paid for and is something that WEI has developed and paid for. Mr. Kavounas noted WEI, as a courtesy to Watermaster, has given Watermaster a free license to use HD, which is a great advantage to Watermaster. Mr. Geoffrey Vanden Heuvel stated what Mr. Kavounas just explained is very different from what he understood regarding the ownership of the groundwater model or the term/program HD.

Chair Feenstra stated he was very glad Mr. Geoffrey Vanden Heuvel brought this up because he was unclear on this matter; however, he did have an opportunity to speak to Mr. Wildermuth prior to this meeting and he now has a better understanding.

Mr. Pierson stated the model has always been owned by Watermaster; however, HD is owned by WEI and they allow us to use it.

Mr. Geoffrey Vanden Heuvel asked that Mr. Wildermuth explain what HD is. Mr. Wildermuth stated HD is a piece of software and it's a service that allows you to visualize time series data charts, maps and things of that sort, there is a relational database that sits underneath it which has all of Watermaster's data in it. Mr. Wildermuth stated HD is just a tool which allows you to manipulate and visualize the data; it does quality control checks on data when it is loaded into it and it is a very exquisite and powerful tool. Mr. Wildermuth stated WEI is now marketing HD across the world and normally WEI charges \$15,000 for a license, which allows three people to use it and one person to manage data in it. Mr. Wildermuth offered further information on HD; however, WEI allows Watermaster to use it for free.

A lengthy discussion regarding the groundwater model and HD ensued. It was noted the Agricultural Pool requested a demonstration/presentation on HD in the near future.

Counsel Herrema stated what is in this agreement, in terms of who owns what with regard to the groundwater model and HD, has been in place since 2008, and this is being presented in a redline format; however, the baseline agreement from which the redline was created is the 2008 agreement under which Watermaster has been preceding for the last five-years. Counsel Herrema stated the contract states the groundwater model is owned by Watermaster and HD is owned by WEI.

Ms. Boyd inquired if there are any proprietary materials still owned by WEI that are required to run the groundwater model. Mr. Wildermuth stated when WEI is done calibrating and our staff is making a series of planning runs WEI can then turn these files over to Watermaster and they can manipulate those and continue to run the groundwater model. Mr. Kavounas stated Watermaster would have to have the right person on staff to do that task; however, another consultant with experience could run the model.

Ms. Egoscue stated she thinks it is amazing that WEI is holding their rates steady for the next three years. Ms. Egoscue offered comment on other models and inquired if the Watermaster model is going to be, or can be, shared with others since Watermaster will be assuming liability once it is turned over to the Watermaster. Counsel Herrema stated in the past the model has been made available to other consultants and some of the parties' consultants, and they were asked to sign a similar type of indemnification which releases Watermaster and WEI from any liability related to their use of the model. Ms. Egoscue inquired if counsel and/or staff think it's worth referring to in the WEI agreement, if that is going to be the general practice of allowing others to use the model; that language would add more clarification. Counsel Herrema stated it would not hurt to have that language in it. Mr. Kavounas stated staff will take that good comment/point from Ms. Egoscue into consideration. Ms. Egoscue offered further comment on contracts.

Chair Feenstra inquired who determines what can be released to whom with regard to this model. Chair Feenstra stated Watermaster owns what they pay for, we should and will indemnify WEI; however, the information within that model that pertains to Watermaster who makes the decision what can be given to or used by anyone. Mr. Kavounas stated it would be the Chino Basin Watermaster General Manager. Mr. Kavounas stated he would not make that decision without discussing this with Watermaster legal counsel to ensure we are covered legally, depending on who is asking and why they're asking. Mr. Kavounas stated Watermaster wants to promote good management in the Chino Basin, and to the extent that it would help sharing it, Watermaster will share it.

Ms. Pierson stated he would assume that all parties to the Judgment would have the opportunity to come to the General Manager and ask, if they have the capability, to use the model to make a run with it. Mr. Pierson stated he would assume that if it was a party that had no concept on how to operate the model, and then it would be a cost to that party to have WEI run it given whatever parameters they are trying to see. Mr. Pierson stated anyone else that is not associated with the Judgment then should have cause to really want to run the model, and that is where he sees the question.

Mr. Kavounas stated, based on what he understands about the models, it is not easy to pick up somebody else's groundwater model, with detailed information and knowledge, and just give it to their modeler to run. Mr. Kavounas offered further comment on the complexity of the Watermaster groundwater model.

Mr. Pierson inquired about WEI's rates for 2011. Mr. Wildermuth stated WEI had lowered its rates for Watermaster in prior years, and restored them in 2012.

*Motion by Vanden Heuvel, second by Pierson, and by unanimous vote*

***Moved to authorize the General Manager to execute the contract with Wildermuth Environmental Inc., including making non-substantive changes to the contract that may arise during the contract language finalization, as presented***

#### **C. RMPU AMENDMENT – POTENTIAL RECHARGE PROJECTS AREA OF FOCUS**

Mr. Kavounas stated according to RMPU Amendment schedule staff wanted to bring some of the key steps forward through the Pools, Advisory Committee, and Watermaster Board process. Mr. Kavounas stated one of the first questions that staff came across is how much effort should be spent on refining projects, and with the discussions that took place with the Steering Committee it is staffs view also, that we should take a look at all the possibilities basin wide before any refining is done. The Steering Committee had strong advice to not go wild and look at projects regardless of cost; they advised that there should be some limitation of costs and staff has tried to capture that in the recommendation. Mr. Kavounas stated the recommendation is to approve, move forward, and gather cost and yield data for all projects unless a preliminary estimate seems to be at \$1,500 per acre-foot or higher in range. Mr. Kavounas explained the high acre-foot range in greater detail. Mr. Kavounas stated that is what is in the staff letter being presented today; however, it was slightly modified at the Appropriative Pool meeting today. Mr. Kavounas stated the modification discussion was that they do not want to lose sight of those projects because there may be some of them, in some areas, that Watermaster may still want to pursue. Mr. Kavounas offered some examples that were given at the Appropriative Pool meeting. Mr. Kavounas stated the motion which was approved by the Appropriative Pool Committee and is being recommended to the Agricultural Pool as well is to approve staff moving forward with the collection/development of cost and yield information for potential recharge projects, as shown on the attached list. In case a preliminary estimate indicates the project cost would be greater than \$1,500 per acre-foot, then a detailed estimate will not be pursued, although the project will continue to be included in the 2010 RMPU Amendment in case it is later determined that a more detailed cost estimate should be developed.

Mr. Pierson stated that is not what is indicated in the staff report right now; the staff report just has an economic threshold without the caveat that if any one of the zones has a priority need, then it would be continued as an item of projects. Mr. Kavounas read the recommendation written on the staff letter in the meeting package and noted it means all the projects. Mr. Kavounas asked the Committee members to turn to page 84 in the meeting package and he explained several of the paragraphs in greater detail. Mr. Kavounas noted with regard to the \$1,500 per acre-foot concern in the staff letter wording which states, "Projects with initial cost estimates greater than \$1,500 per acre-foot will be dropped from further consideration at this time" staff is going to revise that language to now say, "They will be preserved as far as the

process but not further analyzed.”

Ms. Egoscue inquired if it is really just your prioritizing those that are less than \$1,500 an acre-foot. Mr. Kavounas stated no, this is still the effort process on how much time we want to spend developing cost information, and he noted Watermaster is not choosing projects at this time and are defining how much is a project worth. Mr. Kavounas stated the next part of the effort is evaluation criteria, and cost and yield information is just one of the many evaluation criteria.

Mr. Vanden Heuvel stated there are Agricultural Pool members here who attend the RMPU meetings on a regular basis and maybe a report could be given at a future meeting on the history of this item, what the committee is all about, and some of the projects that are being looked at so that this committee is brought up to speed. Mr. Vanden Heuvel stated he appreciates that some sort of a cost analysis be done on yield, which makes perfect sense to have that information available. Mr. Vanden Heuvel stated when one is looking at yield, he would assume some of these projects have an intensive capital cost up front with yields and perpetuity. Mr. Vanden Heuvel inquired what the yield is over the first five-years, ten-years, or life of the project because there could be some investments that may not be \$1,000 an acre-foot or \$1,500 in the first five-years; however, Watermaster is spending money now to get water in the next fifty to one hundred years, and is that built into that analysis as well. Mr. Wildermuth stated \$1,500 is a unit cost, so that is \$1,500 an acre-foot and that would include amortized capital costs and O&M, so it would be all costs in, turned into a unit cost. Mr. Wildermuth offered further comment on Mr. Vanden Heuvel's comments on costs.

Mr. Koopman discussed the rising price of water with regard to Metropolitan Water District's rates and availability of water, and noted a lot of money has been spent on capital.

Chair Feenstra stated he has asked Mr. Pete Hall to attend all RMPU meetings and to report back to this committee; however, today he was unable to attend this meeting. Chair Feenstra stated he believes having Mr. Hall attend those meetings is of great benefit to this committee. Chair Feenstra stated he would recommend that a motion be passed to have the Watermaster staff move forward with the collection and development of the costs. Ms. Boyd asked the chair if that is as clarified and Chair Feenstra stated as clarified.

Mr. Geoffrey Vanden Heuvel inquired what the anticipated cost for staff and consultant time to analyze these projects and prepare a cost estimate is. Mr. Kavounas stated this is something that was covered in a Watermaster staff report a few months ago; money is in the budget to do the RMPU Amendment and staff believes, at this time, this might be over budget. Mr. Kavounas stated if this is over Watermaster's budget a budget amendment will come through the regular Watermaster process for approval around the February timeframe. Mr. Geoffrey Vanden Heuvel stated it looks like there are about twenty-five projects here. Mr. Wildermuth stated it is more like fifty. Mr. Geoffrey Vanden Heuvel stated with those amounts of projects does staff think it will be \$10,000, \$50,000, or \$5,000 in analysis; what does it cost to analyze all of these projects. Mr. Kavounas stated Inland Empire Utilities Agency (IEUA) will analyze some of them and IEUA is going to share that load and not charge Watermaster, and then Watermaster will analyze some. Mr. Kavounas stated his best estimate for the total RMPU Amendment is \$80,000 for the year, which is budgeted for.

A discussion regarding this cost ensued.

Mr. Geoffrey Vanden Heuvel thanked Mr. Kavounas for the phenomenal job over the few months on this large and time consuming project because prior to involvement the project, in his opinion, was completely chaotic.

Mr. Kavounas thanked Watermaster staff, WEI staff, and legal counsel for tremendous effort and assistance on this project.

*Motion by Boyd, second by Pierson, and by unanimous vote  
Moved to approve staff recommendation as clarified, as presented*

**D. REQUEST FOR OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G"**

Mr. Kavounas stated this item is following Watermaster's procedure and is asking the Overlying Non-Agricultural Pool to let Watermaster know how much water might be available in advance of the Notice of Availability. This does not require any action today, this is just providing notice.

Mr. Koopman offered comment on the Metropolitan Water District (MWD) replenishment rate and inquired if this rate will have to be renegotiated. Mr. Kavounas stated that is correct.

Mr. Geoffrey Vanden Heuvel stated he believes he has recently seen some development on the substitute replenishment rate and he noted that in the future Watermaster should consider some sort of a more competitive way to price this water out. Mr. Geoffrey Vanden Heuvel offered further comment on the replenishment rate. Mr. Kavounas stated he could not agree more with Mr. Geoffrey Vanden Heuvel's comments. Mr. Kavounas stated this particular mechanism for making water available is spelled out in the Judgment as amended by the Peace Agreement and the Peace II Agreement, and the ability to change the rate, as was done this year, is spelled out in the Paragraph 31 Settlement. Mr. Kavounas stated where comments are extremely helpful and constructive are in the way Watermaster purchases water for replenishment purposes; staff is looking for a competitive way to price water.

Mr. Koopman offered comment on this matter and noted how important it is that Watermaster and the parties need to look at how we all can get water into the Chino Basin.

Chair Feenstra stated he recently had an opportunity to speak with Mr. Kavounas and discuss his involvement with the Agricultural Pool. Chair Feenstra offered final comment on this matter.

No motion was made - this item was for information only.

**E. OLD BUSINESS**

**1. Storage Update**

Mr. Kavounas stated this item is listed on the agenda as a storage update and there are actually three parts to this report which are listed in the staff letter that he will be discussing. Mr. Kavounas stated number one is that the Agricultural Pool asked some questions coming out of the last special meeting, specifically asking for the quantification of the volume of water in storage, a resolution of water storage agreement issues, and to renew pursuit of opportunities for larger storage and recovery programs for the collective benefit of the basin just as Mr. Koopman has just been discussing. Mr. Kavounas stated he believes in giving the Pools answers to their questions as soon as possible, and staff has prepared a response which is presented as an attachment to the memo. Mr. Kavounas stated this is the latest version of the Watermaster Assessment Package that shows how the water in storage is calculated and the storage balances for the parties. Mr. Kavounas stated staff hopes this is responsive of what the Agricultural Pool was asking for. Mr. Kavounas stated number two for this report is something that Watermaster will be taking up in 2013 and he noted this does not have a simple solution, and there may be a need to change the way staff tracks and accumulates storage today. Mr. Kavounas stated that will take some time to negotiate with all the parties that are involved in this matter. Mr. Kavounas stated number three of this report is something that is ongoing and long range and staff intends to pursue those opportunities and report back on a regular basis.

Chair Feenstra inquired if Mr. Koopman is satisfied with the way staff is answering this request.

Mr. Koopman stated he believes there was a date mentioned in the Peace II Agreement that all the storage agreements were to be in written form, and that appears not to be accomplished at this time. Mr. Koopman inquired when staff thought this is going to be finished and noted IEUA is also the same question with regard to storage in the basin.

Mr. Kavounas stated the Peace II Agreement suggested that the Storage Agreements were automatically extended to 2010, and they have lapsed; however, from a practical point of view, that means there is a document that needs to be corrected. Mr. Kavounas stated nothing physically has happened to the water that is in storage. Mr. Kavounas stated he is looking at tackling that issue and if he could bring it to resolution quickly he would; however, at this time this is another thing which needs to be resolved and right now the RMPU Amendment has a clear deadline, which takes priority. Mr. Kavounas stated as soon as that amendment is finished, staff can begin working on storage issues. Mr. Kavounas stated he is encouraged by the discussions he has personally had with the Appropriators. The Appropriators are interested in maximizing the use of the basin in a positive collaborative sense; they are looking at some potential changes and staff is looking to help them. Counsel Herrema stated those storage agreements, while they may not be active to introduce additional water to storage, there are provisions to state if their term lapses the water, nonetheless the stored water remains the property of those parties who placed it in the storage.

Mr. Koopman stated at the end of 2010 the amount of water they had in storage, at that date they have valid agreement with it, and it's not any water they would add after that, that doesn't have a Storage Agreement, and then what happens to that water. Counsel Herrema stated they don't have an agreement to add any water to their storage accounts. Mr. Koopman inquired what if they did. Counsel Herrema stated Watermaster is tracking that. Mr. Koopman stated on an annual basis the Agricultural Pool transfers water to the appropriators on a percentage basis on water the Agricultural Pool has not used in the previous year. Mr. Koopman stated he believes that some of that water is going to some parties that exceeds the amount of water they had in storage at the end of 2010. Counsel Herrema stated he does not know on a technical standpoint whether that is true or not. Mr. Geoffrey Vanden Heuvel stated excess carryover storage is where that shows up. Ms. Maurizio stated that will be carried over. Mr. Koopman inquired when that request for storage can be considered. Mr. Kavounas stated as soon as possible and there is no certain Mr. Kavounas offered further comment on this and noted this is a significant issue and it will be addressed.

Mr. Geoffrey Vanden Heuvel inquired about the local excess carryover storage, as Watermaster's rules and the Judgment are written, is there any time limit set on this excess carryover storage. Mr. Geoffrey Vanden Heuvel expanded on his inquiry.

Counsel Herrema stated this may be a labeling issue; however, in Mr. Geoffrey Vanden Heuvel's example the 500 acre-feet, each of those two 500 acre-foot portions that were not used, would initially be held in carryover storage which does not require a Storage Agreement. Counsel Herrema stated once the carryover balance exceeds the quantity that is someone's annual right (at least that excess portion) that is considered excess carryover. Counsel Herrema stated the Rules and Regulations, and the governing documents require a Storage Agreement for excess carryover. Counsel Herrema stated, to date, there have been no Storage Agreements for excess carryover. Mr. Geoffrey Vanden Heuvel inquired if that is because they are not needed or they have just not been dealt with it. Ms. Maurizio stated that was the intent of the ones that were committed to 2010. Mr. Geoffrey Vanden Heuvel stated it needs to be dealt with.

Counsel Herrema stated there was a detailed presentation given at the July RMPU Steering Committee meeting that gives very clear explanation of all the different quantities of water in

storage, what requires an agreement, and where we are in terms of who has agreements and what agreements have lapsed.

A lengthy discussion regarding Mr. Geoffrey Vanden Heuvel's questions/concerns ensued.

### III. REPORTS/UPDATES

#### A. LEGAL REPORT

##### 1. Motion for Physical Solution Transfer Rate Substitution

Counsel Herrema stated the first item is for the court's approval of the temporary substitute rate for physical solution transfers pursuant to Exhibit G, and these are the same transfers that are the subject of the last informational item. Counsel Herrema stated in November 2012 through Watermaster process the Pools, Advisory Committee, and the Watermaster Board unanimously approved a substitute rate for the replenishment rate that is identified in Exhibit G, based on the fact that MWD has anticipated not having a replenishment rate, let alone replenishment program in 2013. Counsel Herrema stated Watermaster legal counsel filed with the court a motion requesting approval of that substitute rate on November 20, 2012. Counsel Herrema stated Watermaster is requesting the court's approval because it would require a deviation from the Judgment, and it was indicated in the motion because of the unanimity in the approval it was not believed a court hearing was necessary; however, if it was the courts' pleasure to have a hearing that it would be scheduled before the end of 2012. Counsel Herrema stated the reason for the deadline for the court, by the end of the year, is so that there could be certainty on that substitute rate prior to the December 31, 2012 deadline for the Overlying Non-Agricultural Pool members to make their water available. Counsel Herrema stated Judge Reichert requested a hearing be noticed for Friday, December 21, 2012 at 10:30 a.m. Counsel Herrema stated it is not clear why the court requested a hearing other than the Judge either wants to see Watermaster or has some questions about the proposed rate substitution. Counsel Herrema stated Watermaster legal counsel will be coordinating with the Appropriative and Overlying Non-Agricultural Pool's legal counsel in appearing at that hearing to answer any questions the court may have.

##### 2. Chino Court Closure

Counsel Herrema stated the Chino courthouse will be closing its facility, and staff and counsel has learned from the court clerk that Judge Reichert will remain as Watermaster's Judge and he will be moving this case and his services to the Rancho Cucamonga courthouse.

##### 3. Watermaster Processing of Applications

Counsel Herrema stated this item is related to some questions that were brought up during the processing of the Vulcan Pit Recharge Application by members of the Pools regarding what Watermaster's obligations are in regard to applications. In response to a request from the General Manager, Watermaster legal counsel has prepared a summary memorandum that explains what those obligations are as they are spelled out in the Judgment, the Peace Agreements, and the Rules & Regulations. Counsel Herrema stated that memorandum is available on the back table and he is available to discuss any questions by members of the Pool.

#### B. ENGINEERING REPORT

##### 1. Model Calibration Update

Mr. Kavounas stated Mr. Wildermuth will be giving a presentation on the model calibration workshop which was held on November 27, 2012. Mr. Wildermuth gave the Update of the Chino Basin Groundwater Model and Evaluation of Basin Dynamics Draft Calibration Results presentation. This presentation covered questions to be answered, what work has been done to answer these questions, geometry and aquifer properties suggested by new borehole data and addition of Glen Avon/Stringfellow-area Paleo Channel, several maps, improvements in the resolution of land use and historical estimates of the deep infiltration of precipitation and applied water, recharge and discharge fluxes across the land surface,

hydrologic budget, data requirements to estimate these flux terms, groundwater model calibration draft results, several charts, and project status. Chair Feenstra inquired about some of the diagrams showing activity in 1980 timeframe. Mr. Wildermuth pulled up a diagram and discussed what Chair Feenstra was referencing. Mr. Wildermuth continued with the presentation. A discussion regarding this presentation, information, and water capture presented ensued.

### C. FINANCIAL REPORT

1. 2012-2013 Assessments Due December 21, 2012

Mr. Joswiak stated on November 21, 2012, Watermaster issued the standard assessments to the Appropriative and Non-Agricultural Pool members, and those per the Judgment are due 30 days from issuance, or December 21, 2012. Mr. Joswiak noted he sent out notifications on December 11, 2012, to the Pool members who had not paid yet.

2. Non-Agricultural Pool Stored Water Purchase (Payment #4) Due December 31, 2012

Mr. Joswiak stated per the Paragraph 31 Settlement Agreement the Non-Agricultural payment number 4 invoice was issued on November 30, 2012, and per the agreement the payment is due on or before December 31, 2012.

3. Watermaster Annual Audit (Presentation will be given at WM Board meeting 12-20-12)

Mr. Joswiak stated the Watermaster annual audit report has been finalized. Charles Fedak, from the Charles Z. Fedak & Company will be at the December 20, 2012, Watermaster Board meeting to provide a presentation on their findings. Mr. Joswiak stated after that meeting he will be posting those findings onto the Watermaster website.

#### Added Comment:

Chair Feenstra inquired about balances due and our Watermaster's collections in good order. Mr. Joswiak stated yes they are.

### D. GM REPORT

1. Ninth Amendment to the Chino Basin Cyclic Storage Agreement

Mr. Kavounas stated Watermaster received a copy of the Cyclic Storage Agreement which is an agreement that exists between MWD, IEUA, and Watermaster for a way of storing water in the basin. The Cyclic Storage Agreement came into being in 1978 and has been amended 8 times since then; this would be the ninth annual amendment. This allows MWD to store water primarily by delivering water to parties in the basin, who then back off from their pumping. According to Watermaster procedures staff needs to give at least a thirty day notice to the parties that Watermaster is considering renewing that agreement; Watermaster is at that stage of giving notice by making this report today. Mr. Kavounas stated Watermaster would like to take advantage of the thirty days and take an opportunity to meet with Rick Hansen, John Rossi, and Tom Love, who are representatives for the three MWD agencies, to discuss the Cyclic Storage Agreement, and the value it has to the basin, the provisions that are in the agreement, and whether we as a basin would benefit from any changes. Mr. Kavounas stated counsel Herrema will be assisting in this matter. Mr. Koopman inquired if this was just a simple extension or does this reopen negotiations. Mr. Kavounas stated this is a simple extension and that is what gave him concern even though there was not a lot of change in it. Mr. Kavounas stated he wants to take the time to ensure the contract is in the best interest of Watermaster.

#### Added Comments:

Mr. Kavounas stated members of the Agricultural Pool are most likely aware that Watermaster has obligations to conduct groundwater and surface water monitoring according to the Basin Plan Amendment. Mr. Kavounas stated the Basin Plan Amendment has been amended and has now been officially adopted by the Regional Water Quality

Control Board and the State Water Board, and with that adoption has changed the surface water monitoring obligations for Watermaster. This change has reduced the monitoring dramatically from what the requirements were before. Mr. Kavounas stated the savings to Watermaster is expected to be approximately \$275,000 per year. Mr. Kavounas stated this change was long overdue and staff, while Watermaster was waiting for the approval, had to continue monitoring according to the old monitoring protocol. Staff had tried to predict when that change would come into effect and how much we would be monitoring; staff has had to conduct a couple of rounds of additional monitoring which will put Watermaster slightly over our budget for this year. Mr. Kavounas stated starting next year Watermaster will be seeing this new savings. Mr. Kavounas stated this is really good news.

Mr. Kavounas stated Watermaster received notice after the posting of the agenda from the Regional Water Quality Control Board (RWQCB) announcing a hearing on December 14, 2012 in Loma Linda on tentative waste discharge requirements for concentrated animal feeding operations. Mr. Kavounas stated this letter came on December 4, 2012 while he was at the ACWA Conference. Mr. Kavounas stated staff is attending this hearing as he is sure many from the Agricultural Pool Committee members will be attending. Mr. Kavounas stated if Watermaster has comments, those will be submitted by the due date around January 21, 2013. Mr. Rob Vanden Heuvel stated this is in an existing general permit that all the dairies in the Chino Basin operate under, which expired in September 2012; this will be for the drafting of a new five-year permit. Mr. Rob Vanden Heuvel stated he has been in contact with the RWQCB staff as well as some of the environmental community. Mr. Rob Vanden Heuvel stated a draft of the new five-year general permit for dairies has been sent out. Mr. Rob Vanden Heuvel offered comment on the differences in the new five-year permit. A discussion regarding this added comment ensued. Chair Feenstra stated the Agricultural Pool will assist in any way needed for agricultural. Mr. Kavounas asked that Mr. Rob Vanden Heuvel please share his gathered information on this matter at a later meeting.

2. Watermaster Office Holiday Schedule

Mr. Kavounas stated the Watermaster office will be closed from December 24, 2012, to January 1, 2013.

**E. AGRICULTURAL POOL LEGAL COUNSEL REPORT**

Ms. Egoscue stated her comments today are for confidential session only.

**IV. INFORMATION**

1. Cash Disbursements for November 2012

No comment was made.

**V. POOL MEMBER COMMENTS**

No comment was made.

**VI. OTHER BUSINESS**

No comment was made.

The regular open Agricultural Pool meeting was convened to hold its confidential session at 3:22 p.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

The confidential session concluded at 3:46 p.m.

No action was reported.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, December 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, December 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, December 13, 2012	1:30 p.m.	Agricultural Pool Meeting
* Tuesday, December 18, 2012	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, December 20, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, December 20, 2012	9:00 a.m.	Advisory Committee Meeting
<del>Thursday, December 20, 2012</del>	<del>10:00 a.m.</del>	<del>CB RMPU Steering Committee Meeting</del>
CANCELLED		
**Thursday, December 20, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, January 3, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Thursday, January 10, 2013	9:00 a.m.	Annual & Election Appropriative Pool Meeting
Thursday, January 10, 2013	11:00 a.m.	Annual & Election Non-Ag Pool Conference Call Mtg.
Thursday, January 10, 2013	1:30 p.m.	Annual & Election Agricultural Pool Meeting
Thursday, January 17, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, January 17, 2013	9:00 a.m.	Annual Advisory Committee Meeting
Thursday, January 17, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Tuesday, January 22, 2013	9:00 a.m.	GRCC Meeting
Thursday, January 24, 2013	11:00 a.m.	Annual & Election Watermaster Board Meeting

\* Recently added RMPU Steering Committee Meeting

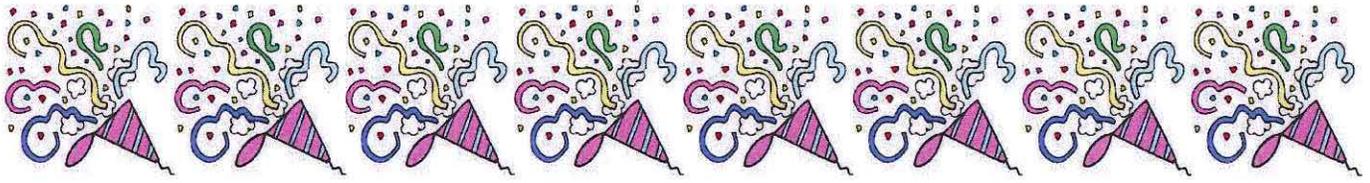
\*\* Watermaster Board Meeting date change due to the Christmas Holiday schedule

Chair Feenstra adjourned the Agricultural Pool meeting at 3:46 p.m.

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

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

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# CHINO BASIN WATERMASTER

## II. CONSENT CALENDAR (App & Ag Pool)

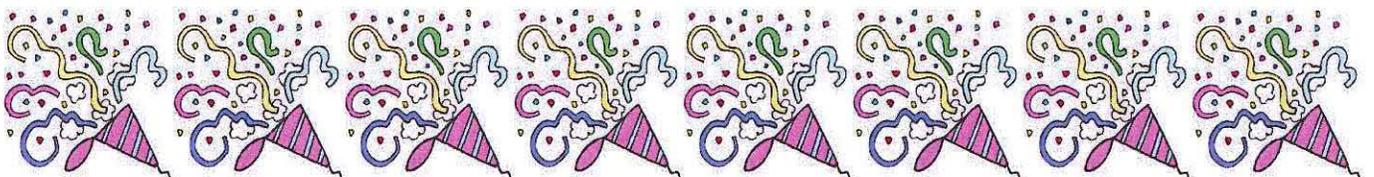
### B. FINANCIAL REPORTS

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

## II. BUSINESS ITEM ROUTINE (Non-Ag Pool)

### B. FINANCIAL REPORTS

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





# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1 (November 30, 2012)

### SUMMARY

**Issue** – Record of cash disbursements for the month of November 2012.

**Recommendation** – Staff recommends the Cash Disbursements for November 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

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

### DISCUSSION

Total cash disbursements during the month of November 2012 were \$346,584.13. The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$124,055.85 (check number 16498 dated November 26, 2012); Eurofins Eaton Analytical in the amount of \$36,345.00 (check number 16486 dated November 26, 2012); and ACWA in the amount of \$14,370.00 (check number 16499 dated November 28, 2012).

### Actions:

January 10, 2013 Appropriative Pool –  
January 10, 2013 Non-Agricultural Pool –  
January 10, 2013 Agricultural Pool –  
January 17, 2013 Advisory Committee –  
January 24, 2013 Watermaster Board –

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	11/01/2012	16431	CAGLE'S APPLIANCE CENTER		1012 · Bank of America Gen'l Ckg	
Bill	11/01/2012			Replacement refrigerator in lunch room	6038 · Other Office Equipment	802.62
TOTAL						802.62
Bill Pmt -Check	11/06/2012	16432	APPLIED COMPUTER TECHNOLOGIES	2085	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	2085		Database services - October 2012	6052.2 · Applied Computer Technol	3,056.60
TOTAL						3,056.60
Bill Pmt -Check	11/06/2012	16433	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Appro Pool Mtg		10/11/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	10/12/2012	10/12 Basin Tour		10/12/12 Basin Tour	6311 · Board Member Compensation	125.00
Bill	10/18/2012	10/18 RMPU		10/18/12 RMPU Meeting	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	11/06/2012	16434	CALPERS 457 PLAN	Payroll and Taxes for 10/14/12-10/27/12	1012 · Bank of America Gen'l Ckg	
General Journal	10/27/2012	10/27/2012	CALPERS 457 PLAN	457 Employee Deductions for 10/14/12-10/27/12	2000 · Accounts Payable	2,764.86
TOTAL						2,764.86
Bill Pmt -Check	11/06/2012	16435	COMPUTER NETWORK	85602	1012 · Bank of America Gen'l Ckg	
Bill	10/26/2012	85802		Replace Executive Assistant's broken computer	6055 · Computer Hardware	1,562.38
TOTAL						1,562.38
Bill Pmt -Check	11/06/2012	16436	CURATALO, JAMES		1012 · Bank of America Gen'l Ckg	
Bill	10/12/2012	10/12 Basin Tour		10/12/12 Basin Tour	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	11/06/2012	16437	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 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	11/06/2012	16438	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	11/06/2012	16439	ELIE, STEVEN	10/25/12 Board Meeting	1012 · Bank of America Gen'l Ckg	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	11/06/2012	16440	FEENSTRA, BOB	10/11/12 Ag Pool Meeting	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						125.00
Bill Pmt -Check	11/06/2012	16441	GROOMAN'S PUMP & WELL DRILLING, INC.	13161	1012 · Bank of America Gen'l Ckg	
Bill	10/24/2012	13161		13161	7102.7 · In-line Meter-Labor	864.25
TOTAL						864.25
Bill Pmt -Check	11/06/2012	16442	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool mtg		10/11/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/11/2012	10/11 Appro Pool Mtg		10/11/12 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/18/2012	10/18 RMPU Mtg		10/18/12 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/18/2012	10/18 Advisory Comm		10/18/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/30/2012	10/30 Assessmnt Pkg		10/30/12 Assessment Package Workshop	8470 · Ag Meeting Attend -Special	125.00
Bill	10/31/2012	10/31 Land Subs Comm		10/31/12 Land Subsidence Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
P32 TOTAL						875.00
Bill Pmt -Check	11/06/2012	16443	HOGAN LOVELLS	2694193	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2012	2694193		Non-Ag Pool Legal Services - October 2012	8567 · Non-Ag Legal Service	897.75
TOTAL						897.75
Bill Pmt -Check	11/06/2012	16444	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	11/06/2012	16445	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	11/01/2012			Travel expense reimbursement	6171.1 · GM - Reimbursement	75.44
TOTAL						75.44
Bill Pmt -Check	11/06/2012	16446	KOOPMAN, GENE	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 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	11/06/2012	16447	KUHN, BOB		1012 · Bank of America Gen'l Ckg	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/11/2012	10/11 Appro Pool Mtg		10/11/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	10/12/2012	10/12 Basin Tour		10/12/12 Basin Tour	6311 · Board Member Compensation	125.00
Bill	10/18/2012	10/18 Advisory Comm		10/18/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16448</b>	<b>LANTZ, PAULA</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	10/11/2012	10/11 Appro Pool Mtg		10/11/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	10/12/2012	10/12 Basin Tour		10/12/12 Basin Tour	6311 · Board Member Compensation	125.00
Bill	10/18/2012	10/18 Advisory Comm		10/18/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16449</b>	<b>PARK PLACE COMPUTER SOLUTIONS, INC.</b>	<b>468</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	10/31/2012	468		IT Consulting Services - October 2012	6052.1 · Park Place Comp Solutn	3,675.00
TOTAL						3,675.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16450</b>	<b>PIERSON, JEFFREY</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	10/11/2012	10/11 Ag Pool Mtg		10/11/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/18/2012	10/18 RMPU Mtg		10/18/12 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	10/18/2012	10/18 Advisory Comm		10/18/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16451</b>	<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	<b>Payor #3493</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
General Journal	10/27/2012	10/27/2012	<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	CalPERS Retirement for 10/14/12-10/27/12	2000 · Accounts Payable	6,786.00
TOTAL						6,786.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16452</b>	<b>PURCHASE POWER</b>	<b>8000909000168851</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	10/31/2012	8000909000168851		FedEx documents to auditors	6062 · Audit Services	50.79
TOTAL						50.79
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16453</b>	<b>R&amp;D PEST SERVICES</b>	<b>0160551</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	11/01/2012	0160551		Continuing building treatment	6024 · Building Repair & Maintenance	85.00
TOTAL						85.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16454</b>	<b>RAUCH COMMUNICATION CONSULTANTS, LLC</b>	<b>Oct-1208</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	10/01/2012	Oct-1208		Progress billing - Annual report	6061.3 · Rauch	495.00
TOTAL						495.00
<b>Bill Pmt -Check</b>	<b>11/06/2012</b>	<b>16455</b>	<b>ROGERS, PETER</b>		<b>1012 · Bank of America Gen'l Ckg</b>	

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/18/2012	10/18 Advisory Comm		10/18/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	11/06/2012	16456	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2012	1VC070000019190		Week Ending 10/21/12	6017 · Temporary Services	768.00
TOTAL						768.00
Bill Pmt -Check	11/06/2012	16457	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	10/12/2012	10/12 Basin Tour		10/12/12 Basin Tour	6311 · Board Member Compensation	125.00
Bill	10/25/2012	10/25 Board Mtg		10/25/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	11/06/2012	16458	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	177.46
Bill	10/31/2012	012519116950792103		021519116950792103	6022 · Telephone	562.85
TOTAL						740.31
P34 Bill Pmt -Check	11/06/2012	16459	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2012	001017890001		Vision insurance premium - November 2012	60182.2 · Dental & Vision Ins	44.15
TOTAL						44.15
Bill Pmt -Check	11/08/2012	16460	CHEF DAVE'S CAFE & CATERING	3085	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	3085		Lunch for 10/25 Board Meeting	6312 · Meeting Expenses	412.13
TOTAL						412.13
Bill Pmt -Check	11/08/2012	16461	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	L0102770		L0102770	7103.5 · Grdwtr Qual-Lab Svcs	1,952.00
Bill	10/31/2012	L0102772		L0102770	7103.5 · Grdwtr Qual-Lab Svcs	1,952.00
Bill	10/31/2012	L0102774		L0102774	7103.5 · Grdwtr Qual-Lab Svcs	2,074.00
TOTAL						5,978.00
Bill Pmt -Check	11/08/2012	16462	GREAT AMERICA LEASING CORP.	12922178	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	12922178		Invoice	6043.1 · Ricoh Lease Fee	2,788.53
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	188.26
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	702.33
TOTAL						3,679.12
Bill Pmt -Check	11/08/2012	16463	GUARANTEED JANITORIAL SERVICE, INC.	6-29379	1012 · Bank of America Gen'l Ckg	
Bill	11/06/2012	6-29379		November 2012	6024 · Building Repair & Maintenance	865.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month  
November 2012

Financial Report B-1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						865.00
Bill Pmt -Check	11/08/2012	16464	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	7003730910002744		Miscellaneous mtg. and office supplies	6031.7 · Other Office Supplies	694.75
TOTAL						694.75
Bill Pmt -Check	11/08/2012	16465	PAYCHEX	2012110100	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	2012110100		Payroll services - October 2012	6012 · Payroll Services	342.68
TOTAL						342.68
Bill Pmt -Check	11/08/2012	16466	STATE COMPENSATION INSURANCE FUND	1970970-12	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	1970970-12		W/C deposit premium	60183 · Worker's Comp Insurance	890.76
TOTAL						890.76
Bill Pmt -Check	11/08/2012	16467	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	19220		Week Ending 10/28/12	6017 · Temporary Services	768.00
TOTAL						768.00
Bill Pmt -Check	11/08/2012	16468	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	300732989		Fuel - October 2012	6175 · Vehicle Fuel	225.96
TOTAL						225.96
Bill Pmt -Check	11/08/2012	16469	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	11/06/2012	08-k2 213849		Service for November 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
General Journal	11/10/2012	11/10/2012	Payroll and Taxes for 10/28/12-11/10/12	Payroll and Taxes for 10/28/12-11/10/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 10/28/12-11/10/12	1012 · Bank of America Gen'l Ckg	24,843.95
				Payroll Taxes for 10/28/12-11/10/12	1014 · Bank of America P/R Ckg	8,613.96
TOTAL						33,457.90
Check	11/15/2012	11/15/2012	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	236.26
TOTAL						236.26
General Journal	11/24/2012	11/24/2012	Payroll and Taxes for 11/11/12-11/24/12	Payroll and Taxes for 11/11/12-11/24/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 11/11/12-11/24/12	1012 · Bank of America Gen'l Ckg	24,728.46
				Payroll Taxes for 11/11/12-11/24/12	1014 · Bank of America P/R Ckg	8,043.95
TOTAL						32,772.40

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Financial Report B-1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	11/26/2012	16470	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	XXXX-XXXX-XXXX-9341		WM 101 lunch, PK mtgs w/Board & Pool mbrs	6141.3 · Admin Meetings	142.40
				Visual Basic manuals for IT office	6192 · Training & Seminars	129.38
				Purchase office Holiday cards, picture matts	6031.7 · Other Office Supplies	291.01
				Lunch for RMPU debriefing meeting	7204 · Comp Recharge-Supplies	63.25
				Subscription to Economist magazine	6112 · Subscriptions/Publications	314.77
TOTAL						940.81
Bill Pmt -Check	11/26/2012	16471	COMPUTER NETWORK	85811	1012 · Bank of America Gen'l Ckg	
Bill	11/14/2012	85811		GM's laptop case, mouse	6055 · Computer Hardware	107.75
TOTAL						107.75
Bill Pmt -Check	11/26/2012	16472	CORELOGIC INFORMATION SOLUTIONS	80646022	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	80646022		80646022	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80646022	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	11/26/2012	16473	CUCAMONGA VALLEY WATER DISTRICT	Lease due December 1, 2012	1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012			Lease due December 1, 2012	1422 · Prepaid Rent	6,098.00
TOTAL						6,098.00
Bill Pmt -Check	11/26/2012	16474	DC LAW	21634	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	21634		Ag Pool Legal Services - September 2012	8467 · Ag Legal & Technical Services	162.50
TOTAL						162.50
Bill Pmt -Check	11/26/2012	16475	EGOSCUE LAW GROUP		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	10170		Ag Pool Legal Services - October 2012	8467 · Ag Legal & Technical Services	5,931.92
Bill	10/31/2012	10161		Ag Pool Legal Services - September 2012	8467 · Ag Legal & Technical Services	7,837.50
TOTAL						13,769.42
Bill Pmt -Check	11/26/2012	16476	GOLDEN METERS SERVICE	324	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	324		324	7102.8 · In-line Meter-Calib & Test	3,675.00
TOTAL						3,675.00
Bill Pmt -Check	11/26/2012	16477	GROOMAN'S PUMP & WELL DRILLING, INC.	13171	1012 · Bank of America Gen'l Ckg	
Bill	11/05/2012	13171		Artesia Sawdust	8471 · Ag Pool Expense	259.50
TOTAL						259.50
Bill Pmt -Check	11/26/2012	16478	MCCALL'S METER SALES & SERVICE		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	23165		23165	7102.7 · In-line Meter-Labor	577.54

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/31/2012	23150		23150	7102.8 · In-line Meter-Calib & Test	225.00
TOTAL						<u>802.54</u>
Bill Pmt -Check	11/26/2012	16479	STAULA, MARY L	Retiree Medical - CalPERS	1012 · Bank of America Gen'l Ckg	
Bill	11/30/2012				60182.4 · Retiree Medical	136.61
TOTAL						<u>136.61</u>
Bill Pmt -Check	11/26/2012	16480	VERIZON BUSINESS	74508949	1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012	74508949		74508949	6053 · Internet Expense	1,558.87
TOTAL						<u>1,558.87</u>
Bill Pmt -Check	11/26/2012	16481	WESTERN DENTAL SERVICES, INC.		1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012			Dental insurance premium - November 2012	60182.2 · Dental & Vision Ins	28.88
TOTAL						<u>28.88</u>
Bill Pmt -Check	11/26/2012	16482	IAAP	93902097	1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012	93902097		Dues for J. Wilson - IAAP membership	6111 · Membership Dues	133.00
TOTAL						<u>133.00</u>
Bill Pmt -Check	11/26/2012	16483	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	1394905143		Medical insurance premium - December 2012	60182.1 · Medical Insurance	4,710.03
TOTAL						<u>4,710.03</u>
Bill Pmt -Check	11/26/2012	16484	CALPERS 457 PLAN	Payroll and Taxes for 10/28/12-11/10/12	1012 · Bank of America Gen'l Ckg	
General Journal	11/10/2012	11/10/2012	CALPERS 457 PLAN	457 Employee Deductions for 10/28/12-11/10/12	2000 · Accounts Payable	2,764.86
TOTAL						<u>2,764.86</u>
Bill Pmt -Check	11/26/2012	16485	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012			Wash 4 trucks on 10/31/12 and 11/15/12	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						<u>200.00</u>
Bill Pmt -Check	11/26/2012	16486	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	L0101048		L0101048	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0101049		L0101049	7108.4 · Hydraulic Control-Lab Svcs	615.00
Bill	10/31/2012	L0101051		L0101051	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0102720		L0102720	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0102721		L0102721	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0102722		L0102722	7108.4 · Hydraulic Control-Lab Svcs	615.00
Bill	10/31/2012	L0102728		L0102728	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
Bill	10/31/2012	L0102731		L0102731	7108.4 · Hydraulic Control-Lab Svcs	615.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

Financial Report B-1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/31/2012	L0103036		L0103036	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0103037		L0103037	7108.4 · Hydraulic Control-Lab Svcs	1,475.00
Bill	10/31/2012	L0104376		L0104376	7108.4 · Hydraulic Control-Lab Svcs	615.00
Bill	10/31/2012	L0104377		L0104377	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0104378		L0104378	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	10/31/2012	L0101251		L0101251	7108.4 · Hydraulic Control-Lab Svcs	4,515.00
Bill	10/31/2012	L0101250		L0101250	7108.4 · Hydraulic Control-Lab Svcs	1,456.00
Bill	10/31/2012	L0101047		L0101047	7108.4 · Hydraulic Control-Lab Svcs	4,390.00
Bill	10/31/2012	L0102771		L0102771	7108.4 · Hydraulic Control-Lab Svcs	3,310.00
Bill	10/31/2012	L0102719		L0102719	7108.4 · Hydraulic Control-Lab Svcs	2,692.00
TOTAL						36,345.00
Bill Pmt -Check	11/26/2012	16487	GEOSCIENCE SUPPORT SERVICES, INC.	4555-11-06	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	4555-11-06		September - October 2012	7107.61 · Grd Level-Chino Hills ASR	2,595.00
TOTAL						2,595.00
Bill Pmt -Check	11/26/2012	16488	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	11/21/2012			Travel expense reimbursement	6171.1 · GM - Reimbursement	27.03
TOTAL						27.03
Bill Pmt -Check	11/26/2012	16489	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	0111802		Employee Deductions - November 2012	60194 · Other Employee Insurance	77.70
TOTAL						77.70
Bill Pmt -Check	11/26/2012	16490	PREMIERE GLOBAL SERVICES	12487595	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	12487595		Service fee	6022 · Telephone	14.95
				Service fee	6022 · Telephone	5.48
				Call for Appropriative Pool Agenda 10/02	8312 · Meeting Expenses	31.19
				Call for Ag Pool Agenda 10/02	8412 · Meeting Expenses	31.19
				Call for Non-Ag Pool Agenda 10/02	8512 · Meeting Expense	31.19
				10/11 Non-Ag Pool Mtg Call	8512 · Meeting Expense	79.61
				RMPU Update call on 10/18	7207 · Comp Recharge-Other	65.61
TOTAL						259.22
Bill Pmt -Check	11/26/2012	16491	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	11/10/2012	11/10/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 10/28/12-11/10/12	2000 · Accounts Payable	10,399.09
TOTAL						10,399.09
Bill Pmt -Check	11/26/2012	16492	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	421.25

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month  
November 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						421.25
Bill Pmt -Check	11/26/2012	16493	STATE COMPENSATION INSURANCE FUND		1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012	1970970-12		W/C premiums for 5 months @ \$899.25	60183 · Worker's Comp Insurance	4,496.25
Bill	12/01/2012	1970970-12		W/C premium for 11/26/12-12/26/12	60183 · Worker's Comp Insurance	899.25
TOTAL						5,395.50
Bill Pmt -Check	11/26/2012	16494	STATE WATER RESOURCES CONTROL BOARD DIV		1012 · Bank of America Gen'l Ckg	
Bill	11/15/2012			Water Rights Fee A031369	7205 · Comp Recharge-Other Expense	3,574.50
Bill	11/19/2012	A028473		Water Rights Fee A028473	7205 · Comp Recharge-Other Expense	899.50
Bill	11/19/2012	A028996		Water Rights Fee A028996	7205 · Comp Recharge-Other Expense	1,499.50
TOTAL						5,973.50
Bill Pmt -Check	11/26/2012	16495	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	11/04/2012	19249		Week Ending 11/04/12	6017 · Temporary Services	768.00
Bill	11/19/2012	19278		Week Ending 11/11/12	6017 · Temporary Services	768.00
TOTAL						1,536.00
P39 Bill Pmt -Check	11/26/2012	16496	UNITED HEALTHCARE	0029537869	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	0029537869		Dental insurance premium - December 2012	60182.2 · Dental & Vision Ins	499.83
TOTAL						499.83
Bill Pmt -Check	11/26/2012	16497	VERIZON WIRELESS	113493284	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	1134939284		Monthly service	6022 · Telephone	361.44
TOTAL						361.44
Bill Pmt -Check	11/26/2012	16498	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	2012261		2012261	6906 · OBMP Engineering Services	4,125.00
Bill	10/31/2012	2012262		2012262	6906 · OBMP Engineering Services	1,136.34
Bill	10/31/2012	2012263		2012263	6906 · OBMP Engineering Services	21,991.25
Bill	10/31/2012	2012264		2012264	6906 · OBMP Engineering Services	360.00
Bill	10/31/2012	2012265		2012265	6906 · OBMP Engineering Services	1,528.75
Bill	10/31/2012	2012266		2012266	6906 · OBMP Engineering Services	21,571.25
Bill	10/31/2012	2012267		2012267	7103.3 · Grdwtr Qual-Engineering	4,346.25
Bill	10/31/2012	2012268		2012268	7104.3 · Grdwtr Level-Engineering	10,034.09
Bill	10/31/2012	2012269		2012269	7107.61 · Grd Level-Chino Hills ASR	1,361.25
Bill	10/31/2012	2012270		2012270	7107.2 · Grd Level-Engineering	14,225.05
Bill	10/31/2012	2012271		2012271	7108.3 · Hydraulic Control-Engineering	8,864.09
Bill	10/31/2012	2012272		2012272	7108.3 · Hydraulic Control-Engineering	2,680.14
Bill	10/31/2012	2012273		2012273	7108.3 · Hydraulic Control-Engineering	2,562.48

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**November 2012**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	10/31/2012	2012274			7108.7 · Hydraulic Control - Prado Basin	8,667.13
Bill	10/31/2012	2012275			7202.3 · Comp Recharge-Implementation	10,800.00
Bill	10/31/2012	2012276			7303 · PE3&5-Engineering	977.50
Bill	10/31/2012	2012277			7402 · PE4-Engineering	4,377.50
Bill	10/31/2012	2012278			7101.31 · Prod Monitor-Engineering-Sub	1,222.14
Bill	10/31/2012	2012279			7103.31 · Grdwtr Qual-Engineering SubCont	1,322.31
Bill	10/31/2012	2012280			6902.31 · OBMP - Wildermuth Staff	1,903.33
<b>TOTAL</b>						<b>124,055.85</b>
Bill Pmt -Check	11/28/2012	16499	ACWA	643	1012 · Bank of America Gen'l Ckg	
Bill	11/19/2012	643		2013 Agency Dues	1433 · Prepaid Membership Dues	14,370.00
<b>TOTAL</b>						<b>14,370.00</b>
General Journal	11/30/2012	11/30/2012	Wage Works Direct Debits - November 2012	Wage Works Direct Debits - November 2012	1012 · Bank of America Gen'l Ckg	
				Wage Works Direct Debits - November 2012	1012 · Bank of America Gen'l Ckg	685.78
				Wage Works Direct Debits - November 2012	1012 · Bank of America Gen'l Ckg	685.78
				Wage Works Direct Debits - November 2012	1012 · Bank of America Gen'l Ckg	76.25
<b>TOTAL</b>						<b>1,447.81</b>
<b>Total Disbursements:</b>						<b>346,584.13</b>

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# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** VISA Check Detail Report – Financial Report B2 (November 30, 2012)

### SUMMARY

**Issue** – Record of VISA credit card payment disbursed for the month of November 2012.

**Recommendation** – Staff recommends the VISA Check Detail Report for November 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### 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 November 2012 was \$940.81. This payment was processed by check number 16470 dated November 26, 2012. The monthly charges for November 2012 were for routine and customary expenditures and properly documented with receipts.

### Actions:

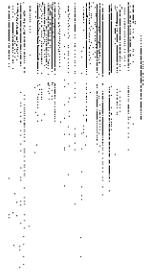
January 10, 2013 Appropriative Pool –  
January 10, 2013 Non-Agricultural Pool –  
January 10, 2013 Agricultural Pool –  
January 17, 2013 Advisory Committee –  
January 24, 2013 Watermaster Board –

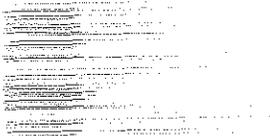
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CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 November 2012

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	11/26/2012	16470	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2012	XXXX-XXXX-XXXX-9341		WM 101 lunch, PK mtgs w/Board & Pool mbrs	6141.3 · Admin Meetings	142.40
				Visual Basic manuals for IT office	6192 · Training & Seminars	129.38
				Purchase office Holiday cards, picture matts	6031.7 · Other Office Supplies	291.01
				Lunch for RMPU debriefing meeting	7204 · Comp Recharge-Supplies	63.25
				Subscription to Economist magazine	6112 · Subscriptions/Publications	314.77
TOTAL					<b>Total Disbursements:</b>	<b>940.81</b>

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through November 30, 2012 - Financial Report B3 (November 30, 2012)

### SUMMARY

**Issue** – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through November 30, 2012.

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

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

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

### DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital have been created from various financial reports and statements created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

### Actions:

January 10, 2013 Appropriative Pool –  
January 10, 2013 Non-Agricultural Pool –  
January 10, 2013 Agricultural Pool –  
January 17, 2013 Advisory Committee –  
January 24, 2013 Watermaster Board –

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

Financial Report - B3

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2012-2013
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>									
Administrative Assessments		6,329,126		283,393				6,612,519	\$6,612,663
Interest Revenue		3,726	421	113			0	4,260	39,600
Mutual Agency Project Revenue	151,550							151,550	152,938
Grant Income								-	0
Miscellaneous income	21,710							21,710	0
<b>Total Revenues</b>	<b>173,260</b>	<b>6,332,852</b>	<b>421</b>	<b>283,507</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>6,790,040</b>	<b>6,805,201</b>
<b>Administrative &amp; Project Expenditures:</b>									
Watermaster Administration	396,094							396,094	428,643
Watermaster Board-Advisory Committee	59,699							59,699	197,279
Ag Pool Misc. Expense - Ag Fund			-					-	400
Pool Administration		27,294	51,717	36,725				115,736	597,959
Optimum Basin Mgmt Administration	480,161							480,161	1,209,186
OBMP Project Costs	1,189,800							1,189,800	4,020,806
Debt Service	504,688							504,688	501,055
Basin Recharge Improvements	17,000							17,000	272,829
Education Funds Use								-	257
Mutual Agency Project Costs								-	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>455,793</b>	<b>2,191,649</b>	<b>27,294</b>	<b>51,717</b>	<b>36,725</b>	<b>-</b>	<b>-</b>	<b>2,763,178</b>	<b>7,238,413</b>
<del>Net Administrative/OBMP Expenses</del>	<del>(282,532)</del>	<del>(2,191,649)</del>							
<del>Allocate Net Admin Expenses To Pools</del>	<del>282,532</del>		189,795	82,176	10,561				
<del>Allocate Net OBMP Expenses To Pools</del>		1,686,961	1,133,240	490,664	63,057				
<del>Allocate Debt Service to App Pool</del>		504,688							
<del>Agricultural Expense Transfer*</del>			624,558	(624,558)					
<b>Total Expenses</b>		<b>2,479,574</b>	<b>-</b>	<b>110,343</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,763,178</b>	<b>7,238,413</b>
<b>Net Administrative Income</b>		<b>3,853,278</b>	<b>421</b>	<b>173,163</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>4,026,863</b>	<b>(433,212)</b>
<b>Other Income/(Expense)</b>									
Replenishment Water Assessments		625,202		22,789				647,991	0
Non-Ag Stored Water Purchases		1,786,217						1,786,217	0
Interest Revenue						15		15	0
MWD Water Purchases								-	0
Non-Ag Stored Water Purchases								-	0
MWD Water Purchases								-	0
Groundwater Replenishment								-	0
Refund-Excess Reserves		(764,137)		(24,510)				(788,647)	0
Refund-Recharge Debt								-	0
<b>Net Other Income/(Expense)</b>		<b>1,647,282</b>	<b>-</b>	<b>(1,721)</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>1,645,576</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>	<b>5,672,439</b>	<b>5,500,560</b>	<b>421</b>	<b>171,442</b>	<b>15</b>	<b>-</b>	<b>0</b>	<b>5,672,439</b>	<b>(433,212)</b>
Working Capital, July 1, 2012		4,984,619	477,493	133,837	24,627	158,251	256	5,779,084	
Working Capital, End Of Period		10,485,178	477,915	305,280	24,643	158,251	256	11,451,523	11,451,523
<b>11/12 Assessable Production</b>		<b>79,342,533</b>	<b>34,353,325</b>	<b>4,414,887</b>				<b>118,110,745</b>	
<b>11/12 Production Percentages</b>		<b>67.176%</b>	<b>29.086%</b>	<b>3.738%</b>				<b>100.000%</b>	

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

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# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period November 1, 2012 through November 30, 2012 - Financial Report B4 (November 30, 2012)

### SUMMARY

**Issue** – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of November 1, 2012 through November 30, 2012.

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period November 1, 2012 through November 30, 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

A Treasurer's Report of Financial Affairs for the Period November 1, 2012 through November 30, 2012 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 9.0, 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.

### Actions:

January 10, 2013 Appropriative Pool –  
January 10, 2013 Non-Agricultural Pool –  
January 10, 2013 Agricultural Pool –  
January 17, 2013 Advisory Committee –  
January 24, 2013 Watermaster Board –

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
NOVEMBER 1 THROUGH NOVEMBER 30, 2012**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	437,660		
Zero Balance Account - Payroll	\$	-		437,660
Local Agency Investment Fund - Sacramento				3,126,778
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>11/30/2012</b>	<b>\$</b>	<b>3,564,937</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>10/31/2012</b>		<b>3,911,254</b>
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$</b>	<b>(346,317)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable			\$	(151,550)
Assessments Receivable				(6,874,550)
Prepaid Expenses, Deposits & Other Current Assets				(1,337,658)
(Decrease)/Increase in Liabilities: Accounts Payable				(38,958)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				4,002
Transfer to/(from) Reserves				8,052,399
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$</b>	<b>(346,317)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 10/31/2012	\$ 500	\$ 183,976	\$ -	\$ 3,726,778	\$ 3,911,254
Deposits	-	600,308	-	-	600,308
Transfers	-	(91,688)	91,688	(600,000)	(600,000)
Withdrawals/Checks	-	(254,936)	(91,688)	-	(346,624)
Balances as of 11/30/2012	\$ 500	\$ 437,660	\$ -	\$ 3,126,778	\$ 3,564,937
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 253,683</b>	<b>\$ -</b>	<b>\$ (600,000)</b>	<b>\$ (346,317)</b>

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
NOVEMBER 1 THROUGH NOVEMBER 30, 2012**

Financial Report - B4

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
11/28/2012	Withdrawal	L.A.I.F	\$ (600,000)				

<b>TOTAL INVESTMENT TRANSACTIONS</b>	<b>\$ (600,000)</b>	<b>-</b>
--------------------------------------	---------------------	----------

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.35% was the effective yield rate at the Quarter ended September 30, 2012.

**INVESTMENT STATUS  
November 30, 2012**

<u>Financial Institution</u>	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 3,126,778			
<b>TOTAL INVESTMENTS</b>	<b>\$ 3,126,778</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2012 through November 30, 2012 - Financial Report - B5 (November 30, 2012)

### SUMMARY

**Issue** – Record of revenues and expenses of Watermaster for the Period of July 1, 2012 through November 30, 2012.

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2012 through November 30, 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND:

A Budget vs. Actual Report for the period July 1, 2012 through November 30, 2012 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 9.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

There were no Budget Transfers or Budget Amendments proposed or presented for the accounting period of November 2012 or during last month's Pool, Advisory and Board meetings. When the Mid-Year review is presented during the February 2013 meetings, any Budget Transfers or Budget Amendments will be presented at that time for discussion and approval.

Year-To-Date (YTD) for the five months ending November 30, 2012, all but three categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$994,958 or 26.5% below the (YTD) Budgeted Expenses of \$3,758,136. The three categories above budget were the Watermaster

Legal Services (6070's) over budget by the amount of \$10,096; Groundwater Quality Monitoring Expenses (7103's) over budget by the amount of \$9,182; and Hydraulic Control Monitoring Expenses (7108's) over budget by the amount of \$15,325. All three expense categories which were over budget were the direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories are running ahead of budget and should level off as the fiscal year progresses. At the current time, a Budget Transfer request is not scheduled for this month, but might be part of any proposed Mid-Year Review adjustments in the upcoming months.

The chart listed below summarized the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of November 30, 2012, the total (YTD) Watermaster salary expenses are \$110,694 or 17.8% below the (YTD) budgeted amount of \$624,191. The following details are provided:

	Jul '12 - Nov '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 - WM Staff Salaries	212,970.28	195,698.45	17,271.83	108.83%	462,560.00
6011.2 - WM Staff - Admin. Paid Leave	2,380.75	0.00	2,380.75	100.0%	0.00
6201 - Advisory Committee - WM Staff Salaries	5,026.01	9,211.00	-4,184.99	54.57%	22,105.00
6301 - Watermaster Board - WM Staff Salaries	7,976.26	12,980.00	-4,983.74	61.55%	31,104.00
8301 - Appropriative Pool - WM Staff Salaries	7,840.78	12,293.75	-4,352.97	64.59%	29,505.00
8401 - Agricultural Pool - WM Staff Salaries	8,252.60	10,804.19	-2,551.59	76.38%	25,930.00
8501 - Non-Agricultural Pool - WM Staff Salaries	5,301.77	6,131.25	-829.48	86.47%	14,715.00
6901 - OBMP - WM Staff Salaries	93,201.13	93,564.19	-363.06	99.61%	224,554.00
7101.1 - Production Monitor - WM Staff Salaries	22,994.19	44,998.31	-22,004.12	51.1%	107,996.00
7102.1 - In-line Meter - WM Staff Salaries	1,445.02	4,390.44	-2,945.42	32.91%	10,537.00
7103.1 - Grdwater Quality - WM Staff Salaries	18,892.75	25,026.69	-6,333.94	74.69%	60,064.00
7104.1 - Grdwater Level - WM Staff Salaries	20,965.46	37,740.44	-16,774.98	55.55%	90,577.00
7105.1 - Sur Wtr Qual - WM Staff Salaries	0.00	1,299.19	-1,299.19	0.0%	3,118.00
7107.1 - Grd Level Monitoring - WM Staff Salaries	0.00	700.00	-700.00	0.0%	1,680.00
7108.1 - Hydraulic Control - WM Staff Salaries	4,626.25	3,117.94	1,508.31	148.38%	7,483.00
7201 - Comp Recharge - WM Staff Salaries	21,448.48	54,687.50	-33,239.02	39.22%	131,250.00
7301 - PE3&5 - WM Staff Salaries	1,523.79	16,104.56	-14,580.77	9.46%	38,651.00
7401 - PE4 - WM Staff Salaries	214.73	5,286.69	-5,071.96	4.06%	12,688.00
7501.1 - PE 6&7 - WM Staff Salaries (Plume)	2,257.72	10,000.00	-7,742.28	22.56%	24,000.00
7501 - PE6&7 - WM Staff Salaries	822.67	3,134.56	-2,311.89	26.25%	7,523.00
7601 - PE8&9 - WM Staff Salaries	2,052.52	19,558.31	-17,505.79	10.49%	46,940.00
7701 - Inactive Well - WM Staff Salaries	0.00	175.00	-175.00	0.0%	420.00
<b>Subtotal WM Staff Costs</b>	<b>440,093.16</b>	<b>566,882.46</b>	<b>-126,789.30</b>	<b>77.63%</b>	<b>1,353,400.00</b>
60185 - Vacation	28,385.74	22,040.81	6,344.93	128.79%	52,898.00
60186 - Sick Leave	24,673.18	17,633.75	7,039.43	139.92%	42,321.00
60187 - Holidays	20,344.33	17,633.75	2,710.58	115.37%	42,321.00
<b>Subtotal WM Paid Leaves</b>	<b>73,403.25</b>	<b>57,308.31</b>	<b>16,094.94</b>	<b>128.09%</b>	<b>137,540.00</b>
<b>Total WM Salary Costs</b>	<b>513,496.41</b>	<b>624,190.77</b>	<b>-110,694.36</b>	<b>82.27%</b>	<b>1,490,940.00</b>

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of November 30, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of November 30, 2012, the BHFS expenses are \$26,374 or 8.7% below the (YTD) budgeted amount of \$306,063. As approved during the July 2012 meetings, the Pools,

Advisory Committee and the Board meeting for the month of August were not held. As a result, the related meeting expenses from (BHFS) are lower than budgeted. For the month of November, there were some individual line items that were over the budgeted amount, but overall the BHFS expenses were on target with the overall legal budget. The following details are provided:

	Jul '12 - Nov '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 - Watermaster Legal Services</b>					
6071 - BHFS Legal - Court Coordination	18,718.08	14,979.19	3,738.87	124.96%	35,950.00
6072 - BHFS Legal - Annotated Judgment	15,849.00	31,666.68	-15,817.68	50.05%	57,000.00
6073 - BHFS Legal - Personnel Matters	10,429.20	7,625.00	2,804.20	136.78%	7,625.00
6074 - BHFS Legal - Interagency Issues	13,262.85	18,300.00	-5,037.15	72.48%	43,920.00
6075 - BHFS Legal - Replenishment Water	0.00	0.00	0.00	0.0%	0.00
6076 - BHFS Legal - Storage Issues	6,253.20	0.00	6,253.20	100.0%	0.00
6078 - BHFS Legal - Miscellaneous (Note 1)	31,133.69	12,979.19	18,154.50	239.87%	31,150.00
<b>Total 6070 - Watermaster Legal Services</b>	<b>95,646.00</b>	<b>85,550.06</b>	<b>10,095.94</b>	<b>111.8%</b>	<b>175,645.00</b>
<b>6275 - BHFS Legal - Advisory Committee</b>	<b>9,892.45</b>	<b>12,200.00</b>	<b>-2,307.55</b>	<b>81.09%</b>	<b>29,280.00</b>
6375 - BHFS Legal - Board Meeting	23,380.97	35,100.00	-11,719.03	66.61%	84,240.00
8375 - BHFS Legal - Appropriative Pool	19,182.54	12,200.00	6,982.54	157.23%	29,280.00
8475 - BHFS Legal - Agricultural Pool	8,898.27	12,200.00	-3,301.73	72.94%	29,280.00
8575 - BHFS Legal - Non-Ag Pool	11,585.55	12,200.00	-634.45	94.8%	29,280.00
8575.1 - BHFS Legal - Paragraph 15 CSI/Aqua	10,072.88	0.00	10,072.88	100.0%	0.00
<b>Total BHFS Legal Services</b>	<b>82,992.66</b>	<b>83,900.00</b>	<b>-907.34</b>	<b>98.92%</b>	<b>201,360.00</b>
<b>6907.3 - WM Legal Counsel</b>					
6907.30 - Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 - South Archibald Plume	0.00	13,250.00	-13,250.00	0.0%	31,800.00
6907.32 - Chino Airport Plume	0.00	13,250.00	-13,250.00	0.0%	31,800.00
6907.33 - Desalter/Hydraulic Control	34,528.89	20,875.00	13,653.89	165.41%	50,100.00
6907.34 - Santa Ana River Water Rights	10,122.30	13,854.19	-3,731.89	73.06%	33,250.00
6907.35 - Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 - Santa Ana River Habitat	2,477.60	8,812.50	-6,334.90	28.12%	21,150.00
6907.37 - Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	4,979.19	-4,979.19	0.0%	11,950.00
6907.39 - Recharge Master Plan	26,580.90	18,541.69	8,039.21	143.36%	44,500.00
6907.40 - Storage Agreements	5,204.69	7,416.69	-2,212.00	70.18%	17,800.00
6907.41 - Prado Basin Habitat Sustainability	153.00	7,416.69	-7,263.69	2.06%	17,800.00
6907.90 - WM Legal Counsel - Unanticipated	0.00	10,416.69	-10,416.69	0.0%	25,000.00
<b>Total 6907 - WM Legal Counsel</b>	<b>101,050.10</b>	<b>136,612.64</b>	<b>-35,562.54</b>	<b>73.97%</b>	<b>302,950.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>279,688.76</b>	<b>306,062.70</b>	<b>-26,373.94</b>	<b>91.38%</b>	<b>679,955.00</b>

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

**OBMP Engineering Services and Legal Costs:**

For November 30, 2012, the 6900 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$59,787 or 12.2%. Within the category 6900 (Optimum Basin Mgmt Program) 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 \$25,876 while some other line item activities were below the budget \$61,439. Above the budget line items were the Peace II CEQA of \$1,071; the Desalter/Hydraulic Control of \$13,654; the Paragraph 31 Motion of \$3,112; and the Recharge Master Plan of \$8,039. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the South Archibald Plume of \$13,250; the Chino Airport Plume of \$13,250; the Santa Ana River Water Rights of \$3,732; the Santa Ana River Habitat of \$6,335; the Regional Water Quality Control Board of \$4,979; Storage Agreements of \$2,212; Prado Basin Habitat Sustainability of \$7,264; and Unanticipated Legal Expenses of \$10,417. For the five months ended November 30, 2012, the overall cumulative (YTD) budget was \$136,613 and the actual (BHFS) legal expenses totaled \$101,050 which resulted in an under budget variance of \$35,563 or 26.1%.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of November 30, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. Overall, the Optimum Basin Management Program (OBMP) category was \$429,932 compared to a (YTD) budget of \$489,719 for an under budget of \$59,787 or 12.2% as of November 30, 2012.

	Jul '12 - Nov '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	93,201.13	93,664.19	-363.06	99.61%	224,554.00
6902.31 · OBMP - Wildermuth Staff	2,304.03	0.00	2,304.03	100.0%	0.00
6903 · OBMP SAWPA Group	10,593.00	11,000.00	-407.00	96.3%	11,000.00
<b>6906 · OBMP Engineering Services</b>					
6906.1 · OBMP - Watermaster Model Update	73,576.00	99,828.00	-26,252.00	73.7%	99,828.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
6906 · OBMP Engineering Services - Other	148,779.84	143,558.75	5,221.09	103.64%	344,541.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>222,495.84</b>	<b>243,386.75</b>	<b>-20,890.91</b>	<b>91.42%</b>	<b>444,369.00</b>
<b>6907 · OBMP Legal Fees</b>					
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 · South Archibald Plume	0.00	13,250.00	-13,250.00	0.0%	31,800.00
6907.32 · Chino Airport Plume	0.00	13,250.00	-13,250.00	0.0%	31,800.00
6907.33 · Desalter/Hydraulic Control	34,528.89	20,875.00	13,653.89	165.41%	50,100.00
6907.34 · Santa Ana River Water Rights	10,122.30	13,654.19	-3,731.89	73.06%	33,250.00
6907.35 · Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 · Santa Ana River Habitat	2,477.60	8,812.50	-6,334.90	28.12%	21,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	4,979.19	-4,979.19	0.0%	11,950.00
6907.39 · Recharge Master Plan	26,580.90	18,541.69	8,039.21	143.36%	44,500.00
6907.40 · Storage Agreements	5,204.69	7,416.69	-2,212.00	70.18%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	153.00	7,416.69	-7,263.69	2.06%	17,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	10,416.69	-10,416.69	0.0%	25,000.00
<b>Total 6907 · WM Legal Counsel</b>	<b>101,050.10</b>	<b>136,612.64</b>	<b>-35,562.54</b>	<b>73.97%</b>	<b>302,950.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>101,050.10</b>	<b>136,612.64</b>	<b>-35,562.54</b>	<b>73.97%</b>	<b>302,950.00</b>
<b>6909 · OBMP Other Expenses</b>					
6909.1 · OBMP Meetings	287.64	0.00	287.64	100.0%	0.00
6909.3 · Other OBMP Expenses	0.00	988.50	-988.50	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	4,166.69	-4,166.69	0.0%	10,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>287.64</b>	<b>5,155.19</b>	<b>-4,867.55</b>	<b>5.58%</b>	<b>11,977.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>429,931.74</b>	<b>489,718.77</b>	<b>-59,787.03</b>	<b>87.79%</b>	<b>994,850.00</b>

**OBMP Implementation Projects Costs:**

The OBMP Implementation Projects (accounts 7100's – 7700's) were (Under) budget as of November 30, 2012 with the exception of the Groundwater Quality Monitoring category (7103's) which was over budget by the amount of \$9,182; and the Hydraulic Control Monitoring category (7108's) which was over budget by the amount of \$15,3253. These over budget categories were a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories were slightly ahead of budget and should level off as the fiscal year progresses. A Budget Transfer request might be part of the Mid-Year Review process for next month.

The chart listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of November 30, 2012, the total (YTD) Engineering expenses are \$144,907 or 15.9% below the (YTD) budget amount of \$916,524. The following details are provided:

	Jul '11 - Nov '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6906 · OBMP Engineering Services - Other	148,779.84	143,568.75	5,221.09	103.64%	344,541.00
6906.1 · OBMP - Watermaster Model Update	73,576.00	99,828.00	-26,252.00	73.7%	99,828.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	34,062.50	27,940.00	6,122.50	121.91%	67,056.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	9,584.52	0.00	9,584.52	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	14,062.00	16,070.00	-2,008.00	87.51%	38,568.00
7104.3 · Grdwtr Level-Engineering	66,982.71	80,165.00	-13,182.29	83.55%	192,396.00
7104.8 · Grdwtr Level-Contracted Serv	0.00	4,166.69	-4,166.69	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equip	0.00	6,962.50	-6,962.50	0.0%	13,925.00
7107.2 · Grd Level-Engineering	93,761.91	84,195.44	9,566.47	111.36%	167,769.00
7107.3 · Grd Level-SAR Imagery	14,000.00	22,500.00	-8,500.00	62.22%	90,000.00
7107.6 · Grd Level-Contract Svcs	0.00	51,541.69	-51,541.69	0.0%	122,300.00
7107.61 · Grd Level-Chino Hills ASR	15,305.75	62,710.81	-47,405.06	24.41%	150,506.00
7107.8 · Grd Level-Cap Equip Exte	0.00	12,523.00	-12,523.00	0.0%	20,546.00
7108.3 · Hydraulic Control-Engineering	61,728.84	54,799.19	6,929.65	112.65%	131,518.00
7108.4 · Hydraulic Control-Lab Svcs	61,012.00	28,192.06	32,819.94	216.42%	67,661.00
7108.7 · Hydraulic Control-PradoBasin Habitat	68,131.15	92,189.56	-24,058.40	73.9%	208,856.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	1,875.00	-1,875.00	0.0%	4,500.00
7109.3 · Recharge & Well - Engineering	0.00	8,975.00	-8,975.00	0.0%	21,540.00
7202.3 · Comp Recharge-Implementation	76,349.25	41,673.31	34,675.94	183.21%	100,016.00
7303 · PE3&5-Engineering - Other	13,292.00	12,643.31	648.69	105.13%	30,344.00
7402 · PE4-Engineering	12,300.09	21,692.50	-9,392.41	56.7%	52,062.00
7403 · PE4-Contract Svcs	0.00	6,250.00	-6,250.00	0.0%	15,000.00
7502 · PE6&7-Engineering	1,463.89	29,232.61	-27,768.72	5.01%	61,822.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7504 · PE6&7-Contract Svcs	14.24	2,120.00	-2,105.76	0.67%	5,088.00
7602 · PE8&9-Engineering	0.00	4,720.00	-4,720.00	0.0%	11,328.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>771,617.37</b>	<b>916,524.42</b>	<b>-144,907.05</b>	<b>84.19%</b>	<b>2,027,170.55</b>

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

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

As noted above, \$44,810.55 has been "Carried Over" from FY 2011/12 per the Watermaster policy 4.17 which was approved during FY 2011/12. These amounts, along with any other "Carried Over" expenses

were not included in the Assessment process billed and completed in November 2012 because these dollar amounts were previously funded from last year's Assessment process.

**Other Income and Expense:**

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

There were no other significant items to report within the category of Other Income and Expenses for the month of November 30, 2012.

**"Carry Over" Funding:**

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

<b>"Carried Over" Expenses At June 30, 2012</b>	
Verizon VoIP Equipment, Installation	\$ 1,500.00
GM Search Expenses - Balance of Contract	\$ 9,000.00
Wildermuth Project Expenses	\$ 44,810.55
Chino Hills ASR Project	\$ 104,977.00
Recharge Improvement Projects	\$ 272,829.00
Appropriative Pool Legal Services Fund Balance	\$ 95.93
<b>Total Balance, June 30, 2012</b>	<b><u>\$ 433,212.48</u></b>

"Carried Over" Balance, July 1, 2012	\$ 433,212.48
Less: (Invoices Received To Date FY 2012/13)	
GM Search Expenses - Balance of Contract	\$ (9,000.00)
Wildermuth Project Expenses	\$ (44,810.55)
Recharge Project - Turner Basin Invoice from IEUA	\$ (17,000.00)
<b>Updated Balance as of November 30, 2012</b>	<b><u>\$ 362,401.93</u></b>

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

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2013, any remaining balances of the FY 2011/12 expenses (if any), along with any new FY 2012/13 expenses, will then be "Carried Over" into the FY 2013/14 budget. During the audit fieldwork, there were discussions with the

Charles Z. Fedak & Company senior auditor and Watermaster staff regarding the proper accounting treatment of the "Carried Over" funding process. The senior auditor has approved and concurs with the current accounting treatment and process for recording the "Carried Over" funding.

With the exceptions previously noted, there were no other unusual or significant transactions or events which occurred during the month of November 2012.

**Audit Field Work:**

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on July 16<sup>th</sup> and 17<sup>th</sup> to conduct scheduled field work for the FY 2011/2012 financial audit. Final field work was completed during the week of October 5<sup>th</sup> with the Annual Financial and Audit Reports issued on December 20, 2012. The presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company was completed on December 20, 2012. The "Final" Annual Financial and Audit Reports will be posted to the Watermaster website no later than January 24, 2013.

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

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

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

As part of the upcoming budget process, Watermaster staff will bring to the Pools, Advisory Committee and Board, a staff recommendation which will include the options available for the CalPERS Side Fund of \$122,863, including one option which would be payoff the current balance in FY 2013/14 or earlier.

**UPDATE: Assessment Invoicing:**

The Watermaster Board approved the Assessment Package at the November 15, 2012 meeting. Watermaster staff created and emailed the Assessment invoices on Wednesday, November 21, 2012. The Assessment invoices were due 30 days from invoice date, so payment should have been received by

Watermaster on or before December 21, 2012, prior to the Holiday office closure. At the time of this report being issued, ALL payments have been received and posted.

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

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

Per the terms of the Settlement Agreement, the 4<sup>th</sup> of five annual payments to the Non-Agricultural Pool members for the Stored Water Purchase is scheduled for issuance on or before January 15, 2013.

**Actions:**

- January 10, 2013 Appropriative Pool –
- January 10, 2013 Non-Agricultural Pool –
- January 10, 2013 Agricultural Pool –
- January 17, 2013 Advisory Committee –
- January 24, 2013 Watermaster Board –

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

	1/12th (8.33%) of the Total Budget				5/12th (42%) of the Total Budget				100% of the Total Budget			
	For The Month of November 2012				Year-To-Date as of November 30, 2012				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	151,550.48	152,938.00	-1,387.52	99.09%	151,550.48	152,938.00	-1,387.52	99.09%	151,550.48	152,938.00	-1,387.52	99.09%
4110 · Admin Asmnts-Approp Pool	6,329,126.18	6,360,952.00	-31,825.82	99.5%	6,329,126.18	6,360,952.00	-31,825.82	99.5%	6,329,126.18	6,360,952.00	-31,825.82	99.5%
4120 · Admin Asmnts-Non-Agri Pool	223,393.27	191,711.00	31,682.27	116.53%	283,393.27	251,711.00	31,682.27	112.59%	283,393.27	251,711.00	31,682.27	112.59%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	4,260.40	9,900.00	-5,639.60	43.03%	39,600.00	39,600.00	0.00	100.0%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	21,710.00	0.00	21,710.00	100.0%	21,710.00	0.00	21,710.00	100.0%
<b>Total Income</b>	<b>6,704,069.93</b>	<b>6,705,601.00</b>	<b>-1,531.07</b>	<b>99.98%</b>	<b>6,790,040.33</b>	<b>6,775,501.00</b>	<b>14,539.33</b>	<b>100.22%</b>	<b>6,825,379.93</b>	<b>6,805,201.00</b>	<b>20,178.93</b>	<b>100.3%</b>
<b>Gross Profit</b>	<b>6,704,069.93</b>	<b>6,705,601.00</b>	<b>-1,531.07</b>	<b>99.98%</b>	<b>6,790,040.33</b>	<b>6,775,501.00</b>	<b>14,539.33</b>	<b>100.22%</b>	<b>6,825,379.93</b>	<b>6,805,201.00</b>	<b>20,178.93</b>	<b>100.3%</b>
<b>Expense</b>												
6010 · Salary Costs	67,456.94	46,989.69	20,467.25	143.56%	226,993.50	228,073.45	-1,079.95	99.53%	519,684.00	519,684.00	0.00	100.0%
6020 · Office Building Expense	8,054.57	8,453.00	-398.43	95.29%	41,522.93	42,782.00	-1,259.07	97.06%	104,845.00	104,845.00	0.00	100.0%
6030 · Office Supplies & Equip.	1,860.87	1,750.00	110.87	106.34%	9,101.79	9,625.00	-523.21	94.56%	24,500.00	24,500.00	0.00	100.0%
6040 · Postage & Printing Costs	3,278.27	4,297.33	-1,019.06	76.29%	18,333.52	22,786.69	-4,453.17	80.46%	62,368.00	62,368.00	0.00	100.0%
6050 · Information Services	8,168.26	11,691.33	-3,523.07	69.87%	47,490.46	60,790.01	-13,299.55	78.12%	143,796.00	143,796.00	0.00	100.0%
6060 · Contract Services	7,725.00	7,500.00	225.00	103.0%	30,978.79	36,400.00	-5,421.21	85.11%	43,400.00	43,400.00	0.00	100.0%
6070 · Watermaster Legal Services	13,940.55	15,584.99	-1,644.44	89.45%	95,646.00	85,550.06	10,095.94	111.8%	175,645.00	175,645.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	17,476.72	19,393.00	-1,916.28	90.12%	19,393.00	19,393.00	0.00	100.0%
6110 · Dues and Subscriptions	133.00	0.00	133.00	100.0%	12,634.77	13,785.00	-1,150.23	91.66%	27,500.00	27,500.00	0.00	100.0%
6140 · WM Admin Expenses	33.36	208.34	-174.98	16.01%	684.95	1,041.62	-356.67	65.76%	2,500.00	2,500.00	0.00	100.0%
6150 · Field Supplies	0.00	100.00	-100.00	0.0%	411.35	700.00	-288.65	58.76%	1,400.00	1,400.00	0.00	100.0%
6170 · Travel & Transportation	1,361.37	1,705.00	-343.63	79.85%	7,518.71	8,960.00	-1,441.29	83.91%	21,170.00	21,170.00	0.00	100.0%
6190 · Conferences & Seminars	0.00	125.00	-125.00	0.0%	594.38	7,375.00	-6,780.62	8.06%	15,000.00	15,000.00	0.00	100.0%
6200 · Advisory Comm - WM Board	4,705.53	4,448.67	256.86	105.77%	14,974.53	22,244.31	-7,269.78	67.32%	53,385.00	53,385.00	0.00	100.0%
6300 · Watermaster Board Expenses	10,243.36	11,966.17	-1,722.81	85.6%	44,724.48	59,980.81	-15,256.33	74.57%	143,894.00	143,894.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	7,965.09	11,190.42	-3,225.33	71.18%	27,293.64	56,047.99	-28,754.35	48.7%	134,380.93	134,380.93	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	4,540.55	5,273.58	-733.03	86.1%	17,807.02	26,367.94	-8,560.92	67.53%	63,283.00	63,283.00	0.00	100.0%
8467 · Ag Legal & Technical Services	3,023.72	17,583.33	-14,559.61	17.2%	24,125.64	87,916.69	-63,791.05	27.44%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	2,925.00	1,441.67	1,483.33	202.69%	9,525.00	7,208.31	2,316.69	132.14%	17,300.00	17,300.00	0.00	100.0%
8471 · Ag Pool Expense	259.50	0.00	259.50	100.0%	259.50	32,500.00	-32,240.50	0.8%	65,000.00	65,000.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	0.00	200.00	-200.00	0.0%	400.00	400.00	0.00	100.0%
8500 · Non-Ag PI-WM & Pool Admin	3,828.05	8,916.25	-5,088.20	42.93%	36,724.98	44,581.25	-7,856.27	82.38%	106,995.00	106,995.00	0.00	100.0%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	0.00	257.00	-257.00	0.0%	257.00	257.00	0.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-20,989.90	-61,046.50	40,056.60	34.38%	-113,294.15	-305,232.50	191,938.35	37.12%	-732,558.00	-732,558.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	60,921.31	72,020.39	-11,099.08	84.59%	429,931.74	489,718.77	-59,787.03	87.79%	994,850.00	994,850.00	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	11,127.18	17,861.33	-6,734.15	62.3%	50,229.47	89,306.69	-39,077.22	56.24%	214,336.00	214,336.00	0.00	100.0%
7101 · Production Monitoring	4,202.07	9,062.17	-4,860.10	46.37%	29,099.90	45,310.81	-16,210.91	64.22%	108,746.00	108,746.00	0.00	100.0%
7102 · In-line Meter Installation	118.11	7,180.16	-7,062.05	1.65%	41,136.61	55,900.88	-14,764.27	73.59%	106,162.00	106,162.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	9,898.35	14,478.16	-4,579.81	68.37%	81,572.40	72,390.88	9,181.52	112.68%	173,738.00	173,738.00	0.00	100.0%

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	1/12th (8.33%) of the Total Budget				5/12th (42%) of the Total Budget				100% of the Total Budget			
	For The Month of November 2012				Year-To-Date as of November 30, 2012				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7104 · Gdwtr Level Monitoring	14,566.06	27,081.08	-12,515.02	53.79%	88,180.75	134,867.94	-46,687.19	65.38%	318,898.00	318,898.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	259.83	-259.83	0.0%	0.00	1,299.19	-1,299.19	0.0%	3,118.00	3,118.00	0.00	100.0%
7107 · Ground Level Monitoring	13,568.05	34,729.58	-21,161.53	39.07%	123,067.66	339,147.94	-216,080.28	36.29%	659,428.00	659,428.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	17,035.37	34,263.50	-17,228.13	49.72%	195,498.25	180,173.75	15,324.50	108.51%	420,018.25	420,018.25	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	1,795.00	-1,795.00	0.0%	0.00	8,975.00	-8,975.00	0.0%	21,540.00	21,540.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	25,996.81	46,938.84	-20,942.03	55.38%	526,252.97	646,670.62	-120,417.65	81.38%	1,374,719.00	1,374,719.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalite	-188.96	6,332.92	-6,521.88	-2.98%	14,815.79	31,664.56	-16,848.77	46.79%	75,995.00	75,995.00	0.00	100.0%
7400 · PE4- Mgmt Plan	1,163.53	6,854.16	-5,690.63	16.98%	13,399.25	34,270.88	-20,871.63	39.1%	82,250.00	82,250.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	486.69	7,706.59	-7,219.90	6.32%	11,629.19	44,487.17	-32,857.98	26.14%	98,433.30	98,433.30	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	-38.84	4,884.84	-4,923.68	-0.8%	2,082.54	24,424.12	-22,341.58	8.53%	58,618.00	58,618.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	521,688.00	773,884.00	-252,196.00	67.41%	773,884.00	773,884.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	76.67	-76.67	0.0%	0.00	383.31	-383.31	0.0%	920.00	920.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	9,862.72	43,185.17	-33,322.45	22.84%	63,064.68	215,925.81	-152,861.13	29.21%	518,222.00	518,222.00	0.00	100.0%
<b>Total Expense</b>	<b>297,231.54</b>	<b>432,888.66</b>	<b>-135,657.12</b>	<b>68.66%</b>	<b>2,763,177.71</b>	<b>3,758,135.95</b>	<b>-994,958.24</b>	<b>73.53%</b>	<b>7,238,413.48</b>	<b>7,238,413.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>6,406,838.39</b>	<b>6,272,712.34</b>	<b>134,126.05</b>	<b>102.14%</b>	<b>4,026,862.62</b>	<b>3,017,365.05</b>	<b>1,009,497.57</b>	<b>133.46%</b>	<b>-413,033.55</b>	<b>-433,212.48</b>	<b>20,178.93</b>	<b>95.34%</b>
<b>Other Income</b>												
4210 · Approp Pool-Replenishment	625,201.94	0.00	625,201.94	100.0%	625,201.94	0.00	625,201.94	100.0%	625,201.94	0.00	625,201.94	100.0%
4220 · Non-Ag Pool-Replenishment	22,789.05	0.00	22,789.05	100.0%	22,789.05	0.00	22,789.05	100.0%	22,789.05	0.00	22,789.05	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	15.29	0.00	15.29	100.0%	175.00	0.00	175.00	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	2,500.00	0.00	2,500.00	100.0%
4600 · Groundwater Sales	1,786,216.90	0.00	1,786,216.90	100.0%	1,786,216.90	0.00	1,786,216.90	100.0%	1,786,216.90	0.00	1,786,216.90	100.0%
<b>Total Other Income</b>	<b>2,434,207.89</b>	<b>0.00</b>	<b>2,434,207.89</b>	<b>100.0%</b>	<b>2,434,223.18</b>	<b>0.00</b>	<b>2,434,223.18</b>	<b>100.0%</b>	<b>2,436,882.89</b>	<b>0.00</b>	<b>2,436,882.89</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	647,990.99	0.00	647,990.99	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	2,295,275.74	0.00	2,295,275.74	100.0%
9996 · Refund-Excess Reserves-Approp.	764,137.00	0.00	764,137.00	100.0%	764,137.00	0.00	764,137.00	100.0%	764,137.00	0.00	764,137.00	100.0%
9997 · Refund-Excess Reserves-NonAg	24,510.00	0.00	24,510.00	100.0%	24,510.00	0.00	24,510.00	100.0%	24,510.00	0.00	24,510.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	8,052,399.28	6,272,712.34	1,779,686.94	128.37%	5,672,438.80	3,017,365.05	2,655,073.75	187.99%	-1,708,064.39	-433,212.48	-1,274,851.91	394.28%
<b>Total Other Expense</b>	<b>8,841,046.28</b>	<b>6,272,712.34</b>	<b>2,568,333.94</b>	<b>140.95%</b>	<b>6,461,085.80</b>	<b>3,017,365.05</b>	<b>3,443,720.75</b>	<b>214.13%</b>	<b>2,023,849.34</b>	<b>-433,212.48</b>	<b>2,457,061.82</b>	<b>-467.17%</b>
<b>Net Other Income</b>	<b>-6,406,838.39</b>	<b>-6,272,712.34</b>	<b>-134,126.05</b>	<b>102.14%</b>	<b>-4,026,862.62</b>	<b>-3,017,365.05</b>	<b>-1,009,497.57</b>	<b>133.46%</b>	<b>413,033.55</b>	<b>433,212.48</b>	<b>-20,178.93</b>	<b>95.34%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

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



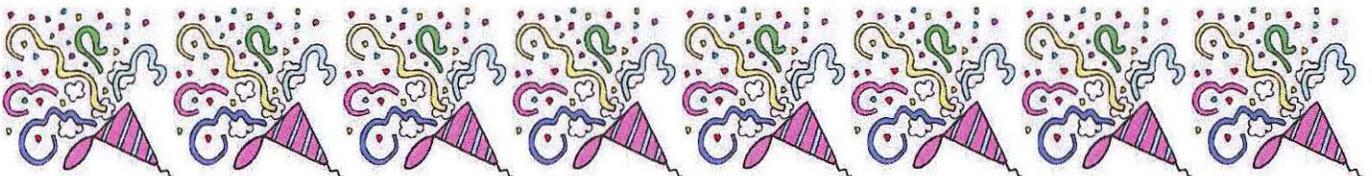
# **CHINO BASIN WATERMASTER**

## **II. CONSENT CALENDAR (App & Ag Pool)**

### **C. NOTICE OF INTENT**

## **II. BUSINESS ITEM ROUTINE (Non-Ag Pool)**

### **C. NOTICE OF INTENT**



# NOTICE OF INTENT

## Watermaster's "Notice of Intent" to Change the Operating Safe Yield of the Chino Groundwater Basin

**PLEASE TAKE NOTICE** that on this 24<sup>th</sup> day of January 2013, Chino Basin Watermaster hereby files this "**Notice of Intent**" to change the operating safe yield of the Chino Groundwater Basin Pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. RCV 51010 (formerly Case No. 164327) (Exhibit I, Paragraph 2b, Page 80).

Approved by  
**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE  
CHAIRMAN**

**CHINO BASIN WATERMASTER  
BOARD OF DIRECTORS  
CHAIRMAN**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

**ATTEST:  
CHINO BASIN WATERMASTER  
BOARD OF DIRECTORS  
SECRETARY/TREASURER**

Signature: \_\_\_\_\_

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# **CHINO BASIN WATERMASTER**

## **II. CONSENT CALENDAR (App & Ag Pool)**

**D. CHINO BASIN WATERMASTER  
INVESTMENT POLICY RESOLUTION  
13-01**

## **II. BUSINESS ITEM ROUTINE (Non-Ag Pool)**

**D. CHINO BASIN WATERMASTER  
INVESTMENT POLICY RESOLUTION  
13-01**



**RESOLUTION 13-01**

**RESOLUTION OF THE CHINO BASIN WATERMASTER,  
SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING  
A WATERMASTER INVESTMENT POLICY**

**WHEREAS**, the normal and prudent operation of the Watermaster's daily business generates cash balances, operating and fund reserves; and

**WHEREAS**, the cash management system is designed to accurately monitor and forecast expenditures and revenues on behalf of Watermaster, thus enabling the Watermaster to invest funds to the fullest extent possible; and

**WHEREAS**, the cash funds are to be placed in investments authorized for public agencies of the State of California (Judgment Paragraph 23); and

**WHEREAS**, Watermaster deems it to be in the best interests of the parties to the Judgment to delegate the authority to invest and reinvest the funds of Watermaster to the Watermaster General Manager subject to the provisions of its Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

**WHEREAS**, it is the Watermaster's policy to annually review, update, and adopt an investment policy;

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

Section 1. The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster General Manager (and his/her designees) subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

Section 2. This resolution shall take effect from and after its date of adoption and Resolution 12-01 is rescinded in its entirety.

**APPROVED** by the Advisory Committee this 17<sup>th</sup> day of January 2013.

**ADOPTED** by the Watermaster Board on this 24<sup>th</sup> day of January 2013.

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

Chair, Watermaster Board

APPROVED:

\_\_\_\_\_  
Chair, Advisory Committee

ATTEST:

\_\_\_\_\_  
Board Secretary/Treasurer  
Chino Basin Watermaster

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. 13-01, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES: 0  
NOES: 0  
ABSENT: 0  
ABSTAIN: 0

CHINO BASIN WATERMASTER

\_\_\_\_\_  
Secretary

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

# CHINO BASIN WATERMASTER

## INVESTMENT POLICY

### 1.0 POLICY

**WHEREAS;** the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

**WHEREAS;** the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

**WHEREAS;** the General Manager ("GM") of the Chino Basin Watermaster ("Watermaster") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting;

**NOW THEREFORE,** it shall be the policy of the Watermaster to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Watermaster and conforming to all statutes and judgments governing the investment of Watermaster funds.

### 2.0 SCOPE

This investment policy applies to all financial assets of the Watermaster. These funds are accounted for in the annual Watermaster audit.

### 3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Watermaster, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard California Government Code (53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers (the GM and his/her designees) acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### **4.0 OBJECTIVES**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Watermaster shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the Watermaster to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

#### **5.0 DELEGATION OF AUTHORITY**

Authority to manage the investment program is derived from the Judgment Paragraph 23, and from California Government Code 53600, et seq. Management responsibility for the investment program is hereby delegated to the Advisory Committee, who with the GM shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions, such as the Chief Financial Officer. No person may engage in an investment transaction except as provided under the terms of this policy and pursuant to Watermaster rules and regulations 2.16, derived from the Judgment, Paragraph 23. The Board shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code 53600.3, the GM is a trustee and a fiduciary subject to the prudent investor standard.

#### **6.0 ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

#### **7.0 AUTHORIZED AND SUITABLE INVESTMENTS**

The Watermaster is empowered by California Government Code 53601 et seq. to invest in

the following:

1. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed \$500,000 in any one Bank at a time.
2. Local Agency Investment Fund (LAIF) in Sacramento, CA.
3. Investment Trust of California (CalTRUST).

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

### **8.0 COLLATERALIZATION**

All certificates of deposit must be collateralized. Collateral must be held by a third party trustee and valued on a monthly basis.

### **9.0 DIVERSIFICATION**

The Watermaster will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

### **10.0 REPORTING**

The Watermaster Chief Financial Officer shall prepare Monthly Investment Reports which reflect investment transactions for review by the Pool Committees and the Advisory Committee prior to presentation to the Watermaster Board at their next regularly scheduled meeting.

Following formats used in prior years, said Investment Report will reflect the following information.

- a. Funds held in each Bank at the beginning and ending of the reporting period; and
- b. Investments deposited and/or redeemed by type and by Bank (including interest rates, days invested and maturity yield rates) during the reporting period; and
- c. Investments outstanding at the close of the reporting period (including interest rates, days invested and maturity date); and
- d. Elements effecting the change in Watermaster's cash position; and

- e. A statement signed by the Chief Financial Officer as to the ability of the cash on hand to meet foreseen expenditures during the next six months.

#### **11.0 INVESTMENT POLICY ADOPTION**

The Investment Policy shall be adopted by resolution of the Watermaster on an annual basis. The Policy Statement will be reviewed by each Pool Committee. Should any Pool Committee recommend revisions to the Policy Statement, it shall be amended prior to presentation to the Advisory Committee for their review and comment. If necessary the Policy Statement will be further amended to reflect the comments of the Advisory Committee. The final Policy Statement will then be presented to the Watermaster Board for adoption at the next regularly scheduled meeting.



# **CHINO BASIN WATERMASTER**

## **II. CONSENT CALENDAR (App & Ag Pool)**

**E. LOCAL AGENCY INVESTMENT FUND  
RESOLUTION 13-02**

## **II. BUSINESS ITEM ROUTINE (Non-Ag Pool)**

**E. LOCAL AGENCY INVESTMENT FUND  
RESOLUTION 13-02**



# RESOLUTION 13-02 OF CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730 PHONE: 909-484-3888

## AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the Chino Basin Watermaster was appointed on January 27, 1978, under San Bernardino Superior Court Case No. WCV51010 (formerly Case No. SCV164327) entitled Chino Basin Municipal Water District V. City of Chino, et al., with powers to authorize the investment or deposit of surplus funds pursuant to the California Government Code, Section 53600; and

**WHEREAS**, upon filing of an appropriate resolution, local agencies are permitted to remit money to the State Treasurer for deposit in the fund for the purpose of investment; and pursuant to Section 16429.3 of said Government Code, such monies are not subject to impoundment of seizure by any state official or state agency.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Directors does hereby authorize the deposit and withdrawal of Chino Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that record.

**BE IT FURTHER RESOLVED**, that the following Chino Basin Watermaster officers and designated employees or their successors in office/position shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

_____ (NAME)	<u>Board Chair</u> _____ (TITLE)	_____ (SIGNATURE)
_____ (NAME)	<u>Board Vice-Chair</u> _____ (TITLE)	_____ (SIGNATURE)
_____ (NAME)	<u>Board Secretary/Treasurer</u> _____ (TITLE)	_____ (SIGNATURE)
<u>Peter Kavounas</u> (NAME)	<u>General Manager/Secretary</u> _____ (TITLE)	_____ (SIGNATURE)
<u>Danielle D. Maurizio</u> (NAME)	<u>Assistant General Manager</u> _____ (TITLE)	_____ (SIGNATURE)
<u>Joseph S. Joswiak</u> (NAME)	<u>Chief Financial Officer</u> _____ (TITLE)	_____ (SIGNATURE)

**APPROVED** by the Advisory Committee this 17<sup>th</sup> day of January 2013  
**ADOPTED** by the Watermaster Board on this 24<sup>th</sup> day of January 2013

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

Chair, Watermaster Board

APPROVED:

\_\_\_\_\_  
Chair, Advisory Committee

ATTEST:

\_\_\_\_\_  
Board Secretary/Treasurer  
Chino Basin Watermaster

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. 13-02 was adopted at a regular meeting of the Chino Basin Watermaster Board.

CHINO BASIN WATERMASTER

\_\_\_\_\_  
Watermaster Secretary

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



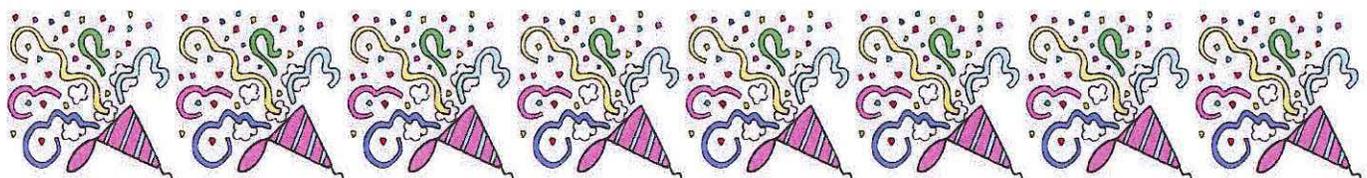
# **CHINO BASIN WATERMASTER**

## **II. CONSENT CALENDAR (App Pool Only)**

### **F. APPROPRIATIVE POOL VOLUME VOTE**

## **II. BUSINESS ITEM ROUTINE (Non-Ag Pool)**

### **F. NON-AGRICULTURAL POOL VOLUME VOTE**





# 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:** January 10, 2013  
**TO:** Appropriative Pool Committee Members  
**SUBJECT:** Calendar Year 2013 Appropriative Pool Volume Vote

### SUMMARY

*Recommendation* – Staff recommends approval of the Calendar Year 2013 Volume Vote as presented.

### BACKGROUND

Following the approval of each Assessment Package, volume vote calculations for the new calendar year are performed and Parties are allocated a voting percentage. The 2012-2013 Assessment Package was approved by the Board on November 15, 2012.

The Appropriative Pool Volume Vote allocation is attached. The previous year Volume Vote is also attached for reference. The total voting power on the Pool Committee is 1,000 votes. Of these, 500 votes are allocated based on each Party's percentage of Operating Safe Yield. The remaining 500 votes are allocated proportionally based on production during the preceding year.

**Actions:**  
January 10, 2013 Appropriative Pool –

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# Chino Basin Watermaster 2012-2013 Appropriative Pool Volume Vote

Assessment Year 2012-2013 (Production Year 2011-2012)

	Assessable Production			Share of Operating Yield		TOTAL VOLUME VOTE	
	Acre-Ft	Percentage	Votes	Acre-Ft	Votes	Non-Minor	Minor
Arrowhead Mtn Spring Water Co	369.040	0.465%	2.326	0.000	0.000		2.326
Chino Hills, City Of	3,401.160	4.287%	21.433	2,111.422	19.253	40.686	
Chino, City Of	0.000	0.000%	0.000	4,033.857	36.782	36.782	
Cucamonga Valley Water District	14,948.728	18.841%	94.204	3,619.454	33.004	127.207	
Fontana Union Water Company	0.000	0.000%	0.000	6,391.736	58.283	58.283	
Fontana Water Company	5,694.480	7.177%	35.885	1.000	0.009	35.895	
Fontana, City Of	0.000	0.000%	0.000	0.000	0.000		0.000
Golden State Water Company	745.735	0.940%	4.699	411.476	3.752		8.451
Jurupa Community Services District	15,916.835	20.061%	100.305	2,061.118	18.794	119.099	
Marygold Mutual Water Company	1,174.962	1.481%	7.404	655.317	5.975		13.380
Monte Vista Irrigation Company	0.000	0.000%	0.000	676.759	6.171		6.171
Monte Vista Water District	9,911.649	12.492%	62.461	4,823.954	43.987	106.448	
Niagara Bottling, LLC	1,349.170	1.700%	8.502	0.000	0.000		8.502
Nicholson Trust	0.000	0.000%	0.000	4.000	0.036		0.036
Norco, City Of	0.000	0.000%	0.000	201.545	1.838		1.838
Ontario, City Of	13,698.422	17.265%	86.325	11,373.816	103.711	190.036	
Pomona, City Of	11,420.171	14.394%	71.968	11,215.852	102.271	174.238	
San Antonio Water Company	172.368	0.217%	1.086	1,506.888	13.740		14.827
San Bernardino County Shtg Prk	14.788	0.019%	0.093	0.000	0.000		0.093
Santa Ana River Water Company	0.000	0.000%	0.000	1,301.374	11.866		11.866
Upland, City Of	525.025	0.662%	3.309	2,852.401	26.009	29.318	
West End Consolidated Water Company	0.000	0.000%	0.000	947.714	8.642		8.642
West Valley Water District	0.000	0.000%	0.000	644.317	5.875		5.875
<b>TOTAL</b>	<b>79,342.533</b>	<b>100.000%</b>	<b>500.000</b>	<b>54,834.000</b>	<b>500.000</b>	<b>917.992</b>	<b>82.008</b>
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**Peace II**



## Chino Basin Watermaster 2011-2012 Appropriative Pool Volume Vote

Assessment Year 2011-2012 (Production Year 2010-2011)

|                                     | Assessable Production |                 |                | Share of Operating Yield |                | TOTAL VOLUME VOTE |               |
|-------------------------------------|-----------------------|-----------------|----------------|--------------------------|----------------|-------------------|---------------|
|                                     | Acre-Ft               | Percentage      | Votes          | Acre-Ft                  | Votes          | Non-Minor         | Minor         |
| Arrowhead Mtn Spring Water Co       | 408.457               | 0.521%          | 2.605          | 0.000                    | 0.000          |                   | 2.605         |
| Chino Hills, City Of                | 1,766.644             | 2.253%          | 11.265         | 2,111.422                | 19.253         | 30.518            |               |
| Chino, City Of                      | 673.146               | 0.858%          | 4.292          | 4,033.857                | 36.782         | 41.075            |               |
| Cucamonga Valley Water District     | 19,334.924            | 24.659%         | 123.293        | 3,619.454                | 33.004         | 156.297           |               |
| Fontana Union Water Company         | 0.000                 | 0.000%          | 0.000          | 6,391.736                | 58.283         | 58.283            |               |
| Fontana Water Company               | 8,348.452             | 10.647%         | 53.236         | 1.000                    | 0.009          | 53.245            |               |
| Fontana, City Of                    | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000          |                   | 0.000         |
| Golden State Water Company          | 443.945               | 0.566%          | 2.831          | 411.476                  | 3.752          |                   | 6.583         |
| Jurupa Community Services District  | 13,501.296            | 17.219%         | 86.094         | 2,061.118                | 18.794         | 104.888           |               |
| Marygold Mutual Water Company       | 1,107.368             | 1.412%          | 7.061          | 655.317                  | 5.975          |                   | 13.037        |
| Monte Vista Irrigation Company      | 0.000                 | 0.000%          | 0.000          | 676.759                  | 6.171          |                   | 6.171         |
| Monte Vista Water District          | 8,869.574             | 11.312%         | 56.559         | 4,823.954                | 43.987         | 100.546           |               |
| Niagara Bottling, LLC               | 1,344.692             | 1.715%          | 8.575          | 0.000                    | 0.000          |                   | 8.575         |
| Nicholson Trust                     | 0.000                 | 0.000%          | 0.000          | 4.000                    | 0.036          |                   | 0.036         |
| Norco, City Of                      | 0.000                 | 0.000%          | 0.000          | 201.545                  | 1.838          |                   | 1.838         |
| Ontario, City Of                    | 10,604.065            | 13.524%         | 67.619         | 11,373.816               | 103.711        | 171.330           |               |
| Pomona, City Of                     | 10,527.824            | 13.427%         | 67.133         | 11,215.852               | 102.271        | 169.404           |               |
| San Antonio Water Company           | 716.095               | 0.913%          | 4.566          | 1,506.888                | 13.740         |                   | 18.307        |
| San Bernardino County Shtg Prk      | 17.605                | 0.022%          | 0.112          | 0.000                    | 0.000          |                   | 0.112         |
| Santa Ana River Water Company       | 12.514                | 0.016%          | 0.080          | 1,301.374                | 11.866         |                   | 11.946        |
| Upland, City Of                     | 733.813               | 0.936%          | 4.679          | 2,852.401                | 26.009         | 30.689            |               |
| West End Consolidated Water Company | 0.000                 | 0.000%          | 0.000          | 947.714                  | 8.642          |                   | 8.642         |
| West Valley Water District          | 0.000                 | 0.000%          | 0.000          | 644.317                  | 5.875          |                   | 5.875         |
| <b>TOTAL</b>                        | <b>78,410.414</b>     | <b>100.000%</b> | <b>500.000</b> | <b>54,834.000</b>        | <b>500.000</b> | <b>916.274</b>    | <b>83.726</b> |

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# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Overlying (Non-Agricultural) Pool Committee Members  
**SUBJECT:** Calendar Year 2013 Overlying (Non-Agricultural) Pool Volume Vote

### SUMMARY

**Recommendation** – Staff recommends approval of the Calendar Year 2013 Volume Vote as presented.

### BACKGROUND

Following the approval of each Assessment Package, volume vote calculations for the new calendar year are performed and Parties are allocated a voting percentage. The 2012-2013 Assessment Package was approved by the Board on November 15, 2012.

The Overlying (Non-Agricultural) Pool Volume Vote allocation is attached. The previous year Volume Vote is also attached for reference. The total voting power on the Pool Committee is 1,484 votes. Of these, 742 votes are to be allocated based on one vote for each ten acre-feet or fraction thereof of Safe Yield. The remaining 742 votes are allocated proportionally based on production during the preceding year.

However, due to recent water transfers, if each Party is given one vote for each ten acre-feet or fraction thereof of Safe Yield, the total for that portion of the Volume Vote is 743 rather than 742. The logical solution is to pro-rata reduce the 743 votes down to 742 votes, which is the same methodology that was used the last two years. Please note that it will have a very minor effect on each Party's vote.

**Actions:**  
January 10, 2013 Non-Agricultural Pool –

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# Chino Basin Watermaster 2012-2013 Non-Ag Pool Volume Vote

Assessment Year 2012-2013 (Production Year 2011-2012)

|                                    | Assessable Production |                 |                | Share of Operating Yield |               |                | TOTAL<br>VOLUME<br>VOTE |
|------------------------------------|-----------------------|-----------------|----------------|--------------------------|---------------|----------------|-------------------------|
|                                    | Acre-Ft               | Percentage      | Votes          | Acr-Ft                   | WV Realloc    | Votes          |                         |
| Ameron Inc                         | 46.790                | 1.060%          | 7.864          | 97.858                   | 0.208         | 9.987          | 17.850                  |
| Angelica Textile Service           | 45.606                | 1.033%          | 7.665          | 18.789                   | 0.040         | 1.997          | 9.662                   |
| Aqua Capital Management            | 0.000                 | 0.000%          | 0.000          | 948.118                  | 2.020         | 95.871         | 95.871                  |
| Auto Club Speedway                 | 447.335               | 10.132%         | 75.183         | 1,000.000                | 2.130         | 100.864        | 176.047                 |
| California Steel Industries Inc    | 1,361.618             | 30.842%         | 228.844        | 1,300.000                | 2.769         | 130.824        | 359.668                 |
| Ccg Ontario, Llc                   | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| General Electric Company           | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| GenOn West, LP                     | 135.720               | 3.074%          | 22.810         | 954.540                  | 2.033         | 95.871         | 118.681                 |
| Kaiser Ventures Inc                | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| KCO, LLC / The Koll Company        | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| Loving Savior Of The Hills         | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| Ontario City Non-Ag                | 1,844.259             | 41.774%         | 309.960        | 2,327.807                | 4.958         | 233.685        | 543.645                 |
| Praxair Inc                        | 0.000                 | 0.000%          | 0.000          | 1.000                    | 0.002         | 0.999          | 0.999                   |
| San Antonio Winery                 | 10.023                | 0.227%          | 1.685          | 0.000                    | 0.000         | 0.000          | 1.685                   |
| San Bernardino Cty (Chino Airport) | 121.892               | 2.761%          | 20.486         | 133.870                  | 0.285         | 13.981         | 34.467                  |
| Southern California Edison Company | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| Space Center Mira Loma Inc.        | 93.708                | 2.123%          | 15.749         | 104.121                  | 0.222         | 10.985         | 26.734                  |
| Sunkist Growers Inc                | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| Swan Lake Mobile Home Park         | 307.936               | 6.975%          | 51.754         | 464.240                  | 0.989         | 46.937         | 98.691                  |
| Vulcan Materials Company           | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| West Venture Development           | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000                   |
| <b>TOTAL</b>                       | <b>4,414.887</b>      | <b>100.000%</b> | <b>742.000</b> | <b>7,350.343</b>         | <b>15.656</b> | <b>742.000</b> | <b>1,484.000</b>        |

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~~~PREVIOUS YEAR FOR REFERENCE~~~

**Peace II**

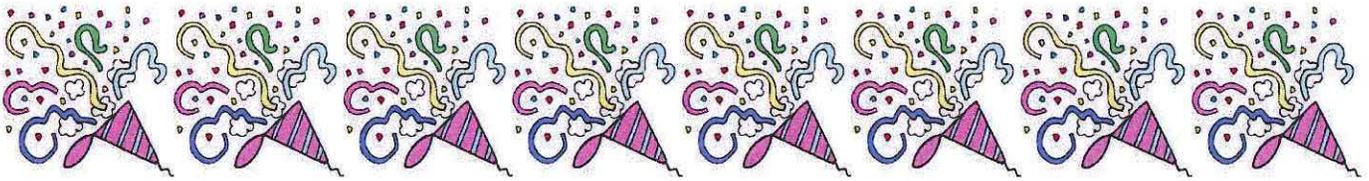


## Chino Basin Watermaster 2011-2012 Non-Ag Pool Volume Vote

Assessment Year 2011-2012 (Production Year 2010-2011)

|                                    | Assessable Production |                 |                | Share of Operating Yield |               |                | TOTAL VOLUME VOTE |
|------------------------------------|-----------------------|-----------------|----------------|--------------------------|---------------|----------------|-------------------|
|                                    | Acre-Ft               | Percentage      | Votes          | Acr- Ft                  | WV Realloc    | Votes          |                   |
| Ameron Inc                         | 27.753                | 0.709%          | 5.261          | 97.858                   | 0.208         | 9.987          | 15.247            |
| Angelica Textile Service           | 54.441                | 1.391%          | 10.319         | 18.789                   | 0.040         | 1.997          | 12.317            |
| Aqua Capital Management            | 0.000                 | 0.000%          | 0.000          | 948.118                  | 2.020         | 95.871         | 95.871            |
| Auto Club Speedway                 | 448.854               | 11.466%         | 85.081         | 1,000.000                | 2.130         | 100.864        | 185.945           |
| California Steel Industries Inc    | 1,084.920             | 27.715%         | 205.648        | 1,300.000                | 2.769         | 130.824        | 336.472           |
| Ccg Ontario, Llc                   | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| General Electric Company           | 0.207                 | 0.005%          | 0.039          | 0.000                    | 0.000         | 0.000          | 0.039             |
| GenOn West, LP                     | 328.075               | 8.381%          | 62.187         | 954.540                  | 2.033         | 95.871         | 158.058           |
| Kaiser Ventures Inc                | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| KCO, LLC / The Koll Company        | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| Loving Savior Of The Hills         | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| Ontario City Non-Ag                | 1,368.717             | 34.965%         | 259.443        | 2,327.807                | 4.958         | 233.685        | 493.128           |
| Praxair Inc                        | 0.000                 | 0.000%          | 0.000          | 1.000                    | 0.002         | 0.999          | 0.999             |
| San Antonio Winery                 | 11.445                | 0.292%          | 2.169          | 0.000                    | 0.000         | 0.000          | 2.169             |
| San Bernardino Cty (Chino Airport) | 158.588               | 4.051%          | 30.061         | 133.870                  | 0.285         | 13.981         | 44.042            |
| Southern California Edison Company | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| Space Center Mira Loma Inc.        | 93.706                | 2.394%          | 17.762         | 104.121                  | 0.222         | 10.985         | 28.747            |
| Swan Lake Mobile Home Park         | 337.793               | 8.629%          | 64.029         | 464.240                  | 0.989         | 46.937         | 110.966           |
| Vulcan Materials Company           | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| West Venture Development           | 0.000                 | 0.000%          | 0.000          | 0.000                    | 0.000         | 0.000          | 0.000             |
| <b>TOTAL</b>                       | <b>3,914.499</b>      | <b>100.000%</b> | <b>742.000</b> | <b>7,350.343</b>         | <b>15.656</b> | <b>742.000</b> | <b>1,484.000</b>  |

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# CHINO BASIN WATERMASTER

## III. BUSINESS ITEM

- A. 2013 AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE





# CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** January 10, 2013  
**TO:** Committee Members  
**SUBJECT:** 2013 Amendment to 2010 Recharge Master Plan Update

### SUMMARY

**Issue** – Watermaster is required to prepare an amendment to the 2010 Recharge Master Plan Update (2010 RMPU). The purposes of the amendment are, among other items, to refine the recharge projects contemplated in the 2010 RMPU, and to develop a financing plan and an implementation plan. The list of projects to be considered was developed in Section 6, which was brought through the Watermaster process in December 2012. The list of potential projects that could be implemented is long and evaluation criteria have been developed to assist in assessing the merits of each project, and prioritizing them. Section 7 describes the proposed evaluation criteria. Section 7 has been prepared by Watermaster staff and actively discussed with the Steering Committee.

**Recommendation** – Staff recommends that the Watermaster Board approve the attached document titled “2013 Amendment to the 2010 Recharge Master Plan, Section 7: Evaluation Criteria”

**Financial Impact** – There is no direct financial impact as a result of the proposed action. A portion of the preparation of the 2013 Amendment of the 2010 RMPU is included in the 2012-13 fiscal year budget, though the entire effort exceeds the budget. Reductions in other budgeted items are expected to cover the portion of this work that is not expressly budgeted. As reported during the November Pool Committee meetings, a Budget Transfer document will be submitted with the Mid-Year Review if necessary.

### DISCUSSION

Potential recharge projects were identified in the 2010 RMPU and were sorted into five phases for anticipated implementation. In early 2012, during the preparation of the Amendment, Watermaster asked for any other potential projects to be identified by the Parties. The identified projects were added to the original projects included in the 2010 RMPU, creating a lengthy list.

The ultimate objective of the Amendment effort is to create a financing plan and an implementation plan for projects. To assist the sequencing and selection among all the identified projects, evaluation criteria have been developed. These include cost, benefit, water quality impacts, institutional challenges, the specific management zone that would benefit from a project, and the type of benefit (sustainability or new yield).

The evaluation criteria described in this section have been developed independently of specific projects, to keep the criteria as objective as possible. While it would be desirable to establish and use a numeric scoring system, the complexity of resource management requires the general application of the criteria and the use of judgment. The section includes tables that indicate how the criteria will be applied to all projects in the evaluation that will be done and presented in Section 8 of the Amendment.

Watermaster staff has presented drafts of this section to the Steering Committee on three occasions, held lengthy conversations, and received comments. The attached section incorporates all the comments that were reviewed with the Steering Committee during the January 3, 2013 meeting. Any comments that were incorporated after that time are shown in redline form for clarity of communication.

**Actions:**

- January 10, 2013 Appropriative Pool –
- January 10, 2013 Non-Agricultural Pool –
- January 10, 2013 Agricultural Pool –
- January 17, 2013 Advisory Committee –
- January 24, 2013 Watermaster Board –

## Section 7 Evaluation Criteria

### Background

Section 6 contains lists of projects and project groupings that were reviewed and discussed by the Steering Committee. Subsequently the pool committees, advisory committee and the Board approved Project Grouping 6 "Maximize Recharge" that is listed in Table 6-1. The project evaluation criteria discussed in this section were adopted by Watermaster to evaluate these projects to determine if the proposed projects are consistent with Watermaster's 2013 goals, to prioritize the projects, and to ultimately provide the Watermaster recommendations for implementation.

### Watermaster's Recharge Goals

Given 2013 planning information discussed in Section 2, Watermaster will not likely be recharging significant quantities of supplemental water in the near future for replenishment purposes. The potential sustainability challenges faced by the JCSD and the CDA cannot be mitigated through spreading alone as was demonstrated in draft Section 3 of the 2013 RMPU Amendment report. Watermaster can work with the Appropriate Pool parties to facilitate the development of in-lieu recharge/exchange and aquifer storage and recover (ASR) projects to mitigate potential sustainability challenges and direct that replenishment occur by providing replenishment water to the in-lieu recharge/exchange and/or ASR projects. Alternatively, the Appropriate Pool parties could make their own arrangements, independent of the Watermaster, to achieve the same purposes.

Reoperation has caused groundwater levels to decline in the northern parts of MZ2 and MZ3, specifically in areas where the CVWD, FWC, and the City of Ontario produce groundwater. Model investigations, discussed in a report titled *2009 Production Optimization and Evaluation of the Peace II Project Description* prepared by WEI suggest that this drawdown will continue through 2030. To improve the balance of recharge and discharge in the northern parts of MZ2 and MZ3, Watermaster could implement storm and dry-weather recharge projects listed in Table 6-1 that recharge in MZ2 and MZ3. These projects would increase the recharge of storm water and dry-weather flow in these management zones and add new yield to the Chino Basin. Alternatively, a Party could implement these projects and Watermaster could facilitate their implementation by petitioning for amendment of its existing State Water Board stormwater diversion permits to include other recharge sites, in effect "sharing" its rights under its stormwater diversion permits

with the implementing Party<sup>1</sup>. In terms of balance, MZ3 has the greatest need of new storm and dry-weather flow recharge and supplemental recharge capacity.

### *Watermaster Minimum Standard of Performance*

Watermaster is tasked with recharging the Basin in order to fulfill the following numeric obligations: first, Watermaster coordinates replenishment of the Basin in order to offset production in excess of the Safe Yield (Judgment, ¶ 49-50). Second, Watermaster is obligated, pursuant to the Peace and Peace II Agreements, to recharge, on average, 6,500 acre-ft/yr of supplemental water to MZ1 (Peace Agreement, § 5.1(g), Peace II Agreement, § 8.4).

In the 2013 RMPU Amendment, the Watermaster's minimum standard of performance related to the evaluation of new recharge facilities and their operations come from the Peace Agreement and the December 2011 Watermaster Board action. The Peace Agreement § 5.1 (e) items (i), (iii), (v), (vii), and (viii), read as follows (see Peace Agreement, pages 20 and 21):

Watermaster shall exercise Best Efforts<sup>2</sup> to:

- (i) protect and enhance the safe yield of the Chino Basin through Replenishment and Recharge; [...]
- (iii) direct Recharge relative to Production in each area and sub-area of the Basin to achieve long term balance and to promote the goal of equal access to groundwater in all areas and sub-areas of the Chino Basin; [...]
- (v) establish and periodically update criteria for the use of water from different sources for Replenishment purposes; [...]
- (vii) recharge the Chino Basin with water in any area where groundwater levels have declined to such an extent that there is an imminent threat of Material Physical Injury to any party to the Judgment;
- (viii) maintain long-term hydrologic balance between total Recharge and discharge in all areas and sub-areas; [...].

On December 15, 2011, the Watermaster Board directed that the 2013 RMPU Amendment's Implementation Plan "... address balance issues within the Chino Basin subzones [...]",<sup>3</sup>

<sup>1</sup> The addition of points of diversion to Watermaster's stormwater diversion permits would effect a change only in the ability to divert stormwater pursuant to the permits, as enforced by the California State Water Resources Control Board. Such addition does not contemplate any change in Watermaster's own mechanisms for the allocation of stormwater yield, which is outside the scope of the State Water Resources Control Board's oversight.

<sup>2</sup> Best Efforts, per Peace Agreement (see Peace Agreement, page 4), "means reasonable diligence and reasonable efforts under the totality of the circumstances. Indifference and inaction do not constitute Best Efforts. Futile action(s) are not required."

<sup>3</sup> From the minutes of the December 15, 2011 Watermaster Board meeting

The following conclusions were documented in the draft Sections 2 through 4 herein and the *2009 Production Optimization and Evaluation of the Peace II Project Description* report:

- There is enough existing recharge capacity in the Chino Basin to meet projected replenishment obligations for the foreseeable future. Most of this recharge capacity is in MZ1 and MZ2.
- There are no recharge obstacles to meeting the MZ1 supplemental water recharge requirement of 6,500 acre-ft/yr. The IEUA projects that it will recharge about 3,300 acre-ft/yr of recycled water in MZ1. Therefore, to the extent that annual replenishment obligation is less than the difference between the MZ1 recharge obligation and recycled water recharge by IEUA in MZ1, Watermaster will have to purchase some imported water from Metropolitan and recharge it in MZ1 to meet the 6,500 acre-ft/yr commitment.
- In the future when the replenishment obligation becomes significant, Watermaster will lack access to facilities to enable it to direct recharge in such a way as to balance recharge and discharge in MZ3.
- There ~~is~~ are a potential production sustainability challenges in the JCSD and CDA well field areas located in MZ3, MZ4 and MZ5. This challenge is caused by production in the well fields in excess of recharge, and the inability of the aquifer to efficiently transmit recharge to the affected wells. Groundwater modeling investigations over the last five years suggest that the new artificial recharge at existing stormwater retention facilities will provide some benefits towards resolving the sustainability challenge faced by the JCSD and the CDA, and that reducing net production in the JCSD well field would be beneficial in resolving the production sustainability challenge.

The following questions were developed for discussion purposes to guide the development of criteria that could be used by the Watermaster and the Parties to determine which projects are consistent with Watermaster goals, to rank the projects, and determine which projects should be implemented.

#### **Is the Project Cost Effective?**

Planning for a storm and dry-weather flow recharge project begins when the estimated present value cost of the new storm water and dry-weather flow recharge project is determined to be less than the present value cost of recharging the next least cost supplemental water. There are limited supplies of recycled water given current and expected future land use at build out. Therefore the next least cost supply is assumed herein to be imported water from Metropolitan or other imported water that is wheeled into the Chino Basin through Metropolitan's

facilities. The next least cost of supply is assumed herein to be the Metropolitan untreated Tier 1 rate.

A proposed storm and dry-weather flow recharge project will be considered for implementation when the unit cost of new recharge is determined to be comparable to, or less than, the unit cost of importing a comparable volume of untreated Tier 1 water from Metropolitan. A Funding Plan and an Implementation plan will be presented in Section 8 of the 2013 Amendment (2010 RMPU); these plans will include a list of projects that will collectively make sense to implement, after being examined under all the proposed criteria. The cost effectiveness test of comparison to Tier 1 cost will not be a strict Pass/Fail criterion.

There are limits to funding available to implement these new projects so that the projects that will be implemented must meet the recharge goals and priorities of the Watermaster and be the most cost-efficient projects.

#### **Does a Proposed Project Create Significant New Storm Water Recharge and Dry-Weather Flow Recharge?**

Smaller projects require relatively more resources to develop and operate than larger projects. For discussion purposes significant is defined herein to be greater than 100 acre-ft/yr.

#### **Does the Project Create New Supplemental Water Recharge Capacity?**

New storm and dry-weather flow recharge facilities can be used to recharge supplemental water if supplemental water can be conveyed to them. In fact, because of the hydrology of the watershed, it is likely that the supplemental water recharge capacity of a new project will be greater than the storm water and dry-weather flow recharge capacity.

There is also the possibility of constructing recharge facilities for supplemental water recharge only. These recharge facilities include injection wells and aquifer ~~storage and recovery~~ (ASR) wells and may include recharge basins.

#### **What are the Barriers to Implementation?**

Spreading basins that will be developed from existing retention basins will require outlet controls, SCADA, potentially significant grading, and increased maintenance. The barriers for these recharge projects may include: developing an agreement with the basin owner to construct improvements and allow recharge; the flood control function of an existing or planned retention basin; mitigation for habitat losses and other resource agency requirements; Watermaster material physical injury findings; obtaining the ability, pursuant to a water right permit, to divert water for recharge

## Section 7 Evaluation Criteria

and subsequent beneficial use; and the potential for diverting water that would otherwise be captured at an existing downstream facility.

For a new spreading basin that would not be otherwise built for flood control purposes, the implementation barriers may include: property acquisition; obtaining change in the general plan to allow the land to be developed as recharge basin; agreement with the owner of the drainage works to divert storm water and convey excess back to the drainage works; mitigation for habitat losses and other resource agency requirements; Watermaster material physical injury findings; obtaining the ability, pursuant to a water right permit, to divert water for recharge and subsequent beneficial use; and the potential for diverting water that would otherwise be captured at an existing downstream facility.

The barriers to supplemental water recharge in existing and future retention basins may include: developing agreement with the owners of the basin to allow construction of improvements and supplemental water recharge; cost of obtaining and conveying supplemental water supplies to the basin; obtaining permit to recharge recycled water; conflicting schedules for supplemental water recharge and basin maintenance; mitigation for habitat losses and other resource agency requirements; and Watermaster material physical injury findings.

In-lieu recharge/exchange projects involve the conveyance of supplemental and or groundwater<sup>4</sup> to the JCSD from the Appropriative Pool Parties, the IEUA, the TVMWD, the WMWD, and/or some combination of these sources. Interties would be constructed among these agencies. The barriers to in-lieu recharge/exchange projects anticipated herein include: the drafting of agreements to allow in-lieu recharge/exchange; source water availability and cost; and Watermaster material physical injury findings.

All the ASR projects listed in Table 6-3 involve the JCSD with the injection water supplied by the Appropriative Pool Parties, the IEUA, the TVMWD, the WMWD, or some combination of these sources, as in the in-lieu recharge/exchange projects. In fact it is possible that the in-lieu recharge/exchange and ASR projects could be combined to form a more robust project. The barriers to the ASR well projects are essentially the same as in-lieu recharge/exchange projects.

Barriers to Implementation cannot be quantitatively assessed. They will be used as a qualitative factor in ranking projects.

### **Is This Project Solely Required for MS4 Compliance?**

If a project on the list is serving the purpose of meeting MS4 compliance exclusively, then that project will not be included in the Funding and Implementation plans. If, on the other hand, the project represents enhancements to a project beyond those

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<sup>4</sup> Where this groundwater production would not impact the groundwater levels in the JCSD well field

required for MS4 compliance, then the enhancements and their associated yield will be considered.

## Recommended Criteria

### *Exercise Best Efforts to Sustain Production in the JCSD Well Field*

Watermaster will use its best efforts to facilitate recharge project implementation that sustain groundwater production in the JCSD well field. These projects will have the highest priority in the 2013 RMPU Amendment and, except for cost considerations, will not be comparatively evaluated with storm, dry-weather, and supplemental water recharge projects that use existing and proposed spreading facilities. These new projects need to consider the following:

- The groundwater modeling work described in Section 3 suggested that this could best be done by the JCSD reducing production in their existing well field and either producing groundwater elsewhere or using another water supply in lieu of producing groundwater from the area where their existing wells are located.
- Increasing recharge in existing recharge basins and new recharge accomplished through the conversion of stormwater retention basins to recharge facilities was found to not significantly increase the production sustainability in the JCSD well field.
- The modeling work also demonstrated that reoperation has little impact on sustainable production in the JCSD well field.

These facts mean that the Watermaster and the Parties concentrate their best efforts on projects that reduce groundwater production by JCSD and replace the reduced groundwater production with another supply. This can be accomplished through interconnections with the Appropriative Pool Parties, the IEUA, the TVMWD and/or the WMWD. There are multiple in-lieu recharge/exchange and ASR project alternatives. The criteria that will be applied to evaluate alternative in-lieu supply plans include these production sustainability projects:

- Reliability of the supply to ensure sustainability – the project must be sized, scalable, and sourced to ensure sustainability.
- Cost – the cost to the Watermaster and the Parties should be minimized.
- Water quality – the project must not cause new water quality challenges and would hopefully improve groundwater quality.
- Ease of implementation – the project must be readily implementable with minimum institutional and regulatory difficulties.

### *Storm water and Dry-Weather Flow Recharge Projects*

There are three types of storm water recharge projects that include: improvements at existing recharge facilities, improvements at existing storm water management facilities that currently produce only incidental recharge, and new facilities. The criteria that will be applied to storm and dry-weather flow recharge projects projects (hereafter yield enhancement projects) include:

- Confidence in the estimate of new storm water and dry-weather flow recharge – The procedure used by Watermaster to estimate new stormwater recharge is summarized as follows:
  - Watermaster will develop estimates of stormwater discharge and recharge at all the facilities proposed in Section 6 using the WasteLoad Allocation Model (WLAM) developed by WEI using current land use and drainage system data and the daily precipitation for the period of July 1, 1949 through June 30, 2011. This is an updated version of the modeling approach used in the 2010 RMPU.
  - WEI will compare the historical recharge performance at existing facilities to the WLAM estimates for the period 2005 through 2011, develop correlation statistics, and implement a bias correction procedure for flow-through, flow-by and hybrid facilities. All assumptions will be reviewed by the steering committee prior to conducting the evaluations.
  - New recharge will be estimated at 90 percent of the bias-corrected model estimate.
- Location of recharge – current preference will be given to MZ3 then to MZ2 and then MZ1, up to specific new recharge goals per management zone. These recharge goals will be established in Section 8 based on the 2013 Chino Basin Groundwater Model.
- Expandability of the project to include supplemental water recharge if recharge location is desirable.
- Cost – the cost to the Watermaster and the Parties should be minimized with goal that the unit cost of the new recharge being less than the Metropolitan Tier 1 untreated rate. The unit cost of recharge will be based on the sum of amortized capital plus operations and maintenance costs, divided by average annual new recharge.
- Water Quality-quality – the new recharge must not cause existing contaminant plumes to be redirected in such a way as to cause contamination to wells or interfere with existing groundwater cleanup programs.
- Ease of implementation – the project must be readily implementable with minimum-minimal institutional and regulatory difficulties.

### Application of Criteria

The following information will be compiled, where appropriate, for all the projects ~~initially selected~~ identified in Section 6 for consideration in the 2013 RMPU Amendment:

- Project name and management zone
- Average annual new yield (new storm and dry-weather flow recharge)
- Average annual new recharge
- Supplemental water recharge capacity
- Capital and operations and maintenance costs
- Supplemental water acquisition cost
- Annual cost of the project and confidence in that cost estimate
- Unit cost of recharge (storm and dry-weather flow recharge separate from supplemental water recharge)<sup>5</sup>
- Production sustainability score<sup>6</sup>
- Management zone where project contributes to balance of recharge and discharge
- Water quality impacts challenges
- Institutional challenges (water rights, access, environmental, and regulatory).

Tables 7-1a through 7-1c are mockups of the table format that will be used for characterizing the MZ3/MZ4/MZ5 production sustainability projects and include: the summary of important project characteristics (Table 7-1a), the final screening of all the projects (Table 7-2b), and the final ranked projects (Table 7-1c).

Table 7-2a through 7-2c are similar table mockups for the yield enhancement projects. Yield enhancement projects with unit cost exceeding the Metropolitan untreated Tier 1 rate may be recommended.

Table 7-1 shows the layout of the table where the projects will be listed and the criteria listed above will be tabulated and subsequently prioritized.

- ~~1. MZ3/MZ4/MZ5 production sustainability projects will be prioritized~~
  - ~~a. from least cost to greatest cost<sup>7</sup>~~

<sup>5</sup> Expressed in dollars per acre-ft and which includes amortized capital and operations and maintenance costs. The intent is to capture all cost of recharge and express it as a unit cost for comparison to the cost of the next least cost supply.

<sup>6</sup> The production sustainability score is a tool to characterize a project's contribution to production sustainability in areas with sustainability challenges. In simple terms the score will be as follows: 0 – does not contribute to production sustainability; 1 – contributes minimally to production sustainability (a necessary but not sufficient condition of sustainability); 2 – contributes significantly to production sustainability (a necessary and sufficient condition of sustainability).

Section 7 Evaluation Criteria

- b. then least to greatest water quality impacts
- c. then least to greatest institutional challenges

2. The remaining projects will be prioritized:

- a. to increase storm water and dry-weather flow recharge by spreading in MZ3 followed by MZ2 and then MZ1
- b. then from least cost to greatest cost in each management zone, up to their respective recharge goals to achieve balance with discharge. The comparison to Metropolitan untreated tier 1 rate will be clearly noted,
- c. then least to greatest water quality impacts in each management zone
- d. then least to greatest institutional challenges in each management zone

4th Draft

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<sup>7</sup> Expressed in dollars per acre-ft and which includes amortized capital and operations and maintenance costs. The intent is to capture all cost of recharge and express it as a unit cost for comparison to the cost of the next least cost supply.

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**DRAFT** Table 7-1a  
 Project Data for MZ3/MZ4/MZ5 Sustainability Projects

| Project        | Management Zone | Summary of Key Project Features | New Recharge | Capital Cost | Annualized Capital Cost | Annual O&M Cost | Other Annual Cost | Supplemental Water Acquisition Cost | Total Annual Cost | Unit Cost | Reliability of the Water Supply | Production Sustainability Score |
|----------------|-----------------|---------------------------------|--------------|--------------|-------------------------|-----------------|-------------------|-------------------------------------|-------------------|-----------|---------------------------------|---------------------------------|
| X <sub>1</sub> |                 |                                 |              |              |                         |                 |                   |                                     |                   |           |                                 |                                 |
| X <sub>2</sub> |                 |                                 |              |              |                         |                 |                   |                                     |                   |           |                                 |                                 |
| "              |                 |                                 |              |              |                         |                 |                   |                                     |                   |           |                                 |                                 |
| "              |                 |                                 |              |              |                         |                 |                   |                                     |                   |           |                                 |                                 |
| X <sub>2</sub> |                 |                                 |              |              |                         |                 |                   |                                     |                   |           |                                 |                                 |

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**DRAFT Table 7-1b**  
**Screening of MZ3/MZ4/MZ5 Sustainability Projects**

| Project | New Recharge | Unit Cost | Capital Cost | Reliability of the Water Supply | Water Quality Challenges | Institutional Challenges |
|---------|--------------|-----------|--------------|---------------------------------|--------------------------|--------------------------|
| $X_m$   |              |           |              |                                 |                          |                          |
| $X_j$   |              |           |              |                                 |                          |                          |
| "       |              |           |              |                                 |                          |                          |
| "       |              |           |              |                                 |                          |                          |
| $X_q$   |              |           |              |                                 |                          |                          |

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**DRAFT Table 7-1c**  
**Ranked MZ3/MZ4/MZ5 Sustainability Projects**

| Project                                    | New Recharge | Unit Cost <sup>1</sup> | Capital Cost |
|--|--------------|------------------------|--------------|
| <b>Recommended Projects</b>                |              |                        |              |
| X <sub>1</sub>                             |              |                        |              |
| X <sub>n</sub>                             |              |                        |              |
| X <sub>q</sub>                             |              |                        |              |
| Total of Recommended Projects <sup>1</sup> |              |                        |              |
| <b>Other Projects</b>                      |              |                        |              |
| X <sub>a</sub>                             |              |                        |              |
| X <sub>b</sub>                             |              |                        |              |
| "  |              |                        |              |
| "  |              |                        |              |
| X <sub>z</sub>                             |              |                        |              |

<sup>1</sup> "Total" unit cost is a yield-weighted average.

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**DRAFT** Table 7-2a  
**Project Data for Yield Enhancement Projects**

| Project        | Management Zone | Summary of Key Project Features | New Yield | Capital Cost | Annualized Capital Cost | Annual O&M Cost | Other Annual Cost | Supplemental Water Acquisition Cost | Total Annual Cost | Unit Cost | Supplemental Water Recharge Capacity | Production Sustainability Score |
|----------------|-----------------|---------------------------------|-----------|--------------|-------------------------|-----------------|-------------------|-------------------------------------|-------------------|-----------|--------------------------------------|---------------------------------|
| Y <sub>1</sub> |                 |                                 |           |              |                         |                 |                   |                                     |                   |           |                                      |                                 |
| Y <sub>2</sub> |                 |                                 |           |              |                         |                 |                   |                                     |                   |           |                                      |                                 |
| "              |                 |                                 |           |              |                         |                 |                   |                                     |                   |           |                                      |                                 |
| "              |                 |                                 |           |              |                         |                 |                   |                                     |                   |           |                                      |                                 |
| Y <sub>z</sub> |                 |                                 |           |              |                         |                 |                   |                                     |                   |           |                                      |                                 |

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**DRAFT Table 7-2b**  
**Screening of Yield Enhancement Projects**

| Project        | Management Zone | New Yield | Unit Cost | Capital Cost | Water Quality Challenges | Institutional Challenges |
|----------------|-----------------|-----------|-----------|--------------|--------------------------|--------------------------|
| Y <sub>m</sub> |                 |           |           |              |                          |                          |
| Y <sub>j</sub> |                 |           |           |              |                          |                          |
| "              |                 |           |           |              |                          |                          |
| "              |                 |           |           |              |                          |                          |
| Y <sub>q</sub> |                 |           |           |              |                          |                          |

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**DRAFT** Table 7-2c  
**Ranked Yield Enhancement Projects**

| Project  | Yield | Unit Cost <sup>1</sup> | Capital Cost |
|--|-------|------------------------|--------------|
| <b>Recommended Projects to Balance MZ3</b>         |       |                        |              |
| Y <sub>l</sub>                                     |       |                        |              |
| Y <sub>n</sub>                                     |       |                        |              |
| Y <sub>p</sub>                                     |       |                        |              |
| Y <sub>q</sub>                                     |       |                        |              |
| Total MZ3  |       |                        |              |
| <b>Recommended Projects to Balance MZ2</b>         |       |                        |              |
| Y <sub>g</sub>                                     |       |                        |              |
| Y <sub>n</sub>                                     |       |                        |              |
| Y <sub>m</sub>                                     |       |                        |              |
| Y <sub>o</sub>                                     |       |                        |              |
| Total MZ2  |       |                        |              |
| <b>Recommended Projects to Balance MZ1</b>         |       |                        |              |
| Y <sub>a</sub>                                     |       |                        |              |
| Y <sub>d</sub>                                     |       |                        |              |
| Y <sub>r</sub>                                     |       |                        |              |
| Y <sub>j</sub>                                     |       |                        |              |
| Total MZ1  |       |                        |              |
| <b>Other Recommended Projects, Not MZ Specific</b> |       |                        |              |
| Y <sub>u</sub>                                     |       |                        |              |
| Y <sub>v</sub>                                     |       |                        |              |
| Y <sub>w</sub>                                     |       |                        |              |
| Y <sub>x</sub>                                     |       |                        |              |
| Total Other Recommended                            |       |                        |              |
| Total Recommended Projects                         |       |                        |              |
| <b>Other Projects</b>                              |       |                        |              |
| Y <sub>1</sub>                                     |       |                        |              |
| Y <sub>2</sub>                                     |       |                        |              |
| "  |       |                        |              |
| "  |       |                        |              |
| "  |       |                        |              |
| Y <sub>z</sub>                                     |       |                        |              |

<sup>1</sup> "Total" unit cost is a yield-weighted average.

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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:** January 10, 2013  
**TO:** Pool Members  
**SUBJECT:** Notice of Availability for Overlying (Non-Agricultural) Pool Available Water per Restated Judgment, Exhibit "G"

Pursuant to the Restated Judgment, Exhibit "G," by December 31st of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each Party shall make available in its individual discretion for purchase by the Appropriators.

Watermaster is required to provide a Notice of Availability of each Appropriator's pro-rata share of such water by January 31st of each year. The Notice of Availability attached to this staff report fulfills Watermaster's obligation.

Each Appropriative Pool member's pro-rata share of the available supply is based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party. If any member of the Appropriative Pool fails to irrevocably commit to its allocated share by March 1st of each year, its share of the Overlying (Non-Agricultural) Pool water will be made available to all other members of the Appropriative Pool according to the same proportions.

Restated Judgment, Exhibit "G," Paragraph 9(d) provides that Watermaster will purchase the surplus water made available by the members of the Overlying (Non-Agricultural) Pool water on behalf of the members of the Appropriative Pool, at a rate of 92% of the then-prevailing Metropolitan Water District of Southern California ("MWD") Replenishment Rate. According to Watermaster's past practices, the MWD Replenishment Rate utilized is that applicable for the calendar year in which Watermaster's purchase takes place.

Watermaster and the members of the Appropriative and Overlying (Non-Agricultural) Pools have been informed that the MWD will not publish a Replenishment Rate for 2013. In the absence of a Replenishment Rate for 2013 Watermaster, the Overlying (Non-Agricultural) Pool, and the Appropriative Pool have agreed that the temporary substitution of a rate of 92% of MWD's 2013 Tier 1 Untreated Rate for the rate of 92% of its Replenishment Rate for Physical Solution Transfers during Fiscal Year 2012/13 would be appropriate. On November 20, 2012, based on the approval of each of the Pool Committees, the Advisory Committee, and the Watermaster Board, Watermaster Legal Counsel moved the Court to approve the temporary rate substitution for 2013 Physical Solution Transfers. The temporary rate

January 10, 2013

substitution was approved by the Court on December 21, 2012. The Court's approval of a substitute rate under Paragraph 9(d) of Exhibit "G" temporarily allows transfers to proceed without further issue, allowing the parties to discuss a long-term solution in the event that the MWD does not publish Replenishment Rates in the future.

The 2013 MWD Tier 1 Untreated Rate is \$593 per acre-foot and therefore the rate for 2013 Physical Solution Transfers will be \$545.56 per acre-foot.

On December 26, 2012, California Speedway notified Watermaster of the availability of 500 acre-feet of water for purchase (attached). On December 28, 2012, Aqua Capital Management notified Watermaster of the availability of 3,500 acre-feet of water for purchase (attached). Therefore, a total of 4,000 acre-feet of water is available for purchase by the Appropriators.

The attached Notice of Availability includes a table that allocates the amount of water available to each Appropriator, should each Appropriator want to purchase their share of the water. Appropriators have until March 1, 2013 to notify Watermaster if they are each interested in purchasing their allocation of the water. If interested, please contact Peter Kavounas at [pkavounas@cbwm.org](mailto:pkavounas@cbwm.org).

**Action:**

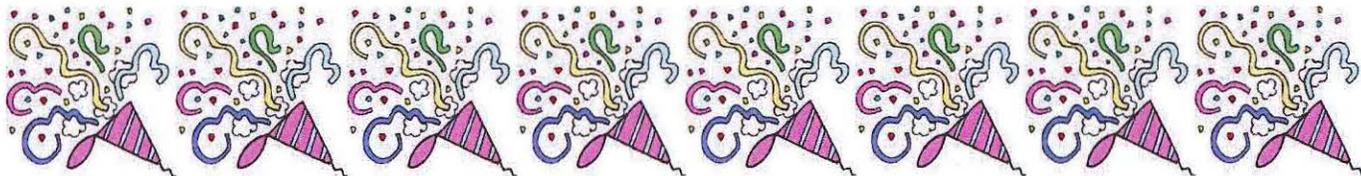
No action required for information only.



# CHINO BASIN WATERMASTER

## III. BUSINESS ITEM

- B. NOTICE OF OVERLYING (NON-AGRICULTURAL)  
POOL AVAILABLE WATER PER JUDGMENT  
EXHIBIT "G"





## 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

### NOTICE OF AVAILABILITY January 10, 2013

Pursuant to the Restated Judgment, Exhibit "G," by December 31<sup>st</sup> of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each member shall make available in their individual discretion for purchase by the Appropriators.

On December 26, 2012, California Speedway notified Watermaster of the availability of 500 acre-feet of water for purchase. On December 28, 2012, Aqua Capital Management notified Watermaster of the availability of 3,500 acre-feet of water for purchase. Therefore, a total of 4,000 acre-feet of water is available for purchase by the Appropriators in 2013. The purchase price is \$545.56 per acre-foot, which is a court-approved temporary substitution rate of 92% of MWD's 2013 Tier 1 Untreated Rate for the rate of 92% of its Replenishment Rate. (The MWD 2013 Tier 1 Untreated Rate is \$593.) This is the amount of water available and the applicable rate in 2013 for purchase under Exhibit "G."

A table is attached that allocates the amount of water available to each Appropriator, should each Appropriator want to purchase its share of the water. Appropriators have until March 1, 2013 to notify Watermaster if they are each interested in purchasing their allocation of the water. If interested please contact Peter Kavounas at [pkavounas@cbwm.org](mailto:pkavounas@cbwm.org).

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## Potential Allocation for the Purchase of the January 2013 Non-Ag Pool Stored Water

The Restated Judgment, Exhibit "G" states:

9(a) By December 31 of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each member shall make available in their individual discretion for purchase by the Appropriators. By January 31 of each year, Watermaster shall provide a Notice of Availability of each Appropriator's pro-rata share of such water;

9(b) Except as they may be limited by paragraph 9(e) below, each member of the Appropriative Pool will have, in their discretion, a right to purchase its pro-rata share of the supply made available from the Overlying (Non-Agricultural) Pool at the price established in 9(d) below. Each Appropriative Pool member's pro-rata share of the available supply will be based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party;

9(c) If any member of the Appropriative Pool fails to irrevocably commit to their allocated share by March 1 of each year, its share of the Overlying (Non-Agricultural) Pool water will be made available to all other members of the Appropriative Pool according to the same proportions as described in 9(b) above and at the price established in Paragraph 9(d) below. Each member of the Appropriative Pool shall complete its payment for its share of water made available by June 30 of each year.

| Party                               | Assigned Share of Operating Safe Yield | 2011-2012 Actual Production | 2011-2012 Production & Exchanges | "Averaged" Production & Exchanges | 4,000 Based on Operating Safe Yield | 4,000 Based on Averaged Prod & Exch | 4,000 50% OSY & 50% Averaged Prod & Exch | Cost for Each Party's Allocation @ \$545.56/AF |
|-------------------------------------|--|-----------------------------|----------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|--|--|
| Arrowhead Mtn Spring Water Co       | -                                      | 369.040                     | 369.040                          | 369.040                           | -                                   | 18.605                              | 9.302                                    | \$ 5,075.04                                    |
| Chino Hills, City Of                | 2,111.422                              | 3,401.160                   | 3,401.160                        | 3,401.160                         | 154.023                             | 171.467                             | 162.745                                  | \$ 88,787.16                                   |
| Chino, City Of                      | 4,033.857                              | -                           | -                                | -                                 | 294.260                             | -                                   | 147.130                                  | \$ 80,268.12                                   |
| Cucamonga Valley Water District     | 3,619.454                              | 14,948.728                  | 14,948.728                       | 14,948.728                        | 264.030                             | 753.630                             | 508.830                                  | \$ 277,597.27                                  |
| Desalter Authority                  | -                                      | -                           | -                                | -                                 | -                                   | -                                   | -  | \$ -   |
| Fontana Union Water Company         | 6,391.736                              | -                           | -                                | -                                 | 466.261                             | -                                   | 233.130                                  | \$ 127,186.62                                  |
| Fontana Water Company               | 1.000                                  | 5,694.480                   | 5,694.480                        | 5,694.480                         | 0.073                               | 287.083                             | 143.578                                  | \$ 78,330.49                                   |
| Fontana, City Of                    | -                                      | -                           | -                                | -                                 | -                                   | -                                   | -  | \$ -   |
| Golden State Water Company          | 411.476                                | 745.735                     | 745.735                          | 745.735                           | 30.016                              | 37.596                              | 33.806                                   | \$ 18,443.16                                   |
| Jurupa Community Services District  | 2,061.118                              | 15,916.835                  | 15,916.835                       | 15,916.835                        | 150.353                             | 802.436                             | 476.395                                  | \$ 259,901.98                                  |
| Marygold Mutual Water Company       | 655.317                                | 1,174.962                   | 1,174.962                        | 1,174.962                         | 47.804                              | 59.235                              | 53.519                                   | \$ 29,197.99                                   |
| Monte Vista Irrigation Company      | 676.759                                | -                           | -                                | -                                 | 49.368                              | -                                   | 24.684                                   | \$ 13,466.56                                   |
| Monte Vista Water District          | 4,823.954                              | 9,911.649                   | 9,911.649                        | 9,911.649                         | 351.895                             | 499.689                             | 425.792                                  | \$ 232,295.13                                  |
| Niagara Bottling, LLC               | -                                      | 1,349.170                   | 1,349.170                        | 1,349.170                         | -                                   | 68.017                              | 34.009                                   | \$ 18,553.81                                   |
| Nicholson Trust                     | 4.000                                  | -                           | -                                | -                                 | 0.292                               | -                                   | 0.146                                    | \$ 79.59                                       |
| Norco, City Of                      | 201.545                                | -                           | -                                | -                                 | 14.702                              | -                                   | 7.351                                    | \$ 4,010.46                                    |
| Ontario, City Of                    | 11,373.816                             | 13,698.422                  | 13,698.422                       | 13,698.422                        | 829.691                             | 690.597                             | 760.144                                  | \$ 414,704.01                                  |
| Pomona, City Of                     | 11,215.852                             | 11,420.171                  | 11,420.171                       | 11,420.171                        | 818.168                             | 575.740                             | 696.954                                  | \$ 380,230.19                                  |
| San Antonio Water Company           | 1,506.888                              | 172.368                     | 172.368                          | 172.368                           | 109.924                             | 8.690                               | 59.307                                   | \$ 32,355.37                                   |
| San Bernardino County Shtg Prk      | -                                      | 14.788                      | 14.788                           | 14.788                            | -                                   | 0.746                               | 0.373                                    | \$ 203.36                                      |
| Santa Ana River Water Company       | 1,301.374                              | -                           | -                                | -                                 | 94.932                              | -                                   | 47.466                                   | \$ 25,895.52                                   |
| Upland, City Of                     | 2,852.401                              | 525.025                     | 525.025                          | 525.025                           | 208.075                             | 26.469                              | 117.272                                  | \$ 63,978.95                                   |
| West End Consolidated Water Company | 947.714                                | -                           | -                                | -                                 | 69.133                              | -                                   | 34.567                                   | \$ 18,858.18                                   |
| West Valley Water District          | 644.317                                | -                           | -                                | -                                 | 47.001                              | -                                   | 23.501                                   | \$ 12,821.01                                   |
| <b>Total</b>                        | <b>54,834.000</b>                      | <b>79,342.533</b>           | <b>79,342.533</b>                | <b>79,342.533</b>                 | <b>4,000.000</b>                    | <b>4,000.000</b>                    | <b>4,000.000</b>                         | <b>\$ 2,182,240.00</b>                         |

NOTE: This is the same methodology used for the Years 1 through 5 purchase of the Non-Ag Pool Peace II Agreement storage water.

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December 26, 2012

Chino Basin Watermaster  
Attn: Peter Kavounas  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

RE: Notice of Availability - Judgment Exhibit G

Dear Mr. Kavounas:

As required by Exhibit G – Paragraph 9, this letter serves as notice that for this year Auto Club Speedway makes available for purchase five-hundred (500) acre feet of water held in storage at a purchase price of \$545.56/AF (\$593.00 x 92%).

Please contact my office with any questions.

Regards,

Brian Geye  
Senior Director, Operations

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AQUA CAPITAL MANAGEMENT LP  
444 Regency Parkway Drive, Suite 300  
Omaha, NE 68114

December 28, 2012

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

RE : Notice of Availability – Judgment Exhibit G

Dear Mr. Kavounas,

As required by Exhibit G – Paragraph 9, this letter serves as notice that for this year Aqua Capital Management LP makes available for purchase in 2013 three thousand five hundred (3,500) acre feet (comprised of 2,300 acre feet held in storage and 1,200 acre feet of Annual Production Right for 2012-2013) at a purchase price of \$545.56/AF (\$593x92%).

Please contact me with any questions.

Regards,

A handwritten signature in blue ink, appearing to read "David Penrice", is written over the typed name.

David Penrice  
Chief Executive Officer

cc: Danni Maurizio

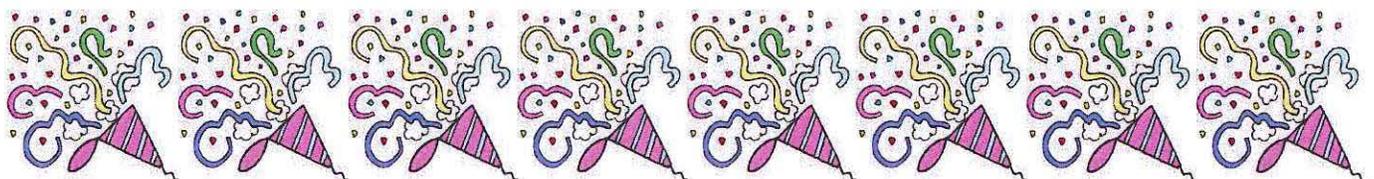
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# CHINO BASIN WATERMASTER

## V. INFORMATION

1. Cash Disbursements for December 2012

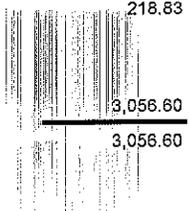


**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**December 2012**

For Informational Purposes Only

| Type            | Date       | Num                 | Name                                  | Memo                                      | Account                                | Paid Amount |
|-----------------|------------|---------------------|---------------------------------------|---|--|-------------|
| Bill Pmt -Check | 12/05/2012 | 16500               | CUCAMONGA VALLEY IAAP                 | Cucamonga Valley IAAP Chapter Mtg         | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 12/03/2012 |                     |                                       | Fee for Wilson and Molino                 | 6192 · Training & Seminars             | 60.00       |
| TOTAL           |            |                     |                                       |   |  | 60.00       |
| Bill Pmt -Check | 12/05/2012 | 16501               | DGO AUTO DETAILING                    |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/30/2012 |                     |                                       | Wash 4 trucks on 11/28/12                 | 6177 · Vehicle Repairs & Maintenance   | 100.00      |
| TOTAL           |            |                     |                                       |   |  | 100.00      |
| Bill Pmt -Check | 12/05/2012 | 16502               | PARK PLACE COMPUTER SOLUTIONS, INC.   | 469                                       | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/30/2012 | 469                 |                                       | IT Services - November 2012               | 6052.1 · Park Place Comp Solutn        | 3,375.00    |
| TOTAL           |            |                     |                                       |   |  | 3,375.00    |
| Bill Pmt -Check | 12/11/2012 | 16503               | ACWA JOINT POWERS INSURANCE AUTHORITY | 00198                                     | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/28/2012 | 00198               |                                       | Prepayment - December 2012                | 1409 · Prepaid Life, BAD&D & LTD       | 105.92      |
|                 |            |                     |                                       | Life Insurance - November 2012            | 60191 · Life & Disab.Ins Benefits      | 112.91      |
| TOTAL           |            |                     |                                       |   |  | 218.83      |
| Bill Pmt -Check | 12/11/2012 | 16504               | APPLIED COMPUTER TECHNOLOGIES         | 2088                                      | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/30/2012 | 2088                |                                       | Database Services - November 2012         | 6052.2 · Applied Computer Technol      | 3,056.60    |
| TOTAL           |            |                     |                                       |   |  | 3,056.60    |
| Bill Pmt -Check | 12/11/2012 | 16505               | ARROWHEAD MOUNTAIN SPRING WATER       | 0023230253                                | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/30/2012 | 0023230253          |                                       | Office Water Bottle - November 2012       | 6031.7 · Other Office Supplies         | 66.84       |
| TOTAL           |            |                     |                                       |   |  | 66.84       |
| Bill Pmt -Check | 12/11/2012 | 16506               | BOWCOCK, ROBERT                       |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/15/2012 | 11/15 Advis/Bd Mtgs |                                       | 11/15/12 Advisory Committee/Board Meeting | 6311 · Board Member Compensation       | 125.00      |
| Bill            | 11/29/2012 | 11/29 RMPU Mtg      |                                       | 11/29/12 RMPU Meeting                     | 6311 · Board Member Compensation       | 125.00      |
| TOTAL           |            |                     |                                       |   |  | 250.00      |
| Bill Pmt -Check | 12/11/2012 | 16507               | BROWNSTEIN HYATT FARBER SCHRECK       |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 10/31/2012 | 519812              |                                       | 519812                                    | 8375 · BHFS Legal - Appropriative Pool | 5,489.75    |
|                 |            |                     |                                       | 519812                                    | 8475 · BHFS Legal - Agricultural Pool  | 2,397.35    |
|                 |            |                     |                                       | 519812                                    | 8575 · BHFS Legal - Non-Ag Pool        | 3,605.13    |
|                 |            |                     |                                       | 519812                                    | 6275 · BHFS Legal - Advisory Committee | 1,852.86    |
|                 |            |                     |                                       | 519812                                    | 6375 · BHFS Legal - Board Meeting      | 6,732.48    |
|                 |            |                     |                                       | 519812                                    | 6071 · BHFS Legal - Court Coordination | 2,829.60    |
|                 |            |                     |                                       | 519812                                    | 6074 · BHFS Legal - Interagency Issues | 5,449.95    |
|                 |            |                     |                                       | 519812                                    | 6078 · BHFS Legal - Miscellaneous      | 10,753.14   |

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| Type            | Date       | Num                  | Name                       | Memo  | Account                                | Paid Amount |
|-----------------|------------|----------------------|----------------------------|---|--|-------------|
|                 |            |                      |                            | 519812                                      | 6907.33 · Desalter/Hydraulic Control   | 15,238.74   |
|                 |            |                      |                            | 519812                                      | 6907.40 · Storage Agreements           | 4,266.90    |
| Bill            | 10/31/2012 | 519813               |                            | Audit Response                              | 6078 · BHFS Legal - Miscellaneous      | 414.45      |
| Bill            | 10/31/2012 | 519814               |                            | 519814                                      | 6907.34 · Santa Ana River Water Rights | 520.20      |
| Bill            | 10/31/2012 | 519815               |                            | 519815                                      | 6907.33 · Desalter/Hydraulic Control   | 4,827.15    |
| Bill            | 10/31/2012 | 519816               |                            | 519816                                      | 6907.36 · Santa Ana River Habitat      | 964.35      |
| TOTAL           |            |                      |                            |   |  | 65,342.05   |
| Bill Pmt -Check | 12/11/2012 | 16508                | CALPERS 457 PLAN           | Payroll and Taxes for 11/11/12 - 11/24/12   | 1012 · Bank of America Gen'l Ckg       |             |
| General Journal | 11/24/2012 | 11/24/2012           | CALPERS 457 PLAN           | Employee Deductions for 11/11/12 - 11/24/12 | 2000 · Accounts Payable                | 2,764.86    |
| TOTAL           |            |                      |                            |   |  | 2,764.86    |
| Bill Pmt -Check | 12/11/2012 | 16509                | CHARLES Z. FEDAK & COMPANY |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 10/31/2012 |                      |                            | Progress Billing - October 2012             | 6062 · Audit Services                  | 2,948.00    |
| TOTAL           |            |                      |                            |   |  | 2,948.00    |
| Bill Pmt -Check | 12/11/2012 | 16510                | COMPUTER NETWORK           | 85879                                       | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/21/2012 | 85879                |                            | Wireless keyboard                           | 6055 · Computer Hardware               | 70.04       |
| TOTAL           |            |                      |                            |   |  | 70.04       |
| Bill Pmt -Check | 12/11/2012 | 16511                | CURATALO, JAMES            |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/06/2012 | 11/06 Mtg w/GM       |                            | 11/06/12 Meeting w/Peter Kavounas           | 6311 · Board Member Compensation       | 125.00      |
| Bill            | 11/14/2012 | 11/14 Mtg w/GM       |                            | 11/14/12 Meeting w/Peter Kavounas           | 6311 · Board Member Compensation       | 125.00      |
| Bill            | 11/15/2012 | 11/15 Advis/Bd Mtgs  |                            | 11/15/12 Advisory Committee/Board Meetings  | 6311 · Board Member Compensation       | 125.00      |
| Bill            | 11/29/2012 | 11/29 RMPU Mtg       |                            | 11/29/12 RMPU Meeting                       | 6311 · Board Member Compensation       | 125.00      |
| TOTAL           |            |                      |                            |   |  | 500.00      |
| Bill Pmt -Check | 12/11/2012 | 16512                | DC LAW                     | 22481                                       | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/30/2012 | 22481                |                            | Ag Pool Legal - October/November 2012       | 8467 · Ag Legal & Technical Services   | 3,023.72    |
| TOTAL           |            |                      |                            |   |  | 3,023.72    |
| Bill Pmt -Check | 12/11/2012 | 16513                | DE BOOM, NATHAN            |   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/06/2012 | 11/06 Special Ag Mtg |                            | 11/06/12 Special Ag Pool Meeting            | 8411 · Compensation                    | 25.00       |
|                 |            |                      |                            | Ag Pool Member Meeting Compensation         | 8470 · Ag Meeting Attend -Special      | 100.00      |
| Bill            | 11/08/2012 | 11/08 Ag Pool Mtg    |                            | 11/08/12 Ag Pool Meeting                    | 8411 · Compensation                    | 25.00       |
|                 |            |                      |                            | Ag Pool Member Meeting Compensation         | 8470 · Ag Meeting Attend -Special      | 100.00      |
| TOTAL           |            |                      |                            |   |  | 250.00      |
| Bill Pmt -Check | 12/11/2012 | 16514                | DIRECTV                    | 019447404                                   | 1012 · Bank of America Gen'l Ckg       |             |
| Bill            | 11/28/2012 | 019447404            |                            | Lunch Room 11/19/12 -12/18/12               | 6031.7 · Other Office Supplies         | 89.99       |

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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> |
|-------|-----------------|-------------|----------------------|-----------------------------|---|--|--------------------|
| TOTAL |                 |             |                      |                             |   |  | 89.99              |
|       | Bill Pmt -Check | 12/11/2012  | 16515                | DURRINGTON, GLEN            |   | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 11/06/2012  | 11/06 Special Ag Mtg |                             | 11/06/12 Special Ag Pool Meeting          | 8411 · Compensation                    | 25.00              |
|       |                 |             |                      |                             | Ag Pool Member Compensation               | 8470 · Ag Meeting Attend -Special      | 100.00             |
|       | Bill            | 11/08/2012  | 11/08 Ag Pool Mtg    |                             | 11/08/12 Ag Pool Meeting                  | 8411 · Compensation                    | 25.00              |
|       |                 |             |                      |                             | Ag Pool Member Compensation               | 8470 · Ag Meeting Attend -Special      | 100.00             |
| TOTAL |                 |             |                      |                             |   |  | 250.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16516                | ELIE, STEVEN                | 11/08/12 Appropriative Pool Meeting       | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 11/08/2012  | 11/08 Appro Pool Mtg |                             | 11/08/12 Appropriative Pool Meeting       | 6311 · Board Member Compensation       | 125.00             |
| TOTAL |                 |             |                      |                             |   |  | 125.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16517                | FEENSTRA, BOB               |   | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 11/01/2012  | 11/01 RMPU Mtg       |                             | 11/01/12 RMPU Meeting                     | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/06/2012  | 11/06 Special Ag Mtg |                             | 11/06/12 Special Ag Pool Meeting          | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/08/2012  | 11/08 Ag Pool Mtg    |                             | 11/08/12 Ag Pool Meeting                  | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 Board Mtg      |                             | 11/15/12 Board Meeting                    | 6311 · Board Member Compensation       | 125.00             |
| TOTAL |                 |             |                      |                             |   |  | 500.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16518                | GREAT AMERICA LEASING CORP. | 13043150                                  | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 11/30/2012  | 13043150             |                             | Monthly Invoice                           | 6043.1 · Ricoh Lease Fee               | 2,788.53           |
|       |                 |             |                      |                             | Usage for Black Copies                    | 6043.2 · Ricoh Usage & Maintenance Fee | 205.21             |
|       |                 |             |                      |                             | Usage for Color Copies                    | 6043.2 · Ricoh Usage & Maintenance Fee | 263.04             |
| TOTAL |                 |             |                      |                             |   |  | 3,256.78           |
|       | Bill Pmt -Check | 12/11/2012  | 16519                | HALL, PETE*                 |   | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 11/01/2012  | 11/01 RMPU Mtg       |                             | 11/01/12 RMPU Meeting                     | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/06/2012  | 11/06 Special Ag Mtg |                             | 11/06/12 Special Ag Pool Meeting          | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/08/2012  | 11/08 Ag Pool Mtg    |                             | 11/08/12 Ag Pool Meeting                  | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 RMPU Mtg       |                             | 11/15/12 RMPU Meeting                     | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 Advisory Comm  |                             | 11/15/12 Advisory Committee Meeting       | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 Board Mtg      |                             | 11/15/12 Board Meeting                    | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/20/2012  | 11/20 GRCC Mtg       |                             | 11/20/12 GRCC Meeting                     | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/27/2012  | 11/27 GW Model Mtg   |                             | 11/27/12 GW Model Update Meeting          | 8470 · Ag Meeting Attend -Special      | 125.00             |
|       | Bill            | 11/29/2012  | 11/29 RMPU Mtg       |                             | 11/29/12 RMPU Meeting                     | 8470 · Ag Meeting Attend -Special      | 125.00             |
| TOTAL |                 |             |                      |                             |   |  | 1,125.00           |
|       | Bill Pmt -Check | 12/11/2012  | 16520                | HOGAN LOVELLS               | 2698818                                   | 1012 · Bank of America Gen'l Ckg       |                    |
|       | Bill            | 10/31/2012  | 2698818              |                             | Non-Ag Pool Legal Services - October 2012 | 8567 · Non-Ag Legal Service            | 1,701.00           |

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|-------|-----------------|-------------|----------------------|-------------------------|---|-----------------------------------|--------------------|
| TOTAL |                 |             |                      |                         |   |                                   | 1,701.00           |
|       | Bill Pmt -Check | 12/11/2012  | 16521                | HSBC BUSINESS SOLUTIONS | 7003-7309-1000-2744                           | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/30/2012  | 7003730910002744     |                         | Miscellaneous office supplies                 | 6031.7 · Other Office Supplies    | 512.38             |
| TOTAL |                 |             |                      |                         |   |                                   | 512.38             |
|       | Bill Pmt -Check | 12/11/2012  | 16522                | HUITSING, JOHN          | Ag Pool Member Compensation                   | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/06/2012  | 11/06 Special Ag Mtg |                         | 11/06/12 Special Ag Pool Meeting              | 8411 · Compensation               | 25.00              |
|       |                 |             |                      |                         | Ag Pool Member Compensation                   | 8470 · Ag Meeting Attend -Special | 100.00             |
| TOTAL |                 |             |                      |                         |   |                                   | 125.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16523                | KOOPMAN, GENE           |   | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/06/2012  | 11/06 Special Ag Mtg |                         | 11/06/12 Special Ag Pool Meeting              | 8411 · Compensation               | 25.00              |
|       |                 |             |                      |                         | Ag Pool Member Meeting Compensation           | 8470 · Ag Meeting Attend -Special | 100.00             |
|       | Bill            | 11/08/2012  | 11/08 Ag Pool Mtg    |                         | 11/08/12 Ag Pool Meeting                      | 8411 · Compensation               | 25.00              |
|       |                 |             |                      |                         | Ag Pool Member Meeting Compensation           | 8470 · Ag Meeting Attend -Special | 100.00             |
| TOTAL |                 |             |                      |                         |   |                                   | 250.00             |
| P122  | Bill Pmt -Check | 12/11/2012  | 16524                | KUHN, BOB               |   | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/06/2012  | 11/06 Mtg w/GM       |                         | 11/06/12 Meeting w/Peter Kavounas             | 6311 · Board Member Compensation  | 125.00             |
|       | Bill            | 11/14/2012  | 11/14 Mtg w/GM       |                         | 11/14/12 Meeting w/Peter Kavounas             | 6311 · Board Member Compensation  | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 Advis/Bd Mtgs  |                         | 11/15/12 Advisory Committee/Board Meetings    | 6311 · Board Member Compensation  | 125.00             |
|       | Bill            | 11/28/2012  | 11/28 Admin Mtg      |                         | 11/28/12 Administrative Meeting               | 6311 · Board Member Compensation  | 125.00             |
| TOTAL |                 |             |                      |                         |   |                                   | 500.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16525                | LANTZ, PAULA            |   | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/08/2012  | 11/08 Appro Pool Mtg |                         | 11/08/12 Appropriative Pool Meeting           | 6311 · Board Member Compensation  | 125.00             |
|       | Bill            | 11/15/2012  | 11/15 Advis/Bd Mtg   |                         | 11/15/12 Advisory Committee/Board Meetings    | 6311 · Board Member Compensation  | 125.00             |
| TOTAL |                 |             |                      |                         |   |                                   | 250.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16526                | MIJAC ALARM             | 327562  | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 12/01/2012  | 327562               |                         | Fire District Annual Permit 12/01/12-11/30/13 | 6026 · Security Services          | 21.00              |
|       |                 |             |                      |                         | Fire Monitoring 12/01/2012-2/28/2013          | 6026 · Security Services          | 396.00             |
| TOTAL |                 |             |                      |                         |   |                                   | 417.00             |
|       | Bill Pmt -Check | 12/11/2012  | 16527                | PAYCHEX                 | 2012112900                                    | 1012 · Bank of America Gen'l Ckg  |                    |
|       | Bill            | 11/30/2012  | 2012112900           |                         | November 2012                                 | 6012 · Payroll Services           | 330.14             |
| TOTAL |                 |             |                      |                         |   |                                   | 330.14             |
|       | Bill Pmt -Check | 12/11/2012  | 16528                | PETTY CASH              | 2429-2438                                     | 1012 · Bank of America Gen'l Ckg  |                    |

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| Type            | Date       | Num                  | Name                                | Memo  | Account                           | Paid Amount |
|-----------------|------------|----------------------|-------------------------------------|---|-----------------------------------|-------------|
| Bill            | 11/30/2012 |                      |                                     | Bagged ice for meetings                     | 6031.7 · Other Office Supplies    | 5.39        |
|                 |            |                      |                                     | Supplies for office                         | 6141.3 · Admin Meetings           | 33.36       |
|                 |            |                      |                                     | Supplies for 10/23 Basin Tour - Board       | 6312 · Meeting Expenses           | 149.91      |
|                 |            |                      |                                     | Water quality sampling supplies             | 7103.6 · Grdwtr Qual-Supplies     | 28.91       |
|                 |            |                      |                                     | Water level supplies                        | 7104.6 · Grdwtr Level-Supplies    | 32.81       |
|                 |            |                      |                                     | Supplies - 10/18 DYY meeting                | 7204 · Comp Recharge-Supplies     | 14.23       |
|                 |            |                      |                                     | Supplies - 10/18 RMPU meeting               | 7504 · PE&7-Supplies              | 14.24       |
|                 |            |                      |                                     | Supplies - 10/11 Appropriative Pool meeting | 8312 · Meeting Expenses           | 25.97       |
| TOTAL           |            |                      |                                     |   |                                   | 304.82      |
| Bill Pmt -Check | 12/11/2012 | 16529                | PIERSON, JEFFREY                    |   | 1012 · Bank of America Gen'l Ckg  |             |
| Bill            | 11/01/2012 | 11/01 RMPU Mtg       |                                     | 11/01/12 RMPU Meeting                       | 8470 · Ag Meeting Attend -Special | 125.00      |
| Bill            | 11/06/2012 | 11/06 Special Ag Mtg |                                     | 11/06/12 Special Ag Pool Meeting            | 8470 · Ag Meeting Attend -Special | 125.00      |
| Bill            | 11/15/2012 | 11/15 Board Mtg      |                                     | 11/15/12 Board Meeting                      | 6311 · Board Member Compensation  | 125.00      |
| Bill            | 11/15/2012 | 11/15 RMPU Mtg       |                                     | 11/15/12 RMPU Meeting                       | 8470 · Ag Meeting Attend -Special | 125.00      |
| Bill            | 11/15/2012 | 11/15 Advisory Comm  |                                     | 11/15/12 Advisory Committee Meeting         | 8470 · Ag Meeting Attend -Special | 125.00      |
| Bill            | 11/29/2012 | 11/29 RMPU Mtg       |                                     | 11/29/12 RMPU Meeting                       | 8470 · Ag Meeting Attend -Special | 125.00      |
| TOTAL           |            |                      |                                     |   |                                   | 750.00      |
| Bill Pmt -Check | 12/11/2012 | 16530                | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493                                 | 1012 · Bank of America Gen'l Ckg  |             |
| General Journal | 11/24/2012 | 11/24/2012           | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 11/11/12 - 11/24/12  | 2000 · Accounts Payable           | 6,786.00    |
| TOTAL           |            |                      |                                     |   |                                   | 6,786.00    |
| Bill Pmt -Check | 12/11/2012 | 16531                | PURCHASE POWER                      | 8000909000168851                            | 1012 · Bank of America Gen'l Ckg  |             |
| Bill            | 11/30/2012 | 8000909000168851     |                                     | Package to Stradling Yocca Carlson & Rauth  | 6042 · Postage - General          | 21.49       |
| TOTAL           |            |                      |                                     |   |                                   | 21.49       |
| Bill Pmt -Check | 12/11/2012 | 16532                | ROGERS, PETER                       | 11/15/12 Board Meeting                      | 1012 · Bank of America Gen'l Ckg  |             |
| Bill            | 11/15/2012 | 11/15 Board Mtg      |                                     | 11/15/12 Board Meeting                      | 6311 · Board Member Compensation  | 125.00      |
| TOTAL           |            |                      |                                     |   |                                   | 125.00      |
| Bill Pmt -Check | 12/11/2012 | 16533                | THE LAWTON GROUP                    | 6017  | 1012 · Bank of America Gen'l Ckg  |             |
| Bill            | 11/18/2012 | 19312                |                                     | Week ending 11/18/12                        | 6017 · Temporary Services         | 768.00      |
| Bill            | 11/30/2012 | 19339                |                                     | Week ending 11/25/12                        | 6017 · Temporary Services         | 460.80      |
| TOTAL           |            |                      |                                     |   |                                   | 1,228.80    |
| Bill Pmt -Check | 12/11/2012 | 16534                | VANDEN HEUVEL, GEOFFREY             | 6311  | 1012 · Bank of America Gen'l Ckg  |             |
| Bill            | 11/06/2012 | 11/06 Special Ag Mtg |                                     | 11/06/12 Special Ag Pool Meeting            | 6311 · Board Member Compensation  | 125.00      |
| Bill            | 11/08/2012 | 11/08 Ag Pool Mtg    |                                     | 11/08/12 Ag Pool Meeting                    | 6311 · Board Member Compensation  | 125.00      |
| Bill            | 11/28/2012 | 11/28 Admin Mtg      |                                     | 11/28/12 Administrative Meeting             | 6311 · Board Member Compensation  | 125.00      |

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| 750.00   |
| 6,786.00 |
| 21.49    |
| 125.00   |
| 21.49    |
| 1,228.80 |
| 125.00   |
| 125.00   |
| 125.00   |

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| Type            | Date       | Num                | Name                                    | Memo                                      | Account                              | Paid Amount |
|-----------------|------------|--------------------|---|---|--------------------------------------|-------------|
| TOTAL           |            |                    |   |   |                                      | 375.00      |
| Bill Pmt -Check | 12/11/2012 | 16535              | VANDEN HEUVEL, ROB                      | AG POOL MEMBER COMPENSATION               | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 11/08/2012 | 11/08 Ag Pool Mtg  |   | 11/08/12 Ag Pool Meeting                  | 8411 - Compensation                  | 25.00       |
|                 |            |                    |   | Ag Pool Member Compensation               | 8470 - Ag Meeting Attend -Special    | 100.00      |
| TOTAL           |            |                    |   |   |                                      | 125.00      |
| Bill Pmt -Check | 12/11/2012 | 16536              | VERIZON                                 |   | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 11/28/2012 | 012561121521714508 |   | 012561121521714508                        | 7405 - PE4-Other Expense             | 177.46      |
| Bill            | 11/30/2012 | 012519116950792103 |   | 012519116950792103                        | 6022 - Telephone                     | 509.91      |
| TOTAL           |            |                    |   |   |                                      | 687.37      |
| Bill Pmt -Check | 12/11/2012 | 16537              | VISION SERVICE PLAN                     | 00-101789-0001                            | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 11/30/2012 | 001017890001       |   | Vision Premium - December 2012            | 60182.2 - Dental & Vision Ins        | 44.15       |
| TOTAL           |            |                    |   |   |                                      | 44.15       |
| Bill Pmt -Check | 12/11/2012 | 16538              | YUKON DISPOSAL SERVICE                  | 08-K2 213849                              | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 12/01/2012 | 08-K2 213849       |   | Disposal service - December 2012          | 6024 - Building Repair & Maintenance | 106.53      |
| TOTAL           |            |                    |   |   |                                      | 106.53      |
| General Journal | 12/14/2012 | 12/14/2012         | Payroll and Taxes for 11/25/12-12/08/12 | Payroll and Taxes for 11/25/12 - 12/08/12 | 1012 - Bank of America Gen'l Ckg     |             |
|                 |            |                    |   | Direct Deposits for 11/25/12 - 12/08/12   | 1012 - Bank of America Gen'l Ckg     | 19,057.48   |
|                 |            |                    |   | Payroll Taxes for 11/25/12 - 12/08/12     | 1012 - Bank of America Gen'l Ckg     | 6,400.59    |
| TOTAL           |            |                    |   |   |                                      | 25,458.07   |
| Bill Pmt -Check | 12/17/2012 | 16539              | ACWA JOINT POWERS INSURANCE AUTHORITY   | 00198                                     | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 12/11/2012 | 00198              |   | Prepayment - January 2013                 | 1409 - Prepaid Life, BAD&D & LTD     | 18.28       |
|                 |            |                    |   | Life Insurance - December 2012            | 60191 - Life & Disab.Ins Benefits    | 54.76       |
| TOTAL           |            |                    |   |   |                                      | 73.04       |
| Bill Pmt -Check | 12/17/2012 | 16540              | COMPUTER NETWORK                        | 86047                                     | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 12/11/2012 | 86047              |   | Replacement FileServer                    | 1840 - Capital Assets                | 7,219.25    |
| TOTAL           |            |                    |   |   |                                      | 7,219.25    |
| Bill Pmt -Check | 12/17/2012 | 16541              | CORELOGIC INFORMATION SOLUTIONS         | 9004252                                   | 1012 - Bank of America Gen'l Ckg     |             |
| Bill            | 11/30/2012 | 9004252            |   | 9004252                                   | 7103.7 - Grdwtr Qual-Computer Svc    | 62.50       |
|                 |            |                    |   | 9004252                                   | 7101.4 - Prod Monitor-Computer       | 62.50       |
| TOTAL           |            |                    |   |   |                                      | 125.00      |
| Bill Pmt -Check | 12/17/2012 | 16542              | OFFICE DEPOT                            |   | 1012 - Bank of America Gen'l Ckg     |             |

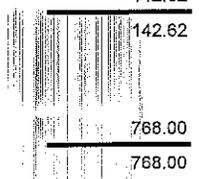
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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**December 2012**

For Informational Purposes Only

| Type                   | Date              | Num          | Name                                 | Memo                                | Account                                  | Paid Amount   |
|------------------------|-------------------|--------------|--------------------------------------|-------------------------------------|--|---------------|
| Bill                   | 12/04/2012        | 635299366001 |                                      | File folders                        | 6031.7 · Other Office Supplies           | 29.58         |
| Bill                   | 12/06/2012        | 635299293001 |                                      | Frame for commendation              | 6031.7 · Other Office Supplies           | 41.57         |
| <b>TOTAL</b>           |                   |              |                                      |                                     |  | <b>71.15</b>  |
| <b>Bill Pmt -Check</b> | <b>12/17/2012</b> | <b>16543</b> | <b>PREMIERE GLOBAL SERVICES</b>      | <b>12694427</b>                     | <b>1012 · Bank of America Gen'l Ckg</b>  |               |
| Bill                   | 11/30/2012        | 12694427     |                                      | Conference call on 10/29            | 6909.1 · OBMP Meetings                   | 86.61         |
|                        |                   |              |                                      | Conference call on 10/30            | 6909.1 · OBMP Meetings                   | 105.03        |
|                        |                   |              |                                      | 11/08 Non-Ag Pool Meeting call      | 8512 · Meeting Expense                   | 91.40         |
|                        |                   |              |                                      | Conference call on 11/13            | 6909.1 · OBMP Meetings                   | 47.89         |
|                        |                   |              |                                      | PK follow up call w/ Kuhn, Curatalo | 6312 · Meeting Expenses                  | 45.33         |
|                        |                   |              |                                      | 11/26 RMPU Amendment call           | 7204 · Comp Recharge-Supplies            | 222.65        |
|                        |                   |              |                                      | Service fee                         | 6022 · Telephone                         | 14.95         |
|                        |                   |              |                                      | Service fee                         | 6022 · Telephone                         | 13.74         |
| <b>TOTAL</b>           |                   |              |                                      |                                     |  | <b>627.60</b> |
| <b>Bill Pmt -Check</b> | <b>12/17/2012</b> | <b>16544</b> | <b>STAPLES BUSINESS ADVANTAGE</b>    | <b>8023874811</b>                   | <b>1012 · Bank of America Gen'l Ckg</b>  |               |
| Bill                   | 12/01/2012        | 8023874811   |                                      | Miscellaneous office supplies       | 6031.7 · Other Office Supplies           | 142.62        |
| <b>TOTAL</b>           |                   |              |                                      |                                     |  | <b>142.62</b> |
| <b>Bill Pmt -Check</b> | <b>12/17/2012</b> | <b>16545</b> | <b>THE LAWTON GROUP</b>              | <b>6017</b>                         | <b>1012 · Bank of America Gen'l Ckg</b>  |               |
| Bill                   | 12/11/2012        | 19367        |                                      | Week ending 12/02/12                | 6017 · Temporary Services                | 768.00        |
| <b>TOTAL</b>           |                   |              |                                      |                                     |  | <b>768.00</b> |
| <b>Bill Pmt -Check</b> | <b>12/17/2012</b> | <b>16546</b> | <b>WESTERN DENTAL SERVICES, INC.</b> | <b>3812/3814</b>                    | <b>1012 · Bank of America Gen'l Ckg</b>  |               |
| Bill                   | 12/11/2012        | 3812/3814    |                                      | Dental Insurance - December 2012    | 60182.2 · Dental & Vision Ins            | 28.88         |
| <b>TOTAL</b>           |                   |              |                                      |                                     |  | <b>28.88</b>  |
| <b>Bill Pmt -Check</b> | <b>12/17/2012</b> | <b>16547</b> | <b>WILDERMUTH ENVIRONMENTAL INC</b>  |                                     | <b>1012 · Bank of America Gen'l Ckg</b>  |               |
| Bill                   | 11/30/2012        | 2012297      |                                      | 2012297                             | 6906 · OBMP Engineering Services         | 920.00        |
| Bill                   | 11/30/2012        | 2012298      |                                      | 2012298                             | 6906 · OBMP Engineering Services         | 6,002.75      |
| Bill                   | 11/30/2012        | 2012299      |                                      | 2012299                             | 6906 · OBMP Engineering Services         | 2,745.00      |
| Bill                   | 11/30/2012        | 2012300      |                                      | 2012300                             | 6906 · OBMP Engineering Services         | 14,218.75     |
| Bill                   | 11/30/2012        | 2012301      |                                      | 2012301                             | 7103.3 · Grdwtr Qual-Engineering         | 2,737.50      |
| Bill                   | 11/30/2012        | 2012302      |                                      | 2012302                             | 7104.3 · Grdwtr Level-Engineering        | 11,267.67     |
| Bill                   | 11/30/2012        | 2012303      |                                      | 2012303                             | 7107.61 · Grd Level-Chino Hills ASR      | 5,934.25      |
| Bill                   | 11/30/2012        | 2012304      |                                      | 2012304                             | 7107.2 · Grd Level-Engineering           | 7,633.80      |
| Bill                   | 11/30/2012        | 2012305      |                                      | 2012305                             | 7108.3 · Hydraulic Control-Engineering   | 6,673.27      |
| Bill                   | 11/30/2012        | 2012306      |                                      | 2012306                             | 7108.3 · Hydraulic Control-Engineering   | 257.50        |
| Bill                   | 11/30/2012        | 2012307      |                                      | 2012307                             | 7108.7 · Hydraulic Control - Prado Basin | 9,986.49      |
| Bill                   | 11/30/2012        | 2012308      |                                      | 2012308                             | 7202.3 · Comp Recharge-Implementation    | 17,300.00     |

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**December 2012**

For Informational Purposes Only

| Type                   | Date              | Num                 | Name                                   | Memo  | Account                                   | Paid Amount      |
|------------------------|-------------------|---------------------|--|---|---|------------------|
| Bill                   | 11/30/2012        | 2012309             |  | 2012309                                     | 7402 · PE4-Engineering                    | 771.34           |
| Bill                   | 11/30/2012        | 2012310             |  | 2012310                                     | 7101.31 · Prod Monitor-Engineering-Sub    | 520.91           |
| Bill                   | 11/30/2012        | 2012311             |  | 2012311                                     | 7103.31 · Grdwtr Qual-Engineering SubCont | 1,222.14         |
| Bill                   | 11/30/2012        | 2012312             |  | 2012312                                     | 6902.31 · OBMP - Wildermuth Staff         | 400.70           |
| <b>TOTAL</b>           |                   |                     |  |   |   | <b>88,592.07</b> |
| <b>Check</b>           | <b>12/19/2012</b> | <b>16548</b>        | <b>GENERAL ELECTRIC COMPANY</b>        |   | <b>1012 · Bank of America Gen'l Ckg</b>   |                  |
| Credit Memo            | 11/21/2012        | NAG13-16CR          |  | CURO Adjustment                             | 4224 · CURO Adjustment                    | 3.01             |
|                        |                   |                     |  | Refund of Excess Reserves-Non-Ag Pool       | 9997 · Refund-Excess Reserve-NonAg        | 1.30             |
| <b>TOTAL</b>           |                   |                     |  |   |   | <b>4.31</b>      |
| <b>Bill Pmt -Check</b> | <b>12/19/2012</b> | <b>16549</b>        | <b>BANK OF AMERICA</b>                 |   | <b>1012 · Bank of America Gen'l Ckg</b>   |                  |
| Bill                   | 11/30/2012        | XXXX-XXXX-XXXX-9341 |  | XXXX-XXXX-XXXX-9341                         | 6031.7 · Other Office Supplies            | 147.39           |
|                        |                   |                     |  | Paper towels for restrooms                  | 6061.4 · Other Contract Services          | 300.00           |
|                        |                   |                     |  | Survey Monkey basic service                 | 8312 · Meeting Expenses                   | 50.12            |
|                        |                   |                     |  | PK meetings with Rick Hansen & John Schatz  | 6175 · Vehicle Fuel                       | 78.90            |
|                        |                   |                     |  | Gas for field truck                         | 6312 · Meeting Expenses                   | 37.07            |
|                        |                   |                     |  | PK meeting w/ Geoff Vanden Heuvel           |   | 613.48           |
| <b>TOTAL</b>           |                   |                     |  |   |   | <b>613.48</b>    |
| <b>Bill Pmt -Check</b> | <b>12/19/2012</b> | <b>16550</b>        | <b>BROWNSTEIN HYATT FARBER SCHRECK</b> |   | <b>1012 · Bank of America Gen'l Ckg</b>   |                  |
| Bill                   | 11/30/2012        | 521191              |  | 521191                                      | 8375 · BHFS Legal - Appropriative Pool    | 5,731.66         |
|                        |                   |                     |  | 521191                                      | 8475 · BHFS Legal - Agricultural Pool     | 2,351.04         |
|                        |                   |                     |  | 521191                                      | 8575 · BHFS Legal - Non-Ag Pool           | 2,611.82         |
|                        |                   |                     |  | 521191                                      | 6275 · BHFS Legal - Advisory Committee    | 3,318.36         |
|                        |                   |                     |  | 521191                                      | 6375 · BHFS Legal - Board Meeting         | 5,980.56         |
|                        |                   |                     |  | 521191                                      | 6071 · BHFS Legal - Court Coordination    | 3,777.75         |
|                        |                   |                     |  | 521191                                      | 6072 · BHFS Legal - Annotated Judgment    | 2,106.00         |
|                        |                   |                     |  | 521191                                      | 6074 · BHFS Legal - Interagency Issues    | 3,791.70         |
|                        |                   |                     |  | 521191                                      | 6078 · BHFS Legal - Miscellaneous         | 4,001.85         |
|                        |                   |                     |  | 521191                                      | 6907.30 · Peace II - CEQA                 | 573.30           |
|                        |                   |                     |  | 521191                                      | 6907.39 · Recharge Master Plan            | 9,146.96         |
|                        |                   |                     |  | 521191                                      | 6907.40 · Storage Agreements              | 937.79           |
| Bill                   | 11/30/2012        | 521192              |  | 521192                                      | 6073 · BHFS Legal - Personnel Matters     | 263.25           |
| Bill                   | 11/30/2012        | 521193              |  | 521193                                      | 6907.34 · Santa Ana River Water Rights    | 449.10           |
| Bill                   | 11/30/2012        | 521194              |  | 521194                                      | 6907.33 · Desalter/Hydraulic Control      | 7,757.55         |
| Bill                   | 11/30/2012        | 521195              |  | 521195                                      | 6907.35 · Paragraph 31 Motion             | 521.55           |
| <b>TOTAL</b>           |                   |                     |  |   |   | <b>53,320.24</b> |
| <b>Bill Pmt -Check</b> | <b>12/19/2012</b> | <b>16551</b>        | <b>CALPERS 457 PLAN</b>                |   | <b>1012 · Bank of America Gen'l Ckg</b>   |                  |
| General Journal        | 12/14/2012        | 12/14/2012          | CALPERS 457 PLAN                       | Payroll and Taxes for 11/25/12 - 12/08/12   | 2000 · Accounts Payable                   | 2,764.86         |
|                        |                   |                     |  | Employee Deductions for 11/25/12 - 12/08/12 |   |                  |

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

|       | Type            | Date       | Num        | Name                                 | Memo                                       | Account                              | Paid Amount |
|-------|-----------------|------------|------------|--------------------------------------|--|--------------------------------------|-------------|
| TOTAL |                 |            |            |                                      |  |                                      | 2,764.86    |
|       | Bill Pmt -Check | 12/19/2012 | 16552      | CHEF DAVE'S CAFE & CATERING          | 3144                                       | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 11/30/2012 | 3144       |                                      | Board lunch for 11/15 Board Meeting        | 6312 · Meeting Expenses              | 638.40      |
| TOTAL |                 |            |            |                                      |  |                                      | 638.40      |
|       | Bill Pmt -Check | 12/19/2012 | 16553      | CUCAMONGA VALLEY WATER DISTRICT      | Lease due January 1, 2013                  | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/17/2012 |            |                                      | Lease due January 1, 2013                  | 1422 · Prepaid Rent                  | 6,098.00    |
| TOTAL |                 |            |            |                                      |  |                                      | 6,098.00    |
|       | Bill Pmt -Check | 12/19/2012 | 16554      | EUROFINS EATON ANALYTICAL            | L0106499                                   | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 11/30/2012 | L0106499   |                                      | L0106499                                   | 7103.5 · Grdwtr Qual-Lab Svcs        | 838.00      |
| TOTAL |                 |            |            |                                      |  |                                      | 838.00      |
|       | Bill Pmt -Check | 12/19/2012 | 16555      | GUARANTEED JANITORIAL SERVICE, INC.  | 6-29460                                    | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/18/2012 | 6-29460    |                                      | Janitorial Service - December 2012         | 6024 · Building Repair & Maintenance | 865.00      |
| TOTAL |                 |            |            |                                      |  |                                      | 865.00      |
| P127  | Bill Pmt -Check | 12/19/2012 | 16556      | LEGAL SHIELD                         | 111802                                     | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/15/2012 | 0111802    |                                      | Employee Deductions - December 2012        | 60194 · Other Employee Insurance     | 51.80       |
| TOTAL |                 |            |            |                                      |  |                                      | 51.80       |
|       | Bill Pmt -Check | 12/19/2012 | 16557      | PUBLIC EMPLOYEES' RETIREMENT SYSTEM  | Payor #3493                                | 1012 · Bank of America Gen'l Ckg     |             |
|       | General Journal | 12/08/2012 | 12/08/2012 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM  | CalPERS Retirement for 11/25/12 - 12/08/12 | 2000 · Accounts Payable              | 6,786.00    |
| TOTAL |                 |            |            |                                      |  |                                      | 6,786.00    |
|       | Bill Pmt -Check | 12/19/2012 | 16558      | RAUCH COMMUNICATION CONSULTANTS, LLC | Dec-1204                                   | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 11/30/2012 | Dec-1204   |                                      | Progress Payment - Annual Report           | 6061.3 · Rauch                       | 7,425.00    |
| TOTAL |                 |            |            |                                      |  |                                      | 7,425.00    |
|       | Bill Pmt -Check | 12/19/2012 | 16559      | STAULA, MARY L                       | Retiree Medical                            | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/31/2012 |            |                                      |  | 60182.4 · Retiree Medical            | 136.61      |
| TOTAL |                 |            |            |                                      |  |                                      | 136.61      |
|       | Bill Pmt -Check | 12/19/2012 | 16560      | THE LAWTON GROUP                     | 6017                                       | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/09/2012 | 19397      |                                      | Week ending 12/09/12                       | 6017 · Temporary Services            | 768.00      |
| TOTAL |                 |            |            |                                      |  |                                      | 768.00      |
|       | Bill Pmt -Check | 12/19/2012 | 16561      | UNITED HEALTHCARE                    | 0029791237                                 | 1012 · Bank of America Gen'l Ckg     |             |
|       | Bill            | 12/15/2012 | 0029791237 |                                      | Dental Insurance - January 2013            | 60182.2 · Dental & Vision Ins        | 499.33      |

