

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, July 24, 2014

11:00 a.m. – Watermaster Board Meeting

LUNCH WILL BE SERVED

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

CHINO BASIN WATERMASTER

Thursday, July 24, 2014

11:00 a.m. – Watermaster Board Meeting

AGENDA

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – July 24, 2014

WITH

Mr. Robert "Bob" Craig – Chair

Mr. Steve Elie – Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Watermaster Board meeting held June 26, 2014 (*Page 1*)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2014 (*Page 5*)
2. Watermaster VISA Check Detail for the month of May 2014 (*Page 19*)
3. Combining Schedule for the Period July 1, 2013 through May 31, 2014 (*Page 22*)
4. Treasurer's Report of Financial Affairs for the Period May 1, 2014 through May 31, 2014 (*Page 26*)
5. Budget vs. Actual Report for the Period July 1, 2013 through May 31, 2014 (*Page 30*)

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer - The purchase of 1,200.000 acre-feet of water from Santa Ana River Water Company by Jurupa Community Services District. This purchase is made from Santa Ana River Water Company's Annual Production Right / Operating Safe Yield first, then any additional from storage. Date of application: March 11, 2014 (*Page 46*)
2. Notice of Sale or Transfer – The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right. Date of application: May 1, 2014 (*Page 56*)

3. Notice of Sale or Transfer – The purchase of 1,000.000 acre-feet of water from San Antonio Water Company by Fontana Water Company. This purchase is made from San Antonio Water Company's storage account. Date of application: May 5, 2014 (*Page 66*)
4. Notice of Sale or Transfer – The permanent transfer of 300.000 acre-feet of Safe Yield from Aqua Capital Management by Ontario City Non-Ag, effective as of the beginning of fiscal year 2014/15. Date of application: June 3, 2014 (*Page 76*)

D. 2013 LAND SUBSIDENCE COMMITTEE ANNUAL REPORT (*Page 88*)

Adopt the 2013 Annual Report of the Land Subsidence Committee, along with filing a copy with the Court.

The draft 2013 Annual Report of the Land Subsidence Committee can be found at the following link:

[http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20\(LSC\)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013 Annual%20Report draft v3 Lsc FINAL.pdf](http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20(LSC)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013%20Annual%20Report%20draft%20v3%20Lsc%20FINAL.pdf)

E. RESOLUTION 2014-04 – NONQUALIFIED DEFERRED COMPENSATION PLAN 457(f)

Adopt Resolution 2014-04 approving a Nonqualified Deferred Compensation Plan 457(f) (*Resolution 2014-04 will be provided separately*) (*Page 90*)

II. BUSINESS ITEMS

A. SAFE YIELD RECALCULATION – PRESENTATION OF MODELING RESULTS (DISCUSSION ONLY)

B. MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (*Page 92*)

Approve Watermaster's entrance into the Master Agreement between Watermaster and Inland Empire Utilities Agency regarding the Management of Collaborative Recharge Projects, subject to non-substantive changes to be made by staff.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Motion for Approval of Watermaster Board Compensation Policy
2. July 11, 2014 Hearing

B. CFO REPORT

None

C. ENGINEER REPORT

None

D. GM REPORT

1. FY 2013/14 Production Information
2. Form 9 Consideration
3. Response to Question on CDA Expansion Requirements
4. City of Fontana's Request to Review Draft EIR on Vulcan Project
5. Other

IV. INFORMATION

1. Cash Disbursements for June 2014 (*Page 103*)

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

7/22/14	Tue	9:00 a.m.	GRCC (at Watermaster)
7/24/14	Thu	11:00 a.m.	Watermaster Board
8/14/14	Thu	9:00 a.m.	Appropriative Pool
8/14/14	Thu	11:00 a.m.	Non-Ag Pool
8/14/14	Thu	1:30 p.m.	Agricultural Pool
8/21/14	Thu	8:00 a.m.	Joint IEUA/CBWM Recharge Improvement Projects (New Time)
8/21/14	Thu	9:00 a.m.	Advisory Committee
8/28/14	Thu	1:30 p.m.	Watermaster Board

ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting held on
June 26, 2014

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

June 26, 2014

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on June 26, 2014.

WATERMASTER BOARD MEMBERS PRESENT

Robert "Bob" Craig, Chair
Steve Elie, Vice-Chair
Bob Kuhn
Charles Field
J. Arnold Rodriguez
Geoffrey Vanden Heuvel
Paul Hofer
Mark Kinsey

Jurupa Community Services District
Inland Empire Utilities Agency
Three Valleys Municipal Water District
Western Municipal Water District
Santa Ana River Water Company
Agricultural Pool – Dairy
Agricultural Pool – Crops
Monte Vista Water District

WATERMASTER BOARD MEMBER ABSENT

Bob Bowcock

Vulcan Materials Company (Calmat Division)

WATERMASTER STAFF PRESENT

Peter Kavounas
Joseph Joswiak
Anna Truong

General Manager
Chief Financial Officer
Recording Secretary

WATERMASTER CONSULTANTS PRESENT

Brad Herrema
Andy Malone

Brownstein Hyatt Farber Schreck, LLP
Wildermuth Environmental, Inc.

OTHERS PRESENT

Todd Corbin
David DeJesus
Ron Craig
Eunice Ulloa
Terry Catlin
Ken Jeske
Bob Feenstra
Larry Dimock
Dave Crosley
Jeff Pierson
Art Kidman
Brian Geye
Scott Burton
Manny Martinez
Marty Zvirbulis

Jurupa Community Services District
Three Valleys Municipal Water District
City of Chino Hills
Chino Basin Water Conservation District
Inland Empire Utilities Agency
California Steel Industries (CSI)
Agricultural Pool – Dairy
State of California, CIM
City of Chino
Agricultural Pool – Crops
Kidman Law, LLP
Auto Club Speedway
City of Ontario
Monte Vista Water District
Cucamonga Valley Water District

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

None

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Watermaster Board meeting held May 22, 2014

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2014
2. Watermaster VISA Check Detail for the month of April 2014
3. Combining Schedule for the Period July 1, 2013 through April 30, 2014
4. Treasurer's Report of Financial Affairs for the Period April 1, 2014 through April 30, 2014
5. Budget vs. Actual Report for the Period July 1, 2013 through April 30, 2014

C. WATER TRANSACTIONS

1. The purchase of 500,000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's storage account. Date of Application: April 16, 2014.
2. The purchase of 4,000,000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's storage account. Date of Application: April 30, 2014.

D. JOSEPH C. SCALMANINI SERVICE RECOGNITION

Adopt Resolution 2014-03 – Resolution Acknowledging the Extraordinary Service of Joseph C. Scalmanini

E. FY 2014/15 PAY SCHEDULE

Approve the FY 2014/15 Pay Schedule

(0:00:51)

Motion by Mr. Bob Kuhn, second by Mr. Charles Field, and carried unanimously

Moved to approve the Consent Calendar as presented

II. BUSINESS ITEMS

A. GM CONTRACT CONSIDERATION

This item was reviewed in Confidential Session; a motion on this item was made during Open Session following the Confidential Session and is summarized later in these minutes.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Non-Agricultural Pool Motion Regarding Non-Agricultural Pool Quorum and Voting
2. Motion for Approval of Watermaster Board Compensation Policy
3. EPA Water Transfer Rule

(0:01:25) Mr. Herrema gave a report and a discussion ensued.

(0:03:05) Mr. Elie joined the meeting.

B. CFO REPORT

None

C. ENGINEER REPORT

1. Draft 2013 Land Subsidence Committee Annual Report

(0:07:44) Mr. Andy Malone of Wildermuth Environmental, Inc. (WEI) gave a presentation and a discussion ensued.

D. GM REPORT

1. Safe Yield Recalculation
2. RMPU Amendment Implementation Status
3. Voluntary Agreements
4. Update on Groundwater Legislation
5. Other

(0:32:44) Mr. Kavounas gave an update on the Safe Yield Recalculation process indicating that staff plans to respond to the recommendations made by the Appropriative Pool (in their April 2014 letter) at the July 2014 Appropriative Pool meeting. Results of the model will also be given at that time. Mr. Kavounas gave a report on the remaining items on the GM Report. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for May, 2014
2. Update on South Archibald and Chino Airport Plumes

V. BOARD MEMBER COMMENTS

(0:52:51) Mr. Kinsey commented on the Pay Schedule and asked that a salary survey be done. Mr. Kavounas replied that the same request was made by the Personnel Committee, and the Pay Schedule adopted by the Board today reflects that information. Staff will provide Mr. Kinsey, and any other interested person, a copy.

(0:54:24) Mr. Vanden Heuvel commented on the Peace Agreement and the allocation of the 400,000 acre-feet of overdraft, and requested a follow-up discussion at a future Board meeting. A discussion ensued.

(0:59:25) Mr. Hofer commented on the two items on the agenda, the EPA Water Transfer Rule as well as the Update on Groundwater Legislation. A discussion ensued.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Craig called for a closed session at 12:05 p.m. to discuss the following:

- 1. GM Contract Consideration

Closed session concluded at 12:23 p.m. with no reportable action.

(1:06:00) Agenda Item II.A

Motion by Mr. Steve Elie, second by Mr. Bob Bowcock, and by unanimous vote

Moved to approve the General Manager's three-year contract extension effective July 1, 2014 under following terms as summarized by Legal Counsel: three year extension effective 7/1/14; scope of duties continue and remain the same; base compensation remains as it is currently in existing contract; CalPERS reset and COLA adjustment in prior contract would be carried forward to new contract; there will be a \$600 monthly auto allowance; Watermaster will create a Non-Qualified Deferred Compensation plan and contribute 2% per year to that. Legal Counsel will finalize the employment agreement consistent with those terms for signature by the Board President and General Manager.

VIII. FUTURE MEETINGS AT WATERMASTER

6/26/14	Thu	11:00 a.m.	Watermaster Board
7/10/14	Thu	8:00 a.m.	Land Subsidence Committee
7/10/14	Thu	9:00 a.m.	Appropriative Pool
7/10/14	Thu	11:00 a.m.	Non-Agricultural Pool
7/10/14	Thu	1:30 p.m.	Agricultural Pool
7/17/14	Thu	9:00 a.m.	Advisory Committee
7/17/14	Thu	10:00 a.m.*	Joint IEUA/CBWM Recharge Improvement Projects
7/22/14	Tue	9:00 a.m.	GRCC (at Watermaster)
7/24/14	Thu	11:00 a.m.	Watermaster Board

***Note:** This meeting will take place immediately following the Advisory Committee meeting.

ADJOURNMENT

Chair Craig adjourned the Watermaster Board meeting at 12:24 p.m.

Secretary: _____

Minutes Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2014
2. Watermaster VISA Check Detail for the month of May 2014
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4. Treasurer's Report of Financial Affairs for the Period May 1, 2014 through May 31, 2014
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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 24, 2014
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (May 31, 2014)

SUMMARY

Issue: Record of cash disbursements for the month of May 31, 2014.

Recommendation: Receive and file Cash Disbursements for May 31, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2013/14 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: July 24, 2014; Receive and File (Normal Course of Business)

ACTIONS:

July 10, 2014 – Appropriative Pool – Unanimously approved
July 10, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
July 10, 2014 – Agricultural Pool – Unanimously approved
July 17, 2014 – Advisory Committee – Unanimously approved
July 24, 2014 – 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 2014 were \$548,932.12. The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amounts of \$119,695.71 and \$148,249.61; (check number 17819 dated May 9, 2014 and check number 17832 dated May 20, 2014); and to Brownstein Hyatt Farber Schreck in the amount of \$76,339.37 (check number 17794 dated May 9, 2014).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/09/2014	17792	APPLIED COMPUTER TECHNOLOGIES	2482	1012 - Bank of America Gen'l Ckg	
Bill	04/28/2014	2482		Database Consulting Services - April 2014	6052.2 - Applied Computer Technol	3,057.80
TOTAL						3,057.80
Bill Pmt -Check	05/09/2014	17793	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	04/07/2014	4/07 Personnel Comm		4/07/14 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/08/2014	4/08 Spec Bd Mtg		4/08/14 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	04/30/2014	4/30 Admin Mtg		4/30/14 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	05/09/2014	17794	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	03/31/2014	562706		562706	6078 - BHFS Legal - Miscellaneous	5,022.45
				Expenses	8575 - BHFS Legal - Non-Ag Pool	275.40
				Expenses	6907.43 - RMPU - City of Fontana Motion	216.00
				Expenses	6375 - BHFS Legal - Board Meeting	650.00
				Expenses	6907.42 - Safe Yield Recalculation	250.00
				Expenses	8375 - BHFS Legal - Appropriative Pool	53.76
				Expenses	8475 - BHFS Legal - Agricultural Pool	53.76
				Expenses	8575 - BHFS Legal - Non-Ag Pool	53.76
Bill	03/31/2014	562707		Alvarez	6073 - BHFS Legal - Personnel Matters	1,328.40
				Personnel Committee	6073 - BHFS Legal - Personnel Matters	598.95
Bill	03/31/2014	562708		562708	6907.34 - Santa Ana River Water Rights	126.00
Bill	03/31/2014	562709		562709	6907.32 - Chino Airport Plume	1,411.20
Bill	03/31/2014	562710		562710	6907.33 - Desalter/Hydraulic Control	2,984.40
Bill	03/31/2014	562711		562711	6275 - BHFS Legal - Advisory Committee	1,134.00
Bill	03/31/2014	562712		562712	6375 - BHFS Legal - Board Meeting	7,039.56
Bill	03/31/2014	562713		562713	8375 - BHFS Legal - Appropriative Pool	1,386.00
Bill	03/31/2014	562714		562714	8475 - BHFS Legal - Agricultural Pool	1,743.75
Bill	03/31/2014	562715		562715	8575 - BHFS Legal - Non-Ag Pool	2,047.50
Bill	03/31/2014	562716		562716	6071 - BHFS Legal - Court Coordination	189.00
Bill	03/31/2014	562717		562717	6907.38 - Reg. Water Quality Cntrl Board	63.00
Bill	03/31/2014	562718		562718	6907.39 - Recharge Master Plan	4,473.00
Bill	03/31/2014	562719		562719	6907.40 - Storage Agreements	1,709.55
Bill	03/31/2014	562720		562720	6907.42 - Safe Yield Recalculation	17,747.73
Bill	03/31/2014	562721		562721	6078.12 - CCG Motion	1,386.00
Bill	03/31/2014	562722		562722	6907.43 - RMPU - City of Fontana Motion	24,396.20
TOTAL						76,339.37
Bill Pmt -Check	05/09/2014	17795	COSTCO WHOLESALE	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2014	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	359.40

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				Toner cartridges	6031.7 · Other Office Supplies	235.98
TOTAL						595.38
Bill Pmt -Check	05/09/2014	17796	CRAIG, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	04/01/2014	4/01 Bd Offcrs Mtg		4/01/14 Board Officers/Chairs Quarterly Meeting	6311 · Board Member Compensation	125.00
Bill	04/04/2014	4/04 Admin Mtg		4/04/14 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	04/07/2014	4/07 Personnel Comm		4/07/14 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/08/2014	4/08 Spec Bd Mtg		4/08/14 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/10/2014	4/10 Appro Pool Mtg		4/10/14 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/17/2014	4/17 Advis Comm		4/17/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/22/2014	4/22 Admin Mtg		4/22/14 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/28/2014	4/28 Court Debrief		4/28/14 Court Debriefing Meeting re 4/25 Hearing	6311 · Board Member Compensation	125.00
TOTAL						1,125.00
Bill Pmt -Check	05/09/2014	17797	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/09/2014	17798	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/10/2014	4/10 Ag Pool Meeting		4/10/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/09/2014	17799	EGOSCUE LAW GROUP	10629	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	10629		Ag Pool Legal Services - April 2014	8467 · Ag Legal & Technical Services	9,900.00
TOTAL						9,900.00
Bill Pmt -Check	05/09/2014	17800	ELIE, STEVEN		1012 · Bank of America Gen'l Ckg	
Bill	04/01/2014	4/01 Bd Offcrs Mtg		4/01/14 Board Officers/Chairs Quarterly Meeting	6311 · Board Member Compensation	125.00
Bill	04/07/2014	4/07 Personnel Comm		4/07/14 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/08/2014	4/08 Spec Bd Mtg		4/08/14 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/22/2014	4/22 Admin Mtg		4/22/14 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/28/2014	4/28 Court Debrief		4/28/14 Court debriefing re 4/25 court hearing	6311 · Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	05/09/2014	17801	EUROFINS EATON ANALYTICAL	L0141957	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	L0141957		Original invoice paid short by \$20.00	7108.4 · Hydraulic Control-Lab Svcs	20.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Financial Report - B1

TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
							20.00
	Bill Pmt -Check	05/09/2014	17802	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
	Bill	04/01/2014	4/01 Bd Offrs Chair		4/01/14 Board Officers/Chairs Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/08/2014	4/08 Special Board		4/08/14 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL							500.00
	Bill Pmt -Check	05/09/2014	17803	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
	Bill	04/08/2014	4/08 Special Board		4/08/14 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/10/2014	4/10 Appro Pool Mtg		4/10/14 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/15/2014	4/15 Budget Wkshp		4/15/14 Budget Workshop	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/17/2014	4/17 Advis Comm		4/17/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/17/2014	4/17 Joint Projects		4/17/14 IEUA/CBWM Joint Projects Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/22/2014	4/22 Budget Wkshp		4/22/14 Budget Workshop	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL							1,000.00
	Bill Pmt -Check	05/09/2014	17804	HOGAN LOVELLS	2812884	1012 · Bank of America Gen'l Ckg	
	Bill	04/30/2014	2812884		Non-Ag Pool Legal Services - March 2014	8567 · Non-Ag Legal Service	7,687.40
TOTAL							7,687.40
	Bill Pmt -Check	05/09/2014	17805	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8411 · Compensation	25.00
					Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL							125.00
	Bill Pmt -Check	05/09/2014	17806	JESKE, KEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	05/09/2014	17807	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8411 · Compensation	25.00
					Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL							125.00
	Bill Pmt -Check	05/09/2014	17808	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
	Bill	04/08/2014	4/08 Spec Bd Mtg		4/08/14 Special Board Meeting	6311 · Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/15/2014	4/15 Budget Wkshp		4/15/14 Budget Workshop	6311 · Board Member Compensation	125.00
Bill	04/23/2014	4/23 Admin Mtg		4/23/14 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	04/28/2014	4/28 Court Debrief		4/28/14 Court debriefing re 4/25 court hearing	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	05/09/2014	17809	LOPEZ, AL	VOID: Board Member Compensation	1012 · Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	05/09/2014	17810	OFFICE TEAM	40273994	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2014	40273994		Week ending 4/25/2014	6017.2 · Office Specialist Services	784.00
TOTAL						784.00
Bill Pmt -Check	05/09/2014	17811	PAYCHEX	2014050100	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	2014050100		April 2014	6012 · Payroll Services	395.26
TOTAL						395.26
Bill Pmt -Check	05/09/2014	17812	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/17/2014	4/17 Joint Projects		4/17/14 IEUA/CBWM Joint Projects Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/24/2014	4/24 Board Mtg		4/24/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	05/09/2014	17813	PREMIERE GLOBAL SERVICES	15968141	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	15968141		Pool agendas call on 4/01	8312 · Meeting Expenses	4.40
				Pool agendas call on 4/01	8412 · Meeting Expenses	4.40
				Pool agendas call on 4/01	8512 · Meeting Expense	4.40
				Call on 4/02	6909.1 · OBMP Meetings	4.33
				Personnel committee call on 4/07	6141.2 · Committee Meetings	17.35
				Special board meeting call on 4/08	6312 · Meeting Expenses	26.51
				Pool mtgs check call on 4/09	8312 · Meeting Expenses	4.69
				Pool mtgs check call on 4/09	8412 · Meeting Expenses	4.69
				Pool mtgs check call on 4/09	8512 · Meeting Expense	4.69
				Non-Ag pool meeting call on 4/10	8512 · Meeting Expense	35.45
				Watermaster coordination call on 4/14	6909.1 · OBMP Meetings	24.24
				Watermaster coordination call on 4/14	6909.1 · OBMP Meetings	19.20
				Call regarding new telephone system on 4/17	6022 · Telephone	30.33
				Watermaster coordination call on 4/21	6909.1 · OBMP Meetings	18.76
				Budget workshop call on 4/22	6909.1 · OBMP Meetings	14.73
				Call on 4/23 to discuss board meeting	6312 · Meeting Expenses	39.70
				Conf Fee - General	6022 · Telephone	49.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
				Conf Fee - Confidential	6022 · Telephone	49.00
				Basic fee	6022 · Telephone	4.06
TOTAL						359.93
Bill Pmt -Check	05/09/2014	17814	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	04/26/2014	04/26/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/13/14-04/26/14	2000 · Accounts Payable	6,941.27
TOTAL						6,941.27
Bill Pmt -Check	05/09/2014	17815	STAPLES BUSINESS ADVANTAGE	8029642040	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	8029642040		Black toner cartridge	6031.7 · Other Office Supplies	86.39
TOTAL						86.39
Bill Pmt -Check	05/09/2014	17816	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	7076224530355049		Fuel - April 2014	6175 · Vehicle Fuel	362.76
TOTAL						362.76
Bill Pmt -Check	05/09/2014	17817	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	04/08/2014	4/08 Spec Bd Mtg		4/08/14 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/24/2014	4/24 Board Meeting		4/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/28/2014	4/28 Court Debrief		4/28/14 Court debriefing re 4/25 court hearing	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	05/09/2014	17818	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/10/2014	4/10 Ag Pool Mtg		4/10/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	6470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/09/2014	17819	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2014	2014070		2014070	6906 · OBMP Engineering Services	5,689.36
Bill	03/31/2014	2014071		2014071	6906 · OBMP Engineering Services	2,733.03
Bill	03/31/2014	2014072		2014072	6906.71 · OBMP-Data Req.-CBWM Staff	4,218.75
Bill	03/31/2014	2014073		2014073	6906 · OBMP Engineering Services	736.25
Bill	03/31/2014	2014074		2014074	7103.3 · Grdwtr Qual-Engineering	8,608.75
Bill	03/31/2014	2014075		2014075	7104.3 · Grdwtr Level-Engineering	11,472.14
Bill	03/31/2014	2014076		2014076	7107.61 · Grd Level-Chino Hills ASR	1,732.50
Bill	03/31/2014	2014077		2014077	7107.2 · Grd Level-Engineering	1,994.90
Bill	03/31/2014	2014078		2014078	7107.2 · Grd Level-Engineering	9,466.40
				Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	4,563.36
Bill	03/31/2014	2014079		2014079	7108.3 · Hydraulic Control-Engineering	208.00
Bill	03/31/2014	2014080		2014080	7108.3 · Hydraulic Control-Engineering	15,109.25

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/31/2014	2014081		2014081	7202.3 · Comp Recharge-Implementation	983.03
Bill	03/31/2014	2014082		2014082	7303 · PE3&5-Engineering	322.50
Bill	03/31/2014	2014083		2014083	7402 · PE4-Engineering	14,517.68
				Michael C. Carpenter	7403 · PE4-Contract Svcs	11,300.00
Bill	03/31/2014	2014084		2014084	7502 · PE6&7-Engineering	3,488.75
Bill	03/31/2014	2014085		2014085	7108.31 · Hydraulic Control - PBHSP	4,225.11
Bill	03/31/2014	2014086		2014086	6906.73 · OBMP-Safe Yield Recalculation	18,305.95
TOTAL						119,695.71
General Journal	05/10/2014	05/10/2014	Payroll and Taxes for 04/27/14-05/10/14	Payroll and Taxes for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	20,902.79
				Employee Garnishments for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	349.16
				Payroll Taxes for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	7,595.08
				Payroll Checks for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	1,032.27
			ICMA-RC	457 Employee Deductions for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	3,225.20
			ICMA-RC	401(a) Employee Deductions for 04/27/14-05/10/14	1012 · Bank of America Gen'l Ckg	1,005.71
TOTAL						34,110.21
P12 Check	05/15/2014	05/15/2014	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	465.33
TOTAL						465.33
Bill Pmt -Check	05/15/2014	17820	LIATTI & ASSOCIATES	504	1012 · Bank of America Gen'l Ckg	
Bill	05/06/2014	504		D&O Coverage for 05/14/14-06/30/14	6080 · Insurance	559.75
				D&O Coverage for 07/01/14-05/31/15	1401 · Prepaid Insurance-Pkg	6,250.55
TOTAL						6,810.30
Bill Pmt -Check	05/15/2014	17821	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2014	4/17 Advisory Comm		4/17/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						125.00
Bill Pmt -Check	05/20/2014	17822	ACWA JOINT POWERS INSURANCE AUTHORITY	0279685	1012 · Bank of America Gen'l Ckg	
Bill	05/14/2014	000198		Prepayment - June 2014	1409 · Prepaid Life, BAD&D & LTD	100.37
				May 2014	60191 · Life & Disab.Ins Benefits	113.33
TOTAL						213.70
Bill Pmt -Check	05/20/2014	17823	BUSINESS TELECOMMUNICATION SYSTEMS IN	7707	1012 · Bank of America Gen'l Ckg	
Bill	05/05/2014	7707		Hardware and software support	6054 · Computer Software	107.39
TOTAL						107.39

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/20/2014	17824	CORELOGIC INFORMATION SOLUTIONS	81159063	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	81159063		81159063	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81159063	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	05/20/2014	17825	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	L0165424		L0165424	7108.4 · Hydraulic Control-Lab Svcs	440.00
Bill	04/30/2014	L0164759		L0164759	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
TOTAL						2,032.00
Bill Pmt -Check	05/20/2014	17826	OFFICE TEAM	40351029	1012 · Bank of America Gen'l Ckg	
Bill	05/02/2014	40351029		Week ending 5/02/2014	6017.2 · Office Specialist Services	931.00
TOTAL						931.00
Bill Pmt -Check	05/20/2014	17827	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/10/2014	05/10/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/27/14-05/10/14	2000 · Accounts Payable	7,049.06
TOTAL						7,049.06
P13						
Bill Pmt -Check	05/20/2014	17828	R&D PEST SERVICES	0177074	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2014	0177074		Continuing treatment for ants	6024 · Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	05/20/2014	17829	VERIZON BUSINESS	68624431	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2014	68624431		68624431	6053 · Internet Expense	1,628.77
TOTAL						1,628.77
Bill Pmt -Check	05/20/2014	17830	VERIZON WIRELESS	9724662636	1012 · Bank of America Gen'l Ckg	
Bill	05/14/2014	9724662636		Monthly service	6022 · Telephone	320.03
TOTAL						320.03
Bill Pmt -Check	05/20/2014	17831	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2014	11882		Dental premium - May 2014	60182.2 · Dental & Vision Ins	30.00
TOTAL						30.00
Bill Pmt -Check	05/20/2014	17832	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	2014110		2014110	6906 · OBMP Engineering Services	1,728.03
Bill	04/30/2014	2014111		2014111	6906.73 · OBMP-Safe Yield Recalculation	690.00
Bill	04/30/2014	2014112		2014112	6906 · OBMP Engineering Services	218.75
Bill	04/30/2014	2014113		2014113	6906.72 · OBMP-Data Req.-Non CBWM Staff	288.75
Bill	04/30/2014	2014114		2014114	6906 · OBMP Engineering Services	1,948.75

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/30/2014	2014115		2014115	7103.3 · Grdwtr Qual-Engineering	3,976.25
Bill	04/30/2014	2014116		2014116	7104.3 · Grdwtr Level-Engineering	9,173.75
Bill	04/30/2014	2014117		2014117	7107.61 · Grd Level-Chino Hills ASR	2,227.50
Bill	04/30/2014	2014118		Neva Ridge	7107.3 · Grd Level-SAR Imagery	56,000.00
Bill	04/30/2014	2014119		2014119	7107.2 · Grd Level-Engineering	1,763.20
				Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	8,696.37
				Anderson Air Conditioning	7107.6 · Grd Level-Contract Svcs	1,626.00
				Parsons Brinkerhoff, Inc.	7107.6 · Grd Level-Contract Svcs	2,970.00
Bill	04/30/2014	2014120		2014120	7108.3 · Hydraulic Control-Engineering	862.00
Bill	04/30/2014	2014121		2014121	7108.3 · Hydraulic Control-Engineering	955.30
Bill	04/30/2014	2014122		2014122	7108.3 · Hydraulic Control-Engineering	9,702.46
Bill	04/30/2014	2014123		2014123	7109.3 · Recharge & Well - Engineering	4,362.50
Bill	04/30/2014	2014124		2014124	7202.3 · Comp Recharge-Implementation	161.25
Bill	04/30/2014	2014125		2014125	7402 · PE4-Engineering	10,726.25
Bill	04/30/2014	2014126		2014126	7108.7 · Hydraulic Control - Prado Basin	1,438.75
Bill	04/30/2014	2014127		2014127	6906.73 · OBMP-Safe Yield Recalculation	28,733.75
TOTAL						148,249.61

TOTAL

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Bill Pmt -Check	05/21/2014	17833	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	XXXX-XXXX-XXXX-9341		Headset extension cable	6031.7 · Other Office Supplies	6.47
				Replacement coffee brewer for office	6031.7 · Other Office Supplies	243.75
				Cable for new phone system extension	6031.7 · Other Office Supplies	61.75
				Lunch for Administrative Professionals Day	6141.3 · Admin Meetings	172.97
				PK seminar	6192 · Training & Seminars	35.27
				PK meeting w/Bob Craig	6312 · Meeting Expenses	39.30
				Hotel-PK-CCWAS Climate Change/Grdwtr Wkshp	6192 · Training & Seminars	171.66
				PK meeting w/ Bill Mathis	6013 · Human Resources Services	25.59
				Car rental-PK-CCWAS Workshop	6191 · Conferences - General	193.54
				Airport parking-PK-CCWAS Workshop	6191 · Conferences - General	39.63
				Gas-rental car-PK-CCWAS Workshop	6191 · Conferences - General	6.74
				PK meeting w/ Curtis Paxton	6312 · Meeting Expenses	26.41
				PK meeting w/Steve Elie	6312 · Meeting Expenses	41.35
				Supplies for court hearing prep meeting	6909.1 · OBMP Meetings	9.26
				Supplies for court hearing prep meeting	6909.1 · OBMP Meetings	43.38
				PK meeting w/Bob Bowcock	6312 · Meeting Expenses	29.66
				PK meeting w/Rosemary Hoering	6312 · Meeting Expenses	16.73
				Goodbye lunch for staff - Annette leaving	6141.3 · Admin Meetings	81.56
TOTAL						1,245.04

TOTAL

Bill Pmt -Check	05/21/2014	17834	CUCAMONGA VALLEY WATER DISTRICT	Lease due June 1, 2014	1012 · Bank of America Gen'l Ckg	
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Cash Disbursements For The Month of
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Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/20/2014			Lease due June 1, 2014	1422 · Prepaid Rent	6,160.00
TOTAL						6,160.00
Bill Pmt -Check	05/21/2014	17835	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	04/17/2014			Wash 3 trucks on 4/17/14	6177 · Vehicle Repairs & Maintenance	75.00
TOTAL						75.00
Bill Pmt -Check	05/21/2014	17836	GROOMAN'S PUMP & WELL DRILLING, INC.	13540	1012 · Bank of America Gen'l Ckg	
Bill	05/14/2014	13540		13540	7103.4 · Grdwtr Qual-Contract Svc	460.00
TOTAL						460.00
Bill Pmt -Check	05/21/2014	17837	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	05/19/2014	0111802		Employee deductions - May 2014	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	05/21/2014	17838	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014				60182.4 · Retiree Medical	28.49
TOTAL						28.49
P15 Bill Pmt -Check	05/21/2014	17839	UNITED HEALTHCARE	0034800145	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2014	0034800145		Dental premium - June 2014	60182.2 · Dental & Vision Ins	791.50
TOTAL						791.50
General Journal	05/24/2014	05/24/2014	Payroll and Taxes for 05/11/14-05/24/14	Payroll and Taxes for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposit for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	19,473.47
				Garnishments for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	345.40
				Payroll Taxes for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	6,610.53
				Payroll Checks for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	881.98
			ICMA-RC	457 Employee deductions for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	3,173.30
			ICMA-RC	401(a) Employee deductions for 05/11/14-05/24/14	1012 · Bank of America Gen'l Ckg	1,018.87
TOTAL						31,503.55
Bill Pmt -Check	05/27/2014	17840	DC LAW	992	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	992		Ag Pool Legal Services - April 2014	8467 · Ag Legal & Technical Services	210.00
TOTAL						210.00
Bill Pmt -Check	05/27/2014	17841	TW TELECOM	06203269	1012 · Bank of America Gen'l Ckg	
Bill	05/20/2014	06203269		06203269	6053 · Internet Expense	1,688.06
TOTAL						1,688.06

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/28/2014	17842	CHARLES Z. FEDAK & COMPANY		1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014			Audit progress billing - May 2014	6062 · Audit Services	4,415.00
TOTAL						4,415.00
Bill Pmt -Check	05/28/2014	17843	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	89921		Adobe Photoshop software	6054 · Computer Software	106.92
Bill	04/30/2014	89777		Replacement laptop hard drive	6055 · Computer Hardware	81.00
TOTAL						187.92
Bill Pmt -Check	05/28/2014	17844	GREAT AMERICA LEASING CORP.	15314347	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014	15314347		Invoice	6043.1 · Ricoh Lease Fee	3,221.64
TOTAL						3,221.64
Bill Pmt -Check	05/28/2014	17845	GUARANTEED JANITORIAL SERVICE, INC.	10-30371	1012 · Bank of America Gen'l Ckg	
Bill	05/21/2014	10-30371		May 2014	6024 · Building Repair & Maintenance	865.00
				Annex - May 2014	6024 · Building Repair & Maintenance	75.00
				Annex - April 2014	6024 · Building Repair & Maintenance	75.00
TOTAL						1,015.00
P16 Bill Pmt -Check	05/28/2014	17846	PARK PLACE COMPUTER SOLUTIONS, INC.	487	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014	487		IT Consulting services - May 2014	6052.1 · Park Place Comp Solutn	2,625.00
TOTAL						2,625.00
Bill Pmt -Check	05/28/2014	17847	SOUTHERN CALIFORNIA EDISON COMPANY		1012 · Bank of America Gen'l Ckg	
Bill	12/16/2013			Replace voided check 17505 dated 01/06/2014	5105 · Purchase of Non-Ag Pool Water	20,807.46
TOTAL						20,807.46
Bill Pmt -Check	05/28/2014	17848	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014	00-649299-0009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	523.12
TOTAL						523.12
Bill Pmt -Check	05/28/2014	17849	STATE COMPENSATION INSURANCE FUND	1970970-13	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014	1970970-13		Premium on account 5/26/14-6/26/14	60183 · Worker's Comp Insurance	786.38
TOTAL						786.38
Bill Pmt -Check	05/28/2014	17850	TELECOM SERVICES	5820	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2014	5820		To replace check #17371, lost in mail	6022 · Telephone	110.00
TOTAL						110.00
Bill Pmt -Check	05/28/2014	17851	WESTERN DENTAL SERVICES, INC.	VOID: 11882	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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	Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL							
	Bill Pmt -Check	05/28/2014	17852	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
	Bill	06/01/2014	08-k2 213849		Disposal service for June 2014	6024 · Building Repair & Maintenance	106.53
TOTAL							106.53
	Bill Pmt -Check	05/29/2014	17853	APPLIED COMPUTER TECHNOLOGIES	2493	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	2493		Database services - May 2014	6052.2 · Applied Computer Technol	3,680.00
TOTAL							3,680.00
	Bill Pmt -Check	05/29/2014	17854	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	0023230253		Office Water Bottle - May 2014	6031.7 · Other Office Supplies	90.51
TOTAL							90.51
	Bill Pmt -Check	05/29/2014	17855	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	1394950143		Medical premium - June 2014	60182.1 · Medical Insurance	7,873.46
TOTAL							7,873.46
P17	Bill Pmt -Check	05/29/2014	17856	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014			Wash 4 trucks on 5/28/14	6177 · Vehicle Repairs & Maintenance	100.00
TOTAL							100.00
	Bill Pmt -Check	05/29/2014	17857	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	019447404		5/19/14 - 6/18/14	6031.7 · Other Office Supplies	105.98
TOTAL							105.98
	Bill Pmt -Check	05/29/2014	17858	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	05/24/2014	05/24/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/11/14-05/24/14	2000 · Accounts Payable	7,123.08
TOTAL							7,123.08
	Bill Pmt -Check	05/29/2014	17859	STAPLES BUSINESS ADVANTAGE	8029910144	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	8029910144		Toner	6031.7 · Other Office Supplies	202.43
					Miscellaneous office supplies	6031.7 · Other Office Supplies	5.99
TOTAL							208.42
	Bill Pmt -Check	05/29/2014	17860	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
	Bill	05/28/2014	001017890001		Vision insurance premium - June 2014	60182.2 · Dental & Vision Ins	112.18
TOTAL							112.18
	Bill Pmt -Check	05/29/2014	17861	LIATTI & ASSOCIATES	510	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2014

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/28/2014	510		Brokerage fee for insurances - 06/26/14-06/30/14	6085 · Business Insurance Package	22.60
				Brokerage fee for insurances - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	1,627.12
TOTAL						1,649.72
Bill Pmt -Check	05/29/2014	17862	PHILADELPHIA INSURANCE COMPANY	7718662	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2014	7718662		Commercial General Liability - 06/26/14-06/30/14	6085 · Business Insurance Package	80.08
				Commercial General Liability - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	5,765.92
				Commercial Inland Marine - 06/26/14-06/30/14	6085 · Business Insurance Package	1.37
				Commercial Inland Marine - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	98.63
				Commercial Auto - 06/26/14-06/30/14	6085 · Business Insurance Package	64.50
				Commercial Auto - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	4,643.70
				Ultimate Coverage - 06/26/14-06/30/14	6085 · Business Insurance Package	35.62
				Ultimate Coverage - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	2,564.38
				Terrorism Risk - 06/26/14-06/30/14	6085 · Business Insurance Package	1.47
				Terrorism Risk - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	105.53
				Umbrella Liability - 06/26/14-06/30/14	6085 · Business Insurance Package	42.96
				Umbrella Liability - 07/01/14-06/25/15	1405 · Prepaid Ins-Bus Pkg Policy	3,093.04
TOTAL						16,497.20
General Journal	05/31/2014	05/31/2014	Wage Works FSA Direct Debits - May 2014	Wage Works FSA Direct Debits - May 2014	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - May 2014	1012 · Bank of America Gen'l Ckg	573.08
				Wage Works FSA Direct Debits - May 2014	1012 · Bank of America Gen'l Ckg	573.08
				Wage Works FSA Direct Debits - May 2014	1012 · Bank of America Gen'l Ckg	76.25
TOTAL						1,222.41
Total Disbursements:						548,932.12



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 24, 2014
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (May 31, 2014)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of May 31, 2014.

Recommendation: Receive and file VISA Check Detail Report for May 31, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2013/14 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: July 24, 2014; Receive and File (Normal Course of Business)

ACTIONS:

July 10, 2014 – Appropriative Pool – Unanimously approved
July 10, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
July 10, 2014 – Agricultural Pool – Unanimously approved
July 17, 2014 – Advisory Committee – Unanimously approved
July 24, 2014 – 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 2014 was \$1,245.04. This payment was processed by check number 17833 dated May 21, 2014. The monthly charges for May 2014 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 May 2014

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/21/2014	17833	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	XXXX-XXXX-XXXX-9341		Headset extension cable	6031.7 · Other Office Supplies	6.47
				Replacement coffee brewer for office	6031.7 · Other Office Supplies	243.75
				Cable for new phone system extension	6031.7 · Other Office Supplies	61.75
				Lunch for Administrative Professionals Day	6141.3 · Admin Meetings	172.97
				PK seminar	6192 · Training & Seminars	35.27
				PK meeting w/ Bob Craig	6312 · Meeting Expenses	39.30
				Hotel-PK-CCWAS Climate Change/Grdwtr Wkshp	6192 · Training & Seminars	171.68
				PK meeting w/ Bill Mathis	6013 · Human Resources Services	25.59
				Car rental-PK-CCWAS Workshop	6191 · Conferences - General	193.54
				Airport parking-PK-CCWAS Workshop	6191 · Conferences - General	39.63
				Gas-rental car-PK-CCWAS Workshop	6191 · Conferences - General	6.74
				PK meeting w/ Curtis Paxton	8312 · Meeting Expenses	26.41
				PK meeting w/ Steve Elie	6312 · Meeting Expenses	41.35
				Supplies for court hearing prep meeting	6909.1 · OBMP Meetings	9.26
				Supplies for court hearing prep meeting	6909.1 · OBMP Meetings	43.38
				PK meeting w/ Bob Bowcock	6312 · Meeting Expenses	29.66
				PK meeting w/ Rosemary Hoering	8312 · Meeting Expenses	16.73
				Goodbye lunch for staff - Annette leaving	6141.3 · Admin Meetings	81.56
					Total Disbursements:	1,245.04

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 24, 2014
TO: Board Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through May 31, 2014 - Financial Report B3 (May 31, 2014)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through May 31, 2014.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2013 through May 31, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2013/14 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: July 24, 2014; Receive and File (Normal Course of Business)

ACTIONS:

July 10, 2014 – Appropriative Pool – Unanimously approved
July 10, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
July 10, 2014 – Agricultural Pool – Unanimously approved
July 17, 2014 – Advisory Committee – Unanimously approved
July 24, 2014 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2013 through May 31, 2014 is provided to keep all members apprised of the FY 2013/14 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

DISCUSSION

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

ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE PERIOD JULY 1, 2013 THROUGH MAY 31, 2014

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2013-2014
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments			6,301,470		251,300				6,552,770	6,602,605
Interest Revenue			9,965	899	318				11,182	29,700
Mutual Agency Project Revenue	153,036								153,036	154,581
Grant Income									-	0
Miscellaneous Income									-	0
Total Revenues	153,036	-	6,311,435	899	251,618	-	-	-	6,716,988	6,786,886
Administrative & Project Expenditures:										
Watermaster Administration	1,221,063								1,221,063	840,399
Watermaster Board-Advisory Committee	182,223								182,223	205,657
Ag Pool Misc. Expense - Ag Fund				186					186	400
Pool Administration			128,553	168,632	87,661				384,847	599,649
Optimum Basin Mgmt Administration		1,210,732							1,210,732	1,407,798
OBMP Project Costs		1,967,739							1,967,739	3,628,076
Debt Service		311,245							311,245	456,093
Basin Recharge Improvements		89,136							89,136	655,544
Education Funds Use									-	0
Mutual Agency Project Costs									-	10,000
Total Administrative/OBMP Expenses	1,403,286	3,578,851	128,553	168,632	87,661	-	-	-	5,367,170	7,803,616
Net Administrative/OBMP Expenses	(1,250,250)	(3,578,851)								
Allocate Net Admin Expenses To Pools	<u>1,250,250</u>		888,948	317,642	43,661					
Allocate Net OBMP Expenses To Pools		3,267,607	2,323,321	830,176	114,109					
Allocate Debt Service to App Pool		<u>311,245</u>	311,245							
Agricultural Expense Transfer*			1,316,450	(1,316,450)						
Total Expenses			4,968,517	186	245,431	-	-	-	5,367,170	7,803,616
Net Administrative Income			1,342,918	713	6,187	-	-	-	1,349,819	(1,016,730)
Other Income/(Expense)										
Replenishment Water Assessments			421,361		24,865				446,227	0
Non-Ag Stored Water Purchases			3,873,239						3,873,239	0
Exhibit "G" Non-Ag Pool Water			2,483,330						2,483,330	0
Interest Revenue						974			974	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases			(3,873,239)						(3,873,239)	0
Exhibit "G" Non-Ag Pool Water									-	0
MWD Water Purchases									-	0
Groundwater Replenishment						(475,528)			(475,528)	0
Interest Expense - CalPERS Side Fund									-	0
Refund-Excess Reserves			(9,493)		(2,491)				(11,984)	0
Refund-Recharge Debt									-	0
Net Other Income/(Expense)			2,895,198	-	22,374	(474,555)	-	-	2,443,018	0
Net Transfers To/(From) Reserves		3,792,837	4,238,116	713	28,561	(474,555)	-	-	3,792,837	(1,016,730)
Working Capital, July 1, 2013			4,759,923	478,917	156,647	667,399	158,251	1,763	6,222,901	
Working Capital, End Of Period			8,998,039	479,631	185,209	192,844	158,251	1,763	10,015,737	10,015,737
12/13 Assessable Production			96,433,754	34,458,009	4,736,325				135,628,088	
12/13 Production Percentages			71.102%	25.406%	3.492%				100.000%	

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

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE PERIOD JULY 1, 2013 THROUGH MAY 31, 2014

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2013-2014
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 24, 2014
TO: Board Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period May 1, 2014 through May 31, 2014 - Financial Report B4 (May 31, 2014)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of May 1, 2014 through May 31, 2014.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period May 1, 2014 through May 31, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2013/14 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: July 24, 2014; Receive and File (Normal Course of Business)

ACTIONS:

July 10, 2014 – Appropriative Pool – Unanimously approved
July 10, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
July 10, 2014 – Agricultural Pool – Unanimously approved
July 17, 2014 – Advisory Committee – Unanimously approved
July 24, 2014 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period May 1, 2014 through May 31, 2014 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, 2014 THROUGH MAY 31, 2014**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash		\$	500
Bank of America			
Governmental Checking-Demand Deposits	\$	233,945	
Zero Balance Account - Payroll	\$	-	233,945
Local Agency Investment Fund - Sacramento			8,598,038
TOTAL CASH IN BANKS AND ON HAND	5/31/2014		\$ 8,832,483
TOTAL CASH IN BANKS AND ON HAND	4/30/2014		9,155,791
PERIOD INCREASE (DECREASE)			\$ (323,308)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable		\$	-
Assessments Receivable			906,196
Prepaid Expenses, Deposits & Other Current Assets			(704,693)
(Decrease)/Increase in Liabilities: Accounts Payable			(89,314)
Accrued Payroll, Payroll Taxes & Other Current Liabilities			8,167
Transfer to/(from) Reserves			(443,664)
PERIOD INCREASE (DECREASE)			\$ (323,308)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'I Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 4/30/2014	\$ 500	\$ 557,253	\$ -	\$ 8,598,038	\$ 9,155,791
Deposits	-	225,624	-	-	225,624
Transfers	-	0	(85,670)	-	(85,670)
Withdrawals/Checks	-	(548,932)	85,670	-	(463,262)
	\$ 500	\$ 233,945	\$ -	\$ 8,598,038	\$ 8,832,483
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (323,308)	\$ -	\$ -	\$ (323,308)

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CHINO BASIN WATERMASTER
 TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
 MAY 1, 2014 THROUGH MAY 31, 2014

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
TOTAL INVESTMENT TRANSACTIONS			\$	-	-		

* The earnings rate for L.A.I.F. is a daily variable rate; 0.23% was the effective yield rate at the Quarter ended March 31, 2014.

INVESTMENT STATUS
 May 31, 2014

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 8,598,038			
TOTAL INVESTMENTS	\$ 8,598,038			

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

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

Respectfully submitted,



Joseph S. Joswiak
 Chief Financial Officer
 Chino Basin Watermaster



CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 24, 2014
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2013 through May 31, 2014 -
Financial Report B5 (May 31, 2014)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2013 through May 31, 2014.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2013 through May 31, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2013/14 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: July 24, 2014; Receive and File (Normal Course of Business)

ACTIONS:

July 10, 2014 – Appropriative Pool – Unanimously approved
July 10, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
July 10, 2014 – Agricultural Pool – Unanimously approved
July 17, 2014 – Advisory Committee – Unanimously approved
July 24, 2014 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2013 through May 31, 2014 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.

The first Budget Amendment was approved during the October 2013 meetings as a result of increased costs related to the Wineville Proof of Concept Project. The Watermaster Board approved Budget Amendment Form (A-13-10-01) on October 24, 2013. Budget Amendment Form (A-13-10-01) in the amount of \$62,150 increased the Amended FY 2013/14 budget from \$7,531,466 to \$7,593,616. Budget Amendment Form (A-13-10-01) was recorded to the accounting records for the accounting period ending November 30, 2013, and is included in this financial report. The amount of \$62,150 was included in account (7209.2) Wineville Basin.

The second Budget Amendment was approved during the February 2014 meetings as a result of increased labor cost related to a Personnel Matter and unbudgeted Brownstein Hyatt Farber Schreck legal costs. The Watermaster Board approved Budget Amendment Form (A-13-12-01) on February 27, 2014. Budget Amendment Form (A-13-12-01) in the amount of \$210,000 increased the FY 2013/14 Amended budget from \$7,593,616 to \$7,803,616. Budget Amendment Form (A-13-12-01) was recorded to the accounting records for the accounting period ending February 28, 2014, and is included in this financial report. The amount of \$60,000 was included in the budget under account (6015) Miscellaneous Payments, \$75,000 was included in the budget under account (6073) BHFS Legal - Personnel Matters, and \$75,000 was included in the budget under account (6907.42) Safe Yield Recalculation.

A Budget Transfer Form was approved during the March 2014 meetings as a result of increased engineering labor cost and other expenses related to the Safe Yield recalculation efforts. The Watermaster Board approved Budget Transfer Form (T-14-03-01) on March 27, 2014. The Budget Transfer Form (T-14-03-01) was a zero based document and only adjusted the budget amounts between the OBMP Engineering Services accounts. The Budget Transfer Form (T-14-03-01) re-allocated the Engineering Services budget by \$95,000 but did not change the "Amended" Budget amount from \$7,803,616. Budget Transfer Form (T-14-03-01) was recorded to the accounting records for the accounting period ending February 28, 2014, and is included in this financial report.

Year-To-Date (YTD) for the eleven months ending May 31, 2014, all but six categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$2,081,325 or 27.9% below the (YTD) Budgeted Expenses of \$7,448,494. The six categories above budget were the Watermaster Administrative Salary/Benefits Costs (6010's) over budget by the amount of \$131,253; Insurance expenses (6080's) over budget by the amount of \$8,094; Conferences and Seminars expenses (6190's) over budget by the amount of \$1,237; Watermaster Board expenses (6300's) over budget by \$18,409; Appropriate Pool expenses (8300's) over budget by \$3,567; and OBMP expenses (6900's) over budget by \$19,571. Please note that the Watermaster Administrative Salary/Benefits Costs (6010's) are not the grand total of all Watermaster salary costs. The category (6010's) captures the portion of the total Watermaster Salary/Benefits Costs allocated to specific Administrative tasks. The consolidated Watermaster Salaries expenses are discussed in greater detail within their specific sections.

The Insurance budget was developed by Watermaster staff with the assumption of maintaining the existing levels of business insurance coverage as the previous fiscal years. There was no intent to add any new coverage(s). However, it was decided that Watermaster should apply and purchase Directors

and Officers Liability Insurance, which had not been part of the Watermaster insurance policies in the past. The application for coverage was submitted by our insurance broker to approximately ten to fifteen insurance carriers in June 2013 and Watermaster was accepted and approved for coverage. The cost of the D&O coverage was approximately \$7,500 which included the annual broker fee. For the June 2014 closing, a Budget Transfer Form will be submitted to adjust this budget category shortfall.

The Conferences and Seminars budget was developed by Watermaster staff with the assumption of specific staff attending authorized conferences, seminars and training functions. The fiscal year budget was approved at \$14,000 and consolidated expenses are over that amount by \$1,237 or 8.8%. The additional costs can be attributed to the training and study related costs for two Watermaster administrative employees to take the certification testing for the International Association of Administrative Professionals (IAAP). During the month of June, Watermaster was notified by IAAP that both Watermaster employees successfully passed their certifications. It is anticipated that for the June 2014 closing, a Budget Transfer Form will be submitted to adjust this budget category.

On February 24, 2014, a Watermaster Board briefing was held at the Chino Basin Water Conservation District office. The purpose of the briefing was to give the Board, Alternates, and Pool Chairs a solid understanding of the framework for their decisions. The topics included the Watermaster legal framework overview, Board role, staff functions, major achievements, current topics, and future considerations. Prior to the Watermaster Board briefing, the monthly Board expenses were tracking just slightly below the budget with regards to the Brownstein Hyatt Farber Schreck legal costs. On April 8, 2014, a Special Watermaster Board meeting was called to discuss the Safe Yield Recalculation status report to the Court. This Special Board meeting was not scheduled or assumed as part of the FY 2013/14 budget for legal services. The budgeted Watermaster staff hours allocated towards the Watermaster Board function had been running under budget Y-T-D. However, as a direct result of the unbudgeted additional Brownstein Hyatt Farber Schreck labor hours/costs related to the preparation and presentation of the Board briefing, and the status report to the Court for the Safe Yield Recalculation, this category is now over budget by \$18,409 or 13.3% as of May 31, 2014. It is anticipated that for the June 2014 closing, a Budget Transfer Form will be submitted to adjust this budget category shortfall.

As a direct result of additional consulting services expenses related to the Safe Yield Recalculation efforts, the Appropriative Pool Administrative expense section (8300's) is over budget by \$3,567 or 2.9%. It is anticipated that for the June 2014 closing, a Budget Transfer Form will be submitted to adjust this budget category.

As of May 31, 2014, the OBMP expense section (6900's) is over budget by \$19,571 or 1.8% as a direct result of continuing unbudgeted legal expenses for the Safe Yield Recalculation process. The OBMP expenses are discussed in greater detail within their specific section listed on pages 7 through 8.

SALARIES EXPENSE

Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, some Watermaster staff spent more time on administrative related tasks and less time on specific OBMP or project related areas. The additional administrative tasks are reflected in account 6011 (WM Staff Salaries), which is over budget by \$100,225 or 20.5%. When the FY 2013/14 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. This is what is currently occurring within the Administrative Salary/Benefit costs category.

As of May 31, 2014, the total (YTD) Watermaster salary expenses are \$15,226 or 1.1% below the (YTD) budgeted amount of \$1,342,452. The budget was developed with a staffing level of nine Full-Time Equivalent (FTE's). As of May 31, 2014, the actual staffing level was nine Full-Time Equivalent

(FTE's). For the months of July 2013 through November 2013, the vacant Executive Assistant position was being filled by a temporary employee from an Employment Agency. Those temporary employee costs are included as part of the Salaries expenses listed below in account (6017.1) Temp Services-Executive Assistant. With regards to the Executive Assistant position, the position was filled by Anna Truong who started officially as a Watermaster employee on Wednesday, December 4, 2013. Bianca Ruiz was on a 12-week maternity/FMLA leave effective February 10, 2014 and her position had been temporarily filled using an employment agency. The temporary employee costs are included as part of the Salaries expenses listed below in account (6017.2) Temp Services-Office Specialist Services. Bianca returned to work from FMLA leave on Monday, May 5, 2014.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of May 31, 2014. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '13 - May '14 Actual	Jul '13 - May '14 Budget	\$ Over Budget	% of Budget	FY 2013/14 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	647,060.83	538,322.68	108,738.15	120.2%	585,623.00
6011.2 · WM Staff - Admin. Paid Leave	0.00	0.00	0.00	0.0%	0.00
6015 · Miscellaneous Payments	60,000.00	60,000.00	0.00	100.0%	60,000.00
6017.1 · Temp Services - Executive Assistant	53,274.46	0.00	53,274.46	100.0%	0.00
6017.2 · Temp Services - Office Specialist Services	12,017.25	0.00	12,017.25	100.0%	0.00
6201 · Advisory Committee - WM Staff Salaries	12,456.10	18,171.35	-5,715.25	68.55%	19,768.00
6301 · Watermaster Board - WM Staff Salaries	26,885.83	30,609.47	-3,723.64	87.84%	33,299.00
8301 · Appropriative Pool - WM Staff Salaries	22,620.83	24,978.26	-2,357.43	90.56%	27,173.00
8401 · Agricultural Pool - WM Staff Salaries	20,059.67	21,475.07	-1,415.40	93.41%	23,362.00
8501 · Non-Agricultural Pool - WM Staff Salaries	9,317.46	13,065.95	-3,748.49	71.31%	14,214.00
6901 · OBMP - WM Staff Salaries	131,779.43	194,775.81	-62,996.38	67.66%	211,890.00
7101.1 · Production Monitor - WM Staff Salaries	63,518.68	74,364.85	-10,846.17	85.42%	80,899.00
7102.1 · In-line Meter - WM Staff Salaries	4,102.13	9,781.53	-5,679.40	41.94%	10,641.00
7103.1 · Grdwater Quality - WM Staff Salaries	41,212.49	59,070.69	-17,858.20	69.77%	64,261.00
7104.1 · Grdwater Level - WM Staff Salaries	41,566.13	54,708.02	-13,141.89	75.98%	59,515.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
7108.1 · Hydraulic Control - WM Staff Salaries	1,990.52	2,164.79	-174.27	91.95%	2,355.00
7108.11 · Prado Basin - WM Staff Salaries	5,719.30	7,008.83	-1,289.53	81.6%	7,646.00
7201 · Comp Recharge - WM Staff Salaries	19,381.57	48,031.65	-28,650.08	40.35%	52,252.00
7301 · PE3&5 - WM Staff Salaries	660.40	12,928.98	-12,268.58	5.11%	14,065.00
7401 · PE4 - WM Staff Salaries	3,476.41	7,870.45	-4,394.04	44.17%	8,562.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	5,675.33	-5,675.33	0.0%	6,174.00
7501 · PE6&7 - WM Staff Salaries	224.28	3,730.24	-3,505.96	6.01%	4,058.00
7601 · PE8&9 - WM Staff Salaries	3,674.66	17,417.58	-13,742.92	21.1%	18,948.00
7701 · Inactive Well - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
Subtotal WM Staff Costs	1,180,998.43	1,204,151.53	-23,153.10	98.08%	1,304,705.00
60185 · Vacation	79,622.95	55,293.33	24,329.62	144.0%	60,320.00
60185.2 · Comp Time Accrual Adjustment	0.00	0.00	0.00	0.0%	0.00
60185.3 · Vacation Accrual Adjustment	0.00	0.00	0.00	0.0%	0.00
60186 · Sick Leave	15,855.07	39,699.00	-23,843.93	39.94%	43,308.00
60186.1 · Sick Leave Accrual Adjustment	0.00	0.00	0.00	0.0%	0.00
60187 · Holidays	50,749.04	43,308.00	7,441.04	117.18%	43,308.00
Subtotal WM Paid Leaves	146,227.06	138,300.33	7,926.73	105.73%	146,936.00
Total WM Salary Costs	1,327,225.49	1,342,451.86	-15,226.37	98.87%	1,451,641.00

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

As of May 31, 2014, the total (YTD) BHFS legal expenses are \$96,692 or 11.4% above the (YTD) budgeted amount of \$851,287. No one category or expense line item was the direct result of the budget

verage. Some of the specific legal categories were under budget for the month, while other categories were over the budget.

The Watermaster Legal Services budget was developed jointly by the Watermaster staff and Brownstein Hyatt Farber Schreck staff with specific assumptions regarding the tasks and legal activities that would occur during FY 2013/14. The total budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. Unfortunately, three specific activities were never included as part of the budget when initially developed and approved, and while another activity was anticipated and budgeted for, it was not budgeted at the level of legal support required. These activities were Personnel Matters (6073), CCG Motion (6078.12), Safe Yield Recalculation (6907.42), and RMPU-City of Fontana Motion (6907.43). Budget Amendment Form A-13-12-01 in the amount of \$150,000 was approved by the Watermaster Board on February 27, 2014. This Budget Amendment allocated \$75,000 to account (6073) Personnel Matters and \$75,000 to account (6907.42) Safe Yield Recalculation.

CCG Motion, Safe Yield Recalculation and RMPU-City of Fontana Motion: As new legal activities are established, an account code is developed and assigned to capture the costs. To date, there have been three new accounts created. As of May 31, 2014 the CCG Motion (6078.12) has cumulative year-to-date costs of \$75,127; Safe Yield Recalculation (6907.42) has cumulative year-to-date costs of \$181,514; and RMPU-City of Fontana Motion (6907.43) has cumulative year-to-date costs of \$164,211. Please note these costs were not anticipated or expected when the FY 2013/14 legal services budget was developed and approved. The amount of \$75,000 from Budget Amendment Form (A-13-12-01) was allocated to account (6907.42) Safe Yield Recalculation as of February 28, 2014.

Personnel Matters: As reported during the current monthly meetings, Watermaster's legal counsel filed an appeal with CalPERS regarding CalPERS original determination (from February 2013) which rejected the base salary of the former CEO, Desi Alvarez, with regards to his retirement pension benefit. There have been several filings of appeal and we are awaiting CalPERS determination. On December 9, 2013 CalPERS notified the attorneys of record that the CalPERS Legal Office received the case on November 22, 2013 and we would be notified when the case has been assigned to an attorney who will represent CalPERS regarding the appeal. On February 27, 2014 the case was assigned to Wesley E. Kennedy, Senior Staff Attorney for CalPERS. Aside from the Alvarez appeal and a separate issue, a former employee's attorney had recently informed Watermaster of a potential wrongful termination suit against Watermaster. As of May 31, 2014 both activities totaled \$88,061 and these activities were not part of the original fiscal year budget amount of \$757,490. As reported during the Watermaster Board meeting of December 19, 2013 after the closed session, the wrongful termination matter has been settled through mediation in December, 2013. These two separate legal activity expenses are recorded under Personnel Matters (6073). The amount of \$75,000 from Budget Amendment Form (A-13-12-01) was allocated to account (6073) BHFS Legal-Personnel Matters as of February 28, 2014.

The anticipated activity for this category was the General Manager's annual evaluation, along with the development of the General Manager's employment contract. All of the ongoing employment related costs for the General Manager was budgeted at \$7,000. The cost to date for the employment contract was \$6,084 and the cost for the General Manager's annual evaluation was \$7,799. The total activity for this category was \$13,883.

Overall, the Watermaster Administrative Legal Services expense (6070's), as of May 31, 2014, was \$12,625 or 4.3% below the budgeted amount of \$293,204.

As approved during the June 2013 meetings, the Pools, Advisory Committee and the Board meeting for the month of July 2013 were not held. However, there were several other special and confidential meetings held during the month of July for the Appropriative Pool, Agricultural Pool and Board. As a result, the related meeting expenses from (BHFS) within the accounts (6275, 6375, 8375, 8475 and 8575) were lower than budgeted. Overall, this category of legal expenses as of May 31, 2014 was \$13,606 or 6.8% below the budgeted amount of \$200,420.

The OBMP legal expenses were above the budget for the month. As mentioned above, there were two new accounts added to the OBMP section. The accounts were the Safe Yield Recalculation (6907.42) and the RMPU-City of Fontana Motion (6907.43). Only the Safe Yield Recalculation has budget dollars allocated in the amount of \$75,000 as a result of Budget Amendment Form (A-13-12-01). The Recharge Master Plan legal expenses were \$53,538 or 134.9% above the budget of \$39,700. As of May 31, 2014 the category of OBMP legal expenses was \$122,923 or 34.4% above the budgeted amount of \$357,663.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of May 31, 2014 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '13 - May '14 Actual	Jul '13 - May '14 Budget	\$ Over Budget	% of Budget	FY 2013/14 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	5,397.49	34,397.92	-29,000.43	15.69%	37,525.00
6072 · BHFS Legal - Annotated Judgment	17,122.47	36,350.00	-19,227.53	47.1%	36,350.00
6073 · BHFS Legal - Personnel Matters	101,944.31	82,000.00	19,944.31	124.32%	82,000.00
6074 · BHFS Legal - Interagency Issues	598.50	46,200.00	-45,601.50	1.3%	50,400.00
6075 · BHFS Legal - Replenishment Water	0.00	0.00	0.00	0.0%	0.00
6076 · BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	0.00	23,558.33	-23,558.33	0.0%	25,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	80,388.86	29,997.92	50,390.94	267.98%	32,725.00
6078.10 · BHFS Legal - Refresh, Recharge, Reunite	0.00	0.00	0.00	0.0%	0.00
6078.11 · BHFS Legal - Safe Yield Recalculation	0.00	0.00	0.00	0.0%	0.00
6078.12 · BHFS Legal - CCG Motion	75,127.24	0.00	75,127.24	100.0%	0.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	0.00	40,700.00	-40,700.00	0.0%	44,400.00
Total 6070 · Watermaster Legal Services	280,578.87	293,204.17	-12,625.30	95.69%	309,100.00
6275 · BHFS Legal - Advisory Committee	12,591.02	30,800.00	-18,208.98	40.88%	33,600.00
6375 · BHFS Legal - Board Meeting	101,362.53	77,220.00	24,142.53	131.27%	84,240.00
8375 · BHFS Legal - Appropriative Pool	18,372.32	30,800.00	-12,427.68	59.65%	33,600.00
8475 · BHFS Legal - Agricultural Pool	19,796.12	30,800.00	-11,003.88	64.27%	33,600.00
8575 · BHFS Legal - Non-Ag Pool (Note 2)	34,691.97	30,800.00	3,891.97	112.64%	33,600.00
Total BHFS Legal Services	186,813.96	200,420.00	-13,606.04	93.21%	218,640.00
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 · Archibald South Plume	0.00	26,102.08	-26,102.08	0.0%	28,475.00
6907.32 · Chino Airport Plume	11,277.44	56,100.00	-44,822.56	20.1%	61,200.00
6907.33 · Desalter/Hydraulic Control	23,780.28	45,008.33	-21,228.05	52.84%	49,100.00
6907.34 · Santa Ana River Water Rights	1,620.25	26,033.33	-24,413.08	6.22%	28,400.00
6907.35 · Paragraph 31 Motion	0.00	0.00	0.00	0.0%	0.00
6907.36 · Santa Ana River Habitat	684.45	20,625.00	-19,940.55	3.32%	22,500.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	63.00	11,779.17	-11,716.17	0.54%	12,850.00
6907.39 · Recharge Master Plan	93,238.35	39,700.00	53,538.35	234.86%	39,700.00
6907.40 · Storage Agreements	4,196.95	17,141.67	-12,944.72	24.48%	18,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	17,141.67	-17,141.67	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	181,513.80	75,000.00	106,513.80	242.02%	75,000.00
6907.43 · RMPU - City of Fontana Motion	164,211.01	0.00	164,211.01	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	23,031.25	-23,031.25	0.0%	25,125.00
Total 6907 · WM Legal Counsel	480,585.53	357,662.50	122,923.03	134.37%	379,750.00
Total Brownstein, Hyatt, Farber, Schreck Costs	947,978.36	851,286.67	96,691.69	111.36%	907,490.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents; (7) CCG/CSI/ACM Lawsuit; (8) Court approval of substitution rate for Exhibit "G"; and (9) Miscellaneous legal research on current and pending issues.

Note 2: As discussed at the Non-Ag Pool meeting of March 13, 2014, costs of \$12,563 related to the CCG/CSI/ACM Lawsuit and Court approval of substitution rate for Exhibit "G" were reclassified from account 8575 (BHFS Legal-Non-Ag Pool) to 6078 (BHFS Legal-Miscellaneous). The unbudgeted activities for the Non-Ag Pool were the TAMCO intervention and the City of Chino intervention. There were also legal activities related to Rules and Regulations, and quorum. These unbudgeted activities explain why the Non-Ag category is over budget.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

For May 31, 2014, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$61,536 or 29.9%. Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent less time on specific OBMP related areas and more time on administrative related tasks. As a result, Watermaster staff allocated less actual time to the OBMP project as budgeted, which resulted in an under budget variance of \$62,996 or 32.3%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2013/14 Basin Monitoring Program Task Force Contribution which was budgeted at \$11,000 but actual expenses were \$12,460, an over budget by \$1,460 or 13.3%.

For May 31, 2014, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$34,281 or 6.4%. The Engineering Services were \$15,719 or 3.2% above the budgeted expenses of \$488,186. The Budget Transfer Form (T-14-03-01) re-allocated the Engineering Services budget by \$95,000 and increased the account 6906.1 (OBMP-Watermaster Model Update) from \$101,000 to \$196,000. Please be advised that the Budget Transfer Form only re-allocated a portion of the existing engineering budget, it did not change the "Amended" Budget amount. Also within the 6906 category is the amount of \$50,000 budgeted for the updating of the Sunding Reports, which has not been authorized by the Appropriative Pool. While the amount of \$50,000 was included as part of the FY 2013/14 budget, the \$50,000 was never part of the Assessment invoicing issued in November, 2013. If the update of the Sunding Report was to be authorized by the Appropriative Pool, the amount of \$50,000 would need to be funded by a special assessment invoice issued to the Appropriators.

Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget by \$324,263 while some other line item activities were below the budget by \$201,340. Above the budget line items were the Recharge Master Plan of \$53,538; the Safe Yield Recalculation of \$106,514; and the RMPU-City of Fontana Motion of \$164,211. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$26,102; the Chino Airport Plume of \$44,823; the Desalter/Hydraulic Control of \$21,228; the Santa Ana River Water Rights of \$24,413; the Santa Ana River Habitat of \$19,940; the Regional Water Quality Control Board of \$11,716; Storage Agreements of \$12,945; the Prado Basin Habitat Sustainability of \$17,142; and the WM Unanticipated of \$23,031. The amount of \$75,000 from Budget Amendment Form (A-13-12-01) was allocated to account (6907.42) Safe Yield Recalculation as of February 28, 2014. For the eleven months ended May 31, 2014, the overall cumulative (YTD) budget was \$357,663 and the actual (BHFS) legal expenses totaled \$480,586 which resulted in an over budget variance of \$122,923 or 34.4%.

The OBMP Other Expenses (6909's) were below the budget for the month. These expenses are typically conference calls, meeting expenses, supplies, annual inspection fees, and other miscellaneous type expenses. As of May 31, 2014 this category of expenses was \$7,536 or 67.6% below the budgeted amount of \$11,144.

Overall, the Optimum Basin Management Program (OBMP) category was \$1,132,338 compared to a (YTD) budget of \$1,112,768 for an over budget of \$19,570 or 1.8% as of May 31, 2014.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of May 31, 2014 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '13 - May '14 Actual	Jul '13 - May '14 Budget	\$ Over Budget	% of Budget	FY 2013/14 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	131,779.43	194,775.81	-62,996.38	67.66%	211,890.00
6903 · OBMP SAWPA Group	12,460.00	11,000.00	1,460.00	113.27%	11,000.00
Total 6901-6903 · OBMP WM Staff/SAWPA	144,239.43	205,775.81	-61,536.38	70.1%	222,890.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	190,985.30	196,000.00	-5,014.70	97.44%	196,000.00
6906.7 · OBMP - Data Requests	852.50	0.00	852.50	100.0%	0.00
6906.71 · OBMP - Misc. GM Requests	71,773.65	0.00	71,773.65	100.0%	0.00
6906.72 · OBMP - Data Requests - Non CBWM	8,645.75	0.00	8,645.75	100.0%	0.00
6906.73 · OBMP - Safe Yield	162,794.78	0.00	162,794.78	100.0%	0.00
6906.8 · OBMP - Sunding Reports	0.00	50,000.00	-50,000.00	0.0%	50,000.00
6906 · OBMP Engineering Services - Other	68,853.09	292,185.67	-223,332.58	23.57%	318,748.00
Total 6906 · OBMP Engineering Services	503,905.07	538,185.67	-34,280.60	93.63%	564,748.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 · Archibald South Plume	0.00	26,102.08	-26,102.08	0.0%	28,475.00
6907.32 · Chino Airport Plume	11,277.44	56,100.00	-44,822.56	20.1%	61,200.00
6907.33 · Desalter/Hydraulic Control	23,780.28	45,008.33	-21,228.05	52.84%	49,100.00
6907.34 · Santa Ana River Water Rights	1,620.25	26,033.33	-24,413.08	6.22%	28,400.00
6907.35 · Paragraph 31 Motion	0.00	0.00	0.00	0.0%	0.00
6907.36 · Santa Ana River Habitat	684.45	20,625.00	-19,940.55	3.32%	22,500.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	63.00	11,779.17	-11,716.17	0.54%	12,850.00
6907.39 · Recharge Master Plan	93,238.35	39,700.00	53,538.35	234.86%	39,700.00
6907.40 · Storage Agreements	4,196.95	17,141.67	-12,944.72	24.48%	18,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	17,141.67	-17,141.67	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	181,513.80	75,000.00	106,513.80	242.02%	75,000.00
6907.42 · RMPU - City of Fontana Motion	164,211.01	0.00	164,211.01	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	23,031.25	-23,031.25	0.0%	25,125.00
Total 6907 · WM Legal Counsel	480,585.53	357,662.50	122,923.03	134.37%	379,750.00
Total 6907 · OBMP Legal Fees	480,585.53	357,662.50	122,923.03	134.37%	379,750.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	1,708.14	0.00	1,708.14	100.0%	0.00
6909.3 · Other OBMP Expenses	1,900.00	1,977.00	-77.00	96.11%	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	3,608.14	11,143.67	-7,535.53	32.38%	11,977.00
Total 6900 · Optimum Basin Mgmt Plan	1,132,338.17	1,112,767.65	19,570.52	101.76%	1,179,365.00

OBMP IMPLEMENTATION PROJECTS COSTS

As of May 31, 2014, the total (YTD) Engineering Services expenses are \$436,421 or 24.1% below the (YTD) budget amount of \$1,812,437. The OBMP Implementation Projects (accounts 7100's - 7700's) were all (Under) budget as of May 31, 2014. A Budget Transfer Form was approved during the March 2014 meetings as a result of increased engineering labor cost and other expenses related to the Safe Yield recalculation efforts. The Watermaster Board approved Budget Transfer Form (T-14-03-01) on March 27, 2014. The Budget Transfer Form (T-14-03-01) was a zero based document and only adjusted the budget amounts between the OBMP Engineering Services accounts of 6906.1, 7104.3, 7303, 7502 and 7602. The Budget Transfer Form (T-14-03-01) re-allocated the Engineering Services budget by \$95,000 but did not change the "Amended" Budget amount.

The approved original Engineering Services budget of \$1,825,362 was increased by \$107,406 to the final amended amount of \$1,932,768 for FY 2013/14 as provided in the Task Order. The amount of \$107,406 is comprised of \$19,508 from account (7107.2) and \$87,898 from account (7108.7), both amounts from FY 2012/13 which have been "Carried Over" into the current FY 2013/14 budget. The breakdown of the total Task Order amount of \$1,932,768 includes direct labor costs for Wildermuth Environmental, Inc. (69%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (31%).

While the year-to-date actual expenses as of May 31, 2014 are currently under budget, there are no immediate plans to rearrange or adjust the overall Engineering Services budget to reflect any anticipated savings until the June 30th closing. The latest Wildermuth Environmental, Inc. projection for the Engineering Services budget anticipates an expected overall savings for the fiscal year of \$189,601, with the budget at \$1,743,166. A Task Order Amendment was received and Budget Transfer Form (T-14-03-01) has been recorded as of March 31, 2014.

The table listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget as of May 31, 2014. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '13 - May '14 Actual	Jul '13 - May '14 Budget	\$ Over Budget	% of Budget	FY 2013/14 Annual Budget
6906 · OBMP Engineering Services - Other	68,853.09	292,185.67	-223,332.58	23.57%	318,748.00
6906.1 · OBMP - Watermaster Model Update	190,985.30	196,000.00	-5,014.70	97.44%	196,000.00
6906.70 · OBMP - Misc. Data Requests	852.20	0.00	852.20	100.0%	0.00
6906.71 · OBMP - Data Requests - CBWM Staff	71,773.65	0.00	71,773.65	100.0%	0.00
6906.72 · OBMP - Data Requests - Non CBWM	8,645.75	0.00	8,645.75	100.0%	0.00
6906.73 · OBMP - Safe Yield Recalculation	162,794.78	0.00	162,794.78	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	83,166.75	86,306.67	-3,139.92	96.36%	90,880.00
7103.5 · Grdwtr Qual-Lab Svcs	17,386.00	35,555.67	-18,169.67	48.9%	38,788.00
7104.3 · Grdwtr Level-Engineering	120,580.66	135,895.00	-15,314.34	88.73%	162,340.00
7104.8 · Grdwtr Level-Contracted Services	0.00	9,166.67	-9,166.67	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	0.00	13,925.00	-13,925.00	0.0%	13,925.00
7107.2 · Grd Level-Engineering	52,857.70	78,158.17	-25,300.47	67.63%	83,490.00
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	127,039.09	129,470.00	-2,430.91	98.12%	141,240.00
7107.61 · Grd Level-Chino Hills ASR	64,838.00	38,183.75	26,654.25	169.81%	41,655.00
7107.8 · Grd Level-Cap Equip Exte	0.00	10,428.00	-10,428.00	0.0%	10,428.00
7108.3 · Hydraulic Control-Engineering	60,608.84	115,915.25	-55,306.41	52.29%	126,453.00
7108.31 · Hydraulic Control-PBHSP	4,225.11	51,493.75	-47,268.64	8.21%	56,175.00
7108.4 · Hydraulic Control-Lab Svcs	28,523.00	23,408.00	5,115.00	121.85%	25,536.00
7108.41 · Hydraulic Control-PBHSP	0.00	44,238.33	-44,238.33	0.0%	48,260.00
7108.7 · Hydraulic Control-Prado Basin Habitat	21,722.09	117,863.75	-96,141.66	18.43%	119,497.00
7108.9 · Hydraulic Control-Contract Svcs	0.00	0.00	0.00	0.0%	0.00
7109.3 · Recharge & Well - Engineering	6,726.25	19,250.00	-12,523.75	0.0%	21,000.00
7202.2 · Comp Recharge-Engineering Services	14,034.22	19,547.00	-5,512.78	71.8%	21,324.00
7202.3 · Comp Recharge-Implementation	80,236.39	118,040.00	-37,803.61	67.97%	118,040.00
7303 · PE3&5-Engineering - Other	1,472.50	26,285.33	-24,812.83	5.6%	29,584.00
7402 · PE4-Engineering	73,998.90	69,863.75	4,135.15	105.92%	76,215.00
7403 · PE4-Contract Svcs	11,300.00	18,544.17	-7,244.17	60.94%	20,230.00
7502 · PE6&7-Engineering	13,396.46	62,473.33	-49,076.87	21.44%	70,880.00
7502.1 · PE6&7-Engineering Svcs (Plume)	0.00	0.00	0.00	0.0%	0.00
7602 · PE8&9-Engineering	0.00	10,240.00	-10,240.00	0.0%	12,080.00
Total Engineering Services Costs	1,376,016.73	1,812,437.26	-436,420.53	75.92%	1,932,768.00 *

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure is to ensure that the Prado Basin riparian habitat will not be impacted by Hydraulic Control. The basic program tasks are to convene a committee that will develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there is a cost sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. The cost sharing agreement between IEUA and Watermaster was increased from \$220,000 to \$300,000 effective August 22, 2013 with the approval of the Board. This is a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$300,000 for each party. Included in that cost is hiring a consultant to develop the adaptive management plan, WEI performing the project management tasks related to the monitoring well installation, hiring a contractor to construct and install up to seventeen monitoring wells at nine separate sites, and United States Bureau of Reclamation performing vegetation monitoring every three years. Grants have been applied for to offset the cost of this program; however, the Grants were not approved.

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through May 31, 2014:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ 11,143.75	\$ (5,571.88)	\$ -	\$ 5,571.88	4.00	\$ 411.38
Jul. 2012 - Jun. 2013	\$ 120,945.28	\$ (60,472.64)	\$ 6,275.92	\$ 66,748.56	73.00	\$ 7,837.27
Jul. 2013 - May 2014	\$ 21,722.09	\$ (10,861.05)	\$ 474.09	\$ 11,335.14	56.00	\$ 5,719.30
Totals	\$ 153,811.12	\$ (76,905.56)	\$ 6,750.01	\$ 83,655.57	133.00	\$ 13,967.95
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

There were no other significant items to report within the category of Other Income and Expenses for the month ending May 31, 2014.

"CARRY OVER" FUNDING

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

Once the FY 2012/13 period as of June 30, 2013 was closed, the amount of unfinished capital projects and related engineering costs were calculated and the "Carry Over" funding amount was added to the current FY 2013/14 budget. The Total "Carry Over" funding amount of \$806,730 was posted to the accounts as of July 31, 2013. The total amount of \$806,730 consisted of \$529,924 "Carried Over" from the FY 2012/13 expense funding and \$276,806 "Carried Over" from FY 2011/12 expense funding. The remaining amount of \$104,977 from FY 2011/12 for the Chino Hills ASR Project has been combined with

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

Unspent funds from the Engineering Services budget from FY 2012/13 in account 7107.2 and 7108.7 (\$19,508 and \$87,898 respectively) were "Carried Over" into the current FY 2013/14 budget. These funds were from the Ground Level Monitoring (7107.2) and the Prado Basin Hydraulic Control (7108.7). The Recharge Proof of Concept amount of \$300,000 from FY 2012/13 (account 7209) was "Carried Over" into the budget for FY 2013/14. An amount of \$150,000 has been coded to account (7209.1) for the Jurupa Pumping Station and the remaining amount of \$150,000 has been coded to account (7209.2) for the Wineville Basin Proof of Concept.

Watermaster carried over \$171,829 ($\$61,236 + \$30,900 + \$58,193 + \$21,500 = \$171,829$) from FY 2011/12 into the Recharge Improvements Project categories. The amount of \$272,829 was the original total amount from FY 2011/12 less the amount of \$101,000 spent in FY 2012/13 leaving the balance of \$171,829 to carry over into the FY 2013/14 ($\$272,829 - \$101,000 = \$171,829$). The amount of \$61,236 has been appropriated for use for the ongoing Turner Basin Improvements (7690.2); \$30,900 has been appropriated for the Hickory Basin improvement project (7690.3); \$58,193 has been appropriated for the CB20 Turnout improvement project (7690.5); and the remaining amount of \$21,500 has been appropriated for Other Recharge Improvement Projects (7690.9).

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2014, any remaining balances of the FY 2011/12 and FY 2012/13 expenses (if any), along with any new FY 2013/14 expenses, will then be "Carried Over" into the FY 2014/15 budget.

As of May 31, 2014, the total (YTD) amount remaining of the "Carried Over" funding is \$654,652 ($\$806,730 - \$152,078 = \$654,652$). The following details are provided:

"Carried Over" Expenses At June 30, 2013

		<u>GL Account</u>	
Chino Hills ASR Project	\$ 104,977.00	7107.62	FY 2011/12
Recharge Improvement Project - Turner Basin	\$ 61,236.00	7690.2	FY 2011/12
Recharge Improvement Project - Hickory Basin	\$ 52,400.00	7690.3	FY 2011/12
Recharge Improvement Project - CB20 Turnout	\$ 58,193.00	7690.5	FY 2011/12
Subtotal FY 2011/12 "Carry Over"	<u>\$ 276,806.00</u>		
Ground Level Monitoring - Engineering	\$ 19,508.00	7107.2	FY 2012/13
Hydraulic Control - Prado Basin - Other	\$ 87,898.00	7108.7	FY 2012/13
Recharge Proof of Concept	\$ 300,000.00	7209	FY 2012/13
Chino Hills ASR Project	\$ 122,518.00	7107.61	FY 2012/13
Subtotal FY 2012/13 "Carry Over"	<u>\$ 529,924.00</u>		
Total Balance, June 30, 2013	<u>\$ 806,730.00</u>		

"Carried Over" Expenses At June 30, 2013

Chino Hills ASR Project	\$ 227,495.00	7107.62	
Ground Level Monitoring - Engineering	\$ 19,508.00	7107.2	
Hydraulic Control - Prado Basin - Other	\$ 87,898.00	7108.7	
Jurupa Pumping Station	\$ 150,000.00	7209.1	
Wineville Basin Proof of Concept	\$ 150,000.00	7209.2	
Recharge Improvement Project - Turner Basin	\$ 61,236.00	7690.2	
Recharge Improvement Project - Hickory Basin	\$ 52,400.00	7690.3	
Recharge Improvement Project - CB20 Turnout	\$ 58,193.00	7690.5	
Total Balance, June 30, 2013	<u>\$ 806,730.00</u>		

"Carried Over" Balance, July 1, 2013

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

Ground Level Monitoring - Engineering	\$ (19,508.00)	7107.2	
Hydraulic Control - Prado Basin - Other	\$ (11,102.00)	7108.7	
Wineville Basin Proof of Concept	\$ (32,332.18)	7209.2	
Recharge Improvement Project - Turner Basin	\$ (58,236.00)	7690.2	
Recharge Improvement Project - Hickory Basin	\$ (30,900.00)	7690.3	
Updated Balance as of May 31, 2014	<u>\$ 654,651.82</u>		

AUDIT FIELD WORK

FY 2012/13:

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices during the months of May 2013 and August 2013 to conduct scheduled field work for the FY 2012/13 financial audit. Final field work was completed and the audit firm developed the Annual Financial and Audit Reports in early November 2013. The presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company was presented on

November 21, 2013. The "Final" Annual Financial and Audit Reports for FY 2012/13 were posted to the Watermaster website on December 10, 2013.

FY 2013/14:

Auditors from the audit firm of Charles Z. Fedak & Company were onsite at the Watermaster offices on May 12, 2014 to conduct scheduled field work for the FY 2013/14 financial audit. Final field work is tentatively scheduled during the month of August, 2014. As in past years, the presentation of the "Draft" Annual Financial and Audit Reports to the Board by the Senior Manager of Charles Z. Fedak & Company is planned for the Board meeting on November 20, 2014. The "Final" Annual Financial and Audit Reports for FY 2013/14 are planned to be posted to the Watermaster website in December 2014.

ASSESSMENT INVOICING

The Watermaster Board approved the FY 2013/14 Assessment Package at the November 21, 2013 meeting. Watermaster staff also created and emailed the Assessment invoices on Thursday, November 21, 2013. The Assessment invoices were due 30 days from invoice date, so payment should have been received by Watermaster on or before Monday, December 23, 2013, prior to the Holiday office closure. At the time of this report being written, all payments totaling \$10,913,282.83 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. The Appropriative Pool had a Special Assessment of \$75,000 as approved during the budgeting process. The \$75,000 was allocated to the Appropriative Pool members based upon prorated actual production numbers from 2012/13. The Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on September 12, 2013. The \$60,000 was allocated to the Non-Agricultural Pool members based upon prorated actual production numbers from 2012/13. The Excess Cash Reserves refunds were \$9,493 to the Appropriative Pool members and \$2,491 to the Non-Agricultural Pool members. The refunds were applied as credits on the Assessment invoices and allocated based upon last year's percentage of assessments paid.

This year's Assessment invoicing included the billing for the Pomona Credit for the current year, as well as the prior year's activity which was not billed for. If you recall, last year's payment to the City of Pomona in the amount of \$53,030.93 was paid in the month of July 1713 as approved by the Board on March 31, 2013. The City of Pomona received a credit on their Assessment invoice in the amount of \$53,030.93 for this year.

Also included on the Assessment invoices was the 5th and final "True-Up" billing of the Appropriative Pool members for the Non-Agricultural Pool Stored Water Purchase. Per the terms of the Paragraph 31 Settlement Agreement dated April 18, 2012, the 5th and final annual payment totaling \$3,873,238.87 was due to the Non-Agricultural Pool members for the Stored Water Purchase on or before January 15, 2014. The actual check date of the 5th and final payments was January 6, 2014.

FY 2013/14 EXHIBIT "G" NON-AGRICULTURAL POOL SALE OF WATER

Pursuant to Exhibit "G" of the Restated Judgment, members of the Overlying (Non-Agricultural) Pool may annually transfer water to members of the Appropriative Pool through a Watermaster clearinghouse process. Watermaster purchases water from the Overlying (Non-Agricultural) Pool members, which Watermaster then transfers to the members of the Appropriative Pool based on the prescribed process. Members of the Appropriative Pool purchasing water through the process must complete their payments to Watermaster by June 30 of the fiscal year. Watermaster has determined that California Speedway and Aqua Capital Management are in compliance with Restated Judgment, Exhibit "G" ¶19(g), authorizing 2013-2014 Exhibit "G" Physical Solution Transfers.

The invoices to the seven Appropriators who purchased Exhibit "G" water from the Non-Agricultural Pool were issued on April 2, 2014 totaling \$2,483,329.82. As of May 31, 2014, three of the seven payments have been received totaling \$783,337.14 leaving a balance remaining of \$1,699,992.68 due on or before June 30, 2014. Once Watermaster has received all of the payments from the Appropriators and those payments have cleared the bank, Watermaster will issue payment to California Speedway in the amount of \$486,260.00 (1,000.000 AF x \$486.26 = \$486,260.00) and Aqua Capital Management in the amount of \$1,997,069.82 (4,107.000 AF x \$486.26 = \$1,997,069.82).

UPDATE: As of June 30, 2014 all payments totaling \$2,483,329.82 have been received by the Appropriators and the payments to the two Non-Agricultural Pool members have been issued.

ATTACHMENTS

1. Financial Report - B5

	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 2014				Year-To-Date as of May 31, 2014				Fiscal Year End as of June 30, 2014			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
Income												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	153,035.68	154,581.00	-1,545.32	99.0%	153,035.68	154,581.00	-1,545.32	99.0%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	6,301,470.30	6,361,227.00	-59,756.70	99.06%	6,301,470.30	6,361,227.00	-59,756.70	99.06%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	251,300.15	241,378.00	9,922.15	104.11%	251,300.15	241,378.00	9,922.15	104.11%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	11,182.26	22,275.00	-11,092.74	50.2%	14,834.20	29,700.00	-14,865.80	49.95%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Income	0.00	0.00	0.00	0.0%	6,716,988.39	6,779,461.00	-62,472.61	99.08%	6,720,640.33	6,786,886.00	-66,245.67	99.02%
Gross Profit	0.00	0.00	0.00	0.0%	6,716,988.39	6,779,461.00	-62,472.61	99.08%	6,720,640.33	6,786,886.00	-66,245.67	99.02%
Expense												
6010 · Admin. Salary/Benefit Costs	57,467.80	49,902.72	7,565.08	115.16%	761,350.07	630,096.68	131,253.39	120.83%	815,737.41	677,747.00	137,990.41	120.36%
6020 · Office Building Expense	8,390.71	9,302.00	-911.29	90.2%	96,479.80	97,732.00	-1,252.20	98.72%	106,155.05	106,630.00	-474.95	99.56%
6030 · Office Supplies & Equip.	2,044.31	2,358.33	-314.02	86.69%	23,585.53	24,441.67	-856.14	96.5%	24,393.99	25,900.00	-1,506.01	94.19%
6040 · Postage & Printing Costs	3,803.58	2,933.33	870.25	129.67%	39,423.27	47,466.67	-8,043.40	83.06%	50,330.05	50,400.00	-69.95	99.86%
6050 · Information Services	10,014.98	11,333.00	-1,318.02	88.37%	121,897.77	127,663.00	-5,765.23	95.48%	135,337.66	135,996.00	-658.34	99.52%
6060 · Contract Services	4,415.00	0.00	4,415.00	100.0%	15,392.63	24,800.00	-9,407.37	62.07%	18,111.65	24,800.00	-6,688.35	73.03%
6070 · Watermaster Legal Services	19,986.64	15,895.83	4,090.81	125.74%	280,578.87	293,204.17	-12,625.30	95.69%	308,962.16	309,100.00	-137.84	99.96%
6080 · Insurance	808.35	0.00	808.35	100.0%	27,200.59	19,107.00	8,093.59	142.36%	26,392.24	19,107.00	7,285.24	138.13%
6110 · Dues and Subscriptions	0.00	0.00	0.00	0.0%	21,608.00	22,325.00	-717.00	96.79%	29,825.00	22,325.00	7,500.00	133.6%
6140 · WM Admin Expenses	0.00	100.00	-100.00	0.0%	2,114.80	2,300.00	-185.20	91.95%	2,328.02	2,400.00	-71.98	97.0%
6150 · Field Supplies	0.00	0.00	0.00	0.0%	1,432.63	1,450.00	-17.37	98.8%	1,432.63	1,450.00	-17.37	98.8%
6170 · Travel & Transportation	1,486.57	1,593.33	-106.76	93.3%	17,640.36	17,810.00	-169.64	99.05%	18,977.86	19,170.00	-192.14	99.0%
6190 · Conferences & Seminars	1,104.18	0.00	1,104.18	100.0%	15,236.95	14,000.00	1,236.95	108.84%	15,696.95	14,000.00	1,696.95	112.12%
6200 · Advisory Comm - WM Board	2,433.09	4,556.01	-2,122.92	53.4%	25,047.12	49,888.02	-24,840.90	50.21%	29,674.10	54,368.00	-24,693.90	54.58%
6300 · Watermaster Board Expenses	10,898.39	12,650.11	-1,751.72	86.15%	157,175.49	138,766.97	18,408.52	113.27%	167,375.58	151,289.00	16,086.58	110.63%
8300 · Appr PI-WM & Pool Admin	58,605.51	11,390.92	47,214.59	514.49%	128,553.40	124,986.59	3,566.81	102.85%	135,936.46	136,273.00	-336.54	99.75%
8400 · Agri Pool-WM & Pool Admin	4,494.19	4,926.78	-432.59	91.22%	42,445.89	53,925.07	-11,479.18	78.71%	49,458.82	58,762.00	-9,303.18	84.17%
8467 · Ag Legal & Technical Services	8,440.00	17,583.33	-9,143.33	48.0%	93,887.50	193,416.67	-99,529.17	48.54%	102,600.08	211,000.00	-108,399.92	48.63%
8470 · Ag Meeting Attend -Special	1,750.00	1,525.00	225.00	114.75%	22,550.00	16,775.00	5,775.00	134.43%	24,050.00	18,300.00	5,750.00	131.42%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	9,749.00	52,500.00	-42,751.00	18.57%	36,035.43	65,000.00	-28,964.57	55.44%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	185.87	400.00	-214.13	46.47%	260.87	400.00	-139.13	65.22%
8500 · Non-Ag PI-WM & Pool Admin	13,972.80	9,211.05	4,761.75	151.7%	87,660.94	101,157.62	-13,496.68	86.66%	105,049.27	110,314.00	-5,264.73	95.23%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-21,698.37	-42,663.83	20,965.46	50.86%	-202,878.16	-521,253.05	318,374.89	38.92%	-253,924.13	-568,626.00	314,701.87	44.66%
6900 · Optimum Basin Mgmt Plan	99,590.24	67,412.31	32,177.93	147.73%	1,132,338.17	1,112,767.65	19,570.52	101.76%	1,178,559.00	1,179,365.00	-806.00	99.93%
6950 · Mutual Agency Projects	0.00	10,000.00	-10,000.00	0.0%	0.00	10,000.00	-10,000.00	0.0%	10,000.00	10,000.00	0.00	100.0%
9501 · G&A Expenses Allocated-OBMP	8,562.36	17,139.26	-8,576.90	49.96%	78,394.04	209,401.96	-131,007.92	37.44%	107,369.67	228,433.00	-121,063.33	47.0%
7101 · Production Monitoring	7,832.95	6,970.30	862.65	112.38%	69,099.51	75,052.35	-5,952.84	92.07%	79,875.52	81,649.00	-1,773.48	97.83%
7102 · In-line Meter Installation	0.00	12,273.31	-12,273.31	0.0%	12,158.02	99,466.95	-87,308.93	12.22%	104,616.00	104,616.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	11,845.58	17,473.13	-5,627.55	67.79%	146,184.07	189,108.86	-42,924.79	77.3%	159,232.89	202,339.00	-43,106.11	78.7%
7104 · Gdwtr Level Monitoring	16,540.26	28,292.13	-11,751.87	58.46%	162,376.91	225,508.02	-63,131.11	72.01%	244,941.00	247,840.00	-2,899.00	98.83%
7105 · Sur Wtr Qual Monitoring	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%

	1/12th (8.33%) of the Total Budget				11/12th (92%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2014				Year-To-Date as of May 31, 2014				Fiscal Year End as of June 30, 2014			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7107 · Ground Level Monitoring	25,345.60	23,180.08	2,165.52	109.34%	336,350.16	573,734.92	-237,384.76	58.63%	594,336.00	594,308.00	28.00	100.01%
7108 · Hydraulic Control Monitoring	1,960.25	25,590.11	-23,629.86	7.66%	123,264.95	381,361.95	-258,097.00	32.32%	401,736.00	406,943.00	-5,207.00	98.72%
7109 · Recharge & Well Monitoring Prog	2,363.75	1,750.00	613.75	135.07%	6,726.25	19,250.00	-12,523.75	34.94%	11,000.00	21,000.00	-10,000.00	52.38%
7200 · PE2- Comp Recharge Pgm	4,462.66	6,364.99	-1,902.33	70.11%	876,762.96	1,351,877.98	-475,115.02	64.86%	1,343,225.00	1,358,042.00	-14,817.00	98.91%
7300 · PE3&5-Water Supply/Desalte	1,515.50	5,072.12	-3,556.62	29.88%	2,216.86	45,630.98	-43,414.12	4.86%	47,449.00	50,649.00	-3,200.00	93.68%
7400 · PE4- Mgmt Plan	14,208.80	8,969.89	5,238.91	158.41%	90,819.32	98,570.04	-7,750.72	92.14%	107,475.00	107,507.00	-32.00	99.97%
7500 · PE6&7-CoopEfforts/SaltMgmt	1,098.75	9,272.46	-8,173.71	11.85%	13,620.74	71,878.90	-58,258.16	18.95%	76,760.00	81,112.00	-4,352.00	94.64%
7600 · PE8&9-StorageMgmt/Conj Use	0.00	3,472.46	-3,472.46	0.0%	3,674.66	27,978.41	-24,303.75	13.13%	30,398.00	31,378.00	-980.00	96.88%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	400,380.50	1,111,637.00	-711,256.50	36.02%	1,111,637.00	1,111,637.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	458.33	-458.33	0.0%	0.00	500.00	-500.00	0.0%
9502 · G&A Expenses Allocated-Projects	13,136.01	25,524.57	-12,388.56	51.46%	124,484.12	311,851.09	-187,366.97	39.92%	146,554.46	340,193.00	-193,638.54	43.08%
Total Expense	396,880.44	381,396.70	15,483.74	104.06%	5,367,169.56	7,448,494.47	-2,081,324.91	72.06%	7,705,361.68	7,803,616.00	-98,254.32	98.74%
Net Ordinary Income	-396,880.44	-381,396.70	-15,483.74	104.06%	1,349,818.83	-669,033.47	2,018,852.30	-201.76%	-984,721.35	-1,016,730.00	32,008.65	96.85%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	421,361.14	0.00	421,361.14	100.0%	421,361.14	0.00	421,361.14	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	24,865.44	0.00	24,865.44	100.0%	24,865.44	0.00	24,865.44	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	973.60	0.00	973.60	100.0%	1,584.05	0.00	1,584.05	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	6,356,568.69	0.00	6,356,568.69	100.0%	6,356,568.69	0.00	6,356,568.69	100.0%
Total Other Income	0.00	0.00	0.00	0.0%	6,803,768.87	0.00	6,803,768.87	100.0%	6,804,379.32	0.00	6,804,379.32	100.0%
Other Expense												
5010 · Groundwater Replenishment	46,783.20	0.00	46,783.20	100.0%	475,528.20	0.00	475,528.20	100.0%	475,528.20	0.00	475,528.20	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	3,873,238.88	0.00	3,873,238.88	100.0%	6,356,568.69	0.00	6,356,568.69	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	9,493.00	0.00	9,493.00	100.0%	9,493.00	0.00	9,493.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	2,491.00	0.00	2,491.00	100.0%	2,491.00	0.00	2,491.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Expense	46,783.20	0.00	46,783.20	100.0%	4,360,751.08	0.00	4,360,751.08	100.0%	6,844,080.89	0.00	6,844,080.89	100.0%
Net Other Income	-46,783.20	0.00	-46,783.20	100.0%	2,443,017.79	0.00	2,443,017.79	100.0%	-39,701.58	0.00	-39,701.58	100.0%
Net Income	-443,663.64	-381,396.70	-62,266.94	116.33%	3,792,836.62	-669,033.47	4,461,870.09	-566.91%	-1,024,422.93	-1,016,730.00	-7,692.93	100.76%

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTIONS

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

June 5, 2014

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.

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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: March 11, 2014

Date of this notice: June 5, 2014

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

- Notice of Sale or Transfer – The purchase of 1,200,000 acre-feet of water from Santa Ana River Water Company by Jurupa Community Services District. This purchase is made from Santa Ana River Water Company's Annual Production Right / Operating Safe Yield first, then any additional from storage.

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

Appropriative Pool: June 12, 2014

Non-Agricultural Pool: June 12, 2014

Agricultural Pool: June 12, 2014

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: June 5, 2014

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).



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: June 5, 2014
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 1,200,000 acre-feet of water from Santa Ana River Water Company by Jurupa Community Services District. This purchase is made from Santa Ana River Water Company's Annual Production Right / Operating Safe Yield first, then any additional from storage.

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 1,200,000 acre-feet of water from Santa Ana River Water Company by Jurupa Community Services District. This purchase is made from Santa Ana River Water Company's Annual Production Right / Operating Safe Yield first, then any additional from storage.

Notice of the water transaction identified above was mailed on June 5, 2014 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 20¹³-20¹⁴

DATE REQUESTED: March 11, 2014

AMOUNT REQUESTED: 1,200 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR): Santa Ana River Water Company	TRANSFER TO (BUYER / TRANSFEREE): Jurupa Community Services District
Name of Party 10530 54th Street	Name of Party 11201 Harrel Street
Street Address Jurupa Valley CA 91752	Street Address Jurupa Valley CA 91752
City State Zip Code 951.685.6503	City State Zip Code 951.685.7434
Telephone 951.685.1978	Telephone 951.685.1153
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:

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:

Wells do not exceed the MCL for nitrates and are used to blend with other wells in the District

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

All wells are perforated to a depth of between 300 to 400 feet

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

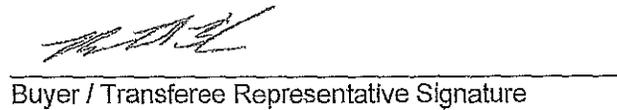
Yes No



Seller / Transferor Representative Signature

J Arnold Rodriguez

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Robert Tock

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:

June 5, 2014

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.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: May 1, 2014

Date of this notice: June 5, 2014

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

- Notice of Sale or Transfer – The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right.

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

Appropriative Pool: June 12, 2014

Non-Agricultural Pool: June 12, 2014

Agricultural Pool: June 12, 2014

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: June 5, 2014

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: June 5, 2014
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 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right.

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 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right.

Notice of the water transaction identified above was mailed on June 5, 2014 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 2013-2014

DATE REQUESTED: May 1, 2014

AMOUNT REQUESTED: 6.50 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR): The Nicholson Trust	TRANSFER TO (BUYER / TRANSFEREE): Fontana Water Company
Name of Party Post Office Box 6010	Name of Party Post Office Box 987
Street Address El Monte CA 91734	Street Address Fontana CA 92334
City State Zip Code (626) 448-6183	City State Zip Code (909) 822-2201
Telephone (626) 448-5530	Telephone (909) 823-5046
Facsimile	Facsimile

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

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:	
<u>Varies</u>	<u>2013 - 2014</u>
Projected Rate of Recapture	Projected Duration of Recapture
METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):	
<u>Pumping</u>	
PLACE OF USE OF WATER TO BE RECAPTURED:	
<u>Chino Basin Management Zone 3</u>	
LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):	
<u>N/A</u>	

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 10.0 ppb (treated), and nitrate levels range from 16.0 ppm to 38.0 ppm as of April 2014

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

Static Water Levels ranging from 316 feet bgs to 651 feet bgs as of April 2014

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:

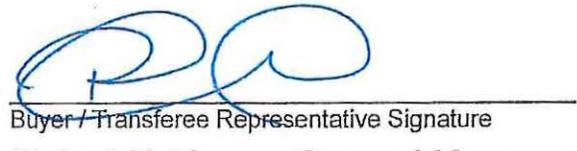
- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to 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

Robert H. Nicholson, Jr., Trustee
Seller / Transferor Representative Name (Printed)


Buyer / Transferee Representative Signature

Robert K. 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:

June 5, 2014

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.

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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: May 5, 2014

Date of this notice: June 5, 2014

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

- Notice of Sale or Transfer – The purchase of 1,000.000 acre-feet of water from San Antonio Water Company by Fontana Water Company. This purchase is made from San Antonio Water Company's storage account.

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

Appropriative Pool: June 12, 2014

Non-Agricultural Pool: June 12, 2014

Agricultural Pool: June 12, 2014

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: June 5, 2014

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).



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: June 5, 2014
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 1,000,000 acre-feet of water from San Antonio Water Company by Fontana Water Company. This purchase is made from San Antonio Water Company's storage 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 –

- Notice of Sale or Transfer – The purchase of 1,000,000 acre-feet of water from San Antonio Water Company by Fontana Water Company. This purchase is made from San Antonio Water Company's storage account.

Notice of the water transaction identified above was mailed on June 5, 2014 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 20¹³ - 20¹⁴

DATE REQUESTED: May 5, 2014

AMOUNT REQUESTED: 1,000 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR): San Antonio Water Company			TRANSFER TO (BUYER / TRANSFEREE): Fontana Water Company		
Name of Party 139 N. Euclid Avenue			Name of Party 15966 Arrow Route		
Street Address Upland CA 91786			Street Address Fontana CA 92335		
City	State	Zip Code	City	State	Zip Code
(909) 982-4107			(909) 822-2201		
Telephone (909) 920-3047			Telephone (909) 823-5046		
Facsimile			Facsimile		

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

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	2013 - 2014
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 10.0 ppb (treated), and nitrate levels range from 16.0 ppm to 38.0 ppm as of April 2014

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

Static water levels ranging from 316 feet bgs to 651 feet bgs as of April 2014

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
Charles Moorrees, General Manager/CEO

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature
Robert K. 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:

June 5, 2014

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.

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ANOTICE OF APPLICATION(S) RECEIVED

Date of Application: June 3, 2014

Date of this notice: June 5, 2014

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

- o Notice of Sale or Transfer – The permanent transfer of 300.000 acre-feet of Safe Yield from Aqua Capital Management by Ontario City Non-Ag, effective as of the beginning of fiscal year 2014/15.

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

Appropriative Pool: June 12, 2014

Non-Agricultural Pool: June 12, 2014

Agricultural Pool: June 12, 2014

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: June 5, 2014

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).



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: June 5, 2014
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 permanent transfer of 300,000 acre-feet of Safe Yield from Aqua Capital Management by Ontario City Non-Ag, effective as of the beginning of fiscal year 2014/15.

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 permanent transfer of 300,000 acre-feet of Safe Yield from Aqua Capital Management by Ontario City Non-Ag, effective as of the beginning of fiscal year 2014/15.

Notice of the water transaction identified above was mailed on June 5, 2014 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.

Aqua Capital Management Intervened into the Judgment as an Overlying Non-Agricultural Party in November 2008. It currently has 632.981 acre-feet of Safe Yield in the Overlying Non-Agricultural Pool. The City of Ontario Intervened into the Judgment as an Overlying Non-Agricultural Party in September 2008. It currently has 2,327.807 acre-feet of Safe Yield in the Overlying Non-Agricultural Pool.

Aqua Capital Management and Ontario City Non-Ag have submitted Consolidated Forms 3, 4 & 5 (Application for Sale or Transfer of Right to Produce Water from Storage, Application or Amendment to Application to Recapture Water in Storage, and Application to Transfer Annual Production Right or Safe Yield). The Application indicates that the amount of Safe Yield to be permanently transferred from Aqua Capital Management by Ontario City Non-Ag is 300,000 acre-feet. The Parties have indicated that the transfer is to be effective for fiscal year 2014/2015. After the transfer, Aqua Capital Management's remaining adjudicated Safe Yield right will be 332.981 acre-feet, Ontario City Non-Ag's adjudicated Safe Yield right will be 2,627.807 acre-feet. The transfer 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.

CITY OF



ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON
MAYOR

AL C. BOLING
CITY MANAGER

ALAN D. WAPNER
MAYOR PRO TEM

MARY E. WIRTES, MMC
CITY CLERK

JIM W. BOWMAN
DEBRA DORST-PORADA
PAUL VINCENT AVILA
COUNCIL MEMBERS

June 4, 2014

JAMES R. MILHISER
TREASURER

SCOTT BURTON
UTILITIES GENERAL MANAGER

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

RE: PERMANENT TRANSFER OF SAFE YIELD

Dear Mr. Kavounas,

Pursuant to an executed water purchase agreement with Aqua Capital Management LP of the Non-Agricultural Pool (Transferor) and the City of Ontario of the Non-Agricultural Pool (Transferee), enclosed are the following executed documents for the permanent transfer of 300.000 AF of safe yield:

- Letter from Aqua Capital Management LP requesting the permanent transfer of safe yield to the City of Ontario of the Non-Agricultural Pool;
- Consolidated Water Transfer Forms 3,4, and 5; and
- Water Transfer Information form.

Please schedule the proposed application for consideration at the next available Watermaster meetings.

Sincerely,

Scott Burton
Utilities General Manager

June 4, 2014

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

Re. Permanent Transfer of Safe Yield

Dear Mr. Kavounas,

This is to notify the Watermaster that Aqua Capital Management LP ("Transferor") is hereby requesting the permanent transfer to the City of Ontario ("Transferee") 300.000 AF of its remaining groundwater production rights, adjudicated to Transferor or its predecessor-in-interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

The executed original Watermaster forms and all supporting documentation shall be provided under separate cover. Please put the proposed purchase on the agenda for the next Watermaster meetings.

Sincerely,



David Penrice
Chief Executive Officer

**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 2014-2015

DATE REQUESTED: June 3, 2014

AMOUNT REQUESTED: 300.000 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
Aqua Capital Management LP	City of Ontario (Non-Ag)
Name of Party	Name of Party
444 Regency Parkway Drive, #300	1425 Bon View Avenue
Street Address	Street Address
Omaha NE 68114	Ontario CA 91761
City State Zip Code	City State Zip Code
402.934.0066 ext. 205	909.395.2678
Telephone	Telephone
402.934.0085	909.395.2601
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 PERMANENT transfer of 300,000 AF of SY

WATER IS TO BE TRANSFERRED TO:

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain PERMANENT transfer of 300,000 AF of SY

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	Indefinite (permanent transfer)
Projected Rate of Recapture	Projected Duration of Recapture
METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):	
Any usage allowed under the Judgment, Peace Agreements, and Rules and Regulations	
PLACE OF USE OF WATER TO BE RECAPTURED:	
Management Zones 2 & 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: Water quality in the area is characterized by high nitrate, perchlorate and VOC concentrations.

Production water is either treated or blended to meet water quality standards or pumped in areas without water quality issues.

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

Static level varies from 272 feet to 524 feet

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

Scott Burton

Buyer / Transferee Representative Signature

Seller / Transferor Representative Name (Printed)

SCOTT BURTON

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: _____

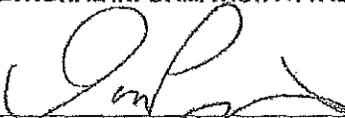
DATE OF BOARD APPROVAL: _____

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

Buyer / Transferee Representative Signature

Seller / Transferor Representative Name (Printed)

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: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

D. 2013 LAND SUBSIDENCE COMMITTEE ANNUAL REPORT



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: July 24, 2014
TO: Board Members
SUBJECT: Land Subsidence 2013 Annual Report

SUMMARY

Issue: Watermaster is required annually to file a Land Subsidence report with the Court. The 2013 report has been drafted.

Recommendation: Adopt the 2013 Annual Report of the Land Subsidence Committee, along with filing a copy with the Court.

The report can be viewed in its entirety at:

[http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20\(LSC\)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013 Annual%20Report draftv3 lsc_FINAL.pdf](http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20(LSC)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013%20Annual%20Report%20draftv3%20FINAL.pdf)

Financial Impact: Most of the 2013 Annual Report recommendations for land subsidence monitoring are included in the approved FY 2014/15 budget. The recommendation to develop the scope of a subsidence management plan for the Pomona area and the effort to update the MZ1 Plan were not budgeted in FY 2014/15. Watermaster will track Engineering expenses during the fiscal year and if necessary will propose a budget amendment for the amount.

Future Consideration

Watermaster Board: July 24, 2014 Adopt the 2013 Annual Report of the Land Subsidence Committee along with filing a copy with the Court [Discretionary Function]

ACTIONS:

July 10, 2014 – Appropriative Pool – voted unanimously to recommend that the Advisory Committee recommend Board approval, with minor changes as directed by the Land Subsidence Committee
July 10, 2014 – Non-Agricultural Pool – voted unanimously to receive and file, with minor changes as recommended by the Land Subsidence Committee
July 10, 2014 – Agricultural Pool – voted unanimously to recommend that the Advisory Committee recommend Board approval (Consent Calendar Item)
Date – Advisory Committee – voted unanimously to recommend Board approval along with filing a copy with the Court
Date – Watermaster Board –

BACKGROUND

In 1999, the OBMP Phase I Report identified pumping-induced drawdown and resultant aquifer-system compaction as the most likely cause of land subsidence and ground fissuring that had been observed in Management Zone 1 (MZ-1). Program Element 4 of the OBMP, "Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1," called for the development and implementation of an interim management plan (IMP) for MZ-1.

From 2001 to 2005, Watermaster developed, coordinated, and conducted the IMP under the guidance of the MZ-1 Technical Committee (now called the Land Subsidence Committee or LSC.) The IMP provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Subsidence Management Plan. The Guidance Criteria formed the basis for the MZ-1 Plan, which was developed by the MZ-1 Technical Committee and approved by Watermaster in October 2007. By a November 15, 2007 Order, the Watermaster Court approved the MZ-1 Plan and ordered its implementation.

The MZ-1 Subsidence Management Plan states that Watermaster will produce an annual report at the end of each fiscal year, which includes the results of ongoing monitoring efforts, interpretations of the data, and recommended adjustment to the MZ-1 Plan, if any. The Court's Order directs Watermaster to file the annual reports with the Court. The first such report was the 2012 Annual Land Subsidence report which was approved by Watermaster and filed with the Court in December 2013.

DISCUSSION

The Final Draft 2013 Annual Report of the LSC includes results and interpretations for data that were collected during calendar year 2013, and includes recommendations for Watermaster's Land Subsidence Monitoring Program for FY 2014/15. A specific recommendation, developing the scope of a subsidence management plan in the Pomona area, was generated after the budget approval process and consequently it has not been budgeted. Similarly the effort to update the MZ1 Plan is not budgeted. WEI will develop an estimate for these recommendations and Watermaster will propose a budget amendment during the fiscal year if necessary.

The LSC met on March 20, 2014 to discuss monitoring results and the scope and cost estimates for FY 2014/15, and an overview of the monitoring results was presented at the Committees and the Board during the June 2014 meetings. The LSC reviewed the first draft of the 2013 Annual Report on June 17, 2014. The Final Draft of the 2013 report has been modified to respond to comments made by the LSC since its last meeting on June 17, 2014.

The LSC has reviewed the draft report and has commented on its content, conclusions and recommendations. The Final Draft of the 2013 Annual Report was reviewed by the LSC on July 10, 2014, the day of the July meetings of the three Pool Committees. Some minor changes were recommended and the LSC expressed its support for the Final Draft 2013 Annual Report. The Advisory Committee recommends adoption of the report by the Watermaster Board, along with filing a copy with the Court.

ATTACHMENTS

1. Final Draft 2013 Annual Report of the Land Subsidence Committee

Please access the Report at:

[http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20\(LSC\)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013_Annual%20Report_draftv3_lsc_FINAL.pdf](http://www.cbwm.org/FTP/Land%20Subsidence%20Committee%20(LSC)/2013%20Draft%20LSC%20Annual%20Report/Final%20Draft%202013%20Annual%20Report%20of%20the%20Land%20Subsidence%20Committee-posted%20to%20FTP%20for%20review%20on%2020140711/2013_Annual%20Report_draftv3_lsc_FINAL.pdf)

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

E. RESOLUTION 2014-04 – NONQUALIFIED DEFERRED
COMPENSATION PLAN 457(f)



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: July 24, 2014
TO: Watermaster Board Members
SUBJECT: Nonqualified Deferred Compensation Plan 457(f)

SUMMARY

Issue: Adoption of a Nonqualified Deferred Compensation Plan 457(f)

Recommendation: Adopt Resolution 2014-04 approving a Nonqualified Deferred Compensation Plan 457(f)

Financial Impact: For each 12 consecutive month period during the General Manager's current three year employment contract effective June 30, 2014, Watermaster has agreed to make an employer contribution to the NQDC Plan for the benefit of the General Manager in an amount equal to two percent (2%) of General Manager's salary plus incentive compensation paid.

Future Consideration
Watermaster Board: July 24, 2014; Approval (Normal Course of Business)

ACTIONS:
July 24, 2014 – Watermaster Board –

BACKGROUND

The current Employment Agreement between Chino Basin Watermaster and Peter Kavounas, General Manager, was approved by the Watermaster Board in open session on June 26, 2014. The effective date of the Employment Agreement is June 30, 2014.

Section 2 of the Employment Agreement states the following "Term of Employment: The term of employment pursuant to this Agreement will commence on July 1, 2014, and will continue thereafter for three (3) years, unless earlier terminated pursuant to Section 9 below (the "Initial Employment Term" and, together with any extensions, the "Employment Term"). The Employment Term may be extended by mutual agreement of the parties".

Section 5.h. of the Employment Agreement states the following: "Nonqualified Deferred Compensation Plan. The Watermaster agrees to establish and maintain, subject to applicable laws, a nonqualified deferred compensation plan (the "NQDC Plan") through which Executive, and possibly other eligible employees, may defer compensation and may receive allocations of employer contributions. For each 12 consecutive month period during the Initial Term, the Watermaster agrees to make an employer contribution to the NQDC Plan for the benefit of Executive in an amount equal to two percent (2%) of Executive's salary (the sum of executive's Base Salary and any COLA pursuant to section 5.a. and any CalPERS increase pursuant to section 5.g.) plus incentive compensation paid during that 12 month period, provided that Executive is employed on the last day of that 12 month period (i.e., June 30, 2015, June 30, 2016 and June 30, 2017). Any employer contribution made to the NQDC Plan shall be subject to the terms and conditions of the NQDC Plan, including but not limited to the substantial risk of forfeiture provisions in addition to the time and form of payment provisions."

Chino Basin Watermaster currently contracts with ICMA-RC as the administrator of our 457 Deferred Compensation Plan and the 401(a) Money Purchase Plan.

DISCUSSION

Per the terms of the General Manager Employment Agreement effective June 30, 2014, Chino Basin Watermaster will establish a 457(f) Nonqualified Deferred Compensation Plan with ICMA-RC as the administrator. For the 457(f) Nonqualified Deferred Compensation Plan to be established, the Watermaster Board must adopt Resolution 2014-04 as provided.

ATTACHMENT:

1. Resolution 2014-04 (will be provided separately)

CHINO BASIN WATERMASTER

II. BUSINESS ITEM

B. MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS



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: July 24, 2014
TO: Board Members
SUBJECT: Master Agreement between Watermaster and Inland Empire Utilities Agency regarding the Management of Collaborative Recharge Projects

SUMMARY

Issue: Watermaster and IEUA are partners in many recharge associated projects within the Basin. In the past, they have entered into separate agreements regarding the joint management and cost allocation for each such project. Watermaster and IEUA are proposing to enter into a Master Agreement that will establish consistent management and reimbursement practices for all such projects, which will be incorporated as Task Orders under the Master Agreement.

Recommendation: Approve Watermaster's entrance into the Master Agreement between Watermaster and Inland Empire Utilities Agency regarding the Management of Collaborative Recharge Projects, subject to non-substantive changes to be made by staff.

Financial Impact: No impact. The Master Agreement itself establishes practices for administration of projects, including invoicing and reimbursement. Individual projects will be covered by separate Task Orders under the Master Agreement and will be incorporated into Watermaster's budget.

Future Consideration

Watermaster Board: July 24, 2014; Approval (Advisory Committee Approval required)

ACTIONS:

July 10, 2014 - Appropriative Pool - Unanimously approved with inclusion of additional language added to Article 1.3 of the Master Agreement

July 10, 2014 - Non-Agricultural Pool - Recommend Advisory Committee Approval with inclusion of additional language added to Article 1.3 of the Master Agreement, and direct Non-Ag Pool representatives to vote at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

July 10, 2014 - Agricultural Pool - Unanimously approved with inclusion of additional language added to Article 1.3 of the Master Agreement

July 17, 2014 - Advisory Committee - Unanimously approved including the additional language added to Article 1.3 of the Master Agreement

July 24, 2014 - Watermaster Board -

BACKGROUND

Watermaster and the Inland Empire Utilities Agency (IEUA) are partners in many recharge related projects throughout the Basin. For example, Watermaster and IEUA are each required to undertake certain monitoring and reporting requirements arising out of the Maximum Benefit amendments to the RWQCB's Basin Plan Amendment, monitoring and reporting requirements related to the Recycled Water Groundwater Recharge Program, as well as updating the Recharge Master Plan. Watermaster and IEUA regularly partner to jointly manage and fund projects in furtherance of these prior commitments and obligations, with shared costs for such projects including expenditures for design of improvements, preparation of CEQA documents, applications for construction and operation permits, awarding of construction contracts, administrative costs and construction management services. To date, these projects have been the subject of separate, but generally consistent, agreements.

DISCUSSION

In order to provide consistency in the management and administration of such collaborative projects, Watermaster and IEUA would enter into the Master Agreement between Watermaster and Inland Empire Utilities Agency regarding the Management of Collaborative Recharge Projects ("Master Agreement"). Pursuant to the Master Agreement, Watermaster and IEUA would separately enter into contracts between themselves for services on a project specific basis, as described in written proposals including the scope, budget, and schedule of the services to be performed, the respective cost for each Party and any special conditions of performance and other information deemed necessary by the Parties (the "Task Orders").

The Master Agreement establishes the procedures through which Task Orders may be approved and changes may be made both to their scopes and budgets. Based on an acknowledgement that IEUA is better equipped to undertake certain project implementation activities, including oversight of the preparation of CEQA documents and leading project management efforts, the Master Agreement describes the manner in which IEUA may manage projects, provide reports to Watermaster, and invoice Watermaster for Watermaster's share of monies expended.

Upon the approval of the Master Agreement, Watermaster staff will request approval of Task Orders for present joint projects for which Watermaster and IEUA have no formal written agreements.

ATTACHMENTS

1. Master Agreement between Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Recharge Projects

ATTACHMENT 1

MASTER AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING THE MANAGEMENT OF COLLABORATIVE RECHARGE PROJECTS

This Master Cost Sharing Agreement ("Agreement") is entered into as of July __, 2014, by and between the CHINO BASIN WATERMASTER ("Watermaster") and INLAND EMPIRE UTILITIES AGENCY ("IEUA") (each a "Party" and collectively, the "Parties") for the purposes of establishing a framework for the joint management and allocation of costs for certain collaborative projects within the Chino Basin.

RECITALS

- A. Watermaster is an agent of the Court and serves as the Court's special master in order to administer and enforce the provisions of the Chino Basin Watermaster Judgment, San Bernardino County Superior Court Case No. RCV 51010 (formerly Case No. SCV 164327);
- B. IEUA is a regional public agency whose mission is to supply imported and recycled water; collect, treat, and dispose of wastewater; and provide other utility-related services to the communities it serves. IEUA strives to provide these services in a regionally planned, managed, and cost-effective manner;
- C. Both Parties are interested in the recharge of water to the Chino Basin and have entered into prior agreements as to the development of facilities for such recharge;
- D. 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, RS-2012-0002);
- E. Both Parties have made commitments to the RWQCB to obtain Maximum Benefit Groundwater Quality Objectives;
- F. 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. RS-2007-0039 ("Order") and the Monitoring and Reporting Program (M&RP) No. RS-2007-0039;
- G. Pursuant to the Peace II Agreement, the Parties are to jointly approve updates to the Recharge Master Plan to address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and subsequently operated at a new equilibrium at the conclusion of the period of Re-Operation. The Recharge Master Plan, as updated, is to reflect an appropriate schedule for planning, design, and physical improvements as may be required to

ATTACHMENT 1

provide reasonable assurance that following the full beneficial use of groundwater withdrawn in accordance with the Basin Re-Operation and authorized controlled overdraft, that sufficient Replenishment capability exists to meet the reasonable projections of Desalter Replenishment obligations.

H. The Parties regularly partner to jointly manage and fund projects in furtherance of these prior commitments and obligations, with such shared costs for such projects including expenditures for design of improvements, preparation of CEQA documents, applications for construction and operation permits, awarding of construction contracts, administrative costs, and construction management services;

I. The Parties will separately enter into contracts for services on a project specific basis, as described in written proposals including the nature of the services to be performed, the fees and rates to be charged, the location, time schedule and any special conditions of performance and other information deemed necessary by the Parties ("Task Orders"); and

J. The Parties acknowledge that, due to their originations and structures, IEUA is better equipped to undertake certain project implementation activities, including oversight of the preparation of CEQA documents and leading project management efforts.

K. The Parties seek to develop a Master Agreement for joint management and cost sharing for projects in the Basin, and as individual Task Orders are approved by the Parties, such projects will be incorporated as part of the Master Agreement as individual tasks.

ARTICLE 1

PROJECT MANAGEMENT

1.1 **Approval of Task Orders.** Each Task Order shall be approved by IEUA and the Watermaster Board of Directors as an individual task in accordance with each Party's policies and procedures, with a specified "maximum allowable cost" amount for each individual Task. The costs to be borne by each Party shall not exceed the "maximum allowable cost" amount specified in each Task Order.

1.2 **Changes in Scope of Task Orders.** Should either party determine that a change in scope requiring a budget increase of any Task Order is necessary for a project, to be effective, such a change in Task Order scope must be approved by each of the Parties pursuant to the procedures described in Section 1.1. Watermaster shall provide timely review and respond to any request for a change in project scope or any change in Task Order, to prevent unnecessary delays in the project(s) conducted pursuant to such Task Order.

1.3 **Amendment to Task Order Budgets.** If any project undertaken pursuant to a Task Order subject to this Agreement will exceed the budget allocated for such Task Order,

ATTACHMENT 1

Watermaster and IEUA shall amend the Task Order authorizing the project, if both parties reasonably believe such amendment is necessary. Similarly, if grant funding is obtained for any project undertaken pursuant to a Task Order subject to this Agreement, Watermaster and IEUA shall amend the Task Order authorizing the project to reduce the Task Order budget accordingly. Watermaster shall reasonably and diligently process any necessary amendments of the Task Order authorizing the project to prevent unnecessary delays in projects.

1.4 **Contractor Selection.** IEUA shall retain a qualified contractor for any and all Task Orders. IEUA may, within its sole discretion, select contractors for each Task Order without the involvement and approval of the Watermaster Board.

1.5 **Monthly Progress Reports.** IEUA, pursuant to its policies and procedures, shall provide monthly progress reports to Watermaster's General Manager by the eighth calendar day of each month for each Task Order that is subject to this Master Agreement. Each monthly progress report shall include a summary of the current status of the Task Order, including reports on cost schedules and any potential for cost overruns, schedule status, and any changes or potential need for changes in the scope of the Task Order.

ARTICLE 2

COST SHARING

2.1 **Watermaster Approval.** Under no circumstances shall Watermaster be obliged to enter into any Task Order reimbursement or repayment obligation, absent approval of the Task Order by Watermaster's Board of Directors.

2.2 **Cost Sharing Allocation.** The Parties have previously agreed as to the cost sharing allocations among themselves for certain projects, including, but not limited to:

- a. Section 8.1(b) of the Peace II Agreement specifies that mutually approved capital improvements for recharge basins that do or can receive recycled water constructed pursuant to the Court-approved Recharge Master Plan, if any, will be financed through the use of third party grants and contributions if available, with any unfunded balance being apportioned fifty (50) percent each to IEUA and Watermaster.
- b. The December 17, 2008 Memorandum of Understanding: Cooperating Efforts for Monitoring Programs between the Inland Empire Utilities Agency and the Chino Basin Watermaster, referred to as the "Bright Line Agreement," defines the cost sharing arrangement for certain monitoring programs between IEUA and Watermaster.

ATTACHMENT 1

The Parties acknowledge that there are projects which will be funded one hundred (100) percent by Watermaster and managed by IEUA for Watermaster's benefit; and, Watermaster will reimburse IEUA for its project management efforts of these projects. From and after the Effective Date of this Master Agreement, the Parties agree that they shall apportion the costs of each Task Order for projects to be completed under each Task Order, in accordance with the applicable funding allocation, as described in each Task Order. Reimbursable costs may include at a minimum, capital, administrative and overhead expenses for the projects. Each Task Order will provide detailed assumptions of costs and cost allocations for each party.

2.3 Fiscal-Year Basis Funding. While each Task Order may include a projected budget for the project included therein over the anticipated lifespan of the project, funding for Task Orders and change orders or amendments under this Master Agreement will be made available on a fiscal-year basis. However, funding may be carried forward to complete projects that span fiscal years in order that payment may be made in a timely manner.

2.4 No Partnership or Joint Venture. Neither this Master Agreement, nor any Task Order or project hereunder, nor any other conduct engaged in by either Party pursuant to this Master Agreement or any Task Order hereunder shall create any partnership or joint venture between the Parties, or between each Party and any of the other Party's contractors.

2.5 Project Litigation. In the event that litigation arises in regard to any project that is the subject of a Task Order to this Agreement, IEUA shall make Watermaster aware of such litigation as soon as is reasonably possible. Thereafter, the Parties shall meet to discuss the management and allocation of the costs of such litigation. Unless and until another agreement is reached as to the management and cost allocation, the costs of litigation will be borne in the same proportions as project costs are shared under the applicable Task Order.

ARTICLE 3

REIMBURSEMENT OF COSTS

3.1 Reimbursement Schedule. Reimbursement shall be made as follows: At the last day of each month, IEUA shall transmit to Watermaster's General Manager a single invoice, with supporting documentation, itemizing Watermaster's share of costs paid by IEUA in the preceding monthly billing period that are applicable to each Task Order. Invoices shall be due and payable in full no later than 30 days from the date of receipt. Watermaster will exercise its best efforts to complete payment within 30 days, recognizing that Watermaster may be subject to requirement of reimbursement to IEUA for additional expenses, such as loss of interest earnings, incurred as a result of a delay in reimbursement. The loss of interest earnings will be calculated by IEUA based on the investment earning rate.

3.2 Transmittal of Reimbursement Payments. Remittance for all payments shall identify the applicable IEUA invoice number, and shall be made to the following:

ATTACHMENT 1

IEUA
Accounts Receivable
P.O. Box 9020
Chino Hills, CA 91709

3.3 **Disputed Invoices.** If Watermaster disputes any portion of an invoice, Watermaster shall furnish prompt notice of the basis for the dispute and shall pay the undisputed portion. The due date for payment of the disputed portion shall be extended 30 days to allow the Parties to resolve the disputed issue.

3.4 **Reimbursement Limitations.** Neither Party shall be obligated to reimburse the other for any administrative time or overhead expenses incurred by the other Party that is unrelated to the Task Orders issued under this Master Agreement. All legal and technical consultants, contractors, or other personnel retained by either Party for work eligible for reimbursement under this Agreement shall be under contract to or employed by that individual retaining Party alone and shall look solely to that retaining Party for payment. Each individual Party assumes absolutely no liability or obligation to the other Party's consultants, contractors, or personnel retained outside this agreement and its respective task orders.

ARTICLE 4

TERM

4.1 **Effective Date.** The effective date of this Master Agreement is July ____, 2014 ("Effective Date").

4.2 **Termination.** This Master Agreement shall be mutually terminable at any time by majority vote of either Party's Board of Directors, within each Party's sole discretion. Termination shall not relieve the terminating party from its obligations accruing prior to termination, including the payment of monies due for work performed prior to the date of termination and project settlements costs thereof, shall be paid after receipt of an invoice as provided in Article 3, above.

ARTICLE 5

INDEMNITY

5.1 **IEUA.** IEUA shall indemnify Watermaster against and hold Watermaster harmless from any and all claims, suits, losses, damages, and liability for damages of every name, kind and description, including attorneys' fees and other costs of defense incurred, brought for, or on account of, injuries to or death of any person, including, but not limited to, workers, the public, or damage to property, or any economic or consequential losses, which are

ATTACHMENT 1

claimed to or in any way arise out of or are connected with IEUA's activities pursuant to this Agreement, any Task Order thereunder, regardless of the existence or degree of fault or negligence on the part of the Parties, a third-party contractor, the subcontractor(s) and employee(s) of any of these, except for the active negligence or willful misconduct of employees or agents of the Parties, or as expressly prohibited by statute. The provisions of this Section 5.1 will survive termination of this Agreement.

5.2 **Watermaster.** Watermaster shall indemnify IEUA against and hold IEUA harmless from any and all claims, suits, losses, damages, and liability for damages of every name, kind and description, including attorneys' fees and other costs of defense incurred, brought for, or on account of, injuries to or death of any person, including, but not limited to, workers, the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with Watermaster's activities pursuant to this Agreement, any Task Order thereunder, regardless of the existence or degree of fault or negligence on the part of the Parties, a third-party contractor, the subcontractor(s) and employee(s) of any of these, except for the active negligence or willful misconduct of employees or agents of the Parties, or as expressly prohibited by statute. The provisions of this Section 5.2 will survive termination of this Agreement.

ARTICLE 6

GENERAL PROVISIONS

6.1 **Notices.** Any notice under this Agreement shall be deemed sufficient if given by one Party to the other in writing and: delivered in person; transmitted by electronic mail or facsimile (with acknowledgement of receipt provided by the receiving Party); or, by mailing the same by United States mail (postage prepaid, registered or certified, return receipt requested) or by Federal Express or other similar overnight delivery service, to the Party to whom the notice is directed at the address of such Party as follows:

If to Watermaster:

Chino Basin Watermaster
Attn: General Manager
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

If to IEUA:

Inland Empire Utilities Agency
Attn: Executive Manager of Engineering/Assistant General Manager
PO Box 9020
Chino Hills, CA 91709

ATTACHMENT 1

Any communication given by mail shall be deemed delivered two (2) business days after such mailing date, and any written communication given by overnight delivery service shall be deemed delivered one (1) business day after the dispatch date. Either Party may change its address by giving the other Party notice of its new address.

6.2 **Assignability.** The Parties may not assign all or any part of this Master Agreement or any Task Order without advance written consent of each Party's Board of Directors.

6.3 **Waiver.** No waiver by any Party of any of the provisions shall be effective unless explicitly stated in writing and executed by the Party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representations, warranties, covenants, or agreements contained in this Agreement, and in any documents delivered or to be delivered pursuant to this Agreement. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

6.4 **Headings.** The section headings contained in this Agreement are for convenience and reference only and shall not affect the meaning or interpretation of this Agreement.

6.5 **Severability.** If any term, provision, covenant or condition of this Agreement shall be or become illegal, null, void or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, and shall not be affected, impaired or invalidated. The term, provision, covenant or condition that is so invalidated, voided or held to be unenforceable, shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives set forth in this Agreement.

6.6 **Governing Law.** This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of California. This Agreement shall be specifically enforceable in the Court maintaining jurisdiction over the case Chino Basin Municipal Water District v. City of Chino, San Bernardino Superior Court Case No. RCV 51010.

6.7 **Parties in Interest.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action against any party to this Agreement.

ATTACHMENT 1

6.8 **Attorney Fees.** In any dispute under this agreement between the Parties, each Party shall bear its own legal costs and expenses.

6.9 **Good Faith.** The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Agreement and to execute such further instruments or documents as are necessary or appropriate to effectuate all of the terms and conditions of this Agreement.

6.10 **Construction.** The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against either Party, as each Party has participated in the drafting of this document and had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.

6.11 **Entire Agreement.** This Agreement contains the entire understanding and agreement of the Parties, and supersedes all prior agreements and understandings, oral and written, between the Parties concerning the subject matter of this agreement. There have been no binding promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature, except as stated in this Agreement. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver or estoppels.

6.12 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year and at the place first written above.

CHINO BASIN WATERMASTER

By _____
PETER KAVOUNAS
General Manager

ATTACHMENT 1

INLAND EMPIRE UTILITIES AGENCY

By _____
P. JOSEPH GRINDSTAFF
General Manager



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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for June 2014

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2014

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	06/07/2014	06/07/2014	Payroll and Taxes for 05/25/14-06/07/14	Payroll and Taxes for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	21,050.62
				Employee Garnishments for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	349.74
				Payroll Taxes for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	7,383.37
				Payroll Checks for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	917.48
			ICMA-RC	457 Employee Deductions for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	3,173.30
			ICMA-RC	401(a) Employee Deductions for 05/25/14-06/07/14	1012 · Bank of America Gen'l Ckg	1,023.58
TOTAL						33,898.09
Bill Pmt -Check	06/09/2014	17863	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2014	566123		Alvarez	6073 · BHFS Legal - Personnel Matters	441.00
				GM Evaluation	6073 · BHFS Legal - Personnel Matters	526.50
				Personnel Committee	6073 · BHFS Legal - Personnel Matters	189.00
Bill	04/30/2014	566124		566124	6907.32 · Chino Airport Plume	1,210.95
Bill	04/30/2014	566125		566125	6907.33 · Desalter/Hydraulic Control	3,663.45
Bill	04/30/2014	566126		566126	6275 · BHFS Legal - Advisory Committee	1,564.08
Bill	04/30/2014	566127		566127	6375 · BHFS Legal - Board Meeting	12,491.10
Bill	04/30/2014	566128		566128	8375 · BHFS Legal - Appropriative Pool	1,417.50
Bill	04/30/2014	566129		566129	8475 · BHFS Legal - Agricultural Pool	1,953.00
Bill	04/30/2014	566130		566130	8575 · BHFS Legal - Non-Ag Pool	4,445.55
Bill	04/30/2014	566131		566131	6071 · BHFS Legal - Court Coordination	369.90
Bill	04/30/2014	566132		566132	6074 · BHFS Legal - Interagency Issues	598.50
Bill	04/30/2014	566133		566133	6907.39 · Recharge Master Plan	2,110.50
Bill	04/30/2014	566134		566134	6907.42 · Safe Yield Recalculation	28,351.80
Bill	04/30/2014	566135		566135	6907.43 · RMPU - City of Fontana Motion	18,312.09
Bill	04/30/2014	566122		566122	6078 · BHFS Legal - Miscellaneous	14,356.35
				Non-Ag Pool Rules & Regs	6078 · BHFS Legal - Miscellaneous	832.50
				Expenses	6375 · BHFS Legal - Board Meeting	600.00
				Expenses	8375 · BHFS Legal - Appropriative Pool	41.35
				Expenses	8475 · BHFS Legal - Agricultural Pool	41.35
				Expenses	8575 · BHFS Legal - Non-Ag Pool	41.34
				Expenses	6071 · BHFS Legal - Court Coordination	150.00
				Expenses	6078 · BHFS Legal - Miscellaneous	381.51
TOTAL						94,089.32
Bill Pmt -Check	06/10/2014	17864	COMPUTER NETWORK	90194	1012 · Bank of America Gen'l Ckg	
Bill	05/29/2014	90194		Replacement of hard drive	6055 · Computer Hardware	285.76
TOTAL						285.76

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2014

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/10/2014	17865	COSTCO WHOLESALE	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	675.37
				Copier paper	6031.1 · Copy Paper	41.50
TOTAL						716.87
Bill Pmt -Check	06/10/2014	17866	FRED PRYOR SEMINARS	1961714	1012 · Bank of America Gen'l Ckg	
Bill	05/28/2014	1967174		Joswiak - Training Rewards renewal	6192 · Training & Seminars	199.00
TOTAL						199.00
Bill Pmt -Check	06/10/2014	17867	HOGAN LOVELLS	2819290	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	2819290		Non-Ag Pool legal services - April 2014	8567 · Non-Ag Legal Service	10,577.40
TOTAL						10,577.40
Bill Pmt -Check	06/10/2014	17868	PAYCHEX	2014052900	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	2014052900		May 2014	6012 · Payroll Services	286.35
TOTAL						286.35
P104 Bill Pmt -Check	06/10/2014	17869	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2014	8000909000168851		FedEx	6042 · Postage - General	28.00
TOTAL						28.00
Bill Pmt -Check	06/10/2014	17870	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	05/28/2014	012561121521714508		012561121521714508	7405 · PE4-Other Expense	187.84
Bill	05/31/2014	012519116950792103		012519116950792103	6022 · Telephone	72.18
TOTAL						260.02
Bill Pmt -Check	06/12/2014	17871	ACWA JOINT POWERS INSURANCE AUTHORITY	02091558	1012 · Bank of America Gen'l Ckg	
Bill	06/10/2014	0291558		Prepayment - July 2014	1409 · Prepaid Life, BAD&D & LTD	106.85
				June 2014	60191 · Life & Disab.Ins Benefits	106.85
TOTAL						213.70
Bill Pmt -Check	06/12/2014	17872	BOWCOCK, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17873	CORELOGIC INFORMATION SOLUTIONS	81192981	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	81192981		81192981	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81192981	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/12/2014	17874	CRAIG, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	05/13/2014	5/13 Appro Pool Mtg		5/13/14 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	05/15/2014	5/15 Advisory Comm		5/15/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	05/16/2014	5/16 Admin Mtg		5/16/14 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	06/12/2014	17875	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17876	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
P105						
Bill Pmt -Check	06/12/2014	17877	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17878	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	05/05/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	06/12/2014	17879	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/13/2014	5/13 Appro Pool Mtg		5/13/14 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/15/2014	5/15 Advisory Comm		5/15/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/15/2014	5/15 Joint Projects		5/15/14 IEUA/CBWM Joint Recharge Projects Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	05/22/2014	5/22 Board mTG		5/22/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	06/12/2014	17880	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/12/2014	17881	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17882	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17883	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/15/2014	5/15 Advisory Comm		5/15/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/15/2014	5/15 Joint Projects		5/15/14 IEUA/CBWM Joint Recharge Projects Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	05/22/2014	5/22 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	06/12/2014	17884	PREMIERE GLOBAL SERVICES	16226552	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	16226552		Call on 4/28 re water rights	6909.1 · OBMP Meetings	12.99
				Pool agendas call on 4/29	8312 · Meeting Expenses	5.56
				Pool agendas call on 4/29	8412 · Meeting Expenses	5.56
				Pool agendas call on 4/29	8512 · Meeting Expense	5.57
				Call on 5/05 re Safe Yield Recalculation	6909.1 · OBMP Meetings	31.99
				Pool mtgs check call on 5/07	8312 · Meeting Expenses	7.06
				Pool mtgs check call on 5/07	8412 · Meeting Expenses	7.06
				Pool mtgs check call on 5/07	8512 · Meeting Expense	7.08
				Non-Ag Pool meeting call on 5/08	8512 · Meeting Expense	43.63
				Call on 5/13 re Safe Yield Recalculation	6909.1 · OBMP Meetings	30.54
				Call on 5/16 re Safe Yield Recalculation	6909.1 · OBMP Meetings	49.09
				Call on 5/19 re RMPU	6909.1 · OBMP Meetings	42.42
				Call on 5/20 re PK and J. Rossi-Basin matters	6909.1 · OBMP Meetings	23.01
				Fees - General	6022 · Telephone	49.00
				Fees - Confidential	6022 · Telephone	49.00
				Call on 4/28 re court hearing briefing	6909.1 · OBMP Meetings	34.12
TOTAL						403.68
Bill Pmt -Check	06/12/2014	17885	STAPLES BUSINESS ADVANTAGE	8030054611	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	8030054611		Miscellaneous office supplies	6031.7 · Other Office Supplies	154.81
TOTAL						154.81

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/12/2014	17886	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2014	5/22 Board Meeting		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2014	17887	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2014	5/08 Ag Pool Mtg		5/08/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/16/2014	17888	INLAND EMPIRE UTILITIES AGENCY	1800002358	1012 · Bank of America Gen'l Ckg	
Bill	06/05/2014	1800002358		O&M ARGO vehicle cost share	7206 · Comp Recharge-O&M	13,887.42
TOTAL						13,887.42
Bill Pmt -Check	06/16/2014	17889	INLAND EMPIRE UTILITIES AGENCY	90014115	1012 · Bank of America Gen'l Ckg	
Bill	05/29/2014	90014115		77.200AF Untreated water @ \$606.00/AF	5011 · Replenishment Water	46,783.20
TOTAL						46,783.20
Bill Pmt -Check	06/16/2014	17890	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	2014149		2014149	6906 · OBMP Engineering Services	3,745.08
Bill	05/31/2014	2014150		2014150	6906.71 · OBMP-Data Req.-CBWM Staff	104.00
Bill	05/31/2014	2014151		2011151	6906 · OBMP Engineering Services	1,092.50
Bill	05/31/2014	2014152		2014152	6906 · OBMP Engineering Services	2,155.00
Bill	05/31/2014	2014153		2014153	7103.3 · Grdwtr Qual-Engineering	7,801.25
Bill	05/31/2014	2014154		2014154	7104.3 · Grdwtr Level-Engineering	14,312.73
Bill	05/31/2014	2014155		2014155	7107.61 · Grd Level-Chino Hills ASR	2,310.00
Bill	05/31/2014	2014156		Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	12,100.44
				Parsons Binckerhoff, Inc	7107.6 · Grd Level-Contract Svcs	456.36
				Western Gunn Hydrology, LLC	7107.6 · Grd Level-Contract Svcs	5,185.80
				2014156	7107.2 · Grd Level-Engineering	5,293.00
Bill	05/31/2014	2014157		2014157	7108.3 · Hydraulic Control-Engineering	327.50
Bill	05/31/2014	2014158		2014158	7108.3 · Hydraulic Control-Engineering	296.25
Bill	05/31/2014	2014159		2014159	7109.3 · Recharge & Well - Engineering	2,363.75
Bill	05/31/2014	2014160		2014160	7108.7 · Hydraulic Control - Prado Basin	41.25
Bill	05/31/2014	2014161		2014161	7202.3 · Comp Recharge-Implementation	125.00
Bill	05/31/2014	2014162		2014162	7303 · PE3&5-Engineering	1,150.00
Bill	05/31/2014	2014163		2014163	7402 · PE4-Engineering	13,460.25
Bill	05/31/2014	2014164		2014164	7502 · PE6&7-Engineering	1,098.75
Bill	05/31/2014	2014165		2014165	6906.73 · OBMP-Safe Yield Recalculation	48,880.93
TOTAL						122,299.84

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/17/2014	17891	CUCAMONGA VALLEY WATER DISTRICT	Lease due July 1, 2014	1012 · Bank of America Gen'l Ckg	
Bill	06/16/2014			Lease due July 1, 2014	1422 · Prepaid Rent	6,160.00
TOTAL						6,160.00
Bill Pmt -Check	06/17/2014	17892	INLAND EMPIRE UTILITIES AGENCY	1800002362	1012 · Bank of America Gen'l Ckg	
Bill	06/12/2014	1800002362		Hickory Basin-Arizona Crossing Cost Share Proj.	7690.3 · Hickory Basin Recharge Imprvmnt	17,623.00
TOTAL						17,623.00
Bill Pmt -Check	06/17/2014	17893	JOHN J. SCHATZ	November 2013 - May 2014	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014			Approp. Pool - November 2013 - May 2014	8367 · Legal Service	44,366.00
TOTAL						44,366.00
Bill Pmt -Check	06/17/2014	17894	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	06/16/2014	0111802		Employee deductions - June 2014	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	06/17/2014	17895	MIJAC ALARM		1012 · Bank of America Gen'l Ckg	
Bill	05/27/2014	353782		Installation of additional panic button	6026 · Security Services	65.00
Bill	06/01/2014	353948		Fire monitoring 6/01/14-8/31/14	6026 · Security Services	450.00
TOTAL						515.00
Bill Pmt -Check	06/17/2014	17896	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/07/2014	06/07/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/25/14-06/07/14	2000 · Accounts Payable	7,131.30
TOTAL						7,131.30
Bill Pmt -Check	06/17/2014	17897	STAPLES BUSINESS ADVANTAGE	8030159685	1012 · Bank of America Gen'l Ckg	
Bill	06/07/2014	8030159685		Misc. office supplies	6031.7 · Other Office Supplies	53.06
				Toner cartridge	6031.7 · Other Office Supplies	86.39
TOTAL						139.45
Bill Pmt -Check	06/17/2014	17898	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2014				60182.4 · Retiree Medical	28.49
TOTAL						28.49
Bill Pmt -Check	06/17/2014	17899	THOMAS HARDER & CO		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	3		Invoice 3	8306 · Consulting/Engineering Services	7,801.88
Bill	05/31/2014	4		Invoice 4	8306 · Consulting/Engineering Services	2,720.00
TOTAL						10,521.88
Bill Pmt -Check	06/17/2014	17900	TW TELECOM	06304044	1012 · Bank of America Gen'l Ckg	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/16/2014	06304044		4 T1 lines - 06304044	6053 · Internet Expense	1,033.48
TOTAL						1,033.48
Bill Pmt -Check	06/17/2014	17901	VERIZON WIRELESS	9726374101	1012 · Bank of America Gen'l Ckg	
Bill	06/02/2014	9726374101		Monthly service	6022 · Telephone	303.81
				Equipment charges	6022 · Telephone	176.33
TOTAL						480.14
Bill Pmt -Check	06/19/2014	17902	CARPET CARE CONNECTION		1012 · Bank of America Gen'l Ckg	
Bill	06/18/2014			Clean carpets throughout office	6024 · Building Repair & Maintenance	659.70
TOTAL						659.70
General Journal	06/21/2014	06/21/14	Payroll and Taxes for 06/08/14-06/21/14	Payroll and Taxes for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	21,775.49
				Employee Garnishments for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	349.74
				Payroll Taxes for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	6,901.13
				Payroll Checks for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	917.49
			ICMA-RC	457 Employee Deductions for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	3,173.30
			ICMA-RC	401(a) Employee Deductions for 06/08/14-06/21/14	1012 · Bank of America Gen'l Ckg	1,023.58
TOTAL						34,140.73
Bill Pmt -Check	06/23/2014	17903	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2014	568569		568569	6078 · BHFS Legal - Miscellaneous	10,761.64
				Expenses	8375 · BHFS Legal - Appropriative Pool	150.00
				Expenses	6375 · BHFS Legal - Board Meeting	529.56
				Expenses	6907.42 · Safe Yield Recalculation	375.00
Bill	05/31/2014	568570		GM Evaluation	6073 · BHFS Legal - Personnel Matters	7,272.00
Bill	05/31/2014	568571		568571	6907.32 · Chino Airport Plume	273.60
Bill	05/31/2014	568572		568572	6907.33 · Desalter/Hydraulic Control	2,206.80
Bill	05/31/2014	568573		568573	6275 · BHFS Legal - Advisory Committee	1,257.06
Bill	05/31/2014	568574		568574	6375 · BHFS Legal - Board Meeting	5,698.80
Bill	05/31/2014	568575		568575	8375 · BHFS Legal - Appropriative Pool	1,260.00
Bill	05/31/2014	568576		568576	8475 · BHFS Legal - Agricultural Pool	2,474.08
Bill	05/31/2014	568577		568577	8575 · BHFS Legal - Non-Ag Pool	2,348.08
Bill	05/31/2014	568578		568578	6071 · BHFS Legal - Court Coordination	157.50
Bill	05/31/2014	568579		568579	6907.39 · Recharge Master Plan	1,795.50
Bill	05/31/2014	568580		568580	6907.42 · Safe Yield Recalculation	23,536.35
Bill	05/31/2014	568581		568581	6078.12 · CCG Motion	1,795.50
Bill	05/31/2014	568582		568582	6907.43 · RMPU - City of Fontana Motion	2,068.20
TOTAL						63,959.67

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/23/2014	17904	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	06/17/2014	1394905143		Medical premiums - July 2014	60182.1 - Medical Insurance	6,683.04
TOTAL						6,683.04
Bill Pmt -Check	06/23/2014	17905	EGOSCUE LAW GROUP	10647	1012 - Bank of America Gen'l Ckg	
Bill	05/31/2014	10647		Ag Pool legal services - May 2014	8467 - Ag Legal & Technical Services	8,440.00
TOTAL						8,440.00
Bill Pmt -Check	06/23/2014	17906	LIATTI & ASSOCIATES	513	1012 - Bank of America Gen'l Ckg	
Bill	06/17/2014	513		06/26-06/30 WC - Broker Fee	6085 - Business Insurance Package	13.59
				07/01-06/26 WC - Broker Fee	1406 - Prepaid Workers Comp Ins.	978.16
TOTAL						991.75
Bill Pmt -Check	06/23/2014	17907	WESTERN DENTAL SERVICES, INC.	11882	1012 - Bank of America Gen'l Ckg	
Bill	06/11/2014	11882		Dental insurance premium - June 2014	60182.2 - Dental & Vision Ins	30.00
TOTAL						30.00
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Bill Pmt -Check	06/26/2014	17908	AQUA CAPITAL MANAGEMENT LP		1012 - Bank of America Gen'l Ckg	
Bill	06/18/2014			Payment of Exhibit "G" water	5107 - Exhibit "G" Non-Ag Pool Water	1,997,069.82
TOTAL						1,997,069.82
Bill Pmt -Check	06/26/2014	17909	AUTO CLUB SPEEDWAY		1012 - Bank of America Gen'l Ckg	
Bill	06/18/2014			Payment of Exhibit "G" water	5107 - Exhibit "G" Non-Ag Pool Water	486,260.00
TOTAL						486,260.00
					Total Disbursements:	3,013,638.71