

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, August 8, 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

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POOL AGENDA PACKAGES

**CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

9:00 a.m. – August 8, 2013

WITH

Mr. Marty Zvirbulis, Chair

Mr. Scott Burton, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held June 13, 2013 *(Page 1)*
2. Minutes of the Special Appropriative Pool Meeting held on July 18, 2013 *(Page 19)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the Month of May 2013 *(Page 37)*
2. Watermaster VISA Check Detail for the Month of May 2013 *(Page 51)*
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10. Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013 *(Page 101)*
11. Fiscal Year 2012-2013 Engineering Services Task Order Increase *(Page 115)*

C. INTERVENTION

1. **TAMCO Request for Intervention as an Overlying (Non-Agricultural) Party**
Consider and give advice to the Watermaster Board on the TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of the end of fiscal year 2012/13. *(Page 121)*

D. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from the West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: May 23, 2013. *(Page 131)*

2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: June 5, 2013. *(Page 141)*
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account. Date of Application: June 26, 2013. *(Page 151)*
4. **Consider Approval for Notice of Sale or Transfer** – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. Date of Application: July 17, 2013. *(Page 161)*

II. BUSINESS ITEMS

A. RECHARGE MASTER PLAN UPDATE AMENDMENT (DISCUSSION ONLY)

Consider and give advice to Watermaster staff on the first draft of Section 8 of the Recharge Master Plan Update Amendment, titled "Recommended 2013 Recharge Master Plan Update." *(Page 175)*

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

Recommendation to Approve Budget Transfer Forms T-13-06-01 and T-13-06-02 *(Page 199)*

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

Recommend Advisory Committee approval of the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes. *(Page 207)*

D. SAFE YIELD RECALCULATION FUTURE WORKSHOP FOCUS – (DISCUSSION ONLY)

E. 2007 SUNDING REPORT UPDATE (APPROPRIATIVE POOL ONLY)

Authorize Watermaster staff to proceed with the update of the 2007 Sunding report *(Page 215)*

F. POLICY FOR COST AND BENEFIT ALLOCATION OF YIELD ENHANCING PROJECTS (POST CBFIP)

Consider whether the current method of allocating cost and benefit of stormwater capture projects should remain unchanged, or if a different methodology should be developed. If it is desired to develop a different methodology, identify a process by which the Pool would like to proceed. *(Page 219)*

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment
2. CDA Request re Remediation of Chino Airport Groundwater Plume
3. CCG Motion for Leave to Sue Watermaster
4. June 27, 2013 and July 25, 2013 Watermaster Board Confidential Sessions

B. CFO REPORT

1. CCG Motion for Leave to Sue Watermaster

C. GM REPORT

1. Watermaster Policy on Well Data Gathering and Reporting

IV. INFORMATION

1. Cash Disbursements for July 2013 (*Page 221*)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

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.

VIII. FUTURE MEETINGS AT WATERMASTER

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Thursday, August 15, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
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Thursday, August 29, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting

Meeting Adjourn

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**CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
11:00 a.m. – August 8, 2013**

WITH

Mr. Brian Geye, Chair

Mr. Bob Bowcock, Vice-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. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held June 13, 2013 *(Page 21)*

B. FINANCIAL REPORTS

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Recommend Advisory Committee approval of the Prado Basin Habitat Sustainability Program cost-sharing agreement amendment with IEUA, subject to any necessary non-substantive changes. *(Page 207)*

D. SAFE YIELD RECALCULATION FUTURE WORKSHOP FOCUS – (DISCUSSION ONLY)

E. POLICY FOR COST AND BENEFIT ALLOCATION OF YIELD ENHANCING PROJECTS (POST CBFIP)

Consider whether the current method of allocating cost and benefit of stormwater capture projects should remain unchanged, or if a different methodology should be developed. If it is desired to develop a different methodology, identify a process by which the Pool would like to proceed. *(Page 219)*

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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.

1. Non Agricultural Water Availability – Exhibit G – Paragraph 9

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**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – August 8, 2013

WITH

Mr. Bob Feenstra, Chair

Mr. Jeff Pierson, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on June 13, 2013
2. Special Appropriative Pool Meeting held on July 18, 2013

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

June 13, 2013

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 13, 2013 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Marty Zvirbulis, Chair
John Bosler
Rosemary Hoerning
Ron Craig
Mark Kinsey
Van Jew
Seth Zielke
Tom Harder
Ben Lewis
Teri Layton
J. Arnold Rodriguez
Todd Corbin

Cucamonga Valley Water District
Cucamonga Valley Water District
City of Upland
City of Chino Hills
Monte Vista Water District
Monte Vista Irrigation Company
Fontana Water Company
Jurupa Community Services District
Golden State Water Company
San Antonio Water Company
San Ana River Water Company
Jurupa Community Services District

Watermaster Board Members Present

Bob Craig

Jurupa Community Services District

Watermaster Staff Present

Peter Kavounas
Danielle Maurizio
Joe Joswiak
Janine Wilson
Brenda Corona

General Manager
Assistant General Manager
Chief Financial Officer
Recording Secretary
Recording Secretary

Watermaster Consultants Present

Brad Herrema
Mark Wildermuth
Veva Weamer

Brownstein, Hyatt, Farber & Schreck
Wildermuth Environmental Inc.
Wildermuth Environmental Inc.

Others Present

Jo Lynne Russo-Pereyra
Nadeem Majaj
David De Jesus
Eunice Ulloa
Dan Chadwick
Michael Thornton
Justin Scott-Coe
Pete Hall
Josh Swift
Sheri Rojo
Curtis Paxton
Paula Lantz
Darron Poulsen
Chuck Hays

Cucamonga Valley Water District
City of Chino Hills
Three Valleys Municipal Water District
CBWCD
City of Fontana
TKE
Monte Vista Water District
State of California, CIM
Fontana Water Company
Fontana Water Company
Chino Desalter Authority
City of Pomona
City of Pomona
City of Fontana

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

AGENDA - ADDITIONS/REORDER

Chair Zvirbulis asked Mr. Kavounas if there are any additions or reorders.

Mr. Kavounas stated there is one addition to the agenda and one proposed reorder.

Mr. Kavounas stated in terms of the addition you will find at your place, and also at the back of the room, CBWM has prepared the minutes of the Special Appropriative Pool Meeting that was held on May 16th. That meeting was a one item meeting. The item was discussed in closed session; the pool came out of closed session with a motion. The motion was captured in the minutes and Mr. Kavounas stated he realizes this is last minute, so if the pool does not feel comfortable approving them today, it's understandable. However, CBWM feels we have captured the motion well and Mr. Kavounas recommends if it's an acceptable addition, we take that second in the agenda. The first thing we'll do on the agenda is reorder item 3 BI, the Engineering Report, State of the Basin presentation, as the first item of the agenda. The reason is because we have postponed this item once before, it's something that CBWM would like to move forward with and Ms. Weamer with Wildermuth Environmental is in attendance to do the presentation, and we'd like to make her available also to the Non-Agricultural pool to do the same presentation. Moving this item first to the agenda makes sure her presentation will be finished at the Appropriative Pool.

Chair Zvirbulis confirmed Mr. Kavounas wants to take this before the consent calendar and Mr. Kavounas confirmed yes, we'll take that first, take the Special Pool meeting minutes next, and then move on with the remainder of the agenda.

Chair Zvirbulis asked if there were any objections, hearing none, the meeting was reordered.

Ms. Weamer presented her Engineering Report, State of the Basin presentation: Ms. Hoerning stated that there are some water quality constituents that are goals right now, and the EPA is evaluating what should be the MCL, and she thinks if she recalls correctly, some of the background natural occurrences of those constituents are higher than what the EPA may be looking at in terms of establishing the MCL. Ms. Hoerning asked if Watermaster has reached out and contacted or said anything to them expressing a concern over establishing an MCL that's lower than what we can sustain without some sort of treatment or expensive situation. Mr. Kavounas answered that Watermaster has not reached out to advise regulators as to what regulatory limits should be set at. It would be appropriate for Watermaster to express views about how regulatory standards are set in terms of meeting scientific standards, and also opinions as to the impacts that regulatory standards would have. Mr. Kavounas stated this is an effort that generally is undertaken by water districts throughout the state and Watermaster would be happy to add its voice to that effort. Ms. Hoerning stated it would be helpful from her stand point if she got some of that information or guidance from Watermaster as a local jurisdiction to see if we might want to move in that direction given the characterization of the basin. Scott Burton commented that in the past there was a water quality committee and maybe it can be reconvened to discuss that topic. Watermaster has a lot of parties and can potentially send a message for a big group of parties.

No further comments were made.

Mr. Kavounas asked Chair Zvirbulis if he would take the minutes of the Special Appropriative Pool Meeting separate since it was not part of the agenda.

Chair Zvirbulis stated we have the minutes from the Special Appropriative Pool Meeting on May 16th that are presented by staff today and asked if we have a motion to approve those minutes.

Motion to approve the Special Appropriative Pool Meeting Minutes by Craig, second by Burton, and by unanimous vote moved to approve as presented.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held May 9, 2013

Vice Chair Burton would like the word "not" to be inserted into paragraph four, line seven of the May 9, 2013 minutes. The sentence should read: "Vice Chair Burton stated the suggestion about the 10% without doing a salary study is the part, for the City of Ontario, of being something that we could not agree to with a big gulp".

***Motion to approve by Craig, second by Burton, and by unanimous vote
Moved to approve the Amended Consent Calendar item A, as presented***

B. FINANCIAL REPORTS

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

***Motion to approve by Ms. Hoerning, second by Burton, and by unanimous vote
Moved to approve Consent Calendar item B, as presented***

II. BUSINESS ITEM

A. RECHARGE MASTER PLAN UPDATE AMENDMENT

Mr. Kavounas presented draft number 4 of Section 5 of the Recharge Master Plan Update Amendment. Draft number 4 is the same version as what was presented to the Steering Committee last Thursday. CBWM accepted the changes that were shown in that draft and made some additions to reflect the comments that were received at that meeting. CBWM believes there is consensus from the Steering Committee on the alternative that is being recommended as how to account for MS4 Recharge, and that is the hybrid alternative 3. The item would require your recommendation to the Advisory Committee to approve in order for the Board to approve.

Mr. Zielke with Fontana Water Company (FWC) stated that FWC appreciates CBWM's work and diligence with the Recharge Master Plan and its process, and specifically Mr. Kavounas and Mr. Wildermuth. FWC has read the response letter from CBWM to City of Fontana, and appreciates CBWM's intention of Section 5. However, FWC sees possibly some missed opportunities with allocation. FWC understands the monitoring, reporting, and accounting of what Section 5 represents; however, FWC is still unclear as to how and where exactly this water will be allocated. FWC's understanding is if allocation is not being discussed or addressed, once the water is monitored, reported, and accounted for, it will be allocated based on Operating Safe Yield, absent another method of being proposed by the Pools. In effect, no action regarding allocation will create an action; that would be based on Operating Safe Yield, and for those who lack or have limited Operating Safe Yield, doesn't seem to be the best solution. FWC's position from the beginning has been, whether discussing stormwater, supplemental water, etc. that the party who pays for it and constructs it, should be the party that is the beneficiary of whatever is created from those projects. This position is not new, it's been consistent, and dates back to a letter that FWC submitted back in November 2012 to CBWM on this very topic. By continuing not to address the element of allocation in a different draft proposal or section, it seems that Operating Safe Yield would be the mechanism used to eventually allocate this particular water, and FWC was under the impression from the conversations of water allocation, would be occurring in a parallel path. That was discussed sometime ago, and those parallel paths in conversation would be conducted with the intention to avoid any delays in sections, and things of that nature. FWC is directly impacted by the lack of recharge of the Chino Basin, specifically MZ3, and FWC has lost capacity due to this lack of recharge, so we're in support of a proposal that offers a maximum incentive for parties to recharge; FWC always votes in favor of a proposal that would achieve that. Voting in favor of a proposal that wouldn't achieve that would be taking a position contrary to the 2012 letter. FWC also supports an inclusive dialog among this pool

regarding the element of allocation, how to be incorporated through this process, and eliminate further delays; thus achieving the overarching goal of maximizing recharge in Chino Basin and protecting Operating Safe Yield.

Mr. Hays, Public Works Director for the City of Fontana read part of the Judgment, under section VI, titled Physical Solution. It reads, "pursuant to the mandate of Section 2, Article 10 of the California Constitution the court hereby adopts and orders the parties to comply with a physical solution. The purpose of these provisions is to establish a legal and practical means for making the maximum, maximum beneficial use of the waters of the Chino Basin by providing the optimum economic, long term, conjunctive utilization of surface waters, ground waters and supplemental water, to meet the requirements of water users having rights in or dependant on the Chino Basin." It is essential that this physical solution provide maximum flexibility and adaptability in order that Watermaster and the court be free to use existing and future technological, social, institutional and economic options, in order to maximize beneficial use of the waters of the Chino Basin. Task 5 in its current form does just the opposite of this, it disincentives all land use agencies to construct MS4 or other recharge related projects above and beyond what is mandated by the Regional Board. This doesn't promote the maximum beneficial use of the water in the basin. As written, Task 5 allocates all New Yield captured by MS4 projects to the appropriators based on OSY; this severely disincentives the land use agencies who are also members of the Appropriative Pool from constructing MS4 upgrades above and beyond the minimum requirements. These land use agencies should have the option to capture as much recharge water as possible for the benefit of their constituents. If an agency makes the investment to construct facilities that maximize recharge then that agency should receive the credit. If we don't seize the opportunity we have now as land use agencies and good stewards of the basin to construct recharge projects, the opportunity will be lost forever as development takes place. The City of Fontana has been told repeatedly that task 5 does not allocate MS4 recharge, but that is exactly what this version of Task 5 does. We were also told that discussions with the AP would take place to discuss equitable allocation of benefits, funding sources and incentives and that the AP supported an implementation plan that maximizes the capture of storm water recharge. The current version of Task 5 doesn't work to maximize the capture of storm water, it works to minimize the capture, and the discussion of equitable allocation of benefits, funding sources and incentives has never taken place.

Mr. Hays stated for those reasons the City of Fontana opposes the current version of Task 5, we also intend to pursue innovative and effective MS4 upgrades and other recharge projects within our jurisdiction. Fontana respectfully requests and expects cooperation from the AP and Watermaster in facilitating these projects. The projects will recharge storm water into the Chino Basin that would otherwise flow beyond the basins boundaries. As such the City requests that in calculating MS4 or other storm water recharge for allocation, Watermaster not include projects located within the City's jurisdiction. Fontana would like to see a version of Task 5 similar to the July 19, 2012 version that contained the original language from the 2010 Recharge Master Plan Update, section 7.1 which stated: Watermaster should allocate new yield that is created by new recharge above that required by MS4 compliance to the owners of those projects that create new recharge. This will require the development of (a) new agreements involving the WM and project owners. Now that would be a step in the right direction in carrying out the true intent of the judgment which is to make maximum beneficial use of the waters of the Chino Basin.

Mr. Kavounas stated he appreciates the participation that everyone has given CBWM in developing the Recharge Master Plan Update Amendment, not just on Section 5, but all the sections, including Section 8 which is where we're going to be doing a lot of work in the coming months. As far as Section 5, Mr. Kavounas found it to be one of the most interesting exercises at Watermaster. Mr. Kavounas summarized that the Recharge Master Plan was required by the Peace Agreement every five years. It was done in 2005 and in 2010 lacking agreement, it was agreed at that time that the recharge master plan update would be amended to review projects that were proposed in 2010. It was also suggested, since MS4 requirements became a reality, there should be an evaluation as to what happens with MS4 and CBWM should try to quantify

and understand how much of that recharge is due to MS4. The direction that the Appropriative Pool, Advisory Committee, and the Board got from the court was the direction they suggested to the court, which was to create a way to account for any MS4 recharge. MS4 recharge is not something that CBWM has imposed, and if it happens, it will benefit the basin. It's yet to be determined if the current MS4 requirements stay as they are or if they morph over time. There is discussion that MS4 requirements will shift from capturing water at individual development locations to more centralized facilities. In order to complete the 2010 Recharge Master Plan Update Amendment, we followed the order as requested: Develop ways to monitor and account for recharge when it comes from MS4 compliance. Mr. Kavounas understands there are parties that don't get any portion of the Operating Safe Yield, and would like to see this as an opportunity to gain for themselves Operating Safe Yield as a result of complying with MS4, and Mr. Kavounas sees the need for incentivizing recharge, but sees this as a conversation that needs to take place in a broader Watermaster context and not the context of amending the 2010 Recharge Master Plan Update. Mr. Kavounas does not agree with the statement of "this Section 5 is a missed opportunity to incentivize maximum recharge in the basin." This Section 5 is saying, "As MS4 recharge is happening, this is how we'll track it". It doesn't de-incentivize recharge. It is for the Watermaster process as a whole to come up with a process to do that. When CBWM gets there, all the parties will have to think who should get any benefit from innovative recharge projects. Whether it should be the jurisdiction allowing recharge to be happening, mandating it on developers to pay, should there be jurisdictions that are using grant monies, which is other people's money, and should get any of that portion of the recharge to themselves, or whether it should go to those that hold water rights in the basin because that's what the judgment said. That discussion can be had at Watermaster along with other issues that were identified. It was helpful for Mr. Kavounas to hear everyone's issues and concerns at the March 12, 2013 Refresh, Recharge and Reunite event. This issue was raised and Mr. Kavounas sees this as his task to help that move along. However, he does not see that fitting in the Section 5 discussion. He feels Section 5 is a small component of what is the Recharge Master Plan Update Amendment. In Section 8 is where CBWM will identify recharge projects, how to finance them, and how to implement them over time. Mr. Kavounas stated he has heard the concerns expressed by Fontana Water and The City of Fontana; CBWM responded to the City of Fontana by letter and the letter is available at the back table for anyone's review.

Chair Zvirbulis asked for a time frame as to the potential of allocation of these waters. Mr. Kavounas stated the biggest focus right now is completing the Recharge Master Plan Amendment; the other priorities that were identified in the Refresh Recharge and Reunite, need to be sorted out and identified as to what is priority for the Board to look at as well as the Pools to look at. Some of the issues that have come up, for example: the role of Watermaster regarding water quality which was mentioned and discussed at length at the Refresh Recharge and Reunite, and the guiding documents is something that may have higher priority and may be something we need to address sooner. This issue was highlighted by the CDA's request and it's really put a point on it; we don't exactly have a clear direction: how do we deal with a pressing, real time issues related to water quality. Mr. Kavounas stated the recharge of the basin is an important issue; he would rank it one rung lower than dealing with water quality. However, Mr. Kavounas does not see CBWM getting to it in the next six months, but sometime within the next year based on priority.

Mr. Scott-Coe, Monte Vista Water District (MVWD) stated they appreciate the process and apologize for not attending the last committee meeting. One change that occurred at the last committee meeting is the very last sentence of the section where it says "If the preferred alternative 3 does not pan out because people don't provide the right amount of data then we will default to alternative 2". MVWD expressed at a number of committee meetings where we discussed this section: Alternate 2 seems to elide the distinction of stormwater recharge new yield, in the process of resetting safe yield, which we do not think it would be appropriate and may even speak to the interest to the Fontana community. MVWD is wondering in that alternative section, if it could be particularized so in this alternative it's specifically talking about MS4 recharge, not all new storm water recharge. Mr. Scott-Coe also commented that MVWD is

going to be going through this process with alternative 3 in the next resetting of Safe Yield which will be 10 years down the line, and will probably be revisiting the recharge master plan before that time, so Mr. Scott-Coe asked what's the necessity of saying alternative 2 as a fall back if alternative 3 doesn't pan out on a timeframe issue.

Mr. Kavounas replied to Mr. Scott-Coe, that he would entertain any editorial comment that would help highlight MVWD's comment. The language pertains only to MS4, simply because it's in this section, but things can be misread. Mr. Kavounas would be happy to create that and as we said in the Staff Letter, any changes we make to this today, is what the Advisory Committee will receive next week. The comment Mr. Scott Coe is referring to is in response to a comment that was made at the Steering Committee last week.

Ms. Layton commented her concern is if we agreed to this procedure and Fontana said, but they don't get any credit they don't want to put out those figures if they don't get the credit and she was thinking that relying on all the Appropriators to give the information on the MS4 permits and if that doesn't come in, are we now going to pay Wildermuth to do a lot of work to get that information, and Ms. Layton stated where's the benefit in that. She wants to make sure we're not going to incur additional costs in the end.

Ms. Hoerning asked Mr. Wildermuth, her understanding of alternative #2 is that, if you weren't tracking MS4 as all when you do your safe yield recalculation, you're going to use the information and data that you have available to you to make that determination that may be water surface profiles or other; just as you have historically done with Operating Safe Yield calculation, and so that it should be, while you might not realize any kind of benefit for 30 to 40 years because of the time it takes to see that water percolate to the ground water table and become a useful resource in terms of production. It will eventually be iterated in to a safe yield calculation. Maybe you can clarify if my understanding is correct or not.

Mr. Wildermuth added that in the absence of having the information gained by alternative 3, we won't be able to do quite as good a job of estimating recharge in the basin. If we were calibrating all projects and we were seeing ourselves sufficient in recharge, we'd have to use the model; it's probably not ideal to estimate that new recharge. In time, if it were significant, we would see it in the data. It's a less accurate way of proceeding. Wildermuth has put in everything they know about, and they did a back of the envelope calculation several months ago and determined that there really wasn't a significant amount of recharge from the existing inventory of MS4 facility, so they weren't overly concerned about it. They also know that there is the potential for a lot in the future and that's what drove alternative 3. The short answer is we can muddle through without it, but something might show up and they'll have to re-calibrate the model to make it work. That would be moving away from a less accurate recharge model. We can get there, but it's probably going to be a bigger issue 10 to 20 years out.

Mr. Wildermuth went on to explain alternative 3 allows building more accurate recharge models that can drive the ground water model. The concept is to be able to make reasonable estimates and adjust those in calibration.

Mr. Marty Zvirbulis commented that he's seen from past experience, that over-estimating recharge and distributing benefits can lead to challenges in the future, and feels this in one of those areas we want to avoid that because of the functionality of the types of projects that would be considered.

Mr. Burton responded to the discussion regarding the recharge, and he would like to recommend a process where there is a check in once a year on what data is being received; is it sufficient for your needs down the road. He feels the land use agencies can't provide the data that Watermaster needs. Mr. Burton does not want it to be a silent process where we don't act on it because agencies do not provide what CBWM needs. Mr. Burton wants to see some process of a proactive effort where agencies do a check in once per year. Mr. Kavounas stated that was

raised at the Steering Committee and a suggestion was made that CBWM create a repository on the website or the FTP site that would show the projects for which we have received information and what type of information. Mr. Burton suggests if an agency has not provided an update by a specific time frame, CBWM will send the agency a reminder. Mr. Kavounas stated CBWM can add language to that effect in the recommended alternative: That the data will be accumulated and shown on the CBWM database and will be reviewed periodically with the parties. Mr. Burton agreed.

Mr. Burton also commented on Data Requests where there wasn't a real big response from the land use agencies. On page 5-4 of section 5, there is a table that talks about a survey that CBWM did to identify future development anticipated by the different land use agencies; it doesn't look like there was a big response. Mr. Burton is wondering two things: In the next 20 years how much land development do you expect? Some agencies answered it with that framework on the question, and other agencies just said ultimately we're going to have this much, but we don't know if it will be in the first 20 years. Mr. Burton is wondering what the usefulness of having this table in the report is, and also stated, CBWM only received four responses and there are two columns, one for within the first 20 years (which is speculative) and didn't realize it was going to be formalized in the final report and is wondering what the purpose is there. He also stated the table seems to be incomplete. Mr. Kavounas stated, in hindsight, Section 5 as written reflects the thought process we went through in developing this, but you also have an attached process that was discussed in terms of real time, submission and processing of information; it's safe to say that the way Section 5 is written reflects the process CBWM went through in developing Section 5. Mr. Kavounas agreed with eliminating that table, but would like to hear from the rest of the pool, but sees no harm done in eliminating the table. However, Mr. Kavounas feels there is some value in preserving some of the thought process CBWM went through for those who may read this in the future. Mr. Kavounas suggested keeping the text, but eliminating the references to the table, and the table itself. Mr. Burton stated he would be comfortable with that, and stated another approach that Ontario would want to do is just provide what Chino and Cucamonga water district did, and just give CBWM their ultimate numbers as they don't want to provide speculative numbers. Another approach would be, before this is finalized, request the rest of the land use agencies to provide some input, but Mr. Burton is comfortable with all three of these approaches.

Ms. Hoerning stated she feels as long as the process is outlined is sufficient; the details are not needed. Mr. Harder stated he would support to remove the table as well. Mr. Kavounas took note to remove the table.

Mr. Burton also commented on the section of allocation and how it was scoped out, identifying that the court was not requiring to look at allocation. Mr. Burton doesn't think the court said they couldn't look at allocation, but given that Ontario went in the direction of not addressing allocation for at least the past year since last July, he thinks the section is pragmatic and is comfortable with the approach. It reserves the ability to have discussions about allocation in the future, but Ontario has concerns: Are we doing what optimizes recharge within the Chino Basin from land use, not only new land use, but it's redevelopment, existing land use as there are property owners change, tenant improvements, conditional use permits, there is the opportunity to implement recharge potential. Section 3 identifies the range of 5300 acre feet to 10,500 of MS4 related recharge, and it's for new land use development. There are all kinds of redevelopment that's going to take place, densification. As Mr. Burton mentioned the other ways that land use agencies look at projects and land use and look at implementing things like stormwater capture. Ontario has a project that they submitted it's on the list of projects; it's not a big project, it's called The Ontario Bioswale, it's in a completely developed area, and it's above and beyond minimum MS4 requirements and it captures 8 acre feet of new yield. Not a big number, Ontario is not particularly concerned about not getting credit for that 8 acre feet; however, that's for a very small area within the Chino Basin, so even the numbers listed here for new development is a big number on top of that other ones. Mr. Burton further stated he thinks we're missing an opportunity to identify really what's at stake here, and how do we maximize the beneficial capture

of this water; one of the ideas is to give the land use agency credit to try and do that. Mr. Burton stated he feels troubled by this because this discussion has not taken place. He recognizes the approach that has been taken to carve off that piece; today is the first time he's heard Mr. Kavounas mention it publicly. Mr. Burton would like to task CBWM to set up a committee that is specifically going to focus on this issue. Based on priorities, it may not happen this month or next month, but does feel we need to prioritize all the things we're trying to accomplish and everybody should get to weigh in on what the priorities are. One idea Mr. Burton wants the pool to think about is, to direct Watermaster to let pools know in a month from now when this process can get started. Mr. Burton thinks as we recalculate the Safe Yield of the basin, we factor that in to the list of recharge master plan projects; the question does come up as we start to make adjustments for potential decline in safe yield. Arguments can be made that the best efforts have not been taken to protect and enhance the safe yield of the basin if we haven't had these discussions when we're talking about very big numbers in terms of acre feet. For this committee Mr. Burton would be comfortable with approving this section today and also tasking Watermaster with setting up the process to have the discussions that we're talking about: to maximize storm water capture as a part of land use agencies implementing their objectives.

Ms. Leyton commented that she would like to see all the priorities and requested that Mr. Kavounas prepare it. Mr. Zvirbulis replied that the priorities have already been distributed. He said they all have received copies of the summary of notes that were captured from the Refresh, Recharge, and Reunite event, and Mr. Kavounas is in the process right now of sorting through those and planning the type of discussion Ms. Layton and Mr. Burton are recommending. Mr. Zvirbulis stated this is consistent with the discussions we had previous to the workshop; to identify what the issues were and put them in priority in a collaborative fashion. It may seem like a lot of time has passed since that has occurred, but in Watermaster years, it's moving fast. Mr. Zvirbulis stated that they all discussed and agreed on a process that would help collaboratively identify what those are, and to the extent that Mr. Kavounas can help them do that and build on the comments and topics that were identified from the workshop. Mr. Kavounas stated he plans to do that in concert with the Watermaster Board. Mr. Kavounas stated he's here to support the Pool 100%. CBWM is developing strategies on how to deal with issues; the issues have been prioritized and Mr. Kavounas plans to share them with the Board to get their feedback, and then CBWM will come back to the pools. Mr. Kavounas does not recommend voting to set priorities to avoid confusing issues. The Recharge Master Plan Update Amendment had a specific purpose, which was to make sure there was enough recharge capacity to meet future obligations. So it's focused on that task. Mr. Zvirbulis agreed with Mr. Kavounas and stated it is part of the record, the comments have been made, and they'll be in the minutes; there is no reason to believe it won't occur in a timely fashion. No other questions were asked on this topic. Mr. Zvirbulis stated the work that has been completed as Task 5, is consistent with the court order. There is clear need to continue discussions about other issues raised by Fontana and Fontana Water and those discussions need to be scheduled and need to occur, but the issue before us today is to consider staff requests to approve Section 5 of the Recharge Master Plan Update Amendment. Mr. Zvirbulis recommends approval to the Advisory Committee.

Mr. Burton requested to understand what the recharge master plan priorities are coming to this process for final approval. Wants to understand what the priorities are with regards to maximizing MS4 recharge will be on the priority list and the pool will have an idea if that discussion is going to occur and when prior to final approval of the Recharge Master Plan Update Amendment. Mr. Kavounas stated he does not think we'll have that discussion before approving the Recharge Master Plan Update Amendment. Mr. Burton clarified, not the discussion, but at least Mr. Kavounas would bring back the priorities after discussing with the Board and parties alike: Ontario, City of Fontana, will at least know where that topic falls on the priority list and when it might be discussed. Mr. Kavounas replied yes, that is the intent.

Mr. Zvirbulis stated Staff is recommending based on some of the discussion today, there are a couple of amendments that were agreed upon by the parties as it relates to the table, and associated language. Staff's recommendation is to approve Section 5, titled "Monitoring,

Reporting and Accounting Practices to Estimate Long Term Average Annual Net Use Stormwater Recharge,” and move that to the Advisory Committee for approval.

Mr. Scott-Coe made the motion, and Mr. Harder seconded the motion as amended per discussion. Page 79 5-9, 2nd sentence, “In this alternative, in regard to MS4 projects, the net new recharge from determining safe yield would be automatically incorporated into the safe yield and the direct estimation of net new recharge would not be made.”

Mr. Chuck Hays stated that the City of Fontana is opposed; Mr. Zielke stated that Fontana Water Company is opposed.

Mr. Kavounas stated CBWM will take that comment and it will be reflected in the Advisory Committee Package.

Motion to approve staff's recommendation by Mr. Scott Coe second by Harder, and by majority vote

Moved to approve Business Item II.A as amended per discussion. Opposed by City of Fontana and Fontana Water Company.

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

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

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

Motion to approve by Van Jew, second by Burton, and by unanimous vote

Moved to approve Business Calendar Item B, as presented

C. SUNDING REPORT UPDATE (APPROPRIATIVE POOL ONLY)

Authorize Proceeding with the Update of the Sunding Report

Mr. Kavounas commented that this item came up as part of the budget. CBWM was asked to add on to the budget the appropriate amount for updating the 2007 Sunding report; CBWM has contacted Mr. Sunding and received an estimate of \$50,000.00 which was included in the budget, and it is CBWM's understanding that we will not proceed unless or until we receive approval or authorization from the Appropriative Pool Committee to move forward. Part of the staff report is an illustration of the cost that each agency would incur should the Appropriative Pool decide to proceed.

Mr. Zvirbulis commented that there are a number of parties that have expressed concerns about the urgency of this report and why it needs to be done right now, and thinks there is a reason this item went on the agenda now, and requested Mr. Kavounas to expand on as to why on a matter of timing why it's included as part of this packet.

Mr. Kavounas commented that there were a couple of reasons, and the first one is just being practical with time; Dr. Sunding is an active teaching professor and has the summer off, so from the perspective of being able to confine it and get it done in a short amount of time, now is the best time. The second is, the study looked at the cost benefit for the major right holders within the Appropriative pool, and as we are looking at making additional investments in the basin, getting the data of how the study presented itself in the beginning and how it should be corrected

to allow for realities compared to assumptions that were made back in 2007. It's useful information for people to have as they make their own individual decisions within their own agencies. It seems appropriate to get it done before votes are taken on the Recharge Master Plan Update Amendment, which will call for a financial commitment.

Mr. Zvirbulis commented that based on some of the discussions he's had, he does not feel there is an immediate urgency for the pool to take action on this today; however, does believe from his perspective, it is important work to be considered. Suggestions have been made that the pool through the formation of, whether it be a steering committee or an ad hoc committee, work with CBWM to clarify and identify certain specific elements as it relates to the scope to the work. Mr. Craig raised some valid points and issues related to Safe Yield and how it relates to that, and what are needs are for long term recharge and capacity. Perhaps a good first step in moving this item forward would be to have the pool or the parties that are interested, meet with Mr. Kavounas to clarify that the scope address important items.

Mr. Kavounas asked Chair Zvirbulis if he's appointed members of the steering committee or is it open to everyone. Chair Zvirbulis replied that he does not want to exclude anyone. There are 10 agencies in particular that are included as part of that evaluation and should those agencies wish to participate, then Chair Zvirbulis encourages them to participate. Mr. Kavounas stated CBWM will send out invitations to those 10 agencies and will start the process at some point.

Mr. Harding reiterated what Dr. Sunding said, "This will be available on September 1st" and we're talking about having the Recharge Master Plan Update Amendment go through the pool process in August to meet our October deadline. In terms of a document we would use to evaluate recharge master plan projects, is it going to be available to do that? Mr. Kavounas replied if we take the approach of having the Steering Committee and himself review/revise the scope, he doesn't see how Dr. Sunding could be held to his commitment of September 1st. The whole point of this is to serve the Appropriative Pool and its members. Maybe it won't be available for the Recharge Master Plan Update Amendment decision, but that's okay.

Mr. Burton stated he is still not clear on what the need is to factor this information into the Recharge Master Plan Update Amendment, and asked Mr. Kavounas to explain. Mr. Kavounas explained his perspective that the Recharge Master Plan Update Amendment comes as a result of the Peace Agreement; the Sunding Report evaluated the cost and benefit associated with the Peace Agreement. The parties are about to re-commit a few million dollars above and beyond what's already been committed in implementing the Peace Agreement. To Mr. Kavounas, it seems it would be helpful to understand the cost benefit calculation, updated with reality compared to assumptions that were made in 2006 and 2007. Mr. Burton stated that when we looked at the formula last time for implementing the Recharge Master Plan it was basically Operating Safe Yield percentage, so maybe we won't use that same methodology. It seems dollars contributed have to equate to a pro rata share of any new yield from the stormwater capture, if it's not based on Operating Safe Yield, it would be some other way of coming up with dollars contributed that equate to benefit moving forward. Mr. Burton also stated he is concerned if we're trying to identify other aspects of the Peace II Agreement, which has already been approved and look backwards and try to recalculate who got what benefit and somehow factor that in to who pays for Recharge Master Plan Update Amendment moving forward. Mr. Burton went on to say that he's concerned about that being a divisive approach that actually could prevent us from meeting schedules that we're working so hard to meet on the Recharge Master Plan Update Amendment. Maybe that discussion is for a separate committee.

Mr. Zvirbulis stated to Mr. Burton that he may be reading too far into this, than what it really is. Mr. Zvirbulis said this is really just a tool to use for planning and making decisions in the future. It's consistent with the approach that CBWM has used on a lot of the issues over time.

Mr. Burton stated there was a discussion about priorities, not being able to do certain things that parties wanted to do because CBWM can't do everything at once. From Ontario's perspective, if

we spend our resources on that, we are not spending those same resources on something else. Maybe this study needs to be put into that list of priorities Mr. Kavounas talked about. Rather than assume this is a top priority; maybe it should be included with the list of the whole host of things and the stake holders can decide what they want to spend our time on. It's not just CBWM's time; it's all of their time too. Mr. Burton feels this got thrown in very late, quickly, and has jumped above other priorities. Mr. Zvirbulis stated it depends on whose priority it is. From his perspective, it is important from a timing perspective for all to sit down and talk about whether or not it is important. As we saw an issue come before the pool today, and a couple parties weren't supportive of it. Mr. Zvirbulis stated he respects his position from Mr. Burton's agency, but everybody else has a perspective and thinks it's important to share that, and decide whether or not it needs to be done. We have a window of opportunity of Dr. Sunding to do the work now and he feels it's something they need to consider and talk about. Mr. Harder stated that JCSD there is interested in the steering committee. What's lacking is a very clear objective of what the study is and feels the objective is missing here. Mr. Harder echoed Mr. Burton's concern with schedule. He sees as having the potential of slowing down an already slow moving year. He would like to see the value of spending \$50,000.00 on this. Mr. Zvirbulis commented that these are legitimate questions and that is why he is suggesting that they meet and confer to have a discussion apart from the regular pool meeting to review that.

Mr. Burton asked Mr. Kavounas, based on the budget as a special assessment, would Watermaster then hold off on the special assessment until we can have a committee that talks about finding a benefit for this work. Mr. Kavounas answered, "Yes." Mr. Scott-Coe echoed that they also support doing this, they believe it won't slow the process down, that it is part of the transparency of making public policy decisions and making sure these decisions on a go forward basis meet the needs of all of our constituents and believes that it does not change past negotiated deals, but just clarifies what they mean in terms of cost benefit and understanding if different results occur and how we can make better decisions in the future, so Monte Vista Water District believes this is vital in making well informed decisions going forward. Mr. Poulsen, City of Pomona is concerned, being one of the more larger share holders in the basin, agrees with Mr. Zvirbulis' recommendation today to move this topic to a steering committee. He feels this will give us appreciation as to what's trying to be accomplished here. Mr. Zielke stated that Fontana Water Company is in favor of studies and documents that provide the most current relevant information that helps us make the best decisions for the basin, so they're in favor of those studies, but as he was reading through the staff letter, the \$50,000.00 is an Appropriative Pool Assessment distributed throughout the pool and while there are 10 agencies being considered in the report, not including Fontana Water Company. Mr. Zielke requests to be included in the second one, and stated he agrees with Cucamonga in support of a committee and would like to be considered as well, and requested if the verbiage can be changed to 11 agencies instead of 10.

Mr. Kavounas stated his position that this item was not expedited any differently than any other request that was made of Watermaster during the budget process. There were three requests that were made, and they were each handled with the same speed. Mr. Kavounas asked the Pool members when they would like the steering committee to come together, and Mr. Zvirbulis stated next month.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment

Mr. Herrema commented that he will be taking this item to the Watermaster Board this month.

2. CDA Request re Remediation of Chino Airport Groundwater Plume

This pool met in a special session immediately prior to the Advisory Committee meeting last month. The Advisory Committee with the exception of the representative of the Ag Pool approved the same action that this pool requested, which was to have Watermaster's

hydrological consultant work with the Regional Board to determine the status of hydraulic control in regards to the Chino Creek Well Field as its now better understood. That process is ongoing and should be completed by the end of July. Watermaster Board at its meeting last month did not take any action on this item. It's content to allow this process with Mr. Wildermuth and the Regional Board to continue.

3. Court Filings- 2 court filings

The first filing is a motion by Watermaster for a court approval of the Cyclic Storage Agreement and specifically the 8th and 9th amendments to the Cyclic Storage Agreement. The 9th amendment was approved a few months ago and Watermaster always sought court approval of those amendments in the past with the exception of the 8th amendment, since the original agreement was approved by the court back in 1978. The 8th amendment never went to the court for approval; it looks that was an oversight during the Peace 2 negotiations, so we've asked the court to approve both the 8th and the 9th amendments. As part of that pleading, we've also asked the court to receive and file the most resent OBMP status report.

The second filing was made on behalf of the Ag Pool. It's the Ag Pool motion to amend the Court's 1998 Order that established the nine member Watermaster Board. Last month the representatives from the Ag Pool were present as part of an information item on that pleading. What they've asked the court to do is effectively bless their course of practice over the last 10 years to allow the Ag Pool chair and the Ag Pool Advisory Committee representatives to be the alternates to their board member appointees. According to the 1998 Order, having those folks serve as board alternates could be read as being contrary to the Court Order. The Ag Pool has done this over the last 10 years and there hasn't been any objection.

Consistent with the Paragraph 15 requirements the hearing has been scheduled for July 12 at 1:30 p.m. on both those motions. Ms. Leyton asked if the Appropriative Pool is the only one that can't do what they're asking now, why wouldn't we just change it for everybody? Mr. Herrema stated that the Appropriative Pool can ask for a similar change if they wished. It is Watermaster's practice to do the filing for any party who has a filing with the court, so they were made in conjunction and a hearing was scheduled on each of the same time for efficiency purposes and preserve recourses.

4. Santa Ana sucker appeal

The Santa Ana sucker decision is being challenged by 12 or 13 water agencies. The court decision designated critical habitat for the Santa Ana sucker, including a portion of the Sana Ana River that runs along the eastern boundary of the Chino Basin. Watermaster doesn't have facilities directly located in the river; however, Watermaster does have recharge facilities in tributaries to the Santa Ana River. Some of the members of that group of plaintiffs that have challenged the critical habitat designation are also Watermaster's stakeholders, specifically Western Municipal Water District. Watermaster filed two letters in support of that group in the critical habitat designation process. In October 2012 CBWM was advised that the District Court ruled against the plaintiffs in their case, motion for summary judgment and ruled in favor of Fish and Wildlife service. At that time the Ninth Circuit Court of Appeal will set a briefing schedule. There were articles in the papers last week regarding the Santa Ana sucker case, and they may have implied that the appeal was filed last week. The appeal was filed back in the fall; the Ninth Circuit set its briefing schedule then. What was filed last week was the opening brief by the group of plaintiffs. Based on the briefing scheduled as it exists now, which is always subject to extension, the Fish and Wildlife Service responsive brief is due on July 3rd and any appelland brief would be due July 17th. If argument is set and giving time for the court to make a ruling, legal counsel anticipates this fall or this winter would probably be the earliest we would see any decision in the case.

B. ENGINEERING REPORT1. State of the Basin Part II Presentation

Engineering Report Item B. was taken out of order as the first item on the agenda.

Mr. Craig would like a timing status update relative to working with the Regional Board on CDA Well 18, and also the analysis of the decline of safe yield, and losses.

Mr. Wildermuth answered that WEI is confident to have everything resolved with the Regional Board by the end of July. WEI is going to produce a draft report on the modeling effort by late June or early July and will present the first glimpse of the model's most recent suggestions are about Safe Yield. Mr. Craig asked if that would include perspective on losses as well. Mr. Kavounas replied yes. Mr. Craig commented that it seems to him on what's happening with Operational Safe Yield and with losses has or can have a substantial influence on the prioritization of financial viability of expanded recharge capability. He feels those are fundamental understandings we should have before we even embark on a review of Dr. Sunding's report. Mr. Kavounas stated that the Appropriative Pool will also get an assessment on Desalter replenishment obligations, as part of the Safe Yield recalculation.

C. GM REPORT1. Prado Basin Habitat Sustainability Program update

Ms. Maurizio, Assistant GM gave a brief presentation on the Prado Basin Habitat Sustainability Program. She stated this program is required by Peace II EIR mitigation measure 4.4-3; the EIR was adopted by IEUA's Board on October 2010. The purpose of this is to ensure the Prado Basin Riparian Habitat will not incur adverse effects due to the implementation of Peace II. As stated in the mitigation measure the IEUA, Watermaster, Orange County Water District, and individual stakeholders that choose to participate, will jointly fund and develop the adaptive management program. The program parts that are included within the mitigation measure are to convene a committee, create an adaptive management plan, install monitoring wells, perform vegetation, aerial surveys, and perform photo station monitoring. In terms of the financial aspects of the program, there was a cost sharing agreement that was approved between IEUA and Watermaster in September 2012. The current total capital budget is approximately \$546,000.00 to be split 50/50 between Watermaster and IEUA. Included within that cost sharing agreement is to hire a consultant to develop the adaptive management plan; WEI to perform project management tasks related to monitoring installation for the wells; and to hire a contractor to construct and install 16 monitoring wells at nine separate sites. CBWM was originally looking at 17 monitoring wells, but found a suitable monitoring well at RP2 that we were able to use, and USVR to perform vegetation surveys and monitoring every three years. IEUA applied for three grants towards this program, but we did not receive any of them. To date, there has been approximately \$124,000.00 of expenses through consultants: \$62,000.00 each for Watermaster and IEUA, and for cost of Watermaster staff time has been about \$7,000.00 to date. Once the wells are installed there will be additional water level and water quality costs, already included in the budget. The first year we're looking at approximately \$100,000.00 for these monitoring costs, and hope to significantly reduce that in future years. The first year we have to monitor for a lot of water quality constituents. If we don't find those in there, we should be able to reduce that in the future and probably reduce the frequency. As a reminder, any kind of hydraulic control monitoring associated costs is 100% Watermaster costs. The capital is shared 50/50, but the monitoring expenses are borne 100% by Watermaster per the bright-line agreement. As for the current status of activities, there have been two of the large committee meetings primarily to discuss the adaptive management plan. The first one was in November 2012 and Ms. Maurizio reported on that last time, but has since met in May 2013. IEUA hired RBF in April to develop the adaptive management plan and that's why there was a second large committee meeting. Now that RBF is on board, we expect to have plan completed in September. IEUA is currently finalizing the site acquisition for all the well sites. Ms. Maurizio presented a map reflecting the well sites, and stated that four sites are already permitted,

we spend our resources on that, we are not spending those same resources on something else. Maybe this study needs to be put into that list of priorities Mr. Kavounas talked about. Rather than assume this is a top priority; maybe it should be included with the list of the whole host of things and the stake holders can decide what they want to spend our time on. It's not just CBWM's time; it's all of their time too. Mr. Burton feels this got thrown in very late, quickly, and has jumped above other priorities. Mr. Zvirbulis stated it depends on whose priority it is. From his perspective, it is important from a timing perspective for all to sit down and talk about whether or not it is important. As we saw an issue come before the pool today, and a couple parties weren't supportive of it. Mr. Zvirbulis stated he respects his position from Mr. Burton's agency, but everybody else has a perspective and thinks it's important to share that, and decide whether or not it needs to be done. We have a window of opportunity of Dr. Sunding to do the work now and he feels it's something they need to consider and talk about. Mr. Harder stated that JCSD there is interested in the steering committee. What's lacking is a very clear objective of what the study is and feels the objective is missing here. Mr. Harder echoed Mr. Burton's concern with schedule. He sees as having the potential of slowing down an already slow moving year. He would like to see the value of spending \$50,000.00 on this. Mr. Zvirbulis commented that these are legitimate questions and that is why he is suggesting that they meet and confer to have a discussion apart from the regular pool meeting to review that.

Mr. Burton asked Mr. Kavounas, based on the budget as a special assessment, would Watermaster then hold off on the special assessment until we can have a committee that talks about finding a benefit for this work. Mr. Kavounas answered, "Yes." Mr. Scott-Coe echoed that they also support doing this, they believe it won't slow the process down, that it is part of the transparency of making public policy decisions and making sure these decisions on a go forward basis meet the needs of all of our constituents and believes that it does not change past negotiated deals, but just clarifies what they mean in terms of cost benefit and understanding if different results occur and how we can make better decisions in the future, so Monte Vista Water District believes this is vital in making well informed decisions going forward. Mr. Poulsen, City of Pomona is concerned, being one of the more larger share holders in the basin, agrees with Mr. Zvirbulis' recommendation today to move this topic to a steering committee. He feels this will give us appreciation as to what's trying to be accomplished here. Mr. Zielke stated that Fontana Water Company is in favor of studies and documents that provide the most current relevant information that helps us make the best decisions for the basin, so they're in favor of those studies, but as he was reading through the staff letter, the \$50,000.00 is an Appropriative Pool Assessment distributed throughout the pool and while there are 10 agencies being considered in the report, not including Fontana Water Company. Mr. Zielke requests to be included in the second one, and stated he agrees with Cucamonga in support of a committee and would like to be considered as well, and requested if the verbiage can be changed to 11 agencies instead of 10.

Mr. Kavounas stated his position that this item was not expedited any differently than any other request that was made of Watermaster during the budget process. There were three requests that were made, and they were each handled with the same speed. Mr. Kavounas asked the Pool members when they would like the steering committee to come together, and Mr. Zvirbulis stated next month.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment

Mr. Herrema commented that he will be taking this item to the Watermaster Board this month.

2. CDA Request re Remediation of Chino Airport Groundwater Plume

This pool met in a special session immediately prior to the Advisory Committee meeting last month. The Advisory Committee with the exception of the representative of the Ag Pool approved the same action that this pool requested, which was to have Watermaster's

there are five sites that are on core property and that's taking a lot longer to get through the process and feel it will take a couple more months until those are finalized. IEUA is going out to bid later this month for the installation of the monitoring wells and for cone penetrometer testing and they expect to award that contract in August. We expect to complete the wells by the end of the calendar year and hoping to do it in two phases. Half are already permitted, so we're hoping to expedite those and get them done as soon as possible. As for the permitting, IEUA has to wait to get the permitting done on the core property and we've run into a bird nesting problem. Only the core properties have that, so we have to wait until after September 15th anyway to install those monitoring wells, but at the same time Orange County Water District is anxious to start seeing some data out of it. We're looking at installing them in two phases.

Mr. Kavounas asked Ms. Maurizio if Orange County participated in this effort so far, and Ms. Maurizio answered no they have not, with the exception of any in house contributions. Mr. Kavounas also asked about the limit of the cost sharing agreement; Ms. Maurizio answered the limit was \$220K each, for a total of \$440K. We will most likely have to amend the cost sharing agreement. We don't know until IEUA receives a bid on the well installation costs, but we went out to bid on one and received one bid back, which our budget was significantly lower than what it came in at. Likely we will have to amend that.

2. Watermaster policy on well data gathering and reporting

Mr. Kavounas advised the committee that there is an item on the Ag Pool agenda today that does not appear on the Appropriative Pool Committee agenda, but it will in the future; the item relates to the policy on private well data gathering and reporting by Watermaster. This is an issue that was debated in the past, and CBWM came up with the current policy. Mr. Kavounas believes the policy in its current form can present some problems. To address these CBWM thought we would start a review with the Ag Pool since it primarily affects the Ag wells and explain what the problems are and recommend a different way to move forward. Depending where this discussion goes, if the Ag Pool is willing to entertain some modifications to the existing guidelines, we'll bring them back through all pools in the future, so all pools have opportunity to participate as well. The staff letter is there for review and reflects what the item is about.

3. Consider cancelling July Meeting

CBWM is recommending cancelling the pool meetings: Advisory, Agricultural, and Appropriative, primarily because there is not a hot-pressing item that we will bring in July, and also CBWM views July as the month to focus on Section 8 of the Recharge Master Plan Update Amendment. Section 8 is turning the corner right now; we're pulling together the information we need, and CBWM believes it can be done in July for formal considerations of the pools in August and September. To do that it would help to not have the pool meetings. Chair Zvirbulis suggested scheduling Appropriative Pool steering committee meeting to discuss the Sunding Report Update in lieu of the Appropriative Pool meeting.

Mr. Kavounas also commented on RMPU amendment. He stated he understands that this is a difficult process, and understands that every party has their own interests and their own perspective, so from his point of view, he'd like to congratulate everyone for getting section 5, 6, and 7 approved. Mr. Kavounas thanked everyone for all their cooperation and feedback on Section 8; specifically on Section 8, CBWM had some feedback last week at the Steering Committee and Mr. Kavounas wanted to bring the pool up to speed and not wait until next week. When CBWM came back with Section 8 last week, the table that showed the projects did not include any in lieu projects. The suggestion was to include projects and CBWM will do that. The pools will see will see discussion of in lieu projects at the next Steering Committee. Mr. Kavounas concerns with the in lieu projects are that Watermaster cannot drive those projects, and we cannot give you a good cost assessment on those because those are projects that relate more to distribution system improvements; to the extent that

this is understood, Watermaster will incorporate that in the description. We will have in lieu projects included in that, including the GRA, which was described as an in lieu project in table 6-1, which is what we agreed to address in Section 8.

Mr. Kavounas mentioned that part of the Refresh Recharge and Reunite meeting brought out one of the earlier comments made, which is apparent by inspection of the Watermaster process, and that is that there is some lack of clarity on the roles of the Pools, Advisory, and the Board. Mr. Kavounas stated he's heard that comment from a number of people and was not surprised when it came up at the Refresh, Recharge and Reunite event, so CBWM went back and reviewed some of the material of the Watermaster landscape, and created a brief summary. There are copies at the back table for those who want one. The summary identifies the four different categories of actions that Watermaster can take and the role that the Advisory and the Pools can play in each one. To conform to this, Watermaster has changed the look and feel of staff reports to help make it more obvious and more compliant with this as to what future actions are going to be, by which body as they come up. Mr. Kavounas invited everyone to take a copy, look at it, and provide any feedback that can help make the process better.

Mr. Kavounas gave a brief heads-up that there is likely going to be a change in the budget for the Wildermuth environmental contract; there were some assumptions that were made early in the fiscal year; we have changed some of those assumptions, we are still looking at all the work being done, there may be some cost savings to offset some of the projected overrun, but we do expect that there might be an overrun. In summary, some of the things that have changed are [1] the list of the projects that we assumed Wildermuth would be evaluating grew dramatically; [2] the criteria that were developed in task 7 created a larger need for Wildermuth to do more work per project than originally envisioned; [3] originally, Mr. Kavounas' assessment of Section 5 was going to be something that he could accomplish in house and started down that path, then it became obvious that we needed more involvement and analysis for Wildermuth, so that was added on work; [4] finally, the effort to review each project was greater than what was thought last November when we put that list together, so we've leaned a lot more heavily on Wildermuth. There have been some activities that they've not been able to undertake, so we'll see some reduction in those categories, but we do expect to exceed the budget. In addition to the budget transfer that you saw today, you'll probably see one more adjustment by the end of the year.

Teri Layton asked Mr. Kavounas if he knows about how much we're going to be exceeding the budget, and Mr. Kavounas stated probably close to \$100K pertaining to the Recharge Master Plan. Mr. Kavounas replied that this is all the WEI work, not just the Recharge Master Plan.

Mr. Kavounas stated that the Safe Yield recalculation workshop is scheduled for July 30th, moved from June 18th as to have a well documented discussion on that. As of right now, we're looking to meet that date.

Mr. Kavounas announced that he'll be on vacation from June 19th returning back to the office July 8th. All questions and inquiries can be addressed to Ms. Danni Maurizio.

IV. INFORMATION

1. Cash Disbursements for May 2013
No comment was made.

V. POOL MEMBER COMMENTS

Teri Layton asked if the ethics and sexual harassment training is that for the board. Mr. Kavounas stated that the training is open to everyone as many public agencies have the

need to have some kind of training. CBWM does feel the need for our board to have the opportunity to do that. CBWM staff is taking the training and it's open to all agencies that want to attend. Mr. Herrema stated that the training meet the requirements AB1234.

VI. OTHER BUSINESS

No comment was made.

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.

There was no confidential session.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, June 13, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, June 13, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, June 13, 2013	1:30 p.m.	Agricultural Pool Meeting
Tuesday, June 18, 2013	1:00 p.m.	Ethics & Sexual Harassment Prevention Training
Thursday, June 20, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, June 20, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, June 20, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Tuesday, June 25, 2013	9:00 a.m.	GRCC Meeting
Thursday, June 27, 2013	11:00 a.m.	Watermaster Board Meeting

Chair Burton adjourned the Appropriative Pool meeting at 10:56 a.m.

Secretary: _____

Minutes Approved: _____

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DRAFT MINUTES
CHINO BASIN WATERMASTER
SPECIAL APPROPRIATIVE POOL MEETING

July 18, 2013

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 18, 2013 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Marty Zvirbulis, Chair
Scott Burton
Rosemary Hoerning
Dave Crosley
Mark Kinsey
Seth Zielke
Tom Harder
Teri Layton

Cucamonga Valley Water District
City of Ontario
City of Upland
City of Chino
Monte Vista Water District
Fontana Water Company
Jurupa Community Services District
San Antonio Water Company

Watermaster Board Members Present

Robert Craig

Jurupa Community Services District

Watermaster Staff Present

Peter Kavounas
Danielle Maurizio
Brenda Corona

General Manager
Assistant General Manager
Recording Secretary

Watermaster Consultants Present

Brad Herrema
Mark Wildermuth
Dr. Sunding

Brownstein, Hyatt, Farber & Schreck
Wildermuth Environmental Inc.
The Brattle Group

Others Present

Sheri Rojo
Nadeem Majaj
Todd Corbin
John Bosler
Justin Scott-Coe
Jack Safely
Darron Poulsen
Ryan Shaw
Robert Tock
Sandra Rose
Charles Morrees
Mario Garcia
Rene Salas

Fontana Water Company
City of Chino Hills
Jurupa Community Services District
Cucamonga Valley Water District
Monte Vista Water District
Western Municipal Water District
City of Pomona
Inland Empire Utilities Agency
Jurupa Community Services District
Monte Vista Water District
San Antonio Water Company
Three Valley's Municipal Water District
City of Pomona

Chair Zvirbulis called the Special Appropriative Pool Meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. BUSINESS ITEMS
A. SUNDING REPORT UPDATE

Mr. Kavounas introduced Dr. Sunding who called in to participate via conference call.

Dr. Sunding provided an explanation on the reasons the report needs to be updated. Based on today's economy, everything has changed from the original proposal: the water demand conditions are very different today than they were when he wrote the original study. With the new study, current realistic and projected future demand conditions for each agency would be looked at. This might have a large impact on the distribution of the benefits. Another big change from the original report is the MWD rates are different as the rate structure has changed, particularly with regard to the elimination to the replenishment water program which was a big part of the economics in the past report. Also, the water supply conditions at MWD have deteriorated substantially since the last report. Conditions in the Delta or Colorado have not improved, so there is a higher degree of unreliability with respect to MWD supply; that would increase the value of any groundwater storage in Southern California. The third factor is the recycled water recharge has not occurred at the rate that was assumed in the previous report; as a result, the distribution of the benefits might be different. Essentially, the proposal was to modify and equalize existing structure, make changes where appropriate, to include the change in cost for recycled water, modify the report that was completed a few years ago, and keeping it more current with today's reality. There might be a need to expand a number of entities that we are measuring benefits for beyond the original ten. Dr. Sunding stated that he wrote a proposal and is open to any questions. More discussion ensued as to the importance to the updated report. Mr. Kavounas will meet with Dr. Sunding, ask if the revised scope will change his estimate, and define what will go into the scope of the updated report; a draft of the scope will be created and reviewed with the Pool at the next Pool meeting. All suggestions and recommendations will be considered.

Mr. Kavounas asked if any Pool members oppose to CBWM summarizing the minutes. Included will be the highlights to the scope, the reasons for the change, and the purpose scope elements, and then the decision by the Pool. Mr. Zvirbulis stated the Pool may want to consider summarizing the minutes as we have gotten into having verbatim minutes and that came out during litigation with the Non Ag Pool. Maybe we can move in the direction of summary minutes moving forward.

Chair Zvirbulis adjourned the Special Appropriative Pool meeting at 9:43 a.m.

Secretary: _____

Minutes Approved: _____

CHINO BASIN WATERMASTER

I. BUSINESS ITEM ROUTINE

A. MINUTES

1. Non-Agricultural Pool Conference Call
Meeting held on June 13, 2013

Draft Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
June 13, 2013

The Non-Agricultural Pool conference call meeting was held via conference call using the Chino Basin Watermaster conference call number on June 13, 2013 at 11:05 a.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	Auto Club Speedway
Veva Weamer	Wildermuth Environmental Inc. (WEI)
Chuck Hays	City of Fontana
Mark Wildermuth	Wildermuth Environmental Inc. (WEI)

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Dave Penrice	Aqua Capital Management LP
Tom O'Neill	Ontario City Non-Agricultural
Allen Hubsch	Non-Agricultural Pool Attorney
Ken Jeske	California Steel Industries (CSI)

Watermaster Staff Present at Watermaster

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Janine Wilson	Recording Secretary
Brenda Corona	Recording Secretary
Joseph Joswiak	Chief Financial Officer
Brad Herrema	Brownstein, Hyatt, Farber & Schreck

Non-Agricultural Pool Counsel Present on Call

Allen Hubsch	Hogan Lovells US LLP
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Chair Geye called the Non-Agricultural Pool Conference Call meeting to order at 11:05 a.m.

ROLL CALL

Ms. Wilson called roll call.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders to the agenda.

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held May 9, 2013

*Motion by Jeske, second by O'Neill, and by unanimous vote
Moved to approve the May 9, 2013, minutes.*

B. FINANCIAL REPORTS

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

Motion by O'Neill, second by Jeske, and by unanimous vote

Moved to receive and file the financial reports, without approval

II. BUSINESS ITEMS

A. RECHARGE MASTER PLAN UPDATE AMENDMENT

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

Mr. Kavounas stated CBWM is recommending approval to Section 5 of the RMPU Update Amendment Plan for its process, monitoring, reporting, and accounting practices to estimate long term average of new stormwater recharge from MS4 projects. The method that is being recommended is one of three alternatives that the Steering Committee has looked at. The Appropriative Pool passed the item by majority vote; there were two "No's": The City of Fontana and Fontana Water Company. The other members present at the Appropriative Pool meeting, voted in favor. There were two minor edits made to this report, one was to remove a table on page 74 of the package and any references to the table, and the second change was on page 79 to clarify alternative II; a sentence to read "In this alternative, ***in regard to MS4 recharge***, the net new recharge from determining safe yield would be automatically incorporated into the safe yield and the direct estimation of net new recharge would not be made." It was just to clarify that alternative II only pertains to MS4 recharge.

Motion by Jeske and second by O'Neill and by unanimous vote

Moved to approve the Recharge Master Plan Update Amendment with the adjustment of page 5-4 and the language change on the alternative II paragraph on page 5-9.

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

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

Mr. Joswiak stated only the salary budget will readjust; taking funds from categories that are under budget and reallocating those to the salaries budget that needs the funds. The 5 items that this form does not do: it does not change the total budget dollars, does not allocate any new funds to any new projects, it does not adjust the current budget for legal or engineering projects, it does not use any new reserves, and it does not need any special assessments.

Motion by O'Neill, second by Jeske, and by unanimous vote

Moved to approve staff's recommendation to approve the Budget Transfer Form T 13 04-01.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment

Counsel Herrema gave a report.

Mr. Allen Hubsch stated that one of the Pool members would talk to staff and counsel with regards to the annotated judgment.

2. CDA Request re Remediation of Chino Airport Groundwater Plume

Counsel Herrema gave a report.

3. Court Filings

Mr. Herrema stated that the 8th amendment to the Cyclic Storage Agreement was never submitted to the court for approval, so we're asking the court to approve both, the 8th and 9th amendments. CBWM has also asked the court to receive and file Watermaster's resent OBMP status reports.

4. Santa Ana sucker appeal

Counsel Herrema gave a report.

B. ENGINEERING REPORT

1. State of the Basin Part II Presentation
The Pool passed on the Engineering Report.

Mr. Joswiak stated the State of the Basin presentation was available for review on the CBWM website.

C. GM REPORT

1. Prado Basin Habitat Sustainability Program update
Ms. Maurizio gave a report
2. Watermaster policy on well data gathering and reporting
Mr. Kavounas gave a report.
3. Sunding Report update
Mr. Kavounas reported that the Appropriative Pool decided to have a discussion with a few representatives of the Appropriative Pool that would help clarify the scope and objectives of the 2007 study update. They agreed to meet on the 2nd Thursday of July for the Steering Committee to come together.
4. Consider cancelling July Meeting
Mr. Kavounas recommended canceling the July meeting.
5. Other
The RMPU, Section 8 is the last section that is missing. It is the most difficult one because it's about dollars and a commitment to a schedule. CBWM encourages everyone to participate. At the last weeks Steering Committee meeting, it was suggested that CBWM include in lieu projects even though Watermaster does not control or estimate the cost of those projects. CBWM will be presenting some of that at next week's Steering Committee meeting. Mr. Kavounas stated CBWM is working on a priority list from the Refresh, Recharge, and Reunite meeting and will be taking key issues to the Board and gain their consent and bring it back to the Pools to get consensus. To help with the roles as to the Board and Advisory, CBWM went back to 1998 order establishing the 9 Member Board and prepared a summary table that explains the roles. The table is a hand out available at this meeting and will also be on the CBWM website.

Tuesday, July 30, 2013 we have a planned workshop to discuss Safe Yield Recalculation.

Mr. Kavounas announced that he plans to take vacation starting Wednesday, July 19, 2013 through July 8, 2013. Danni Maurizio will be available for any questions.

IV. INFORMATION

1. Cash Disbursements for May 2013
No comment was made.

V. POOL MEMBER COMMENTS

A discussion ensued regarding the CDA Request (Business Item A). Mr. Jeske stated that one of the reasons the Pool deferred action on the Pleading is because they didn't get the Pleading in a timely manner.

VI. OTHER BUSINESS

Chair Geye requested clarification as to which agenda to add the Legal Budget to. Joe Joswiak stated August.

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.

Brain Geye suggested a brief closed session to review the Annotated Judgment and CDA Request regarding Remediation of Chino Airport Groundwater Plume.

Chair Geye called a closed session at 11:41 a.m. and came out of closed session at 12:06 p.m.

No reportable actions came out of the closed session.

VIII. FUTURE MEETINGS AT WATERMASTER

Tuesday, April 9, 2013	10:00 a.m.	Personnel Committee Meeting
Thursday, April 11, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, April 11, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, April 11, 2013	1:30 p.m.	Agricultural Pool Meeting
Tuesday, April 16, 2013	9:30 a.m.	Budget Workshop
Thursday, April 18, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, April 18, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, April 18, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, April 18, 2013	1:00 p.m.	Watermaster Board Confidential Conference Call
Tuesday, April 23, 2013	9:30 a.m.	Potential 2 nd Budget Workshop
Thursday, April 25, 2013	10:00 a.m.	Watermaster Board Confidential Session Meeting
Thursday, April 25, 2013	11:00 a.m.	Watermaster Board Meeting

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:06 p.m.

Secretary: _____

Minutes Approved: May 9, 2013

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on June 13, 2013
2. Special Agricultural Pool Meeting held on July 11, 2013

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

June 13, 2013

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 13, 2013 at 1:30 p.m.

Agricultural Pool Members Present

Bob Feenstra, Chair
John Huitsing
Gene Koopman
Rob Vanden Heuvel
Jeff Pierson
Glen Durrington
Pete Hall
Veva Weamer
Chuck Hays
Sherri Rojo

Dairy
Dairy
Milk Producers Council
Milk Producers Council
Crops
Crops
State of California, CIM
Wildermuth Environmental Inc.
City of Fontana
Fontana Water Company

Watermaster Board Members Present

Paul Hofer
Geoffrey Vanden Heuvel

Crops
J & D Star Dairy

Watermaster Staff Present

Peter Kavounas
Danielle Maurizio
Joe Joswiak
Brenda Corona

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

Tracy Egoscue
Larry Dimock
Rick Reese

Egoscue Law Group
California Department of Corrections
Amec

Chair Feenstra called the Agricultural Pool meeting to order at 1:32 p.m.

Chair Feenstra thanked Mr. Dimock for sitting in as our State Representative along with Mr. Hall. He also welcomed the new recording Executive Secretary, Ms. Corona.

Chair Feenstra stated he may have to leave the meeting early, but Mr. Pierson will take over.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held May 9, 2013

B. FINANCIAL REPORTS

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

***Motion by Durrington, second by Pierson, and by unanimous vote
Moved to approve Consent Calendar items A through B, as presented***

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

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

Mr. Kavounas stated the first business item is approval of Section 5 of the Recharge Master Plan and Update. Section 5 is intended to address the monitoring, reporting and accounting practices to estimate long term average annual stormwater recharge. The section has been developed and brought to the Steering Committee twice a month for their review. CBWM has identified three different ways to accomplish what we set out to accomplish. There is broad consensus among the Steering Committee that the recommended alternative 3 is the way to proceed. It was presented to the Appropriative Pool this morning; a few editorial changes were made and the Committee approved it by majority vote with the amended text. Fontana Water Company and City of Fontana voted against it. The edits will be made and CBWM will bring the item back to the Advisory for approval next week. The item also went to the Non Ag Pool and they also concurred; they voted unanimously to approve Section 5 with the edits proposed by the Appropriative Pool. Mr. Kavounas requested the Ag Pool to review Section 5 with the edits proposed by the Appropriative Pool, and recommend to adopt.

Mr. Hays, Public Works Director for the City of Fontana read part of the Judgment, under section VI, titled Physical Solution. It reads, "pursuant to the mandate of Section 2, Article 10 of the California Constitution the court hereby adopts and orders the parties to comply with a physical solution. The purpose of these provisions is to establish a legal and practical means for making the maximum, maximum beneficial use of the waters of the Chino Basin by providing the optimum economic, long term, conjunctive utilization of surface waters, ground waters and supplemental water, to meet the requirements of water users having rights in or dependant on the Chino Basin." It is essential that this physical solution provide maximum flexibility and adaptability in order that Watermaster and the court be free to use existing and future technological, social, institutional and economic options, in order to maximize beneficial use of the waters of the Chino Basin. Task 5 in its current form does just the opposite of this, it disincentives all land use agencies to construct MS4 or other recharge related projects above and beyond what is mandated by the Regional Board. This doesn't promote the maximum beneficial use of the water in the basin. As written, Task 5 allocates all New Yield captured by MS4 projects to the appropriators based on OSY; this severely disincentives the land use agencies who are also members of the Appropriative Pool from constructing MS4 upgrades above and beyond the minimum requirements. These land use agencies should have the option to capture as much recharge water as possible for the benefit of their constituents. If an agency makes the investment to construct facilities that maximize recharge then that agency should receive the credit. If we don't seize the opportunity we have now as land use agencies and good stewards of the basin to construct recharge projects, the opportunity will be lost forever as development takes place. City of Fontana has been told repeatedly that task 5 does not allocate MS4 recharge, but that is exactly what this version of Task 5 does. We were also told that discussions with the AP would take place to discuss equitable allocation of benefits, funding sources and incentives and that the AP supported an implementation plan that maximizes the capture of storm water recharge. The current version of Task 5 doesn't work to maximize the

capture of storm water, it works to minimize the capture, and the discussion of equitable allocation of benefits, funding sources and incentives has never taken place.

Mr. Hays stated for those reasons the City of Fontana opposes the current version of Task 5, we also intend to pursue innovative and effective MS4 upgrades and other recharge projects within our jurisdiction. Fontana respectfully requests and expects cooperation from the AP and Watermaster in facilitating these projects. The projects will recharge storm water into the Chino Basin that would otherwise flow beyond the basins boundaries. As such the City requests that in calculating MS4 or other storm water recharge for allocation, Watermaster not include projects located within the City's jurisdiction. Fontana would like to see a version of Task 5 similar to the July 19, 2012 version that contained the original language from the 2010 Recharge Master Plan Update, section 7.1 which stated: Watermaster should allocate new yield that is created by new recharge above that required by MS4 compliance to the owners of those projects that create new recharge. This will require the development of (a) new agreements involving the WM and project owners. Now that would be a step in the right direction in carrying out the true intent of the judgment which is to make maximum beneficial use of the waters of the Chino Basin.

Mr. Feenstra thanked Mr. Hayes for his time, and opened to the room for questions.

Mr. Koopman stated there was contradiction to what Fontana Water Company is stating: FWC wants to maximize the amount of water that can be for recharge, but you also said you don't want Watermaster or anyone else doing anything within your jurisdiction. Koopman stated we don't know the physical or financial ability of Fontana Water Company to do this.

Mr. Hays stated FWC is willing to work with CBWM, but the way the formula and the current task 5 is set up, there will be no benefit at all to FWC or the City of Fontana.

Mr. Koopman stated it's because the City of Fontana has no Safe Yield in the basin.

Mr. Hays agreed, which is why FWC is willing to make a financial investment.

Mr. Koopman stated the first thing you need is a storage agreement with Watermaster. Mr. Hays agreed.

Mr. Koopman also stated the way Mr. Hayes explains it, is if CBWM comes in to the FWC jurisdiction, Fontana will get the full benefit of that and not the rest of the Appropriators.

Mr. Hayes stated that the way task 5 is currently written, there would be no incentive at all for FWC to do any business in Fontana, but if it wasn't written the way it is, and it was changed where there was benefit, then FWC would be more than happy to work with anybody to do any type of project in the city.

Mr. Koopman stated he understands and feels it doesn't make bad sense, but has a problem with "us doing anything within your jurisdiction" meaning: if anything needs to happen; only FWC can do it, or it's not going to happen.

Mr. Kavounas stated that Watermaster has not proposed any projects at this point.

Mr. Vanden Heuvel requested to hear from Staff of some of the history and if Staff has a position on this he'd like to hear it.

Mr. Kavounas stated that the July 2012 version is not one that he can speak too as he wasn't here. What Mr. Kavounas looked at was the way the 2010 Recharge Master Plan was written, submitted to court, and then the order that came back from court. In his assessment, which he shared with the Steering Committee, this isn't a discussion about allocating new yield. He understands how the City of Fontana would like it to be a discussion about allocating new yield,

and how they would like any projects within the City of Fontana to result in yield attributed to the City of Fontana; it's in their best interest and understands. However, the Recharge Master Plan Update Amendment that we were tasked to do, that is due in October 2013, simply asks for, how do we account for MS4 induced recharge, and that's what CBWM has come up with: a way to do that. What's in Section 5 does that and would actually do that and preserve the accounting for the City of Fontana along with any other Appropriator that does MS4 Recharge within their sphere of influence. There's a lot of questions that need to be answered; for example: If an Agency, like a city authorizes a development to move forward, and the developer pays for that MS4 compliance, who gets the credit, is it the city that authorized it or the developer? CBWM is not touching those questions and in this Section 5, CBWM is not saying whether it's the developer or the city, we're saying if there is any MS4 that happens, that data should be collected, turned over to Watermaster, and when Watermaster does a Safe Yield Recalculation every ten years, that data will be used to analyze and attribute recharge to MS4. Separate and apart from the Recharge Master Plan Update Amendment, Watermaster may choose to allocate New Yield differently; Watermaster may choose to review any of the provisions that govern Chino Basin. The difference that Mr. Kavounas sees between the Staff's recommendation and the City of Fontana, and Fontana Water Company, is that they believe this is the way to address "Allocating new yield differently", and we don't. It's just a simple task that comes up with accounting for MS4 Recharge and not addressing other issues. There are many other broad issues that could be brought in to the Recharge Master Plan Update that are not being brought in for the same reason.

Mr. Vanden Heuvel confirmed the concern is the allocation of MS4, and Mr. Hayes replied yes.

More discussion took place as to the allocation.

Mr. Feenstra thanked Mr. Vanden Heuvel for his involvement. It's been a pleasure having you and Mr. Hofer here today.

Mr. Vanden Heuvel stated that he understands it as Staff explained it to him and approves.

No further questions.

Mr. Pierson asked Staff, in the text of Section 5, we are not allocating new yield to anything that is a result of MS4 projects. It's silent whether it is operating on Safe Yield or any other negotiations at the time the new yield is found, is that correct?

Mr. Kavounas stated that is correct, it's silent which implies that the existing rules remain unchanged and in effect.

Mr. Pierson asked, on the recalculation of the new yield, that new yield is a portion back to all the existing members operating safe yield?

Mr. Kavounas stated yes, that is what is happening today and is preserved through this version.

Mr. Pierson asked, so by being silent on this, Fontana will not be able to participate in any of the new yield that is developed through their vacant properties where MS4 projects would be imposed by them on a land use basis. Costs incurred by dairyman property owners, farmers, whoever has the vacant land, so in effect the benefit is going to end up in the Basin, which is good, but it's going to preclude the private property owners, the city of any gain or beneficial storage of additional new waters?

Mr. Kavounas answered yes, if that's the decision of the collective that the existing rules not be changed, that's what we would do. The proposed approach in Section 5 is to preserve the data of those projects as they go forward. If the collective wants to change those rules at some point, they can. At this stage and time, looking at the order that we have, which is find a way to

measure it, our recommendation is to keep track of the data for now, and if nothing else is done when the Safe Yield is recalculated, we'll understand which component of the Safe Yield is due to MS4 recharge.

Mr. Pierson stated if not Fontana, are there any other members other than statutory requirements for attempting to prevent a certain flow off your property. Is there any incentive beyond that for Fontana as a City and there land use regulations to attempt to conserve greater amounts of flow that could be captured.

Mr. Kavounas stated that he doesn't know of any, but will say that as far as those requirements, MS4 requires that there is containment of stormwater of all the smaller storms, and does not require containment of the very large storms. If you look at what happens to that, the innovation of capturing more than just MS4, is capturing that little bit of extra. Those opportunities come with regional type facilities with infiltration. Mr. Kavounas stated he believes the Regional Board is headed that way and will be changing the MS4 requirements to be, not necessarily site specific, but more regional. Mr. Kavounas applauds everyone that is thinking of how much can we conserve and how can we be as creative as possible. These things take a long time anyway.

Mr. Pierson does not like the idea of Operating Safe Yield as a determining factor who benefits. He doesn't like it to be unequal.

Mr. Kavounas stated what CBWM described to the Appropriative Pool is that this draft evolved as we were trying to understand how we would go about accounting. One of the things we asked is if they would send us information about anticipated growth and timing of growth. We tried to summarize those in a table that is shown on page 74. The table doesn't add value in explaining that we have disparate data from the land use agencies. One of the changes that the Appropriative Pool asked for was to eliminate that table. Another change was suggested collect the data over the next 10 years and then reassess it. However, one of the members of the committee said, "if you're finding that the data is not coming in, or if the data coming in is not useful, then we need to keep the option open to reconsider.

***Motion by Mr. Glen Durrington second by Mr. Gene Koopman, and by majority vote
Moved to approve Business Item II.A as amended per the Appropriative
Pool discussion. Mr. Jeff Pierson abstained from the vote.***

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

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

Mr. Joswiak stated CBWM has a system where Watermaster staff time will be allocated to either administrative time, OBMP, or to the implementation projects. The budget transfer form T-13-04-01 reallocates the budget to actual expenses. This form does not change the budget amount, it does not allocate any new funds, it does not use any reserve funds, it does not adjust the legal and or the engineering budget, and it does not need any special assessments.

Mr. Feenstra stated since there is no financial impact are there any questions or comments regarding the budget and its final approval.

***Motion by Mr. Jeff Pierson second by Mr. Gene Koopman, and by majority vote
Moved to approve the Budget Transfer Form T-13-04-01.***

C. OVERLYING WATERMASTER POLICY ON WELL DATA AND REPORTING (AGRICULTURAL POOL ONLY)

Consider the Existing Policy and Recommend Clarification of the Guidelines to the Board

Mr. Kavounas stated he realizes this is a sensitive subject and realizes it is most sensitive for the Agricultural Pool. CBWM is starting this discussion here and if there is a recommendation from this committee, then it will go to the rest of the Board.

Currently, CBWM collects data from Agricultural Pool wells. In some cases it's a routine collection and sometimes on special occasions. The policy that was adopted in 2001 with resolution 0103 which is included in the package. This resolution makes CBWM keep the water well data to its self. The challenge with that is, on occasion the water quality data from private wells used for domestic consumption exceed maximum contaminate limits. As such, it creates a difficult situation for Watermaster to know of a circumstance and not be able to act on it. CBWM respectfully requests to consider some alternatives for Watermaster reporting practices. CBWM has listed four bullets of alternatives in the package on page 98. One option is to stay as we are, the other option is to report all ground water quality data to the well owner and well user only, another option would be to report the data to the well owner and all regulators regardless, and the fourth option that CBWM recommends, report the ground water quality data to the well owner and only on occasions where there is an exceedance of drinking water standards report those to the regional board and public health.

Mr. Kavounas invited Mr. Herrema and Ms. Egoscue to comment on this topic.

Ms. Egoscue stated that she would like the record to reflect this agenda item is not brought to the Agricultural Pool in a manner as to insinuate that the Agricultural Pool has somehow prevented full disclosure of water quality data.

Mr. Kavounas, stated he was not here in 2001 when this policy came about and is here now and is trying to address what he believes is a difficult situation and knowing the sensitivity to the Agricultural Pool he thought we would start here and then work our way through the rest of the Pools.

Much discussion ensued.

Mr. Feenstra called a Confidential Session at 2:46 p.m. The meeting was called back in at 2:57 p.m. No reportable actions.

Mr. Feenstra turned the meeting over to Mr. Pierson at 2:57 p.m.

The Pool gave direction to Watermaster staff to bring this item for discussion in a future Special Confidential Meeting.

D. OLD BUSINESS

No comments

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Annotated Judgment

Mr. Herrema stated the Annotated Judgment is part of the budget process. At the June 27, 2013 Watermaster Board Meeting, Watermaster Legal Counsel will request the Board approve our circulation of the draft document that CBWM's has created to be a platform for the Annotation of the judgment. If approved, CBWM will circulate the document and assist the Parties and Stake holders to work together to create the annotations that they believe are most helpful. Mr. Herrema suggests there be one or two workshops for that purpose.

2. CDA Request re Remediation of Chino Airport Groundwater Plume

Mr. Herrema stated on May 16, 2013 the Advisory Committee by majority vote with the Agricultural Pool dissenting, reported motion to request Watermaster to continue analyzing the hydraulic control issues within the Chino Creek Well field with regard to Well 18. The Board met on May 24th, but did not take any further action on the CDA request.

3. Court Filings

Mr. Herrema stated the first filing was the Agricultural Pool motion to revise the 1998 court order establishing the nine member board, which was approved last month.

The second filing was a motion by Watermaster for approval of the 8th and 9th amendments to the Cyclic Storage Agreement. In 1978 the court approved the original Cyclic Storage Agreement, in the process of preparing this motion CBWM discovered the 8th amendment was not submitted to the court for approval. CBWM has requested that the court approve the 8th and 9th amendments. CBWM also included in the filing a request that the court receive and file the most recent semi-annual OBMP status updates. A hearing has been scheduled for July 12th at 1:30 p.m., Mr. Herrema will be there.

4. Santa Ana sucker appeal

Mr. Herrema stated that there was an article in the news paper last week related to the Plaintiff water agencies appeal of the Federal District Courts ruling in regards to the designation to the Critical Habitat, Santa Ana Sucker. Back in October the Federal District Court denied the motion for summary judgment brought by the plaintiffs and found in favor of the Fish and Wild Life Service in regard to its motion for summary judgment on the Critical Habitat designation. The plaintiffs filed a notice of appeal and a briefing schedule was issued. The plaintiff's filed their brief on June 3rd, and that was the reference in the news paper last week. If there is oral argument scheduled, it will probably be sometime this Fall. Mr. Herrema anticipates the final decision will come sometime this Winter or the first quarter of next year. A guest in the audience asked if the environmental group that filed this suit has intervened. Mr. Herrema is unsure and will report back to the Board advising if they filed amicus curiae.

B. ENGINEERING REPORT

1. State of the Basin Part II Presentation

Mr. Kavounas stated CBWM is in preparation for the 2012 report. This report is required every two years. The first part of the presentation was presented a couple months ago and Ms. Veva Weamer with Wildermuth Environmental is presenting on the second piece of it.

Ms. Weamer gave her presentation. A guest in the audience requested the State of the Basin Report to reflect if the contaminants are higher or lower for monitoring purposes. Ms. Weamer stated there are some maps that she didn't present today that have time histories of representative wells for TDS and Nitrate.

C. GM REPORT

1. Prado Basin Habitat Sustainability Program update

Ms. Maurizio stated that she reported on this item back in January 2013. She stated this is required by Peace II, EIR Mitigation Measure 4.4-3, which was adopted by IEUA's Board in October 2010. The purpose of the measure is to ensure Prado Basin riparian habitat will not incur unforeseeable significant adverse effects due to the implementation of Peace II. IEUA, Watermaster, Orange County Water District, and individual stakeholders that choose to participate will jointly fund and develop an adaptive management program. The task of the program as stated in the mitigation measure was to convene a committee, create an adaptive management plan, to install monitoring wells, to perform vegetation and aerial surveys, and to perform photo station monitoring. There is a cost sharing agreement that is in place between Watermaster and IEUA that was approved in September 2012. That cost

sharing agreement is for \$440,000.00 total, so its \$220,000.00 each. It's a 50/50 split on the capital side of it. The current budget that we're looking at is exceeding that; it's \$556,000.00, so we'll have to come back with an amendment to the cost sharing agreement. So it's looking to be about \$273,000.00 for IEUA and Watermaster. Included within that cost sharing agreement we are to hire a consultant to develop the Adaptive Management Plan; WEI to perform project management tasks related to monitoring well installation; for a contractor to construct and install 16 monitoring wells at nine separate locations; and for USBR to perform vegetation monitoring every three years. No grant money was granted. The wells are expected to be completed by the end of the calendar year and CBWM is expecting to have them done in two phases for the sites that are already permitted. As for the core sites, we hope to have the permits in place by September 15th, but as of right now we can't install the wells because there are some bird nesting issues at those sites.

2. Sunding Report Update

Mr. Kavounas stated this is an item that was added to the budget at the request of the Appropriative Pool. Non-Ag and Ag Pools agreed to add it to the budget as long as they don't pay for it. In July the Appropriate Pool will take a Committee of interested Appropriators to review the scope and define the deliverables prior to approving.

3. Consider cancelling July Meeting

Mr. Kavounas stated that CBWM recommends canceling the July Pool Meetings: Advisory, Agricultural, Non-Agricultural, and Appropriative primarily because there is not a hot-pressing item that we will bring in July. If any special issues come up, CBWM can then have a Special meeting. CBWM views July as the month to focus on Section 8 of the Recharge Master Plan Update Amendment.

Mr. Kavounas stated that CBWM is focusing on task 8 of the Recharge Master Plan Amendment. There was a question at the last Steering Committee meeting whether in lieu projects should be included even though there is lack of data, and furthering the discussions with other parties; CBWM will include in lieu projects and rely on them to provide that information to complete the chart. That discussion will start next Thursday at the Steering Committee.

Mr. Kavounas stated that CBWM is working with the material collected in March at the Refresh, Recharge, and Reunite event. Mr. Kavounas intends to take this to the Board and then bring it back to the Pools, so all parties know what Watermaster plans are.

Mr. Kavounas stated CBWM developed a summary chart of the 1998 Court Order establishing the 9 Member Board. The chart will reflect that there are four types of actions that can be taken by the Watermaster Board and what the authority of the Advisory Committee is with respect to each one, and what the responsibilities are for the Board.

Mr. Kavounas also stated the look of our staff letters has changed so the reader can tell what type of action it is and what the next steps or previous steps are.

Mr. Kavounas advised that Wildermuth Engineering Inc. scope has changed on the Recharge Master Plan Update, so CBWM will probably run over budget. In net we'll be about \$100,000.00 over budget. CBWM asked WEI to do a lot more work than anticipated in December 2012.

On July 30th a Safe Yield Recalculation Work Shop will present a presentation with the new model and calibrated model. It affects many aspects of managing the basin.

Mr. Kavounas announced that he'll be on vacation from June 19th returning back to the office July 8th. All questions and inquiries can be addressed to Ms. Danni Maurizio.

D. AGRICULTURAL POOL LEGAL COUNSEL REPORT

No comment was made.

IV. INFORMATION

- 1. Cash Disbursements for May 2013

No comment was made.

V. POOL MEMBER COMMENTS

No comment was made.

VI. OTHER BUSINESS

No comment was made.

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.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, June 13, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, June 13, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, June 13, 2013	1:30 p.m.	Agricultural Pool Meeting
Tuesday, June 18, 2013	1:00 p.m.	Ethics & Sexual Harassment Prevention Training
Thursday, June 20, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, June 20, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, June 20, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Tuesday, June 25, 2013	9:00 a.m.	GRCC Meeting
Thursday, June 27, 2013	11:00 a.m.	Watermaster Board Meeting

Chair Feenstra adjourned the Agricultural Pool meeting at 2:53 p.m.

Secretary: _____

Minutes Approved: June 13, 2013

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Minutes
CHINO BASIN WATERMASTER
SPECIAL CONFIDENTIAL AGRICULTURAL POOL MEETING
July 11, 2013

The Special Confidential Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 11, 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
Pete Hall	State of California, CIM
Carol Boyd	State of California, CIM
Glen Durrington	AG- Pool, Farm
Julie Cavender	State of California

Watermaster Board Members Present

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

Watermaster Staff Present

Brenda Corona	Recording Secretary
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Others Present

Tracy Egoscue	Egoscue Law Group
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Chair Feenstra called the Special Confidential Agricultural Pool meeting to order at 1:34 p.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. 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.

1. Well Water Quality Data

At the Watermaster General Manager's request and in response to the June 13, 2013 Agricultural Pool meeting agenda, the Agricultural Pool has carefully considered the existing Watermaster policy regarding the procedure for release of information and documents. Based upon the Agricultural Pool's current knowledge and understanding, during a special Agricultural Pool meeting on July 11, 2013, the Agricultural Pool has concluded that there is no challenge with the implementation of the existing procedure for the release of information pursuant to Watermaster Resolution 01-03. In fact, it is the experience of the Agricultural Pool that water quality data has been efficiently shared upon request. As such, the Agricultural Pool recommends no further clarification.

Motion by Pierson, second by Koopman, Mr. Durrington voted no, three State representatives abstaining, other than that it carries.

Moved to approve the Agricultural Pool implementation of the existing procedure for the release of information pursuant to Watermaster Resolution 01-03, as presented

The confidential session concluded at 3:05 p.m.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, July 11, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, July 11, 2013	1:30 p.m.	Agricultural Pool Special Confidential Session
Thursday, July 18, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, July 18, 2013	9:00 a.m.	Appropriative Pool Special Meeting
Thursday, July 18, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, July 25, 2013	9:00 a.m.	Watermaster Board Special Confidential Session
Thursday, July 25, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Tuesday, July 30, 2013	T.B.A.	Safe Yield Recalculation Workshop
Thursday, August 1, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, August 8, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, August 8, 2013	11:00 a.m.	Non-Agriculture Pool Conference Call Meeting
Thursday, August 8, 2013	1:30 p.m.	Agricultural Pool Meeting
Thursday, August 15, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, August 15, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, August 15, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, August 22, 2013	11:00 a.m.	Watermaster Board Meeting
Thursday, August 29, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting

Chair Feenstra adjourned the Special Confidential Agricultural Pool meeting at 3:06 p.m.

Secretary: _____

Minutes Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

B. FINANCIAL REPORTS

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

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

B. FINANCIAL REPORTS

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



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (May 31, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B1

Type	Date	Numb	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/01/2013	16891	COMPUTER NETWORK	87272	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	87272		Replacement keyboard and mouse-Accountant	6055 - Computer Hardware	195.20
TOTAL						195.20
Bill Pmt -Check	05/01/2013	16892	GRAINGER	9125430869	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	9125430869		9125430869	7103.6 - Grdwtr Qual-Supplies	25.59
TOTAL						25.59
Bill Pmt -Check	05/01/2013	16893	HOGAN LOVELLS	2730193	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	2730193		Non-Ag Pool Legal Services - April 2013	8567 - Non-Ag Legal Service	4,425.95
TOTAL						4,425.95
Bill Pmt -Check	05/01/2013	16894	MCCALL'S METER SALES & SERVICE	23855	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	23855		23855	7102.5 - In-line Meter-Repair & Maint.	250.00
				23855	7102.8 - In-line Meter-Calib & Test	450.00
TOTAL						700.00
Bill Pmt -Check	05/01/2013	16895	PRAXAIR DISTRIBUTION, INC.	45968200	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	45968200		Water quality supplies	7103.6 - Grdwtr Qual-Supplies	41.79
TOTAL						41.79
Bill Pmt -Check	05/01/2013	16896	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	8000909000168851		Send equipment for repairs	7103.6 - Grdwtr Qual-Supplies	14.14
TOTAL						14.14
Bill Pmt -Check	05/01/2013	16897	RAUCH COMMUNICATION CONSULTANTS, LLC Apr-1302	6061.3	1012 - Bank of America Gen'l Ckg	
Bill	04/24/2013	Apr-1302		Progress Billing - Annual report	8061.3 - Rauch	665.00
TOTAL						665.00
Bill Pmt -Check	05/01/2013	16898	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	20001		Week ending 4/21/13	6017 - Temporary Services	659.20
TOTAL						659.20
Bill Pmt -Check	05/01/2013	16899	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	001017890001		Vision premium - May 2013	60182.2 - Dental & Vision Ins	55.05
TOTAL						55.05
Bill Pmt -Check	05/01/2013	16900	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013			Wash 4 trucks on 4/11/13 - 3 trucks on 4/25/13	6177 - Vehicle Repairs & Maintenance	175.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						175.00
Bill Pmt -Check	05/02/2013	16901	LUX BUS AMERICA, CO.	Westside Basin Tour May 21, 2013	1012 - Bank of America Gen'l Ckg	
Bill	05/01/2013			Charter bus May 21, 2013 Westside Basin Tour	6174 - Transportation	588.00
TOTAL						588.00
Bill Pmt -Check	05/06/2013	16903	STAPLES BUSINESS ADVANTAGE	8025443891	1012 - Bank of America Gen'l Ckg	
Bill	04/27/2013	8025443891		Miscellaneous office supplies	6031.7 - Other Office Supplies	113.10
TOTAL						113.10
Bill Pmt -Check	05/06/2013	16904	BROWNSTEIN HYATT FARBBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	03/31/2013	531481			6073 - BHFS Legal - Personnel Matters	2,498.30
Bill	03/31/2013	531482			6907.33 - Desalter/Hydraulic Control	8,644.95
Bill	03/31/2013	531480			8375 - BHFS Legal - Appropriative Pool	2,801.29
Bill	03/31/2013	531480			8475 - BHFS Legal - Agricultural Pool	2,581.68
					8575 - BHFS Legal - Non-Ag Pool	2,444.39
					8575.1 - Paragraph 15 - CSI/Aqua Capital	686.25
					6275 - BHFS Legal - Advisory Committee	1,191.73
					6375 - BHFS Legal - Board Meeting	4,908.72
					6071 - BHFS Legal - Court Coordination	164.70
					6072 - BHFS Legal - Annotated Judgment	3,175.20
					6074 - BHFS Legal - Interagency Issues	496.80
					6078 - BHFS Legal - Miscellaneous	1,112.13
					6078.10 - Refresh, Recharge & Reunite	14,702.81
					6907.33 - Desalter/Hydraulic Control	521.55
					6907.39 - Recharge Master Plan	2,607.75
					6078.11 - Safe Yield Recalculation	3,930.29
TOTAL						52,469.54
Bill Pmt -Check	05/06/2013	16905	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	04/11/2013	4/11 Appro Pool Mtg		4/11/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 - Board Member Compensation	125.00
Bill	04/18/2013	4/18 Advisory Comm		4/18/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	05/06/2013	16906	CURATALO, JAMES		1012 - Bank of America Gen'l Ckg	
Bill	04/04/2013	4/04 RMPU Mtg		4/04/13 RMPU Meeting	6311 - Board Member Compensation	125.00
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/09/2013	4/03 CDA Mtg		4/03/13 CDA Meeting	8411 - Compensation	25.00
Bill	04/11/2013	4/11 Ag Pool Mtg		Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
					8411 - Compensation	25.00
					8470 - Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	05/06/2013	16913	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	04/11/2013	4/11 Ag Pool Mtg		4/11/13 Ag Pool Meeting	8411 - Compensation	25.00
					8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/06/2013	16914	KUHN, BOB	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/11/2013	4/11 Appro Pool Mtg		4/11/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	04/16/2013	4/16 Budget Workshop		4/16/13 Budget Workshop	6311 - Board Member Compensation	125.00
Bill	04/22/2013	4/22 Admin Mtg		4/22/13 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	04/23/2013	4/23 Admin Mtg		4/23/13 Administrative Meeting	6311 - Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	05/06/2013	16915	PARK PLACE COMPUTER SOLUTIONS, INC.	IT Consultant - April 2013	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	474		IT Consultant - April 2013	6052.1 - Park Place Comp Solutn	2,400.00
TOTAL						2,400.00
Bill Pmt -Check	05/06/2013	16916	PAYCHEX	April 2013	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	2013042500		April 2013	6012 - Payroll Services	240.20
TOTAL						240.20
Bill Pmt -Check	05/06/2013	16917	PIERSON, JEFFREY	4/03/13 CDA Meeting	1012 - Bank of America Gen'l Ckg	
Bill	04/03/2013	4/03 CDA Meeting		4/03/13 CDA Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	04/11/2013	4/11 Ag Pool Meeting		4/11/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 RMPU Mtg		4/18/13 RMPU Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	04/18/2013	4/18 Advisory Comm		4/18/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	05/06/2013	16918	ROGERS, PETER	4/09/13 Personnel Committee Meeting	1012 - Bank of America Gen'l Ckg	
Bill	04/09/2013	4/09 Personnel Comm		4/09/13 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/23/2013	4/23 Budget Workshop		4/23/13 Budget Workshop	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	05/06/2013	16919	APPLIED COMPUTER TECHNOLOGIES	2/08	1012 - Bank of America Gen'l Ckg	
Bill	05/06/2013	16919		2/08	1012 - Bank of America Gen'l Ckg	250.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill Pmt -Check	05/13/2013	16928	PRAXAIR DISTRIBUTION, INC.	45982938	1012 - Bank of America Gen'l Ckg		
Bill	04/26/2013	45962938		Water quality supplies	7103.6 - Grdwtr Qual-Supplies	145.37	
TOTAL							145.37
Bill Pmt -Check	05/13/2013	16929	PREMIERE GLOBAL SERVICES	13755741	1012 - Bank of America Gen'l Ckg		
Bill	04/26/2013	13755741		CDA call on 3/28	7305 - PE&S-Supplies	79.79	
				Agenda call on 4/02	8412 - Meeting Expenses	8.46	
				Agenda call on 4/02	8312 - Meeting Expenses	8.46	
				Agenda call on 4/02	8512 - Meeting Expense	8.45	
				Budget calls w/WE Inc and BHFS on 4/08	6141.3 - Admin Meetings	54.56	
				SAR Underflow Calculations Meeting/Call	6909.1 - OBMP Meetings	146.83	
				Non Ag Pool meeting call on 4/11	8512 - Meeting Expense	54.01	
				Confidential call	6909.1 - OBMP Meetings	35.97	
				RMPU call on 4/18	7204 - Comp Recharge-Supplies	10.06	
				Board confidential call on 4/18	6312 - Meeting Expenses	100.20	
				SAR call on 4/25	6909.1 - OBMP Meetings	125.12	
				Board agenda call on 4/25	6312 - Meeting Expenses	59.09	
				Monthly fee	6022 - Telephone	19.95	
				Service fee	6022 - Telephone	24.75	
TOTAL							735.70
Bill Pmt -Check	05/13/2013	16930	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg		
General Journal	04/27/2013	04/27/2013		CalPERS Retirement for 04/14/13-04/27/13	2000 - Accounts Payable	7,104.83	
TOTAL							7,104.83
Bill Pmt -Check	05/13/2013	16931	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg		
Bill	04/26/2013	20029		Week ending 4/28/13	6017 - Temporary Services	824.00	
TOTAL							824.00
Bill Pmt -Check	05/13/2013	16932	THREE VALLEYS MUNICIPAL WATER DIST	June 6, 2013 Leadership Breakfast	1012 - Bank of America Gen'l Ckg		
Bill	05/08/2013			June 6, 2013 Leadership Breakfast-Kavouras	6191 - Conferences - General	15.00	
TOTAL							15.00
Bill Pmt -Check	05/13/2013	16933	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg		
Bill	04/30/2013	300732989		April 2013	6175 - Vehicle Fuel	165.74	
TOTAL							165.74
Check	05/15/2013	05/15/2013	Service Charge	Service Charge	1012 - Bank of America Gen'l Ckg		
					6039.1 - Banking Service Charges	237.76	
TOTAL							237.76

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/20/2013	16942	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	2x81x0		Flo Thru Meter repair	7103.6 - Growtr Qual-Supplies	86.97
TOTAL						86.97
Bill Pmt -Check	05/20/2013	16943	VERIZON WIRELESS		1012 - Bank of America Gen'l Ckg	
Bill	05/15/2013	9704365422		Monthly service	6022 - Telephone	361.49
TOTAL						361.49
Bill Pmt -Check	05/20/2013	16944	WESTERN DENTAL SERVICES, INC.		1012 - Bank of America Gen'l Ckg	
Bill	05/15/2013	11882		Dental insurance premium - May 2013	60182.2 - Dental & Vision Ins	30.00
TOTAL						30.00
Bill Pmt -Check	05/23/2013	16945	BANK OF AMERICA		1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	XXXX-XXXX-XXXX-9341		Lunch for 4/22 budget review	8141.3 - Admin Meetings	210.33
				Flowers for funeral - employee's father	8141.3 - Admin Meetings	119.84
				Purchase janitorial supplies	8031.7 - Other Office Supplies	17.65
				Repair expense for Flow Thru Meter	7103.6 - Growtr Qual-Supplies	757.71
				Purchase bottom sounder for water level measuren	7104.6 - Growtr Level-Supplies	1,131.91
				Lunch-Chino Creek Wellfield Remediation meeting	7103.6 - Growtr Qual-Supplies	50.57
				PK mtg w/Bob Feenstra	8412 - Meeting Expenses	28.59
				PK mtg w/Ken Manning	8312 - Meeting Expenses	31.71
				PK mtg w/Charles Moorrees and Terri Layton	8312 - Meeting Expenses	14.33
				PK mtg w/Terry Cailin	8312 - Meeting Expenses	22.20
TOTAL						2,382.84
Bill Pmt -Check	05/23/2013	16946	CALPERS		1012 - Bank of America Gen'l Ckg	
Bill	05/23/2013	June 2013		Medical insurance premium - June 2013	60182.1 - Medical Insurance	5,402.63
TOTAL						5,402.63
Bill Pmt -Check	05/23/2013	16947	CALPERS 457 PLAN		1012 - Bank of America Gen'l Ckg	
General Journal	05/20/2013	05/20/2013		Payroll and Taxes for 04/28/13-05/11/13	2000 - Accounts Payable	3,173.36
				Employee 457 deductions for 04/28/13-05/11/13		3,173.36
TOTAL						3,173.36
Bill Pmt -Check	05/23/2013	16948	CHINO HILLS, CITY OF*		1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	9		9	7107.61 - Grd Level-Chino Hills ASR	2,822.00
				March-April 2013		2,822.00
TOTAL						2,822.00
Bill Pmt -Check	05/23/2013	16949	COMPUTER NETWORK		1012 - Bank of America Gen'l Ckg	
Bill	05/22/2013	87475		87475	6055 - Computer Hardware	70.20
				Replacement of DVD Drive		70.20
TOTAL						70.20

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check Bill	05/23/2013 05/16/2013	16950	CUCAMONGA VALLEY WATER DISTRICT	Lease due June 1, 2013 Lease due June 1, 2013.	1012 · Bank of America Gen'l Ckg 1422 · Prepaid Rent	6,098.00 6,098.00
TOTAL						
Bill Pmt -Check Bill	05/23/2013 04/30/2013	16951 13656879	GREAT AMERICA LEASING CORP.	13656879 Invoice Usage for Black Copies Usage for Color Copies	1012 · Bank of America Gen'l Ckg 6043.1 · Ricoh Lease Fee 6043.2 · Ricoh Usage & Maintenance Fee 6043.2 · Ricoh Usage & Maintenance Fee	2,795.00 1,431.34 929.28 5,155.60
TOTAL						
Bill Pmt -Check Bill	05/23/2013 05/16/2013	16952 1800002196	INLAND EMPIRE UTILITIES AGENCY	1800002196 1800002196	1012 · Bank of America Gen'l Ckg 7108.75 · Prado Basin - IEUA Charges	6,275.92 6,275.92
TOTAL						
Bill Pmt -Check Bill	05/23/2013 04/30/2013	16953	JOHN J. SCHATZ	April 2013 Appropriative Pool - April 2013	1012 · Bank of America Gen'l Ckg 8367 · Legal Service	6,489.69 6,489.69
TOTAL						
Bill Pmt -Check Bill	05/23/2013 04/30/2013	16954	KAVOUNAS, PETER	Travel Expense Reimbursement Travel expense reimbursement	1012 · Bank of America Gen'l Ckg 6171.1 · GM - Reimbursement	13.56 13.56
TOTAL						
Bill Pmt -Check Bill	05/23/2013 05/22/2013	16955 111802	LEGAL SHIELD	111802 Employee deductions - May 2013	1012 · Bank of America Gen'l Ckg 60194 · Other Employee Insurance	51.80 51.80
TOTAL						
Bill Pmt -Check Bill	05/23/2013 04/30/2013	16956 333445	MIJAC ALARM	333445 Commercial monitoring from 4/01/13-6/30/13	1012 · Bank of America Gen'l Ckg 6026 · Security Services	147.00 147.00
TOTAL						
Bill Pmt -Check General Journal	05/23/2013 05/11/2013	16957	PUBLIC EMPLOYEES' RETIREMENT SYSTEM PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493 CalPERS Retirement for 04/28/13-05/11/13	1012 · Bank of America Gen'l Ckg 2000 · Accounts Payable	7,104.83 7,104.83
TOTAL						
Bill Pmt -Check Bill	05/23/2013 05/22/2013	16958 0165837	R&D PEST SERVICES	0165837 Continuing treatment for pest control	1012 · Bank of America Gen'l Ckg 6024 · Building Repair & Maintenance	85.00 85.00
TOTAL						
Bill Pmt -Check	05/23/2013	16959	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/22/2013	006492990009		Policy # 00-649299-0009	60101 - Life & Disab.Ins Benefits	469.84
TOTAL						469.84
Bill Pmt -Check	05/23/2013	16960	STATE COMPENSATION INSURANCE FUND	1970970-12	1012 - Bank of America Gen'l Ckg	899.25
Bill	05/22/2013	1970970-12		Premium on account - 5/26/13-6/26/13	60183 - Worker's Comp Insurance	899.25
TOTAL						899.25
Bill Pmt -Check	05/23/2013	16961	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	136.81
Bill	05/22/2013			Retiree Medical	60182.4 - Retiree Medical	136.81
TOTAL						136.81
Bill Pmt -Check	05/23/2013	16962	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	824.00
Bill	05/12/2013	20073		Week ending 5/12/13	6017 - Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	05/23/2013	16963	UNITED HEALTHCARE	0031322256	1012 - Bank of America Gen'l Ckg	583.53
Bill	05/22/2013	0031322256		Dental premium - June 2013	60182.2 - Dental & Vision Ins	583.53
TOTAL						583.53
Bill Pmt -Check	05/23/2013	16964	VERIZON BUSINESS	68177635	1012 - Bank of America Gen'l Ckg	1,543.35
Bill	05/16/2013	68177635			6053 - Internet Expense	1,543.35
TOTAL						1,543.35
Bill Pmt -Check	05/23/2013	16965	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	5,402.63
Bill	04/30/2013	1394905143		Medical insurance - May 2013	60182.1 - Medical Insurance	5,402.63
TOTAL						5,402.63
General Journal	05/25/2013	05/25/2013	Payroll and Taxes for 05/12/13-05/25/13	Payroll and Taxes for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	18,033.57
				Direct Deposits for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	18,033.57
				Payroll Check for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	3,967.19
				Payroll Taxes for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	6,106.39
				Payroll Taxes for 05/12/13-05/25/13	1012 - Bank of America Gen'l Ckg	1,537.61
TOTAL						29,644.76
Bill Pmt -Check	05/29/2013	16966	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	28,055.25
Bill	04/30/2013	533456		6907.32 - Chino Airport Plume	60182.1 - Medical Insurance	28,055.25
Bill	04/30/2013	533457		6073 - BHFS Legal - Personnel Matters	6073 - BHFS Legal - Personnel Matters	19,692.64
Bill	04/30/2013	533459		8375 - BHFS Legal - Appropriative Pool	8375 - BHFS Legal - Appropriative Pool	2,095.73
				8475 - BHFS Legal - Agricultural Pool	8475 - BHFS Legal - Agricultural Pool	3,316.35
				8575 - BHFS Legal - Non-Ag Pool	8575 - BHFS Legal - Non-Ag Pool	4,033.87

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
				533459	6275 - BHFS Legal - Advisory Committee	2,194.85
				533459	6375 - BHFS Legal - Board Meeting	624.33
				533459	6071 - BHFS Legal - Court Coordination	1,454.85
				533459	6078 - BHFS Legal - Miscellaneous	3,070.80
				533459	6078.11 - Safe Yield Recalculation	7,893.45
				533459	6907.32 - Chino Airport Plume	263.25
				533459	6907.39 - Recharge Master Plan	3,807.90
				533459	6907.40 - Storage Agreements	2,121.30
TOTAL						78,624.37
			LIATTI & ASSOCIATES			
Bill Pmt-Check	05/29/2013	16967			1012 - Bank of America Gen'l Ckg	
Bill	05/28/2013			Brokerage fee for workers comp insurance	60183 - Worker's Comp Insurance	1,106.62
Bill	05/29/2013	476		D&O insurance coverage premium	1401 - Prepaid Insurance-Pkg	6,809.20
TOTAL						7,915.82
			WILDERMUTH ENVIRONMENTAL INC			
Bill Pmt-Check	05/29/2013	16968			1012 - Bank of America Gen'l Ckg	
Bill	04/30/2013	2013094		2013094	6906 - OBMP Engineering Services	345.00
Bill	04/30/2013	2013095		2013095	6906 - OBMP Engineering Services	232.50
Bill	04/30/2013	2013096		2013096	6906 - OBMP Engineering Services	3,658.75
Bill	04/30/2013	2013097		2013097	6907.32 - Chino Airport Plume	3,658.75
Bill	04/30/2013	2013098		2013098	6906 - OBMP Engineering Services	2,557.50
Bill	04/30/2013	2013099		2013099	6906 - OBMP Engineering Services	4,796.25
Bill	04/30/2013	2013100		2013100	7103.3 - Grdwtr Qual-Engineering	17,222.50
Bill	04/30/2013	2013101		2013101	7104.3 - Grdwtr Level-Engineering	11,292.07
Bill	04/30/2013	2013102		2013102	7107.61 - Grd Level-Chino Hills ASR	7,372.00
Bill	04/30/2013	2013103		2013103	7107.2 - Grd Level-Engineering	3,711.80
Bill	04/30/2013	2013104		2013103	7108.3 - Hydraulic Control-Engineering	772.45
Bill	04/30/2013	2013105		2013104	7108.3 - Hydraulic Control-Engineering	1,009.25
Bill	04/30/2013	2013106		2013105	7108.3 - Hydraulic Control-Engineering	11,188.44
Bill	04/30/2013	2013107		2013106	7108.7 - Hydraulic Control - Prado Basin	8,029.00
Bill	04/30/2013	2013108		2013107	7202.3 - Comp Recharge-Implementation	7,860.98
Bill	04/30/2013	2013109		2013108	7402 - PE4-Engineering	4,695.50
Bill	04/30/2013	2013109		2013109	7502 - PE6&7-Engineering	430.00
TOTAL						88,772.74
			Wage Works FSA Direct Debits - May 2013			
General Journal	05/31/2013	05/31/2013		Wage Works FSA Direct Debits - May 2013	1012 - Bank of America Gen'l Ckg	685.78
				Wage Works FSA Direct Debits - May 2013	1012 - Bank of America Gen'l Ckg	685.78
				Wage Works FSA Direct Debits - May 2013	1012 - Bank of America Gen'l Ckg	115.39
				Wage Works FSA Direct Debits - May 2013	1012 - Bank of America Gen'l Ckg	76.25
TOTAL						1,563.20

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
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Total Disbursements: 399,301.72



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (May 31, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B2

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

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through May 31, 2013 - Financial Report B3 (May 31, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS:

1. Financial Report - B3

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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS			EDUCATION FUNDS	GRAND TOTALS	BUDGET 2012-2013
			POOL APPROPRIATIVE	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS				
Administrative Revenues:											
Administrative Assessments			6,329,126		283,393				6,612,519	\$6,612,663	
Interest Revenue	151,550		12,387	1,137	369			0	13,893	39,600	
Mutual Agency Project Revenue									151,550	152,938	
Grant Income										0	
Miscellaneous Income	22,298									0	
Total Revenues	173,848		6,341,513	1,137	283,762			0	6,800,261	6,805,201	
Administrative & Project Expenditures:											
Watermaster Administration	910,296								910,296	695,643	
Watermaster Board-Advisory Committee	139,885								139,885	177,279	
Ag Pool Misc. Expense - Ag Fund										400	
Pool Administration			120,641	141,615	72,998				335,254	627,959	
Optimum Basin Mgmt Administration		1,013,341							1,013,341	1,196,641	
OBMP Project Costs		2,313,504							2,313,504	3,756,351	
Debt Service		315,751							315,751	501,055	
Basin Recharge Improvements		52,000							52,000	272,829	
Education Funds Use								257	257	257	
Mutual Agency Project Costs		10,000							10,000	10,000	
Total Administrative/OBMP Expenses	1,050,181	3,704,596	120,641	141,615	72,998			257	5,090,288	7,238,413	
Net Administrative/OBMP Expenses	(876,333)	(3,704,596)									
Allocate Net Admin Expenses To Pools			588,689	254,887	32,757						
Allocate Net OBMP Expenses To Pools		3,388,845	2,276,504	985,669	126,672						
Allocate Debt Service to App Pool		315,751									
Agricultural Expense Transfer*			1,382,171	(1,382,171)							
Total Expenses	4,683,756		232,427		257			(256)	5,090,288	7,238,413	
Net Administrative Income	1,657,757		1,137		51,335				1,709,973	(433,212)	
Other Income/(Expense)											
Replenishment Water Assessments			625,202		22,789				647,991	0	
Non-Ag Stored Water Purchases			1,786,217						1,786,217	0	
Interest Revenue						35			35	0	
MWD Water Purchases										0	
Non-Ag Stored Water Purchases			(2,289,276)						(2,289,276)	0	
MWD Water Purchases										0	
Groundwater Replenishment										0	
Refund-Excess Reserves			(764,137)		(24,510)				(788,647)	0	
Refund-Recharge Debt										0	
Net Other Income/(Expense)	(641,984)		(1,721)		35				(643,680)	0	
Net Transfers To/(From) Reserves	1,066,293		1,015,763	1,137	49,614			(256)	1,066,293	(433,212)	
Working Capital, July 1, 2012			4,984,619	477,493	133,837		24,627	158,251	5,779,084		
Working Capital, End Of Period			6,000,382	478,630	183,452		24,662	158,251	6,845,377	6,845,377	
11/12 Assessable Production			79,342,533	34,353,325	4,414,887				118,110,745		
11/12 Production Percentages			67.176%	29.086%	3.738%				100.000%		

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period May 1, 2013 through May 31, 2013 - Financial Report B4 (May 31, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B4

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

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

CHANGE IN CASH POSITION DUE TO:

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

SUMMARY OF FINANCIAL TRANSACTIONS:

Balances as of 4/30/2013										
Deposits	\$	500	\$	93,710	\$	-	\$	7,336,430	\$	7,430,640
Transfers		-		500,000		-		-		500,000
Withdrawals/Checks		-		(83,757)		83,757		(500,000)		(500,000)
		-		(315,545)		(83,757)		-		(399,302)
Balances as of 5/31/2013	\$	500	\$	194,408	\$	-	\$	6,836,430	\$	7,031,338
PERIOD INCREASE OR (DECREASE)	\$	-	\$	100,698	\$	-	\$	(500,000)	\$	(399,302)



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2012 through May 31, 2013 -
Financial Report B5 (May 31, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

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

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

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

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

SALARIES EXPENSE

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

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

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

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

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

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

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

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

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

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

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

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

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

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

The following details are provided:

	Jul '12 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	24,453.52	32,954.17	-8,500.65	74.21%	35,950.00
6072 - BHFS Legal - Annotated Judgment	29,215.70	57,000.00	-27,784.30	51.26%	57,000.00
6073 - BHFS Legal - Personnel Matters	37,794.94	7,625.00	30,169.94	495.67%	7,625.00
6074 - BHFS Legal - Interagency Issues	18,476.80	31,093.33	-12,616.53	59.42%	33,920.00
6075 - BHFS Legal - Replenishmnt Water	0.00	0.00	0.00	0.0%	0.00
6076 - BHFS Legal - Storage Issues	6,642.00	0.00	6,642.00	100.0%	0.00
6077 - BHFS Legal - Party Status Maintenance	0.00	0.00	0.00	0.0%	0.00
6078 - BHFS Legal - Miscellaneous (Note 1)	54,877.94	48,554.17	6,323.77	113.02%	51,150.00
6078.10 - BHFS Legal - Refresh, Recharge, Reunite	36,196.31	25,000.00	11,196.31	144.79%	25,000.00
6078.11 - BHFS Legal - Safe Yield Recalculation	15,895.79	0.00	15,895.79	100.0%	0.00
6078.20 - BHFS Legal - Approp. Pool Issue Resolution	2,084.85	0.00	2,084.85	100.0%	0.00
Total 6070 - Watermaster Legal Services	225,637.85	202,226.67	23,411.18	111.58%	210,645.00
6275 - BHFS Legal - Advisory Committee	20,537.38	26,840.00	-6,302.62	75.52%	29,280.00
6375 - BHFS Legal - Board Meeting	52,614.09	58,886.67	-6,272.58	89.35%	64,240.00
8375 - BHFS Legal - Appropriative Pool	44,529.23	46,840.00	-2,310.77	95.07%	49,280.00
8475 - BHFS Legal - Agricultural Pool	25,174.37	26,840.00	-665.63	97.52%	29,280.00
8575 - BHFS Legal - Non-Ag Pool	27,955.25	26,840.00	1,115.25	104.16%	29,280.00
8575.10 - BHFS Legal - Paragraph 15 CSI/Aqua	10,759.13	10,000.00	759.13	107.59%	10,000.00
Total BHFS Legal Services	182,569.45	196,246.67	-13,677.22	93.03%	211,360.00
6907.3 - WM Legal Counsel					
6907.30 - Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 - South Archibald Plume	0.00	29,150.00	-29,150.00	0.0%	31,800.00
6907.32 - Chino Airport Plume	67,665.40	29,150.00	38,515.40	232.13%	31,800.00
6907.33 - Desalter/Hydraulic Control	58,144.81	45,925.00	12,219.81	126.51%	50,100.00
6907.34 - Santa Ana River Water Rights	10,259.70	21,312.50	-11,042.80	48.19%	23,250.00
6907.35 - Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 - Santa Ana River Habitat	4,351.40	10,220.83	-5,869.43	42.57%	11,150.00
6907.37 - Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	10,954.17	-10,954.17	0.0%	11,950.00
6907.39 - Recharge Master Plan	56,149.14	50,791.67	5,357.47	110.55%	54,500.00
6907.40 - Storage Agreements	9,998.68	16,316.67	-6,317.99	61.28%	17,800.00
6907.41 - Prado Basin Habitat Sustainability	153.00	7,150.00	-6,997.00	2.14%	7,800.00
6907.90 - WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
Total 6907 - WM Legal Counsel	223,714.85	238,770.84	-10,055.99	95.79%	257,950.00
Total Brownstein, Hyatt, Farber, Schreck Costs	636,922.15	637,244.18	-322.03	99.95%	679,955.00

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

OBMP ENGINEERING SERVICES AND LEGAL COSTS

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

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

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

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

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

OBMP IMPLEMENTATION PROJECTS COSTS

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

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

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

	Jul '11 - May '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6902.31 · OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6906 · OBMP Engineering Services - Other	287,336.11	352,875.08	-65,538.97	81.43%	388,996.00
6906.1 · OBMP - Watermaster Model Update	171,509.44	99,828.00	71,681.44	171.81%	99,828.00
6906.7 · OBMP - Data Requests	4,655.00	0.00	4,655.00	100.0%	0.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7101.31 · Prod Monitor-Engineering-SubContractor	6,354.19	0.00	6,354.19	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	73,452.45	51,228.00	12,224.45	119.97%	66,816.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	11,387.67	0.00	11,387.67	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	32,352.00	38,568.00	-6,216.00	83.88%	38,568.00
7104.3 · Grdwtr Level-Engineering	142,960.93	166,280.58	-23,319.65	85.98%	181,397.00
7107.2 · Grd Level-Engineering	118,910.91	130,404.92	-11,494.01	91.19%	137,259.00
7107.3 · Grd Level-SAR Imagery	90,000.00	67,500.00	22,500.00	133.33%	90,000.00
7107.6 · Grd Level-Contract Svcs	61,797.25	112,191.67	-50,394.42	55.08%	122,300.00
7107.61 · Grd Level-Chino Hills ASR	53,006.78	137,963.83	-84,957.05	38.42%	150,506.00
7107.8 · Grd Level-Cap Equip Exte	0.00	20,546.00	-20,546.00	0.0%	20,546.00
7108.3 · Hydraulic Control-Engineering	87,139.42	84,294.84	2,844.58	103.38%	88,002.00
7108.4 · Hydraulic Control-Lab Svcs	75,506.00	62,022.58	13,483.42	121.74%	67,661.00
7108.7 · Hydraulic Control-Prado Basin Habitat	118,292.87	192,189.58	-73,896.71	61.55%	208,856.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	4,125.00	-4,125.00	0.0%	4,500.00
7109.3 · Recharge & Well - Engineering	0.00	4,000.00	-10,770.00	0.0%	4,000.00
7202.3 · Comp Recharge-Implementation	210,054.78	189,712.53	20,342.25	110.72%	210,055.00
7303 · PE3&5-Engineering - Other	30,344.00	27,815.33	2,528.67	109.09%	30,344.00
7402 · PE4-Engineering	59,151.26	47,727.50	11,423.76	123.94%	52,066.00
7403 · PE4-Contract Svcs	0.00	13,750.00	-13,750.00	0.0%	15,000.00
7502 · PE6&7-Engineering	5,011.39	46,760.63	-41,749.24	10.72%	50,470.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7602 · PE8&9-Engineering	0.00	0.00	0.00	0.0%	0.00
Total Wildermuth Environmental, Inc. Costs	1,649,518.52	1,859,784.07	-217,035.55	88.69%	2,027,170.55 *

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

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

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

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

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

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

OTHER INCOME AND EXPENSE

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

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

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

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

"CARRY OVER" FUNDING

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

"Carried Over" Expenses At June 30, 2012	
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
Total Balance, June 30, 2012	\$ 433,212.48
"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)
Appropriative Pool Legal Services Fund Balance	\$ (95.93)
Verizon VoIP Equipment, Reversal	\$ (1,500.00)
Recharge Project - Turner Basin Invoice from IEUA	\$ (52,000.00)
Updated Balance as of May 31, 2013	\$ 325,806.00

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

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

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

AUDIT FIELD WORK

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

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

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

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

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

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

ASSESSMENT INVOICING

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

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

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

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

ATTACHMENTS

1. Financial Report - B5

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	1/12th (8.33%) of the Total Budget For The Month of May 2013			11/12th (92%) of the Total Budget Year-To-Date as of May 31, 2013			100% of the Total Budget Fiscal Year End as of June 30, 2013		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
Income									
4010 - Local Agency Subsidies	0.00	0.00	0.0%	151,550.48	152,938.00	98.09%	151,550.48	152,938.00	98.09%
4110 - Admin Asmnts-Approp Pool	0.00	0.00	0.0%	6,329,126.18	6,360,952.00	99.5%	6,329,126.18	6,360,952.00	99.5%
4120 - Admin Asmnts-Non-Agri Pool	0.00	0.00	0.0%	283,393.27	251,711.00	112.59%	293,993.27	251,711.00	112.59%
4700 - Non Operating Revenues	0.00	0.00	0.0%	19,893.25	29,700.00	46.78%	19,893.25	39,600.00	47.71%
4900 - Miscellaneous Income	588.00	0.00	100.0%	22,298.00	0.00	100.0%	22,298.00	0.00	100.0%
Total Income	588.00	588.00	100.0%	6,800,261.18	6,795,301.00	100.07%	6,800,261.18	6,805,201.00	100.0%
Gross Profit	588.00	588.00	100.0%	6,800,261.18	6,795,301.00	100.07%	6,800,261.18	6,805,201.00	100.0%
Expense									
6010 - Salary Costs	63,502.19	274,059.17	23.17%	536,941.90	713,337.46	75.27%	751,884.00	751,884.00	100.0%
6020 - Office Building Expense	8,032.75	8,453.00	95.03%	94,916.43	97,928.00	96.82%	107,345.00	107,345.00	100.0%
6030 - Office Supplies & Equip.	2,034.79	950.00	239.39%	22,254.32	22,775.00	97.71%	24,500.00	24,500.00	100.0%
6040 - Postage & Printing Costs	3,505.50	4,297.33	81.57%	41,811.70	56,470.67	74.04%	62,368.00	62,368.00	100.0%
6050 - Information Services	11,289.31	11,891.33	402.02	114,351.14	131,938.00	86.57%	143,786.00	143,796.00	100.0%
6060 - Contract Services	4,410.00	4,000.00	110.25%	44,800.59	44,900.00	99.78%	44,900.00	44,900.00	100.0%
6070 - Watermaster Legal Services	17,368.10	8,418.33	206.31%	225,637.85	202,226.57	111.59%	210,645.00	210,645.00	100.0%
6080 - Insurance	20.14	0.00	100.0%	17,496.86	19,393.00	90.22%	19,393.00	19,393.00	100.0%
6110 - Dues and Subscriptions	0.00	0.00	0.0%	25,627.77	27,500.00	93.19%	27,500.00	27,500.00	100.0%
6140 - WM Admin Expenses	0.00	209.34	0.0%	1,982.60	2,291.66	86.51%	2,505.00	2,500.00	100.0%
6150 - Field Supplies	196.82	600.00	32.8%	608.17	1,400.00	43.44%	1,400.00	1,400.00	100.0%
6170 - Travel & Transportation	1,851.03	1,371.67	134.95%	15,857.63	15,878.33	99.93%	17,170.00	17,170.00	100.0%
6190 - Conferences & Seminars	15.00	125.00	12.0%	3,981.79	14,875.00	26.84%	15,000.00	15,000.00	100.0%
6200 - Advisory Comm - WM Board	2,702.11	4,448.67	60.74%	33,412.25	48,936.33	68.29%	53,585.00	53,986.00	100.0%
6300 - Watermaster Board Expenses	13,439.74	10,299.50	130.49%	106,472.59	113,594.50	93.73%	123,894.00	123,894.00	100.0%
8300 - Appr Pl-WM & Pool Admin	4,684.07	11,190.42	41.95%	120,641.29	143,190.51	84.25%	154,380.93	154,380.93	100.0%
8400 - Agri Pool-WM & Pool Admin	4,082.28	5,273.58	77.41%	47,503.44	58,009.42	81.89%	63,283.00	63,283.00	100.0%
8467 - Ag Legal & Technical Services	12,725.00	17,583.33	72.37%	71,520.64	193,416.67	36.98%	211,000.00	211,000.00	100.0%
8470 - Ag Meeting Attend -Special	2,100.00	1,441.67	145.66%	20,875.00	15,659.33	131.63%	17,300.00	17,300.00	100.0%
8471 - Ag Pool Expense	0.00	0.00	0.0%	1,715.50	65,000.00	2.64%	65,000.00	65,000.00	100.0%
8485 - Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.0%	0.00	400.00	0.0%	400.00	400.00	100.0%
8500 - Non-Ag Pl-WM & Pool Admin	3,631.68	8,916.25	40.73%	72,999.33	108,078.75	67.54%	116,995.00	116,995.00	100.0%
6500 - Education Funds Use Expens	0.00	0.00	0.0%	287.00	257.00	100.0%	257.00	257.00	100.0%
9400 - Depreciation Expense	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
9500 - Allocated G&A Expenditures	-13,640.82	-61,046.50	32.17%	-235,892.42	-671,511.50	35.13%	-732,558.00	-732,558.00	100.0%
6900 - Optimum Basin Mgmt Plan	97,905.44	62,846.24	155.79%	899,979.39	907,488.76	99.18%	982,305.00	982,305.00	100.0%
6950 - Mutual Agency Projects	0.00	0.00	0.0%	10,000.00	10,000.00	100.0%	10,000.00	10,000.00	100.0%
9601 - G&A Expenses Allocated-OBMP	9,743.81	17,981.33	54.55%	113,361.38	195,474.67	57.7%	214,336.00	214,336.00	100.0%
7101 - Production Monitoring	3,756.07	-30,937.83	-12.14%	59,170.97	59,683.83	99.14%	66,746.00	66,746.00	100.0%
7102 - In-line Meter Installation	3,203.87	7,180.16	44.62%	50,521.90	98,951.84	51.04%	106,162.00	106,162.00	100.0%
7103 - Grdwtr Quality Monitoring	11,306.04	11,264.16	100.36%	167,312.10	162,233.84	103.13%	173,498.00	173,498.00	100.0%
7104 - Gdwtr Level Monitoring	19,671.35	-5,668.83	-347.01%	202,830.86	230,142.83	88.13%	252,974.00	252,974.00	100.0%
7105 - Sur Wtr Qual Monitoring	0.00	259.83	0.0%	0.00	2,659.17	0.0%	3,118.00	3,118.00	100.0%

	1/12th (8.33%) of the Total Budget			11/12th (92%) of the Total Budget			100% of the Total Budget		
	For The Month of May 2013			Year-To-Date as of May 31, 2013			Fiscal Year End as of June 30, 2013		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
7107 - Ground Level Monitoring	15,727.01	31,254.58	50.26%	325,310.94	576,773.42	56.4%	628,918.00	628,918.00	100.0%
7108 - Hydraulic Control Monitoring	13,582.94	37,010.83	36.65%	253,522.47	359,491.42	70.52%	396,502.25	366,502.25	100.0%
7109 - Recharge & Well Monitoring Prog	0.00	2,000.00	0.0%	0.00	4,000.00	0.0%	4,000.00	4,000.00	100.0%
7200 - PE2- Comp Recharge Pgm	1,965.15	-19,553.36	-10.05%	1,013,657.53	1,352,311.36	74.96%	1,408,758.00	1,408,758.00	100.0%
7300 - PE3&5-Water Supply/Desalite	18,123.83	-19,667.08	-87.09%	36,076.31	44,662.08	80.78%	50,995.00	50,995.00	100.0%
7400 - PE4- Mgmt Plan	2,560.06	-1,145.84	-222.55%	11,967.00	67,999.84	91.94%	74,254.00	74,254.00	100.0%
7500 - PE6&7-CoopEfforts/SaltMgmt	3,117.50	-8,663.41	-32.26%	16,421.71	59,666.71	27.53%	65,993.30	65,993.30	100.0%
7600 - PE8&9-StorageMgmt/Conj Use	0.00	-30,059.16	0.0%	4,178.82	9,349.16	44.7%	13,290.00	13,290.00	100.0%
7690 - Recharge Improvement Debt Pymt	0.00	0.00	0.0%	367,751.00	773,884.00	47.52%	773,884.00	773,884.00	100.0%
7700 - Inactive Well Protection Prgm	0.00	76.67	0.0%	0.00	843.33	0.0%	920.00	920.00	100.0%
9902 - G&A Expenses Allocated-Projects	9,897.01	43,185.17	22.92%	122,531.05	475,039.83	25.79%	518,222.00	518,222.00	100.0%
Total Expense	346,488.77	409,464.55	84.62%	5,090,268.00	6,317,379.89	74.67%	7,238,413.48	7,238,413.48	100.0%
Net Ordinary Income	-345,900.77	-409,464.55	84.48%	1,709,973.16	-22,078.89	-7,744.83%	-433,152.30	-433,212.48	99.99%
Other Income									
4210 - Approp Pool-Replenishment	0.00	0.00	0.0%	625,201.94	0.00	100.0%	625,201.94	0.00	100.0%
4220 - Non-Ag Pool-Replenishment	0.00	0.00	0.0%	22,789.05	0.00	100.0%	22,789.05	0.00	100.0%
4225 - Interest Income	0.00	0.00	0.0%	34.86	0.00	100.0%	48.86	0.00	100.0%
7226 - LAIF Fair Market Value	0.00	0.00	0.0%	0.00	0.00	0.0%	2,500.00	0.00	100.0%
9600 - Groundwater Sales	0.00	0.00	0.0%	1,786,216.90	0.00	100.0%	1,786,216.90	0.00	100.0%
Total Other Income	0.00	0.00	0.0%	2,434,242.75	0.00	100.0%	2,436,754.75	0.00	100.0%
Other Expense									
5010 - Groundwater Replenishment	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
5100 - Other Water Purchases	0.00	0.00	0.0%	2,289,275.69	0.00	100.0%	2,289,275.69	0.00	100.0%
9200 - Interest Expense	0.00	0.00	0.0%	0.00	0.00	0.0%	8,926.00	0.00	100.0%
9986 - Refund-Excess Reserves-Approp.	0.00	0.00	0.0%	764,137.00	0.00	100.0%	764,137.00	0.00	100.0%
9997 - Refund-Excess Reserves-NonAg	0.00	0.00	0.0%	24,510.00	0.00	100.0%	24,510.00	0.00	100.0%
9998 - Refund-Recharge Debt-Approp.	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
9999 - Tol/(From) Reserves	-345,900.77	-409,464.55	84.48%	1,086,293.24	-22,078.89	-4,829.47%	-1,093,248.24	-433,212.48	250.05%
Total Other Expense	-345,900.77	-409,464.55	84.48%	4,144,215.93	-22,078.89	-18,770.04%	2,003,602.45	-433,212.48	-462.5%
Net Other Income	345,900.77	409,464.55	84.45%	-1,709,973.16	22,078.89	-7,744.83%	433,152.30	433,212.48	99.99%
Net Income	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (June 30, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Financial Report - B1
Cash Disbursements For The Month of
June 2013

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/03/2013	16977	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013	019447404		5/19/13 -6/18/13	6031.7 - Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	06/03/2013	16978	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/03/2013	16979	ELIE, STEVEN		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Appro Pool Mtg		5/09/13 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	06/03/2013	16980	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	06/03/2013	16981	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/09/2013	5/09 Appro Pool Mtg		5/09/13 Appropriative Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	06/03/2013	16982	HOGAN LOVELLS	2738174	1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013	2738174		May 2013	8567 - Non-Ag Legal Service	647.70
TOTAL						647.70
Bill Pmt -Check	06/03/2013	16983	HUITSING, JOHN		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				5/09/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
				Ag Pool Member Compensation		125.00
TOTAL						250.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/03/2013	16984	KOOPMAN, GENE		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 - Compensation	25.00
Bill	05/09/2013	5/09 Appro Pool Mtg		Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
				5/09/13 Appropriative Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill	06/03/2013	16985	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
Bill	05/20/2013	5/20 Board Agenda Re		5/20/13 Board Agenda Review	6311 - Board Member Compensation	125.00
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill	06/03/2013	16986	OFFICE DEPOT		1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013	657838205001		File folders	6031.7 - Other Office Supplies	35.60
Bill	05/30/2013	657814179001		(2) white boards	6031.7 - Other Office Supplies	194.38
TOTAL						229.98
Bill	06/03/2013	16987	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 RMPU Mtg		5/16/13 RMPU Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/16/2013	5/16 Advisory Comm		5/16/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	05/23/2013	5/23 Board Meeting		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill	06/03/2013	16988	PUBLIC EMPLOYEES' RETIREMENT SYSTEM		1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013			Payoff CalPERS Side Fund	2950 - CalPERS SideFund	122,863.00
				Payor #3493		122,863.00
TOTAL						245,726.00
Bill	06/03/2013	16989	ROGERS, PETER		1012 - Bank of America Gen'l Ckg	
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 - Board Member Compensation	125.00
Bill	05/23/2013	5/23 Board Mtg		5/23/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill	06/03/2013	16990	THE LAWTON GROUP		1012 - Bank of America Gen'l Ckg	
Bill	05/30/2013	20095		6017 Week ending 5/19/13	6017 - Temporary Services	824.00
TOTAL						824.00
Bill	06/03/2013	16991	VANDEN HEUVEL, GEOFFREY		1012 - Bank of America Gen'l Ckg	
Bill	05/17/2013	5/17 Admin Mtg		6311 5/17/13 Administrative Meeting	6311 - Board Member Compensation	125.00

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/21/2013	5/21 Basin Tour		5/21/13 Basin Tour	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill	06/03/2013	16992	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	25.00
Bill	05/09/2013	5/09 Ag Pool Mtg		5/09/13 Ag Pool Meeting	8411 · Compensation	100.00
Bill	05/09/2013	5/09 Ag Pool Mtg		Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill	06/03/2013	16993	VERIZON		1012 · Bank of America Gen'l Ckg	482.28
Bill	05/30/2013	012519116950792103		012519116950792103	6022 · Telephone	183.98
Bill	05/30/2013	0125661121521714508		0125661121521714508	7405 · PE4-Other Expense	666.16
TOTAL						1250.00
Bill	06/03/2013	16994	VISION SERVICE PLAN		1012 · Bank of America Gen'l Ckg	55.06
Bill	05/30/2013	001017890001		00-101789-0001 Vision Premium - June 2013	60182.2 · Dental & Vision Ins	55.06
TOTAL						110.12
Bill	06/03/2013	16995	YUKON DISPOSAL SERVICE		1012 · Bank of America Gen'l Ckg	106.53
Bill	06/01/2013	08-K2 213849		08-K2 213849 Service for June 2013	6024 · Building Repair & Maintenance	106.53
TOTAL						213.06
Bill	06/03/2013	16996	PUBLIC EMPLOYEES' RETIREMENT SYSTEM		1012 · Bank of America Gen'l Ckg	6,982.96
General Journal	05/25/2013	05/25/2013		Payor #3493 CalPERS Retirement for 05/12/13-05/25/13	2000 · Accounts Payable	6,982.96
TOTAL						13,965.92
Bill	06/05/2013	16997	APPLIED COMPUTER TECHNOLOGIES		1012 · Bank of America Gen'l Ckg	3,517.80
Bill	05/31/2013	2111		2111 Database Services - May 2013	6052.2 · Applied Computer Technol	3,517.80
TOTAL						7,035.60
Bill	06/05/2013	16998	CHEF DAVE'S CAFE & CATERING		1012 · Bank of America Gen'l Ckg	650.50
Bill	05/20/2013	3667		Breakfast and lunch for 5/20/13 Basin Tour	6312 · Meeting Expenses	431.90
Bill	05/23/2013	3673		Lunch for 5/23/2013 Board Meeting	6312 · Meeting Expenses	1,082.40
TOTAL						2,164.80
Bill	06/05/2013	16999	PARK PLACE COMPUTER SOLUTIONS, INC.		1012 · Bank of America Gen'l Ckg	3,150.00
Bill	05/31/2013	475		475 IT Services - May 2013	6052.1 · Park Place Comp Solutn	3,150.00
TOTAL						6,300.00
Bill	06/05/2013	17000	THE LAWTON GROUP		1012 · Bank of America Gen'l Ckg	824.00
Bill	05/26/2013	20118		6017 Week ending 5/26/13	6017 · Temporary Services	824.00
TOTAL						1,648.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/07/2013	87700		87700	6055 - Computer Hardware	238.40
Bill	06/14/2013	87757		External backup drive	8055 - Computer Hardware	534.60
TOTAL						773.00
Bill Pmt -Check	06/19/2013	17009	CORELOGIC INFORMATION SOLUTIONS	80877946	1012 - Bank of America Gen'l Ckg	62.50
Bill	05/31/2013	80877946		80877946	7103.7 - Crdwtr Qual-Computer Svc	62.50
				80877946	7101.4 - Prod Monitor-Computer	125.00
TOTAL						250.00
Bill Pmt -Check	06/19/2013	17010	CUCAMONGA VALLEY WATER DISTRICT	Lease due July 1, 2013	1012 - Bank of America Gen'l Ckg	6,098.00
Bill	06/18/2013			Lease due July 1, 2013	1422 - Prepaid Rent	6,098.00
TOTAL						12,196.00
Bill Pmt -Check	06/19/2013	17011	EGOSQUE LAW GROUP	10368	1012 - Bank of America Gen'l Ckg	12,725.00
Bill	05/31/2013	10368		May 2013	8467 - Ag Legal & Technical Services	12,725.00
TOTAL						25,450.00
Bill Pmt -Check	06/19/2013	17012	GREAT AMERICA LEASING CORP.	13781868	1012 - Bank of America Gen'l Ckg	2,795.00
Bill	05/28/2013	13781868		Monthly Invoice	6043.1 - Ricoh Lease Fee	374.17
				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	336.33
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	3,505.50
TOTAL						6,991.00
Bill Pmt -Check	06/19/2013	17013	GUARANTEED JANITORIAL SERVICE, INC.	4-29685	1012 - Bank of America Gen'l Ckg	865.00
Bill	06/14/2013	4-29685		June 2013	6024 - Building Repair & Maintenance	865.00
TOTAL						1,730.00
Bill Pmt -Check	06/19/2013	17014	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	1,054.92
Bill	05/31/2013	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	1,054.92
TOTAL						2,109.84
Bill Pmt -Check	06/19/2013	17015	LEGAL SHIELD	111802	1012 - Bank of America Gen'l Ckg	51.80
Bill	06/18/2013	111802		Employee deductions - June 2013	60194 - Other Employee Insurance	51.80
TOTAL						103.60
Bill Pmt -Check	06/19/2013	17016	MATHIS CONSULTING GROUP	153840	1012 - Bank of America Gen'l Ckg	5,500.00
Bill	06/14/2013	153840		153840 - GM Evaluation	6013 - Human Resources Services	5,500.00
TOTAL						11,000.00
Bill Pmt -Check	06/19/2013	17017	MIJAG ALARM	336280	1012 - Bank of America Gen'l Ckg	

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/05/2013	336280		Fire monitoring from 6/01/13-8/31/13	6026 - Security Services	396.00
				Opening & Closing Reports from 6/01/13-8/31/13	6026 - Security Services	54.00
TOTAL						450.00
Bill Pmt -Check	06/19/2013	17018	PAYC-HEX	2013053000	1012 - Bank of America Gen'l Ckg	432.14
Bill	05/31/2013	2013053000		May 2013	6012 - Payroll Services	432.14
TOTAL						432.14
Bill Pmt -Check	06/19/2013	17019	PRAXAIR DISTRIBUTION, INC.	46316095	1012 - Bank of America Gen'l Ckg	41.79
Bill	06/04/2013	46316095		Water quality supplies	7103.6 - Grdwtr Quali-Supplies	41.79
TOTAL						41.79
Bill Pmt -Check	06/19/2013	17020	PREMIERE GLOBAL SERVICES	13951822	1012 - Bank of America Gen'l Ckg	44.25
Bill	05/31/2013	13951822		CCWF call on 4/30	7108.6 - Hydraulic Control-Supplies	44.25
				Agenda call on 4/30	8312 - Meeting Expenses	15.10
				Agenda call on 4/30	8412 - Meeting Expenses	15.10
				Agenda call on 4/30	8512 - Meeting Expense	15.11
				Call on 5/01	6909.1 - OBMP Meetings	8.64
				CCWF call on 5/02	7108.6 - Hydraulic Control-Supplies	35.90
				CDA call on 5/02	7305 - PE3&5-Supplies	37.37
				CDA call on 5/07	7305 - PE3&5-Supplies	22.83
				Non-Ag Pool conference call meeting	8512 - Meeting Expense	174.78
				Call on 5/15 re Wineville Basin	6909.1 - OBMP Meetings	29.39
				RMPU call on 5/16	7204 - Comp Recharge-Supplies	6.51
				Monthly fee	6022 - Telephone	14.50
				Monthly fee	6022 - Telephone	19.95
TOTAL						439.43
Bill Pmt -Check	06/19/2013	17021	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	6,325.64
General Journal	06/08/2013	06/08/2013		CalPERS Retirement for 05/26/13-06/08/13	2000 - Accounts Payable	6,325.64
TOTAL						6,325.64
Bill Pmt -Check	06/19/2013	17022	SANTA ANA WATERSHED PROJECT AUTHORIT 9142	9142	1012 - Bank of America Gen'l Ckg	11,369.00
Bill	06/18/2013	9142		Middle Santa Ana River TMDL Task Force	8471 - Ag Pool Expense	11,369.00
TOTAL						11,369.00
Bill Pmt -Check	06/19/2013	17023	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	136.61
Bill	06/30/2013				60182.4 - Retiree Medical	136.61
TOTAL						136.61

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/19/2013	17024	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	05/28/2013	20129		Week ending 6/02/13	6017 - Temporary Services	1,066.72
				Week ending 6/02/13	6017 - Temporary Services	824.00
				Week ending 6/02/13-OT	6017 - Temporary Services	50.40
				Week ending 6/09/13	6017 - Temporary Services	824.00
				Week ending 6/09/13	6017 - Temporary Services	1,811.20
				Week ending 6/09/13	6017 - Temporary Services	386.40
TOTAL						4,982.72
Bill Pmt -Check	06/19/2013	17025	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	05/28/2013	300732989		May 2013	6175 - Vehicle Fuel	72.80
TOTAL						72.80
Bill Pmt -Check	06/19/2013	17026	UNITED HEALTHCARE	0031577464	1012 - Bank of America Gen'l Ckg	
Bill	06/18/2013	0031577464		Dental Premium - July 2013	60182.2 - Dental & Vision Ins	593.53
TOTAL						593.53
Bill Pmt -Check	06/19/2013	17027	VERIZON BUSINESS	00414114	1012 - Bank of America Gen'l Ckg	
Bill	06/17/2013	00414114		Monthly service	6053 - Internet Expense	1,526.89
TOTAL						1,526.89
Bill Pmt -Check	06/19/2013	17028	VERIZON WIRELESS	9706030468	1012 - Bank of America Gen'l Ckg	
Bill	06/12/2013	9706030468		Monthly service	6022 - Telephone	361.51
TOTAL						361.51
Bill Pmt -Check	06/19/2013	17029	WESTERN DENTAL SERVICES, INC.	11882	1012 - Bank of America Gen'l Ckg	
Bill	06/14/2013	11882		Dental Premium - June 2013	60182.2 - Dental & Vision Ins	30.00
TOTAL						30.00
Bill Pmt -Check	06/26/2013	17030	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	05/31/2013	XXXX-XXXX-XXXX-9341		PK mtg w/Bob Bowcock	6312 - Meeting Expenses	26.84
				PK mtg w/Brian Geye	8512 - Meeting Expense	33.47
				PK mtg w/Rick Hansen	8312 - Meeting Expenses	36.42
				PK mtg w/Geoff Vanden Heuvel	6312 - Meeting Expenses	26.24
				PK mtg w/Curtis Paxton	8312 - Meeting Expenses	31.83
				PK mtg w/Eunice Ulloa and Bob Wagner	8312 - Meeting Expenses	32.97
				Coupling valve and adaptor for water quality	7103.6 - Grdwtr Quat-Supplies	31.16
				Toilet paper canisters for restrooms	6031.7 - Other Office Supplies	26.41
				Ad in Brown & Caldwell for field technician	6016 - New Employee Search Costs	200.00
				Firewall software upgrade and maintenance	6054 - Computer Software	3,007.96

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2013

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



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (June 30, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 June 2013

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through June 30, 2013 - Financial Report B3 (June 30, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS:

1. Financial Report - B3

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

	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			
Administrative Revenues:									
Administrative Assessments			6,329,126		283,393			6,612,519	6,612,663
Interest Revenue			16,315	1,424	491		0	18,230	39,600
Mutual Agency Project Revenue	151,550							151,550	152,938
Grant Income									0
Miscellaneous Income	22,298							22,298	0
Total Revenues	<u>173,848</u>		<u>6,345,441</u>	<u>1,424</u>	<u>283,884</u>		<u>0</u>	<u>6,804,598</u>	<u>6,805,201</u>
Administrative & Project Expenditures:									
Watermaster Administration	1,084,995							1,084,995	659,071
Watermaster Board-Advisory Committee	152,376							152,376	165,279
Ag Pool Misc. Expense - Ag Fund									400
Pool Administration		1,083,430	131,231	209,010	79,848			420,089	625,359
Optimum Basin Mgmt Administration		2,535,391						1,083,430	1,195,253
OBMP Project Costs		315,751						2,535,391	3,808,911
Debt Service		101,000						315,751	501,055
Basin Recharge Improvements								101,000	272,829
Education Funds Use						257		257	257
Mutual Agency Project Costs		10,000						10,000	10,000
Total Administrative/OBMP Expenses	<u>1,237,371</u>	<u>4,045,573</u>	<u>131,231</u>	<u>209,010</u>	<u>79,848</u>	<u>257</u>	<u>257</u>	<u>5,703,289</u>	<u>7,238,413</u>
Net Administrative/OBMP Expenses	<u>(1,063,522)</u>	<u>(4,045,573)</u>							
Allocate Net Admin Expenses To Pools			714,436	309,333	39,754				
Allocate Net OBMP Expenses To Pools			2,505,559	1,084,844	139,418				
Allocate Debt Service to App Pool			315,751						
Agricultural Expense Transfer*			1,603,187	(1,603,187)					
Total Expenses	<u>5,270,164</u>		<u>259,020</u>	<u>1,424</u>	<u>24,864</u>	<u>257</u>	<u>(256)</u>	<u>5,703,289</u>	<u>7,238,413</u>
Net Administrative Income	<u>1,075,277</u>		<u>1,424</u>					<u>1,101,309</u>	<u>(433,212)</u>
Other Income/(Expense)									
Replenishment Water Assessments			625,202		22,789			647,991	0
Non-Ag Stored Water Purchases			1,786,217			(4,849)		1,786,217	0
Interest Revenue								(4,849)	0
MWD Water Purchases			(2,289,276)					(2,289,276)	0
Non-Ag Stored Water Purchases									0
MWD Water Purchases									0
Groundwater Replenishment									0
Interest Expense - CalPERS Side Fund			(8,594)		(334)			(8,928)	0
Refund-Excess Reserves			(764,137)		(24,510)			(788,647)	0
Refund-Recharge Debt									0
Net Other Income/(Expense)	<u>(650,580)</u>		<u>(2,055)</u>		<u>(4,849)</u>			<u>(657,492)</u>	<u>0</u>
Net Transfers To/(From) Reserves	<u>443,816</u>		<u>424,689</u>	<u>1,424</u>	<u>22,810</u>	<u>(4,849)</u>	<u>(256)</u>	<u>443,816</u>	<u>(433,212)</u>
Working Capital, July 1, 2012	<u>0</u>								
Working Capital, End Of Period	<u>4,984,619</u>		<u>477,493</u>	<u>139,837</u>	<u>24,627</u>	<u>158,251</u>	<u>256</u>	<u>5,779,084</u>	<u>6,222,901</u>
11/12 Assessable Production	<u>79,342,533</u>		<u>34,353,325</u>	<u>4,414,887</u>				<u>118,110,745</u>	
11/12 Production Percentages	<u>67.176%</u>		<u>29.086%</u>	<u>3.738%</u>				<u>100.000%</u>	

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period June 1, 2013 through June 30, 2013 - Financial Report B4 (June 30, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B4

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

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

CHANGE IN CASH POSITION DUE TO:

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

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 5/31/2013	\$ 500	\$ 194,408	\$ -	\$ 6,836,430	\$ 7,031,338
Deposits	-	527,138	-	(4,896)	522,243
Transfers	-	(51,447)	50,003	(375,000)	(376,444)
Withdrawals/Checks	-	(354,130)	(50,003)	-	(404,133)
Balances as of 6/30/2013	\$ 500	\$ 315,970	\$ -	\$ 6,456,534	\$ 6,773,004
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 121,562	\$ -	\$ (379,896)	\$ (258,334)



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2012 through June 30, 2013 -
Financial Report B5 (June 30, 2013)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Receive and File (Normal Course of Business)

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

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

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

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

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

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

SALARIES EXPENSE

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

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

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

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

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

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

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

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

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

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

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

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

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

The following details are provided:

	Jul '12 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	28,395.07	35,950.00	-7,554.93	78.99%	35,950.00
6072 - BHFS Legal - Annotated Judgment	38,313.35	57,000.00	-18,686.65	67.22%	57,000.00
6073 - BHFS Legal - Personnel Matters	50,141.59	50,990.00	-848.41	98.34%	50,990.00
6074 - BHFS Legal - Interagency Issues	18,476.80	33,920.00	-15,443.20	54.47%	33,920.00
6075 - BHFS Legal - Replenishmnt Water	0.00	0.00	0.00	0.0%	0.00
6076 - BHFS Legal - Storage Issues	6,642.00	0.00	6,642.00	100.0%	0.00
6077 - BHFS Legal - Party Status Maintenance	0.00	0.00	0.00	0.0%	0.00
6078 - BHFS Legal - Miscellaneous (Note 1)	64,186.21	51,150.00	13,036.21	125.49%	51,150.00
6078.10 - BHFS Legal - Refresh, Recharge, Reunite	36,196.31	25,000.00	11,196.31	144.79%	25,000.00
6078.11 - BHFS Legal - Safe Yield Recalculation	19,491.74	12,000.00	7,491.74	162.43%	12,000.00
6078.20 - BHFS Legal - Approp. Pool Issue Resolution	4,054.95	0.00	4,054.95	100.0%	0.00
Total 6070 - Watermaster Legal Services	265,898.02	266,010.00	-111.98	99.96%	266,010.00
6275 - BHFS Legal - Advisory Committee	21,659.02	22,280.00	-620.98	97.21%	22,280.00
6375 - BHFS Legal - Board Meeting	58,568.25	59,240.00	-671.74	98.87%	59,240.00
8375 - BHFS Legal - Appropriative Pool	46,386.83	46,680.00	-293.17	99.37%	46,680.00
8475 - BHFS Legal - Agricultural Pool	28,171.47	29,280.00	-1,108.53	96.21%	29,280.00
8575 - BHFS Legal - Non-Ag Pool	31,114.83	29,280.00	1,834.83	106.27%	29,280.00
8575.10 - BHFS Legal - Paragraph 15 CSIIAqua	10,759.13	10,000.00	759.13	107.59%	10,000.00
Total BHFS Legal Services	196,659.54	196,760.00	-100.46	99.95%	196,760.00
6907.3 - WM Legal Counsel					
6907.30 - Peace II - CEQA	1,071.00	0.00	1,071.00	100.0%	0.00
6907.31 - South Archibald Plume	0.00	21,800.00	-21,800.00	0.0%	21,800.00
6907.32 - Chino Airport Plume	67,865.40	31,800.00	35,865.40	212.78%	31,800.00
6907.33 - Desalter/Hydraulic Control	65,754.31	50,100.00	15,654.31	131.25%	50,100.00
6907.34 - Santa Ana River Water Rights	10,681.45	23,250.00	-12,568.55	45.94%	23,250.00
6907.35 - Paragraph 31 Motion	20,911.72	17,800.00	3,111.72	117.48%	17,800.00
6907.36 - Santa Ana River Habitat	4,756.85	11,150.00	-6,393.15	42.66%	11,150.00
6907.37 - Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	11,950.00	-11,950.00	0.0%	11,950.00
6907.39 - Recharge Master Plan	64,398.59	54,500.00	9,898.59	118.16%	54,500.00
6907.40 - Storage Agreements	12,769.78	17,800.00	-5,030.22	71.74%	17,800.00
6907.41 - Prado Basin Habitat Sustainability	153.00	7,800.00	-7,647.00	1.96%	7,800.00
6907.90 - WM Legal Counsel - Unanticipated	0.00	0.00	0.00	0.0%	0.00
Total 6907 - WM Legal Counsel	248,162.10	247,950.00	212.10	100.09%	247,950.00
Total Brownstein, Hyatt, Farber, Schreck Costs	710,719.66	710,720.00	-0.34	100.0%	710,720.00

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

OBMP ENGINEERING SERVICES AND LEGAL COSTS

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

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

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

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

OBMP IMPLEMENTATION PROJECTS COSTS

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

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

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

	Jul '11 - Jun '13	Budget	\$ Over Budget	% of Budget	Annual Budget
6902.31 - OBMP - Wildermuth Staff	3,085.40	0.00	3,085.40	100.0%	0.00
6906 - OBMP Engineering Services - Other	313,264.77	388,996.00	-75,731.23	80.53%	388,996.00
6906.1 - OBMP - Watermaster Model Update	171,509.44	108,440.00	63,069.44	158.16%	108,440.00
6906.7 - OBMP - Data Requests	9,576.25	0.00	9,576.25	100.0%	0.00
6906.8 - OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7101.31 - Prod Monitor-Engineering-SubContractor	6,354.19	0.00	6,354.19	100.0%	0.00
7103.3 - Grdwtr Qual-Engineering	81,465.45	75,249.00	6,216.45	108.26%	75,249.00
7103.31 - Grdwtr Qual-Engineering-SubContractor	11,234.67	0.00	11,234.67	100.0%	0.00
7103.5 - Grdwtr Qual-Lab Svcs	32,352.00	38,568.00	-6,216.00	83.88%	38,568.00
7104.3 - Grdwtr Level-Engineering	156,861.78	156,862.00	-0.22	100.0%	156,862.00
7107.2 - Grd Level-Engineering	128,251.03	128,251.03	0.00	100.0%	128,251.03
7107.3 - Grd Level-SAR Imagery	90,000.00	90,000.00	0.00	100.0%	90,000.00
7107.6 - Grd Level-Contract Svcs	71,597.25	116,365.97	-44,768.72	61.53%	116,365.97
7107.61 - Grd Level-Chino Hills ASR	53,573.28	150,506.00	-96,932.72	35.6%	150,506.00
7107.8 - Grd Level-Cap Equip Exte	0.00	0.00	0.00	0.0%	0.00
7108.3 - Hydraulic Control-Engineering	87,139.42	88,002.00	-862.58	99.02%	88,002.00
7108.4 - Hydraulic Control-Lab Svcs	75,506.00	67,661.00	7,845.00	111.6%	67,661.00
7108.7 - Hydraulic Control-Prado Basin Habitat	120,945.28	206,433.25	-85,487.97	58.59%	206,433.25
7108.9 - Hydraulic Control-Contract Svcs	0.00	550.00	-550.00	0.0%	550.00
7109.3 - Recharge & Well - Engineering	0.00	0.00	0.00	0.0%	0.00
7202.3 - Comp Recharge-Implementation	347,589.78	347,590.00	-0.22	100.0%	347,590.00
7303 - PE3&5-Engineering - Other	31,976.75	31,977.00	-0.25	100.0%	31,977.00
7402 - PE4-Engineering	75,757.26	60,767.00	15,000.26	124.69%	60,767.00
7403 - PE4-Contract Svcs	0.00	15,000.00	-15,000.00	0.0%	15,000.00
7502 - PE6&7-Engineering	10,063.89	17,134.30	-7,070.41	58.74%	17,134.30
7502.1 - PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7602 - PE8&9-Engineering	0.00	0.00	0.00	0.0%	0.00
Total Wildermuth Environmental, Inc. Costs	1,885,314.56	2,088,342.55	-203,027.99	90.28%	2,088,342.55*

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

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

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

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

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

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

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

OTHER INCOME AND EXPENSE

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

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

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

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

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

"CARRY OVER" FUNDING

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

"Carried Over" Expenses At June 30, 2012	
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
Total Balance, June 30, 2012	\$ 433,212.48
"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)
Appropriative Pool Legal Services Fund Balance	\$ (95.93)
Verizon VoIP Equipment, Reversal	\$ (1,500.00)
Recharge Project - Turner Basin Invoice from IEUA	\$ (101,000.00)
Updated Balance as of June 30, 2013	\$ 276,806.00

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

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

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

AUDIT FIELD WORK

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

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

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

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

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

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

ASSESSMENT INVOICING

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

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

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

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

ATTACHMENTS

1. Financial Report - B5

Income	1/12th (8.33%) of the Total Budget			12/12th (100%) of the Total Budget			100% of the Total Budget		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
4010 - Local Agency Subsidies	0.00	0.00	0.0%	151,550.48	152,938.00	99.08%	151,550.48	152,938.00	99.09%
4110 - Admin Asmnts-Approp Pool	0.00	0.00	0.0%	6,329,126.18	6,350,952.00	99.5%	6,329,126.18	6,350,952.00	99.5%
4120 - Admin Asmnts-Non-Agri Pool	0.00	0.00	0.0%	289,393.27	251,711.00	112.59%	289,393.27	251,711.00	112.59%
4700 - Non Operating Revenues	0.00	0.00	0.0%	18,229.74	39,600.00	46.04%	18,229.74	39,600.00	46.04%
4900 - Miscellaneous Income	4,336.49	9,900.00	43.8%	22,298.00	0.00	100.0%	22,298.00	0.00	100.0%
Total Income	4,336.49	9,900.00	43.8%	6,804,597.67	6,805,201.00	99.99%	6,804,597.67	6,805,201.00	99.99%
Gross Profit	4,336.49	9,900.00	43.8%	6,804,597.67	6,805,201.00	99.99%	6,804,597.67	6,805,201.00	99.99%
Expense									
6010 - Salary Costs	106,825.03	38,352.54	278.53%	644,653.65	659,747.00	97.71%	644,653.65	659,747.00	97.71%
6020 - Office Building Expense	8,545.58	9,417.00	90.75%	103,362.01	107,345.00	96.29%	103,362.01	107,345.00	96.29%
6030 - Office Supplies & Equip.	1,219.77	1,725.00	70.71%	23,474.09	24,500.00	95.81%	23,474.09	24,500.00	95.81%
6040 - Postage & Printing Costs	8,768.81	5,997.33	148.69%	50,580.31	62,368.00	81.1%	50,580.31	62,368.00	81.1%
6050 - Information Services	10,843.70	11,858.00	89.76%	124,994.84	143,796.00	86.93%	124,994.84	143,796.00	86.93%
6060 - Contract Services	0.00	0.00	0.0%	44,800.59	44,900.00	99.78%	44,800.59	44,900.00	99.78%
6070 - Watermaster Legal Services	40,260.17	8,418.33	478.24%	265,998.02	266,010.00	99.98%	265,998.02	266,010.00	99.98%
6080 - Insurance	262.53	0.00	100.0%	18,673.50	19,393.00	96.29%	18,673.50	19,393.00	96.29%
6110 - Dues and Subscriptions	353.00	0.00	100.0%	25,980.77	27,500.00	94.48%	25,980.77	27,500.00	94.48%
6140 - WM Admin Expenses	134.30	208.34	64.75%	2,117.50	2,500.00	84.7%	2,117.50	2,500.00	84.7%
6150 - Field Supplies	0.00	0.00	0.0%	608.17	1,400.00	43.44%	608.17	1,400.00	43.44%
6170 - Travel & Transportation	1,260.03	1,291.67	97.55%	17,127.66	17,170.00	99.75%	17,127.66	17,170.00	99.75%
6190 - Conferences & Seminars	287.00	125.00	229.6%	4,278.79	15,000.00	28.53%	4,278.79	15,000.00	28.53%
6200 - Advisory Comm - WM Board	2,149.03	4,448.67	48.29%	35,580.29	46,385.00	76.86%	35,580.29	46,385.00	76.86%
6300 - Watermaster Board Expenses	10,342.93	10,299.50	100.42%	116,815.52	118,894.00	98.25%	116,815.52	118,894.00	98.25%
8300 - Appr Pl-WM & Pool Admin	10,589.65	11,190.42	94.63%	131,230.94	151,780.93	86.48%	131,230.94	151,780.93	86.48%
8400 - Agri Pool-WM & Pool Admin	3,583.74	5,273.58	67.96%	51,087.18	63,283.00	80.73%	51,087.18	63,283.00	80.73%
8467 - Ag Legal & Technical Services	9,997.50	17,563.33	56.86%	81,518.14	211,000.00	38.63%	81,518.14	211,000.00	38.63%
8470 - Ag Meeting Attend - Special	1,900.00	1,441.67	131.79%	22,775.00	17,300.00	131.65%	22,775.00	17,300.00	131.65%
8471 - Ag Pool Expense	51,914.00	0.00	100.0%	53,629.50	65,000.00	82.51%	53,629.50	65,000.00	82.51%
8485 - Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.0%	0.00	400.00	0.0%	0.00	400.00	0.0%
8500 - Non-Ag Pl-WM & Pool Admin	6,850.15	8,916.25	76.83%	79,848.48	116,995.00	68.25%	79,848.48	116,995.00	68.25%
6500 - Education Funds Use Expns	0.00	0.00	0.0%	257.00	257.00	100.0%	257.00	257.00	100.0%
9400 - Depreciation Expense	12,257.45	0.00	100.0%	12,257.45	0.00	100.0%	12,257.45	0.00	100.0%
9500 - Allocated G&A Expenditures	-17,920.04	-61,046.50	29.36%	-253,812.46	-732,558.00	34.65%	-253,812.46	-732,558.00	34.65%
6900 - Optimum Basin Mgmt Plan	61,732.89	74,846.24	82.48%	962,285.27	980,917.00	98.1%	962,285.27	980,917.00	98.1%
6950 - Mutual Agency Projects	0.00	0.00	0.0%	10,000.00	10,000.00	100.0%	10,000.00	10,000.00	100.0%
9501 - G&A Expenses Allocated-OBMP	7,783.09	17,861.33	43.58%	121,144.47	214,336.00	56.52%	121,144.47	214,336.00	56.52%
7101 - Production Monitoring	5,855.67	9,052.17	64.62%	65,026.64	68,746.00	94.59%	65,026.64	68,746.00	94.59%
7102 - In-Line Meter Installation	6,300.00	7,180.16	87.74%	56,821.90	106,162.00	53.52%	56,821.90	106,162.00	53.52%
7103 - Grdwtr Quality Monitoring	9,260.50	11,264.16	82.21%	175,999.50	181,931.00	96.74%	175,999.50	181,931.00	96.74%
7104 - Gdwtr Level Monitoring	19,595.50	22,831.17	85.83%	222,426.46	228,439.00	97.37%	222,426.46	228,439.00	97.37%
7105 - Sur Wtr Qual Monitoring	0.00	259.83	0.0%	0.00	3,118.00	0.0%	0.00	3,118.00	0.0%

	1/12th (8.33%) of the Total Budget			12/12th (100%) of the Total Budget			100% of the Total Budget		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
7107 · Ground Level Monitoring	19,706.62	52,144.58	37.79%	345,017.56	593,430.00	58.14%	345,017.56	593,430.00	58.14%
7108 · Hydraulic Control Monitoring	-12,302.79	27,010.83	-45.55%	241,219.68	390,129.25	63.46%	241,219.68	390,129.25	63.46%
7109 · Recharge & Well Monitoring Prog	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
7200 · PE2-Comp Recharge Pgm	140,164.48	56,446.64	248.31%	1,153,822.11	1,546,293.00	74.62%	1,153,822.11	1,546,293.00	74.62%
7300 · PE3&6-Water Supply/Desalite	1,632.75	6,392.92	25.78%	37,711.06	52,628.00	71.66%	37,711.06	52,628.00	71.66%
7400 · PE4- Mgmt Plan	16,843.56	6,854.16	245.74%	78,810.56	82,945.00	95.02%	78,810.56	82,945.00	95.02%
7600 · PE6&7-CoopEfforts/SaltMgmt	5,052.50	6,336.59	79.74%	21,474.21	32,657.30	65.79%	21,474.21	32,657.30	65.79%
7600 · PE8&9-StorageMgmt/Conj Use	214.73	3,940.84	5.45%	4,393.55	13,290.00	33.06%	4,393.55	13,290.00	33.06%
7690 · Recharge Improvement Debt Pymt	49,000.00	0.00	100.0%	416,751.00	773,884.00	53.85%	416,751.00	773,884.00	53.85%
7700 · Inactive Well Protection Prgm	0.00	76.67	0.0%	0.00	820.00	0.0%	0.00	820.00	0.0%
9502 · G&A Expenses Allocated-Projects	10,136.95	43,185.17	23.47%	132,668.00	518,222.00	25.6%	132,668.00	518,222.00	25.6%
Total Expense	611,200.18	421,033.59	145.17%	5,703,289.01	7,238,413.48	78.79%	5,703,289.01	7,238,413.48	78.79%
Net Ordinary Income	-608,863.69	-411,133.59	-147.61%	1,101,308.66	-433,212.48	-254.22%	1,101,308.66	-433,212.48	-254.22%
Other Income									
4210 · Approp Pool-Replenishment	0.00	0.00	0.0%	625,201.94	0.00	100.0%	625,201.94	0.00	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.0%	22,789.05	0.00	100.0%	22,789.05	0.00	100.0%
4225 · Interest Income	11.44	0.00	100.0%	46.30	0.00	100.0%	46.30	0.00	100.0%
4226 · LAIF Fair Market Value	-4,895.73	0.00	100.0%	-4,895.73	0.00	100.0%	-4,895.73	0.00	100.0%
4230 · Groundwater Sales	0.00	0.00	0.0%	1,786,216.90	0.00	100.0%	1,786,216.90	0.00	100.0%
Total Other Income	-4,884.29	0.00	-100.0%	2,429,358.46	0.00	100.0%	2,429,358.46	0.00	100.0%
Other Expense									
5010 · Groundwater Replenishment	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.0%	2,289,275.69	0.00	100.0%	2,289,275.69	0.00	100.0%
8200 · Interest Expense	8,928.00	0.00	100.0%	8,928.00	0.00	100.0%	8,928.00	0.00	100.0%
9986 · Refund-Excess Reserves-Approp.	0.00	0.00	0.0%	764,137.00	0.00	100.0%	764,137.00	0.00	100.0%
9987 · Refund-Excess Reserves-NonAg	0.00	0.00	0.0%	24,510.00	0.00	100.0%	24,510.00	0.00	100.0%
9988 · Refund-Recharge Debt-Approp.	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
9999 · Tol(From) Reserves	-1,054,492.41	0.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
Total Other Expense	-1,055,564.41	0.00	100.0%	3,086,850.69	0.00	100.0%	3,086,850.69	0.00	100.0%
Net Other Income	1,050,660.12	0.00	100.0%	-657,492.23	0.00	100.0%	-657,492.23	0.00	100.0%
Net Income	443,816.43	-411,133.59	-107.95%	443,816.43	-433,212.48	-102.45%	443,816.43	-433,212.48	-102.45%

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Request Amendment to the Task Order to Increase the Wildermuth Environmental, Inc. FY 2012/2013 Budget from \$2,027,171 to \$2,088,343, an increase of the Task Order of \$61,172.

SUMMARY

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

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

Financial Impact: None.

Future Consideration

Appropriative Pool: August 8, 2013; Receive and File
Non-Agricultural Pool: August 8, 2013; Receive and File
Agricultural Pool: August 8, 2013; Receive and File
Advisory Committee: August 15, 2013; Receive and File
Watermaster Board: August 22, 2013; Approval (Watermaster Board Authority)

ACTIONS:

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

BACKGROUND

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

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

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

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

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

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

ATTACHMENT

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



July 26, 2013

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

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

Dear Peter:

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

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

Mr. Peter Kavounas
Re: Request for Contract Amendment

July 26, 2013
Page 2 of 2

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

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

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

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

Very truly yours,

Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE
President

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

Acct #	Description	Original Budget	Revised Budget	Contract Amendment	Previously Billed	Total Billed and Carry-over	Under / (Over) Contract Amendment
6906	OBMP Engineering	\$ 444,369	\$ 488,824	\$ 497,438	\$ 467,159	\$ 497,438	\$ -
7103.3	Groundwater Quality Monitoring Program	105,824	105,384	113,817	105,384	113,817	-
7104.3	Groundwater Level Monitoring Program	218,321	181,397	158,862	142,981	158,862	-
7107	MZ 1 Monitoring Program	521,121	480,811	455,123	270,488	455,123	-
7107 ⁽¹⁾	Construction of CCWF Extensometer	-	30,000	30,000	30,000	30,000	-
7108	Hydraulic Control Monitoring Program	403,878	380,183	357,740	287,189	357,740	-
7108 ⁽¹⁾	HCMP Chino Creek Well Field	-	9,855	4,908	-	4,908	-
7109	Recharge and Well Monitoring Program	21,540	4,000	-	-	-	-
7202	Comprehensive Recharge Plan	100,016	210,055	347,590	210,055	347,590	-
7303	Engineering Support for Desalters	30,344	30,344	31,977	30,344	31,977	-
7402	Management Zone Strategies	67,062	67,066	75,757	59,151	75,757	-
7502	Water Quality Committee	58,888	39,428	11,263	6,210	11,263	-
7504	PE6-7: Supplies	5,088	5,088	-	-	-	-
7502 ⁽¹⁾	Sample Alger Well	-	5,955	5,972	-	5,972	-
7602	Storage Program General Consulting	11,328	-	-	-	-	-
Totals		\$ 1,982,360	\$ 2,027,171	\$ 2,088,343	\$ 1,588,921	\$ 2,088,343	\$ -

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

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. INTERVENTION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: TAMCO Request for Intervention as an Overlying (Non-Agricultural) Party

SUMMARY

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

Recommendation: Consider and give advice to the Watermaster Board on the TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool, effective as of the end of fiscal year 2012/13.

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

Future Consideration

Appropriative Pool: August 8, 2013 Consideration and advice on TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool

Non-Agricultural Pool: August 8, 2013 Consideration and advice on TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool

Agricultural Pool: August 8, 2013 Consideration and advice on TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool

Advisory Committee: August 8, 2013 Consideration and advice on TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool

Watermaster Board: August 8, 2013 Approval of TAMCO's request for Intervention into the Overlying (Non-Agricultural) Pool [Within WM Duties and Powers]

ACTIONS:

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

BACKGROUND

Ameron International Corporation (Ameron) is an original Party to the Judgment, with 97.858 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool. Ameron recently sold a portion (i.e., 30.7 acres) of its real property to TAMCO, a California Corporation (TAMCO), and would like to permanently transfer 15.000 acre-feet of its adjudicated Safe Yield rights to TAMCO for use on the TAMCO property. After the transfer, Ameron's remaining adjudicated Safe Yield right is 82.858 acre-feet. As a result, on July 17, 2013, TAMCO submitted a request for Intervention into the (Non-Agricultural) Pool, effective as of the end of fiscal year 2012/13. While Watermaster received the paper copies of the requests on July 17, 2013, it had received notice of the request in June 2013, with notice of the parties' intent that the transfer be effective for fiscal year 2012/2013.

DISCUSSION

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

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

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

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

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

ATTACHMENTS

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



ATTORNEYS AT LAW

777 S. Figueroa Street
34th Floor
Los Angeles, CA 90017
T 213.612.7800
F 213.612.7801

Byron Gee
D 213.612.7843
bgee@nossaman.com

Refer To File #: 290729-0004

July 16, 2013

VIA U.S. MAIL

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

Attention: Danielle Maurizio

RECEIVED

JUL 17 2013

CHINO BASIN WATERMASTER

Re: Ameron Inc. Chino Basin Water Rights

Dear Ms. Maurizio:

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

If you have any questions, please contact this office.

Sincerely,

Byron Gee
of Nossaman LLP

BPG/mnm

Encls.



May 30, 2013

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

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

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Kenneth A. Jeck', written over a printed name.

Kenneth A. Jeck
Vice President - Risk Management

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

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June 4, 2013

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

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

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

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

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

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

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

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

James Crompton
Vice President and General Manager

Encls.

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

FISCAL YEAR 2013-2014

DATE REQUESTED: May, 2013

AMOUNT REQUESTED: 15 Acre-Feet

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

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

IS THE 85/16 RULE EXPECTED TO APPLY? (if yes, all answers below must be "yes.") Yes No
Is the Buyer an 85/16 Party? Yes No
Is the purpose of the transfer to meet a current demand over and above production right? Yes No
Is the water being placed into the Buyer's Annual Account? Yes No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture _____ Projected Duration of Recapture _____

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

PLACE OF USE OF WATER TO BE RECAPTURED:

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

WATER QUALITY AND WATER LEVELS

Are the Parties aware of any water quality issues that exist in the area? Yes No
If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Ameron International Corporation

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

Yes No

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

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

D. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from the West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: May 23, 2013.
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: June 5, 2013.
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account. Date of Application: June 26, 2013.
4. **Consider Approval for Notice of Sale or Transfer** – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. Date of Application: July 17, 2013.

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

D. WATER TRANSACITONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from the West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: May 23, 2013.
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of Application: June 5, 2013.
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1500.000 acre-feet of water from the City of Pomona by Fontana Water Company. This purchase is made from the City of Pomona's Excess Carryover Account. Date of Application: June 26, 2013.
4. **Consider Approval for Notice of Sale or Transfer** – On July 17, 2013, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Ameron International Corporation (Ameron) as Transferor and the TAMCO, a California Corporation (TAMCO) as Transferee for the permanent transfer in the amount of 15.000 acre-feet of its adjudicated Safe Yield rights, effective as of the end of fiscal year 2012/13. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the TAMCO. Date of Application: July 17, 2013.

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

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

ANOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

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

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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

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

Summary –

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

Issue –

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

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

- Notice of Sale or Transfer - The purchase of 1067,000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

DISCUSSION

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

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

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

FISCAL YEAR 2012 - 2013

DATE REQUESTED: 5-23-13

AMOUNT REQUESTED: 1067.0 Acre-Feet

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

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?

Yes No

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes No

Is the Buyer an 85/15 Party? Yes No

Is the purpose of the transfer to meet a current demand over and above production right? Yes No

Is the water being placed into the Buyer's Annual Account? Yes No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

700 to 1100 gpm

Projected Rate of Recapture _____ Projected Duration of Recapture _____

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular production wells

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate ~ 56PPM & DBCP ~ 0.35PPB

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

Static water level ~ 555 to 610 feet bgs

MATERIAL PHYSICAL INJURY

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

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

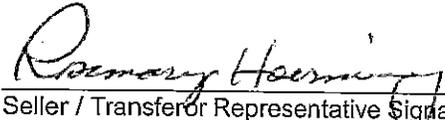
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



 Seller / Transferor Representative Signature
 Rosemary Hoerning, General Manager

 Seller / Transferor Representative Name (Printed)



 Buyer / Transferee Representative Signature
 Stephen Dunn, City Manager

 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

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

ANOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

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

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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

DATE: August 2, 2013

TO: Watermaster Interested Parties

SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

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

Issue –

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

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

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

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

DISCUSSION

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

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

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

FISCAL YEAR 2012-2013

DATE REQUESTED: 6-5-2013

AMOUNT REQUESTED: 100.0 Acre-Feet

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

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

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

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

PLACE OF USE OF WATER TO BE RECAPTURED:

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

None to our Knowledge

MATERIAL PHYSICAL INJURY

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

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

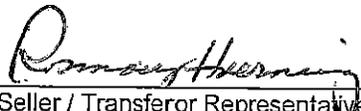
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



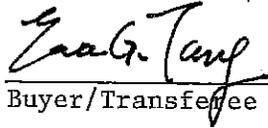
Seller / Transferor Representative Signature
Rosemary Hoerning, General Manager

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature
Patrick Scanlon, Vice President

Buyer / Transferee Representative Name (Printed)



Buyer/Transferee Representative Signature
Eva G. Tang

Buyer/Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

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

ANOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

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

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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

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

Summary –

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

Issue –

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

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

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

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

DISCUSSION

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

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

FISCAL YEAR 2012-2013

DATE REQUESTED: June 26, 2013

AMOUNT REQUESTED: 1,500 Acre-Feet

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

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

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

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

Static Water Levels ranging from 317 bgs to 651 bgs

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



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

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature
Robert Young, General Manager

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 2, 2013

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

ANOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: August 8, 2013

Non-Agricultural Pool: August 8, 2013

Agricultural Pool: August 8, 2013

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 2, 2013

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

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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

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

Summary –

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

Issue –

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

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

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

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

DISCUSSION

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

Ameron International Corporation (Ameron) is an original Party to the Judgment, with 97.858 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool. Ameron recently sold a portion (i.e., 30.7 acres) of its real property to TAMCO, a California Corporation (TAMCO), and would like to permanently transfer 15.000 acre-feet of its adjudicated Safe Yield rights to TAMCO for use on the TAMCO property. After the transfer, Ameron's remaining adjudicated Safe Yield right is 82.858 acre-feet. As a result, on July 17, 2013, TAMCO submitted a request for Intervention into the (Non-Agricultural) Pool. While Watermaster received the paper copies of the requests on July 17, 2013, it had received notice of the request in June 2013, with notice of the parties' intent that the transfer be effective for fiscal year 2012/2013.

Ameron and TAMCO have submitted Form 3 (Application for Sale or Transfer of Right to Produce Water from Storage), Form 4 (Application or Amendment to Application to Recapture Water in Storage), and Form 5 (Application to Transfer Annual Production Right or Safe Yield). The Applications indicate that the amount of water rights to be permanently transferred is 15.000 acre-feet. Prior to this purchase, Ameron leased property to TAMCO for its operation of a steel production facility. The lease allowed TAMCO to utilize some of Ameron's produced water that was accounted for in Ameron's water rights. TAMCO is expected to continue its operation in a similar manner after this purchase utilizing the water rights transferred from Ameron. The transfer from Ameron to TAMCO does not involve any change of use or additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

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



ATTORNEYS AT LAW

777 S. Figueroa Street
34th Floor
Los Angeles, CA 90017
T 213.612.7800
F 213.612.7801

Byron Gee
D 213.612.7843
bgee@nossaman.com

Refer To File #: 290729-0004

July 16, 2013

VIA U.S. MAIL

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

Attention: Danielle Maurizio

RECEIVED

JUL 17 2013

CHINO BASIN WATERMASTER

Re: Ameron Inc. Chino Basin Water Rights

Dear Ms. Maurizio:

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

If you have any questions, please contact this office.

Sincerely,

Byron Gee
of Nossaman LLP

BPG/mnm

Encls.



May 30, 2013

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

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

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Kenneth A. Jeck', written over a printed name.

Kenneth A. Jeck
Vice President - Risk Management

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

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June 4, 2013

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

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

Re: Ameron Inc. Chino Basin Water Rights

Dear Peter and Bradley:

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

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

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

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

A handwritten signature in black ink, appearing to read 'James Crompton', written in a cursive style.

James Crompton
Vice President and General Manager

Encls.

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

FISCAL YEAR 2013-2014

DATE REQUESTED: May, 2013 AMOUNT REQUESTED: 15 Acre-Feet

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

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

Consolidated Forms 3, 4 & 5 cont.

IS THE 85/16 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes No
Is the Buyer an 85/16 Party? Yes No
Is the purpose of the transfer to meet a current demand over and above production right? Yes No
Is the water being placed into the Buyer's Annual Account? Yes No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:	
Projected Rate of Recapture	Projected Duration of Recapture
METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):	
PLACE OF USE OF WATER TO BE RECAPTURED:	
LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):	

WATER QUALITY AND WATER LEVELS

Are the Parties aware of any water quality issues that exist in the area? Yes No
If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

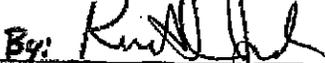
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

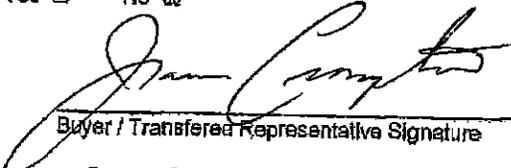
ADDITIONAL INFORMATION ATTACHED
Ameron International Corporation

Yes No

By: 

Seller / Transferor Representative Signature
Kenneth A. Jeck
Vice President - Risk Management

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature
James Crompton

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

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

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

A. RECHARGE MASTER PLAN UPDATE AMENDMENT (DISCUSSION ONLY)



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Recharge Master Plan Update Amendment Section 8

SUMMARY

Issue: Watermaster is required to prepare an amendment to the 2010 Recharge Master Plan Update (RMPU) by October 2013. The objective of Section 8 is to recommend stormwater recharge projects to be implemented, along with an Implementation and a Financing Plan. The Steering Committee has reviewed the Draft Section 8 of the RMPU Amendment. Section 8 is the final section of the Amendment.

Recommendation: Consider and give advice to Watermaster staff on the first draft of Section 8 of the Recharge Master Plan Update Amendment, titled "Recommended 2013 Recharge Master Plan Update."

Financial Impact: There is no financial impact associated with the recommendation.

Future Consideration

Appropriative Pool: August 8, 2013 Consideration and advice on Section 8
Non-Agricultural Pool: August 8, 2013 Consideration and advice on Section 8
Agricultural Pool: August 8, 2013 Consideration and advice on Section 8

ACTIONS:

Date – Appropriative Pool –
Date – Non-Agricultural Pool –
Date – Agricultural Pool –

BACKGROUND

Section 8 of the 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU) contains those projects from the all-inclusive list of recharge options found in Section 6, that were selected applying the criteria identified in Section 7; further, Section 8 includes an Implementation Plan and a Financing Plan for the recommended projects.

DISCUSSION

The scope and cost estimates of projects recommended in Section 8 have been developed collaboratively with IEUA staff, and IEUA has identified possible participation in the capital expense of some of these projects. This is being presented to the IEUA Board of Directors during the August meetings for final decision.

The Steering Committee has met intensively during the month of July 2013 to develop the recommended projects. The current list reflects the input of the Steering Committee. The first draft being presented as an attachment to this staff letter has been previewed by the Steering Committee during its August 1, 2013 meeting.

Section 8 is being presented to the Pools at this time for their consideration and advice. Watermaster staff will continue to work with the Steering Committee in developing Section 8 and plan to bring it, along with any editorial-only changes to Sections 1-7, to the Pools for final review and recommendation of approval by the Advisory Committee in September (Sections 1-7 have been previously reviewed and approved by the Advisory Committee and the Board of Directors.) The Board will then be presented with the complete document, Sections 1-8, for adoption during its meeting in September.

ATTACHMENTS

1. RMPU Amendment Section 8 titled "Recommended 2013 Recharge Master Plan Update." Draft No. 1

8. Recommended 2013 Recharge Master Plan Update

8.1. Introduction

[to be included in the subsequent draft]

8.2. Initial Project Screening

8.2.1. Production Sustainability Projects

Table 6-1 contains nine production sustainability projects that the Steering Committee and the Watermaster approved for initial screening. In contrast to the yield enhancement projects, the production sustainability projects were described conceptually and needed further development prior to screening and ranking. In the winter and spring of 2013, Watermaster staff encouraged capable appropriators to participate with the JCSD in projects that would supply the JCSD with water in-lieu of JCSD production from the parts of MZ3/MZ4/MZ5 where production sustainability is a concern. Members of the Steering Committee that could participate in production sustainability projects and Watermaster staff convened one meeting on March 20, 2013 to discuss various alternatives in which water could be provided to the JCSD and potentially to the CDA that would result in reduced production by the JCSD and potentially the CDA's Chino II desalter well field. From this meeting, subsequent discussions, and information provided by the City of Ontario and others, four project categories were identified: 1) transfer of CDA water from CDA members to the JCSD in lieu of JCSD production; 2) supply of water from other Appropriator parties through new connections among the parties, potentially including new wells and pipelines; 3) oversizing the proposed Ontario Groundwater Recovery Project (OGRP) and using the increased supply to reduce CDA Desalter II production; 4) and the use of JCSD ASR wells to seasonally increase groundwater levels in the JCSD well field area. Figure 8-1 shows the locations of the existing water distribution systems, wells, and the proposed OGRP in the parts of MZ3/MZ4/MZ5 where production sustainability is a concern. The production sustainability projects considered herein include:

1. The City of Ontario could sell the JCSD up to 5,000 acre-ft/yr of its CDA deliveries from the Chino II Desalter without the construction of new additional facilities. The sales price would be Ontario's cost of water from the CDA of \$920 per acre-ft.¹ Ontario and the JCSD take their Desalter II deliveries from a common reservoir in the JCSD service area, and Ontario would forego its deliveries from this reservoir and sell some or all of its share of CDA allocation from the Chino II Desalter to the JCSD. This would be an interim supply until Ontario needs its capacity in the Chino II Desalter to meet its water supply needs. As an interim supply, this project could also be a proof-of-concept demonstration to determine the amount and timing of alternative supplies required to ensure production sustainability.

¹ CDA charge to the City of Ontario for fiscal 2013/14.

2. The City of Chino Hills and the Monte Vista Water District (MVWD) have proposed an in-lieu exchange project where the MVWD and Chino Hills would use more groundwater produced in Management Zone 1 and/or imported water, and Chino Hills would forego taking some of its 4,200 acre-ft/yr CDA Desalter I allocation, having that desalter water conveyed to the JCSD through existing CDA facilities. The JCSD would exchange annual production rights to Chino Hills and the MVWD equal to the amount of water supplied to the JCSD in this project. This proposal is modeled on the successful interim forbearance plan that was implemented during the development of the Management Zone 1 subsidence management plan. In addition to Chino Hills and the MVWD, the City of Chino could also participate in this project by taking more imported water and allowing some or all its Desalter I allocation to go to the JCSD.
3. Other than through CDA facilities, there are no physical connections to the JCSD system from Chino Basin Appropriator parties that would permit a direct supply of water to the JCSD. A new connection would be required from the Ontario distribution system 1212 zone to the JCSD's 1100 zone. If this connection were constructed, Ontario could be a source of alternative supply as well as other Appropriators that could exchange water with the JCSD through Ontario's system. A new connection from the Cucamonga Valley Water District (CVWD) to the City of Ontario would be required to enable the CVWD to supply water to the JCSD. A new connection from the Fontana Water Company (FWC) to either the City of Ontario or directly to the JCSD would be required for the FWC to supply water to the JCSD. Other Appropriators may have the ability to connect to the City of Ontario to wheel water to the JCSD. Watermaster staff has encouraged the Appropriator parties that could participate in these water supply projects to review their capabilities and interests in participating in production sustainability projects and to provide Watermaster staff with alternative descriptions, operating plans, and costs. At the time this report was written, only three of the potential participants had provided alternatives to Watermaster staff. Watermaster staff has developed two generic in-lieu projects that attempt to bracket the range of such projects.
4. The City of Ontario has developed a project concept, the OGRP. The purpose of the OGRP is to produce groundwater near the southern leading edge of the South Archibald VOC plume, treat that water to remove the VOCs, treat it again at the Chino II Desalter for nitrate and TDS reduction, and subsequently serve it. The location of the OGRP wells and raw water pipeline is shown in Figure 8-1. Ontario has suggested that the OGRP could be oversized with the resulting surplus capacity used to reduce the CDA Desalter II groundwater production and thereby provide a sustainable supply of raw water to the CDA Desalter II and help to maintain higher groundwater levels in the JCSD well field area.
5. The JCSD has developed ASR wells that could be used to improve production sustainability but has not identified the water supply that would be used for injection or the magnitude and timing of that supply. As of the time of this report preparation, the JCSD has not provided Watermaster staff with a plan to improve

production sustainability with its ASR wells. Therefore, consideration of specific production sustainability projects utilizing the JCSD's ASR wells will not be included in the 2013 RMPU Amendment. Exclusion of the JCSD ASR project in the 2013 RMPU Amendment does not preclude them from future development and implementation before the next Recharge Master Plan update.

The water supply sources for the production sustainability projects include Chino Basin groundwater produced sufficiently far from the sustainability challenged area and imported water. For projects 2 and 3 described above, the JCSD would contribute its unused production rights to the Appropriator(s) that supplies them water to offset the water supply cost. The cost to produce and convey the water to the JCSD could be paid for by the JCSD or some other arrangement that could involve the Watermaster. Some or all the cost to produce and convey water to the JCSD would be offset by the JCSD's avoided cost to produce and convey its own water. Table 8-1a contains the list of production sustainability projects considered for evaluation and ranking. The JCSD ASR well project is not included in Table 8-1a for the reasons described above. Table 8-1a contains the project name, description, new supply generated by the project, capital cost estimate, supplemental water cost, annual costs, unit cost, and ratings for water quality and reliability.

8.2.2. Yield Enhancement Projects

Table 6-1 contains 41 yield enhancement projects that the Steering Committee and the Watermaster approved for initial screening. These projects involve the construction of new facilities and four proposals to increase the frequency of operations and maintenance. Watermaster, the IEUA, and WEI reviewed all of the projects based on the information that was readily available to define how each project would operate, to estimate their storm and recycled water recharge performance, and to estimate their cost. Certain projects listed in Table 6-1 were not analyzed as their projected unit costs were where higher than the initial screening level of \$1,500 per acre-ft. Table 8-2a lists the projects that were advanced to detailed evaluation using the criteria described in Section 7. Table 8-2a contains the following for each project:

- Project identification number, project name, and project description
- Indications of when a project was combined with another project or projects to take advantage of increased yield or cost efficiencies
- Opportunities for IEUA and Watermaster joint participation pursuant to the Peace II Agreement
- Characterizations of the new recharge (new yield) created by the proposed projects
- Indications as to whether a project would be constructed for regulatory compliance purposes and whether a project was already constructed
- Capital cost opinions for stormwater improvements, annualized capital costs, operations and maintenance costs, total annual costs, and unit cost of stormwater recharge
- New recycled water recharge capacities and recycled water acquisition costs

- Capital cost opinions for recycled water, annualized capital costs, operations and maintenance costs, total annual costs, and unit cost of recycled water recharge
- New imported water recharge capacities and imported water acquisition costs
- Capital cost opinions for imported water, annualized capital costs, operations and maintenance costs, total annual costs, and unit cost of imported water recharge
- Total combined recharge capacities for all storm, recycled, and imported waters
- Indications of additional project benefits and contributions to production sustainability

The projected new stormwater recharge estimates are based on the updated and calibrated Wasteload Allocation Model (WLAM), which has been used in past recharge investigations and to support Watermaster's groundwater model.² The capital and operation and maintenance costs are based on the IEUA's recent experience in the construction and operations of the CBFIP projects and other construction projects. The IEUA also provided estimates of new recycled water recharge capabilities for some of the proposed projects listed in Table 8-2a. Appendix D contains detailed drawings and cost opinions for each project listed in Table 8-2a. In total, Table 8-2a contains 54 projects and combinations of projects. Some of the projects are mutually exclusive as indicated in the notes. Table 8-2a was vetted thoroughly by the Steering Committee in the period of April through June of 2013.

8.3. Project Evaluation and Ranking

8.3.1. Production Sustainability Projects

8.3.1.1. Application of Section 7 Criteria

Table 8-1a contains the five production sustainability projects that were selected for screening by the Steering Committee. The purpose of Table 8-1a is to provide a detailed characterization of the projects in tabular form. Table 8-1b lists the same projects and the criteria upon which they will be screened. Table 8-1c lists the production sustainability projects in their order of preference, based on the screening criteria of Section 7, and as described below.

8.3.1.1.1. Reliability

The water substituted for JSCD groundwater production must be at least as reliable as the current JSCD supplies. The production sustainability project must be sized, scalable, and sourced to ensure sustainability. The five projects listed in Table 8-1b are all assumed to use Chino Basin groundwater as a source supply, produced from parts of the Basin that are sustainable, and/or imported water treated at an existing treatment plant. Therefore, the reliability for all five projects will be high and equivalent. The amount and timing of supply required to ensure sustainability is currently unknown. Two or more of the projects listed in Table 8-1b could be combined to ensure sustainability.

² Cite...[to be included in subsequent draft]

8.3.1.1.2. Cost

The capital costs vary greatly among the four projects and range from zero to about \$10.6 million with unit costs ranging from \$95 to \$920 per acre-ft. There could be additional costs for the Max General In-Lieu and Min General In-Lieu projects if the water quality produced for these projects becomes degraded. There is also opportunity for the Appropriator(s) that constructs the new wells and conveyance facilities used in these projects to use these same facilities for their own use when not used to supply the JCSD.

8.3.1.1.3. Water Quality

The Ontario-CDA MZ3 In-Lieu, the Chino Hills/MVWD, and the OGRP projects will always produce potable water that can be used to replace JCSD groundwater production. For the Max General In-Lieu and Min General In-Lieu projects, water will be wheeled through an adjacent Appropriator's water system where it is assumed that the water will already be potable. The new wells associated with this project will presumably be sited to avoid water quality challenges and may in fact provide water quality benefits to the source agency. That said, future groundwater degradation could occur, necessitating treatment, and the level of risk is unknown.

8.3.1.1.4. Ease of Implementation

The facilities required to implement the Ontario-CDA MZ3 In-Lieu project and the Chino Hills/MVWD exist, and these projects could be initiated quickly after an agreement between the parties is negotiated.

The OGRP project, if implemented, is several years out and is dependent on 1) other entities³ paying for the VOC treatment prior to delivery of the source water to the Chino II Desalter and 2) obtaining substantial grant funding. The JCSD would benefit from reduced Chino II Desalter pumping at the existing wells by about 2,900 acre-ft/yr and would not receive any new water directly from the project.

The Max General In-Lieu and Min General In-Lieu projects will require an agreement between the JCSD and the Appropriators that serve it water. Existing wells, potentially new wells, existing treatment plant capacity, or some combination of these will be required. Interconnections between the JCSD and the City of Ontario and potentially Ontario and other Appropriators will be required. There may also be other benefits to participating Appropriators that include increasing their groundwater production capacity (joint use of wells) and improving conveyance capacity within their own distribution systems. The agreement will need to consider the cost to construct and operate the improvements and economic consideration for the source water.

8.3.1.2. Ranking of Production Sustainability Projects

³ These parties include Aerojet, Boeing, General Electric, and Lockheed Martin.

Table 8-1c shows a preliminary ranking of these projects by unit cost. The projects, in order of unit cost priority, are: the Min General In-Lieu project, the Chino Hills/MVWD project, the Max General In-Lieu project, the OGRP, and the Ontario-CDA MZ3 In-Lieu project. At the time this report was written, there were no cost estimates available for the Chino Hills/MVWD project, but it is believed to have an implementation cost less than the Max General In-Lieu and Min General In-Lieu projects. The Min General In-Lieu and Max General In-Lieu are ranked higher than the OGRP project even though their estimated unit cost is 50 percent greater (\$150 per acre-ft versus \$95 per acre-ft). The Min and Max General In-Lieu and Chino Hills/MVWD projects were rated higher than the OGRP project due to ease of implementation. The OGRP depends on substantial grant funding and cooperation with private entities, which cannot be assured. In contrast, the Max and Min General In-Lieu and Chino Hills/MVWD projects can be more readily implemented and may provide benefits to the Appropriators that participate. The unit cost of for the Ontario-CDA MZ3 in-Lieu project was rated last due to its unit cost of greater than \$900 per acre-ft.

8.3.2. Yield Enhancement Projects

8.3.2.1. Application of Section 7 Criteria

Table 8-2b lists the list the yield enhancement projects and summarizes their features pursuant to the screening criteria articulated in Section 7 herein. Some projects have two variants where the difference is how excavation cost is accounted for in the construction cost. Projects with an "a" attached to their identification numbers have their excavation costs reduced by 90 percent under the assumption that sand and gravel operators will extract the materials at their cost. Table 8-2b summarizes the project economics in Table 8-2a and includes information on the water quality and institutional challenges of each project. Table 8-2c contains the final rankings based on the Section 7 criteria and input from the Steering Committee. The application of the criteria is described below.

8.3.2.1.1. Confidence in Recharge Estimate

The WLAM was calibrated for selected recharge basins where the IEUA develops recharge estimates based on observed data. The results of these calibration efforts are contained in Appendix D. Subsequently, recharge estimates were developed for the proposed yield enhancement projects included in Table 8-2a as well as for the no-project condition at the proposed recharge site. Pursuant to the screening and evaluation criteria contained in Section 7, new recharge is estimated as 90 percent of the difference between the recharge estimate for the proposed project and the estimate of recharge for the no-project condition. The recharge estimates provided by the application of the updated and calibrated model coupled with the reduction of the new recharge estimate by 10 percent produces a reliable and conservative estimate of new recharge.

The IEUA prepared estimates of recycled water recharge capacity for some of the proposed projects listed in Table 8-2a. These estimates are based on the availability of recycled water that is not currently being recharged and that will not be used to meet direct reuse

demands; therefore, the recycled water is considered highly reliable. The reliability of the new recharge estimates is equal among projects.

8.3.2.1.2. Location of Recharge

The locations of new storm and supplemental (imported and recycled) water recharge projects have been prioritized to assist Watermaster in its best efforts to balance recharge and discharge in every area and subarea of the basin. Prior modeling investigations (see Section 3) have demonstrated that the projected groundwater production plans could cause an imbalance in recharge and discharge in Management Zone 3 and the central part of Management Zone 2. Watermaster has been aware of this potential imbalance since 2007 and has, pursuant to the Peace Agreement and Court Order authorizing the Peace Agreement, conducted technical evaluations to develop guidance on the recharge of supplemental water.⁴ Watermaster's current recommended supplemental water recharge plan⁵ calls for Watermaster to prioritize supplemental water recharge as follows:

- Recharge the first 6,500 acre-ft/yr of supplemental water in Management Zone 1 pursuant to the Peace Agreement.
- Recharge Management Zone 3 up to its maximum supplemental water recharge capacity (current supplemental water recharge capacity is 12,700 acre-ft/yr).
- Recharge Management Zone 2 up to its maximum supplemental water recharge capacity (current supplemental water recharge capacity is 28,300 acre-ft/yr).
- Recharge Management Zone 1 up to its maximum supplemental water recharge capacity (current supplemental water recharge capacity is 42,100 acre-ft/yr)⁶

This priority scheme was developed to balance recharge and discharge at the management zone level when supplemental water recharge is being done. Watermaster recharges imported water primarily to replenish overproduction, to store imported water for the existing Dry-Year Yield program, and more recently for pre-emptive replenishment. The IEUA recharges recycled water in certain basins where the IEUA and Watermaster have a joint permit to recharge recycled water.

The yield enhancement projects are prioritized by management zone in Table 8-2c with the priorities that mirror the supplemental water recharge priority.

8.3.2.1.3. Expandability to Include Supplemental Water Recharge

The IEUA has identified recharge projects that could be used to recharge recycled water. These projects have been identified in Table 8-2a and feature prominently in Table 8-2c.

8.3.2.1.4. Cost

⁴ Cite ... [to be included in subsequent draft]

⁵ 2009 Production Optimization and Evaluation of the Peace II Project Description (WEI, 2009)

⁶ The supplemental water recharge capacities cited above are based on Table 6-3 in the 2010 Recharge Master Plan Update (WEI et. al., 2010).

Watermaster, the IEUA, and WEI developed Level-5⁷ cost opinions for each of the projects listed in Table 8-2a. The backup for these cost opinions is included in Appendix D. For projects that consist of only operations and maintenance activities, the IEUA prepared annual cost estimates based on their experience in basin operation and maintenance.

Table 8-2c lists recommended projects based on the unit cost of stormwater recharge and shows both the new stormwater recharge and recycled water recharge. All projects with unit costs less than \$600 per acre-ft are included as recommended projects.

8.3.2.1.5. Water Quality Challenges

Storm water is considered an impaired water source for surface waters. After filtration through the soil and unsaturated zone, storm water is considered to be of suitable quality for potable uses.

There are some instances where storm water recharge may cause or exacerbate groundwater quality challenges. Storm water and supplemental water recharge can cause groundwater mounding under recharge sites that can redirect movement of existing contaminant plumes. Figure 8-2 shows the location of all the recharge projects listed in Table 8-2a by identification number and the location of the significant water quality anomalies that Watermaster is concerned with.

An example of the impact of recharge on contaminant plumes can be seen in the location and direction of the General Electric (GE) Test Cell VOC plume located just north of the Ely Basins. The location of the GE Test Cell plume is shown in Figure 8-2. In the absence of the historical stormwater recharge at the Ely Basins, the GE Test Cell plume would have flowed in a south by southwest direction. The mounding under the Ely Basins has caused this plume to flow almost due west along the north side of the Ely Basins.

The following water quality challenges have been identified for specific yield enhancement projects listed in Table 8-2b.

Ely Basins. As mentioned above, historical recharge at the Ely Basins has deflected the GE Test Cell plume westward. The proposed project at the Ely Basins would increase recharge by about 220 acre-ft. Increasing recharge at this basin will continue this deflection with the possibility that the plume may migrate slightly more west than under historical recharge conditions. This concentration of VOCs in this plume appears to be decreasing at its leading edge due to natural in-situ processes. The proposed increase in recharge will likely not cause the plume to migrate into potable wells. Prior to the implementation of a project at the Ely Basins that would increase recharge, the implementing entity should conduct an investigation to determine whether or not increased recharge will exacerbate water quality challenges caused by the GE Test Cell plume.

⁷ Cite ...[to be included in subsequent draft]

CSI Storm Water Basin. The proposed project at the CSI Storm Water Basin is projected to increase storm water recharge by about 80 acre-ft/yr. This new recharge could be increased if the conservation storage is increased beyond that considered herein. The primary water quality concerns are the mobilization of contaminants in the unsaturated zone adjacent to the recharge site should the recharge migrate horizontally to the west and the acceleration of existing contaminants already in the saturated zone towards the City of Ontario's wells. Watermaster has an existing Material Physical Injury (MPI) opinion that the existing recharge at the CSI Storm Water Basin has the potential to cause MPI to the Chino Basin and a Party. However, continued surveillance by the DTSC and future plume management required by the DTSC may be sufficient to ensure that downstream impacts of the plume migration, if any, will be mitigated to a level to protect the Basin and the Parties. Prior to the implementation of a project at the CSI Storm Water Basin that would increase recharge, the implementing entity should conduct an investigation to determine whether or not increased recharge will exacerbate water quality challenges caused by soil and groundwater contamination adjacent to the recharge site and potentially accelerate contamination in the saturated zone towards the City of Ontario's wells.

Wineville Basin. The leading edge of the former Kaiser Steel Mill plume is located near the northern portion of the Wineville Basin with the plume projected to move in a south by southwest direction under or slightly west of the Wineville Basin. The former Kaiser Steel Mill plume, as delineated in 2008 during a Watermaster and IEUA study of water quality in MZ3, is characterized predominantly by high TDS and total organic carbon (TOC) concentrations (WEI, 2008). Sampling and analysis for this study concluded that from 1997 to 2007, maximum TDS concentrations ranged from 250 to 1,090 mg/L, and TOC concentrations ranged from <0.1 to 20 mg/L at wells within the former Kaiser Steel Mill plume. Additionally, two triple-nested wells (MZ3-1 and MZ3-2) were installed down gradient of the plume to track plume migration. High concentrations of TOC detected in MZ3-1 extended the Kaiser Steel Mill plume extent to the southeast towards the JCSD well field. Certain VOCs have been detected in the middle portion of the plume substantially north of the Wineville Basin. Since 2007, Watermaster has performed annual sampling at the leading edge of the former Kaiser Steel Mill plume at the two MZ3 triple-nested monitoring wells and at one former Kaiser Steel monitoring well (KOSF-1). TDS and TOC concentrations at these wells have remained stable or decreased since 2007. In the absence of increased recharge at the Wineville Basin, the former Kaiser Steel Mill plume would likely migrate south-southwest towards the CDA wells and potentially the JCSD wells. Increased recharge at the Wineville Basin will create a mound that will divert the Kaiser Steel Mill plume west of the Wineville Basin towards the CDA wells. Prior to the implementation of a recharge project at the Wineville Basin, the implementing entity should conduct an investigation to determine whether or not increased recharge will exacerbate the water quality challenges caused by the Kaiser Steel Mill plume.

8.3.2.1.6. Institutional Challenges

The common institutional challenges to implement the projects listed in Table 8-2a consist of the following:

- Determination of a lead entity for CEQA and to implement the projects
- Determination of who pays and who benefits
- Obtaining access to recharge sites and the ability to construct and operate recharge facilities
- Modification of the IEUA-Watermaster recharge permit to include more recharge basins and to increase recycled water recharge amounts at existing basins

Table 8-2b includes the institutional challenges at specific basins above and beyond those listed above.

8.4. Final Project Recommendations and Implementation Plan

8.4.1. Production Sustainability Projects

8.4.1.1. Recommended Projects

Upon reviewing all available information, the Steering Committee has recommended that the Watermaster proceed with the Min General In-Lieu project due to its lowest potential capital and unit costs with all other criteria being equal. The Steering Committee sees great promise in the Chino Hills/MVWD project and encourages the City of Chino Hills, the MVWD, the CDA, the JCSD, and Watermaster to pursue this project if the City of Chino Hills and the MVWD produce a feasible formal proposal after the 2013 RMPU Amendment report is finalized.

8.4.1.2. Implementation Plan

8.4.1.2.1. Year 1 - 2014

In the first year, the following agreements will be negotiated and completed:

Continue Refinement of Production Sustainability Projects. The objective of this work is to define the magnitude and timing of water deliveries to the JCSD to ensure production sustainability. During this year, technical investigations will be done to define the magnitude and timing of water deliveries to the JCSD to ensure production sustainability and to identify and refine alternative sources of supply. The end product of this work will be an optimized JCSD groundwater production plan, up to three alternative water supplies that will enable the JCSD to reduce groundwater production to sustainable levels, and a recommended project. This work will be done by the JCSD and participating Appropriators and facilitated by Watermaster.

8.4.1.2.2. Year 2 - 2015

Develop an Implementation Agreement among the Parties Participating in the Production Sustainability Project. The objective of this agreement is to define the roles of the parties that would participate in the recommended production sustainability project; in the planning, permitting, design, and implementation of the yield enhancement projects;

and the cost allocations. This work will be done by the JCSD and participating Appropriators and facilitated by Watermaster.

Appropriative Pool Cost Allocation Agreement. The objective of this agreement is to define how the Appropriative pool parties would participate in a production sustainability agreement and what if any production sustainability project costs will be borne by the Appropriators.

8.4.1.2.3. Years 3 and 4 - 2016 and 2017

Preliminary Design of Recommended Production Sustainability Project. If new facilities are required, then one of the parties to the implementation agreement will contract for preliminary design. The level of design will be such that it enables the preparation of environmental documentation pursuant to the California Environmental Quality Act (CEQA), provides information for identifying and acquiring construction and related permits, and produces cost estimates. This work will start in January 2016 and be completed in September 2016.

Prepare Environmental Documentation. One of the parties to the implementation agreement will be the lead agency and contract for the preparation of environmental documentation. The lead agency will determine the type of environmental documentation and subsequently prepare it. This work will start in July 2016 and be completed in June 2017.

Prepare Final Designs and Acquire Permits. One of the parties will contract for the development of final designs and acquire permits. This work will begin in July 2017 and be completed by December 2017.

8.4.1.2.4. Year 5 - 2018

Construct 2013 RMPU Amendment Production Sustainability Project. One of the parties will contract for the construction of the recommended production sustainability projects and construct the project during calendar 2018.

8.4.1.3. Financing Plan

[to be included in a subsequent draft]

8.4.2. Yield Enhancement Projects

8.4.2.1. Recommended Projects

Table 8-2c contains the yield enhancement projects ranked using the Section 7 criteria and based on the input from the Steering Committee. The projects are listed by management zone in order of increasing unit cost. The steering committee recommended that all projects with unit costs of less than \$600 per acre-ft be considered for implementation.

There are seven projects recommended for construction that will increase stormwater recharge by 5,000 acre-ft/yr, increase recycled water recharge capacity by 4,900 acre-ft/yr. The average unit cost of stormwater recharge is about \$400 per acre-ft and the capital cost is about \$26,000,000.

8.4.2.2. Implementation Plan

8.4.2.2.1. Year 1 - 2014

The following agreements will be completed in the first year.

Watermaster and the IEUA Project Implementation Agreement. The objective of this agreement is to define the roles of Watermaster and the IEUA in the planning, permitting, design, and implementation of the yield enhancement projects, and the cost allocations.

Appropriative Pool New Yield and Cost Allocation Agreement. The objectives of this agreement are to determine which appropriators wish to participate in the yield enhancement projects, the allocation of yield and cost among this group of appropriators, and the waiver of new yield and cost by appropriators that choose not to participate in the new yield enhancement projects.

Flood Control and Water Conservation Agreement. The parties to this agreement include San Bernardino County, Watermaster, and the IEUA. The objectives of this agreement are to define the terms and conditions to jointly construct new conservation works on County and IEUA properties and to conduct flood control and water conservation activities on those same properties. The agreement will define the project sites, facility improvements, construction and maintenance cost allocations, user fees, operating criteria (with flood control taking priority over conservation for joint use facilities), and other conditions.

The County will require Watermaster and the IEUA to fund County investigations to demonstrate that certain conservation improvements at flood control facilities will not reduce flood protection or if flood protection is reduced, that additional improvements will be made by Watermaster and the IEUA such that the level of flood protection is not diminished with conservation improvements.

In addition to these agreements the Watermaster will have to submit a Petition for Change with the State Water Resources Control Board for some of the projects shown in 8-2c that are not included in the Watermaster's current diversion permits. The duration of the change process is unknown but will likely be more than one year.

8.4.2.2.2. Years 2 and 3 - 2015 and 2016

Preliminary Design of Recommended Yield Enhancement Projects. The level of design will be such that it enables the preparation of environmental documentation pursuant to the California Environmental Quality Act (CEQA), provides information for identifying and

acquiring construction and related permits, and produces updated new yield and cost estimates. This work will start in January 2015 and be completed in September 2015.

Prepare Environmental Documentation. CEQA will cover the recommended project in Table 8-2c at the project level and the deferred projects at a programmatic level and based on the project descriptions contained herein. This work will start in July 2015 and be completed in June 2016.

8.4.2.2.3. Years 3 and 4 – 2016 and 2017

Prepare Final Designs and Acquire Permits. This work will begin in July 2016 and be completed by December 2017.

8.4.2.2.4. Years 5 and 6 – 2018 and 2019

Construct 2013 RMPU Amendment Projects. The recommended projects will be constructed over the two-year period of 2018 and 2019.

8.4.2.3. Financing Plan

The financing plan for the yield enhancement projects consists of the following elements:

- Identify the IEUA and Watermaster cost share. Watermaster and the IEUA will determine each party's cost share based on the benefit to the parties. This will be negotiated and memorialized in an agreement as identified in the Implementation Plan above.
- Identify grant-funding share. The IEUA, Watermaster, and the Appropriators will combine their efforts to secure grant funding and low-interest financing from the State Water Resources Control Board, the DWR, and others.
- Allocation of cost and benefit among the Appropriators. Members of the Appropriative pool will determine the allocation of cost and new yield benefits from the recommended recharge projects. In the absence of a new agreement to allocate cost and new yield benefits, Watermaster will assume that cost and new yield will be allocated to the Appropriator parties based on their share of operating safe yield.
- Application of pay-as-you-go for the soft costs of all efforts through completion of the CEQA process. All costs associated with the development of implementing agreements, preliminary design, proof-of-concept, and completion of the CEQA process will be paid for through Watermaster assessments.
- Obtain bond financing for the construction of recharge improvements. The IEUA, the TVMWD, the WMWD, and certain Appropriator parties will use their bonding capacity to obtaining financing to construct the recommended projects.

A detailed financing plan will be developed in a process running in parallel to the development of the implementation agreements.

DRAFT Table B-1a
Project Data for MZ3/MZ4/MZ5 Sustainability Projects¹

Project	Benefiting Management Zone	Summary of Key Project Features	New Supply (acre-ft/yr)	Capital Cost (\$)	Annualized Capital Cost (\$)	Annual O&M Cost (\$)	Other Annual Cost (\$/acre-ft)	Supplemental Water Acquisition Cost (\$)	Total Annual Cost (\$)	Unit Cost (\$/acre-ft)	Reliability of the Water Supply	Production Sustainability Score ⁴
Min General In-Lieu	3	Construct two wells and related conveyance to move non-MZ3 groundwater or imported water to the JCSD.	5,800	\$ 5,440,000	\$ 854,000	\$ 524,000	\$ -	\$ -	\$ 878,000	\$ 151	High	2
Max General In-Lieu	3	Construct four wells and related conveyance to move non-MZ3 groundwater or imported water to the JCSD.	11,600	\$ 10,640,000	\$ 692,000	\$ 1,048,000	\$ -	\$ -	\$ 1,740,000	\$ 150	High	2
Chino Hills/MVWD Exchange Project	3	Chino Hills forgoes taking Desalter 1 water and provides that water to the JCSD. Chino Hills makes up the exchanged supply from MZ1 groundwater production or imported water treated at the WFA plant.	2,800	\$ -	\$ -	[see note 5 below]	\$ -	\$ -	[see note 5 below]		High	2
OGRP Project ²	3	Installation of one well and extend OGRP raw water conveyance.	2,800	\$ 4,222,500	\$ 275,000	\$ -	\$ -	\$ -	\$ 275,000	\$ 95	High	2
One-CDA MZ3 In-Lieu ³	3	Ontario sale of 5,000 acre-ft/yr of their CDA water to the JCSD using existing connections.	5,000	\$ -	\$ -	\$ -	\$ 920	\$ -	\$ 4,600,000	\$ 920	High	2

¹ The amount and timing of in-lieu supply required to ensure sustainability is unknown, but based on the sensitivity analysis discussed in Section 3 of this report, it could range between about 4,000 to 10,000 acre-ft/yr.

² The total estimated costs for the well and pipeline were derived from Table 9 of the Ontario Groundwater Recovery Project engineering report (Carollo, 2013). The production rate was assumed to be 2,000 gpm (2,900 acre-ft/yr at an operating factor of 90%).

³ The Other Annual Cost for the CDA MZ3 In-Lieu project is the Final Year 2013/14 gross cost/AF for Ontario before the MWD contribution. Source is Exhibit A of the June 6, 2013 CDA Special Board of Directors Meeting Agenda. Note that this cost does not reflect a credit for the avoided cost of pumping by JCSD.

⁴ The production sustainability score is a tool to characterize a project's contribution to production sustainability in areas with sustainability challenges. Per the evaluation criteria described in Section 7, 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), and 2 – contributes significantly to production sustainability (a necessary and sufficient condition of sustainability).

⁵ Annual and unit costs are unknown. The cost to produce and convey water to the JCSD could be paid for by the JCSD or some other arrangement that could involve the Watermaster. Some or all the cost to produce and convey the water to the JCSD would be offset by the JCSD's avoided cost to produce and convey its own water.

DRAFT Table 8-1b
Screening of MZ3/MZ4/MZ5 Sustainability Projects¹

Project	New Supply (acre-ft/yr)	Unit Cost (\$/acre-ft)	Capital Cost (\$)	Reliability of the Water Supply	Water Quality Challenges	Ease of Implementation
Min General In-Lieu ²	5,800	\$ 151	\$ 5,440,000	High	None ²	b
Max General In-Lieu ²	11,600	\$ 150	\$ 10,640,000	High	None ²	b
Chino Hills/MVWD Exchange Project	2,800	(See note 5 on Table 8-1a)		High	None ²	d
OGRP Project	2,900	\$ 95	\$ 4,222,500	High	None	c
Ont-CDA MZ3 In-Lieu	5,000	\$ 920	\$ -	High	None	a

¹ The amount and timing of in-lieu supply required to ensure sustainability is unknown and may be as much as 5,000 to 10,000 acre-ft/yr based on the sensitivity analysis described in Section 3.

² The water supplied will be wheeled through adjacent agency's water system where it is assumed that the water will already be potable. The new wells associated with this project will presumably be sited to avoid water quality challenges and may in fact provide water quality benefits to the source agency. That said, future groundwater degradation could occur necessitating treatment.

³ Assumes that the water supply cost is offset by the JCSD's avoided production and annual transfer of an equal amount of water from their own production rights.

^a Requires an agreement between the City of Ontario and the JCSD. Ontario's position is that they will need to be compensated for their cost of the water.

^b Requires an agreement between the JCSD and others to construct, operate, and pay for the improvements.

^c Requires an agreement with non-Watermaster Parties that are adversarial to the project to cover VOC treatment costs and is dependent on grant funding.

^d Requires an agreement between the City of Chino Hills, the MVWD, the CDA, and the JCSD.

DRAFT Table 8-1c
Ranked MZ3/MZ4/MZ5 Sustainability Projects

Project	New Supply (acre-ft/yr)	Unit Cost (\$/acre-ft)	Capital Cost (\$)
Recommended Projects			
Min General In-Lieu	5,800	\$ 151	\$ 5,440,000
Total of Recommended Projects	Up to 5,800	\$ 151	\$ 5,440,000
Other Projects			
Chino Hills/MVWD Exchange Project	2,800	(See note 5 on Table 8-1a)	\$ -
OGRP Project	2,900	\$ 95	\$ 4,222,500
Max General In-Lieu	11,600	\$ 150	\$ 10,640,000
Ont-CDA MZ3 In-Lieu	5,000	\$ 920	\$ -

**DRAFT Table 8-2b
Screening of Yield Enhancement Projects**

Project ID	Project	Management Zone	Capital Cost	Annualized Capital Cost (\$)	Annual O&M Cost (\$)	Total Annual Cost (\$)	New Yield	Recycled Water	Unit Cost	Water Quality Challenges	Institutional Challenges
1	Montclair Basins	1	\$ 5,450,000	\$ 354,500	\$ 2,644	\$ 357,144	71	0	\$ 4,997		c
1a	Montclair Basins	1	\$ 5,050,000	\$ 328,500	\$ 2,644	\$ 331,144	71	0	\$ 4,634		c
2	Montclair Basins	1	\$ 1,440,000	\$ 93,700	\$ 9,176	\$ 102,876	248	0	\$ 415		c
3	Montclair Basins	1	\$ 50,000	\$ 3,300	\$ -	\$ 3,300	0	0	--		c
4	Montclair Basins	1	\$ 790,000	\$ 51,400	\$ -	\$ 51,400	0	0	--		c
5	North West Upland Basin	1	\$ 5,490,000	\$ 357,100	\$ 3,458	\$ 360,558	93	0	\$ 3,858		c, g
5a	North West Upland Basin	1	\$ 4,640,000	\$ 301,800	\$ 3,458	\$ 305,258	93	0	\$ 3,267		c, g
6	Princeton Basin	2	\$ -	\$ -	\$ -	\$ -	0	0	--		c
7	San Sevaine Basins	2	\$ 1,775,000	\$ 115,500	\$ 23,756	\$ 139,256	642	1,911	\$ 217		c, e, f
8	San Sevaine Basins	2	\$ 2,620,000	\$ 170,400	\$ 12,781	\$ 183,181	345	1,911	\$ 530		c, e
9	San Sevaine Basins	2	\$ 300,000	\$ 19,500	\$ -	\$ 19,500	0	0	--		c
10	San Sevaine Basins	2	\$ 1,980,000	\$ 128,800	\$ -	\$ 128,800	0	0	--		c
11	Victoria Basin	2	\$ 75,000	\$ 4,900	\$ 1,584	\$ 6,484	43	120	\$ 151		c, e, f
12	Lower Day Basin (2010 RMPU)	2	\$ 2,480,000	\$ 161,300	\$ 29,182	\$ 190,482	789	0	\$ 242		c
13	Lower Day Basin	2	\$ 600,000	\$ 39,000	\$ 2,791	\$ 41,791	75	0	\$ 554		c
14	Turner Basin	2	\$ 890,000	\$ 57,900	\$ 2,438	\$ 60,338	66	0	\$ 916		c
15	Ely Basin	2	\$ 9,120,000	\$ 593,300	\$ 8,162	\$ 601,462	221	0	\$ 2,727	b	
15a	Ely Basin	2	\$ 3,200,000	\$ 208,200	\$ 8,162	\$ 216,362	221	0	\$ 981	b	
16	Ontario Blossvale Project	2	\$ 650,000	\$ 42,300	\$ 279	\$ 42,579	8	0	\$ 5,652		
17	Lower San Sevaine Basin (2010 RMPU)	2	\$ 45,430,000	\$ 2,955,300	\$ 45,165	\$ 3,000,465	1,221	500	\$ 2,458		d, e
17a	Lower San Sevaine Basin (2010 RMPU)	2	\$ 22,550,000	\$ 1,466,900	\$ 45,165	\$ 1,512,065	1,221	500	\$ 1,239		d, e
18	CSI Storm Water Basin	3	\$ 900,000	\$ 58,500	\$ 3,012	\$ 61,512	81	0	\$ 756	b	g
18a	CSI Storm Water Basin	3	\$ 440,000	\$ 28,600	\$ 3,012	\$ 31,612	81	0	\$ 388	b	g
19	Wineville Basin (2010 RMPU)	3	\$ 6,280,000	\$ 408,500	\$ 79,824	\$ 488,324	2,157	630	\$ 226	b	
19a	Wineville Basin (2010 RMPU)	3	\$ 4,890,000	\$ 318,100	\$ 79,824	\$ 397,924	2,157	630	\$ 184	b	
20	Jurupa Basin	3	\$ 1,900,000	\$ 123,600	\$ 15,591	\$ 139,191	421	0	\$ 330		
21	RP3 Basin Improvements (2010 RMPU)	3	\$ 22,044,000	\$ 1,434,000	\$ 15,004	\$ 1,449,004	406	0	\$ 3,573		
21a	RP3 Basin Improvements (2010 RMPU)	3	\$ 13,464,000	\$ 875,900	\$ 15,004	\$ 890,904	406	0	\$ 2,197		
22	RP3 Basin Improvements (2013 RMPU)	3	\$ 2,645,000	\$ 172,100	\$ 5,087	\$ 177,187	137	2,905	\$ 1,289		f
22a	RP3 Basin Improvements (2013 RMPU)	3	\$ 1,855,000	\$ 120,700	\$ 5,087	\$ 125,787	137	2,905	\$ 915		f
23	2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin with 2013 Proposed RP3 Improvements	3	\$ 23,324,000	\$ 1,517,300	\$ 311,014	\$ 1,828,314	3,166	3,535	\$ 577		d, e
23a	2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin with 2013 Proposed RP3 Improvements	3	\$ 21,314,000	\$ 1,386,500	\$ 311,014	\$ 1,697,514	3,166	3,535	\$ 536		d, e
24	Vulcan Pit	3	\$ 27,700,000	\$ 1,801,900	\$ 31,701	\$ 1,833,601	857	840	\$ 2,140		d, e, g
25	Sierra	3	\$ 1,000,000	\$ 65,100	\$ 2,362	\$ 67,462	64	0	\$ 1,057		g
25a	Sierra	3	\$ 490,000	\$ 31,900	\$ 2,362	\$ 34,262	64	0	\$ 537		g
26	Sultana Avenue	3	\$ 1,026,200	\$ 66,800	\$ 260	\$ 67,060	7	0	\$ 9,556		g
26a	Sultana Avenue	3	\$ 502,200	\$ 32,700	\$ 260	\$ 32,960	7	0	\$ 4,697		g
27	Declez Basin	3	\$ 4,070,000	\$ 264,800	\$ 8,920	\$ 273,720	241	0	\$ 1,135		
28	Banana Basin (annual cleaning)	3					11	130	\$ 294		
29	Banana Basin (semiannual cleanings)	3					31	155	\$ 495		
30	Declez Basin (annual cleaning)	3					16	178	\$ 409		
31	Declez Basin (semiannual cleanings)	3					47	210	\$ 701		
32	Ely Basin (annual cleaning)	2					44	217	\$ 668		
33	Ely Basin (semiannual cleanings)	2					128	258	\$ 997		
34	Hickory Basin (annual cleaning)	2					7	148	\$ 518		
35	Hickory Basin (semiannual cleanings)	2					20	175	\$ 877		

a) The project includes excavation costs, and the capital cost shown assumes that the project's excavation costs would be reduced by 90%. The material excavated could be used for another construction site or leased to a mining operator.

Key to Water Quality Challenges

b) A water quality challenge has been identified with this project. (See text for a more detailed explanation)

Key to Institutional Challenges

c) An agreement will be required with the property owner to construct and operate stormwater recharge facilities. Other agreements with resource agencies may also be required. The time required to negotiate and approve these agreements could range from one to two years.

d) This basin is not currently included in the Watermaster/IEUA recharge permit. Therefore, the existing permit will need to be amended to include recycled water at this basin. The time required to prepare the Title 22 engineering and regulatory process is about two years.

e) The project includes a recycled water recharge component. The IEUA has discretion as to whether to participate or not in this project.

f) At the July 18, 2013 Steering Committee Meeting, Ryan Shaw (IEUA) indicated that Project IDs 7, 11, and 22a are being recommended to be cost shared. The capital cost shown assumes a 50/50 split of the capital cost per Peace II Agreement Article VIII.

g) The Watermaster will have to submit a Petition for Change with the State Water Resources Control Board for the project because it is not included in the Watermaster's current diversion permits.

**DRAFT Table 8-2c
Ranked Yield Enhancement Projects**

Project ID	Group ¹	Project	Yield	Recycled Water	Storm Water Recharge Unit Cost	Capital Cost	Total Annual Cost
Recommended MZ3 Projects							
18a	i	CSI Storm Water Basin	81	0	\$ 388	\$ 440,000	\$ 31,612
23a	iv	2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin, and 2013 Proposed RP3 Improvements ^{2,3}	3,166	2,905	\$ 497	\$ 19,392,000	\$ 1,261,000
25a	i	Sierra	64	0	\$ 537	\$ 490,000	\$ 34,262
Total MZ3			3,311	2,905	\$ 495	\$ 20,322,000	\$ 1,326,875
Recommended MZ2 Projects							
11	i	Victoria Basin ^{2,4}	43	120	\$ 151	\$ 75,600	\$ 6,484
7	ii	San Sevaine Basins ^{2,5}	642	1,911	\$ 217	\$ 1,775,000	\$ 139,256
12	ii	Lower Day Basin (2010 RMPU)	789	0	\$ 242	\$ 2,480,000	\$ 190,482
Total MZ2			1,474	2,031	\$ 228	\$ 4,330,000	\$ 336,222
Recommended MZ1 Projects							
2	i	Montclair Basins	248	0	\$ 415	\$ 1,440,000	\$ 102,876
Total MZ1			248	0	\$ 415	\$ 1,440,000	\$ 102,876
Total Recommended Projects			5,033	4,936	\$ 413	\$ 26,092,000	\$ 1,765,973
Other Projects							
19a	iii	Wineville Basin (2010 RMPU)	2,157	0	\$ 184	\$ 4,890,000	\$ 397,924
20	iii	Jurupa Basin	421	0	\$ 330	\$ 1,900,000	\$ 139,191
8	ii	San Sevaine Basins	345	0	\$ 530	\$ 2,620,000	\$ 183,181
13	ii	Lower Day Basin	75	0	\$ 554	\$ 600,000	\$ 41,791
22a	ii, iii	RP3 Basin Improvements (2013 RMPU)	137	0	\$ 915	\$ 1,855,000	\$ 125,787
21a	ii	RP3 Basin Improvements (2010 RMPU)	406	0	\$ 2,197	\$ 13,464,000	\$ 890,904

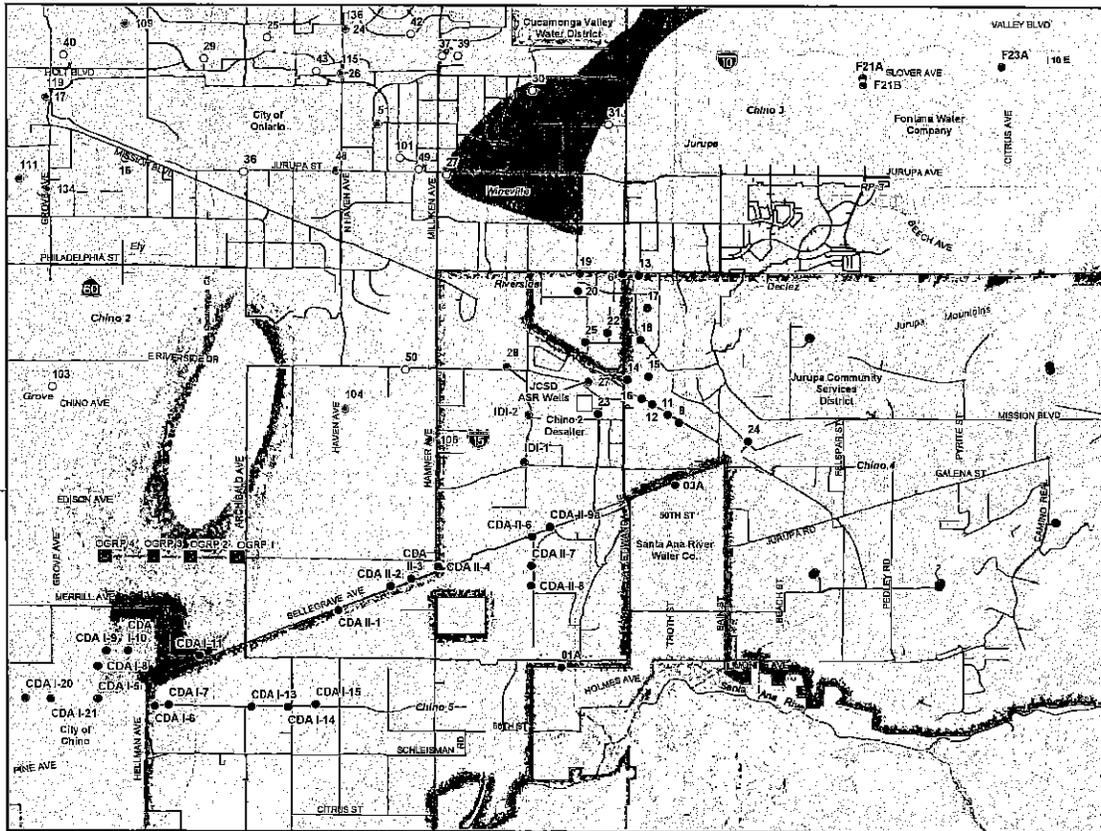
Note - color shading within each MZ indicates mutually exclusive projects.

- The project group column was created to determine the total yield from different combinations of projects. The group was determined as follows: i- the project can be standalone; ii- the project is mutually exclusive; iii- the project can be standalone but is also included in a multi-project scenario; and iv- the project includes the "iii" group.
 - At the July 18, 2013 Steering Committee Meeting, Ryan Shaw (IEUA) indicated that Project IDs 7, 11, and 22a are being recommended to be cost shared and the capital cost shown assumes a 50/50 split of the capital cost per Peace II Agreement Article VIII.
 - PID 23a includes PID 19a, 20, and 22a and associated conveyance facilities. The total capital cost represents an IEUA capital cost share for only PID 22a. The capital costs associated with PIDs 19a and 20 and the associated conveyance facilities were not cost shared. The recycled water recharge shown represents the increase in PID 22a. The recycled water recharge associated with PID 19a was not included because the project was not recommended to be cost shared by IEUA. The total capital cost of PID 23a is about \$17,440,000.
 - The total capital cost for PID 11 is about \$150,000.
 - The total capital cost for PID 12 is about \$3,550,000.
- a- The project includes excavation costs, and the capital cost shown assumes that the project's excavation costs would be reduced by 90%. The material excavated could be used for another construction site or leased to a mining operator.

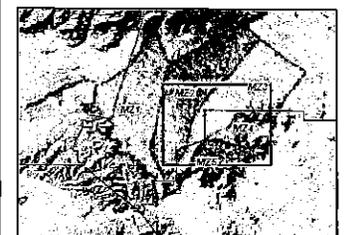
**DRAFT Table 6-3
Ranked Yield Enhancement Projects with Capital Cost Breakdown and Amortization Cost**

Project ID	Group	Project	Yield	Recycled Water	Storm Water Recharge Unit Cost	Direct Construction Cost	Engineering and Admin Costs	Total Capital Cost	Annual Amortization Cost		Annual Costs for Pay-As-You-Go for All Soft Costs													
									Finance All Costs	Finance Construction Costs Only	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021							
Recommended M23 Projects																								
18a	I	CSI Storm Water Basin	81	0	\$ 888	\$ 251,000	\$ 150,000	\$ 441,000	\$ 29,000	\$ 19,000														
23a	iv	2013 RMPU Proposed Winville PS to Jurupa, Expanded Jurupa PS to RPS Basin, and 2013 Proposed RPS Improvements	3,166	2,905	\$ 497	\$ 17,519,000	\$ 1,879,000	\$ 19,392,000	\$ 1,261,000	\$ 1,139,000														
25a	I	Sierra	64	0	\$ 537	\$ 323,000	\$ 167,000	\$ 490,000	\$ 32,000	\$ 21,000														
Total M23			3,311	2,905	\$ 495			\$ 490,000	\$ 1,322,000	\$ 1,179,000														
Recommended M22 Projects																								
11	I	Victoria Basin	43	120	\$ 151	\$ 65,000	\$ 9,750	\$ 74,750	\$ 5,000	\$ 4,000														
7	ii	San Sevaline Basins	642	1,911	\$ 217	\$ 1,814,000	\$ 161,500	\$ 1,775,500	\$ 115,000	\$ 105,000														
12	ii	Lower Day Basin (2010 RMPU)	789	0	\$ 242	\$ 2,136,000	\$ 324,000	\$ 2,482,000	\$ 161,000	\$ 140,000														
Total M22			1,474	2,031	\$ 228				\$ 281,000	\$ 249,000														
Recommended M21 Projects																								
2	I	Montclair Basins	249	0	\$ 415	\$ 1,251,900	\$ 186,000	\$ 1,439,900	\$ 94,000	\$ 102,876														
Total M21			249	0	\$ 415				\$ 94,000	\$ 102,876														
Total Recommended Projects			5,033	4,936	\$ 413	\$ 23,215,900	\$ 2,879,250	\$ 26,095,150	\$ 1,697,000	\$ 1,530,876	\$ 100,000	\$ 300,944	\$ 800,944	\$ 773,775	\$ 773,775	\$ 322,406	\$ 322,406							

\$200,000 CEBA cost as a lump sum. Project-level for the projects listed above and programmatic level for all other unique projects in Table 6-3.
 \$100,000 Waterworks cost to negotiate implementation agreements, legal costs and staff time
 15% Preliminary engineering as a fraction of E&A
 60% Final design as a fraction of E&A
 25% O&M as a fraction of E&A



- Water Supply Infrastructure**
- City of Ontario Potable Water Mainlines
 - JCSD Potable Water Mainlines
 - FWC Potable Water Mainlines
 - CDA Desalter I Product Water Pipeline
 - CDA Desalter II Raw Water Pipeline
 - JCSD Storage Reservoir
 - OGRP Well
 - OGRP Conveyance Pipelines
- Archibald South VOC Concentration (ug/L)**
- > 0 and ≤ 5
 - > 5 and ≤ 10
 - > 10 and ≤ 20
 - > 20 and ≤ 50
 - > 50 and ≤ 100
- Production Wells**
- Chino Desalter Authority
 - City of Ontario
 - Fondara Water Company
 - Jurupa Community Services District
 - Other Appropriators
- Other Features**
- Flood Control and Conservation Basins
- Note:** A black dot and gray label indicates that the well is not currently active but will be in the future or is a planned well.



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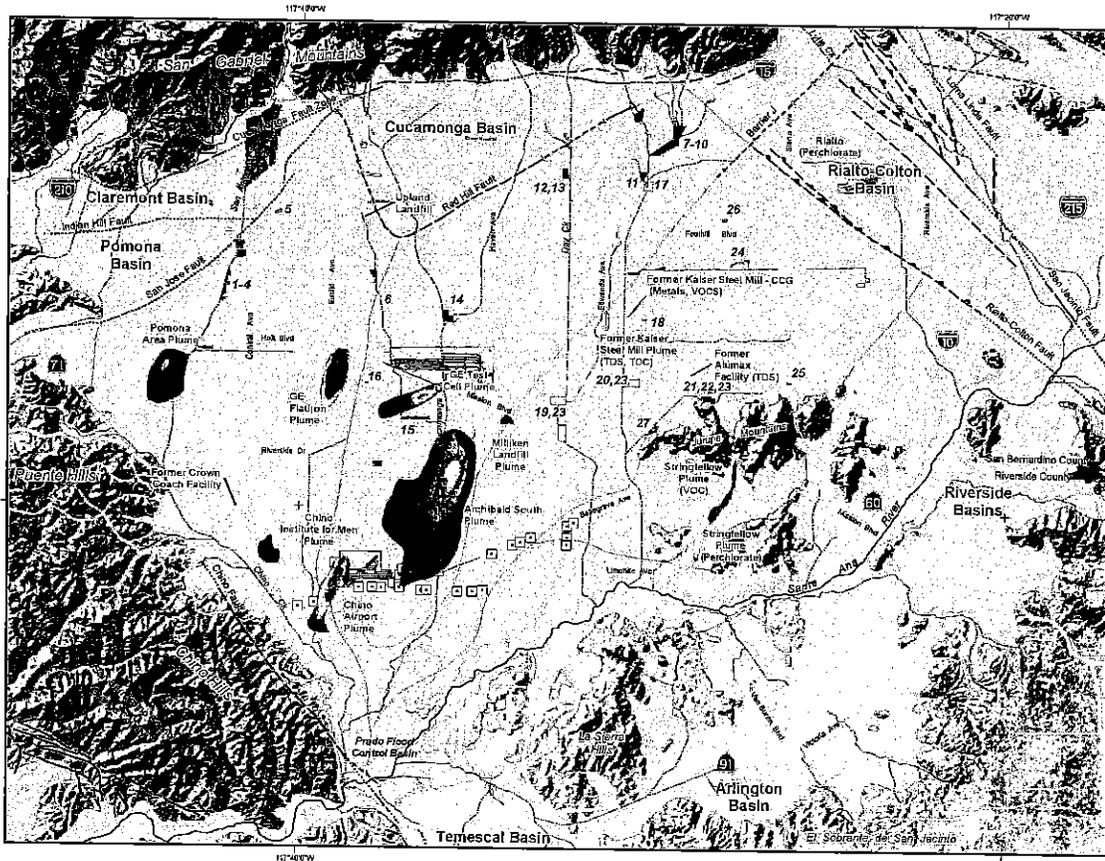


DRAFT



In-Lieu Recharge/Exchange Project Configurations
 Submitted by Steering Committee Members

Figure 8-1



VOC Concentration (ug/L)

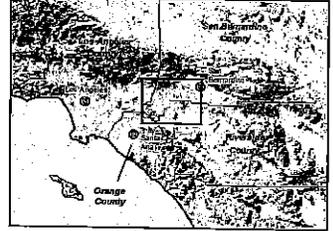
- > 0 and ≤ 5
- > 5 and ≤ 10
- > 10 and ≤ 20
- > 20 and ≤ 50
- > 50 and ≤ 100
- > 100 and ≤ 200
- > 200 and ≤ 500
- > 500

The VOC plumes shown on this map are generalized illustrations of the estimated spatial extent of the estimated maximum concentration of TCE or PCE, based on maximum concentration measured over the 5-year period of August 2007 to July 2012. Interpretations of plume extent and boundary delineation were made based on measured concentrations and local groundwater flow patterns.

Other plumes (labeled by name and dominant contaminant)

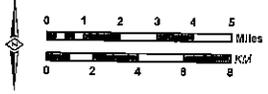
Yield Enhancement Project (Project ID is for locational reference from Table B-2a)

- OBMP Management Zones
- Chino Desalter Well
- Streams & Flood Control Channels
- Flood Control & Conservation Basins
- Geology**
- Water-Bearing Sediments
 - Quaternary Alluvium
- Consolidated Bedrock
 - Undifferentiated Pre-Tertiary to Early Pleistocene Igneous, Metamorphic, and Sedimentary Rocks
- Faults**
 - Location Certain
 - Location Approximate
 - Location Conspicuous
 - Location Uncertain
 - Approximate Location of Groundwater Barrier



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2013 Amendment to the 2010 RMPU

Delineation of Groundwater Contamination Plumes and Point-Sources of Concern in Relation to the Yield Enhancement Projects

Figure 8-2

CHINO BASIN WATERMASTER

II. BUSINESS ITEM

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Budget Transfer Forms (T-13-06-01 and T-13-06-02)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Recommend Advisory Committee approval
Non-Agricultural Pool: August 8, 2013; Recommend Advisory Committee approval
Agricultural Pool: August 8, 2013; Recommend Advisory Committee approval
Advisory Committee: August 15, 2013; Approval
Watermaster Board: August 22, 2013; Adoption (Advisory Committee approval required)

ACTIONS:

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

BACKGROUND

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

BUDGET TRANSFERS:

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

The Chino Basin Watermaster budget has four main budget categories:

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

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

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

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

DISCUSSION

FY 2012/2013 Original and Amended Budget

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

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

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

Budget Transfer Form T-13-06-01

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

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

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

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

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

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

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

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

Budget Transfer Form T-13-06-02

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

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

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

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

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

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

ATTACHMENTS

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



CHINO BASIN WATERMASTER
BUDGET TRANSFERS

ATTACHMENT #T-13-06-01

To: All Parties

T-13-06-01

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

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

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

<p>Transfer Procedure</p> <ol style="list-style-type: none"> Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system. A log will be maintained by the CFO detailing the transfer. A fiscal year file will also be kept to hold all budget amendment forms for auditor review. 	<p>Finance Use Only</p> <p>Date Board Approved _____</p> <p>Finance Log # _____</p> <p>Date Posted _____</p> <p>Posted By _____</p> <p>Approved by _____</p> <p>Date approved _____</p>
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CHINO BASIN WATERMASTER
BUDGET TRANSFERS

ATTACHMENT #T-13-06-02

To: All Parties

T-13-06-02

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

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

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

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

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Prado Basin Habitat Sustainability Program Cost-Sharing Agreement Amendment

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: August 8, 2013; Recommend Advisory Committee approval
Non-Agricultural Pool: August 8, 2013; Recommend Advisory Committee approval
Agricultural Pool: August 8, 2013; Recommend Advisory Committee approval
Advisory Committee: August 15, 2013; Approval
Watermaster Board: August 22, 2013; Adoption (Advisory Committee approval required)

ACTIONS:

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

BACKGROUND

The Peace II Subsequent Environmental Impact Report (SEIR) was completed and adopted by the IEUA Board on October 6, 2010. Mitigation Measure 4.4-3, from the Peace II SEIR (attached), requires that a Prado Basin Habitat Sustainability Committee and Program be developed. Watermaster, IEUA, and OCWD staff have been working together to develop a program that will meet the requirements of the mitigation measure. Under this Program, Watermaster and IEUA are committed to perform the following tasks:

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

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

DISCUSSION

The cost estimate of Task 2 has increased costs due to a change in the consultant performing the task. Initially, Tom Dodson & Associates (TDA) was to perform the task because of his background knowledge on the Peace II Agreement, however due to a potential conflict of interest for TDA a formal RFP was issued resulting in the hiring of RBF Consulting.

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

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

IEUA applied for grant funding to offset the costs of this Program. Applications were submitted to the Santa Ana Watershed Project Authority (SAWPA) under their OWOW 2.0 Prop 84 funding, the United States Bureau of Reclamation (USBR) under their WaterSmart funding program, and the Department of Water Resources (DWR) under their Local Groundwater Assistance funding program. Unfortunately, IEUA was not awarded any grant funding from any of the three funding agencies.

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

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

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

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

ATTACHMENTS

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

Peace II Subsequent EIR – Mitigation Measure 4.4-3

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

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

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

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

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

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

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

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

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

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

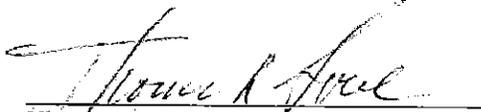
NOW THEREFORE IT IS AGREED THAT:

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

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

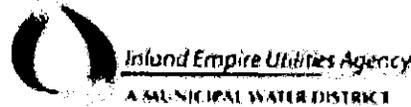
- a) IEUA shall retain a qualified consultant to develop the Prado Basin Habitat Sustainability Adaptive Management Plan, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
 - b) Watermaster shall retain Wildermuth Environmental, Inc. (WEI) to perform project management tasks related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

Inland Empire Utilities Agency


Thomas A. Love
General Manager

Chino Basin Watermaster


Peter Kavounas
General Manager



AMENDMENT NUMBER: 4600001511-001

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

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

REVISE SECTION 3, TO READ AS FOLLOWS:

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

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

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

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

INLAND EMPIRE UTILITIES AGENCY:

CHINO BASIN WATERMASTER:

P. Joseph Grindstaff
General Manager

(Date)

Peter Kavounas
General Manager

(Date)

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

- E. 2007 SUNDING REPORT UPDATE
(APPROPRIATIVE POOL ONLY)**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: 2007 Sunding Report Update

SUMMARY

Issue: Authorize Proceeding with the Update of the Sunding Report.

Recommendation: Authorize Watermaster staff to proceed with the update of the 2007 Sunding report .

Financial Impact: The estimated cost to update the Sunding Report has been revised to \$60,000. The previous estimate of \$50,000 is included in the Approved Revised FY 2013-2014 Watermaster Budget of \$6,724,736. The expense will be borne by the Appropriative Pool members only.

Future Consideration

Appropriative Pool: August 8, 2013 Approval
Non-Agricultural Pool: August 8, 2013 Information only
Agricultural Pool: August 8, 2013 Information only
Advisory Committee: August 15, 2013 Information only
Watermaster Board: August 22 Information only

ACTIONS:

Date – Appropriative Pool –

BACKGROUND

The Appropriative Pool requested that the scope of the study is reviewed and approved by the Appropriative Pool before Watermaster proceeds with the study.

DISCUSSION

The Appropriative Pool held a special meeting on July 18, 2013 to discuss the scope of work and understand the deliverables of the effort. Dr. Sunding participated via conference call and answered questions. The Appropriative Pool asked Dr. Sunding to revise the scope of work, and that is shown as Attachment 1. Dr. Sunding has also revised the cost of the work to reflect the additional scope, from \$50,000 to \$60,000. The current Revised FY 2013/2014 budget of \$6,724,736 includes the previous estimate of \$50,000 and will need to be amended.

The estimated cost per Appropriative Pool member (based upon the formula of 50% production and 50% operating safe yield) is provided below. Please note that since the 2012-2013 production data is not currently available, Watermaster Staff used the 2011-2012 production data to provide an estimated calculation as follows:

ATTACHMENT A

Appropriative Pool "Update of Sunding Report" Expenses \$60,000

Note: Production Data based upon 2011-2012 actuals since 2012-2013 actuals are not available

PRODUCER	Assigned Share of Operating Safe Yield	2011-2012 Actual Production	2011-2012 Production & Exchanges	"Averaged" Production & Exchanges	\$ 60,000.00 Based On OSY	\$ 60,000.00 Based On "Averaged"	\$ 60,000.00 50% OSY & 50% "Averaged"
Arrowhead Mountain Spring Water	-	369	369	369	\$ -	\$ 279.07	\$ 139.54
Chino, City of	4,034	-	-	-	\$ 4,413.89	\$ -	\$ 2,206.95
Chino Hills, City of	2,111	3,401	3,401	3,401	\$ 2,310.34	\$ 2,572.01	\$ 2,441.18
Cucamonga Valley Water District	3,519	14,949	14,949	14,949	\$ 3,950.45	\$ 11,304.45	\$ 7,632.45
Desalter Authority	-	-	-	-	\$ -	\$ -	\$ -
Fontana Union Water Company	6,392	-	-	-	\$ 6,993.91	\$ -	\$ 3,496.96
Fontana Water Company	1	5,694	5,694	5,694	\$ 1.09	\$ 4,306.25	\$ 2,153.67
Golden State Water Co	411	746	746	746	\$ 150.24	\$ 563.94	\$ 507.09
Inland Empire Utilities Agency	-	-	-	-	\$ -	\$ -	\$ -
Juana Community Services District	2,061	15,917	15,917	15,917	\$ 2,355.30	\$ 12,036.55	\$ 7,145.92
Los Serranos Country Club	-	-	-	-	\$ -	\$ -	\$ -
Marygold Mutual Water Company	655	1,175	1,175	1,175	\$ 717.06	\$ 888.52	\$ 802.79
Metropolitan Water Dist of So Cal	-	-	-	-	\$ -	\$ -	\$ -
Monte Vista Irrigation Company	677	-	-	-	\$ 740.52	\$ -	\$ 370.26
Monte Vista Water District	4,824	9,912	9,912	9,912	\$ 5,278.43	\$ 7,495.34	\$ 6,398.68
Niagara Bottling Company, LLC	-	1,349	1,349	1,349	\$ -	\$ 1,020.26	\$ 510.13
Nicholson Trust	-	-	-	-	\$ 4.38	\$ -	\$ 2.19
Norco, City of	202	-	-	-	\$ 220.53	\$ -	\$ 110.27
Ontario, City of	11,374	13,698	13,698	13,698	\$ 12,445.36	\$ 10,358.95	\$ 11,402.16
Pomona, City of	11,216	11,420	11,420	11,420	\$ 12,272.62	\$ 8,636.10	\$ 10,454.31
Santa Ana River Water Company	1,301	-	-	-	\$ 1,423.98	\$ -	\$ 711.99
San Antonio Water Company	1,507	172	172	172	\$ 1,648.65	\$ 130.35	\$ 659.60
San Bernardino County (Shooting Park)	-	15	15	15	\$ -	\$ 11.18	\$ 5.59
Upland, City of	2,852	625	625	625	\$ 3,121.13	\$ 397.03	\$ 1,759.08
West End Consolidated Water Company	648	-	-	-	\$ 1,037.00	\$ -	\$ 518.50
West Valley Water District	644	-	-	-	\$ 705.02	\$ -	\$ 352.51
TOTAL PRODUCTION AND EXCHANGES	54,834	79,343	79,343	79,343	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00

ESTIMATED

An approval from the Appropriative Pool is required for Watermaster Staff to proceed with the Update of Sunding Report.

ATTACHMENTS

1. Revised Scope and Budget to Update the Sunding Report from The Brattle Group

The Brattle Group

CAMBRIDGE

NEW YORK

SAN FRANCISCO

WASHINGTON

LONDON

MADRID

ROME

Via Electronic Mail

August 2, 2013

Brad Herrema
Brownstein Hyatt Farber Schreck
21 East Carrillo Street
Santa Barbara, CA 93010

Brad:

I am writing to propose a scope of work and budget to expand and update my previous study of the Peace II Agreement. As you know, events of the past several years have called into question important assumptions underlying my 2007 estimation of agency-level benefits. This study would update my benefits assessment using somewhat different assumptions regarding MWD water rates, long-range demands, recycled water development, and other factors. I would also incorporate five additional agencies into the study, expanding beyond the ten agencies included in my last analysis.

The proposed analysis will calculate the net returns from the program elements encompassed by the Peace II Agreement (including the Amendments). I will analyze impacts to the members of the Appropriative Pool holding groundwater rights in the Chino Basin over the time period 2013 to 2030. I will summarize the net benefits of hydraulic control in the Basin, as well as the distribution of net benefits across individual agencies. The analysis will compare outcomes under provisions of the Peace II Agreement relative to two alternative baselines: conditions under the original peace agreement (Peace I) and under baseline conditions defined by the Judgment.

The benefit of hydraulic control to each agency depends on the composition of water use and the ability to replace imported water units (Tier 1 and Tier 2 water) with less expensive sources in the water portfolio by utilizing recharge capacity of the Basin. Policies that increase recharge capacity of the Basin alter the net benefits received by an individual water agency according to: (i) the share of cost allocated to the agency under the relevant cost-sharing rule; and (ii) the ability to augment water supplies with stormwater, storage and recovery, recycled water replenishment, and water exchanges between agencies in the transfer market that can displace imported water on the margin.

August 2, 2013

Page 2

I will apply current 2013 water rates charges by MWD for different classifications of imported water, updated IEUA projections for recycled water rates, the price of desalter water for urban supply, recharge assessments and appropriative pool assessments to calculate net benefits to each agency in meeting residual water demand. Residual water demand for each agency will be calculated in an economic framework based on agency-level demand for Basin water based on data provided in the relevant 2010 Urban Water Management Plans (UWMP) net of available supplies of surface water and other groundwater sources available to each agency. I will consider the effects of voluntary agreements wherein providers serve recycled water in exchange for a reduction in agricultural pumping. Residual demand for each agency is met through purchases of imported water and augmented water supplies through stormwater, storage and recovery, recycled water replenishment, and inter-agency water transfers. Under each scenario (original Judgment, Peace I and Peace II), the projected cost of the water portfolio to each agency will be calculated according to the program elements embodied in each scenario, and the change in water portfolio cost (inclusive of appropriative pool assessments) to each agency relative to baseline conditions.

I anticipate that the work described in this proposal can be completed by September 30, 2013 at a cost of \$60,000. The final product of the study will be a written report delivered to counsel. I will also be available to make an oral presentation to the agencies and Watermaster staff.

I look forward to working with you on this interesting project. Please let me know if you have any questions.

Best,



David Sunding
Professor, UC Berkeley
Principal, *The Brattle Group*

CHINO BASIN WATERMASTER

II. BUSINESS ITEM

- F. POLICY FOR COST AND BENEFIT
ALLOCATION OF YIELD ENHANCING
PROJECTS (POST CBFIP)
(APPROPRIATIVE POOL ONLY)
- E. POLICY FOR COST AND BENEFIT
ALLOCATION OF YIELD ENHANCING
PROJECTS (POST CBFIP)
(NON-AGRICULTURAL POOL ONLY)



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 8, 2013
TO: Pool Committee Members
SUBJECT: Policy for Cost and Benefit Allocation of Yield Enhancing Projects (post CBFIP)

SUMMARY

Issue: During the development of the Recharge Master Plan Update Amendment, discussion has taken place around potentially financing additional yield enhancing projects including projects identified in the RMPU, as well as other opportunities that may arise as a result of compliance with MS4 permit requirements. At the Steering Committee meetings some parties have expressed a desire to consider a different allocation of cost and benefit of such projects than that which applies to the CBFIP projects.

Recommendation: Consider whether the current method of allocating cost and benefit of stormwater capture projects should remain unchanged, or if a different methodology should be developed. If it is desired to develop a different methodology, identify a process by which the Pool would like to proceed.

Financial Impact: None at this time

Future Consideration

Appropriative Pool: August 8, 2013 Discussion
Non-Agricultural Pool: August 8, 2013 Discussion
Agricultural Pool: August 8, 2013 Discussion
Advisory Committee: August 15, 2013 Discussion

ACTIONS:

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

BACKGROUND

The 2013 Amendment of the 2010 Recharge Master Plan Update contemplates some projects that would capture additional stormwater beyond that generated by the improvements made pursuant to the Chino Basin Facilities Improvement Program (CBFIP). Additionally, land use planning agencies are moving toward compliance with MS4 permit requirements, and are looking at opportunities to create additional stormwater recharge beyond that required for permit compliance.

DISCUSSION

The Judgment and subsequent orders allocated firm rights to the overlying pools, and allowed the appropriators the flexibility to increase their individual yield based on various mechanisms including contributions to yield enhancement.

The CBFIP was funded by Appropriative Pool parties on the basis of their portion of the Operating Safe Yield. The resulting yield of these projects is allocated to the parties on the same basis.

At this time stormwater recharge that happens as a result of permit compliance (e.g. MS4 permits) is incorporated in safe yield, and as such it becomes part of the water appropriators are allowed to produce, in proportion to their portion of Operating Safe Yield. This is not an actual calculation, rather an implicit occurrence. Section 5 of the 2013 RMPU Amendment considered various methods of quantifying this source of recharge and concluded that it is not a straight-forward task: actual recharge is not measured by individual projects, and it is unlikely that the yield can be maintained in future years.

Land use planning agencies are co-permittees with the County of San Bernardino on the MS4 permit and make developers include stormwater control measures to gain compliance. These land-use planning agencies on occasion may have a project of their own in addition to those they permit. Not all land-use planning agencies hold a portion of the Operating Safe Yield, or are parties to the Judgment. Finally, private parties, some members of the Non-Ag Pool and others, may have the opportunity to fund stormwater recharge projects.

Various Parties have indicated a desire to consider how to allocate the cost and benefit of future stormwater recharge projects. The matter was also raised by parties during the Refresh, Recharge, and Reunite event, among other key topics like storage agreements, safe yield recalculation, desalter obligation, hydraulic control, and economics of recycled water replenishment, to name a few. Watermaster will bring that list to the Pools in September to help set overall priorities, after sharing with the Watermaster Board in Closed Session in August.

Watermaster staff is available as necessary to facilitate discussion to move the matter of cost and benefit allocation of yield enhancing projects forward, and ultimately make a recommendation to the Advisory Committee.

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for July 2013

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/02/2013	17035	ARROWHEAD MOUNTAIN SPRING WATER		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	0023230253		Office Water Bottle - June 2013	6031.7 · Other Office Supplies	92.70
TOTAL						
Bill Pmt -Check	07/02/2013	17036	BROWNSTEIN HYATT FARBBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2013	537453			6078.20 · Approp. Pool Issue Resolution	2,084.85
Bill	05/31/2013	537454			6072 · BHFS Legal - Annotated Judgment	2,632.50
Bill	05/31/2013	537455			6078.11 · Safe Yield Recalculation	4,072.05
Bill	05/31/2013	537456			6907.39 · Recharge Master Plan	1,701.90
Bill	05/31/2013	537457			6071 · BHFS Legal - Court Coordination	137.25
Bill	05/31/2013	537458			8575 · BHFS Legal - Non-Ag Pool	1,564.65
Bill	05/31/2013	537459			8475 · BHFS Legal - Agricultural Pool	2,145.15
Bill	05/31/2013	537460			8375 · BHFS Legal - Appropriative Pool	2,031.30
Bill	05/31/2013	537461			6375 · BHFS Legal - Board Meeting	5,726.70
Bill	05/31/2013	537462			6275 · BHFS Legal - Advisory Committee	494.10
Bill	05/31/2013	537463			6907.33 · Desalter/Hydraulic Control	2,096.77
Bill	05/31/2013	537464			6907.32 · Chino Airport Plume	32,763.15
Bill	05/31/2013	537465			6073 · BHFS Legal - Personnel Matters	3,702.15
Bill	05/31/2013	537466			6078 · BHFS Legal - Miscellaneous	4,739.30
					Travel	120.51
					Travel	120.51
					Travel	120.50
					Travel	138.82
					Travel	108.34
					Travel	163.85
TOTAL						
Bill Pmt -Check	07/02/2013	0702/2013	CALPERS 457 PLAN	Payroll and Taxes for 06/09/13-06/22/13	1012 · Bank of America Gen'l Ckg	
General Journal	06/28/2013	13/06/06	CALPERS 457 PLAN	457 Employee deductions for 06/09/13-06/22/13	2000 · Accounts Payable	3,023.36
TOTAL						
Bill Pmt -Check	07/02/2013	17038	CDM SMITH		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2013	80462538		Project #2027-99188	8471 · Ag Pool Expense	40,525.00
TOTAL						
Bill Pmt -Check	07/02/2013	17039	CHEF DAVE'S CAFE & CATERING		1012 · Bank of America Gen'l Ckg	
Bill	06/27/2013	3773		Lunch for 6/27/2013 Board Meeting	6312 · Meeting Expenses	431.90
TOTAL						

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/02/2013	17040	DEPARTMENT OF CONSUMER AFFAIRS	61463	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	61463		Renew Civil Engineer Certificate for D. Maurizio	6111 - Membership Dues	115.00
TOTAL						115.00
Bill Pmt -Check	07/02/2013	17041	DGO AUTO DETAILING	Wash 4 trucks on 6/05/13 and 6/19/13	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013				6177 - Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill Pmt -Check	07/02/2013	17042	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	019447404		6/19/13 -7/18/13	6031.7 - Other Office Supplies	94.99
TOTAL						94.99
Bill Pmt -Check	07/02/2013	17043	HOGAN LOVELLS	2743325	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	2743325		Non-Ag Legal Services - June 2013	8567 - Non-Ag Legal Service	2,482.85
TOTAL						2,482.85
Bill Pmt -Check	07/02/2013	17044	PARK PLACE COMPUTER SOLUTIONS, INC.	476	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	476		IT Consulting Services - June 2013	6052.1 - Park Place Comp Solutn	2,550.00
TOTAL						2,550.00
Bill Pmt -Check	07/02/2013	17045	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	06/28/2013	13/06/05		CalPERS Retirement for 06/09/13-06/22/13	2000 - Accounts Payable	6,325.64
TOTAL						6,325.64
Bill Pmt -Check	07/02/2013	17046	SOFTCHOICE	3879779	1012 - Bank of America Gen'l Ckg	
Bill	06/25/2013	3879779		Annual software licensing	6054 - Computer Software	2,736.01
TOTAL						2,736.01
Bill Pmt -Check	07/02/2013	17047	SPAM SOAP, INC	S86836	1012 - Bank of America Gen'l Ckg	
Bill	07/06/2013	S86836		Semi-annual billing	6054 - Computer Software	216.00
TOTAL						216.00
Bill Pmt -Check	07/02/2013	17048	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	00649299-0009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	430.37
TOTAL						430.37
Bill Pmt -Check	07/02/2013	17049	TELECOM SERVICES	5756	1012 - Bank of America Gen'l Ckg	
Bill	06/25/2013	5756		Program voicemail greeting/activate mailbox	6022 - Telephone	150.00
TOTAL						150.00

TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/02/2013	17050	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	20209		Week ending 6/23/13	6017 - Temporary Services	824.00
				Week ending 6/23/13	6017 - Temporary Services	1,811.20
				Week ending 6/23/13	6017 - Temporary Services	352.80
				Week ending 6/16/13	6017 - Temporary Services	824.00
				Week ending 6/16/13	6017 - Temporary Services	1,811.20
				Week ending 6/16/13	6017 - Temporary Services	285.60
TOTAL						5,908.80
Bill Pmt -Check	07/02/2013	17051	UNITED HEALTHCARE	0031827290	1012 - Bank of America Gen'l Ckg	
Bill	07/01/2013	0031827290		Dental premium - August 2013	60182.2 - Dental & Vision Ins	481.05
TOTAL						481.05
Bill Pmt -Check	07/02/2013	17052	VERIZON	012561121521714508	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	012561121521714508		012561121521714508	7405 - PE4-Other Expense	183.88
TOTAL						183.88
Bill Pmt -Check	07/02/2013	17053	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	001017890001		Vision premium - July 2013	60182.2 - Dental & Vision Ins	55.05
General Journal	07/06/2013	07/06/2013	Payroll and Taxes for 06/23/13-07/06/13	Payroll and Taxes for 06/23/13-07/06/13	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 06/23/13-07/06/13	1012 - Bank of America Gen'l Ckg	18,939.88
				Payroll Taxes for 06/23/13-07/06/13	1012 - Bank of America Gen'l Ckg	6,540.87
TOTAL						25,480.75
Bill Pmt -Check	07/11/2013	17054	ACWA JOINT POWERS INSURANCE AUTHORITY	00198	1012 - Bank of America Gen'l Ckg	
Bill	07/01/2013	00198		Prepayment - August	1409 - Prepaid Life, BAD&D & LTD	75.39
				July 2013	60191 - Life & Disab. Ins Benefits	92.89
TOTAL						168.08
Bill Pmt -Check	07/11/2013	17055	APPLIED COMPUTER TECHNOLOGIES	2117	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2013	2117		Database Consulting - June 2013	6052.2 - Applied Computer Technol	3,057.80
TOTAL						3,057.80
Bill Pmt -Check	07/11/2013	17056	COMPUTER NETWORK	87932	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2013	87932		Justin's replacement monitors	6055 - Computer Hardware	407.60
TOTAL						407.60
Bill Pmt -Check	07/11/2013	17057	GREAT AMERICA LEASING CORP.	13907111	1012 - Bank of America Gen'l Ckg	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	13907111		Invoice	6043.1 · Ricoh Lease Fee	2,795.00
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	252.51
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	381.66
TOTAL						3,429.17
Bill Pmt -Check	07/11/2013	17058	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	739.48
Bill	06/30/2013	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	739.48
TOTAL						0.00
Bill Pmt -Check	07/11/2013	17069	LIATTI & ASSOCIATES	VOID: 485	1012 · Bank of America Gen'l Ckg	0.00
Bill Pmt -Check	07/11/2013	17060	MIJAC ALARM	338162	1012 · Bank of America Gen'l Ckg	147.00
Bill	07/01/2013	338162		Commercial monitoring from 7/01/13-9/30/13	6026 · Security Services	147.00
TOTAL						147.00
Bill Pmt -Check	07/11/2013	17061	PAYCHEX	2013062700	1012 · Bank of America Gen'l Ckg	236.98
Bill	06/30/2013	2013062700		June 2013	6012 · Payroll Services	236.98
TOTAL						236.98
Bill Pmt -Check	07/11/2013	17062	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	5,000.00
Bill	06/30/2013	8000909000168851		Postage machine refill	6042 · Postage - General	234.86
				Ink cartridges for postage machine	6042 · Postage - General	5,234.86
TOTAL						5,234.86
Bill Pmt -Check	07/11/2013	17063	STATE COMPENSATION INSURANCE FUND	1970970-12	1012 · Bank of America Gen'l Ckg	320.88
Bill	07/01/2013	1970970		Deposit premium	60183 · Worker's Comp Insurance	320.88
TOTAL						320.88
Bill Pmt -Check	07/11/2013	17064	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	824.00
Bill	06/30/2013	20218		Week ending 8/30/13	6017 · Temporary Services	824.00
				Week ending 8/30/13	6017 · Temporary Services	1,811.20
				Week ending 8/30/13 - OT	6017 · Temporary Services	16.80
TOTAL						2,652.00
Bill Pmt -Check	07/11/2013	17065	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	230.03
Bill	06/30/2013	300732989		Fuel - June 2013	6175 · Vehicle Fuel	230.03
TOTAL						230.03
Bill Pmt -Check	07/11/2013	17066	VERIZON	012519116950792103	1012 · Bank of America Gen'l Ckg	0.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	012519116950792103		012519116950792103	6022 - Telephone	472.12
TOTAL						472.12
Bill Pmt -Check	07/11/2013	17067	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	106.53
Bill	07/01/2013	08-k2 213849		Service for July 2013	6024 - Building Repair & Maintenance	106.53
TOTAL						213.06
Bill Pmt -Check	07/11/2013	17069	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 - Bank of America Gen'l Ckg	786.42
Bill	07/12/2013	1970970-13		Premium on account 6/28/13-7/28/13	60183 - Worker's Comp Insurance	786.42
TOTAL						1572.84
Bill Pmt -Check	07/11/2013	17069	INLAND EMPIRE UTILITIES AGENCY	90012289	1012 - Bank of America Gen'l Ckg	406,126.50
Bill	07/01/2013	90012289		FY 2013/2014 Debt Service	7690.1 - Recharge Improvement Debt Pymts	406,126.50
TOTAL						406,126.50
Bill Pmt -Check	07/18/2013	17070	HALL, PETE*		1012 - Bank of America Gen'l Ckg	125.00
Bill	06/13/2013	6/13 Appro Pool Mtg		6/13/13 Appropriative Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	06/13/2013	6/13 Ag Pool Mtg		6/13/13 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 DYY Mtg		6/20/13 DYY Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	06/20/2013	6/20 RMPU Mtg		6/20/13 RMPU Steering Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	07/18/2013	17071	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	125.00
Bill	06/07/2013	6/07 Dr. Mathis Mtg		6/07/13 Dr. Mathis Meeting	6311 - Board Member Compensation	125.00
Bill	06/20/2013	6/20 Advisory Comm		6/20/13 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	06/27/2013	6/27 Board Mtg		6/27/13 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	07/18/2013	17072	CALPERS 457 PLAN		1012 - Bank of America Gen'l Ckg	3,269.73
General Journal	07/08/2013	14/07/09	CALPERS 457 PLAN	Payroll and Taxes for 06/23/13-07/06/13	2000 - Accounts Payable	3,269.73
TOTAL						3,269.73
Bill Pmt -Check	07/18/2013	17073	CORELOGIC INFORMATION SOLUTIONS		1012 - Bank of America Gen'l Ckg	62.50
Bill	06/30/2013	80893445		80893445	7103.7 - Grdwtr Qual-Computer Svc	62.50
TOTAL						125.00
Bill Pmt -Check	07/18/2013	17074	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg	125.00
Bill	06/11/2013	6/11 Dr. Mathis Mtg		6/11/13 Dr. Mathis Meeting	6311 - Board Member Compensation	125.00

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

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

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

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/15/2013	1394905143		Medical premiums - August 2013	60182.1 · Medical Insurance	4,282.56
TOTAL						4,282.56
Bill Pmt -Check	07/22/2013	17098	COMPUTER NETWORK	87975	1012 · Bank of America Gen'l Ckg	1,458.00
Bill	07/15/2013	87975		Replacement PC for Justin	6055 · Computer Hardware	1,458.00
TOTAL						1,458.00
Bill Pmt -Check	07/22/2013	17099	CUCAMONGA VALLEY WATER DISTRICT	Lease due August 1, 2013	1012 · Bank of America Gen'l Ckg	6,098.00
Bill	07/16/2013			Lease due August 1, 2013	1422 · Prepaid Rent	6,098.00
TOTAL						6,098.00
Bill Pmt -Check	07/22/2013	17100	PREMIERE GLOBAL SERVICES	14135307	1012 · Bank of America Gen'l Ckg	68.49
Bill	06/30/2013	14135307		CBWM projects review call on 6/04	6909.1 · OBMP Meetings	31.43
				Agenda call on 6/04	8312 · Meeting Expenses	31.43
				Agenda call on 6/04	8412 · Meeting Expenses	31.44
				Agenda call on 6/04	8512 · Meeting Expense	32.64
				Conference call on 6/05	6908.1 · OBMP Meetings	98.97
				RMPU Section 8 status call on 6/11	7204 · Comp Recharge-Supplies	19.09
				Meeting prep call on 6/12	8312 · Meeting Expenses	19.09
				Meeting prep call on 6/12	8412 · Meeting Expenses	19.09
				Meeting prep call on 6/12	8512 · Meeting Expense	120.76
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	1.45
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	7.62
				Non Ag Pool meeting call on 6/13	8512 · Meeting Expense	134.90
				Administrative matters call on 6/14	6141.3 · Admin Meetings	10.86
				Conference call on 6/19	6908.1 · OBMP Meetings	19.95
				Monthly fee	6022 · Telephone	22.47
				Monthly fee	6022 · Telephone	669.68
TOTAL						136.61
Bill Pmt -Check	07/22/2013	17101	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	136.61
Bill	07/31/2013				60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	07/22/2013	17102	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	104.58
Bill	06/30/2013	2x81x0		Package to BHFS	6042 · Postage - General	104.58
TOTAL						104.58
Bill Pmt -Check	07/22/2013	17103	WILDERMUTH ENVIRONMENTAL INC	2013165	1012 · Bank of America Gen'l Ckg	5,831.01
Bill	06/30/2013	2013165			6906 · OBMP Engineering Services	5,831.01

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Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill	06/30/2013	2013166		2013166	6906 · OBMP Engineering Services	3,335.00	
Bill	06/30/2013	2013167		2013167	6906.7 · OBMP - Data Requests	4,921.25	
Bill	06/30/2013	2013168		2013168	6906 · OBMP Engineering Services	658.75	
Bill	06/30/2013	2013169		2013169	6906 · OBMP Engineering Services	6,918.90	
Bill	06/30/2013	2013171		2013171	7104.3 · Grdwtr Level-Engineering	13,900.85	
Bill	06/30/2013	2013172		2013172	7107.61 · Grd Level-Chino Hills ASR	652.50	
Bill	06/30/2013	2013173		2013173	7107.2 · Grd Level-Engineering	8,929.12	
Bill	06/30/2013	2013174	Michael C. Carpenter		7107.6 · Grd Level-Contract Svcs	9,800.00	
Bill	06/30/2013	2013177		2013174	7108.7 · Hydraulic Control - Prado Basin	2,652.41	
Bill	06/30/2013	2013178		2013177	7402 · PE4-Engineering	7,915.00	
Bill	06/30/2013	2013178		2013178	7502 · PE8&7-Engineering	5,052.50	
TOTAL							70,567.29

BROWNSTEIN HYATT FARBBER SCHRECK

Bill Pmt -Check	07/22/2013	17104			1012 · Bank of America Gen'l Ckg		
Bill	06/30/2013	537853		537853	6073 · BHFS Legal - Personnel Matters	1,121.85	
Bill	06/30/2013	537854		537853	6073 · BHFS Legal - Personnel Matters	11,224.80	
Bill	06/30/2013	537856		537854	6907.34 · Santa Ana River Water Rights	411.75	
Bill	06/30/2013	537857		537856	6907.33 · Desalter/Hydraulic Control	7,609.50	
Bill	06/30/2013	537858		537857	6907.36 · Santa Ana River Habitat	465.45	
Bill	06/30/2013	537859		537858	6275 · BHFS Legal - Advisory Committee	1,043.10	
Bill	06/30/2013	537860		537859	6375 · BHFS Legal - Board Meeting	5,833.80	
Bill	06/30/2013	537861		537860	8375 · BHFS Legal - Appropriative Pool	1,857.60	
Bill	06/30/2013	537862		537861	8475 · BHFS Legal - Agricultural Pool	1,997.10	
Bill	06/30/2013	537863		537862	8575 · BHFS Legal - Non-Ag Pool	3,159.58	
Bill	06/30/2013	537864		537863	6071 · BHFS Legal - Court Coordination	3,941.55	
Bill	06/30/2013	537865		537864	6072 · BHFS Legal - Annotated Judgment	9,097.65	
Bill	06/30/2013	537866		537865	6078.20 · Approp. Pool Issue Resolution	1,970.10	
Bill	06/30/2013	537867		537866	6907.39 · Recharge Master Plan	7,866.70	
Bill	06/30/2013	537868		537867	6907.40 · Storage Agreements	2,771.10	
Bill	06/30/2013	537868		537868	6078.11 · Safe Yield Recalculation	3,595.95	
Bill	06/30/2013	538679		538679	6078 · BHFS Legal - Miscellaneous	9,151.20	
Bill	06/30/2013	538679		538679	6375 · BHFS Legal - Board Meeting	120.37	
Bill	06/30/2013	538679		538679	6907.39 · Recharge Master Plan	120.37	
Bill	06/30/2013	538679		538679	6907.39 · Recharge Master Plan	163.85	
Bill	06/30/2013	538679		538679	6078 · BHFS Legal - Miscellaneous	157.07	
Bill	06/30/2013	538679		538679	6275 · BHFS Legal - Advisory Committee	78.54	
Bill	06/30/2013	538679		538679	6907.39 · Recharge Master Plan	78.53	
TOTAL							73,797.51

ARROWHEAD MOUNTAIN SPRING WATER

Bill Pmt -Check	07/29/2013	17105			1012 · Bank of America Gen'l Ckg	
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2013	0023230253		Office Water Bottle - June 2013	6031.7 · Other Office Supplies	65.72
Bill	07/18/2013	0023230253		Office Water Bottle - July 2013	6031.7 · Other Office Supplies	14.93
TOTAL						80.65
Bill Pmt -Check	07/29/2013	17106	CALPERS 457 PLAN	Payroll and Taxes 07/07/13-07/20/13	1012 · Bank of America Gen'l Ckg	3,266.77
General Journal	07/20/2013	14/07/11	CALPERS 457 PLAN	457 Employee deductions for 07/07/13-07/20/13	2000 · Accounts Payable	3,266.77
TOTAL						
Bill Pmt -Check	07/29/2013	17107	COMPUTER NETWORK	86023	1012 · Bank of America Gen'l Ckg	276.20
Bill	07/19/2013	88023		Disk drives and misc. hardware	6055 · Computer Hardware	276.20
TOTAL						
Bill Pmt -Check	07/29/2013	17108	DGO AUTO DETAILING	Wash 4 trucks on 7/05/13 and 7/18/13	1012 · Bank of America Gen'l Ckg	200.00
Bill	07/25/2013				6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						
Bill Pmt -Check	07/29/2013	17109	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	94.99
Bill	07/25/2013	019447404		7/19/13 -8/18/13	6031.7 · Other Office Supplies	94.99
TOTAL						
Bill Pmt -Check	07/29/2013	17110	ESRI	92680081	1012 · Bank of America Gen'l Ckg	2,808.00
Bill	07/29/2013	92680081		ESRI maintenance 8/19/2013-8/18/2014	6054 · Computer Software	2,808.00
TOTAL						
Bill Pmt -Check	07/29/2013	17111	GOLDEN METERS SERVICE	388	1012 · Bank of America Gen'l Ckg	6,300.00
Bill	06/30/2013	388		388	7102.8 · In-line Meter-Callib & Test	6,300.00
TOTAL						
Bill Pmt -Check	07/29/2013	17112	GUARANTEED JANITORIAL SERVICE, INC.	6-29681	1012 · Bank of America Gen'l Ckg	865.00
Bill	07/24/2013	6-29681		July 2013	6024 · Building Repair & Maintenance	865.00
TOTAL						
Bill Pmt -Check	07/29/2013	17113	INLAND EMPIRE UTILITIES AGENCY	1800002227	1012 · Bank of America Gen'l Ckg	49,000.00
Bill	06/30/2013	1800002227		1800002227	7690.2 · Turner Basin. Recharge Imprvmt	49,000.00
TOTAL						
Bill Pmt -Check	07/29/2013	17114	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	6,430.46
General Journal	07/20/2013	14/07/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/07/13-07/20/13	2000 · Accounts Payable	6,430.46
TOTAL						

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2013

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/29/2013	17115	R&D PEST SERVICES	0167738	1012 - Bank of America Gen'l Ckg	85.00
Bill	07/25/2013	0167738		Continuing treatment	6024 - Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	07/29/2013	17116	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	430.37
Bill	07/24/2013	006492990009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	430.37
TOTAL						430.37
Bill Pmt -Check	07/29/2013	17117	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 - Bank of America Gen'l Ckg	786.42
Bill	08/01/2013	1970970-13		Premium on account 7/26/13-8/26/13	60183 - Worker's Comp Insurance	786.42
TOTAL						786.42
Bill Pmt -Check	07/29/2013	17118	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	659.20
Bill	07/21/2013	20298		Week ending 7/21/13	6017 - Temporary Services	659.20
				Week ending 7/21/13	6017 - Temporary Services	1,811.20
				Week ending 7/21/13	6017 - Temporary Services	319.20
TOTAL						2,789.60
Bill Pmt -Check	07/29/2013	17119	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	57.81
Bill	07/18/2013	001017890001		Vision premium - August 2013	60182.2 - Dental & Vision Ins	57.81
TOTAL						57.81
Bill Pmt -Check	07/29/2013	17120	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	659.20
Bill	07/14/2013	20265		Week ending 7/14/13	6017 - Temporary Services	659.20
				Week ending 7/14/13	6017 - Temporary Services	1,811.20
				Week ending 7/14/13	6017 - Temporary Services	266.80
TOTAL						2,739.20
Total Disbursements:						876,802.15