

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Tuesday, November 25, 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

Tuesday, November 25, 2014

11:00 a.m. – Watermaster Board Meeting

AGENDA

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – November 25, 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 October 23, 2014 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of September 2014 *(Page 5)*
2. Watermaster VISA Check Detail for the month of September 2014 *(Page 17)*
3. Combining Schedule for the Period July 1, 2014 through September 30, 2014 *(Page 21)*
4. Treasurer's Report of Financial Affairs for the Period September 1, 2014 through September 30, 2014 *(Page 25)*
5. Budget vs. Actual Report for the Period July 1, 2014 through September 30, 2014 *(Page 29)*

C. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN

Adopt the finding in the Wildermuth Report that Watermaster is in substantial compliance with the Recharge Master Plan. *(Page 45)*

D. BUDGET TRANSFER FORM T-14-10-01 *(Page 53)*

Approve Budget Transfer Form T-14-10-01 for FY 2014/15 as presented and authorize the Watermaster General Manager to amend the Task Order(s) between IEUA and CBWM as required.

II. BUSINESS ITEMS

- A. CHINO BASIN WATERMASTER 2014/2015 ASSESSMENT PACKAGE** *(Page 59)*
Approve the Fiscal Year 2014-2015 Assessment Package as presented, including no credit for Stormwater New Yield and postponing the assessment of desalter replenishment.

- B. LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS** *(Page 63)*
Approve Resolution 2014-05 as presented.

- C. WATERMASTER ANNUAL AUDIT PRESENTATION BY CHARLES Z. FEDAK & COMPANY**
Receive and file (1) The Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013 dated November 20, 2014; and (2) the Chino Basin Watermaster Management Report for June 30, 2014 dated November 20, 2014. *(Page 69)*

- D. SAFE YIELD RECALCULATION AND RESET – WATERMASTER MOTION** *(Page 83)*
Consider the Advisory Committee recommendation to initiate a mediation process instead of filing the motion; and/or consider the advice and counsel of the Pools and Advisory Committees and take action on the draft motion.

III. REPORTS/UPDATES

- A. LEGAL COUNSEL REPORT**
 - 1. Motion for Approval of Physical Solution Transfer Rate Substitution
 - 2. City of Ontario Request
 - 3. West Venture
 - 4. Basin Boundary – SGMA

- B. CFO REPORT**
 - 1. Assessment Invoicing

- C. ENGINEER REPORT**
 - 1. None

- D. GM REPORT**
 - 1. RMPU Amendment
 - 2. Vulcan Materials Company – Recharge Application
 - 3. December Meeting Schedule and Holiday Office Closure

IV. INFORMATION

- 1. Cash Disbursements for October 2014 *(Page 111)*

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

- 1. Alvarez CalPERS Appeal

VIII. FUTURE MEETINGS AT WATERMASTER

~~11/25/14 Tue 11:00 a.m. Watermaster Board~~

~~11/27/14 Thu 11:00 a.m. Watermaster Board (Rescheduled to 11/25/14)~~

DECEMBER 2014:

~~12/04/14 Thu 10:00 a.m. Safe Yield Recalculation and Related Matters (Cancelled)~~

~~12/11/14 Thu 9:00 a.m. Appropriative Pool (Cancelled)~~

~~12/11/14 Thu 11:00 a.m. Non-Agricultural Pool (Cancelled)~~

~~12/11/14 Thu 1:30 p.m. Agricultural Pool (Cancelled)~~

~~12/18/14 Thu 8:00 a.m. Joint IEUA/CBWM Recharge Improvement Projects (Cancelled)~~

~~12/18/14 Thu 9:00 a.m. Advisory Committee (Cancelled)~~

~~12/18/14 Thu 10:00 a.m.* Safe Yield Recalculation and Related Matters (Cancelled)~~

~~12/25/14 Thu 11:00 a.m. Watermaster Board (Cancelled)~~

ADJOURNMENT

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

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INTENTIONALLY
BEEN LEFT
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FOR PAGINATION

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting held on October 23, 2014

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

October 23, 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 October 23, 2014.

WATERMASTER BOARD MEMBERS PRESENT

Robert "Bob" Craig, Chair
Steve Elie, Vice-Chair
Mark Kinsey
Ken Jeske, for Bob Bowcock
J. Arnold Rodriguez
Geoffrey Vanden Heuvel
Paul Hofer
Bob Kuhn
John Rossi, for Don Galleano

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

WATERMASTER BOARD MEMBERS ABSENT

Bob Bowcock
Don Galleano

Vulcan Materials Company (Calmat Division)
Western Municipal Water District

WATERMASTER STAFF PRESENT

Peter Kavounas
Danielle Maurizio
Joseph Joswiak
Anna Truong

General Manager
Assistant General Manager
Chief Financial Officer
Recording Secretary

WATERMASTER CONSULTANTS PRESENT

Scott Slater
Brad Herrema
Mark Wildermuth
Andy Malone

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

OTHERS PRESENT

Josh Swift
Seth Zielke
Pete Hall
Ryan Shaw
John Bosler
Eunice Ulloa
Ben Lewis
Raul Garibay
Nadeem Majaj
Terry Catlin
Justin Scott-Coe
Chris Berch
Dave Crosley
Kathy Tiegs
Art Kidman
Teri Layton
Ron Craig

Fontana Union Water Company
Fontana Water Company
State of California – CIM
City of Ontario
Cucamonga Valley Water District
Chino Basin Water Conservation District
Golden State Water Company
City of Pomona
City of Chino Hills
Inland Empire Utilities Agency
Monte Vista Water District
Inland Empire Utilities Agency
City of Chino
Cucamonga Valley Water District
Kidman Law, LLP
San Antonio Water Company
City of Chino Hills

Larry Dimock
Andy Campbell
Rick Hansen
Jo Lynne Russo-Pereyra
Todd Corbin
Jeff Pierson
Rosemary Hoerning
Scott Burton
Brian Geye
Bob Feenstra
Jimmy Gutierrez
Jasmin Hall
Manny Martinez
Rob Vanden Heuvel
Carolina Sanchez

State of California – CIM
Inland Empire Utilities Agency
Three Valleys Municipal Water District
Cucamonga Valley Water District
Jurupa Community Services District
Agricultural Pool – Crops
City of Upland
City of Ontario
Auto Club Speedway
Agricultural Pool – Dairy
Law Offices of Jimmy Gutierrez
Inland Empire Utilities Agency
Monte Vista Water District
Agricultural Pool – Dairy
Wildermuth Environmental, Inc.

CALL TO ORDER

Chair Craig called the Watermaster Board meeting to order at 11:02 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 September 25, 2014

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2014
2. Watermaster VISA Check Detail for the month of August 2014
3. Combining Schedule for the Period July 1, 2014 through August 31, 2014
4. Treasurer's Report of Financial Affairs for the Period August 1, 2014 through August 31, 2014
5. Budget vs. Actual Report for the Period July 1, 2014 through August 31, 2014

C. AMENDMENT TO MWD DRY YEAR YIELD AGREEMENT

Approve Amendment No. 8 to the MWD Dry Year Yield Agreement and authorize the General Manager to execute the agreement.

(0:00:47)

Motion by Mr. Bob Kuhn, second by Mr. Mark Kinsey, and carried unanimously

Moved to approve Consent Calendar as presented

Mr. J. Arnold Rodriguez with Santa Ana River Water Company abstained as he was absent at the September 25, 2014 Board meeting.

II. BUSINESS ITEMS

A. PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION

Approve the proposed FY 2014/15 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

(0:01:10) Mr. Kavounas gave a report.

(0:02:03)

Motion by Mr. Mark Kinsey, second by Mr. J. Arnold Rodriguez and carried unanimously

Moved to approve Business Item II.A. as presented

B. SAFE YIELD RECALCULATION AND RESET (DISCUSSION ONLY)

Review staff's proposal as requested by the Board. If the Board desires, direct staff to prepare a pleading for review at the November 20, 2014 Board meeting.

(0:02:35) Mr. Kavounas gave introductory remarks. A discussion ensued.

(0:08:00)

Motion by Mr. Bob Kuhn, second by Mr. Geoffrey Vanden Heuvel, and by majority vote (roll call vote)

Moved to approve setting the Safe Yield at 130,000 AFY with an effective date of 2010/2011 using the 2001–2010 base period consistent with the Rules and Regulations, and for staff to prepare a report with its recommendations to be presented at next Pools, Advisory Committee and Board meetings for a vote.

Yes Votes:

- Bob Kuhn (Three Valleys MWD)
- John Rossi (Western MWD)
- Steve Elie (Inland Empire Utilities Agency)
- Geoff Vanden Heuvel (Ag Pool – Dairy)
- Paul Hofer (Ag Pool – Crops)

No Votes:

- Robert "Bob" Craig (Jurupa CSD)
- Mark Kinsey (Monte Vista Water District)
- J. Arnold Rodriguez (Santa Ana River Water Co.)
- Ken Jeske (Non-Ag Pool – CA Steel Industries)

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. West Venture
2. Waters of the United States Rulemaking

(1:08:22) Mr. Slater gave a report. A discussion ensued.

(1:10:59)

Motion by Mr. Bob Kuhn, second by Mr. Paul Hofer, and carried unanimously

Moved to support IEUA's position on Legal Counsel Report Item III.A.2

B. CFO REPORT

None

C. ENGINEER REPORT

1. Proposition 1E Grant Transfer Support
2. Prado Basin Habitat Sustainability Program

(1:15:50) Mr. Wildermuth gave a report.

D. GM REPORT

- 1. November Meeting Schedule

(1:20:49) Mr. Kavounas gave a report.

IV. INFORMATION

- 1. Cash Disbursements for September 2014
- 2. 2014/15 First Interim Organization Performance Report

V. BOARD MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

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

10/21/14	Tue	2:00 p.m.	Assessment Package Workshop
10/23/14	Thu	9:00 a.m.	Land Subsidence Committee
10/23/14	Thu	11:00 a.m.	Watermaster Board
10/28/14	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (at CBWCD)
11/06/14	Thu	10:00 a.m.	Safe Yield Recalculation and Related Matters
11/13/14	Thu	9:00 a.m.	Appropriative Pool
11/13/14	Thu	11:00 a.m.	Non-Agricultural Pool
11/13/14	Thu	1:30 p.m.	Agricultural Pool
11/20/14	Thu	8:00 a.m.	Joint IEUA/CBWM Recharge Improvement Projects
11/20/14	Thu	9:00 a.m.	Advisory Committee
11/20/14	Thu	10:00 a.m.	Safe Yield Recalculation and Related Matters*
11/20/14	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

Chair Craig adjourned the Watermaster Board meeting at 12:29 p.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (September 30, 2014)

SUMMARY

Issue: Record of cash disbursements for the month of September 30, 2014.

Recommendation: Receive and file Cash Disbursements for September 30, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2014/15 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee – Unanimously approved
November 25, 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 September 2014 were \$149,444.61. The most significant expenditures during the month were to PayChex for funding the payroll expenses (direct deposits, payroll checks, payroll taxes, garnishments, employee deductions) for two scheduled payrolls during the month in the amounts of \$34,905.00 and \$34,809.14 (General Journal 14/09/03 dated September 13, 2014 and General Journal 14/09/06 dated September 27, 2014). These expenses are direct debited from the Watermaster bank account.

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/04/2014	18061	APPLIED COMPUTER TECHNOLOGIES	2522	1012 - Bank of America Gen'l Ckg	
Bill	08/29/2014	2522		Database Consulting Services - August 2014	6052.2 - Applied Computer Technol	3,747.20
TOTAL						<u>3,747.20</u>
Bill Pmt -Check	09/04/2014	18062	CHEF DAVE'S CAFE & CATERING	4985	1012 - Bank of America Gen'l Ckg	
Bill	08/29/2014	4985		Lunch for 8/28/14 Board meeting	6312 - Meeting Expenses	375.20
TOTAL						<u>375.20</u>
Bill Pmt -Check	09/04/2014	18063	COMPUTER NETWORK	90828	1012 - Bank of America Gen'l Ckg	
Bill	08/29/2014	90828		Toughbook screen repair	6055 - Computer Hardware	527.99
TOTAL						<u>527.99</u>
Bill Pmt -Check	09/04/2014	18064	OFFICE PRIDE	317822	1012 - Bank of America Gen'l Ckg	
Bill	09/02/2014	317822			6024 - Building Repair & Maintenance	988.32
TOTAL						<u>988.32</u>
Bill Pmt -Check	09/04/2014	18065	PARK PLACE COMPUTER SOLUTIONS, INC.	490	1012 - Bank of America Gen'l Ckg	
Bill	08/29/2014	490		IT Consulting Services - August 2014	6052.1 - Park Place Comp Solutn	3,525.00
TOTAL						<u>3,525.00</u>
Bill Pmt -Check	09/04/2014	18066	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	08/26/2014	012519128144592510		012519128144592510	6022 - Telephone	278.65
Bill	08/29/2014	012561121521714508		012561121521714508	7405 - PE4-Other Expense	186.45
TOTAL						<u>465.10</u>
Bill Pmt -Check	09/04/2014	18067	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2014	001017890001		Vision insurance - September 2014	60182.2 - Dental & Vision Ins	112.18
TOTAL						<u>112.18</u>
Bill Pmt -Check	09/04/2014	18068	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	09/02/2014	08-K2 213849		Disposal service for September 2014	6024 - Building Repair & Maintenance	106.53
TOTAL						<u>106.53</u>
Bill Pmt -Check	09/10/2014	18069	ACWA	ACWA 2014 Fall Conference Registration	1012 - Bank of America Gen'l Ckg	
Bill	09/02/2014			Reg. for PK-ACWA 2014 Fall Conf. - Dec. 2-5, 2014 6193.2	- Conference - Registration Fee	695.00
TOTAL						<u>695.00</u>
Bill Pmt -Check	09/10/2014	18070	ACWA JOINT POWERS INSURANCE AUTHORITY	0308310	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2014	0308310		Prepayment - October 2014	1409 - Prepaid Life, BAD&D & LTD	107.22

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount	
					September 2014	60191 - Life & Disab.Ins Benefits	119.90
TOTAL							227.12
Bill Pmt -Check	09/10/2014	18071	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg		
Bill	08/21/2014	8/21 Joint Projects		8/21/14 Joint IEUA/CBWM Recharge Proj. Mtg	6311 - Board Member Compensation	125.00	
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 - Board Member Compensation	125.00	
TOTAL							250.00
Bill Pmt -Check	09/10/2014	18072	CHARLES Z. FEDAK & COMPANY		1012 - Bank of America Gen'l Ckg		
Bill	08/31/2014			Progress billing - August 2014	6062 - Audit Services	3,315.00	
TOTAL							3,315.00
Bill Pmt -Check	09/10/2014	18073	COSTCO WHOLESALE	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg		
Bill	08/31/2014	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	503.81	
				Toner supplies	6031.7 - Other Office Supplies	291.36	
TOTAL							795.17
Bill Pmt -Check	09/10/2014	18074	CRAIG, ROBERT		1012 - Bank of America Gen'l Ckg		
Bill	08/07/2014	8/07 SY Recalc		8/07/14 Safe Yield Recalc. & Related Matters Mtg	6311 - Board Member Compensation	125.00	
Bill	08/14/2014	8/14 Appro Pool Mtg		8/14/14 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00	
Bill	08/21/2014	8/21 Advis Comm		8/21/14 Advisory Committee Meeting	6311 - Board Member Compensation	125.00	
Bill	08/26/2014	8/26 Bd Officers Mtg		8/26/14 Board Officers & Pool Chairs Qtrly Mtg	6311 - Board Member Compensation	125.00	
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 - Board Member Compensation	125.00	
TOTAL							625.00
Bill Pmt -Check	09/10/2014	18075	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg		
Bill	07/31/2014	7/31 Ag Pool Meeting		7/31/14 Ag Pool Special Planning Meeting	8411 - Compensation	25.00	
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00	
TOTAL							125.00
Bill Pmt -Check	09/10/2014	18076	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg		
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/14 Ag Pool Meeting	8411 - Compensation	25.00	
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00	
TOTAL							125.00
Bill Pmt -Check	09/10/2014	18077	EGOSCUE LAW GROUP	10764	1012 - Bank of America Gen'l Ckg		
Bill	08/31/2014	10764		Ag Pool legal services - August 2014	8467 - Ag Legal & Technical Services	2,145.00	
TOTAL							2,145.00
Bill Pmt -Check	09/10/2014	18078	ELIE, STEVEN		1012 - Bank of America Gen'l Ckg		

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Financial Report - B1

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	08/07/2014	8/07 SY Recalc		8/07/14 Safe Yield Recalc. & Related Matters Mtg	6311 · Board Member Compensation	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/10/2014	18079	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	07/31/2014	7/31 Ag Pool Mtg		7/31/14 Ag Pool Special Planning Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 Advisory Comm		8/21/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	09/10/2014	18080	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	08/07/2014	8/07 SY Recalc		8/07/14 Safe Yield Recalc. & Related Matters Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/14/2014	8/14 Appro Pool Mtg		8/07/14 Appropriate Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 Joint Projects		8/21/14 Joint IEUA/CBWM Recharge Proj. Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 Advisory Comm		8/21/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 SY Recalc		8/21/14 Safe Yield Recalc. & Related Matters Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	09/10/2014	18081	HOGAN LOVELLS	2839026	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	2839026		Non-Ag Pool legal services - July 2014	8567 · Non-Ag Legal Service	6,993.80
TOTAL						6,993.80
Bill Pmt -Check	09/10/2014	18082	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2014	7/31 Ag Pool Mtg		7/31/14 Ag Pool Special Planning Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	09/10/2014	18083	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	08/07/2014	8/07 SY Recalc		8/07/14 Safe Yield Recalc. & Related Matters Mtg	6311 · Board Member Compensation	125.00
Bill	08/21/2014	8/21 Advisory Comm		8/21/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	09/10/2014	18084	MIJAC ALARM	358951	1012 · Bank of America Gen'l Ckg	
Bill	09/02/2014	358951		Fire monitoring 9/01/14-11/30/14	8026 · Security Services	396.00
				Reports 9/01/14-11/30/14	8026 · Security Services	54.00
				Commercial monitoring 9/01/14-11/30/14	8026 · Security Services	147.00
TOTAL						597.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/10/2014	18085	MONTE VISTA WATER DIST		1012 · Bank of America Gen'l Ckg	
Bill	01/23/2014	1/23 Board Mtg		1/23/14 Board Meeting Comp. - Mark Kinsey	6311 · Board Member Compensation	125.00
Bill	02/04/2014	2/04 Fontana Mtg		2/04/14 City of Fontana Resolution Disc. Mtg #4	6311 · Board Member Compensation	125.00
Bill	02/11/2014	2/11 Admin Mtg		2/11/14 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	02/24/2014	2/24 Board Briefing		2/24/14 Board Briefing	6311 · Board Member Compensation	125.00
Bill	02/27/2014	2/27 Board Meeting		2/27/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	03/13/2014	3/13 Appro Pool Mtg		3/13/14 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/27/2014	3/27 Board Mtg		3/27/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	03/31/2014	3/31 Admin Mtg		3/31/14 Administrative 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	04/24/2014	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
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	05/22/2014	5/22 Board Meeting		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/19/2014	6/19 Advisory Comm		6/19/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/19/2014	6/26 Board Mtg		6/26/14 Board Meeting	6311 · Board Member Compensation	125.00
P10 Bill	07/10/2014	7/10 Appro Pool Mtg		7/10/14 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	07/24/2014	7/24 Board Mtg		7/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/21/2014	8/21 SY Recalc		8/21/14 Safe Yield Recalc. & Related Matters Mtg	6311 · Board Member Compensation	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting - Martinez attended	6311 · Board Member Compensation	125.00
TOTAL						2,500.00
Bill Pmt -Check	09/10/2014	18086	PAYCHEX	2014082800	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	2014082800		August 2014	6012 · Payroll Services	278.63
TOTAL						278.63
Bill Pmt -Check	09/10/2014	18087	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	07/31/2014	7/31 Ag Pool Meeting		7/31/14 Ag Pool Special Planning Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/07/2014	8/07 SY Recalc		8/07/14 Safe Yield Recalc. & Related Matters Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 Joint Projects		8/21/14 Joint IEUA/CBWM Recharge Proj. Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 Advisory Comm		8/21/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/21/2014	8/21 SY Recalc		8/21/14 Safe Yield Recalc. & Related Matters Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	09/10/2014	18088	PREMIERE GLOBAL SERVICES	16918641	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	16918641		RMPU call on 7/28	7204 · Comp Recharge-Supplies	55.70

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
				Cost sharing agreement call on 7/30	6909.1 - OBMP Meetings	27.59
				WM Coordination call on 8/04	6909.1 - OBMP Meetings	35.72
				Agenda call on 8/05	8312 - Meeting Expenses	1.36
				Agenda call on 8/05	8412 - Meeting Expenses	1.36
				Agenda call on 8/05	8512 - Meeting Expense	1.35
				WM items re Appropriative Pool call on 8/06	8312 - Meeting Expenses	13.85
				WM items re Appropriative Pool call on 8/06	8312 - Meeting Expenses	72.17
				WM coordination call on 8/11	6909.1 - OBMP Meetings	52.97
				Pool meetings check call on 8/13	8512 - Meeting Expense	15.13
				Pool meetings check call on 8/13	8312 - Meeting Expenses	15.13
				Pool meetings check call on 8/13	8412 - Meeting Expenses	15.12
				WM items call on 8/13	6909.1 - OBMP Meetings	20.98
				Non-Ag Pool meeting call on 8/14	8512 - Meeting Expense	31.61
				WM Coordination call on 8/18	6909.1 - OBMP Meetings	15.58
				Safe Yield call on 8/20	6909.1 - OBMP Meetings	16.88
				Safe Yield call on 8/21	6909.2 - OBMP Mailing Expense	20.46
				457 Plan call on 8/25	6909.2 - OBMP Mailing Expense	8.00
				WM Coordination call on 8/25	6909.2 - OBMP Mailing Expense	10.29
				Fee - Confidential	6022 - Telephone	49.00
				Fee - General	6022 - Telephone	49.00
P 111						
TOTAL						529.25
Bill Pmt -Check	09/10/2014	18089	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	08/30/2014	08/30/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/17/14-08/30/14	2000 - Accounts Payable	7,899.15
TOTAL						7,899.15
Bill Pmt -Check	09/10/2014	18090	R&D PEST SERVICES	0181179	1012 - Bank of America Gen'l Ckg	
Bill	09/04/2014	0181179		Pest control-Office	6024 - Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	09/10/2014	18091	STAPLES BUSINESS ADVANTAGE	8031038460	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2014	8031038460		Miscellaneous office supplies	6031.7 - Other Office Supplies	116.74
				Miscellaneous office supplies	6031.7 - Other Office Supplies	23.51
				Toner	6031.7 - Other Office Supplies	575.72
				Miscellaneous office supplies	6031.7 - Other Office Supplies	33.51
TOTAL						749.48
Bill Pmt -Check	09/10/2014	18092	UNION 76	7076-2245-3035-5049	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2014	7076224530355049		7076-2245-3035-5049	6175 - Vehicle Fuel	152.50
TOTAL						152.50

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/10/2014	18093	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/14 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/10/2014	18094	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/14/2014	8/14 Ag Pool Mtg		8/14/2014 Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	09/11/2014	18095	SANTA ANA RIVER WATER COMPANY		1012 · Bank of America Gen'l Ckg	
Bill	06/26/2014	6/26 Board Mtg		6/26/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	1/23/14 Board Mtg		1/23/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	2/20/14 Advis Comm		2/20/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	2/24/14 Board Brief		2/24/14 Board Briefing	6311 · Board Member Compensation	125.00
Bill	06/30/2014	2/27/14 Board Mtg		2/27/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	3/13/14 Appro Pool		3/13/14 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	3/18/14 Personnel		3/18/14 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	3/27/14 Board Mtg		3/27/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/01/14 Board Offrs		4/01/14 Board Officers & Chairs Quarterly Mtg	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/07/14 Personnel		4/07/14 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/08/14 Spec Board		4/08/14 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/10/14 Appro Pool		4/10/14 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/17/14 Advisory Mtg		4/17/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/24/14 Board Mtg		4/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	4/28/14 Court Brief		4/28/14 Court debriefing Meeting	6311 · Board Member Compensation	125.00
Bill	06/30/2014	5/22/14 Board Mtg		5/22/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/01/2014	7/01 Quarterly Board		7/01/14 Board Officers & Chairs Quarterly Mtg	6311 · Board Member Compensation	125.00
Bill	07/10/2014	7/10 Appro Pool Mtg		7/10/14 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	07/17/2014	7/17 Appro Pool Mtg		7/17/14 Special Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	07/24/2014	7/24 Board Mtg		7/24/14 Board Meeting	6311 · Board Member Compensation	125.00
Bill	08/14/2014	8/14 Appro Pool Mtg		8/14/14 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	08/26/2014	8/26 Bd Officers Mtg		8/26/14 Board Officers & Pool Chairs Quarterly Mtg	6311 · Board Member Compensation	125.00
Bill	08/28/2014	8/28 Board Mtg		8/28/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						2,875.00
General Journal	09/13/2014	09/13/2014	Payroll and Taxes for 08/31/14-09/13/14	Payroll and Taxes for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	20,078.81
				Garnishments for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	358.18

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
				Payroll Taxes for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	7,045.11
				Direct Deposits for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	2,065.54
				Payroll Taxes for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	93.72
				Payroll Checks for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	906.78
			ICMA-RC	457 Employee deductions for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	3,263.50
			ICMA-RC	401(a) Employee deductions for 08/31/14-09/13/14	1012 · Bank of America Gen'l Ckg	1,093.36
TOTAL						<u>34,905.00</u>
Check	09/15/2014	09/15/2014	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	400.12
TOTAL						<u>400.12</u>
Bill Pmt -Check	09/17/2014	18096	AUTOMOBILE CLUB OF SO. CALIFORNIA	Membership# 98966125	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2014	98966125		Fleet yearly membership	6177 · Vehicle Repairs & Maintenance	78.00
TOTAL						<u>78.00</u>
Bill Pmt -Check	09/17/2014	18097	CORELOGIC INFORMATION SOLUTIONS	81267993	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	81267993		81267993	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81267993	7101.4 · Prod Monitor-Computer	62.50
TOTAL						<u>125.00</u>
Bill Pmt -Check	09/17/2014	18098	IAAP	93942242	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2014	93942242		Annual dues for A. Truong - IAAP membership	6111 · Membership Dues	166.00
TOTAL						<u>166.00</u>
Bill Pmt -Check	09/17/2014	18099	PRINTING RESOURCES	61396	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2014	61396		Title plates - CHAIR, VICE CHAIR	6031.7 · Other Office Supplies	65.64
TOTAL						<u>65.64</u>
Bill Pmt -Check	09/17/2014	18100	R&D PEST SERVICES	0181433	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2014	0181433		Pest control-Annex	6024 · Building Repair & Maintenance	45.00
TOTAL						<u>45.00</u>
Bill Pmt -Check	09/17/2014	18101	SOUTHERN CALIFORNIA WATER COMMITTEE	Oct. 23, 2014 Annual Meeting & Dinner Reg.	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2014			Reg. for Kavounas & Maurizio to attend mtg	6193.2 · Conference - Registration Fee	400.00
TOTAL						<u>400.00</u>
Bill Pmt -Check	09/17/2014	18102	STAPLES BUSINESS ADVANTAGE	8031126886	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	8031126886		Mahogany frame for Charles Field commendation	6031.7 · Other Office Supplies	19.70
				Miscellaneous office supplies	6031.7 · Other Office Supplies	15.75

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				Miscellaneous office supplies	6031.7 · Other Office Supplies	5.50
				Binders for Sept. 16 meeting	6312 · Meeting Expenses	563.54
TOTAL						604.49
Bill Pmt -Check	09/17/2014	18103	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014				60182.4 · Retiree Medical	28.49
TOTAL						28.49
Bill Pmt -Check	09/17/2014	18104	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	2x81x0		Information to Charles Z. Fedak & Company-audit	6042 · Postage - General	20.80
TOTAL						20.80
Bill Pmt -Check	09/17/2014	18105	VERIZON WIRELESS	9731491820	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2014	9731491820		Monthly service	6022 · Telephone	295.67
TOTAL						295.67
Bill Pmt -Check	09/22/2014	18106	CUCAMONGA VALLEY WATER DISTRICT	Lease due October 1, 2014	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2014			Lease due October 1, 2014	1422 · Prepaid Rent	6,283.20
TOTAL						6,283.20
Bill Pmt -Check	09/22/2014	18107	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	XXXX-XXXX-XXXX-9341		Supplies for pre-court hearing meeting	6909.1 · OBMP Meetings	84.22
				Purchase tabs for Guidance Docs notebooks	6031.7 · Other Office Supplies	127.78
				Purchase extra supplies for office AED Unit	6031.7 · Other Office Supplies	69.88
				Supplies for pre-Ag Pool meeting	8412 · Meeting Expenses	77.21
				Reg. for Truong-attend 8/20/14 Excel Seminar	6192 · Training & Seminars	295.00
				Reg. Kavounas-attend Oct 15-16, 2014 GRA Conf.	6190 · Conferences & Seminars	405.00
				Airfare-Kavounas-attend Oct 15-16, 2014 GRA Con	6191 · Conferences - General	233.70
				Earlybird check-in on above flight	6191 · Conferences - General	25.00
				Reg. Wilson/Truong/Ruiz attend Oct. 4, 2014 IAAP	6192 · Training & Seminars	233.61
				Shuttle airport-Kavounas-Sept. 3, 2014 ACWA mtg	6191 · Conferences - General	17.00
				Parking-airport-Kavounas-Sept. 3, 2014 ACWA mtg	6191 · Conferences - General	23.00
TOTAL						1,591.40
Bill Pmt -Check	09/22/2014	18108	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	09/18/2014	1394905143		Medical insurance - October 2014	60182.1 · Medical Insurance	6,683.72
TOTAL						6,683.72
Bill Pmt -Check	09/22/2014	18109	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2014	0111802		Employee deductions - September 2014	60194 · Other Employee Insurance	51.80

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Financial Report - B1

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							51.80
	Bill Pmt -Check	09/22/2014	18110	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
	Bill	09/15/2014	6684246		Property tax bill for leased equipment	6044 · Postage Meter Lease	31.16
TOTAL							31.16
	Bill Pmt -Check	09/22/2014	18111	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	09/13/2014	09/13/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/31/14-09/13/14	2000 · Accounts Payable	7,899.15
TOTAL							7,899.15
	Bill Pmt -Check	09/22/2014	18112	STAPLES BUSINESS ADVANTAGE	8031300056	1012 · Bank of America Gen'l Ckg	
	Bill	09/13/2014	8031300056		Miscellaneous office supplies	6031.7 · Other Office Supplies	42.52
					Miscellaneous office supplies	6031.7 · Other Office Supplies	13.06
TOTAL							55.58
	Bill Pmt -Check	09/22/2014	18113	TW TELECOM	06496593	1012 · Bank of America Gen'l Ckg	
	Bill	09/15/2014	06496593		06496593	6053 · Internet Expense	1,031.93
TOTAL							1,031.93
P15	Bill Pmt -Check	09/22/2014	18114	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
	Bill	09/15/2014	11882		Dental insurance - September 2014	60182.2 · Dental & Vision Ins	15.00
TOTAL							15.00
	Bill Pmt -Check	09/24/2014	18115	CHEF DAVE'S CAFE & CATERING	5014	1012 · Bank of America Gen'l Ckg	
	Bill	09/16/2014	5014		Lunch for 9/16/14 Board Safe Yield Workshop	6312 · Meeting Expenses	1,044.80
TOTAL							1,044.80
	Bill Pmt -Check	09/24/2014	18116	CUCAMONGA VALLEY IAAP	September 24, 2014 Chapter Meeting	1012 · Bank of America Gen'l Ckg	
	Bill	09/22/2014			Fee-Wilson, Truong & Ruiz to attend Chapter Mtg	6192 · Training & Seminars	47.00
TOTAL							47.00
	Bill Pmt -Check	09/24/2014	18117	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
	Bill	08/31/2014	L0177356		L0177356	7108.4 · Hydraulic Control-Lab Svcs	440.00
	Bill	08/31/2014	L0177357		L0177357	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
TOTAL							2,032.00
	Bill Pmt -Check	09/24/2014	18118	GREAT AMERICA LEASING CORP.	15855597	1012 · Bank of America Gen'l Ckg	
	Bill	09/19/2014	15855597		Invoice	6043.1 · Ricoh Lease Fee	3,221.64
TOTAL							3,221.64

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2014

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/24/2014	18119	THOMAS HARDER & CO	7	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	7		August 2014	8306 · Consulting/Engineering Services	2,032.56
TOTAL						<u>2,032.56</u>
General Journal	09/27/2014	09/27/2014	Payroll and Taxes for 09/14/14-09/27/14	Payroll and Taxes for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	22,091.30
				Employee Garnishments for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	358.18
				Payroll Taxes for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	7,096.03
				Payroll Checks for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	906.77
			ICMA-RC	457 Employee Deductions for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	3,263.50
			ICMA-RC	401(a) Employee Deductions for 09/14/14-09/27/14	1012 · Bank of America Gen'l Ckg	1,093.36
TOTAL						<u>34,809.14</u>
General Journal	09/30/2014	09/30/2014	Wage Works FSA Direcct Debits - Sep 2014	Wage Works FSA Direct Debits - Sep 2014	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - Sep 2014	1012 · Bank of America Gen'l Ckg	669.60
				Wage Works FSA Direct Debits - Sep 2014	1012 · Bank of America Gen'l Ckg	669.60
				Wage Works FSA Direct Debits - Sep 2014	1012 · Bank of America Gen'l Ckg	81.50
TOTAL						<u>1,420.70</u>
					Total Disbursements:	<u><u>149,444.61</u></u>

TOTAL
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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (September 30, 2014)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of September 30, 2014.

Recommendation: Receive and file VISA Check Detail Report for September 30, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2014/15 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee – Unanimously approved
November 25, 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

The total cash disbursement during the month of September 2014 was \$1,591.40. The payment was processed by check number 18107 dated September 22, 2014. The monthly charges for September 2014 of \$1,591.40 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 September 2014

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/22/2014	18107	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	XXXX-XXXX-XXXX-9341		Supplies for pre-court hearing meeting	6909.1 · OBMP Meetings	84.22
				Purchase tabs for Guidance Docs notebooks	6031.7 · Other Office Supplies	127.78
				Purchase extra supplies for office AED Unit	6031.7 · Other Office Supplies	69.88
				Supplies for pre-Ag Pool meeting	8412 · Meeting Expenses	77.21
				Reg. for Truong-attend 8/20/14 Excel Seminar	6192 · Training & Seminars	295.00
				Reg. Kavounas-attend Oct 15-16, 2014 GRA Conf.	6190 · Conferences & Seminars	405.00
				Airfare-Kavounas-attend Oct 15-16, 2014 GRA Conf.	6191 · Conferences - General	233.70
				Earlybird check-in on above flight	6191 · Conferences - General	25.00
				Reg. Wilson/Truong/Ruiz attend Oct. 4, 2014 IAAP	6192 · Training & Seminars	233.61
				Shuttle airport-Kavounas-Sept. 3, 2014 ACWA mtg	6191 · Conferences - General	17.00
				Parking-airport-Kavounas-Sept. 3, 2014 ACWA mtg	6191 · Conferences - General	23.00
				Total Disbursements:		<u>1,591.40</u>

TOTAL

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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: November 25, 2014
TO: Board Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through September 30, 2014 - Financial Report B3 (September 30, 2014)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through September 30, 2014.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through September 30, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2014/15 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee – Unanimously approved
November 25, 2014 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2014 through September 30, 2014 is provided to keep all members apprised of the FY 2014/15 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, 2014 THROUGH SEPTEMBER 30, 2014

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2014-2015
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments									-	7,459,250
Interest Revenue			2,857	291	53				3,200	25,800
Mutual Agency Project Revenue	155,607								155,607	155,331
Grant Income									-	0
Miscellaneous Income									-	0
Total Revenues	155,607	-	2,857	291	53	-	-	-	158,807	7,640,381
Administrative & Project Expenditures:										
Watermaster Administration	294,716								294,716	1,137,511
Watermaster Board-Advisory Committee	41,212								41,212	228,826
Ag Pool Misc. Expense - Ag Fund									-	400
Pool Administration			47,193	40,916	28,807				116,916	601,185
Optimum Basin Mgmt Administration		354,647							354,647	1,333,696
OBMP Project Costs		564,299							564,299	3,427,282
Debt Service		415,978							415,978	431,740
Basin Recharge Improvements									-	1,674,877
Education Funds Use									-	0
Mutual Agency Project Costs									-	10,000
Total Administrative/OBMP Expenses	<u>335,929</u>	<u>1,334,924</u>	<u>47,193</u>	<u>40,916</u>	<u>28,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,787,768</u>	<u>8,845,517</u>
Net Administrative/OBMP Expenses	(180,322)	(1,334,924)								
Allocate Net Admin Expenses To Pools	<u>180,322</u>		<u>130,552</u>	<u>43,844</u>	<u>5,926</u>					
Allocate Net OBMP Expenses To Pools		<u>918,946</u>	<u>665,311</u>	<u>223,433</u>	<u>30,202</u>					
Allocate Debt Service to App Pool		<u>415,978</u>	<u>415,978</u>							
Agricultural Expense Transfer*			<u>308,193</u>	<u>(308,193)</u>						
Total Expenses			<u>1,557,227</u>	<u>-</u>	<u>64,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,787,768</u>	<u>8,845,517</u>
Net Administrative Income			<u>(1,564,370)</u>	<u>291</u>	<u>(64,882)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,628,961)</u>	<u>(1,205,136)</u>
Other Income/(Expense)										
Replenishment Water Assessments									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water									-	0
Interest Revenue									381	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water									-	0
MWD Water Purchases									-	0
Groundwater Replenishment									-	0
LAIF - Fair Market Value Adjustment									-	0
Refund-Excess Reserves									-	0
Refund-Recharge Debt									-	0
Net Other Income/(Expense)			<u>-</u>	<u>-</u>	<u>-</u>	<u>381</u>	<u>-</u>	<u>-</u>	<u>381</u>	<u>0</u>
Net Transfers To/(From) Reserves		(1,628,580)	(1,564,370)	291	(64,882)	381	-	-	(1,628,580)	(1,205,136)
Working Capital, July 1, 2014			5,373,896	479,894	120,514	633,295	158,251	2,120	6,767,969	
Working Capital, End Of Period			<u>3,809,526</u>	<u>480,184</u>	<u>55,632</u>	<u>633,676</u>	<u>158,251</u>	<u>2,120</u>	<u>5,139,389</u>	5,139,389
13/14 Assessable Production			100,165,551	33,638,883	4,546,972				138,351,406	
13/14 Production Percentages			72.399%	24.314%	3.287%				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, 2014 THROUGH SEPTEMBER 30, 2014

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2014-2015
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period September 1, 2014 through September 30, 2014 - Financial Report B4 (September 30, 2014)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of September 1, 2014 through September 30, 2014.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period September 1, 2014 through September 30, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2014/15 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee – Unanimously approved
November 25, 2014 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period September 1, 2014 through September 30, 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
SEPTEMBER 1, 2014 THROUGH SEPTEMBER 30, 2014**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash		\$	500
Bank of America			
Governmental Checking-Demand Deposits	\$	670,244	
Zero Balance Account - Payroll	\$	-	670,244
Local Agency Investment Fund - Sacramento			5,053,097
TOTAL CASH IN BANKS AND ON HAND	9/30/2014		\$ 5,723,841
TOTAL CASH IN BANKS AND ON HAND	8/31/2014		5,873,286
			\$ (149,445)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable		\$	(159,188)
Assessments Receivable			-
Prepaid Expenses, Deposits & Other Current Assets			(96)
(Decrease)/Increase in Liabilities: Accounts Payable			203,141
Accrued Payroll, Payroll Taxes & Other Current Liabilities			8,700
Transfer to/(from) Reserves			(202,001)
			\$ (149,445)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 8/31/2014	\$ 500	\$ 419,689	\$ -	\$ 5,453,097	\$ 5,873,286
Deposits	-	400,000	-	-	400,000
Transfers	-	(61,221)	(61,221)	(400,000)	(522,441)
Withdrawals/Checks	-	(88,224)	61,221	-	(27,003)
	\$ 500	\$ 670,244	\$ -	\$ 5,053,097	\$ 5,723,841
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 250,555	\$ -	\$ (400,000)	\$ (149,445)

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
SEPTEMBER 1, 2014 THROUGH SEPTEMBER 30, 2014**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
9/23/2014	Withdrawal		\$ (400,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (400,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 0.24% was the effective yield rate at the Quarter ended September 30, 2014.

**INVESTMENT STATUS
September 30, 2014**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 5,053,097			
TOTAL INVESTMENTS	\$ 5,053,097			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2014 through September 30, 2014 -
Financial Report B5 (September 30, 2014)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2014 through September 30, 2014.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2014 through September 30, 2014 as presented.

Financial Impact: Funds disbursed were included in the FY 2014/15 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee – Unanimously approved
November 25, 2014 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2014 through September 30, 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 August 2014 meetings as a result of the adoption of Task Order No. 2 for the Lower Day Basin RMPU Improvement Project of \$49,000 and Task Order No. 8 for the San Sevaine Basin RMPU Improvement Project of \$175,000. The Watermaster Board approved Budget Amendment Form (A-14-07-01) on August 28, 2014. Budget Amendment Form (A-14-07-01) in the amount of \$224,000 increased the FY 2014/15 budget from \$7,316,381 to \$7,540,381. Budget Amendment Form (A-14-07-01) was recorded to the accounting records for the accounting period ending July 31, 2014, and is included in this financial report. The amount of \$49,000 was included in account (7690.8) Lower Day Basin RMPU (Task Order #2) and the amount of \$175,000 was included in account (7690.4) San Sevaine Recharge Improvement (Task Order #8).

During the creation and development of the FY 2014/15 budget, the Land Subsidence Committee recommended specific projects and activities to be included as part of the Engineering Services. During this development period, it was not anticipated that an update to the Subsidence Management Plan for the Chino Basin (MZ1) would be needed. In July 2014, the Land Subsidence Committee recommended an update to the Subsidence Management Plan for the Chino Basin (MZ1) be completed and requested a scope, budget, and project of work be developed and presented to the Pools, Advisory and Board by Wildermuth Environmental, Inc., which was subsequently completed during the month of September. The second Budget Amendment (A-14-08-01) in the amount of \$100,000 was approved by the Watermaster Board on September 25, 2014 for the specific purpose of updating the Subsidence Management Plan for the Chino Basin MZ1 area. The Budget Amendment Form (A-14-08-01) in the amount of \$100,000 increased the FY 2014/15 budget from \$7,540,381 to \$7,640,381. The Budget Amendment Form (A-14-08-01) was recorded to the accounting records for the accounting period ending August 31, 2014. The amount of \$100,000 was added to an existing account (7402) Mgmt Zone Strategies-Engineering.

There were no Budget Transfers proposed or presented for the accounting period of September 2014.

During the month of July 2014, the "Carry Over" funding was calculated. The Total "Carry Over" funding amount of \$1,205,135.82 has been posted to the general ledger accounts. The total amount of \$1,205,135.82 consisted of \$609,855.82 "Carried Over" from FY 2011/12 and FY 2012/13 and \$595,280 "Carried Over" from FY 2013/14. More detailed information is provided regarding this issue under the "Carry Over" Funding section.

Year-To-Date (YTD) for the three months ending September 30, 2014, all but two categories were at or below the projected budget. The two categories over budget were the Appropriative Pool Administrative Expenses (8300's) which were over budget by \$10,538 or 28.7% as a result of ongoing consulting expenses related to the Safe Yield Recalculation project not budgeted for in the FY 2014/15 budget. The Non-Agricultural Pool Administrative Expenses (8500's) which were over budget by \$1,301 or 4.7% was a timing difference between budgeted monthly expenses and actual expenses which should even out over the current fiscal year. Overall, the (YTD) Actual Expenses were \$2,810,720 or 61.1% below the (YTD) Budgeted Expenses of \$4,598,488.

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. When the FY 2014/15 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. Currently, the allocations are tracking within budget.

As of September 30, 2014, the total (YTD) Watermaster salary expenses are \$14,222 or 3.7% below the (YTD) budgeted amount of \$379,867. The budget was developed with a staffing level of nine Full-Time Equivalents (FTE's). As of September 30, 2014, the actual staffing level was nine Full-Time Equivalents (FTE's).

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of September 30, 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 '14 - Sep '14 Actual	Jul '14 - Sep '14 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	203,022.61	203,711.74	-689.13	99.66%	814,847.00
6017.2 · Temp Services - Office Specialist Services	0.00	0.00	0.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	4,753.03	5,241.99	-488.96	90.67%	20,968.00
6301 · Watermaster Board - WM Staff Salaries	8,854.49	8,704.51	149.98	101.72%	34,818.00
8301 · Appropriative Pool - WM Staff Salaries	12,218.70	7,067.99	5,150.71	172.87%	28,272.00
8401 · Agricultural Pool - WM Staff Salaries	6,370.33	6,184.49	185.84	103.01%	24,738.00
8501 · Non-Agricultural Pool - WM Staff Salaries	4,196.94	3,656.25	540.69	114.79%	14,625.00
6901 · OBMP - WM Staff Salaries	38,874.72	30,094.74	8,779.98	129.17%	120,379.00
7101.1 · Production Monitor - WM Staff Salaries	24,064.53	31,372.24	-7,307.71	76.71%	53,489.00
7102.1 · In-line Meter - WM Staff Salaries	1,222.72	2,168.01	-945.29	56.4%	8,672.00
7103.1 · Grdwater Quality - WM Staff Salaries	13,851.93	12,881.26	970.67	107.54%	51,525.00
7104.1 · Grdwater Level - WM Staff Salaries	11,362.99	9,934.75	1,428.24	114.38%	39,739.00
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	735.39	597.24	138.15	123.13%	2,389.00
7108.11 · Prado Basin - WM Staff Salaries	0.00	1,994.74	-1,994.74	0.0%	7,979.00
7201 · Comp Recharge - WM Staff Salaries	11,891.06	10,621.50	1,269.56	111.95%	42,486.00
7301 · PE3&5 - WM Staff Salaries	0.00	3,652.50	-3,652.50	0.0%	14,610.00
7401 · PE4 - WM Staff Salaries	1,272.32	2,217.76	-945.44	57.37%	8,871.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	1,601.99	-1,601.99	0.0%	6,408.00
7501 · PE6&7 - WM Staff Salaries	0.00	1,056.25	-1,056.25	0.0%	4,225.00
7601 · PE8&9 - WM Staff Salaries	48.32	2,998.01	-2,949.69	1.61%	11,992.00
7701 · Inactive Well - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
Subtotal WM Staff Costs	342,740.08	345,757.96	-3,017.88	99.13%	1,332,032.00
60185 · Vacation	10,937.77	15,765.75	-4,827.98	69.38%	63,063.00
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	6,276.73	11,066.25	-4,729.52	57.03%	44,025.00
60186.1 · Sick Leave Accrual Adjustment	0.00	0.00	0.00	0.0%	0.00
60187 · Holidays	5,690.50	7,337.50	-1,647.00	77.55%	44,025.00
Subtotal WM Paid Leaves	22,905.00	34,109.50	-11,204.50	67.15%	151,113.00
Total WM Salary Costs	365,645.08	379,867.46	-14,222.38	96.26%	1,483,145.00

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

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 2014/15. The "Approved" budget amount was adopted for the amount of \$875,515. The total budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate.

Reviewing in total the BHFS legal expenses (consolidating the three categories of Watermaster Administrative Legal Services, Pool/Advisory/Board Meeting legal expenses, and OBMP legal expenses) for the three month period ending September 30, 2014, the actual expenses of \$221,412 was under the budgeted amount of \$251,404 by \$29,992 or 11.9%.

Overall, the Watermaster Administrative Legal Services expense (6070's), as of September 30, 2014, was \$2,822 or 4.5% below the budgeted amount of \$62,675. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Court Coordination (6071) under budget by \$7,512 or 80.0%; Annotated Judgment (6072) under budget by \$9,088 or 100.0%; Interagency Issues (6074) under budget by \$10,974 or 87.1%; and the CCG Motion (6078.12) under budget by \$1,363 or 19.5%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the expenses for Personnel Matters (6073) over budget by \$9,550 or 95.5%; Party Status Maintenance (6077) over budget by \$1,716 or 26.7%; and Miscellaneous (6078) over budget by \$14,848 or 181.5%.

Personnel Matters: As reported during the previous 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. On July 17, 2014 a document request from CalPERS was received by Watermaster related to the pending case. On August 22, 2014 the specific documents were provided to CalPERS. On September 9, 2014 Watermaster received the Notice of Hearing from CalPERS and the hearing has been scheduled for March 11-13, 2015 at the Glendale CalPERS Regional office. On October 1, 2014 Watermaster received from CalPERS a discovery request for Case No. 2013-1113. On October 31, 2014 Brownstein Hyatt Farber Schreck provided the information to Mr. Kennedy of CalPERS as requested on October 1, 2014.

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 8375, 8475 and 8575). Overall, this category of legal expenses as of September 30, 2014 was \$22,351 or 37.4% below the budgeted amount of \$59,773.

The OBMP legal expenses (accounts 6907.30 through 6907.90) were also below the budget for the month. As of September 30, 2014 the category of OBMP legal expenses was \$4,819 or 3.7% below the budgeted amount of \$128,956. The majority of expenses within this OBMP category were under budget for the first three months, however, the BHFS Safe Yield Recalculation legal expenses (6907.42) continue to increase and exceed the monthly budget. As of September 30, 2014, the Safe Yield Recalculation legal expenses are \$50,179 or 91.2% above the 3-month budgeted amount of \$55,050. The 12-month annual budget for the Safe Yield Recalculation was approved at an amount of \$110,100.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of September 30, 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 '14 - Sep '14 Actual	Jul '14 - Sep '14 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	1,869.18	9,381.25	-7,512.07	19.93%	37,525.00
6072 · BHFS Legal - Annotated Judgment	0.00	9,087.50	-9,087.50	0.0%	36,350.00
6073 · BHFS Legal - Personnel Matters	19,550.25	10,000.00	9,550.25	195.5%	41,000.00
6074 · BHFS Legal - Interagency Issues	1,626.30	12,600.00	-10,973.70	12.91%	50,400.00
6076 · BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	8,140.50	6,425.00	1,715.50	126.7%	25,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	23,029.61	8,181.25	14,848.36	281.49%	32,725.00
6078.12 · BHFS Legal - CCG Motion	5,637.08	7,000.00	-1,362.92	80.53%	7,000.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolution	0.00	0.00	0.00	0.0%	0.00
Total 6070 · Watermaster Legal Services	59,852.92	62,675.00	-2,822.08	95.5%	230,700.00
6275 · BHFS Legal - Advisory Committee	2,704.24	8,400.00	-5,695.76	32.19%	33,600.00
6375 · BHFS Legal - Board Meeting	14,283.90	26,172.50	-11,888.60	54.58%	104,690.00
8375 · BHFS Legal - Appropriative Pool	6,932.44	8,400.00	-1,467.56	82.53%	33,600.00
8475 · BHFS Legal - Agricultural Pool	6,152.00	8,400.00	-2,248.00	73.24%	33,600.00
8575 · BHFS Legal - Non-Ag Pool	7,349.01	8,400.00	-1,050.99	87.49%	33,600.00
Total BHFS Legal Services	37,421.59	59,772.50	-22,350.91	62.61%	239,090.00
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	7,118.72	-7,118.72	0.0%	28,475.00
6907.32 · Chino Airport Plume	0.00	7,118.72	-7,118.72	0.0%	28,475.00
6907.33 · Desalter/Hydraulic Control	1,228.95	14,025.00	-12,796.05	8.76%	56,100.00
6907.34 · Santa Ana River Water Rights	4,157.55	7,099.97	-2,942.42	58.56%	28,400.00
6907.36 · Santa Ana River Habitat	0.00	5,625.00	-5,625.00	0.0%	22,500.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	3,212.53	-3,212.53	0.0%	12,850.00
6907.39 · Recharge Master Plan	13,459.06	12,325.03	1,134.03	109.2%	49,300.00
6907.40 · Storage Agreements	0.00	6,424.97	-6,424.97	0.0%	25,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	4,675.03	-4,675.03	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	105,228.86	55,050.00	50,178.86	191.15%	110,100.00
6907.43 · RMPU - City of Fontana Motion	63.00	0.00	63.00	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	6,281.25	-6,281.25	0.0%	25,125.00
Total 6907 · WM Legal Counsel	124,137.42	128,956.22	-4,818.80	96.26%	405,725.00
Total Brownstein, Hyatt, Farber, Schreck Costs	221,411.93	251,403.72	-29,991.79	88.07%	875,515.00

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) Review application of 85/15 rule; (8) Review transfer documents and (9) Miscellaneous legal research on current and pending issues.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

For September 30, 2014, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$3,720 or 8.7%. 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 more time on specific OBMP related areas and less time on administrative related tasks. As a result, Watermaster staff allocated more actual time to the OBMP project as budgeted, which resulted in an over budget variance of \$8,780 or 29.2%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2014/15 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,500 but actual expenses have not yet been billed or received as of September 30, 2014.

For September 30, 2014, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$57,916 or 25.8%. The OBMP-Watermaster Model

Update and the State of the Basin Report expenses had a budget provided for the month, but there was little to no activity or Engineering expenses recorded for this period. These two expenses were the majority of why this expense category was under budget for the month.

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 \$51,376 while some other line item activities were below the budget by \$56,195. Above the budget line items were the Recharge Master Plan of \$1,134; the Safe Yield Recalculation of \$50,179; and the RMPU-City of Fontana Motion of \$63. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$7,119; the Chino Airport Plume of \$7,119; the Desalter/Hydraulic Control of \$12,796; the Santa Ana River Water Rights of \$2,942; the Santa Ana River Habitat of \$5,625; the Regional Water Quality Control Board of \$3,213; Storage Agreements of \$6,425; the Prado Basin Habitat Sustainability of \$4,675; and the WM Unanticipated of \$6,281. For the three months ended September 30, 2014, the overall cumulative (YTD) budget was \$128,956 and the actual (BHFS) legal expenses totaled \$124,137 which resulted in an under budget variance of \$4,819 or 3.7%.

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 September 30, 2014 this category of expenses was \$2,434 or 81.1% below the budgeted amount of \$3,000.

Overall, the Optimum Basin Management Program (OBMP) category was \$330,191 compared to a (YTD) budget of \$399,080 for an under budget of \$68,889 or 17.3% as of September 30, 2014.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of June 30, 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 '14 - Sep '14 Actual	Jul '14 - Sep '14 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	38,874.72	30,094.74	8,779.98	129.17%	120,379.00
6903 · OBMP SAWPA Group	0.00	12,500.00	-12,500.00	0.0%	12,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	38,874.72	42,594.74	-3,720.02	91.27%	132,879.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	22,145.00	47,659.99	-25,514.99	46.47%	95,320.00
6906.21 · State of the Basin Report	6,079.50	50,066.25	-43,986.75	12.14%	133,510.00
6906.22 · Water Rights Compliance Reporting	24,228.50	6,066.00	18,162.50	399.42%	24,264.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	18,637.74	17,034.75	1,602.99	109.41%	68,139.00
6906.32 · OBMP - Other General Meetings	4,294.94	8,219.25	-3,924.31	52.26%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	8,581.03	-8,581.03	0.0%	34,324.00
6906.71 · OBMP - Data Requests - CBWM Staff	18,383.94	16,031.72	2,352.22	114.67%	64,127.00
6906.72 · OBMP - Data Requests - Non CBWM	1,506.25	7,086.00	-5,579.75	21.26%	28,344.00
6906.73 · OBMP - Safe Yield Recalculation	58,010.89	39,750.00	18,260.89	145.94%	79,500.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	7,130.00	18,346.03	-11,216.03	38.86%	73,384.00
6906 · OBMP Engineering Services - Other	6,196.75	5,688.00	508.75	108.94%	22,752.00
Total 6906 · OBMP Engineering Services	166,613.51	224,529.02	-57,915.51	74.21%	656,541.00
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	7,118.72	-7,118.72	0.0%	28,475.00
6907.32 · Chino Airport Plume	0.00	7,118.72	-7,118.72	0.0%	28,475.00
6907.33 · Desalter/Hydraulic Control	1,228.95	14,025.00	-12,796.05	8.76%	56,100.00
6907.34 · Santa Ana River Water Rights	4,157.55	7,099.97	-2,942.42	58.56%	28,400.00
6907.36 · Santa Ana River Habitat	0.00	5,625.00	-5,625.00	0.0%	22,500.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	3,212.53	-3,212.53	0.0%	12,850.00
6907.39 · Recharge Master Plan	13,459.06	12,325.03	1,134.03	109.2%	49,300.00
6907.40 · Storage Agreements	0.00	6,424.97	-6,424.97	0.0%	25,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	4,675.03	-4,675.03	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	105,228.86	55,050.00	50,178.86	191.15%	110,100.00
6907.43 · RMPU - City of Fontana Motion	63.00	0.00	63.00	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	6,281.25	-6,281.25	0.0%	25,125.00
Total 6907 · WM Legal Counsel	124,137.42	128,956.22	-4,818.80	96.26%	405,725.00
Total 6907 · OBMP Legal Fees	124,137.42	128,956.22	-4,818.80	96.26%	405,725.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	527.01	0.00	527.01	100.0%	0.00
6909.2 · OBMP Mailing Expense	38.75	0.00	38.75	100.0%	0.00
6909.3 · Other OBMP Expenses	0.00	499.97	-499.97	0.0%	2,000.00
6909.4 · Printing	0.00	0.00	0.00	0.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	2,500.03	-2,500.03	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	565.76	3,000.00	-2,434.24	18.86%	12,000.00
Total 6900 · Optimum Basin Mgmt Plan	330,191.41	399,079.98	-68,888.57	82.74%	1,207,145.00

OBMP IMPLEMENTATION PROJECTS COSTS

As of September 30, 2014, the total (YTD) Engineering Services expenses were \$423,806 or 51.6% below the (YTD) budget amount of \$821,664. The OBMP Implementation Projects (accounts 7100's – 7700's) were all (Under) budget as of September 30, 2014.

The approved "Original" Engineering Services budget of \$1,716,760 was increased by "Carry Over" funding in the amount of \$288,119 to the "Amended" amount of \$2,004,879 for FY 2014/15 as provided in the Engineering Services Task Order. The "Carry Over" amount of \$288,119 is comprised of \$76,796 from FY 2012/13 account (7108.7); and the following amounts from FY 2013/14 of \$30,938 from account (7107.2); \$16,351 from account (7107.6); \$56,175 from account (7108.31); \$48,260 from account (7108.41); \$31,599 from account (7108.7); \$18,000 from account (7108.7); and \$10,000 from account (7502). All of the "Carry Over" funding is for projects or activities that have bridged previous fiscal years and are expected to be completed in the FY 2014/15 timeframe. The breakdown of the total Task Order

amount of \$2,004,879 includes direct labor costs for Wildermuth Environmental, Inc. (75%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (25%).

During the creation and development of the FY 2014/15 budget, the Land Subsidence Committee recommended specific projects and activities to be included as part of the Engineering Services. During this development period, it was not anticipated that an update to the Subsidence Management Plan for the Chino Basin (MZ1) would be needed. The Land Subsidence Committee has since recommended that the plan be updated. Budget Amendment Form (A-14-08-01) for FY 2014/15 in the amount of \$100,000 was approved by the Watermaster Board on September 25, 2014 for the increased costs associated with the updated Subsidence Management Plan for the Chino Basin (MZ1). The Engineering Services budget was amended from \$2,004,879 to \$2,104,879.

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 June 30, 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 '14 - Sep '14 Actual	Jul '14 - Sep '14 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
6906 · OBMP Engineering Services - Other	6,198.75	5,688.00	508.75	108.94%	22,752.00
6906.1 · OBMP - Watermaster Model Update	22,145.00	47,659.99	-25,514.99	46.47%	95,320.00
6906.21 · State of the Basin Report	6,079.50	50,066.25	-43,986.75	12.14%	133,510.00
6906.22 · Water Rights Compliance Reporting	24,228.50	6,066.00	18,162.50	399.42%	24,264.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	18,637.74	17,034.75	1,602.99	109.41%	68,139.00
6906.32 · OBMP - Other General Meetings	4,294.94	8,219.25	-3,924.31	52.26%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	8,581.03	-8,581.03	0.0%	34,324.00
6906.71 · OBMP - Data Requests - CBWM Staff	18,383.94	16,031.72	2,352.22	114.67%	64,127.00
6906.72 · OBMP - Data Requests - Non CBWM	1,506.25	7,086.00	-5,579.75	21.26%	28,344.00
6906.73 · OBMP - Safe Yield Recalculation	58,010.89	39,750.00	18,260.89	145.94%	79,500.00
6906.74 · OBMP - Mat'l Physical Injury Requests	7,130.00	18,346.03	-11,216.03	38.86%	73,384.00
7103.3 · Grdwtr Qual-Engineering	24,783.75	20,530.50	4,253.25	120.72%	82,122.00
7103.5 · Grdwtr Qual-Lab Svcs	5,936.00	9,892.78	-3,956.78	60.0%	39,571.00
7104.3 · Grdwtr Level-Engineering	23,796.91	41,966.53	-18,169.62	56.7%	167,866.00
7104.8 · Grdwtr Level-Contracted Services	0.00	2,500.03	-2,500.03	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	0.00	1,750.03	-1,750.03	0.0%	7,000.00
7107.2 · Grd Level-Engineering	18,699.18	49,468.72	-30,769.54	37.8%	105,061.00
7107.3 · Grd Level-SAR Imagery	14,000.00	22,500.00	-8,500.00	62.22%	90,000.00
7107.6 · Grd Level-Contract Svcs	0.00	52,591.28	-52,591.28	0.0%	161,312.00
7107.61 · Grd Level-Chino Hills ASR	6,362.91	0.00	6,362.91	100.0%	0.00
7107.8 · Grd Level-Cap Equip Exte	0.00	4,033.78	-4,033.78	0.0%	16,135.00
7108.3 · Hydraulic Control-Engineering	5,202.60	12,482.72	-7,280.12	41.68%	49,931.00
7108.31 · Hydraulic Control-PBHSP	0.00	56,175.00	-56,175.00	0.0%	56,175.00
7108.4 · Hydraulic Control-Lab Svcs	18,023.00	6,320.25	11,702.75	285.16%	25,281.00
7108.41 · Hydraulic Control-PBHSP	0.00	48,260.00	-48,260.00	0.0%	48,260.00
7108.7 · Hydraulic Control-Prado Basin Habitat	27,662.28	126,395.00	-98,732.72	21.89%	126,395.00
7109.3 · Recharge & Well - Engineering	4,173.75	6,250.00	-2,076.25	0.0%	21,000.00
7202.2 · Comp Recharge-Engineering Services	43,503.58	30,922.01	12,581.57	140.69%	79,844.00
7202.3 · Comp Recharge-Implementation	1,084.50	6,201.00	-5,116.50	17.49%	24,804.00
7303 · PE3&5-Engineering - Other	0.00	9,715.97	-9,715.97	0.0%	38,864.00
7402 · PE4-Engineering	27,348.62	51,199.25	-23,850.63	53.42%	176,797.00
7403 · PE4-Contract Svcs	0.00	4,999.97	-4,999.97	0.0%	20,000.00
7502 · PE6&7-Engineering	10,667.00	27,670.00	-17,003.00	38.55%	80,680.00
7602 · PE8&9-Engineering	0.00	5,310.00	-5,310.00	0.0%	21,240.00
Total Engineering Services Costs	397,857.59	821,663.84	-423,806.25	48.42%	2,104,879.00 *

* Wildermuth and Subcontractor Engineering Budget of \$1,716,760 plus Carryover Funds from Prior and FY 2013/14 of \$288,119 = \$2,004,879
Wildermuth and Subcontractor Engineering Budget of \$2,004,879 plus Budget Amendment (A-14-08-01) of \$100,000 = \$2,104,879
Carryover Funds FY 2012/13 = \$76,796 (7108.7); FY 2013/14 = \$30,938 (7107.2); \$16,351 (7107.6); \$56,175 (7108.31); \$48,260 (7108.41); \$31,599 (7108.7); \$18,000 (7108.7); and \$10,000 (7502) = \$288,119

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

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

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through September 30, 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 - Jun. 2014	\$ 21,722.09	\$ (10,861.05)	\$ 474.09	\$ 11,335.14	56.00	\$ 5,719.30
Jul. 2014 - Sep. 2014	\$ 27,662.28	\$ (13,831.14)	\$ -	\$ 13,831.14	-	\$ -
Totals	\$ 181,473.40	\$ (90,736.70)	\$ 6,750.01	\$ 97,486.71	133.00	\$ 13,967.95
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin with The Metropolitan Water District of Southern California, the FY 2014/15 annual administrative fee invoice was issued on September 19, 2014 in the amount of \$155,606.67 under invoice number DYY 14-01. On October 23, 2014 payment in the amount of \$155,606.67 was received from The Metropolitan Water District of Southern California.

There were no other significant items to report within the category of Other Income and Expenses for the month ending September 30, 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 2013/14 period as of June 30, 2014 was closed, the amount of unfinished capital projects and related engineering costs was calculated and the "Carry Over" funding amount was added to the current FY 2014/15 budget. The Total "Carry Over" funding amount of \$1,205,135.82 was posted to the accounts as of July 31, 2014. The total amount of \$1,205,135.82 consisted of \$595,280 "Carried Over" from the FY 2013/14 expense funding and \$609,855.82 "Carried Over" from FY 2012/13 and prior expense funding.

Unspent funds related to ongoing projects and associated activities from the Engineering Services budget from FY 2013/14 in several accounts totaling \$288,119 were "Carried Over" into the current FY 2014/15 budget. These funds were from the Hydraulic Control Monitoring-Prado Basin (7108.7) in the amount of \$76,796; Ground Level Monitoring-Engineering (7107.2) in the amount of \$30,938; Ground Level Monitoring-Contracted Services (7107.6) in the amount of \$16,351; Hydraulic Control Monitoring-Engineering-PBHSP (7108.31) in the amount of \$56,175; Hydraulic Control Monitoring-Lab Services-PBHSP (7108.41) in the amount of \$48,260; Hydraulic Control Monitoring Well Installation-PBHSP (7108.7) in the amount of \$31,599; Hydraulic Control Monitoring-Adaptive Management Plan (7108.7) in the amount of \$18,000; and Cooperative Efforts/Salt Management Engineering Services (7502) in the amount of \$10,000.

The ongoing Chino Hills ASR Project continues into FY 2014/15 and previous years funding of \$203,322 has been carried over into account (7107.62).

Several Recharge Improvement Projects (Hickory Basin and the CB 20 Turnout) along with the Jurupa Pumping Station and Wineville Proof of Concept have been continued into FY 2014/15. The Hickory Basin project has a remaining funded budget balance of \$3,877 in account (7690.3); the CB 20 Turnout project has a remaining funded budget balance of \$80,000 in account (7690.5) which is comprised of \$58,193 from FY 2012/13 and \$21,807 from FY 2013/14; the Jurupa Pumping Station (Task Order # 5) has a remaining funded budget balance of \$150,000 in account (7209.1); the Wineville Basin Proof of Concept project (Task Order # 6) has a remaining funded budget balance of \$179,817.82 in account (7209.2) which is comprised of \$117,667.82 from FY 2012/13 and \$62,150 from FY 2013/14; and the San Sevaine Recharge Improvement Project (Task Order # 8) has a remaining funded budget balance of \$300,000 in account (7690.4) from FY 2013/14.

"Carried Over" Expenses At June 30, 2014

			<u>GL Account</u>	
Chino Hills ASR Project	\$ 203,322.00	A	7107.62	Prior Years
Hydraulic Control - Prado Basin - Other	\$ 76,796.00	B	7108.7	Prior Years
Recharge Improvement Project - Hickory Basin	\$ 3,877.00	C	7690.3	Prior Years
Recharge Improvement Project - CB20 Turnout	\$ 58,193.00	D	7690.5	Prior Years
Jurupa Pumping Station	\$ 150,000.00	E	7209.1	Prior Years
Wineville Basin Proof of Concept	\$ 117,667.82	F	7209.2	Prior Years
Subtotal FY 2011/12, FY 2012/13 "CarryOver"	<u>\$ 609,855.82</u>			
Ground Level - Engineering	\$ 30,938.00	G	7107.2	FY 2013/14
Ground Level - Contracted Services	\$ 16,351.00	H	7107.6	FY 2013/14
Hydraulic Control Engineering - PBHSP	\$ 56,175.00	I	7108.31	FY 2013/14
Hydraulic Control Monitoring Lab Services - PBHSP	\$ 48,260.00	J	7108.41	FY 2013/14
Hydraulic Control Monitoring Well Installation - PBHSP	\$ 31,599.00	B	7108.7	FY 2013/14
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ 18,000.00	K	7108.7	FY 2013/14
PE 6&7 - Engineering Services	\$ 10,000.00	L	7502	FY 2013/14
Subtotal FY 2013/14 Engineering Services "CarryOver"	<u>\$ 211,323.00</u>			
Wineville Basin Proof of Concept	\$ 62,150.00	F	7209.2	FY 2013/14
Recharge Improvement Project - San Sevaine	\$ 300,000.00	M	7690.4	FY 2013/14
Recharge Improvement Project - CB20 Turnout	\$ 21,807.00	D	7690.5	FY 2013/14
Subtotal Recharge Improvements/Projects :CarryOver"	<u>\$ 383,957.00</u>			
Total Balance, June 30, 2014	<u>\$ 1,205,135.82</u>			

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, 2015, any remaining balances of the FY 2013/14 and prior years funding (if any), along with any new FY 2014/15 expenses, will then be "Carried Over" into the FY 2015/16 budget.

As of September 30, 2014, the total (YTD) amount remaining of the "Carried Over" funding is \$1,205,135.82 (\$1,205,135.82 - \$68,860.91 = \$1,136,274.91). The following details are provided:

"Carried Over" Expenses At June 30, 2014

Chino Hills ASR Project	\$ 203,322.00	A	7107.62	
Ground Level Monitoring - Engineering	\$ 30,938.00	G	7107.2 ¹	
Ground Level - Contracted Services	\$ 16,351.00	H	7107.6 ²	
Hydraulic Control Engineering - PBHSP	\$ 56,175.00	I	7108.31 ³	
Hydraulic Control Monitoring Lab Services - PBHSP	\$ 48,260.00	J	7108.41 ⁴	
Hydraulic Control Monitoring Well Installation - PBHSP	\$ 108,395.00	B	7108.7 ⁵	
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ 18,000.00	K	7108.7 ⁶	
PE 6&7 - Engineering Services	\$ 10,000.00	L	7502 ⁷	
Jurupa Pumping Station	\$ 150,000.00	E	7209.1	Task Order #5
Wineville Basin Proof of Concept	\$ 179,817.82	F	7209.2	Task Order #6
Recharge Improvement Project - San Sevaine	\$ 300,000.00	M	7690.4	Task Order #8
Recharge Improvement Project - Hickory Basin	\$ 3,877.00	C	7690.3	
Recharge Improvement Project - CB20 Turnout	\$ 80,000.00	D	7690.5	
Total Balance, June 30, 2013	\$ 1,205,135.82			

"Carried Over" Balance, July 1, 2014 \$ 1,205,135.82

Less: (Invoices Received To Date FY 2014/15)

Chino Hills ASR Project	\$ (6,362.91)	A	7107.62
Ground Level Monitoring - Engineering	\$ (24,835.00)	G	7107.2 ¹
Hydraulic Control Monitoring Well Installation - PBHSP	\$ (11,539.00)	B	7108.7 ⁵
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ (16,124.00)	K	7108.7 ⁶
PE 6&7 - Engineering Services	\$ (10,000.00)	L	7502 ⁷
Updated Balance as of September 30, 2014	\$ 1,136,274.91		

¹ Tasks include quarterly reports and final grant report to the DWR and project administration. The CH-16 ASR project is a multi-year project and is expected to be completed during FY2015/16.

² The spring ground-level survey in Managed Area was postponed in 2014 because the Long-Term Pumping Test was not performed. The test and associated surveys are now planned for FY2014/15.

³ Tasks include groundwater level and water-quality data collection, analysis, and reporting from the future PBHSP monitoring wells. The installation of the PBHSP monitoring wells was delayed by property acquisition issues for IEUA.

⁴ Task includes laboratory costs associated with water-quality sample analysis from PBHSP wells. The installation of the PBHSP monitoring wells was delayed by property acquisition issues for IEUA.

⁵ Tasks include well site CPT tests, well design, well installation oversight, and reporting. The installation of the PBHSP monitoring wells was delayed by property acquisition issues for IEUA.

⁶ Tasks include contribution of monitoring information and review of the draft and final Adaptive Management Plan. The draft AMP was started in FY2013/14.

⁷ Task includes a catalog and summary of all relevant GeoTracker and EnviroStor sites and recommendations for future site monitoring. The effort began in FY2013/14 and will be completed in FY2014/15.

AUDIT FIELD WORK

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. The final field work was completed on August 6 and August 7, 2014. Work continues by Watermaster staff and the audit firm in completing the FY 2013/14 report. 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 25, 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 Assessment Package is tentatively scheduled to be presented and approved by the Watermaster Board at the November 25, 2014 meeting.

ATTACHMENTS

1. Financial Report - B5

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	1/12th (8.33%) of the Total Budget				3/12th (25%) of the Total Budget				100% of the Total Budget			
	For The Month of September 2014				Year-To-Date as of September 30, 2014				Fiscal Year End as of June 30, 2015			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
Income												
4010 · Local Agency Subsidies	155,606.67	155,331.00	275.67	100.18%	155,606.67	155,331.00	275.67	100.18%	155,331.00	155,331.00	0.00	100.0%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	7,215,154.00	7,215,154.00	0.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	244,096.00	244,096.00	0.00	100.0%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	25,800.00	25,800.00	0.00	100.0%
4900 · Miscellaneous Income	3,200.23	4,170.00	-969.77	76.74%	3,200.23	4,170.00	-969.77	76.74%	0.00	0.00	0.00	0.0%
Total Income	158,806.90	159,501.00	-694.10	99.57%	158,806.90	159,501.00	-694.10	99.57%	7,640,381.00	7,640,381.00	0.00	100.0%
Gross Profit	158,806.90	159,501.00	-694.10	99.57%	158,806.90	159,501.00	-694.10	99.57%	7,640,381.00	7,640,381.00	0.00	100.0%
Expense												
6010 · Admin. Salary/Benefit Costs	61,392.59	69,164.57	-7,771.98	88.76%	169,065.01	207,761.74	-38,696.73	81.37%	846,547.00	846,547.00	0.00	100.0%
6020 · Office Building Expense	8,772.84	8,757.00	15.84	100.18%	28,119.01	28,162.00	-42.99	99.85%	103,724.00	103,724.00	0.00	100.0%
6030 · Office Supplies & Equip.	3,148.29	3,125.00	23.29	100.75%	8,821.18	8,915.00	-93.82	98.95%	28,740.00	28,740.00	0.00	100.0%
6040 · Postage & Printing Costs	3,252.80	7,358.33	-4,105.53	44.21%	15,293.67	19,700.03	-4,406.36	77.63%	56,900.00	56,900.00	0.00	100.0%
6050 · Information Services	6,649.09	12,390.00	-5,740.91	53.67%	26,989.93	34,586.64	-7,596.71	78.04%	132,680.00	132,680.00	0.00	100.0%
6060 · Contract Services	0.00	5,400.00	-5,400.00	0.0%	4,415.00	17,000.00	-12,585.00	25.97%	40,200.00	40,200.00	0.00	100.0%
6070 · Watermaster Legal Services	16,056.45	15,225.00	831.45	105.46%	59,852.92	62,675.00	-2,822.08	95.5%	230,700.00	230,700.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	25,276.03	25,776.00	-499.97	98.06%	27,312.00	27,312.00	0.00	100.0%
6110 · Dues and Subscriptions	201.00	250.00	-49.00	80.4%	10,370.00	10,765.00	-395.00	96.33%	20,325.00	20,325.00	0.00	100.0%
6140 · WM Admin Expenses	0.00	337.50	-337.50	0.0%	108.70	737.50	-628.80	14.74%	2,950.00	2,950.00	0.00	100.0%
6150 · Field Supplies	0.00	200.00	-200.00	0.0%	88.57	825.00	-736.43	10.74%	1,450.00	1,450.00	0.00	100.0%
6170 · Travel & Transportation	1,794.26	2,520.00	-725.74	71.2%	5,340.03	6,140.00	-799.97	86.97%	22,860.00	22,860.00	0.00	100.0%
6190 · Conferences & Seminars	3,619.91	3,925.00	-305.09	92.23%	6,116.05	6,500.00	-383.95	94.09%	15,000.00	15,000.00	0.00	100.0%
6200 · Advisory Comm - WM Board	2,414.94	4,576.90	-2,161.96	52.76%	7,457.27	13,891.99	-6,434.72	53.68%	55,568.00	55,568.00	0.00	100.0%
6300 · Watermaster Board Expenses	11,260.31	14,348.89	-3,088.58	78.48%	33,755.13	43,314.51	-9,559.38	77.93%	173,258.00	173,258.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	25,396.16	11,146.01	14,250.15	227.85%	47,193.15	36,655.49	10,537.66	128.75%	137,622.00	137,622.00	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	4,569.93	5,048.07	-478.14	90.53%	13,228.29	15,334.49	-2,106.20	86.27%	61,338.00	61,338.00	0.00	100.0%
8467 · Ag Legal & Technical Services	4,257.50	9,583.33	-5,325.83	44.43%	19,612.50	51,250.00	-31,637.50	38.27%	205,000.00	205,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	2,850.00	1,850.00	1,000.00	154.05%	8,075.00	5,550.00	2,525.00	145.5%	22,200.00	22,200.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	16,250.00	-16,250.00	0.0%	65,000.00	65,000.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	100.00	-100.00	0.0%	0.00	100.00	-100.00	0.0%	400.00	400.00	0.00	100.0%
8500 · Non-Ag PI-WM & Pool Admin	13,888.10	9,131.25	4,756.85	152.09%	28,806.83	27,506.25	1,300.58	104.73%	110,025.00	110,025.00	0.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-17,996.11	-33,167.00	15,170.89	54.26%	-65,139.96	-102,219.14	37,079.18	63.73%	-391,877.00	-391,877.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	132,284.67	128,551.34	3,733.33	102.9%	330,191.41	399,079.98	-68,888.57	82.74%	1,207,145.00	1,207,145.00	0.00	100.0%
6950 · Mutual Agency Projects	0.00	0.00	0.00	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	6,548.30	10,710.80	-4,162.50	61.14%	24,455.17	33,010.17	-8,555.00	74.08%	126,551.00	126,551.00	0.00	100.0%
7101 · Production Monitoring	4,635.29	5,382.77	-747.48	86.11%	24,252.03	31,559.74	-7,307.71	76.85%	54,239.00	54,239.00	0.00	100.0%
7102 · In-line Meter Installation	252.31	8,429.59	-8,177.28	2.99%	4,282.84	25,355.57	-21,072.73	16.89%	101,422.00	101,422.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	26,108.86	14,952.71	11,156.15	174.61%	44,759.18	45,254.54	-495.36	98.91%	181,018.00	181,018.00	0.00	100.0%
7104 · Gdwtr Level Monitoring	11,168.39	19,594.35	-8,425.96	57.0%	35,159.90	59,088.81	-23,928.91	59.5%	236,355.00	236,355.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
7107 · Ground Level Monitoring	11,075.49	28,101.58	-17,026.09	39.41%	39,062.09	331,915.78	-292,853.69	11.77%	575,830.00	575,830.00	0.00	100.0%

	1/12th (8.33%) of the Total Budget For The Month of September 2014				3/12th (25%) of the Total Budget Year-To-Date as of September 30, 2014				100% of the Total Budget Fiscal Year End as of June 30, 2015			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	26,456.11	7,396.76	19,059.35	357.67%	51,623.27	253,099.92	-201,476.65	20.4%	319,910.00	319,910.00	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	1,750.00	-1,750.00	0.0%	4,173.75	6,250.00	-2,076.25	66.78%	21,000.00	21,000.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	50,631.04	16,597.56	34,033.48	305.05%	280,405.32	577,860.57	-297,455.25	48.53%	1,278,144.82	1,278,144.82	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	0.00	5,002.04	-5,002.04	0.0%	0.00	15,118.50	-15,118.50	0.0%	60,474.00	60,474.00	0.00	100.0%
7400 · PE4- Mgmt Plan	14,573.34	28,991.25	-14,417.91	50.27%	29,180.65	59,042.01	-29,861.36	49.42%	208,168.00	208,168.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	4,192.50	6,748.82	-2,556.32	62.12%	10,667.00	30,328.24	-19,661.24	35.17%	91,313.00	91,313.00	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	48.32	2,767.75	-2,719.43	1.75%	48.32	8,395.48	-8,347.16	0.58%	33,582.00	33,582.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	-89,762.00	0.00	-89,762.00	100.0%	415,978.00	2,106,617.00	-1,690,639.00	19.75%	2,106,617.00	2,106,617.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	124.97	-124.97	0.0%	500.00	500.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	11,447.81	22,456.20	-11,008.39	50.98%	40,684.79	69,208.97	-28,524.18	58.79%	265,326.00	265,326.00	0.00	100.0%
Total Expense	361,188.49	458,745.04	-97,556.55	78.73%	1,787,768.03	4,598,487.75	-2,810,719.72	38.88%	8,845,516.82	8,845,516.82	0.00	100.0%
Net Ordinary Income	-202,381.59	-299,244.04	96,862.45	67.63%	-1,628,961.13	-4,438,986.75	2,810,025.62	36.7%	-1,205,135.82	-1,205,135.82	0.00	100.0%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4225 · Interest Income	380.92	0.00	380.92	100.0%	380.92	0.00	380.92	100.0%	1,500.00	0.00	1,500.00	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%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	380.92	0.00	380.92	100.0%	380.92	0.00	380.92	100.0%	1,500.00	0.00	1,500.00	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Other Income	380.92	0.00	380.92	100.0%	380.92	0.00	380.92	100.0%	1,500.00	0.00	1,500.00	100.0%
Net Income	-202,000.67	-299,244.04	97,243.37	67.5%	-1,628,580.21	-4,438,986.75	2,810,406.54	36.69%	-1,203,635.82	-1,205,135.82	1,500.00	99.88%

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Annual Finding of Substantial Compliance with the Recharge Master Plan

SUMMARY

Issue: The Finding is required on an annual basis according to Section 8.3 of the Peace II Agreement

Recommendation: Adopt the finding in the Wildermuth Report that Watermaster is in substantial compliance with the Recharge Master Plan.

Financial Impact: There is no financial impact associated with this action.

Future Consideration

Watermaster Board: November 25, 2014 Adopt the Finding of Compliance [Discretionary Function]

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously recommend that the Advisory Committee recommend Watermaster approval

November 13, 2014 – Non-Agricultural Pool – Unanimously approved staff recommendation as presented and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate

November 13, 2014 – Agricultural Pool – Unanimously recommend that the Advisory Committee recommend Watermaster approval

November 20, 2014 – Advisory Committee – Unanimously recommended Watermaster Board approval

November 25, 2014 – Watermaster Board –

BACKGROUND

During the period of 2008-2010, Watermaster, in collaboration with the Inland Empire Utilities Agency (IEUA) and Chino Basin Water Conservation District (CBWCD), completed the 2010 Recharge Master Plan Update (RMPU). The RMPU was submitted to the Court in June 2010, and the Court subsequently approved the 2010 RMPU in October 2010. Watermaster has completed the amendment of the 2010 RMPU, pursuant to the Court's order, which the Board adopted in September 2013. The 2013 RMPU Amendment includes a Funding and Implementation Plan for the further recharge projects recommended for construction.

Pursuant to Section 8.3 of the Peace II Agreement, Watermaster is obligated to make an annual finding that it is in substantial compliance with the Recharge Master Plan, as it is revised. This requirement exists to ameliorate any long-term risk attributable to reliance upon un-replenished groundwater production by the Desalters, and is a condition on the annual availability of any portion of the 400,000 acre-feet set aside as controlled overdraft. Wildermuth Environmental, Inc. (WEI) has prepared the attached opinion regarding the adequacy of replenishment capacity, which includes the information that Watermaster needs to make this finding for Fiscal Year 2014-2015.

DISCUSSION

WEI's analysis finds that current projections indicate that Watermaster has sufficient recharge capacity to meet the future replenishment obligations identified in the 2010 RMPU. Current analysis indicates that if re-operation were terminated at any time through 2030, Watermaster would be able to immediately increase its replenishment activity and maintain the hydrologic balance in the Basin as required by the Judgment.

ATTACHMENTS

1. Wildermuth Report



November 6, 2014

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

Subject: Annual Finding of Adequate Replenishment Capacity – Fiscal 2014-15

Dear Mr. Kavounas,

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

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

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

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

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

Pursuant to the Peace II Agreement, Watermaster is obligated, after the completion of the 2010 Recharge Master Plan Update (RMPU), to make an annual finding that there is enough supplemental water recharge capacity to meet its replenishment obligations. This letter report includes the information required by Watermaster to make this finding for fiscal 2014-15.

During the period of 2008-2010, Watermaster, in collaboration with the Inland Empire Utilities Agency (IEUA) and Chino Basin Water Conservation District (CBWCD), completed the 2010 RMPU, which was submitted to the Court in June 2010. The 2010 RMPU was developed in a transparent and intense stakeholder process.¹ The Court subsequently approved the 2010 RMPU in October 2010. Section 7.4 of the 2010 RMPU Final Report concludes:

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

The qualification of this finding as to the Riverside Corona Feeder was an acknowledgment that a new source of supply may be required for the Jurupa Community Services District (JCSD) such that the JCSD can reduce its net groundwater pumping to a sustainable level.³ Groundwater modeling, completed in 2007 and 2009 to evaluate the groundwater basin’s response to the implementation of the Peace II project description, suggested future declines in groundwater levels in the JCSD well field. Groundwater modeling studies in 2012 and 2013, based on revised post-2010 RMPU groundwater production projections, also predicted that the JCSD may have future production sustainability challenges. The 2010 RMPU identified a project to potentially mitigate this excessive drawdown whereby future replenishment deliveries would be provided to the JCSD for direct use, allowing the JCSD to reduce its groundwater production. Watermaster and the IEUA recently completed the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 Amendment) pursuant to the October 2010 Court Order. Watermaster and the IEUA identified several feasible recharge projects that, if implemented, will improve the production sustainability of JCSD wells.

The groundwater production and replenishment projections used to evaluate the adequacy of existing supplemental water recharge capacity in the 2010 RMPU were developed in 2008 and 2009 and are significantly greater than the projections developed by Watermaster following the completion of the 2010 Urban Water Management Plans. The groundwater production and replenishment projections were revised by Watermaster pursuant to a recommendation in the 2010 RMPU and the October 2010 Court Order approving the 2010 RMPU. These updated replenishment projections clearly show that the future replenishment obligation will be substantially less than that anticipated by the 2010 RMPU. The reasons for the decline in future replenishment obligations are state-mandated conservation requirements and the changing economics of groundwater production. As to the latter, some producers have determined that it is more economical to use more imported water directly than to overproduce and incur replenishment costs and additional production-based Watermaster assessments. The table below compares the projected replenishment obligations from the 2013 Amendment to the 2010 RMPU.⁴

¹ See rmp.wildermuthenvironmental.com.

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

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

⁴ See Table 2-4, 2013 Amendment to the 2010 RMPU.

Comparison of Projected Replenishment Obligations
(acre-ft/yr)

Year	Replenishment Projection from the 2010 RMPU	Replenishment Projection from the 2013 RMPU Amendment
2015	9,700	0
2020	13,900	0
2025	30,900	4,700
2030	44,500	18,400
2035	55,500	42,600

The supplemental water recharge capacity in the Chino Basin as estimated in the 2013 Finding of Substantial Compliance and as updated in this 2014 are listed below.

Supplemental Water Recharge Capacity
(acre-ft/yr)

Recharge Facility	2013 ⁵	2014 ⁶
Spreading Basins	60,600	59,100
ASR Wells	5,600	5,600
In-Lieu	25,000 to 40,000	25,000 to 40,000
Total	91,200 to 106,200	89,700 to 104,700

Table 1 (attached) lists the spreading basins available to Watermaster and their respective supplemental water recharge capacities.

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

Based on our knowledge of the conditions in fiscal year 2014-15 and future water management projections, Watermaster's ability to recharge the Basin with supplemental water to mitigate future overproduction is sufficient to meet expected future replenishment obligations. If re-operation were discontinued at any time through 2030, Watermaster would be able to immediately increase its replenishment activity and maintain the hydrologic balance in the Basin required by the Judgment. The supplemental water recharge capacity available to the Watermaster is about five times the projected replenishment obligation in 2030 and twice the projected replenishment obligation in 2035.

Moreover, in November 2011, Watermaster committed to engage in a process to develop a preemptive replenishment program that would involve the acquisition and recharge of supplemental water in advance of

⁵ See December 2013 letter from WEI to the Peter Kavounas regarding: Annual Finding of Adequate Replenishment Capacity – Fiscal 2013-14

⁶ Aggregate spreading basin capacity revised since 2013 based in part on an update to infiltration rates provided in a November 5, 2014 email from Andrew Campbell of IEUA to Mark Wildermuth updating recharge capacities of spreading basins.

incurring replenishment obligations and storing that water until future replenishment obligations occur. Preemptive replenishment is a complementary management tool that further enhances Watermaster's ability to meet its future replenishment requirements. In fiscal years 2011 and 2012 about 32,000 acre-ft of imported water were preemptively recharged. The IEUA has been recharging significant amounts of recycled water in the Chino Basin since 2006 and exceeded 11,000 acre-ft in 2014. The Peace II requirement to recharge 6,500 acre-ft/yr in Management Zone 1 regardless of a replenishment obligation is another example of preemptive replenishment that is currently active and will be so through 2030.

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

Very truly yours,

Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE
President

**Table 1
Supplemental Water Recharge Capacity Estimates at Recharge Basins**

(1) Spreading Basin	(2)-(13)												(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
	Supplemental Water Recharge												Average Recharge Rate ¹ (cfs)	Supplemental Water Recharge Capacity (acre-ft/yr)	Imported Water Turn Out Capacity				Theoretical Maximum Supplemental Water Recharge Capacity				
	Operational Availability for Supplemental Water Recharge														Turn Out Name	Max Discharge Rate (cfs)	Useful Discharge Rate (cfs)	Turnout Limited?	Annual	Q3	Q4	Q1	Q2
	Quarter 3			Quarter 4			Quarter 1			Quarter 2													
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec												
Brooks Street Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	3	1,286				No	1,286	339	413	146	388
College Heights Basins	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	16	7,916				No	7,916	2,088	2,542	899	2,387
Montclair Basin 1	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77			OC59	300	300	No	7,322	1,931	2,351	831	2,208
Montclair Basin 2	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
Montclair Basin 3	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
Montclair Basin 4	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
Seventh and Eighth Street Basins	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	7	3,463	CB20	30	30	No	3,463	913	1,112	393	1,044
Upland Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	6	2,820	OC59	80	80	No	2,820	744	906	320	850
Subtotal Management Zone 1														22,807				22,807	6,015	7,324	2,590	6,878	
Ely Basins	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	4	1,781	CB20	30	30	No	1,781	470	572	202	537
Etiwanda Debris Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	4	1,929	CB14	30	30	No	1,929	509	620	219	582
Hickory Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	4	1,781	CB18	30	30	No	1,929	509	619	219	582
Lower Day Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	6	2,820	CB15	30	20	No	2,820	744	906	320	850
San Sevaine No. 1	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
San Sevaine No. 2	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
San Sevaine No. 3	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	24	11,774	CB13	30	23	Yes	11,379	3,001	3,654	1,292	3,432
San Sevaine Nos. 4 and 5	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
Turner Basins Nos. 1 and 2	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	5	2,375	CB11	40	9	No	2,375	626	763	270	716
Turner Basins Nos. 3 and 4	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77											
Victoria Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	4	2,127	CB14	30	30	No	2,127	561	683	242	642
Subtotal Management Zone 2														24,588				24,340	6,419	7,816	2,764	7,341	
Banana Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	2	940					940	248	302	107	283
Declez Basin	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	5	2,226	CB18	30	30	No	2,226	587	715	253	671
IEUA RP3 Ponds	0.71	0.71	0.74	0.80	0.90	0.93	0.00	0.00	0.93	0.87	0.83	0.77	18	8,757					8,757	2,309	2,812	994	2,641
Subtotal Management Zone 3														11,923				11,923	3,145	3,829	1,354	3,596	
Total														59,318				59,070	15,579	18,969	6,708	17,815	

¹ Based on a information provided by Andrew Campbell of IEUA on November 5, 2014.

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

D. BUDGET TRANSFER FORM T-14-10-01



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Budget Transfer Form T-14-10-01

SUMMARY

Issue: Approve Budget Transfer Form T-14-10-01 for FY 2014/15 as recommended by the IEUA/CBWM Joint Recharge Improvement Projects Committee.

Recommendation: Approve Budget Transfer Form T-14-10-01 for FY 2014/15 as presented and authorize the Watermaster General Manager to amend the Task Order(s) between IEUA and CBWM as required.

Financial Impact: No financial impact. The Budget Transfer Form T-14-10-01 is a reallocation of approved budgeted funds and does not have any financial impact on the total FY 2014/15 "Amended" budget of \$8,845,516.82.

Future Consideration

Watermaster Board: November 25, 2014; Adoption (Advisory Committee approval required)

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously approved
November 13, 2014 – Non-Agricultural Pool – Moved unanimously to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate
November 13, 2014 – Agricultural Pool – Unanimously approved
November 20, 2014 – Advisory Committee - Unanimously approved
November 25, 2014 – Watermaster Board -

BACKGROUND

Utilizing the Watermaster's accounting software (QuickBooks Enterprise Solutions 13.0), on a continuing basis the Watermaster staff reviews the budget vs. actual reports and ensures that adequate budget and funds are maintained. Watermaster also provides monthly financial reports to keep all members apprised of the actual and projected total expenses for the current fiscal year. Watermaster also provides a process for reallocating budget to other expense categories to provide continued funding, or amending the approved budget to ensure the categories are funded properly.

BUDGET TRANSFERS:

With regards to the process of budget transfers, the following information is provided:

The Chino Basin Watermaster budget has four main budget categories:

- General & Administrative Expenses
- Optimum Basin Management Program Expenses
- Project Expenditures
- Other Income/Expenses

The Watermaster General Manager has authority to transfer funds within the main budget categories up to \$25,000 without Board approval. However, to allow for full transparency in the process, the Pools, Advisory Committee, and the Board will be informed of all budget transfers less than \$25,000.

Budget transfers greater than \$25,000 *within the same categories* must be formally recommended for approval by the Pools, approved by the Advisory Committee, and approved by the Board. If there are insufficient funds within same category, the Watermaster General Manager may propose a transfer from one main category to another. All budget transfers from one main category to another, regardless of the amount, require recommended approval by the Pools, approval by the Advisory Committee, and approval by the Board.

DISCUSSION

The recommendation from the IEUA/CBWM Joint Recharge Improvement Projects Committee is to use the projected budget savings of approximately \$100,000 from the Jurupa Pump Station HVAC Improvements (Task Order No. 5) to fund the GWR SCADA Upgrades (Task Order No. 4) of \$45,700 ($\$91,400 \times 50\% = \$45,700$) and the Hickory Basin Arizona Crossing settlement of \$27,500 ($\$55,000 \times 50\% = \$27,500$). The total Budget Transfer amounts are \$73,200 ($\$45,700 + \$27,500 = \$73,200$).

The attached Budget Transfer Form T-14-10-01 is provided as documentation to clearly show which general ledger accounts are being reduced and which general ledger accounts are being increased. Budget Transfer Form T-14-10-01 is reallocating existing approved budget dollars between Watermaster accounts as needed. The Budget Transfer Form T-14-10-01 is a zero based document, which means the reductions and additions within the general ledger accounts equal. There is no change to the overall budget as a result of Budget Transfer Form T-14-10-01 and no new funds or assessments are required.

The effective date of the Budget Transfer Form T-14-10-01 will be October 31, 2014 so the Budget Transfers can be reflected in the October 31, 2014 financial statements which have not been closed yet. All budget transfers are processed in and recorded in the accounting system.

During the IEUA/CBWM Joint Recharge Improvement Projects Committee Meeting held on October 16, 2014, IEUA staff provided an update for all of the current projects.

Jurupa Pump Station HVAC Improvements (Task Order No. 5)

During the update, it was reported that the Jurupa Pump Station HVAC Improvements (Task Order No. 5), which was originally budgeted at \$300,000 would be completed well under budget. Watermaster

originally budgeted an amount of \$150,000 under account 7209.2 for this project. The latest projections show an overall total cost savings of \$200,000 which Watermaster's 50% share of the savings would be \$100,000 (50% of \$200,000 = \$100,000). A portion of the savings would be allocated to two other projects in need of additional funding.

GWR SCADA Upgrades (Task Order No. 4)

Regarding the GWR SCADA Upgrades (Task Order No. 4), IEUA staff is requesting to increase the projected construction budget by \$91,400 to meet the recommended improvements on the Programmable Logic Controller (PLC) replacements at the five Rubber Dam/Basin Systems. The original design was to only replace the five PLC's at the Rubber Dam controller because it was out dated and no longer supported. However, after careful evaluation of the system, DCS staff and MSO Technologies, the design consultant, concluded with a recommendation to replace the Basin PLC along with the Rubber Dam PLC so that one PLC is used for each facility. The added cost is in the construction effort. The design is scheduled for completion on December 1, 2014.

The original total project budget was \$892,000 (less a grant in the amount of \$139,650) for a total budget commitment of \$376,175 for Watermaster ($\$892,000 - \$139,650 = \$752,350 \times 50\% = \$376,175$). Increasing the total project budget by \$91,400 would bring the overall total project budget to \$983,400 (less a grant in the amount of \$139,650) for an adjusted 50% total budget commitment of \$421,875 for Watermaster ($\$983,400 - \$139,650 = \$843,750 \times 50\% = \$421,875$). Watermaster's FY 2014/15 budget already consists of \$337,500 and a projected budget for FY 2015/16 of \$38,675 ($\$337,500 + \$38,675 = \$376,175$). The additional budget funding of \$45,700 ($\$421,875 - \$376,175 = \$45,700$) would be funded by Budget Transfer Form T-14-10-01.

Hickory Basin Arizona Crossing

The Hickory Basin Arizona Crossing Project was completed and operational in April 2013. The project completion costs were \$220,417 less CBFIP Phase II funding availability of \$123,371 for a total project cost of \$97,046. Watermaster's 50% portion of the total project was \$48,523 ($\$97,046 \times 50\% = \$48,523$). To date, Watermaster has received and paid the full amount due of \$48,523 to IEUA and a balance of \$3,877 ($\$52,400 - \$48,523 = \$3,877$) remains in the account.

In November 2013, IEUA received from the contractor a "Notice of Potential Claim" and a "Notice of Claim" which were both denied by IEUA. In March 2014, IEUA staff was notified that IEUA's legal counsel reported a lawsuit had been filed against IEUA by the contractor. In mid-September 2014, IEUA's legal counsel concluded the lawsuit against IEUA from the General Contractor, Kaveh Engineering and Construction with an agreed settlement amount of \$55,000. Watermaster's portion of the settlement amount would be \$27,500 ($\$55,000 \times 50\% = \$27,500$). The additional budget funding of \$27,500 would be funded by Budget Transfer Form T-14-10-01.

ATTACHMENT

1. Budget Transfer Form T-14-10-01

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CHINO BASIN WATERMASTER
BUDGET TRANSFERS

ATTACHMENT 1

To: **All Parties**

T-14-10-01

From: Joseph S. Joswiak, CFO Date: November 13, 2014

Describe reason for the transfer between budget categories here: To reallocate the FY 2014/15 Recharge Improvement Projects budget to cover the projected budget increases in two specific improvement projects as recommended by the IEUA/CBWM Joint Recharge Improvements Project Committee during the meeting held on October 16, 2014.

Budgetary account reduction

<i>Line Item Description</i>	<i>Account Number</i>	<i>Amount</i>
Jurupa Pump Station - Task Order No. 5	7209.2	\$ (73,200)
		\$ -
		\$ -
Total Amount of Budget To Transfer "OUT"		\$ (73,200)

Budgetary account addition

GWR SCADA Upgrades - Task Order No. 3	7690.61	\$ 45,700
Hickory Basin Improvement Project	7690.3	\$ 27,500
		\$ -
Total Amount of Budget To Transfer "IN"		\$ 73,200
Net Transfer Amount		\$ -

Transfer Procedure

1. Staff brings the transfer request to the Pools, Advisory Committee, and Board for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category must be formally recommended for approval by the Pools, approved by the Advisory Committee, and approved by the Board. Transfers between budget categories, regardless of amount, require recommended approval by the Pools, approval by the Advisory Committee, and approval by the Board.
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.
3. A log will be maintained by the CFO detailing the transfer.
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

Finance Use Only

Date Board Approved _____
 Finance Log # _____
 Date Posted _____
 Posted By _____
 Approved by _____
 Date approved _____

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. CHINO BASIN WATERMASTER 2014/2015 ASSESSEMENT PACKAGE



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Fiscal Year 2014-2015 Assessment Package

SUMMARY

Issue: Chino Basin Watermaster Fiscal Year 2014-2015 Assessment Package, based on Production Year 2013-2014.

Recommendation: Approve the Fiscal Year 2014-2015 Assessment Package as presented, including no credit for Stormwater New Yield and postponing the assessment of desalter replenishment.

Financial Impact: Collection of assessments according to the Assessment Package creates the funds that are used during the current fiscal year for budgeted expenses.

Future Consideration

Watermaster Board: November 25, 2014 Approval [Advisory Committee Approval Required]

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously recommended to the Advisory Committee to approve the Fiscal Year 2014-2015 Assessment Package as presented.

November 13, 2014 – Non-Agricultural Pool – Moved unanimously to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate. In making and adopting the action, the Pool directed that the minutes reflect that the Pool may not be obligated under the Judgment to pay assessments for some of the costs included, that approval of the assessment for these costs (and any other costs which the Pool is not obligated to pay) is and has been voluntary, and that the members of the Pool reserve the right not to approve or pay such assessments in the future.

November 13, 2014 – Agricultural Pool – Unanimously recommended to the Advisory Committee to approve the Fiscal Year 2014-2015 Assessment Package as presented.

November 20, 2014 – Advisory Committee – Unanimously approved the Fiscal Year 2014-2015 Assessment Package as presented.

November 25, 2014 – Watermaster Board –

BACKGROUND .

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

DISCUSSION

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

Watermaster held an Assessment Package Workshop on October 21, 2014. The purpose of the Assessment Package Workshop was to review the prior year production, transfers, DYY, etc., and to review the current year cash requirements pursuant to the adopted budget and the resulting impact on assessments. Discussion at the workshop covered the detail of how assessments are calculated.

The Draft Assessment Package is attached. It is based on the budget that was approved in May 2014, and then amended in August 2014 and September 2014. The Assessment Package identifies total assessable production for all Pools as 138,351 acre-feet, resulting in assessments of \$12.80/acre-foot for Admin and \$27.69/acre-foot for OBMP, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment and CURO water. For production year 2013-2014, there is a replenishment obligation of 1,235 acre-feet, in addition to the CURO of 1,036 acre-feet. The new replenishment rate is \$610, which is MWD's 2014 Tier 1 Untreated rate (\$593 per acre foot) plus IEUA's \$15 surcharge plus OCWD's \$2 connection fee. The additional assessments, allocated amongst the Appropriators based on their percentage of Operating Safe Yield, are: Pomona Credit assessment of \$66,667.00, recharge debt payment assessment of \$431,739.99, and recharge improvement project assessment of \$1,291,000.00.

Stormwater New Yield is to be allocated to the Appropriators based on their percentages of OSY. Watermaster has completed the process for correction of prior over-allocation that was documented through Condition Subsequent 7. Due to the ongoing Safe Yield Recalculation process and related questions as to the proper method for allocating Stormwater New Yield, Staff recommends that 0.000 acre-feet be allocated during production year 2013-2014. When the Safe Yield Recalculation and Stormwater New Yield allocation matters are resolved, the 2013-2014 allocation will be recalculated, if necessary, and credited, if necessary.

The Santa Ana River Underflow New Yield (SARUNY) projection in Appendix B is shown as zero for each year. In the near future, through the modeling work and Safe Yield Recalculation process, Watermaster will determine the SARUNY created by Desalters and Re-Operation, and will produce a new schedule. The production year 2013-2014 desalter replenishment obligation could be as high as 27,940 acre-feet. Due to the ongoing Safe Yield Recalculation process and related SARUNY matter, staff recommends that the desalter replenishment obligation not be assessed at this time. When the Safe Yield Recalculation and SARUNY matters are resolved, the desalter replenishment obligation will be recalculated, if necessary, and assessed, if necessary.

Levying of assessments according to the approved Assessment Package is authorized through a separate resolution. This resolution is presented for consideration as a separate item.

ATTACHMENTS

1. Fiscal Year 2014/2015 Assessment Package – Please access at:
<http://www.cbwm.org/FTP/Meeting%20Packets%20and%20Agendas/20141125%20Fiscal%20Year%202014%20-%202015%20Assessment%20Package%20--%20Attachment%201.pdf>

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Resolution to Levy Replenishment and Administrative Assessments for Fiscal Year 2014-2015 (based on Production Year 2013-2014).

SUMMARY

Issue: A resolution is required for the Chino Basin Watermaster to levy administrative, special project, and replenishment assessments for Fiscal Year 2014-2015.

Recommendation: Approve Resolution 2014-05 as presented.

Financial Impact: Collection of the assessments according to the Assessment Package creates the funds that are used during the current fiscal year for budgeted expenses.

Future Consideration

Watermaster Board: November 25, 2014 Approval [Function related to administration of the Pool Committees]

ACTIONS:

November 13, 2014 – Appropriative Pool – Unanimously recommended to the Watermaster Board to approve Resolution 2014-05 as presented.

November 13, 2014 – Non-Agricultural Pool – No action was taken

November 13, 2014 – Agricultural Pool – No action was taken

November 20, 2014 – Advisory Committee – Unanimously approved Resolution 2014-05 as presented.

November 25, 2014 – Watermaster Board –

BACKGROUND

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

DISCUSSION

The Draft Assessment Package is being considered for approval this month. It is based on the budget that was approved in May 2014, and then amended in August 2014 and September 2014. The Assessment Package identifies total assessable production for all Pools as 138,351 acre-feet, resulting in assessments of \$12.80/acre-foot for Admin and \$27.69/acre-foot for OBMP, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment water.

For production year 2013-2014, there is a replenishment obligation of 1,235 acre-feet, in addition to the CURO of 1,036 acre-feet. The new replenishment rate is \$610, which is MWD's 2014 Tier 1 Untreated rate (\$593 per acre foot) plus IEUA's \$15 surcharge plus OCWD's \$2 connection fee. The following are also included, allocated amongst the Appropriators based on their percentage of Operating Safe Yield: Pomona Credit assessment of \$66,667.00, recharge debt payment assessment of \$431,739.99, and recharge improvement project assessment of \$1,291,000.00.

If Resolution 2014-05 is approved through the Watermaster process in November, the invoices will be mailed in late November and assessments will be due 30 days later.

ATTACHMENTS

1. Resolution 2014-05: A resolution of the Chino Basin Watermaster levying administrative, replenishment, and special project assessments for Fiscal Year 2014-2015

RESOLUTION 2014-05

A RESOLUTION OF THE CHINO BASIN WATERMASTER LEVYING ADMINISTRATIVE, REPLENISHMENT, AND SPECIAL PROJECT ASSESSMENTS FOR FISCAL YEAR 2014-2015

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

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2014-2015 Budget on May 22, 2014, and amended the budget on August 28, 2014 and September 25, 2014, to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the parties named in this Judgment have pumped 1,234.827 acre-feet of water in excess of the operating safe yield, which is required to be replaced at the expense of the parties in accordance with the assessment formulas for the respective pools.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective November 25, 2014 as showed on Exhibit "A" attached hereto.

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

THE FOREGOING RESOLUTION was

APPROVED by the Advisory Committee on the 20th day of November 2014.

ADOPTED by the Watermaster Board on the 25th day of November 2014.

By: _____
Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Secretary, Watermaster Board

Exhibit "A"
Resolution 2014-05

Summary
of
Assessments
Fiscal Year 2014-2015
Production Year 2013-2012

1. OVERLYING (NON-AGRICULTURAL) POOL

a.	2014-2015 Amended Budget	\$ <u>12.80</u> Per AF - Admin.
		\$ <u>27.69</u> Per AF - OBMP
b.	Replenishment	\$ <u>610.00</u> Per AF
b.	CURO	\$ <u>(54.79)</u> Total

2. APPROPRIATIVE POOL

a.	Administration	
	1. 2014-2015 Amended Budget	\$ <u>12.80</u> Per AF - Admin.
		\$ <u>27.69</u> Per AF - OBMP
	2. Ag Pool Reallocated	
		\$ <u>8.76</u> Per AF - Admin.
		\$ <u>18.95</u> Per AF - OBMP
b.	100% Net Replenishment	\$ <u>610.00</u> Per AF
c.	15/85 Water Activity	
	15% Replenishment Assessments	\$ <u>1,187.94</u> Total
	15% Water Transaction Activity	\$ <u>880,120.95</u> Total
d.	CURO	\$ <u>(1,206.74)</u> Total
e.	Pomona Credit (2014-15 Assessment)	\$ <u>66,667.00</u> Total
f.	Recharge Debt Payment	\$ <u>431,739.99</u> Total
g.	Recharge Improvement Project	\$ <u>1,291,000.00</u> Total

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, J. Arnold Rodriguez, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2014-05, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CHINO BASIN WATERMASTER

Secretary

Date: _____

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

C. WATERMASTER ANNUAL AUDIT



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: The Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013; and the Chino Basin Watermaster Management Report for June 30, 2014

SUMMARY

Issue: (1) The Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013 dated November 20, 2014; and (2) the Chino Basin Watermaster Management Report for June 30, 2014 dated November 20, 2014.

Recommendation: Receive and file (1) The Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013 dated November 20, 2014; and (2) the Chino Basin Watermaster Management Report for June 30, 2014 dated November 20, 2014.

Financial Impact: There is no financial impact.

Future Consideration

Watermaster Board: November 25, 2014; Receive and File (Normal Course of Business)

ACTIONS:

November 25, 2014 – Watermaster Board –

BACKGROUND

Chino Basin Watermaster is required to have an annual audit every year. Attached is the Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013 dated November 20, 2014; and the Chino Basin Watermaster Management Report for June 30, 2014 dated November 20, 2014. Both the Annual Financial Report and the Management Report was issued by the audit firm of Charles Z. Fedak & Company, Watermaster's auditor.

The Independent Auditor's Report is detailed on pages 4 and 5 of the Annual Financial Report. Charles Z. Fedak & Company audited the financial statements of Chino Basin Watermaster as of and for the years ended June 30, 2014 and 2013. In the opinion of Charles Z. Fedak & Company, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Watermaster, as of June 30, 2014 and 2013, and the respective changes in financial position, and, cash flows, thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Furthermore, Charles Z. Fedak & Company made the following comments with respect to the audit:

1. Performed the audit according to the planned scope and timing requirements previously communicated in the Audit Engagement letter dated April 7, 2014.
2. Noted no transactions entered into by the Watermaster during fiscal year 2014 for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transactions occurred.
3. Noted no issues with Management's Judgments, Accounting Estimates and Financial Disclosures.
4. Noted two audit adjustments and or reclassifying journal entries recorded to adjust the original trial balance presented to the auditors at the start of the audit.
5. Watermaster did not consult with other accountants about auditing and accounting matters.
6. There were no other audit findings or issues.
7. Encountered no significant difficulties in dealing with management in performing and completing the audit process and test work.
8. No disagreements with Watermaster management arose during the course of the audit of Watermaster.

ATTACHMENTS

1. The Chino Basin Watermaster Annual Financial Report For the Fiscal Years Ended June 30, 2014 and 2013 dated November 20, 2014 – Please access at this link:
<http://www.cbwm.org/FTP/Meeting%20Packets%20and%20Agendas/20141125%20CBWM%20Financial%20Statements%202014 Unsigned-Attachment%201.pdf>
2. The Chino Basin Watermaster Management Report for June 30, 2014 dated November 20, 2014

ATTACHMENT 1

The Chino Basin Watermaster Annual Financial Report for the Fiscal Year Ended June 30, 2014 and 2013 dated November 20, 2014

Due to its size, this document has been posted to our FTP site at this link:

<http://www.cbwm.org/FTP/Meeting%20Packets%20and%20Agendas/20141125%20CBWM%20Financial%20Statements%202014 Unsigned-Attachment%201.pdf>

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**Chino Basin Watermaster
Management Report
June 30, 2014**



Charles Z. Fedak & Company
Certified Public Accountants
An Accountancy Corporation

Chino Basin Watermaster

Management Report

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Audit/Finance Committee Letter	1-3
Audit Adjusting Journal Entries	



Charles Z. Fedak, CPA, MBA
Paul J. Kaymark, CPA
Christopher J. Brown, CPA

Charles Z. Fedak & Company

Certified Public Accountants
An Accountancy Corporation

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EMAIL czfco@czfcpa.com
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Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

Dear Members of the Board:

We have audited the basic financial statements of the Chino Basin Watermaster (Watermaster) as of and for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America. We considered the Watermaster's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Watermaster internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies in internal control that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a deficiency, or combination of deficiencies in internal control that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected and corrected, on a timely basis.

Our consideration on internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Our comments, all of which have been discussed with the appropriate members of management, are summarized as follows:

Summary of Current Year Comments and Recommendations

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the Watermaster are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Watermaster's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved the audit adjustment entry provided by the auditor and have entered the entry into the Watermaster's accounting system to close-out the Watermaster's year-end trial balance.

Status of Comments and Recommendations Made in the Previous Year

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the Watermaster are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Watermaster's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved the audit adjustment entry provided by the auditor and have entered the entry into the Watermaster's accounting system to close-out the Watermaster's year-end trial balance.

* * * * *

This report is intended solely for the information and use of management and the Board of Directors of the Watermaster. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

Charles Z. Fedak & Company, CPAs – An Accountancy Corporation
Cypress, California
November 20, 2014

APPENDIX

Chino Basin Watermaster

Audit/Finance Committee Letter

June 30, 2014

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Charles Z. Fedak, CPA, MBA
Paul J. Kaymark, CPA
Christopher J. Brown, CPA

Charles Z. Fedak & Company

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Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

We have audited the basic financial statements of the Chino Basin Watermaster (Watermaster) for the year ended June 30, 2014 and have issued our report thereon dated November 20, 2014. Generally accepted auditing standards require that we provide the Governing Board and management with the following information related to our audit of the Watermaster's basic financial statements.

Auditor's Responsibility under United States Generally Accepted Auditing Standards

As stated in our Audit Engagement Letter dated April 7, 2014, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with oversight of the Governing Board are fairly presented, in all material respects, in conformity with United States generally accepted accounting principles. Our audit of the financial statements does not relieve the Governing Board or management of its responsibilities of oversight in the Watermaster's external financial reporting process or any other processes.

In planning and performing our audit, we considered the Watermaster's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control over financial reporting.

As part of obtaining reasonable assurance about whether the Watermaster's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Governmental Auditing Standards*.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing requirements previously communicated in our Audit Engagement letter dated April 7, 2014.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Watermaster are described in Note 1 to the basic financial statements.

We noted no transactions entered into by the Watermaster during fiscal year 2014 for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Management's Judgments, Accounting Estimates and Financial Disclosures

Accounting estimates play an integral part in the preparation of basic financial statements by management and are based upon management's knowledge, experience and current judgment(s) about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the position in the basic financial statements is (are):

Management's estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the basic financial statements are neutral, consistent and clear. Certain basic financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the basic financial statements is (are):

The disclosure of fair value of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 3 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

Corrected and Uncorrected Misstatements

Generally Accepted Auditing Standards require us to accumulate all known and likely misstatements identified during the audit, except those that are considered trivial, and communicate them to the appropriate level of management as follows:

There were two audit adjustments and or reclassifying journal entries recorded to adjust the original trial balance presented to us to begin our audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principal to the Watermaster's basic financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Watermaster's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit processes and testwork.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the basic financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit of the Watermaster.

Management Representations

We have requested certain representations from management that are included in the Management Representational Letter to the Auditor dated November 20, 2014.

Conclusion

We appreciate the cooperation extended us by Peter Kavounas PE, General Manager, Joseph S. Joswiak, Chief Financial Officer, and the Watermaster staff in the performance of our audit testwork.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the Watermaster.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than the specified, parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Charles Z. Fedak and Company, CPAs – An Accountancy Corporation
Cypress, California
November 20, 2014

Chino Basin Watermaster
Schedule of Audit Adjusting Journal Entries
June 30, 2014

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
AJE - PPA to record OPEB liability at 6/30/2013.			
30000-000	Equity	\$ 69,637.00	
26000-000	OPEB Liability		69,637.00
Total		<u><u>69,637.00</u></u>	<u><u>69,637.00</u></u>
 Adjusting Journal Entries JE # 2			
AJE - To record OPEB expense at 6/30/2014.			
60182-400	Retiree Medical	78,807.00	
26000-000	OPEB Liability		78,807.00
Total		<u><u>\$ 78,807.00</u></u>	<u><u>78,807.00</u></u>

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

D. SAFE YIELD RECALCULATION AND RESET – WATERMASTER MOTION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: November 25, 2014
TO: Board Members
SUBJECT: Safe Yield Recalculation

SUMMARY

Issue: The Peace Agreement, the OBMP, and a Court Order require a recalculation of Safe Yield. The Board directed Legal Counsel to prepare a pleading provisionally requesting the Court to set the Basin Yield at 130,000 acre-feet per year while expressly reserving all rights and related issues among the Parties.

Recommendation: Consider the Advisory Committee recommendation to initiate a mediation process instead of filing the motion; and/or consider the advice and counsel of the Pool and Advisory Committees and take action on the draft motion.

Financial Impact: The recommendation has no financial impact to Watermaster.

Future Consideration

Watermaster Board: November 25, 2014 [Approval] [Within WM Duties and Powers]

ACTIONS:

November 13, 2014 – Appropriative Pool – the following was reported after Confidential Session: The Appropriative Pool withdraws its Safe Yield Reset proposal. The AP recommends the AC to direct CBWM to revise the draft motion, with assistance from the parties and pools' counsels, into a progress report that provides the bases for the different Safe Yield Reset options that have been developed, with a suggested schedule for resolution. Such progress report would be subject to approval through the Watermaster committee advisory process. The AP directs the AP Chair and LC immediately to approach the Agricultural Pool to seek resolution of the competing approaches, and bring such resolution to the AC.

November 13, 2014 – Non-Agricultural Pool – the following was reported after Confidential Session: The Non-Agricultural Pool does not support either the Watermaster Board-directed pleading or the Appropriative Pool proposal. The Non-Agricultural Pool does support the April 30, 2015 deadline as a timeframe by which the parties can find a middle ground.

November 13, 2014 – Agricultural Pool – Voted unanimously to support the pleading prepared by staff, with modifications that were presented by Watermaster's Legal Counsel

November 20, 2014 – Advisory Committee – approved by majority vote (94% of the Volume Vote) the following motion: Instead of filing any motion or status report to the Court, Watermaster shall immediately start a facilitated process to identify and resolve all issues related to the successful completion of the Safe Yield reset by April 1, 2015 for Pools, Advisory and Board action in May 2015. The Safe Yield shall be filed to the Court no later than May 29, 2015, Watermaster shall start a mediation selection process and the mediator shall be selected no later than December 12, 2014. In the event the Parties cannot reach an agreement on the Safe Yield reset, Watermaster shall implement the reset consistent with the agreements and that process would start in April 2015 and will go through Pools, Advisory and Board in April, so it can go to the Board in May 2015.

November 25, 2014 – Watermaster Board –

BACKGROUND

According to the Judgment the Chino Basin Safe Yield is to be redetermined periodically. Pursuant to the Optimum Basin Management Program (OBMP) Implementation Plan and Watermaster's Rules and Regulations, in year 2010/11 and every ten years thereafter, Watermaster is to compute the Safe Yield for the prior ten-year period and reset the Safe Yield for the next ten-year period.

The Watermaster Board was briefed on the progress and conclusions of the Safe Yield recalculation effort during a Board Workshop on September 16, 2014. During the regular meeting in September the Board asked staff to prepare a Safe Yield recalculation proposal based on a base period of 2011 through 2020 as suggested by the Appropriative Pool. This proposal was prepared and presented to the Pools during the October pool meetings. Two of the pools (Appropriative and Agricultural) offered differing opinions to the Board.

At its October 23, 2014 meeting the Watermaster Board was presented with three options by staff and legal counsel. The first option would be to not do anything, delaying the decision on recalculation and reset of the Safe Yield. The second option would be to reset the Safe Yield based on a prospective base period, i.e. the option presented by the Appropriative Pool via letter dated October 16, 2014. The third option would be complying with the terms of the Peace Agreement and follow the method identified in the OBMP Implementation Plan, an option recommended to the Board by the Ag Pool via motion during the Ag Pool's October 9, 2014 meeting.

After discussion, the Board directed staff to prepare a motion for the Court along the lines of the third option, that the Board could act on at the November meeting.

DISCUSSION

The Basin's Safe Yield was initially set by the Judgment at 140,000 acre feet per year. The number was arrived at after examination of the prior ten years of record, specifically 1965 through 1974. The Judgment provided that the Safe Yield would not be reexamined for at least ten years from 1978; the Safe Yield has not been reevaluated since the time of the Judgment. The OBMP Implementation Plan, which was ordered by the Court in the year 2000, includes the provision to recalculate and reset the Safe yield in 2010/11 using data collected in the period 2001-10 and every ten years after.

In 2011 Watermaster authorized expenses to update the computer model of the basin to recalculate the Safe Yield. The model calibration was completed in 2012 and recalculation of the Safe Yield was made in 2013. The results of the effort were presented during a workshop in July 2013. Watermaster held a second workshop in August 2013 to present the model inputs, output, and calibration, and spent the following months responding to questions posed by the parties on the model. During February and March 2014 Watermaster's Engineer (WEI) participated in peer review of the model by technical experts appointed by the Appropriative Pool, which concluded that the model is technically sound.

In April 2014 the Appropriative Pool requested assistance from Watermaster to calculate the Safe Yield using a different base period, specifically 2011 through 2020. Watermaster provided the requested assistance and identified certain issues that are created in following the proposed approach.

During the Safe Yield Recalculation process the parties have engaged in discussions related to contract interpretation of the allocation of Safe Yield. These discussions would need to be resolved to implement the recalculated Safe Yield regardless of the chosen base period.

At the Board's direction staff has prepared the attached motion for possible Board action. The motion summarizes the history of Safe Yield recalculation effort, and describes that a change in the base period from that contemplated in the OBMP Implementation Plan would require unanimous consent of the

parties. The motion is to follow the provisions of the OBMP Implementation Plan, i.e. using the 2001 through 2010 base period, which lead to a new value for the yield of the Basin (130,000 acre feet per year). This value would be effective 2010/11 as was directed by the Board with its October 23, 2014 motion. The basin yield would be reset in 2020/21 as provided in the OBMP Implementation Plan.

The motion asks the Court to order that all remaining issues be expressly reserved by the Parties for resolution by April 30, 2015. The date allows for resolution of the pending issues in time for the new yield number to be implemented, and is believed to be reasonable based on parties' representations to the Board. The attached motion offers assurance to the Court that waiting until April 2015 to resolve all pending issues will not harm the Basin.

The Board sought advice and assistance on its proposed motion from the Committees. The various actions by the Committees are described on the cover page of this staff report. Specifically the Advisory Committee approved the following motion: *"instead of filing a motion or status report to the Court, Watermaster shall immediately start a facilitated process to identify and resolve all issues related to the successful completion of the Safe Yield reset by April 1, 2015 for Pools, Advisory and Board action in May 2015. The Safe Yield shall be filed to the Court no later than May 29, 2015, Watermaster shall start a mediation selection process and the mediator shall be selected no later than December 12, 2014. In the event the Parties cannot reach an agreement on the Safe Yield reset, Watermaster shall implement the reset consistent with the agreements and that process would start in April 2015 and will go through Pools, Advisory and Board approval to be submitted to the Court in May 2015."*

In case a motion is filed with the Court allowing a certain timeframe to resolve issues, Watermaster would gladly assist the parties in reaching full understanding and hopefully resolution of their differences. Given the narrow scope of the present motion, issues to be addressed include, among others, possible reconsideration of the base period, ongoing computation of Santa Ana River Underflow – New Yield (SARUNY), prior credit for SARUNY, Ag Pool Reallocation questions, and CBFIP volume questions. After its July Confidential Session the Appropriative Pool expressed its intention to compile a comprehensive list of items that need to be discussed. While the Appropriative Pool has not yet presented that list, any items on such a list necessary for implementation of a revised Basin yield would be included to form a comprehensive list for resolution. The Appropriative Pool also asked Watermaster to hold meetings on the first and third Thursdays of each month, beginning on August 7, 2014 to make more progress on the Safe Yield Recalculation process. Watermaster held meetings on August 7, 2014, August 21, 2014, and September 18, 2014; subsequent meeting times were either converted to Appropriative Pool closed sessions or canceled for a lack of discussion topics.

Notice of potential action of the Board (adoption of motion) was given to parties on October 24, 2014 (Attachment 2).

ATTACHMENTS

1. Watermaster's Motion for Reset of Safe Yield
2. October 24, 2014 Notice RE 11/25/14 Board Meeting

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8 Attorneys for
9 **CHINO BASIN WATERMASTER**

10
11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF SAN BERNARDINO

13 CHINO BASIN MUNICIPAL WATER
14 DISTRICT,

15 Plaintiff,

16 v.

17 CITY OF CHINO, et al.,

18 Defendant.

19 **Case No. RCV 51010**

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

22 **WATERMASTER'S MOTION FOR RESET
23 OF SAFE YIELD**

24 **I. INTRODUCTION**

25 The Chino Basin Watermaster ("Watermaster") respectfully requests an order resetting the
26 Safe Yield of the Basin in the amount of 130,000 acre-feet per year, subject to the express
27 reservations set forth in this Motion. This request is offered in fulfillment of Watermaster's
28 obligations arising out of the prior orders of this Court.

Specifically, Paragraph 41 of the Judgment obligates Watermaster to prepare an Optimum
Basin Management Plan (OBMP). After an acknowledged period of discord in the 1990s, under
its continuing jurisdiction, in 1998, this Court ordered Watermaster to prepare an OBMP, as
Watermaster had previously failed to comply with this requirement of the Judgment. Following
the execution of a written agreement (the Peace Agreement) among the Parties to the Judgment
resolving all conflicts, by resolution, Watermaster adopted an OBMP Implementation Plan and

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1 presented it to this Court for approval in June of 2000. By order of this Court, Watermaster was
2 instructed to proceed in accordance with the OBMP Implementation Plan as presented to the
3 Court, as set forth in Exhibit B to the Peace Agreement.

4 The OBMP Implementation Plan provides that Watermaster is to recalculate and reset the
5 Basin's Safe Yield in the manner prescribed therein. The OBMP Implementation Plan clearly
6 and unambiguously sets forth the precise methodology to be used by Watermaster including the
7 specific hydrologic period (2000/2001-2009/2010), and further sets forth the rationale for its use.

8 At the prescribed time, Watermaster was initially unable to perform the necessary
9 calculation, because implementation of the OBMP required the development of a hydrologic
10 model that needed to be designed, funded, constructed and calibrated at great expense to the
11 Parties ("Updated Basin Model"). Watermaster has expended over \$1.1 million over a three-year
12 period in updating the model, after which it subjected the Updated Basin Model to open public
13 scrutiny and peer review. Although the Updated Basin Model was ultimately deemed to be
14 technically sound and suitable for the task of computing the Safe Yield, stakeholder review and
15 input suggested the use of an alternative, forward-looking (prospective) base period rather than
16 the retrospective period prescribed in the OBMP, as one being more representative of future
17 conditions. Watermaster expressed additional concerns regarding the need to resolve certain
18 integral collateral issues arising from interpretations of the Peace Agreement as they would guide
19 its administration of the Restated Judgment.

20 Accordingly, Watermaster requests that the Court approve the recalculation and reset of
21 Safe Yield at 130,000 acre-feet per year, subject to the express reservations set forth in this
22 Motion, and order it and the Parties to report to the Court any and all remaining integral issues
23 arising from the reset no later than April 30, 2015. As described in further detail herein, measures
24 are in place, which ensure that the Basin will not be harmed by the Court's allowance of such
25 additional time to resolve the remaining issues.

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27
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1 **II. BACKGROUND ON SAFE YIELD RECALCULATION**

2 **A. The Judgment Set the Safe Yield at 140,000 afy**

3 The Basin's Safe Yield¹ was initially set by the Judgment at 140,000 acre feet per year²
4 (afy). (Restated Judgment, ¶ 6.) As required by the Restated Judgment and the Court's further
5 orders, Watermaster has a duty to set the Safe Yield, subject to the Court's continuing
6 jurisdiction. (See Restated Judgment, ¶¶ 4.(x), 15.(a), Exhibit "H", ¶ 10.(a)(1); July 13, 2000
7 Order Concerning Adoption of OBMP; July 19, 2001 Order Granting Final Approval of
8 Watermaster Rules and Regulations; Approving Intervention of CCG Ontario, LLC; Continuance
9 of Hearing re Status Report; Filing of Motions to Amend Judgment.) The Basin's Safe Yield has
10 not been recalculated or reset since the Judgment was entered in 1978.

11 **B. The OBMP Implementation Plan Provided for the First Recalculation and**
12 **Reset**

13 In 2000, in developing the OBMP Implementation Plan, as part of Program Elements 8
14 (Develop and Implement Groundwater Storage Management Program) and 9 (Develop and
15 Implement Storage and Recovery Programs), the Parties planned that, based on the need for
16 additional data regarding the Basin, in year 2010/2011 and every ten years thereafter,
17 Watermaster would compute the Safe Yield for the prior ten-year period, and reset Safe Yield for
18 the next the next ten-year period.³ (OBMP Implementation Plan, p. 45.) The Watermaster Rules
19 and Regulations, approved by this Court in July 2001, carry forward these requirements,
20 providing for the initial recalculation of the Basin's Safe Yield in year 2010/2011 based upon the
21 data from the ten-year period of 2000/2001 to 2009/2010. (Watermaster Rules and Regulations, §

22 ¹ The Basin's Safe Yield is defined within the Judgment as: "The long-term average annual
23 quantity of ground water (excluding replenishment or stored water but including return flow to
24 the Basin from use of replenishment or stored water) which can be produced from the Basin
under cultural conditions of a particular year without causing an undesirable result." (Restated
Judgment, ¶ 4.(x).)

25 ² The Judgment additionally provided for an additional 200,000 acre-feet of overdraft from the
26 Basin, to be allocated to the members of the Appropriative Pool as part of the Basin's Operating
Safe Yield. (Restated Judgment, Exhibit "I", ¶ 3.(a).) This quantity has been allocated to the
27 members of the Appropriative Pool at a rate of 5,000 afy, and the 200,000 acre-foot total will be
exhausted in 2016/2017.

28 ³ The Implementation Plan additionally provided for the computation and reset of the Basin's
storage loss rate, but this has been superseded by an alternative mechanism, pursuant the Peace II
Agreement. (OBMP Implementation Plan, p. 45; Peace II Agreement, ¶ 7.4.)

1 6.5.) This base period was specifically selected to incorporate new data and information that
2 would become available for the first time, post-Peace Agreement. (April 11, 2014 Status Report
3 on Watermaster’s Safe Yield Recalculation (“April 2014 Status Report”), p. 2.)

4 **III. THE SAFE YIELD SHOULD BE RESET TO 130,000 AFY**

5 **A. The Updated Model is Able to Perform the Required Calculation**

6 As previously described to the Court in the April 2014 Status Report, at the close of the
7 ten-year period identified in the OBMP Implementation Plan and the Rules and Regulations, in
8 the opinion of its technical expert, Watermaster was not able to competently perform the required
9 calculation because of insufficient data and the absence of important analytical tools; namely, the
10 ability to model the operation of the groundwater basin. (April 2014 Status Report, p. 2.) In
11 addition, the need to complete competing projects impacted available staff and consultant time.
12 (April 2014 Status Report, p. 2.)

13 In 2010/2011, Watermaster, through its consultant Wildermuth Environmental, Inc.,
14 began the process of methodically gathering and analyzing data using the prescribed base period.
15 (April 2014 Status Report, p. 3.) Over the past three years, Watermaster has caused the collection
16 of all required data and fully funded the work of its hydrologic consultant in updating its
17 hydrologic model of the movement of water within the Basin. (April 2014 Status Report, p. 3.)
18 In total, Watermaster has paid more than \$1,100,000 for the work undertaken in the creation of
19 the Updated Basin Model and the Updated Basin Model’s calculation of the Basin yield during
20 this Safe Yield recalculation and reset process. (Declaration of Peter Kavounas in Support of
21 Watermaster’s Motion for Reset of Safe Yield (“Kavounas Decl.”), at ¶ 3.)

22 Following its completion of the forensic exercise of data collection, model update and
23 model calibration, Watermaster began the process of obtaining stakeholder input as to the Safe
24 Yield recalculation process and peer review of the Updated Basin Model. Toward that end, since
25 Watermaster’s initial workshop in July 2013, Watermaster has held numerous additional
26 workshops, multiple technical modeling review sessions specifically in regard to the update to the
27 model. (Kavounas Decl., at ¶ 5.) Reports on the process have been regularly presented at the
28 regular meetings of the Pool Committees, Advisory Committee, and the Watermaster Board.

1 (Kavounas Decl., at ¶ 5.) At the request of the members of the Appropriative Pool, Watermaster
2 facilitated additional discussion sessions among the Parties. (Kavounas Decl., at ¶ 5.)
3 Watermaster staff and consultants additionally conducted numerous meetings with smaller
4 subsets of interested Parties. (Kavounas Decl., at ¶ 5.) Most recently, on September 16, 2014, the
5 Watermaster Board held a half-day workshop to discuss moving the yield recalculation and reset
6 process toward conclusion. (Kavounas Decl., at ¶ 5.)

7 Having undertaken the process described above, it is now the opinion of Watermaster's
8 expert Mr. Wildermuth that Watermaster can competently, reasonably, and accurately perform
9 the required Safe Yield recalculation using the methodology set forth in the OBMP
10 Implementation Plan and Watermaster Rules and Regulations, and prescribed by the prior Orders
11 of this Court. (April 2014 Status Report, p. 3.) As of this writing, Watermaster is unaware of any
12 Party's objection to the technical sufficiency of the model to perform the calculation. (Kavounas
13 Decl., at ¶ 4.)

14 **B. The Use of an Alternative Base Period is Subject to the Unanimous Consent**
15 **Requirement of the Peace Agreement and Court Approval**

16 While Watermaster is not a party to the Peace Agreement, it has agreed to act consistently
17 with its terms and has further been ordered to do so by this Court. (Watermaster Resolution No.
18 2000-05 (Resolution of the Chino Basin Watermaster to Approve the "Peace Agreement", to
19 Adopt the Goals and Plans of the Phase I Report for the Optimum Basin Management Program
20 ("OBMP") Consistent with the Peace Agreement as its OBMP, and to Adopted the Requisite
21 Procedures to Implement the Provisions Set Forth in Article V of the Peace Agreement on or
22 Before December 31, 2000."); July 13, 2000 Order Concerning Adoption of OBMP, at p. 4
23 ["Watermaster shall adopt the goals and plans of the Phase I report and implement them through
24 the Implementation Plan... Watermaster shall proceed in a manner consistent with the Peace
25 Agreement and the OBMP Implementation Plan."].)

26 Nevertheless, during the stakeholder review process, *at the request of members of the*
27 *Appropriative Pool*, a substitute Safe Yield hydrologic base period was explored and modeled by
28 Watermaster. (Kavounas, Decl., at ¶ 6.) As previously described in the April 2014 Status Report,

1 there are Parties within the Basin who believe that the prospective estimation of the anticipated
2 Basin yield during the period in which it will be allocated will more closely approximate the
3 actual inflows to the Basin during that time period. (April 2014 Status Report, pp. 3-4.) The
4 Watermaster Board has been both advised of and consulted in regard to these discussions.
5 (Kavounas, Decl., at ¶ 6.) Mr. Wildermuth has used the Updated Basin Model to calculate Safe
6 Yield using the substitute prospective hydrologic base period and concluded that the yield would
7 be 135,000 instead of 130,000 afy.

8 The Watermaster Board is willing to consider and effectuate the will of the parties to the
9 Peace Agreement in regard to the manner in which the Safe Yield is to be recalculated, provided
10 that it does not conflict with its obligations to the Court. Toward this end, the Watermaster Board
11 directed Staff to prepare a proposal whereby Watermaster might adopt an alternative, prospective,
12 base period and present it to Court for modification of the Court's prior order and approval.

13 (Declaration of Bradley J. Herrema in Support of Watermaster's Motion for Reset of Safe Yield
14 ("Herrema Decl."), at ¶ 3.) However, when a draft proposal was submitted to the Appropriate
15 Pool Committee, the Overlying (Non-Agricultural) Pool Committee and the Overlying
16 (Agricultural) Pool Committee for advice and counsel, the Overlying (Agricultural) Pool took
17 action to formally oppose the use of the prospective base period. (Herrema Decl., at ¶ 4.)

18 Section 10.14 provides that amendments to the Peace Agreement require unanimous
19 consent of the parties thereto to be effective. (Peace Agreement, § 10.14.) As to the terms of the
20 OBMP Implementation Plan, an Exhibit to the Peace Agreement – whether as they presently exist
21 or pursuant to a future amendment, section 4.2 of the Peace Agreement provides that “No Party to
22 the Peace Agreement shall oppose Watermaster's adoption and implementation of the OBMP as
23 provided in Exhibit B attached hereto....” (Peace Agreement, § 4.2.)

24 **C. The Safe Yield Should be Reset to 130,000 AFY**

25 Using the Updated Basin Model, the Safe Yield for the 2000/2001-2009/2010 time period
26 identified in the OBMP Implementation Plan and Watermaster's Rules and Regulations is
27 approximately 130,000 afy. (Declaration of Mark Wildermuth in Support of Watermaster's
28 Motion for Reset of Safe Yield ("Wildermuth Decl."), at ¶ 10.) Mr. Wildermuth's model has

1 been calibrated with a high degree of confidence. (Wildermuth Decl., at ¶ 6.) It has been peer
2 reviewed by representatives of the parties to the Judgment. There is no evidence of any kind that
3 has been presented to Watermaster that suggests that the model developed by Mr. Wildermuth
4 under the direction of Watermaster is insufficient to perform the quantitative function of
5 calculating the Basin Safe Yield using the methodology set forth in the OBMP. (Kavounas Decl.,
6 at ¶ 4.) Because the Overlying (Agricultural) Pool is a party to the Peace Agreement and has
7 objected to the use of a substitute base period for the one set forth in the Court ordered OBMP
8 Implementation Plan, Watermaster presently lacks discretion to approve an alternative hydrologic
9 base period until there is either unanimous consent by the parties to the Peace Agreement or a
10 further order from this Court. Accordingly, Watermaster respectfully requests the Court to adopt
11 Watermaster's determination of Safe Yield in compliance with the provisions of the OBMP
12 Implementation Plan.

13 **D. The Court Should Allow through April 2015 to Resolve Related Issues**

14 As previously described in the April 2014 Status Report, Mr. Wildermuth's work in
15 updating the Basin model and gathering the data necessary to recalculate the Basin's Safe Yield
16 has surfaced other Basin management issues related to the Safe Yield recalculation. (April 2014
17 Status Report, p. 4.) The Parties' prior agreements pertain not only how the Safe Yield would be
18 recalculated, but also as to how the yield is to be allocated after the satisfaction of Overlying
19 Rights. (See, e.g., Peace II Agreement, ¶ 7.1; Restated Judgment, Exhibit "H"(Appropriative
20 Pool Pooling Plan), ¶ 10 ["Unallocated Safe Yield Water"].) And, in some cases, the effect of
21 those agreements could not be clearly understood until their terms were applied in practice.
22 Examples include the manner in which certain subcomponents of the Basin's yield are to be
23 calculated, and the manner in which these subcomponents will be allocated among the Parties.
24 (Kavounas, Decl., 7.) The setting of the Safe Yield at 130,000 afy, as Watermaster requests,
25 provides a concrete basis from which these remaining integral issues can be evaluated.

26 As this is the first recalculation and reset of the Safe Yield, in an effort to more optimally
27 manage the Basin, the Parties are evaluating some of these effects, and, in some cases, evaluating
28 whether their prior agreements should be amended by mutual agreement. (Kavounas, Decl., 7.)

1 Many of the participants in the Safe Yield recalculation and reset process have indicated that an
2 April 30, 2015 deadline to complete their evaluation of the issues, any discussions as to
3 modifications of the prior agreements, and to return to the Court with the resolution of these
4 integral issues, would be reasonable; no party has objected to that timeframe. (Kavounas, Decl.,
5 7.) This would allow the Court to approve the Parties' resolution on these issues in the current
6 production year (2014/2015), so that the effect of the resolution may be applied in the production
7 year and reflected the in the assessments based on this production, which assessment package is
8 ordinarily presented for approval in October or November of the production year following the
9 June 30th close of the prior production year. (Kavounas Decl., 7.)

10 The Watermaster Board has directed its staff and consultants to assist the Parties, to the
11 extent the Parties desire such assistance, in facilitating the resolution of these outstanding issues.
12 (Herrema Decl., at ¶ 6.) In the past, Watermaster staff and consultants have been successful in
13 this role and believe they can be of assistance, if called upon, in the present circumstance as well.
14 On this basis, Watermaster requests that the Court allow the Parties through April 30, 2015 to
15 resolve the remaining integral issues and to return to the Court with their proposed resolution of
16 the same, and that the Court set a date on which it will consider this proposal for approval, prior
17 to the close the current production year (June 30, 2015).

18 **E. The Basin will be Protected from Harm during the further delay while the**
19 **Remaining Issues are Resolved**

20 The development of the Updated Basin Model has led to a better understanding of Basin
21 hydrology, total water recharge and discharge over the period of 2000/2001-2013/2014.
22 (Wildermuth Decl., at ¶ 9.) This better understanding has been fueled, in part, by the Peace
23 Agreement requirement that Parties to the Judgment install meters on all wells in the Basin to
24 monitor groundwater use. During this period, the total recharge into the Basin was less than
25 expected and consequently there has been an associated de-watering of storage by approximately
26 13,000 afy. (Wildermuth Decl., at ¶ 9.)

27 However, the OBMP Implementation Plan contains multiple active management
28 requirements and multiple measures that have ensured that there has been no Material Physical

1 Injury⁴ within the Basin during this period. (OBMP Implementation Plan [“Program Element 1 –
2 Develop and Implement Comprehensive Monitoring Program”; Program Element 2 – Develop
3 and Implement Comprehensive Recharge Program”; Program Element 3 – Develop and
4 Implement Water Supply Plan for the Impaired Areas of the Basin”; Program Element 4 –
5 Develop and Implement Comprehensive Groundwater Management Plan for Management Zone
6 1”.) The Basin is additionally protected through the conditions of the implementation of projects
7 previously approved by this Court. (See, e.g., December 21, 2007 Order Concerning Motion for
8 Approval of Peace II Documents, pp. 6-7 [“[t]here is substantial evidence to support
9 Watermaster’s implied findings that the proposed Judgment amendments and other Peace II
10 documents will promote the public interest, will protect the rights of the parties, and are
11 consistent with California Constitution Article X, section 2.”]; October 28, 2011 Order on Motion
12 for Approval of Watermaster Resolution 2010-04, p. 6 [“Localized impact [of Desalter
13 expansion] will be mitigated as provided in the mitigation plan set forth in Watermaster
14 Resolution 2010-04, Exhibit “F.”].) Watermaster is in compliance with its responsibilities under
15 these measures, and, for this reason, the Basin will be protected from harm should the Court allow
16 the Parties through April 30, 2015 for resolution of the remaining issues, including the possibility
17 of reaching agreement on a prospective base period coupled with to be defined protective
18 measures to ensure that no Material Physical Injury will occur. (Kavounas Decl., at ¶ 8; see also
19 Wildermuth Dec., at ¶ 11.)

20 **IV. CONCLUSION AND PRAYER**

21 No Party disputes that the Updated Basin Model can competently complete the
22 recalculation of the Basin’s Safe Yield, as provided for in the OBMP Implementation Plan and
23 Watermaster’s Rules and Regulations. Until there is consent among the Parties to the Peace
24 Agreement to use a substitute hydrologic base period, Watermaster is bound by the provisions of

25 ⁴ “Material Physical Injury” means material injury that is attributable to the Recharge, Transfer,
26 storage and recovery, management, movement or Production of water, or implementation of the
27 OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence,
28 increases in pump lift (lower water levels) and adverse impacts associated with rising
groundwater. Material Physical Injury does not include “economic injury” that results from other
than physical causes. Once fully mitigated, physical injury shall no longer be considered to be
material.” (Peace Agreement, ¶ 1.1(y).)

1 the OBMP Implementation Plan to use 2000/2001-2009/2010. The Parties are free to negotiate
2 and if they can secure unanimous consent to the use of a substitute hydrologic base period in the
3 future, then present their position to Watermaster and this Court for approval. Until that time,
4 Watermaster is prepared to discharge its obligations to this Court in administering the Judgment
5 and implementing the OBMP.

6 Based on all of the foregoing, Watermaster respectfully requests that the Court:

- 7 1. Find that the Updated Basin Model can competently calculate the Basin's Safe
8 Yield as required by the OBMP Implementation Plan and the Rules and Regulations.
- 9 2. Find that, as calculated by the Updated Basin Model, the yield of the Basin during
10 the ten-year period of 2000/2001 to 2009/2010 averaged 130,000 acre-feet per year (afy).
11 Accordingly, the Safe Yield of the Basin shall be reset to 130,000 afy for production year
12 2010/2011 through production year 2019/2020.
- 13 3. Find that Watermaster has fulfilled its obligations as to the recalculation and reset
14 of the Basin's Safe Yield under Program Elements 8 and 9 of the OBMP Implementation Plan, as
15 carried forward in section 6.5 of Watermaster's Rules and Regulations.
- 16 4. Find that good cause exists to allow the parties additional time to resolve all
17 remaining issues relating to the implementation of the Safe Yield, as reset, and that the reset of
18 the Safe Yield of the Basin at 130,000 afy shall not prejudice the resolution of any of those
19 remaining issues, including a subsequent request to use a substitute base period for calculating
20 Safe Yield. Watermaster's proposal of resolution of such remaining issues by April 30, 2015 is
21 reasonable.
- 22 5. Find that mechanisms presently exist, which will ensure that there will be no harm
23 to the Basin from the delay in resolution of the remaining issues until April 30, 2015.
- 24 6. Order that, on or before April 30, 2015, Watermaster shall file a motion with this
25 Court apprising the Court and requesting the Court's approval of the proposed resolution of all
26 remaining issues related to the implementation of the Safe Yield, as reset.

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Dated: December __, 2014

BROWNSTEIN HYATT FARBER
SCHRECK, LLP

By: _____
SCOTT S. SLATER
BRADLEY J. HERREMA
ATTORNEYS FOR
CHINO BASIN WATERMASTER

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

12 CHINO BASIN MUNICIPAL WATER
13 DISTRICT,

14 Plaintiff,

15 v.

16 CITY OF CHINO, et al.,

17 Defendant.

Case No. RCV 51010

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

**DECLARATION OF PETER KAVOUNAS
IN SUPPORT OF MOTION FOR RESET
OF SAFE YIELD**

18
19
20 I, Peter Kavounas, declare:

21 1. I currently serve as the General Manager of the Chino Basin Watermaster
22 (“Watermaster”). I have served in this capacity since September 4, 2012. I have personal
23 knowledge of the facts stated in this declaration, except where stated on information and belief,
24 and if called as a witness, I could and would competently testify to them under oath.

25 2. As the General Manager of Watermaster, I am intimately familiar with actions
26 taken by the Pool Committees, Advisory Committee and the Watermaster Board, and the
27 directives to staff from the Board. My role as General Manager includes attending all Pool
28 Committee, Advisory Committee and Watermaster Board meetings.

1 3. During my employment with Watermaster, I have overseen the work done by
2 Wildermuth Environmental, Inc. (WEI) in updating the Basin Model and the Safe Yield
3 recalculation process. To date, Watermaster has paid WEI approximately \$1,125,000 for the
4 work undertaken in the creation of the Updated Basin Model and the Updated Basin Model's
5 calculation of the Basin yield during this Safe Yield recalculation and reset process.

6 4. WEI has indicated to Watermaster and the Parties that its Updated Basin Model
7 can competently, reasonably, and accurately perform the required basin yield recalculation arising
8 from the OBMP Implementation Plan and prior orders of this Court. Experts hired by the Parties
9 to review the Updated Basin Model have indicated that it is a reliable tool for simulating the
10 movement of water within the Basin, and to my knowledge, no party contests that this is the case.

11 5. Following its completion of its forensic exercise of data collection, model update
12 and model calibration, Watermaster began the process of obtaining stakeholder input as to the
13 Safe Yield recalculation process and peer review of the updated Basin Model. Toward that end,
14 Watermaster has held multiple workshops (July 30, 2013, August 29, 2013, December 18, 2013,
15 and January 21, 2014) and technical modeling review sessions specifically in regard to the update
16 to the model (January 30, 2014 and March 3, 2014), facilitated discussions at the request of the
17 members of the Appropriative Pool (August 7, 2014 and August 21, 2014), and on September 16,
18 2014, the Watermaster Board held a half day workshop devoted entirely to the recalculation and
19 reset of the Basin's Safe Yield, at which Watermaster staff, legal counsel and engineering
20 consultants briefed the Board. Watermaster staff and consultants have conducted numerous
21 meetings with smaller subsets of interested Parties. I have regularly presented reports on the
22 status of the process at the regular meetings of the Pool Committees, Advisory Committee, and
23 the Watermaster Board.

24 6. Since the filing of the April 2014 Status Report, at the request of the members of
25 the Appropriative Pool, Watermaster staff and consultants have been engaged in discussions with
26 Parties as to the possibility of utilizing an alternate base period for the recalculation and reset of
27 the Safe Yield, and the Watermaster Board has been both advised of and consulted in regard to
28 these discussions. To my knowledge, at this time, there is not agreement among the parties to the

1 Peace Agreement to diverging from the methodology for the reset of the Basin yield that is
2 provided for in the OBMP Implementation Plan and Watermaster's Rules and Regulations.
3 7. As this is the first recalculation and reset of the Basin's yield, the Parties are
4 evaluating some of these effects, including the manner in which certain subcomponents of the
5 Basin's yield are to be calculated, and the manner in which these subcomponents will be allocated
6 among the Parties. In some cases, they are evaluating whether their prior agreements should be
7 amended by mutual agreement. Many of the participants in the Safe Yield recalculation and reset
8 process have indicated that an April 30, 2015 deadline to complete their evaluation of the issues,
9 any discussions as to modifications of the prior agreements, and to return to the Court with the
10 resolution of these issues, would be reasonable; no party has objected to that timeframe. This
11 would allow the Court to approve the Parties' resolution on these issues in the current production
12 year (2014/2015), so that the effect of the resolution may be applied in the production year and
13 reflected the in the assessments based on this production, which assessment package is ordinarily
14 presented for approval in October or November of the production year following the June 30th
15 close of the prior production year.

16 8. To the best of my knowledge, Watermaster is in compliance with its
17 responsibilities under the Peace Agreement, OBMP Implementation Plan and Peace II measures,
18 and, for this reason, the Basin will be protected from harm should the Court allow the Parties
19 through April 30, 2015 for resolution of the remaining issues.

20 I declare under penalty of perjury under the laws of the State of California that the
21 foregoing is true and correct to the best of my knowledge.

22
23 Executed on November ____, 2014, at Rancho Cucamonga, California.

24
25 _____
26 PETER KAVOUNAS

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

**DECLARATION OF MARK
WILDERMUTH IN SUPPORT OF
MOTION FOR RESET OF SAFE YIELD**

18
19
20 I, Mark Wildermuth, declare as follows:

21 1. I am the founder and President of Wildermuth Environmental, Inc. ("WEI"), a
22 water resources consulting firm. My firm consults for the Chino Basin Watermaster
23 ("Watermaster") with respect to implementation of the Chino Basin Optimum Basin Management
24 Program ("OBMP") and other Watermaster duties.

25 2. I am a hydrologist and a registered engineer and have been involved in the Chino
26 Basin as such for approximately 34 years.

27 3. As a consultant to Watermaster, I assisted in the development of Watermaster's
28 OBMP and the OBMP Implementation Plan, and I am familiar with the Court-approved actions

1 requiring OBMP implementation, including the Peace Agreement and the Peace II Agreement.

2 4. The original 2003 Chino Basin Groundwater Model was developed by me and
3 under my direction, as have been all of the updates to that model, including significant updates in
4 2006 and 2007. These prior versions of the model served as the basis for the Parties' agreement
5 to and this Court's approval of the Peace II measures, and were used in the evaluation, pursuant to
6 the California Environmental Quality Act, of the storage and recovery project with the
7 Metropolitan Water District of Southern California referred to as the Dry Year Yield Agreement.
8 The Regional Water Quality Control Board for the Santa Ana Region ("Regional Board")
9 accepted the model's predictions for evaluation and approval of Watermaster's proposal that the
10 Basin be managed under the "Maximum Benefit" mechanism. An updated version of the 2007
11 model provided the basis for the Parties' decision-making in the process of finalizing the 2013
12 Amendment to the 2010 Recharge Master Plan Update, approved by this Court in October 2013,
13 and have been used by the Regional Board in order to evaluate the achievement of Hydraulic
14 Control within the Basin.

15 5. The most recent 2013 update (the "2013 Model") is an update of and improvement
16 upon the 2003 model and its updates. Construction of the 2013 Model, its calibration and
17 application to evaluate and update the Safe Yield of the Chino Basin is described in detail in a
18 draft report entitled Draft – 2013 Chino Basin Groundwater Model Update and Recalculation of
19 Safe Yield Pursuant to Peace Agreements (attached hereto as "Exhibit 1"). In brief, the 2013
20 Model includes and expands upon the hydrogeologic data included in the 2003 and 2007 Models,
21 incorporating new data and hydrogeologic interpretations.

22 6. In order to calibrate the model, over 10,466 water level measurements from 67
23 wells were used. Calibration efforts resulted in good matches between simulated and measured
24 data and reasonable parameter estimates, not only in their values but also in comparison to other
25 parameters in space. Application of multiple industry-standard evaluative criteria led to a
26 characterization of the 2013 Model calibration results as "very good."

27 7. The 2013 Model was the result of approximately three years of modeling efforts.
28 Our work in the application of the 2013 Model began in 2013 and is an ongoing process including

1 the recalculation of the Safe Yield and its components.

2 8. Based on the modeling and calibration efforts detailed above, it is my opinion that
3 Watermaster now has the ability to, and can competently, reasonably, and accurately perform the
4 required basin yield recalculation arising from the OBMP Implementation Plan and prior orders
5 of this Court.

6 9. The requirement in the Peace Agreement that all parties to the Judgment install
7 meters on all wells in the Basin has led to a better understanding of Basin hydrology, as well as
8 Basin recharge and discharge components for the period of 2000/2001 through 2013.2014.
9 During this period, the total recharge into the Basin was less than expected and consequently
10 there has been an associated de-watering of storage by an average of 13,000 afy.

11 10. Using the Updated Basin Model, the Basin yield for the 2000/2001-2009/2010
12 time period identified in the OBMP Implementation Plan and Watermaster's Rules and
13 Regulations is approximately 130,000 afy. This estimate is the most accurate estimate currently
14 available for that time period and may be used for purposes of recalculating and resetting the Safe
15 Yield.

16 11. It is my professional opinion that Watermaster is in compliance with its
17 responsibilities under these measures, and, for this reason, the Basin will be protected from harm
18 should the Court allow the Parties through April 30, 2015 for resolution of the remaining issues.

19 I declare under penalty of perjury under the laws of the State of California that the
20 foregoing is true and correct to the best of my knowledge.

21
22 Executed on December __, 2014, at Lake Forest, California.

23
24 _____
25 MARK WILDERMUTH

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1 **SCOTT SLATER (State Bar No. 117317)**
2 **BRADLEY J. HERREMA (State Bar No. 228976)**
3 **BROWNSTEIN HYATT FARBER SCHRECK, LLP**
4 1020 State Street
5 Santa Barbara, CA 93101-2706
6 Telephone: 805.963.7000
7 Facsimile: 805.965.4333

8 Attorneys for
9 **CHINO BASIN WATERMASTER**

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

12 CHINO BASIN MUNICIPAL WATER
13 DISTRICT,

14 Plaintiff,

15 v.

16 CITY OF CHINO, et al.,

17 Defendant.

Case No. RCV 51010

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

**DECLARATION OF BRADLEY J.
HERREMA IN SUPPORT OF MOTION
FOR RESET OF SAFE YIELD**

18
19 I, Bradley J. Herrema, declare:

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

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

28 3. After its September 16, 2014 Safe Yield Workshop, at its September 25, 2014

1 regular meeting, the Watermaster Board directed Watermaster staff and consultants to prepare a
2 proposal whereby Watermaster might adopt an alternative, prospective, base period and present it
3 to Court for modification of the Court's prior order and approval. A responsive proposal was
4 prepared and presented to the Appropriative Pool Committee, the Overlying (Non-Agricultural)
5 Pool Committee and the Overlying (Agricultural) Pool Committee for advice and counsel at their
6 October 2014 regular meetings.

7 4. In response to this proposal, the Appropriative Pool Committee took action to
8 forward a proposal largely similar to that drafted by Watermaster staff, and including a
9 prospective base period. The Overlying (Agricultural) Pool Committee took action to formally
10 oppose the use of the prospective base period.

11 5. At its October 23, 2014 regular meeting, the Watermaster Board directed
12 Watermaster staff to prepare a motion to this Court for the approval of the reset of the Basin's
13 Safe Yield using the base period provided for in the OBMP Implementation Plan and
14 Watermaster's Rules and Regulations. Notice of potential Board action on such a motion at its
15 November 25, 2014 meeting was provided to the Parties through Watermaster's ordinary service
16 mechanisms, on October 24, 2014.

17 6. On November 25, 2014, the Watermaster Board directed Watermaster staff to file
18 its Motion for Reset of Basin Yield. The Watermaster Board further directed its staff and
19 consultants to assist the Parties, to the extent the Parties desire such assistance, in facilitating the
20 resolution of the outstanding issues by April 30, 2015.

21 I declare under penalty of perjury under the laws of the State of California that the
22 foregoing is true and correct. Dated this day of December, 2014, at Santa Barbara, CA.

23
24
25
26 _____
Bradley J. Herrema

NOTICE: Watermaster Board Special Meeting, Tuesday, November 25, 2014 at 11 a.m.

Anna Truong

Sent: Fri 10/24/2014 2:12 PM

To:

NOTICE:

The Watermaster Board will be convening a Special Meeting on Tuesday, November 25, 2014 at 11:00 a.m. to discuss the Safe Yield Recalculation and Reset.

At its October 23, 2014 Board meeting, the Watermaster Board directed staff to prepare a pleading to be filed with the Court, following consideration and approval at its November 25, 2014 Board meeting, recalculating and resetting the yield of the Basin, consistent with the Optimum Basin Management Program Implementation Plan and section 6.5 of the Watermaster Rules and Regulations, at 130,000 AFY.

For the avoidance of doubt as to whether any potential Watermaster action in regard to this item is "discretionary", this notice is provided consistent with the 30 day time frame required pursuant to paragraph 38.(b)[2] of the Restated Judgment.

Thank you,
Anna

Anna Truong
Executive Assistant
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Office: 909.484.3888
Fax: 909.484.3890
Website: www.cbwm.org



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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for October 2014

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
October 2014

For Informational Purposes Only

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	10/07/2014	18120	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	578151		Alvarez-CalPERS	6073 · BHFS Legal - Personnel Matters	2,146.50
				457(f) Deferred Comp	6073 · BHFS Legal - Personnel Matters	1,505.25
				Personnel	6073 · BHFS Legal - Personnel Matters	1,410.75
Bill	08/31/2014	578152		578152	6907.34 · Santa Ana River Water Rights	672.75
Bill	08/31/2014	578153		578153	6275 · BHFS Legal - Advisory Committee	535.50
Bill	08/31/2014	578154		578154	6375 · BHFS Legal - Board Meeting	4,047.75
Bill	08/31/2014	578155		578155	8375 · BHFS Legal - Appropriative Pool	1,449.00
Bill	08/31/2014	578156		578156	8475 · BHFS Legal - Agricultural Pool	1,323.00
Bill	08/31/2014	578157		578157	8575 · BHFS Legal - Non-Ag Pool	2,236.50
Bill	08/31/2014	578158		578158	6071 · BHFS Legal - Court Coordination	126.00
Bill	08/31/2014	578159		578159	6077 · BHFS Legal - Party Status Maint	2,766.60
Bill	08/31/2014	578160		578160	6907.39 · Recharge Master Plan	2,233.80
				Misc. Expenses	6907.39 · Recharge Master Plan	482.86
Bill	08/31/2014	578161		578161	6907.42 · Safe Yield Recalculation	33,264.90
Bill	08/31/2014	578162		578162	6078.12 · CCG Motion	3,260.25
				Misc. Expenses	6078.12 · CCG Motion	1,180.73
Bill	08/31/2014	578150		578150	6078 · BHFS Legal - Miscellaneous	5,975.06
				Misc. Expenses	8375 · BHFS Legal - Appropriative Pool	43.69
				Misc. Expenses	8575 · BHFS Legal - Non-Ag Pool	43.69
				Misc. Expenses	8475 · BHFS Legal - Agricultural Pool	43.70
				578150	6907.42 · Safe Yield Recalculation	1,053.00
TOTAL						65,801.28
Bill Pmt -Check	10/07/2014	18121	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2014	2014262		2014262	6906.31 · OBMP-Pool, Adv. Board Mtgs	4,338.98
Bill	08/31/2014	2014263		2014263	6906.32 · OBMP-Other General Meetings	1,656.76
Bill	08/31/2014	2014264		2014264	6906.71 · OBMP-Data Req.-CBWM Staff	5,888.94
Bill	08/31/2014	2014265		2014265	6906.72 · OBMP-Data Req.-Non CBWM Staff	430.00
Bill	08/31/2014	2014266		2014266	6906.22 · Water Rights Compliance Rprting	16,208.00
Bill	08/31/2014	2014267		2014267	6906 · OBMP Engineering Services	2,802.50
Bill	08/31/2014	2014268		2014268	6906.1 · OBMP-Watermaster Model Update	5,668.00
Bill	08/31/2014	2014269		2014269	6906.73 · OBMP-Safe Yield Recalculation	6,333.18
Bill	08/31/2014	2014270		2014270	6906.21 · State of the Basin Report	807.50
Bill	08/31/2014	2014271		2014271	7103.3 · Grdwtr Qual-Engineering	8,205.25
Bill	08/31/2014	2014272		2014272	7104.3 · Grdwtr Level-Engineering	9,945.66
Bill	08/31/2014	2014273		2014273	7107.61 · Grd Level-Chino Hills ASR	2,202.75
Bill	08/31/2014	2014274		2014274	7107.2 · Grd Level-Engineering	1,730.80
Bill	08/31/2014	2014275		2014275	7108.3 · Hydraulic Control-Engineering	62.50
Bill	08/31/2014	2014276		2014276	7108.3 · Hydraulic Control-Engineering	518.50

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

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2014	2014277		2014277	7109.3 · Recharge & Well - Engineering	4,173.75
Bill	08/31/2014	2014278		2014278	7108.7 · Hydraulic Control - Prado Basin	3,082.80
Bill	08/31/2014	2014279		2014279	7202.2 · Engineering Svc	11,753.11
Bill	08/31/2014	2014280		2014280	7402 · PE4-Engineering	4,056.75
Bill	08/31/2014	2014281		2014281	7502 · PE6&7-Engineering	2,373.75
Bill	08/31/2014	2014282		2014282	7108.7 · Hydraulic Control - Prado Basin	13,222.26
TOTAL						105,463.74
Bill Pmt -Check	10/08/2014	18122	ACWA JOINT POWERS INSURANCE AUTHORITY	0313816	1012 · Bank of America Gen'l Ckg	
Bill	10/07/2014	0313816		Prepayment - November 2014 October 2014	1409 · Prepaid Life, BAD&D & LTD 60191 · Life & Disab.Ins Benefits	125.99 117.51
TOTAL						243.50
Bill Pmt -Check	10/08/2014	18123	APPLIED COMPUTER TECHNOLOGIES	2535	1012 · Bank of America Gen'l Ckg	
Bill	09/26/2014	2535		Database Consulting Services - Sept. 2014	6052.2 · Applied Computer Technol	3,057.20
TOTAL						3,057.20
Bill Pmt -Check	10/08/2014	18124	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	09/26/2014	0023230253		Office Water Bottle - September 2014	6031.7 · Other Office Supplies	90.47
TOTAL						90.47
Bill Pmt -Check	10/08/2014	18125	CHARTER COMMUNICATIONS	8245700651455350	1012 · Bank of America Gen'l Ckg	
Bill	10/02/2014	8245100651455350		8245700651455350	6053 · Internet Expense	48.49
TOTAL						48.49
Bill Pmt -Check	10/08/2014	18126	CHEF DAVE'S CAFE & CATERING	5046	1012 · Bank of America Gen'l Ckg	
Bill	09/25/2014	5046		Lunch for 9/25/14 Board Meeting	6312 · Meeting Expenses	375.20
TOTAL						375.20
Bill Pmt -Check	10/08/2014	18127	COSTCO WHOLESALE	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	7003730910002744		Miscellaneous office supplies Copy paper	6031.7 · Other Office Supplies 6031.1 · Copy Paper	1,504.63 226.74
TOTAL						1,731.37
Bill Pmt -Check	10/08/2014	18128	DC LAW	2678	1012 · Bank of America Gen'l Ckg	
Bill	09/24/2014	2678		Ag Pool Legal - August 2014	8467 · Ag Legal & Technical Services	105.00
TOTAL						105.00
Bill Pmt -Check	10/08/2014	18129	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	09/26/2014	019447404		9/19/14 - 10/18/14	6031.7 · Other Office Supplies	105.98

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
October 2014

For Informational Purposes Only

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							105.98
	Bill Pmt -Check	10/08/2014	18130	EGOSCUE LAW GROUP	10785	1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2014	10785		Ag Pool Legal - September 2014	8467 · Ag Legal & Technical Services	4,152.50
TOTAL							4,152.50
	Bill Pmt -Check	10/08/2014	18131	JOHN J. SCHATZ		1012 · Bank of America Gen'l Ckg	
	Bill	09/25/2014			Appropriative Pool Legal - July 2014	8367 · Legal Service	8,160.00
					Appropriative Pool Legal - August 2014	8367 · Legal Service	7,534.00
TOTAL							15,694.00
	Bill Pmt -Check	10/08/2014	18132	OFFICE PRIDE	320813	1012 · Bank of America Gen'l Ckg	
	Bill	10/01/2014	320813			6024 · Building Repair & Maintenance	988.32
TOTAL							988.32
	Bill Pmt -Check	10/08/2014	18133	PARK PLACE COMPUTER SOLUTIONS, INC.	491	1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2014	491		IT Consulting Services - September 2014	6052.1 · Park Place Comp Solutn	2,400.00
TOTAL							2,400.00
P113	Bill Pmt -Check	10/08/2014	18134	PAYCHEX	2014092500	1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2014	2014092500		September 2014	6012 · Payroll Services	282.05
TOTAL							282.05
	Bill Pmt -Check	10/08/2014	18135	PRINTING RESOURCES	61441	1012 · Bank of America Gen'l Ckg	
	Bill	09/24/2014	61441		Business cards - B. Ruiz	6031.7 · Other Office Supplies	146.13
TOTAL							146.13
	Bill Pmt -Check	10/08/2014	18136	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
	Bill	09/24/2014	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	560.25
TOTAL							560.25
	Bill Pmt -Check	10/08/2014	18137	STAPLES BUSINESS ADVANTAGE	2031512553	1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2014	8031512553		Miscellaneous office supplies	6031.7 · Other Office Supplies	193.24
TOTAL							193.24
	Bill Pmt -Check	10/08/2014	18138	STATE COMPENSATION INSURANCE FUND	1970970-14	1012 · Bank of America Gen'l Ckg	
	Bill	10/01/2014	1970970-14		Premium on account 9/26/14-10/26/14	60183 · Worker's Comp Insurance	724.75
TOTAL							724.75
	Bill Pmt -Check	10/08/2014	18139	THREE VALLEYS MUNICIPAL WATER DIST	October 30, 2014 Leadership Breakfast	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	10/01/2014			October 30, 2014 Leadership Breakfast-Kavounas	6191 · Conferences - General	20.00
TOTAL						20.00
Bill Pmt -Check	10/08/2014	18140	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	7076224530355049		7076-2245-3035-5049	6175 · Vehicle Fuel	146.26
TOTAL						146.26
Bill Pmt -Check	10/08/2014	18141	UNITED HEALTHCARE	0035771856	1012 · Bank of America Gen'l Ckg	
Bill	09/24/2014	0035771856		Dental Insurance - October 2014	60182.2 · Dental & Vision Ins	791.50
TOTAL						791.50
Bill Pmt -Check	10/08/2014	18142	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	09/24/2014	012519128144592510		012519128144592510	6022 · Telephone	133.32
Bill	09/30/2014	012561121521714508		012561121521714508	7405 · PE4-Other Expense	186.68
TOTAL						320.00
Bill Pmt -Check	10/08/2014	18143	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	001017890001		Vision Insurance - October 2014	60182.2 · Dental & Vision Ins	112.18
TOTAL						112.18
Bill Pmt -Check	10/08/2014	18144	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	10/01/2014	08-k2 213849		Service for October 2014	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	10/09/2014	18145	CRAIG, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 RMPU Comm		9/11/14 RMPU Steering Committee Meeting	6311 · Board Member Compensation	125.00
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
Bill	09/18/2014	9/18 Joint Projects		9/18/14 Joint IEUA/CBWM Recharge Imp. Mtg	6311 · Board Member Compensation	125.00
Bill	09/23/2014	9/23 Land Subsidence		9/23/14 Land Subsidence Committee Meeting	6311 · Board Member Compensation	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	10/10/2014	18146	SEVEN STAR PAINTING CO.		1012 · Bank of America Gen'l Ckg	
Bill	10/10/2014			Paint Executive Assistant area	6024 · Building Repair & Maintenance	250.00
TOTAL						250.00
General Journal	10/11/2014	10/11/2014	Payroll and Taxes for 09/28/14-10/11/14	Payroll and Taxes for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	22,637.56
				Employee Garnishments for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	358.18
				Payroll Taxes for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	7,339.61

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
October 2014

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				Payroll Checks for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	906.77
			ICMA-RC	457 Employee Deductions for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	3,263.50
			ICMA-RC	401(a) Employee Deductions for 09/28/14-10/11/14	1012 · Bank of America Gen'l Ckg	1,093.36
TOTAL						35,598.98
Bill Pmt -Check	10/13/2014	18147	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	09/05/2014	9/05 Admin Mtg		9/05/14 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
Bill	09/18/2014	9/18 Advisory Comm		9/18/14 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	10/13/2014	18148	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18149	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18150	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18151	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/18/2014	9/18 Advisory Comm		9/18/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	10/13/2014	18152	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18153	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 RMPU Mtg		9/11/14 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 Appro Pool Mtg		9/11/14 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 Joint Projects		9/11/14 Joint IEUA/CBWM Recharge Imp. Mtg	8470 · Ag Meeting Attend -Special	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/18/2014	9/18 Advisory Comm		9/18/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/18/2014	9/18 SY Recalc		9/18/14 Safe Yield Recalculation Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/23/2014	9/23 Land Subsidence		9/23/14 Land Subsidence Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						1,000.00
Bill Pmt -Check	10/13/2014	18154	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18155	KOOPMAN, GENE		1012 · Bank of America Gen'l Ckg	
Bill	09/04/2014	9/04 Form 9 Mtg		9/04/14 Form 9 Discussion Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
P116						
Bill Pmt -Check	10/13/2014	18156	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/13/2014	18157	MONTE VISTA WATER DIST		1012 · Bank of America Gen'l Ckg	
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
Bill	09/18/2014	9/18 Appro Pool Mtg		9/18/14 Appropriative Pool Special Meeting	6311 · Board Member Compensation	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	10/13/2014	18158	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	09/04/2014	9/04 Form 9 Mtg		9/04/14 Form 9 Discussion	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 RMPU Mtg		9/11/14 RMPU Steering Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/11/2014	9/11 Appro Pool Mtg		9/11/14 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/18/2014	9/18 Joint Projects		9/18/14 Joint Recharge Improvement Proj. Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/18/2014	9/18 Advisory Comm		9/18/14 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/18/2014	9/18 SY Recalc		9/18/14 Safe Yield Recalculation Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	09/25/2014	9/25 Board Mtg		9/25/14 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						1,000.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/13/2014	18159	PREMIERE GLOBAL SERVICES	17122134	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	17122134		WM Coordination call on 9/01	6909.1 · OBMP Meetings	4.05
				WM Coordination call on 9/03	6909.1 · OBMP Meetings	4.07
				Call to discuss City of Ontario call on 9/08	8512 · Meeting Expense	8.77
				Non-Ag meeting call on 9/11	8512 · Meeting Expense	20.13
				Court issues call on 9/17	6909.1 · OBMP Meetings	47.10
				WM Coordination call on 9/22	6909.1 · OBMP Meetings	19.47
				WM Coordination call on 9/22	6909.1 · OBMP Meetings	4.05
				Call with Rossi - WMWD on 9/23	8312 · Meeting Expenses	26.07
				Call re Board agenda on 9/23	8312 · Meeting Expenses	32.27
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
TOTAL						263.98
Bill Pmt -Check	10/13/2014	18160	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	09/27/2014	09/27/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 09/14/14-09/27/14	2000 · Accounts Payable	7,899.15
TOTAL						7,899.15
P117						
Bill Pmt -Check	10/13/2014	18161	RODRIGUEZ, ARNOLD		1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Appro Pool Mtg		9/11/14 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/13/2014	18162	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/14 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	09/16/2014	9/16 SY Recalc		9/16/14 Safe Yield Recalculation/Board Workshop	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/13/2014	18163	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	09/11/2014	9/11 Ag Pool Mtg		9/11/2014 Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	10/13/2014	18164	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
Bill	10/08/2014	11882		Dental Insurance - October 2014	60182.2 · Dental & Vision Ins	15.00
TOTAL						15.00
Bill Pmt -Check	10/13/2014	18165	SEVEN STAR PAINTING CO.		1012 · Bank of America Gen'l Ckg	
Bill	10/13/2014			Paint outside of Executive Assistant's area	6024 · Building Repair & Maintenance	80.00
TOTAL						80.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/21/2014	18166	CORELOGIC INFORMATION SOLUTIONS	81287692	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	81287692		81287692	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81287692	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	10/21/2014	18167	HOGAN LOVELLS	2845034	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	2845034		Non-Ag Pool Legal Services - August 2014	8567 · Non-Ag Legal Service	9,996.92
TOTAL						9,996.92
Bill Pmt -Check	10/21/2014	18168	THOMAS HARDER & CO	8	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	8		September 2014	8306 · Consulting/Engineering Services	2,867.56
TOTAL						2,867.56
Bill Pmt -Check	10/21/2014	18169	VERIZON WIRELESS	9733190574	1012 · Bank of America Gen'l Ckg	
Bill	10/15/2014	9733190574		Monthly service	6022 · Telephone	295.75
TOTAL						295.75
P118 Bill Pmt -Check	10/23/2014	18170	ZANGWILL, BRADLEY		1012 · Bank of America Gen'l Ckg	
Bill	10/22/2014			Holiday card pictures, website pictures	6147 · Other Admin Expenses	300.00
TOTAL						300.00
General Journal	10/25/2014	10/25/14	Payroll and Taxes for 10/12/14-10/25/14	Payroll and Taxes for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	21,043.34
				Employee Garnishments for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	379.03
				Payroll Taxes for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	6,640.39
				Payroll Checks for 10/12/14-10/25/14	1014 · Bank of America P/R Ckg	972.74
			ICMA-RC	457 Employee Deductions for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	3,263.50
			ICMA-RC	401(a) Employee Deductions for 10/12/14-10/25/14	1012 · Bank of America Gen'l Ckg	1,093.36
TOTAL						33,392.36
Bill Pmt -Check	10/29/2014	18171	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2014	XXXX-XXXX-XXXX-9341		Purchase half size tabs for Guidance Docs	6031.7 · Other Office Supplies	116.96
				Subscription for Chino Champion newspaper	6112 · Subscriptions/Publications	35.00
				Supplies for 9/12/14 pre-Ag Pool meeting	8412 · Meeting Expenses	112.69
				Registration fee for Joswiak-CalPERS Forum	6192 · Training & Seminars	350.00
				Supplies for Board Workshop on 9/16/14	6312 · Meeting Expenses	40.37
				Order paper towel rolls for office restrooms	6031.7 · Other Office Supplies	103.22
				PK meeting w/Bob Bowcock	6312 · Meeting Expenses	66.52
				PK meeting w/Rick Hansen	8312 · Meeting Expenses	21.95

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Type	Date	Num	Name	Memo	Account	Paid Amount
				Fastrack replenishment	6174 · Public Transportation	30.00
				Registration fee-Nakano-GRA Course at UC Davis	6193.2 · Conference - Registration Fee	405.00
				Registration fee-Truong-GRA Course at UC Davis	6193.2 · Conference - Registration Fee	405.00
				Gas-rental car-PK-GRA Land Subsidence	6191 · Conferences - General	6.75
				Rental car-PK-GRA Land Subsidence Symposium	6191 · Conferences - General	110.24
				Airport parking-PK-GRA Land Subsidence Symposi	6191 · Conferences - General	36.00
				Hotel-Nakano-GRA Course at UC Davis	6191 · Conferences - General	341.26
				Hotel-Truong-GRA Course at UC Davis	6191 · Conferences - General	341.26
				Internet access/service for PK	6053 · Internet Expense	159.96
				PK meeting w/Mark Kinsey	6312 · Meeting Expenses	43.64
				Registration fee-Truong-Webinar re Minute Taking	6192 · Training & Seminars	49.00
				Airfare-Truong-GRA Course at UC Davis	6191 · Conferences - General	191.70
				Early bird check in for above flight	6191 · Conferences - General	25.00
				Airfare-Nakano-GRA Course at UC Davis	6191 · Conferences - General	191.70
				Early bird check in for above flight	6191 · Conferences - General	25.00
				PK meeting w/Steve Elie, Terry Catlin	6312 · Meeting Expenses	61.78
				Purchase "Robert's Rules Made Simple" for office	6031.7 · Other Office Supplies	139.58
				PK meeting w/Bob Kuhn	6312 · Meeting Expenses	11.64
TOTAL						3,421.22
1119						
Bill Pmt -Check	10/29/2014	18172	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	10/15/2014	1394905143		Medical Insurance - November 2014	60182.1 · Medical Insurance	6,683.72
TOTAL						6,683.72
Bill Pmt -Check	10/29/2014	18173	CUCAMONGA VALLEY WATER DISTRICT	Lease due November 1, 2014	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2014			Lease due November 1, 2014	1422 · Prepaid Rent	6,283.20
TOTAL						6,283.20
Bill Pmt -Check	10/29/2014	18174	GREAT AMERICA LEASING CORP.	15998038	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2014	15998038		Invoice	6043.1 · Ricoh Lease Fee	3,252.70
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	552.69
TOTAL						3,805.39
Bill Pmt -Check	10/29/2014	18175	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2014	0111802		Employee deductions - October 2014	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	10/29/2014	18176	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2014	6684246		Postage meter lease	6044 · Postage Meter Lease	548.66
TOTAL						548.66

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/29/2014	18177	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	10/11/2014	10/11/2014	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 09/28/14-10/11/14	2000 · Accounts Payable	7,899.15
TOTAL						7,899.15
Bill Pmt -Check	10/29/2014	18178	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	10/31/2014				60182.4 · Retiree Medical	28.49
TOTAL						28.49
Bill Pmt -Check	10/29/2014	18179	THREE VALLEYS MUNICIPAL WATER DIST	October 30, 2014 Leadership Breakfast	1012 · Bank of America Gen'l Ckg	
Bill	10/22/2014			October 30, 2014 Leadership Breakfast-Maurizio	6192 · Training & Seminars	20.00
TOTAL						20.00
Bill Pmt -Check	10/29/2014	18180	TW TELECOM	06552906	1012 · Bank of America Gen'l Ckg	
Bill	10/21/2014	06552906		06552906	6053 · Internet Expense	1,033.64
TOTAL						1,033.64
P120	Bill Pmt -Check	10/29/2014	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
	Bill	09/30/2014	580106	580106	6078 · BHFS Legal - Miscellaneous	7,860.60
				Misc. Expenses	6375 · BHFS Legal - Board Meeting	563.25
				Misc. Expenses	6907.42 · Safe Yield Recalculation	290.40
				Misc. Expenses	8375 · BHFS Legal - Appropriative Pool	274.65
				Misc. Expenses	8475 · BHFS Legal - Agricultural Pool	124.65
				Misc. Expenses	8575 · BHFS Legal - Non-Ag Pool	124.66
	Bill	09/30/2014	580107	Personnel	6073 · BHFS Legal - Personnel Matters	1,473.30
				Alvarez-CalPERS	6073 · BHFS Legal - Personnel Matters	3,505.95
				Molino	6073 · BHFS Legal - Personnel Matters	40.50
	Bill	09/30/2014	580108	Audit Letter	6078 · BHFS Legal - Miscellaneous	721.80
	Bill	09/30/2014	580109		6907.34 · Santa Ana River Water Rights	3,484.80
	Bill	09/30/2014	580110		6907.33 · Desalter/Hydraulic Control	63.00
	Bill	09/30/2014	580111		6275 · BHFS Legal - Advisory Committee	848.68
	Bill	09/30/2014	580112		6375 · BHFS Legal - Board Meeting	3,335.85
	Bill	09/30/2014	580113		8375 · BHFS Legal - Appropriative Pool	1,764.00
	Bill	09/30/2014	580114		8475 · BHFS Legal - Agricultural Pool	1,764.00
	Bill	09/30/2014	580115		8575 · BHFS Legal - Non-Ag Pool	1,890.00
	Bill	09/30/2014	580116		6074 · BHFS Legal - Interagency Issues	105.30
	Bill	09/30/2014	580117		6077 · BHFS Legal - Party Status Maint	1,310.40
Bill	09/30/2014	580118		6907.39 · Recharge Master Plan	4,638.60	
Bill	09/30/2014	580119		6907.42 · Safe Yield Recalculation	37,766.96	
Bill	09/30/2014	580120		6078.12 · CCG Motion	1,038.60	

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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						72,989.95
Bill Pmt -Check	10/30/2014	18182	MCLAUGHLIN, WILLIAM		1012 · Bank of America Gen'l Ckg	
Bill	10/30/2014			Manual payroll check for OT left off payroll	6011 · WM Staff Salaries	158.83
TOTAL						158.83
					Total Disbursements:	403,168.69

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