

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, October 15, 2015

9:00 a.m. – Advisory Committee Meeting

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

CHINO BASIN WATERMASTER

Thursday, October 15, 2015

9:00 a.m. – Advisory Committee Meeting

AGENDA

**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – October 15, 2015

WITH

Mr. Jeff Pierson, Chair

Mr. Todd Corbin, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Advisory Committee Meeting held September 17, 2015 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2015 *(Page 5)*
2. Watermaster VISA Check Detail for the month of August 2015 *(Page 15)*
3. Combining Schedule for the Period July 1, 2015 through August 31, 2015 *(Page 19)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 *(Page 23)*
5. Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 *(Page 27)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT (DISCUSSION ONLY)

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION *(Page 41)*

Provide advice and counsel to Watermaster on the proposed contract with WEI.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Watermaster Resolution 2015-06
2. Motion for Approval of Temporary Substitute Rate, Receipt and Filing of Semi-Annual Report
3. Santa Ana Sucker Critical Habitat Designation Litigation
4. DWR Basin Boundary Revision Regulations

B. ENGINEER REPORT

1. Ground-Level Monitoring Report

C. CFO REPORT

None

D. GM REPORT

1. Business Plan Update
2. Storage
3. Request for Information Process
4. Volume Vote
5. Holiday Meeting Schedule
6. Other

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written) *(Page 80)*
2. State and Federal Legislative Reports *(Page 83)*
3. Community Outreach/Public Relations Report *(Page 103)*

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS**IV. INFORMATION**

1. Cash Disbursements for September 2015 *(Page 109)*
2. Ground-Level Monitoring Report *(Page 123)*
3. RMPU Status Report *(Page 129)*

V. COMMITTEE MEMBER COMMENTS**VI. OTHER BUSINESS****VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

VIII. FUTURE MEETINGS AT WATERMASTER

10/15/15	Thu	9:00 a.m.	Advisory Committee
10/15/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
10/22/15	Thu	11:00 a.m.	Watermaster Board
11/12/15	Thu	9:00 a.m.	Appropriative Pool
11/12/15	Thu	11:00 a.m.	Non-Agricultural Pool
11/12/15	Thu	1:30 p.m.	Agricultural Pool
11/17/15	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
11/19/15	Thu	9:00 a.m.	Advisory Committee
11/19/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
11/19/15	Thu	11:00 a.m.	Watermaster Board (Rescheduled from 11/26/15)

ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting held on September 17, 2015

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

September 17, 2015

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 17, 2015.

ADVISORY COMMITTEE MEMBERS PRESENT

AGRICULTURAL POOL

Jeff Pierson, Chair
Rob Vanden Heuvel
Bob Feenstra

Crops
Dairy
Dairy

APPROPRIATIVE POOL

Todd Corbin, Vice-Chair
Scott Burton
Teri Layton
Ron Craig
Van Jew
Justin Scott-Coe
Josh Swift
Dave Crosley
Cris Fealy
Darron Poulsen
Marty Zvirbulis

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

NON-AGRICULTURAL POOL

Bob Bowcock
Ken Jeske

Calmat Company (Vulcan Materials Co.)
California Steel Industries (CSI)

WATERMASTER BOARD MEMBER PRESENT

Bob Kuhn

Three Valleys 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

Brad Herrema
Mark Wildermuth
Andy Malone

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

OTHERS PRESENT

Terry Catlin
Paula Lantz
Sheri Rojo
Eunice Ulloa
Tracy Egoscue
Rick Rees
Shaun Stone
Raul Garibay
Ryan Shaw
Manny Martinez

Inland Empire Utilities Agency
City of Pomona
Fontana Water Company
Chino Basin Water Conservation District
Egoscue Law Group
AMEC
Inland Empire Utilities Agency
City of Pomona
City of Ontario
Monte Vista Water District

CALL TO ORDER

Chair Pierson called the Advisory Committee meeting to order at 9:04 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Advisory Committee Meeting held August 20, 2015

B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of July 2015
- 2. Watermaster VISA Check Detail for the month of July 2015
- 3. Combining Schedule for the Period July 1, 2015 through July 31, 2015
- 4. Treasurer's Report of Financial Affairs for the Period July 1, 2015 through July 31, 2015
- 5. Budget vs. Actual Report for the Period July 1, 2015 through July 31, 2015

C. OBMP SEMI-ANNUAL STATUS REPORT 2013-1

Recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2013-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

D. WATER TRANSACTION

Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's storage account, effective for the Fiscal Year 2014-2015.

(0:01:09)

*Motion by Mr. Dave Crosley, seconded by Mr. Scott Burton, and by unanimous vote
Moved to approve Consent Calendar as presented*

II. BUSINESS ITEMS**A. SAFE YIELD REDETERMINATION AND RESET**

(0:01:33) Mr. Kavounas gave a report. An updated version of the Resolution was distributed and discussion ensued.

(0:09:20)

*Motion by Mr. Ken Jeske, seconded by Mr. Marty Zvirbulis, and by majority vote
Moved to recommend the Board's adoption of Resolution 2015-06.*

No Vote:

City of Chino (Dave Crosley)

Abstentions:

San Antonio Water Company (Teri Layton)

Jurupa Community Services District (Todd Corbin)

B. EXHIBIT "G" PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION

(0:11:40) Mr. Kavounas gave a report. A discussion ensued.

(0:13:32)

*Motion by Mr. Ken Jeske, seconded by Mr. Marty Zvirbulis, and by unanimous vote
Moved to approve Business Item II.B. as presented.*

III. REPORTS/UPDATES**A. LEGAL COUNSEL REPORT**

1. August 21, 2015 Hearing
2. DWR Basin Boundary Regulations

(0:13:57) Mr. Herrema gave a report and added a report item on Watermaster Reappointment. A discussion ensued.

B. ENGINEER REPORT

None

C. CFO REPORT

1. Unexpended Recharge Projects Funds

(0:17:57) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. Amendment No. 2 to Agreement to Form Task Force to Conduct Basin Monitoring Program For Nitrogen And TDS in The Santa Ana River Watershed (Basin Monitoring Program)

(0:21:42) Mr. Kavounas gave a report and introduced an additional report item for the TCE Plume presentation by Mr. Scott Burton.

(0:23:11) Mr. Burton gave a presentation on the TCE Plume. A discussion ensued.

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written)
2. State and Federal Legislative Reports
3. Community Outreach/Public Relations Report

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Cash Disbursements for August 2015

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

1. Watermaster Reappointment

(0:38:47) Ms. Layton raised a question on the timeline of the Watermaster Reappointment process. A discussion ensued. The item will be agendaized for the October 2015 Pool meetings.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

None

ADJOURNMENT

Chair Pierson adjourned the Advisory Committee meeting at 9:52 a.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the Month of August 2015
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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: October 15, 2015
TO: Advisory Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (August 31, 2015)

SUMMARY

Issue: Record of Cash Disbursements for the month of August 31, 2015.

Recommendation: Receive and file Cash Disbursements for August 31, 2015 as presented.

Financial Impact: Funds disbursed were included in the FY 2015/16 "Amended" Watermaster Budget.

Future Consideration

Advisory Committee: October 15, 2015; Receive and File

Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool – Unanimously approved

October 8, 2015 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

October 8, 2015 – Agricultural Pool – Unanimously approved

October 15, 2015 – Advisory Committee –

October 22, 2015 – 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 August 2015 were \$171,888.45.

The most significant expenditures during the month were the two Watermaster employee payrolls and associated employee deductions in the amounts of \$36,648.40 and \$39,012.37 (General Journals 15/08/02 and 15/08/03 dated August 15, 2015 and General Journals 15/08/05 and 15/08/06 dated August 29, 2015); and Egoscue Law Group in the amount of \$36,432.50 (check number 18828 dated August 11, 2015).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/07/2015	08/07/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	07/31/2015	07/31/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/19/15-06/01/15	2000 - Accounts Payable	6,515.12
TOTAL						6,515.12
Bill Pmt -Check	08/11/2015	18820	ACWA JOINT POWERS INSURANCE AUTHORITY	0364791	1012 - Bank of America Gen'l Ckg	
Bill	08/06/2015	0364791		Prepayment - September 2015	1409 - Prepaid Life, BAD&D & LTD	128.39
				August 2015	60191 - Life & Disab. Ins Benefits	128.38
TOTAL						256.77
Bill Pmt -Check	08/11/2015	18821	APPLIED COMPUTER TECHNOLOGIES	2606	1012 - Bank of America Gen'l Ckg	
Bill	07/30/2015	2606		Database Consulting Services - July 2015	6052.2 - Applied Computer Technol	4,069.00
TOTAL						4,069.00
Bill Pmt -Check	08/11/2015	18822	BOWCOCK, ROBERT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
P7						
Bill Pmt -Check	08/11/2015	18823	BOWMAN, JIM	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/11/2015	18824	CHARTER COMMUNICATIONS	8245100651455350	1012 - Bank of America Gen'l Ckg	
Bill	08/04/2015	8245100651455350		8245100651455350	6053 - Internet Expense	64.99
TOTAL						64.99
Bill Pmt -Check	08/11/2015	18825	DE BOOM, NATHAN		1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	08/11/2015	18826	DE HAAN, HENRY		1012 - Bank of America Gen'l Ckg	
Bill	07/16/2015	7/16 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	07/22/2015	7/22 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				7/22/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	07/29/2015	7/29 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				7/29/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						375.00
Bill Pmt -Check	08/11/2015	18827	DURRINGTON, GLEN	AG Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	08/11/2015	18828	EGOSCUE LAW GROUP	11013	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	11013		Ag Pool Legal Services - July 2015	8467 - Ag Legal & Technical Services	36,432.50
TOTAL						36,432.50
Bill Pmt -Check	08/11/2015	18829	ELIE, STEVEN	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/03/2015	7/03 Admin Mtg		7/03/15 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
Bill	07/21/2015	7/21 Board Agenda		7/21/15 Board Agenda preview meeting	6311 - Board Member Compensation	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	08/11/2015	18830	EXCEL MICRO, LLC	EM35425	1012 - Bank of America Gen'l Ckg	
Bill	08/01/2015	EM35425		Semi annual billing August 2015-January 2016	6054 - Computer Software	216.00
TOTAL						216.00
Bill Pmt -Check	08/11/2015	18831	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Special Mtg		7/23/15 Water for Property Development Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						750.00
Bill Pmt -Check	08/11/2015	18832	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Non Ag Pool Mtg		7/09/15 Non-Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/09/2015	7/09 Appro Pool Mtg		7/09/15 Appropriative Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 RIP Com Mtg		7/16/15 RIP Com Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,125.00
Bill Pmt -Check	08/11/2015	18833	HUITSING, JOHN		1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	07/16/2015	7/16 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	08/11/2015	18834	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						125.00
Bill Pmt -Check	08/11/2015	18835	KUHN, BOB	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Appro Pool Mtg		7/09/15 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	08/11/2015	18836	MONTE VISTA WATER DIST	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Mark Kinsey attendance	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/11/2015	18837	PARK PLACE COMPUTER SOLUTIONS, INC.	501	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	501		IT Consulting Services - July 2015	6052.1 - Park Place Comp Solutn	2,550.00
TOTAL						2,550.00
Bill Pmt -Check	08/11/2015	18838	PAYCHEX	2015073000	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	2015073000		July 2015	6012 - Payroll Services	292.09
TOTAL						292.09
Bill Pmt -Check	08/11/2015	18839	PETTY CASH	2532-2546	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	2532-2546		Purchase office supplies	6031.7 - Other Office Supplies	135.23
				Travel expense reimbursements for PK	6191 - Conferences - General	129.75
				Parking expense for IAAP seminar	6192 - Training & Seminars	10.00
				Supplies for 5/19 and 8/06 Safe Yield meetings	6906.73 - OBMP-Safe Yield Recalculation	46.70
				Supplies for Appropriative Pool Meeting	6312 - Meeting Expenses	15.11
				Supplies for staff meetings	6141.3 - Admin Meetings	39.27
TOTAL						376.06
Bill Pmt -Check	08/11/2015	18840	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 RIP Com Mtg		7/16/15 RIP Com Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Special Mtg		7/23/15 Water for Property Development Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	08/11/2015	18841	PREMIERE GLOBAL SERVICES	19082434	1012 · Bank of America Gen'l Ckg	
Bill	08/05/2015	19082434		WM coordination call on 6/29	6909.1 · OBMP Meetings	16.48
				Pools agenda prep call on 6/30	8312 · Meeting Expenses	1.51
				Pools agenda prep call on 6/30	8412 · Meeting Expenses	1.51
				Pools agenda prep call on 6/30	8512 · Meeting Expense	1.52
				City of Ontario Non-Ag call on 7/01	8512 · Meeting Expense	16.61
				Safe Yield call on 7/02	6906.73 · OBMP-Safe Yield Recalculation	107.66
				WM coordination call on 7/06	6909.1 · OBMP Meetings	37.42
				Safe Yield call on 7/08	6906.73 · OBMP-Safe Yield Recalculation	30.72
				Non-Ag Pool Meeting call on 7/09	8512 · Meeting Expense	32.26
				Safe Yield call on 7/10	6906.73 · OBMP-Safe Yield Recalculation	139.02
				WM coordination call on 7/13	6909.1 · OBMP Meetings	24.13
				RIP Com call on 7/16	7204 · Comp Recharge-Supplies	4.80
				Ag Pool tech memo call on 7/16	8412 · Meeting Expenses	19.56
				Safe Yield call on 7/17	6906.73 · OBMP-Safe Yield Recalculation	5.16
				Safe Yield call on 7/17	6906.73 · OBMP-Safe Yield Recalculation	100.92
				WM coordination call on 7/20	6909.1 · OBMP Meetings	5.51
				Board agenda preview call on 7/21	6312 · Meeting Expenses	13.98
				Safe Yield call on 7/22	6906.73 · OBMP-Safe Yield Recalculation	6.76
				Safe Yield call on 7/24	6906.73 · OBMP-Safe Yield Recalculation	112.95
				Fee - general line	6022 · Telephone	49.00
				Fee - confidential line	6022 · Telephone	49.00
				Service fees	6022 · Telephone	23.98
TOTAL						800.26
Bill Pmt -Check	08/11/2015	18842	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	08/06/2015	100000014590109		Monthly unfunded accrued liability payment	60180 · Employers PERS Expense	3,077.00
TOTAL						3,077.00
Bill Pmt -Check	08/11/2015	18843	RR FRANCHISING, INC.	8391	1012 · Bank of America Gen'l Ckg	
Bill	08/04/2015	8391		Janitorial Services	6024 · Building Repair & Maintenance	740.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						740.00
Bill Pmt -Check	08/11/2015	18844	SANTA ANA RIVER WATER COMPANY	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Appro Pool Mtg		7/09/15 Approp. Pool Mtg. - Rodriguez attendance	6311 - Board Member Compensation	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Rodriguez attendance	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	08/11/2015	18845	SOFTCHOICE	4020452	1012 - Bank of America Gen'l Ckg	
Bill	07/01/2015	4020452		MS Exchange Server standard license	8054 - Computer Software	2,639.47
TOTAL						2,639.47
Bill Pmt -Check	08/11/2015	18846	UNION 76	7076-2245-3035-5049	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	7076224530355049		July 2015	6175 - Vehicle Fuel	248.82
TOTAL						248.82
Bill Pmt -Check	08/11/2015	18847	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	2x81x0		Ship package, schedule a pickup	6042 - Postage - General	19.76
TOTAL						19.76
P11						
Bill Pmt -Check	08/11/2015	18848	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 - Board Member Compensation	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	08/11/2015	18849	VANDEN HEUVEL, ROB		1012 - Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	08/11/2015	18850	VERIZON	012519128144592510	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	012581121521714508		012519128144592510	7405 - PE4-Other Expense	191.24
TOTAL						191.24
Bill Pmt -Check	08/11/2015	18851	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Galleano attendance	6311 - Board Member Compensation	125.00
TOTAL						125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	08/15/2015	08/15/2015	Payroll and Taxes for 08/02/15-08/15/15	Payroll and Taxes for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	22,381.59
				Employee Garnishments for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	100.61
				Payroll Taxes for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	7,783.47
				Payroll Checks for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	1,523.68
			ICMA-RC	457(f) Employee Deductions for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	3,695.36
			ICMA-RC	401(a) Employee Deductions for 08/02/15-08/15/15	1012 - Bank of America Gen'l Ckg	1,162.69
TOTAL						36,648.40
Check	08/17/2015	08/17/2015	Service Charge	Service Charge	1012 - Bank of America Gen'l Ckg	
				Service Charge	6039.1 - Banking Service Charges	312.45
TOTAL						312.45
Bill Pmt -Check	08/24/2015	ACH 082415	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	08/15/2015	08/15/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/02/15-08/15/15	2000 - Accounts Payable	8,515.12
TOTAL						8,515.12
P12 Bill Pmt -Check	08/25/2015	18852	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	XXXX-XXXX-XXXX-9341		Registration-Joswiak-CalPERS Educational Forum	6193.2 - Conference - Registration Fee	399.00
				Airfare-Joswiak-CalPERS Educational Forum	6191 - Conferences - General	155.50
				Service awards luncheon for staff	6141.3 - Admin Meetings	228.80
				Miscellaneous office supplies	6031.7 - Other Office Supplies	351.84
				Uniforms for office staff	6154 - Uniforms	162.92
				Miscellaneous office supplies	6031.7 - Other Office Supplies	366.14
				Miscellaneous office supplies	6031.7 - Other Office Supplies	344.34
				Purchase cable for headset for Assist. GM office	6031.7 - Other Office Supplies	27.83
				PK meeting w/Marty Zvirbulis	8312 - Meeting Expenses	29.25
				Registration-PK-ACWA Fall Conference	6193.2 - Conference - Registration Fee	695.00
				Registration-PK-CUEMA Leadership Summit	6193.2 - Conference - Registration Fee	600.00
TOTAL						3,380.62
Bill Pmt -Check	08/25/2015	18853	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	1394905143		1394905143	60182.1 - Medical Insurance	7,888.75
TOTAL						7,888.75
Bill Pmt -Check	08/25/2015	18854	CORELOGIC INFORMATION SOLUTIONS	81563613	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	81563613		81563613	7103.7 - Grdwtr Qual-Computer Svc	62.50
				81563613	7101.4 - Prod Monitor-Computer	62.50
TOTAL						125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/25/2015	18855	CUCAMONGA VALLEY WATER DISTRICT	Lease due September 1, 2015	1012 - Bank of America Gen'l Ckg	
Bill	08/17/2015			Lease due September 1, 2015	1422 - Prepaid Rent	6,283.20
TOTAL						6,283.20
Bill Pmt -Check	08/25/2015	18856	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	L0226371		L0226371	7108.4 - Hydraulic Control-Lab Svcs	1,592.00
Bill	07/31/2015	L0226372		L0226372	7108.4 - Hydraulic Control-Lab Svcs	440.00
TOTAL						2,032.00
Bill Pmt -Check	08/25/2015	18857	FEDAK & BROWN LLP		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015			Progress Billing - July 2015	6062 - Audit Services	1,200.00
TOTAL						1,200.00
Bill Pmt -Check	08/25/2015	18858	LEGAL SHIELD	0111802	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	0111802		Employee deductions - August 2015	60194 - Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	08/25/2015	18859	LEVEL 3 COMMUNICATIONS	07883752	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	07883752		8/10/15-9/09/15	6053 - Internet Expense	1,048.04
TOTAL						1,048.04
Bill Pmt -Check	08/25/2015	18860	MILK PRODUCERS COUNCIL		1012 - Bank of America Gen'l Ckg	
Bill	08/17/2015			Reimburse conf. call charges-7/16, 7/22 & 7/29	8412 - Meeting Expenses	99.40
TOTAL						99.40
Bill Pmt -Check	08/25/2015	18861	STAPLES BUSINESS ADVANTAGE	8035433713	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	8035433713		Miscellaneous office supplies	6031.7 - Other Office Supplies	143.07
TOTAL						143.07
Bill Pmt -Check	08/25/2015	18862	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015				60182.4 - Retiree Medical	25.76
TOTAL						25.76
Bill Pmt -Check	08/25/2015	18863	UNITED HEALTHCARE	0038418433	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	0038418433		Dental Insurance - September 2015	60182.2 - Dental & Vision Ins	833.15
TOTAL						833.15
Bill Pmt -Check	08/25/2015	18864	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	2x81x0		Ship package, schedule a pickup	6042 - Postage - General	28.14
TOTAL						28.14

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/25/2015	18865	VERIZON WIRELESS	9750102935	1012 - Bank of America Gen'l Ckg	
Bill	08/19/2015	9750102935		Monthly wireless service	6022 - Telephone	298.57
TOTAL						<u>298.57</u>
General Journal	08/29/2015	08/29/2015	Payroll and Taxes for 08/16/15-08/29/15	Payroll and Taxes for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	23,029.76
				Payroll Taxes for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	8,116.94
				Employee Garnishments for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	100.61
				Payroll Checks for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	1,523.69
				Payroll Checks for 08/16/15-08/29/15	1014 - Bank of America P/R Ckg	1,393.12
			ICMA-RC	457(f) Employee Deductions for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	3,696.36
			ICMA-RC	401(a) Employee Deductions for 08/16/15-08/29/15	1012 - Bank of America Gen'l Ckg	1,151.89
TOTAL						<u>39,012.37</u>
General Journal	08/31/2015	08/31/15	Wage Works FSA Direct Debits - Aug. 2015	Wage Works FSA Direct Debits - Aug. 2015	1012 - Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - Aug. 2015	1012 - Bank of America Gen'l Ckg	511.14
				Wage Works FSA Direct Debits - Aug. 2015	1012 - Bank of America Gen'l Ckg	511.14
				Wage Works FSA Direct Debits - Aug. 2015	1012 - Bank of America Gen'l Ckg	76.25
TOTAL						<u>1,098.53</u>
					Total Disbursements:	<u><u>171,888.45</u></u>



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 15, 2015
TO: Advisory Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (August 31, 2015)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of August 31, 2015.

Recommendation: Receive and file VISA Check Detail Report for August 31, 2015 as presented.

Financial Impact: Funds disbursed were included in the FY 2015/16 "Amended" Watermaster Budget.

Future Consideration

Advisory Committee: October 15, 2015; Receive and File

Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool – Unanimously approved

October 8, 2015 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

October 8, 2015 – Agricultural Pool – Unanimously approved

October 15, 2015 – Advisory Committee –

October 22, 2015 – 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 August 2015 was \$3,380.62. The payment was processed by check number 18852 dated August 25, 2015. The monthly charges for August 2015 of \$3,380.62 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 August 2015

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/25/2015	18852	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	XXXX-XXXX-XXXX-9341		Registration-Joswiak-CalPERS Educational Forum	6193.2 - Conference - Registration Fee	399.00
				Airfare-Joswiak-CalPERS Educational Forum	6191 - Conferences - General	155.50
				Service awards luncheon for staff	6141.3 - Admin Meetings	228.80
				Miscellaneous office supplies	6031.7 - Other Office Supplies	351.84
				Uniforms for office staff	6154 - Uniforms	182.92
				Miscellaneous office supplies	6031.7 - Other Office Supplies	366.14
				Miscellaneous office supplies	6031.7 - Other Office Supplies	344.34
				Purchase cable for headset for Assist. GM office	6031.7 - Other Office Supplies	27.83
				PK meeting w/Marty Zvirbulis	8312 - Meeting Expenses	29.25
				Registration-PK-ACWA Fall Conference	6193.2 - Conference - Registration Fee	695.00
				Registration-PK-CUEMA Leadership Summit	6193.2 - Conference - Registration Fee	600.00
					Total Disbursements:	<u>3,380.62</u>

TOTAL

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 15, 2015
TO: Advisory Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2015 through August 31, 2015 - Financial Report B3 (August 31, 2015)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2015 through August 31, 2015.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2015 through August 31, 2015 as presented.

Financial Impact: Funds disbursed were included in the FY 2015/16 "Amended" Watermaster Budget.

Future Consideration

Advisory Committee: October 15, 2015; Receive and File

Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool – Unanimously approved

October 8, 2015 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

October 8, 2015 – Agricultural Pool – Unanimously approved

October 15, 2015 – Advisory Committee –

October 22, 2015 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2015 through August 31, 2015 is provided to keep all members apprised of the FY 2015/16 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 Intuit QuickBooks Enterprise Solutions 15.0, 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, 2015 THROUGH AUGUST 31, 2015

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2015-2016
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments			-		-			-	8,934,215	
Interest Revenue			-	-	-			-	22,050	
Mutual Agency Project Revenue	157,349							157,349	157,941	
Miscellaneous Income								-	0	
Total Revenues	157,349	-	-	-	-	-	-	157,349	9,114,206	
Administrative & Project Expenditures:										
Watermaster Administration	203,504							203,504	1,227,268	
Watermaster Board-Advisory Committee	26,239							26,239	222,418	
Ag Pool Misc. Expense - Ag Fund								-	400	
Pool Administration			8,104	106,800	12,992			127,896	595,933	
Optimum Basin Mgmt Administration		351,456						351,456	1,473,093	
OBMP Project Costs		436,552						436,552	3,525,355	
Debt Service		460,202						460,202	460,200	
Basin Recharge Improvements								-	3,472,477	
Mutual Agency Project Costs								-	10,000	
Total Administrative/OBMP Expenses	229,743	1,248,209	8,104	106,800	12,992	-	-	1,605,849	10,987,144	
Net Administrative/OBMP Expenses	(72,394)	(1,248,209)								
Allocate Net Admin Expenses To Pools	72,394		52,413	17,602	2,379			-		
Allocate Net OBMP Expenses To Pools		788,008	570,513	191,597	25,898			-		
Allocate Debt Service to App Pool		460,202	460,202					-		
Agricultural Expense Transfer*			315,999	(315,999)				-		
Total Expenses	-	-	1,407,230	-	41,269	-	-	1,605,849	10,987,144	
Net Administrative Income			(1,407,230)	-	(41,269)	-	-	(1,448,500)	(1,872,938)	
Other Income/(Expense)										
Replenishment Water Assessments						-		-	0	
Non-Ag Stored Water Purchases								-	0	
Exhibit "G" Non-Ag Pool Water								-	0	
Interest Revenue						-		-	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	
Other Post-Employment Benefits (OPEB)								-	0	
Refund-Excess Reserves								-	0	
Refund-Recharge Debt								-	0	
Net Other Income/(Expense)								-	0	
Net Transfers To/(From) Reserves		(1,448,500)	(1,407,230)	-	(41,269)	-	-	(1,448,500)	(1,872,938)	
Working Capital, July 1, 2015			8,273,229	481,130	67,280	1,388,080	158,251	3,446	8,371,416	
Working Capital, End Of Period			4,865,999	481,130	26,011	1,388,080	158,251	3,446	6,922,916	
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.

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 15, 2015
TO: Advisory Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 - Financial Report B4 (August 31, 2015)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of August 1, 2015 through August 31, 2015.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 as presented.

Financial Impact: Funds disbursed were included in the FY 2015/16 "Amended" Watermaster Budget.

Future Consideration

Advisory Committee: October 15, 2015; Receive and File

Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool – Unanimously approved

October 8, 2015 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

October 8, 2015 – Agricultural Pool – Unanimously approved

October 15, 2015 – Advisory Committee –

October 22, 2015 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 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 Intuit QuickBooks Enterprise Solutions 15.0, 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
 AUGUST 1, 2015 THROUGH AUGUST 31, 2015

DEPOSITORIES:		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	606,221
Zero Balance Account - Payroll	\$	-
Local Agency Investment Fund - Sacramento		
TOTAL CASH IN BANKS AND ON HAND		8/31/2015
TOTAL CASH IN BANKS AND ON HAND		7/31/2015
	\$	8,108,147
		8,122,530
PERIOD INCREASE (DECREASE)	\$	(14,383)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	(1,982)
Assessments Receivable		-
Prepaid Expenses, Deposits & Other Current Assets		157,349
(Decrease)/Increase in Liabilities		276,774
Accounts Payable		-
Accrued Payroll, Payroll Taxes & Other Current Liabilities		1,498
Long Term Liabilities		(448,023)
Transfer to/(from) Reserves		
PERIOD INCREASE (DECREASE)	\$	(14,383)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Zero Balance	Govt'l Checking	Local Agency	Totals
	Account	Demand	Investment Funds	
	Payroll			
Balances as of 7/31/2015	\$ -	\$ 95,605	\$ 8,026,426	\$ 8,122,530
Deposits	-	682,505	-	682,505
Transfers	(63,842)	(88,001)	(525,000)	(676,844)
Withdrawals/Checks	63,842	(83,887)	-	(20,045)
Balances as of 8/31/2015	\$ -	\$ 606,221	\$ 7,501,426	\$ 8,108,147
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 510,617	\$ (525,000)	\$ (14,383)

CHINO BASIN WATERMASTER
 TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
 AUGUST 1, 2015 THROUGH AUGUST 31, 2015

Financial Report - B4

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
8/25/2015	Withdrawal		\$ (525,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (525,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 0.28% was the effective yield rate at the Quarter ended June 30, 2015.

INVESTMENT STATUS
 August 31, 2015

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 7,501,426			
TOTAL INVESTMENTS	\$ 7,501,426			

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

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

Respectfully submitted,



Joseph S. Joswiak
 Chief Financial Officer
 Chino Basin Watermaster

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 15, 2015
TO: Advisory Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 -
Financial Report B5 (August 31, 2015)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2015 through August 31, 2015.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 as presented.

Financial Impact: Funds disbursed were included in the FY 2015/16 "Amended" Watermaster Budget.

Future Consideration

Advisory Committee: October 15, 2015; Receive and File

Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool – Unanimously approved

October 8, 2015 – Non-Agricultural Pool – Moved unanimously to receive and file, without approval

October 8, 2015 – Agricultural Pool – Unanimously approved

October 15, 2015 – Advisory Committee –

October 22, 2015 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2015 through August 31, 2015 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. The Budget vs. Actual report has been created from Intuit QuickBooks Enterprise Solutions 15.0, 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.

DISCUSSION

CURRENT MONTH – AUGUST 2015

Year-To-Date (YTD) for the two months ending August 31, 2015, all but five categories were at or below the projected budget. The categories over budget were the Watermaster Legal Services expenses (6070's) which were over budget by \$7,605 or 23.6% as a result of increased miscellaneous legal expenses along with the unanticipated CCG Motion related legal expenses not budgeted for FY 2015/16; the Agricultural Legal Services expenses (8467) which were over budget by \$56,021 or 164.0% as a result of ongoing Safe Yield Recalculation efforts; the Agricultural Pool Meeting Attendance expenses (8470's) which were over budget by \$5,875 or 158.8% as a result of the Agricultural Pool's Special Meetings which were not anticipated when the FY 2015/16 budget was developed; the Production Monitoring expenses (7100's) which were over budget by \$3,384 or 35.4% as a direct result of ongoing efforts of Watermaster staff in production reporting; and the Groundwater Level Monitoring expenses (7104's) which were over budget by \$2,393 or 5.8% as a direct result of ongoing efforts of Watermaster staff in monitoring activities.

The Watermaster budget for FY 2015/16 is divided into 12-monthly amounts and allocated accordingly. As the fiscal year progresses, categories might level out over time and be within the budget levels.

Overall, the Watermaster (YTD) Actual Expenses were \$2,090,186 or 56.6% below the (YTD) Budgeted Expenses of \$3,696,035.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

During the month of July 2015, the "Carry Over" funding was calculated. The Total "Carry Over" funding amount of \$1,872,937.85 has been posted to the general ledger accounts. The total amount of \$1,872,937.85 consisted of \$1,686,955.86 from Capital Improvement Projects, \$136,696 from Engineering Services, \$29,285.99 from Chino Hills ASR, and \$20,000 from the Administrative section for the Annual Reports. More detailed information is provided regarding this issue under the "Carry Over" Funding section.

The Amended Budget for FY 2015/16 is \$10,987,143.85 which includes \$1,872,937.85 for the prior years "Carry Over" funding. The Original Approved budget for FY 2015/16 of \$9,114,206 was approved by the Watermaster Board on May 28, 2015 ($\$9,114,206 + \$1,872,937.85 = \$10,987,143.85$).

SALARIES EXPENSE

CURRENT MONTH – AUGUST 2015

As of August 31, 2015, the total (YTD) Watermaster salary expenses were \$9,846 or 3.8% below the (YTD) budgeted amount of \$258,760. The overall staffing budget was developed with a staffing level of nine Full-Time Equivalent (FTE's), and staffing is currently at eight Full-Time Equivalent (FTE's). Watermaster is currently recruiting for the open position of Field Operations Specialist which became vacant as of August 27, 2015. Currently the field activities and functions normally performed by the Field

Operations Specialist are being completed by several other operations staff members. It is anticipated to fill the vacant Field Operations Specialist position within a two to three month timeframe, depending upon the quality and experience of the applicant pool.

On September 16, 2015 the Office Specialist/Receptionist was placed on Pregnancy Disability Leave (PDL) by her physician. Watermaster is currently interviewing with several temporary agencies to find a suitable temporary replacement for the vacant position for approximately five to six months.

Watermaster utilizes an in-house database time and attendance system to track and record staff's actual hours worked and records those hours to a specific project or activity. This time and attendance database of captured staff hours and activities is the basis for the bi-weekly payrolls which are processed using an external payroll processing service. Watermaster staff can record time to a large number of activities but the five most used categories are as follows (1) General Administrative activities; (2) Paid Leaves of vacation, sick or holiday; (3) Pools, Advisory or Board Meeting attendance; (4) OBMP activities; and (5) OBMP Implementation Program Elements 1 through 9 activities.

When the FY 2015/16 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which of the 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.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of August 31, 2015. 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 '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
WM Salary Expense					
6011 - WM Staff Salaries	124,888.53	143,659.00	-18,772.47	86.93%	848,691.00
6017- Temporary Services	0.00	3,500.00	-3,500.00	0.0%	21,000.00
6201 - Advisory Committee - WM Staff Salaries	2,275.71	3,770.00	-1,494.29	60.36%	22,274.00
6301 - Watermaster Board - WM Staff Salaries	4,876.76	6,241.00	-1,364.24	78.14%	36,879.00
8301 - Appropriative Pool - WM Staff Salaries	5,302.08	5,030.00	272.08	105.41%	29,719.00
8401 - Agricultural Pool - WM Staff Salaries	3,915.26	4,416.00	-500.74	88.66%	26,060.00
8501 - Non-Agricultural Pool - WM Staff Salaries	3,149.96	2,636.00	513.96	119.5%	15,574.00
6901 - OBMP - WM Staff Salaries	41,731.93	21,104.00	20,627.93	197.74%	124,709.00
7101.1 - Production Monitor - WM Staff Salaries	12,825.91	9,442.00	3,383.91	135.84%	55,767.00
7102.1 - In-line Meter - WM Staff Salaries	0.00	1,558.00	-1,558.00	0.0%	9,212.00
7103.1 - Grdwater Quality - WM Staff Salaries	4,611.80	9,224.00	-4,612.20	50.0%	54,511.00
7104.1 - Grdwater Level - WM Staff Salaries	12,102.33	7,184.00	4,918.33	168.46%	42,447.00
7108.1 - Hydraulic Control - WM Staff Salaries	0.00	416.00	-416.00	0.0%	2,464.00
7108.11 - Prado Basin - WM Staff Salaries	0.00	1,406.00	-1,406.00	0.0%	8,305.00
7201 - Comp Recharge - WM Staff Salaries	7,752.97	7,490.00	262.97	103.51%	44,259.00
7301 - PE3&5 - WM Staff Salaries	0.00	2,520.00	-2,520.00	0.0%	14,892.00
7401 - PE4 - WM Staff Salaries	0.00	1,530.00	-1,530.00	0.0%	9,042.00
7501.1 - PE 6&7 - WM Staff Salaries (Plume)	0.00	1,141.00	-1,141.00	0.0%	6,743.00
7501 - PE6&7 - WM Staff Salaries	0.00	742.00	-742.00	0.0%	4,383.00
7601 - PE8&9 - WM Staff Salaries	0.00	2,070.00	-2,070.00	0.0%	12,231.00
Subtotal WM Staff Costs	223,431.24	235,079.00	-11,647.76	95.05%	1,389,422.00
60185 - Vacation	21,363.78	12,079.00	9,284.78	176.87%	72,479.00
60186 - Sick Leave	2,120.95	7,735.00	-5,614.05	27.42%	46,405.00
60187 - Holidays	1,997.58	3,867.00	-1,869.42	51.66%	46,405.00
Subtotal WM Paid Leaves	25,482.31	23,681.00	1,801.31	107.61%	165,289.00
Total WM Salary Costs	248,913.55	258,760.00	-9,846.45	96.2%	1,554,711.00

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – AUGUST 2015

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 2015/16. The "Approved" budget amount was adopted for the amount of \$933,815. The total budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. As of August 31, 2015, the total (YTD) Watermaster Legal Services expenses (consolidating the three categories of Watermaster Administrative Legal Services, Pool/Advisory/Board Meeting legal expenses, and OBMP legal expenses) were \$1,035 or 0.4% below the (YTD) budgeted amount of \$231,268.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's), as of August 31, 2015, was \$7,605 or 23.6% above the budgeted amount of \$32,290. 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 \$1,947 or 28.5%; Annotated Judgment (6072) under budget by \$6,691 or 100.0%; Interagency Issues (6074) under budget by \$5,100 or 100.0%; and the Party Status Maintenance (6077) under budget by \$4,668 or 97.6%. 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 \$5,693 or 189.8%; Miscellaneous (6078) over budget by \$17,239 or 292.6%; and CCG Motion (6078.12) over budget by \$3,080 or 100.0%.

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. On January 16, 2015 a Prehearing conference along with a Settlement conference was conducted in Los Angeles. On March 2, 2015 a Motion to Continue was granted and the new Administrative Hearing (OAH Case No. 2014080757) was scheduled for November 16-18, 2015 at the Glendale CalPERS Regional Office. On September 28, 2015 the attorney for Mr. Alvarez (Mr. Jensen), at the suggestion of Mr. Kennedy, requested a short continuance of the OAH hearing because CalPERS has scheduled a full Board hearing on the claims of one of Mr. Jensen's clients for November 17, 2015 which is right in the middle of the three-day hearing scheduled for Mr. Alvarez's case. The continuance has been requested for January, February or March 2016. No confirmed dates have been provided.

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

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 August 31, 2015 was \$14,389 or 39.5% below the budgeted amount of \$36,461. Normal Brownstein Hyatt Farber Schreck meeting attendance during any given month includes attendance at all three pool meetings, one Advisory Committee meeting and one Board meeting.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were above the budget for the month. As of August 31, 2015 the category of OBMP legal expenses were \$5,749 or 3.5% above the budgeted amount of \$162,517. The majority of expenses within this OBMP category were under budget (Y-T-D), however, the BHFS Safe Yield Recalculation legal expenses (6907.42) continue to increase and exceed the monthly budget. As of August 31, 2015, the Safe Yield Recalculation legal expenses were \$166,712 or 61.4% above the budgeted amount of \$103,300. It should be noted that the 12-month annual legal budget for the Safe Yield Recalculation was approved at an amount of \$103,300 and anticipated to be allocated within the first six months of FY 2015/16 (July 2015 – December 2015). The approved BHFS legal budget anticipated 230 labor hours for consolidated legal staff time with regards to the Safe Yield Recalculation effort.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of August 31, 2015 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 '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	4,878.00	6,825.00	-1,947.00	71.47%	40,950.00
6072 - BHFS Legal - Annotated Judgment	0.00	6,691.00	-6,691.00	0.0%	40,150.00
6073 - BHFS Legal - Personnel Matters	8,692.85	3,000.00	5,692.85	289.76%	80,700.00
6074 - BHFS Legal - Interagency Issues	0.00	5,100.00	-5,100.00	0.0%	30,800.00
6076 - BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 - BHFS Legal - Party Status Maintenance	114.75	4,783.00	-4,668.25	2.4%	28,700.00
6078 - BHFS Legal - Miscellaneous (Note 1)	23,130.05	5,891.00	17,239.05	392.63%	35,350.00
6078.12 - BHFS Legal - CCG Motion	3,079.82	0.00	3,079.82	100.0%	0.00
Total 6070 - Watermaster Legal Services	39,895.27	32,290.00	7,605.27	123.55%	258,450.00
6275 - BHFS Legal - Advisory Committee	2,084.82	3,400.00	-1,335.38	60.72%	20,400.00
6375 - BHFS Legal - Board Meeting	11,977.50	17,761.00	-5,783.50	67.44%	108,585.00
8375 - BHFS Legal - Appropriative Pool	2,884.17	5,100.00	-2,435.83	52.24%	30,800.00
8475 - BHFS Legal - Agricultural Pool	2,884.17	5,100.00	-2,435.83	52.24%	30,800.00
8575 - BHFS Legal - Non-Ag Pool	2,701.52	5,100.00	-2,398.48	52.97%	30,800.00
Total BHFS Legal Services	22,071.98	36,461.00	-14,389.02	60.54%	218,765.00
6907.3 - WM Legal Counsel					
6907.31 - Archibald South Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.32 - Chino Airport Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.33 - Desalter/Hydraulic Control	0.00	8,150.00	-8,150.00	0.0%	48,900.00
6907.34 - Santa Ana River Water Rights	525.80	4,216.87	-3,691.07	12.47%	25,300.00
6907.36 - Santa Ana River Habitat	531.00	3,283.33	-2,752.33	16.17%	19,700.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.39 - Recharge Master Plan	497.25	11,350.00	-10,852.75	4.38%	68,100.00
6907.40 - Storage Agreements	0.00	14,350.00	-14,350.00	0.0%	88,100.00
6907.41 - Prado Basin Habitat Sustainability	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.42 - Safe Yield Recalculation	166,711.80	103,300.00	63,411.80	161.39%	103,300.00
6907.90 - WM Legal Counsel - Unanticipated	0.00	4,916.67	-4,916.67	0.0%	29,500.00
Total 6907 - WM Legal Counsel	168,285.45	182,516.87	5,748.78	103.54%	458,800.00
Total Brownstein, Hyatt, Farber, Schreck Costs	230,232.70	231,267.67	-1,034.97	99.55%	933,815.00

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 transfer documents; (8) Land Subsidence Committee reports/meetings; (9) Review process and criteria for re-appointment of the Watermaster 9 member Board; (10) Review current California issued drought regulations; (11) Review and comment on Waters of the United States rule making; (12) Review and draft documents for basin boundary regulations; and (13) Miscellaneous legal research on current and pending issues.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – AUGUST 2015

Reviewing in total the OBMP Engineering Services and Legal Costs (consolidating the four categories of OBMP Watermaster Staff and SAWPA, OBMP Engineering Services, OBMP Legal Costs, and OBMP Other Expenses) for the two month period ending August 31, 2015, the actual expenses of \$325,034 were below the budgeted amount of \$336,411 by \$11,377 or 3.4%. For a detailed discussion, the following is provided.

For August 31, 2015, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was above the Year-To-Date (YTD) budget by \$20,287 or 60.4%. Watermaster utilizes an in-house database time and attendance system to record and document staff's actual hours worked and also allocates those 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 \$20,628 or 97.7%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2015/16 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,500 but actual expenses were billed at \$12,159 which was below the budget by \$341 or 2.7% as of August 31, 2015.

For August 31, 2015, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$35,602 or 25.8%. For FY 2015/16, the OBMP-Safe Yield Recalculation expenses (6906.73) did not have a budget amount assigned. For the month of August 2015, there were OBMP-Safe Yield Recalculation expenses of \$11,704 recorded under this account. As a result, the account was over budget by \$33,362 or 100.0%. The OBMP-Watermaster Model Update and the Material Physical Injury Request expenses had a budget provided for the month, but there was a small amount of activity and Engineering expenses recorded for this period. These two expenses, along with several other engineering related line items within the (6906's) assisted in reducing the overall budget variance and is a large factor as to 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 \$63,412 while some other line item activities were below the budget by \$57,663. Above the budget line items were the Safe Yield Recalculation of \$63,412. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$4,083; the Chino Airport Plume of \$4,083; the Desalter/Hydraulic Control of \$8,150; the Santa Ana River Water Rights of \$3,691; the Santa Ana River Habitat of \$2,752; the Regional Water Quality Control Board of \$2,392; the Recharge Master Plan of \$10,853; Storage Agreements of \$14,350; the Prado Basin Habitat Sustainability of \$2,392; and the WM Unanticipated of \$4,917. For the two months ended August 31, 2015, the overall cumulative (YTD) budget was \$162,517 and the actual (BHFS) legal expenses totaled \$168,265 which resulted in an over budget variance of \$5,749 or 3.5%.

As mentioned in the Brownstein Hyatt Farber Schreck section, the annual legal budget for the Safe Yield Recalculation was approved at an amount of \$103,300. The approved BHFS legal budget anticipated 230 labor hours for consolidated legal staff time with regards to the Safe Yield Recalculation effort. The budget assumed these expenses would be recorded during the period of July 2015 through December 2015.

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 August 31, 2015 this category of expenses was \$1,810 or 80.5% below the budgeted amount of \$2,250.

The Integrated Resource Plan expenses (6910's) is billed directly to IEUA on the following month once the payment has been issued to Wildermuth Environmental, Inc. per the contract. As of August 31, 2015 this category of expenses was fully invoiced to IEUA in the amount of \$30,430.

Overall, the Optimum Basin Management Program (OBMP) category was \$325,034 compared to a (YTD) budget of \$336,411 for an under budget of \$11,377 or 3.4% as of August 31, 2015.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of August 31, 2015 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 '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6900 - Optimum Basin Mgmt Plan					
6901 - WM Staff Salaries	41,731.93	21,104.00	20,627.93	197.74%	124,709.00
6903 - OBMP SAWPA Group	12,159.00	12,500.00	-341.00	97.27%	12,500.00
Total 6901-6903 - OBMP WM Staff/SAWPA	53,890.93	33,604.00	20,286.93	160.37%	137,209.00
6906 - OBMP Engineering Services					
6906.1 - OBMP - Watermaster Model Update	19,008.25	62,075.54	-43,069.29	30.62%	279,340.00
6906.21 - State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 - Water Rights Compliance Reporting	12,773.00	4,067.30	8,705.70	314.04%	24,404.00
6906.23 - SGMA Reporting Requirements	0.00	2,898.70	-2,898.70	0.0%	17,392.00
6906.31 - OBMP - Pool, Advisory, Board Mtgs.	12,645.38	14,609.83	-1,964.45	86.55%	87,659.00
6906.32 - OBMP - Other General Meetings	1,069.10	5,479.50	-4,410.40	19.51%	32,877.00
6906.33 - OBMP - App. Pool Issue Resolution	0.00	9,160.67	-9,160.67	0.0%	54,964.00
6906.71 - OBMP - Data Requests - CBWM Staff	14,154.00	10,677.33	3,476.67	132.56%	64,064.00
6906.72 - OBMP - Data Requests - Non CBWM	5,112.25	6,368.00	-1,255.75	80.28%	38,208.00
6906.73 - OBMP - Safe Yield Recalculation	33,362.20	0.00	33,362.20	100.0%	0.00
6906.74 - OBMP - Mat'l Phy. Injury Requests	0.00	18,383.33	-18,383.33	0.0%	110,300.00
6906 - OBMP Engineering Services - Other	4,316.25	4,320.00	-3.75	99.91%	25,920.00
Total 6906 - OBMP Engineering Services	102,438.43	138,040.20	-35,601.77	74.21%	735,128.00
6907 - OBMP Legal Fees					
6907.3 - WM Legal Counsel					
6907.31 - Archibald South Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.32 - Chino Airport Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.33 - Desalter/Hydraulic Control	0.00	8,150.00	-8,150.00	0.0%	48,900.00
6907.34 - Santa Ana River Water Rights	525.00	4,216.67	-3,691.67	12.47%	25,300.00
6907.36 - Santa Ana River Habitat	531.00	3,283.33	-2,752.33	16.17%	19,700.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.39 - Recharge Master Plan	497.25	11,350.00	-10,852.75	4.38%	68,100.00
6907.40 - Storage Agreements	0.00	14,350.00	-14,350.00	0.0%	86,100.00
6907.41 - Prado Basin Habitat Sustainability	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.42 - Safe Yield Recalculation	166,711.60	103,300.00	63,411.60	161.39%	103,300.00
6907.90 - WM Legal Counsel - Unanticipated	0.00	4,916.67	-4,916.67	0.0%	29,500.00
Total 6907 - WM Legal Counsel	168,285.45	162,516.67	5,748.78	103.54%	458,600.00
Total 6907 - OBMP Legal Fees	168,285.45	162,516.67	5,748.78	103.54%	458,600.00
6909 - OBMP Other Expenses					
6909.1 - OBMP Meetings	439.52	250.00	189.52	175.81%	1,500.00
6909.3 - Other OBMP Expenses	0.00	333.33	-333.33	0.0%	2,000.00
6909.6 - OBMP Expenses - Miscellaneous	0.00	1,666.67	-1,666.67	0.0%	10,000.00
Total 6909 - OBMP Other Expenses	439.52	2,250.00	-1,810.48	19.53%	13,500.00
6910 - Integrated Resource Plan					
6910.1 - IRP Groundwater Modeling - WEI	30,430.00	0.00	30,430.00	100.0%	0.00
6910.15 - IRP Groundwater Modeling - IEUA	-30,430.00	0.00	-30,430.00	100.0%	0.00
Total 6910 - Integrated Resource Plan	0.00	0.00	0.00	0.0%	0.00
Total 6900 - Optimum Basin Mgmt Plan	325,034.33	336,410.87	-11,376.54	96.62%	1,344,437.00

ENGINEERING SERVICES - OBMP IMPLEMENTATION PROJECTS COSTS
WILDERMUTH ENVIRONMENTAL, INC.

CURRENT MONTH – AUGUST 2015

As of August 31, 2015, the total (YTD) Engineering Services expenses were \$314,790 or 53.3% below the (YTD) budget amount of \$590,259. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all (Under) budget as of August 31, 2015.

Wildermuth Environmental, Inc. provides Watermaster an Estimated Cost at Completion (ECAC) report each quarter. The purpose of this ECAC report is to update Watermaster on whether or not the Engineering Services budget will be above or below budget at the end of the fiscal year. If the Engineering Services budget is expected to be above budget at fiscal year-end, a Budget Amendment or Budget Transfer Form would need to be approved to ensure funding. The first ECAC report for the current fiscal year will be provided for the period ending September 30, 2015. Watermaster does not expect any required Budget Transfers or Budget Amendments once the ECAC Report is issued.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

The breakdown of the total FY 2015/16 Task Order amount of \$2,595,942 includes direct labor costs for Wildermuth Environmental, Inc. (80%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (20%).

The approved "Original" Engineering Services budget of \$2,595,942 was increased by "Carry Over" funding in the amount of \$136,696 to the "Amended" amount of \$2,732,638 for FY 2015/16 as provided in the Engineering Services Task Order. The "Carry Over" amount of \$136,696 from FY 2014/15 to the FY 2015/16 budget are expenses related to the ongoing long-term pumping test (\$9,813 for account 7107.2 and \$34,770 for account 7107.6), the PBHSP monitoring program (\$12,127 for account 7108.31 and \$35,986 for account 7108.41), the hydraulic control monitoring program Adaptive Management Plan (\$33,000 for account 7107.8), and expenses related to the upload of GeoTracker and EnviroStor data (\$11,000 for 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 2015/16 timeframe.

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 August 31, 2015. 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 '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6906 - OBMP Engineering Services - Other	4,316.25	4,320.00	-3.75	99.91%	25,920.00
6906.1 - OBMP - Watermaster Model Update	19,006.25	62,075.54	-43,069.29	30.62%	279,340.00
6906.21 - State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 - Water Rights Compliance Reporting	12,773.00	4,067.30	8,705.70	314.04%	24,404.00
6906.23 - SGMA Reporting Requirements	0.00	2,898.70	-2,898.70	0.0%	17,392.00
6906.31 - OBMP - Pool, Advisory, Board Mtgs.	12,645.38	14,609.83	-1,964.45	86.55%	87,659.00
6906.32 - OBMP - Other General Meetings	1,089.10	5,479.50	-4,410.40	19.51%	32,877.00
6906.33 - OBMP - App. Pool Issue Resolution	0.00	9,160.67	-9,160.67	0.0%	54,994.00
6906.71 - OBMP - Data Requests - CBWM Staff	14,154.00	10,677.33	3,476.67	132.56%	64,064.00
6906.72 - OBMP - Data Requests - Non CBWM	5,112.25	6,368.00	-1,255.75	80.28%	38,208.00
6906.73 - OBMP - Safe Yield Recalculation	33,382.20	0.00	33,382.20	100.0%	0.00
6906.74 - OBMP - Mat'l Physical Injury Requests	0.00	18,383.33	-18,383.33	0.0%	110,300.00
7103.3 - Grdwtr Qual-Engineering	13,625.00	20,066.00	-6,461.00	67.83%	120,516.00
7103.5 - Grdwtr Qual-Lab Svcs	0.00	6,534.17	-6,534.17	0.0%	39,206.00
7104.3 - Grdwtr Level-Engineering	31,671.41	29,405.00	2,266.41	107.71%	176,430.00
7104.8 - Grdwtr Level-Contracted Services	0.00	1,666.67	-1,666.67	0.0%	10,000.00
7104.9 - Grdwtr Level-Capital Equipment	0.00	1,166.67	-1,166.67	0.0%	7,000.00
7107.2 - Grd Level-Engineering	11,949.39	17,568.67	-5,619.28	68.02%	58,347.00
7107.3 - Grd Level-SAR Imagery	12,000.00	21,250.00	-9,250.00	56.47%	85,000.00
7107.6 - Grd Level-Contract Svcs	331.50	54,151.50	-53,820.00	0.61%	151,059.00
7107.8 - Grd Level-Capital Equipment	0.00	933.33	-933.33	0.0%	5,600.00
7108.3 - Hydraulic Control-Engineering	2,646.80	8,328.00	-5,681.20	31.78%	49,968.00
7108.31 - Hydraulic Control-PBHSP	6,269.40	31,630.17	-25,360.77	19.82%	129,146.00
7108.32 - Hydraulic Control-Adaptive Mgmt Plan	29,466.25	33,000.00	-3,513.75	89.35%	33,000.00
7108.4 - Hydraulic Control-Lab Svcs	2,032.00	4,180.17	-2,148.17	48.61%	25,081.00
7108.41 - Hydraulic Control-PBHSP	0.00	38,171.00	-38,171.00	0.0%	49,096.00
7108.6 - Hydraulic Control-Outside Professionals	0.00	15,000.00	-15,000.00	0.0%	90,000.00
7108.7 - Hydraulic Control-Prado Basin Habitat	4,428.00	0.00	4,428.00	100.0%	0.00
7109.3 - Recharge & Well - Engineering	2,145.50	3,311.17	-1,165.67	0.0%	19,867.00
7202.2 - Comp Recharge-Engineering Services	8,616.74	26,584.00	-17,967.26	32.41%	159,504.00
7303 - PE3&5-Engineering - Other	0.00	3,897.33	-3,897.33	0.0%	23,384.00
7402 - PE4-Engineering	3,260.00	14,118.00	-10,858.00	23.09%	84,708.00
7402.10 - PE4-MZ1 Pomona Project	29,836.42	84,375.83	-54,539.41	35.38%	506,255.00
7403 - PE4-Contract Svcs	0.00	3,333.33	-3,333.33	0.0%	20,000.00
7502 - PE6&7-Engineering	14,732.25	22,806.67	-8,074.42	64.6%	81,840.00
7602 - PE8&9-Engineering	0.00	10,721.33	-10,721.33	0.0%	64,328.00
Total Engineering Services Costs	275,469.09	590,259.21	-314,790.12	46.67%	2,722,462.00 *

* Wildermuth and Subcontractor Engineering Budget of \$2,595,942 plus Carryover Funds from FY 2014/15 of \$136,696 = \$2,732,638
Carryover Funds from FY 2014/15 = \$9,813 (7107.2); \$34,770 (7107.6); \$12,127 (7108.31); \$35,986 (7108.41); \$33,000 (7108.7); and \$11,000 (7502) = \$136,696

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 August 31, 2015:

	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 - Jun. 2015	\$ 198,138.44	\$ (99,069.22)	\$ -	\$ 99,069.22	9.00	\$ 1,141.63
Jul. 2015 - Aug. 2015	\$ 4,428.00	\$ (2,214.00)	\$ -	\$ 2,214.00	-	\$ -
Totals	\$ 356,377.56	\$ (178,188.78)	\$ 6,750.01	\$ 184,938.79	142.00	\$ 15,109.58
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

There were no other significant items to report within the category of Other Income and Expenses for the month ending August 31, 2015.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

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 2015/16 annual administrative fee invoice was issued on July 1, 2015 in the amount of \$157,349.47 under invoice number DYY 15-01. On August 3, 2015 payment in the amount of \$157,349.47 was received from The Metropolitan Water District of Southern California.

"CARRY OVER" FUNDING

CURRENT MONTH – AUGUST 2015

As of August 31, 2015, the total (YTD) amount remaining of the "Carried Over" funding is \$1,872,937.85 (\$1,872,937.85 - \$0.00 = \$1,872,937.85). The following details are provided:

"Carried Over" Expenses At June 30, 2015

			GL Account		
Printing - Annual Report	\$ 5,000.00	A	6045	FY 2014/15	ADM
Rauch Communication Consultants - Annual Report	\$ 15,000.00	B	6061.3	FY 2014/15	ADM
Ground Level Monitoring - Engineering	\$ 9,813.00	C	7107.2 ¹	FY 2014/15	ENG
Ground Level - Contracted Services	\$ 34,770.00	D	7107.6 ¹	FY 2014/15	ENG
Chino Hills ASR Project	\$ 29,285.99	E	7107.62	FY 2014/15	ASR
Hydraulic Control Engineering - PBHSP	\$ 12,127.00	F	7108.31 ²	FY 2014/15	ENG
Hydraulic Control Monitoring Lab Services - PBHSP	\$ 35,986.00	G	7108.41 ²	FY 2014/15	ENG
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ 33,000.00	H	7108.32 ³	FY 2014/15	ENG
Jurupa Pumping Station (TO #5)	\$ 37,981.33	I	7209.1	FY 2014/15	PROJ
Wineville Basin Proof of Concept (TO #6)	\$ 35,397.53	J	7209.2	FY 2014/15	PROJ
PE 6&7 - Engineering Services	\$ 11,000.00	K	7502 ⁴	FY 2014/15	ENG
Hickory Basin Recharge Improvement Project	\$ 3,877.00	L	7690.3	FY 2014/15	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 475,000.00	M	7690.4	FY 2014/15	PROJ
CB20 Turnout Noise Abatement Project	\$ 80,000.00	N	7690.5	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$ 383,200.00	O	7690.61	FY 2014/15	PROJ
SCADA Communication Upgrades (TO #3)	\$ 547,500.00	P	7690.62	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	\$ 75,000.00	Q	7690.7	FY 2014/15	PROJ
Lower Day Basin RMPU (TO #2)	\$ 49,000.00	R	7690.8	FY 2014/15	PROJ
Total Balance, June 30, 2015	\$ 1,872,937.85				

"Carried Over" Balance, July 1, 2015 \$ 1,872,937.85

Less: (Invoices Received To Date FY 2015/16)

Updated Balance as of August 31, 2015 \$ 1,872,937.85

¹ Long-Term Pumping Test

² Prado Basin Habitat Sustainability Program monitoring program

³ Adaptive Management Plan

⁴ Upload GeoTracker and EnviroStor sites

BACKGROUND OF "CARRY OVER" FUNDING

Once the FY 2014/15 period as of June 30, 2015 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 2015/16 budget. The Total "Carry Over" funding amount of \$1,872,937.85² was posted to the accounts as of August 31, 2015. The total amount of \$1,872,937.85 consisted of \$1,686,955.86 from Capital Improvement Projects; \$136,696.00 from Engineering Services; \$29,285.99 from the Chino Hills ASR Project; and \$20,000.00 from the Administration budget for completion of the Annual Reports.

Several projects were completed during FY 2014/15 and have remaining funds available to be either (1) transferred to other project(s) that need additional funding, (2) keep amounts on reserve for future Capital Improvement Projects, or (3) refunded back to the Appropriative Pool when the Assessment package is invoiced. The funding amounts available are as follows: Jurupa Pumping Station in the amount of \$37,981.33 (account 7209.1); Wineville Basin Proof of Concept in the amount of \$35,397.53 (account 7209.2); and Hickory Basin Recharge Improvement Project in the amount of \$3,877.00 (account 7690.3). The total amount available is \$77,255.86 (\$37,981.33 + \$35,397.53 + \$3,877.00 = \$77,255.86).

The San Sevaine Recharge Improvement Project-Task Order #8 has a remaining funded budget balance of \$475,000 in account (7690.4); the CB 20 Turnout project has a remaining funded budget balance of \$80,000 in account (7690.5); the GWR SCADA Upgrades-Task Order #4 has a remaining funded budget balance of \$383,200 in account (7960.61); the SCADA Communication Upgrades-Task Order #3 has a remaining funded budget balance of \$547,500 in account (7690.62); the Upper Santa Ana River HCP-Task Order #7 has a remaining funded balance of \$75,000 in account (7690.7); and the Lower Day Basin RMPU-Task Order #2 has a remaining funded budget balance of \$49,000 in account (7690.8). The total funded budget for these combined projects is \$1,609,700.

Unspent funds related to ongoing projects and associated activities from the Engineering Services budget from FY 2014/15 in several accounts totaling \$136,696 were "Carried Over" into the current FY 2015/16 budget. These funds were from the Ground Level Monitoring-Engineering (7107.2) in the amount of \$9,813; Ground Level Monitoring-Contracted Services (7107.6) in the amount of \$34,770; Hydraulic Control Monitoring-Engineering-PBHSP (7108.31) in the amount of \$12,127; Hydraulic Control Monitoring-Lab Services-PBHSP (7108.41) in the amount of \$35,986; Hydraulic Control Monitoring-Adaptive Management Plan (7108.7) in the amount of \$33,000; and Cooperative Efforts/Salt Management Engineering Services (7502) in the amount of \$11,000.

The ongoing Chino Hills ASR Project continues into FY 2015/16 and previous years funding of \$29,285.99 has been carried over into account (7107.62).

Unspent funds of \$20,000 related to the ongoing Annual Reports for development, production, and printing from the Administrative budget from FY 2014/15 from two accounts were "Carried Over" into the current FY 2015/16 budget. These funds were from the Printing-Annual Report (6045) in the amount of \$5,000; and Rauch Communication Consultants-Annual Report (6061.3) in the amount of \$15,000.

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 August 31, 2016, any remaining balances of the FY 2015/16 and prior years funding (if any), along with any new FY 2015/16 expenses, will then be "Carried Over" into the FY 2016/17 budget.

AUDIT FIELD WORK

FY 2014/15

Auditors from the audit firm of Fedak & Brown LLP were onsite at the Watermaster offices on August 10 and August 11. This was the final field work and the start of the development of the audited financial reports and statements for FY 2014/15. The initial field work was completed on June 15 and June 16, 2015 for the FY 2014/15 financial audit. The presentation of the "Draft" Annual Financial and Audit Reports to the Watermaster Board by the Senior Manager of Fedak & Brown LLP is tentatively scheduled for November 19, 2015. The "Final" Annual Financial and Audit Reports for FY 2014/15 are tentatively scheduled to be posted to the Watermaster website no later than December 18, 2015.

ASSESSMENT INVOICING

CURRENT MONTH – AUGUST 2015

No Assessment activity for the month to report.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2015				Year-To-Date as of August 31, 2015				Fiscal Year End as of June 30, 2016			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget
Income												
4010 - Local Agency Subsidies	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	157,941.00	157,941.00	0.00	100.0%
4110 - Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	8,637,418.00	8,637,418.00	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%	296,797.00	296,797.00	0.00	100.0%
4700 - Non Operating Revenues	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	22,050.00	22,050.00	0.00	100.0%
4900 - Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Income	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	9,114,206.00	9,114,206.00	0.00	100.0%
Gross Profit	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	9,114,206.00	9,114,206.00	0.00	100.0%
Expense												
6010 - Admin. Salary/Benefit Costs	56,349.78	74,306.00	-17,956.22	75.84%	117,041.51	147,707.00	-30,665.49	79.24%	880,591.00	880,591.00	0.00	100.0%
6020 - Office Building Expense	8,051.75	8,501.00	-449.25	94.72%	16,150.49	16,694.00	-2,543.51	86.39%	110,381.00	110,381.00	0.00	100.0%
6030 - Office Supplies & Equip.	1,852.73	2,630.00	-777.27	70.45%	4,310.02	5,260.00	-949.98	81.94%	32,560.00	32,560.00	0.00	100.0%
6040 - Postage & Printing Costs	3,756.39	3,303.00	453.39	113.73%	7,605.63	12,405.00	-4,799.37	61.31%	60,032.00	60,032.00	0.00	100.0%
6050 - Information Services	10,941.03	10,320.00	621.03	106.02%	24,474.33	24,890.00	-415.67	98.33%	131,840.00	131,840.00	0.00	100.0%
6060 - Contract Services	3,502.00	11,000.00	-7,498.00	31.84%	4,702.00	27,500.00	-22,798.00	17.1%	55,600.00	55,600.00	0.00	100.0%
6070 - Watermaster Legal Services	21,602.25	16,146.00	5,456.25	133.79%	39,895.27	32,290.00	7,605.27	123.55%	256,450.00	256,450.00	0.00	100.0%
6080 - Insurance	0.00	0.00	0.00	0.0%	26,194.25	26,776.00	-581.75	97.83%	27,916.00	27,916.00	0.00	100.0%
6110 - Dues and Subscriptions	475.35	0.00	475.35	100.0%	8,794.35	9,568.00	-773.65	91.91%	21,335.00	21,335.00	0.00	100.0%
6140 - WM Admin Expenses	42.70	375.00	-332.30	11.39%	311.61	750.00	-438.39	41.55%	2,700.00	2,700.00	0.00	100.0%
6150 - Field Supplies	0.00	200.00	-200.00	0.0%	183.60	700.00	-516.40	26.23%	1,450.00	1,450.00	0.00	100.0%
6170 - Travel & Transportation	1,485.34	1,725.00	-239.66	86.11%	3,344.16	3,605.00	-260.84	92.78%	25,320.00	25,320.00	0.00	100.0%
6190 - Conferences & Seminars	284.00	0.00	284.00	100.0%	2,428.75	3,617.00	-1,388.25	63.63%	22,400.00	22,400.00	0.00	100.0%
6200 - Advisory Comm - WM Board	1,979.54	3,668.00	-1,688.46	53.97%	4,340.33	7,337.00	-2,996.67	59.16%	43,674.00	43,674.00	0.00	100.0%
6300 - Watermaster Board Expenses	11,184.64	14,942.00	-3,757.36	74.85%	21,898.48	29,885.00	-7,986.52	73.28%	178,744.00	178,744.00	0.00	100.0%
8300 - Appr PI-WM & Pool Admin	3,157.02	11,378.00	-8,220.98	27.75%	6,104.17	22,755.00	-14,650.83	35.62%	136,069.00	136,069.00	0.00	100.0%
8400 - Agri Pool-WM & Pool Admin	2,783.67	5,008.00	-2,224.33	55.58%	7,037.80	10,016.00	-2,978.20	70.27%	59,690.00	59,690.00	0.00	100.0%
8467 - Ag Legal & Technical Services	53,755.00	17,083.00	36,672.00	314.87%	90,187.50	34,167.00	56,020.50	263.96%	205,000.00	205,000.00	0.00	100.0%
8470 - Ag Meeting Attend -Special	5,175.00	1,850.00	3,325.00	279.73%	9,575.00	3,700.00	5,875.00	258.78%	22,200.00	22,200.00	0.00	100.0%
8471 - Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	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	9,413.59	9,018.00	395.59	104.39%	12,991.99	18,036.00	-5,044.01	72.03%	107,974.00	107,974.00	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	-26,312.24	-33,442.00	7,129.76	78.88%	-51,931.63	-66,885.00	14,953.37	77.54%	-401,307.00	-401,307.00	0.00	100.0%
6900 - Optimum Basin Mgmt Plan	153,167.03	141,605.45	11,561.58	108.17%	325,034.33	336,410.87	-11,376.54	96.62%	1,344,437.00	1,344,437.00	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	13,279.64	10,721.33	2,558.31	123.86%	26,421.32	21,442.67	4,978.65	123.22%	128,656.00	128,656.00	0.00	100.0%
7101 - Production Monitoring	4,283.04	4,783.50	-500.46	89.54%	12,950.91	9,567.00	3,383.91	135.37%	56,547.00	56,547.00	0.00	100.0%
7102 - In-line Meter Installation	0.00	5,601.92	-5,601.92	0.0%	1,415.32	11,203.83	-9,788.51	12.63%	67,087.00	67,087.00	0.00	100.0%
7103 - Grdwtr Quality Monitoring	11,380.73	18,431.24	-7,050.51	61.78%	18,403.86	36,862.51	-18,458.65	49.93%	220,342.00	220,342.00	0.00	100.0%
7104 - Gdwtr Level Monitoring	25,977.77	20,690.33	5,287.44	125.56%	43,773.74	41,380.67	2,393.07	105.78%	247,627.00	247,627.00	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	4,162.13	14,035.25	-9,873.12	29.66%	24,280.89	123,189.49	-98,908.60	19.71%	327,291.99	327,291.99	0.00	100.0%

	1/12th (8.33%) of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2015				Year-To-Date as of August 31, 2015				Fiscal Year End as of June 30, 2016			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget
7108 - Hydraulic Control Monitoring	19,158.93	25,509.16	-6,350.23	75.11%	44,862.45	132,131.34	-87,268.89	33.95%	397,236.00	397,236.00	0.00	100.0%
7109 - Recharge & Well Monitoring Prog	2,145.50	1,655.58	489.92	129.59%	2,145.50	3,311.17	-1,165.67	64.8%	19,867.00	19,867.00	0.00	100.0%
7200 - PE2- Comp Recharge Pgm	9,840.23	17,628.67	-7,988.44	55.19%	214,351.18	307,013.19	-92,662.01	69.82%	1,078,549.86	1,078,549.86	0.00	100.0%
7300 - PE3&5-Water Supply/Desalte	0.00	3,792.00	-3,792.00	0.0%	0.00	7,584.00	-7,584.00	0.0%	45,276.00	45,276.00	0.00	100.0%
7400 - PE4- Mgmt Plan	15,695.73	51,886.92	-36,191.19	30.25%	34,125.87	103,773.83	-69,647.96	32.89%	622,505.00	622,505.00	0.00	100.0%
7500 - PE6&7-CoopEfforts/SaltMgmt	6,420.00	6,844.33	-424.33	93.8%	14,732.25	24,689.67	-9,957.42	59.67%	92,966.00	92,966.00	0.00	100.0%
7600 - PE8&9-StorageMgmt/Conj Use	0.00	6,424.84	-6,424.84	0.0%	0.00	12,849.66	-12,849.66	0.0%	76,909.00	76,909.00	0.00	100.0%
7690 - Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	460,201.50	2,096,027.00	-1,635,825.50	21.96%	3,932,677.00	3,932,677.00	0.00	100.0%
7700 - Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	83.33	-83.33	0.0%	500.00	500.00	0.00	100.0%
9502 - G&A Expenses Allocated-Projects	13,032.60	22,720.92	-9,688.32	57.36%	25,510.31	45,441.83	-19,931.52	56.14%	272,651.00	272,651.00	0.00	100.0%
Total Expense	448,022.87	510,684.11	-62,661.24	87.73%	1,605,849.04	3,696,035.06	-2,090,186.02	43.45%	10,987,143.85	10,987,143.85	0.00	100.0%
Net Ordinary Income	-448,022.87	-510,684.11	62,661.24	87.73%	-1,448,499.57	-3,538,094.06	2,089,594.49	40.94%	-1,872,937.85	-1,872,937.85	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	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4226 - LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
6600 - 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	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
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%
9251 - Other Post Employment Benefits	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	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 Income	-448,022.87	-510,684.11	62,661.24	87.73%	-1,448,499.57	-3,538,094.06	2,089,594.49	40.94%	-1,872,937.85	-1,872,937.85	0.00	100.0%

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION



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: October 15, 2015
TO: Advisory Committee Members
SUBJECT: Wildermuth Environmental Inc. Contract Extension

SUMMARY

Issue: The current Wildermuth Environmental Inc. (WEI) contract with Chino Basin Watermaster expires December 31, 2015. A new contract is proposed to provide services through June 30, 2019.

Recommendation: Provide advice and counsel to Watermaster on the proposed contract with WEI.

Financial Impact: The new contract will have no impact on the approved FY 2015/16 budget. The contract contemplates an increase in WEI hourly rates for engineering services in future years. The first increase would be effective in FY 2016/17.

Future Consideration

Advisory Committee: September 17, 2015 Advice and Counsel

Watermaster Board: September 24, 2015 Approval [Normal Course of Business]

ACTIONS:

October 8, 2015 – Appropriative Pool – Provided advice and counsel
October 8, 2015 – Non-Agricultural Pool – Provided advice and counsel
October 8, 2015 – Agricultural Pool – Provided advice and counsel
Date – Advisory Committee –
Date – Watermaster Board –

BACKGROUND

WEI provides hydrology-related technical services to Chino Basin Watermaster. The current contract expires December 31, 2015. A new contract is proposed to provide services through June 30, 2019.

DISCUSSION

WEI has provided core services to Watermaster since approximately 1990, including among others preparation of reports, groundwater modeling, studies, material physical injury analyses, mapping, and field services. Performance has been satisfactory, and WEI has developed expertise and credibility and continues to offer great value to Watermaster. The existing WEI contract is expiring on December 31, 2015. Both Watermaster and WEI are interested in extending the contract for three and a half years.

WEI proposes to adjust the billing rates starting July 1, 2016, and then again annually after that for the remainder of the contract. The first adjustment, effective FY2016/17, is the largest, since WEI rates have remained unchanged since 2012. Considering that WEI rates were lowered in 2010, the current rates result in costs that are approximately 3% lower than FY2009/10 costs. The proposed increase in 2016/17 results in costs that would be approximately 8% greater than current costs, however, only 7% greater than FY2009/10 costs. The proposed increase seems reasonable and is lower than CPI has been for the same period of time, which has increased 10.5% from 2009 through June 2015.

The contract provides a 1.5% increase for the rates each of the two subsequent years, FY 2017/18 and FY 2018/19; during those two years the rates for Mr. Wildermuth would remain unchanged. This also seems reasonable.

The proposed contract provides value to Watermaster by making a knowledgeable consultant available to continue necessary services. Watermaster and WEI re-established the task order provisions in assigning and authorizing work; have met to review ways to enhance the working relationship; and have created an electronic bulletin board where tasks can be assigned and tracked, all in an effort to manage the work and control cost.

The proposed contract is attached in redline form (Attachment 1) and clean (Attachment 2). The primary changes from the previous contract include the new expiration date and establishment of new hourly rates for the duration. New language has been added to clarify expectations regarding the consultant's ability to bind Watermaster.

ATTACHMENTS

1. Proposed contract – redline version
2. Proposed contract – clean version

CONTRACT
FOR
WATERMASTER ENGINEERING SERVICES

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THIS CONTRACT (the "Contract"), is by and between the Chino Basin Watermaster (hereinafter referred to as "Watermaster"), and, Wildermuth Environmental Incorporated, of Lake Forest, California (hereinafter referred to as "Consultant"), for professional engineering services in support the Watermaster and shall govern the relationship between the parties effective January 1, ~~2013~~2016.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. WATERMASTER CONTRACT MANAGER ASSIGNMENT: All technical direction related to this Contract shall come from the designated Watermaster Contract Manager. Details of the Watermaster's assignment are listed below:

Watermaster Contract Manager: Peter Kavounas
General Manager or designee
Chino Basin Watermaster
Address: 9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Telephone: (909) 484-3888
Facsimile: (909) 484-3890
Email: pkavounas@cbwm.org

2. CONSULTANT CONTRACT MANAGER ASSIGNMENT: Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Consultant Contract Manager: Mark J. Wildermuth
President
Wildermuth Environmental, Inc.
Address: 23692 Birtcher
Lake Forest, California 92630
Telephone: (949) 420-3030
Facsimile: (949) 420-4040
Email:

mwildermuth@wildermuthenvironmentalwater.com

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:

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20150903 Draft WEI Watermaster Contract20160810-WEI Watermaster Contract2013_Watermaster_WEI_Contract_Final

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~~2013~~JANUARY 1, ~~2015~~ THROUGH ~~2015~~JUNE 30, 2019

1. Task Orders for specific work assignments issued pursuant to this Contract.
 2. Amendments to Contract
 3. Contract, General Terms and Conditions.
4. **SCOPE OF WORK, SCHEDULE AND SERVICES:** Consultant Scope of Work, Schedule, and Services shall be in accordance with specific Task Orders that are issued pursuant to this Contract. Each Task Order will contain a scope of work, description of the deliverables, schedule, fee and the naming of a specific project manager for each Task Order.
5. **TERM:** The term of this Contract shall extend from January 1, ~~2013~~2016, and terminate on ~~December 31, 2015~~June 30, 2019, and will continue thereafter until one party elects to terminate with 90 days written notice.
6. **COMPENSATION:** Watermaster shall pay Consultant's properly executed monthly invoices, approved by the Watermaster Contract Manager, within thirty (30) days following receipt of the invoice. Payment will be withheld for any service, which does not meet Watermaster requirements or have proven unacceptable until such service is revised, resubmitted, and accepted by the Watermaster Contract Manager.

The Consultant will submit monthly invoices for each Task Order. Each invoice shall include a cost breakdown, billing message describing the work done during the monthly billing period, itemized material cost and reasonable and customary expenses, including that of other parties retained by Consultant and shall include the current monthly amount, and the cumulative amount invoiced to date. Exhibit A lists the hourly billing rates which will remain constant throughout the term of this contract. Material cost and reasonable expenses shall be submitted with receipts, and will be reimbursed at cost with no markup. Invoices shall not be submitted in advance.

In compensation for the work represented by this Contract, Watermaster shall pay Consultant's invoices up to the total fee established in each Task Order. Consultant shall not be paid for any amount exceeding the Task Order authorized fee, without an amendment to the Task Order.

Watermaster may, at any time, make changes to the scope of work in a Task Order, including additions, reductions, and changes to any or all of the work, as directed in writing by the Watermaster. Such changes shall be made by a written amendment

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WATERMASTER ENGINEERING SERVICES
~~2013~~JANUARY 1, 2016 THROUGH ~~2015~~JUNE 30, 2019

to the Task Order. The Task Order authorized fee and schedule shall be equitably adjusted to account for such changes, and shall be set forth in the written amendment.

7. NO AUTHORITY TO BIND WATERMASTER: Consultant has no authority, right or ability to bind or commit Watermaster in any way or incur any debts or liabilities in the name of or on behalf of Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Consultant agrees not to advertise, promote or represent to any third party that Consultant or its agents or employees are the agents or employees of Watermaster. Consultant may represent only that the Parties have an independent contractor relationship pursuant to which Consultant has accepted an opportunity to provide Consultant's customary services to Watermaster. Consultant will refrain from using Watermaster's name in any advertisement, promotion, business card, website, or similar manner without Watermaster's prior written consent. Consultant will not add to, delete from or modify any documentation or forms provided by Watermaster, except with the prior written consent of Watermaster.

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78. CONTROL OF THE WORK: Consultant shall perform the work described in each Task Order. If performance of the work falls behind schedule, the Consultant shall use best efforts to accelerate the work to comply with the schedule in the Task Order. If the Consultant is unable to accelerate the work, the Consultant shall promptly notify the Watermaster Contract Manger of the delay, the causes of the delay, and submit a proposed revised completion schedule.

89. SERVICES FOR OTHER PARTIES: Consultant shall advise the Watermaster Contract Manager of any services that Consultant proposes to perform for other parties to the Chino Basin Judgment and shall receive written consent (in any form including email) from the Watermaster Contract Manager prior to engaging in such services. Any services contract between Consultant and a party to the Judgment shall contain a provision providing for the termination of the services should a conflict develop between the services and the services provided by Consultant to Watermaster. Notwithstanding the foregoing, Consultant shall not provide services to any party to the Judgment on a matter that will later be subject to Watermaster review. Furthermore, Consultant shall not provide services to the Inland Empire Utilities Agency, nor to the Three Valleys Municipal Water District and Western Municipal Water District to the extent that such

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services would involve matters within the Chino Basin, except through a services contract with Watermaster and those entities.

In any work for parties other than Watermaster, Consultant may make no representation as to the policy or position of Watermaster, other than as might be found in an existing publicly available document.

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910. FITNESS FOR DUTY:

- A. Fitness: Consultant shall institute steps to attempt to make certain that Consultant's personnel on the Jobsite:
1. shall report for work in a manner fit to do their job;
 2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
 3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Watermaster.

911. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

- A. Minimum Scope of Insurance:
1. General Liability: \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit.
 2. Automobile Liability: \$5,000,000 combined single limit per accident for bodily injury and property damage.
 3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of \$1,000,000 per accident.

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4. Professional Liability insurance in the amount of \$1,000,000 per occurrence with a \$2,000,000 policy aggregate.

At the time of the Parties' entrance into this Contract, Consultant maintains coverage that meets these requirements, and it is the intention of the Parties that Consultant continue to do so for the duration of the Contract.

- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention, different from those generally available at reasonable cost, must be declared to and approved by the Watermaster.
- C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
 - a. The Watermaster, its officers, officials, employees and volunteers are to be covered as insureds, endorsements as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Watermaster, its officers, officials, employees or volunteers.
 - b. The Consultant's insurance coverage shall be primary insurance as respects the Watermaster, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Watermaster, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Watermaster, its officers, officials, employees or volunteers.
 - d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. All Coverages

Each insurance policy required by this contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Watermaster.

D. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A+. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII.

E. Verification of Coverage: Consultant shall furnish the Watermaster with certificates of insurance and with original endorsements effecting coverage required by the Watermaster for themselves and all subcontractors prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be approved by the Watermaster before work commences. The Watermaster reserves the right to require complete, certified copies of all required insurance policies, at any time.

F. Submission of Certificates: Consultant shall submit all required certificates and endorsements to the following:

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

~~412~~. LEGAL RELATIONS AND RESPONSIBILITIES

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- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Watermaster.
- C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Watermaster, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Watermaster Contract Manager.
- E. Indemnification: The Consultant agrees to protect, defend, indemnify and hold harmless the Watermaster, its officers, directors, agents, employees, servants, and volunteers free and harmless from liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Watermaster and the Consultant) and damage to property, directly or indirectly out of the obligations herein undertaken or out of the operations conducted by the Consultant, its employees, agents, representatives or subcontractors under or in connection with this Contract, to the extent due to Consultant's negligence or willful misconduct. The Consultant further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Consultant.

The Watermaster agrees to protect, defend, indemnify and hold harmless the Consultant, its officers, directors, agents, employees, servants, and volunteers free and harmless from liability, claims, judgments, costs and

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demands, including demands arising from injuries or death of persons (including employees of the Watermaster and the Consultant) and damage to property, directly or indirectly out of the obligations herein undertaken or out of the operations conducted by the Watermaster, its employees, agents, representatives or subcontractors under or in connection with this Contract, to the extent due to the Watermaster's negligence or willful misconduct. The Watermaster further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Watermaster.

Notwithstanding anything to the contrary in this Contract, any suit, arbitration, claim, demand, indemnification, or any other remedy against the Consultant shall be limited to the scope of the insurance coverage and limits currently in force for the Consultant. Such insurance shall be only the workers compensation and employers liability, general liability, and errors and omissions insurance. The scope of the insurance coverage and limits in such policies may change over time with changes by the insurance companies or the Consultant and such changed policies shall become the available insurance currently in force for the Consultant; and, the Consultant shall not be required to provide notice of any such changes after the earlier of final payment, the completion of services performed by the Consultant under this Contract, or the termination of the Contract. In no event shall any employee, agent, officer, director or shareholder of Consultant have any individual liability.

Notwithstanding anything to the contrary in this Contract, any suit, arbitration, claim, demand, indemnification, or any other remedy against the Watermaster shall be limited to the scope of the insurance coverage and limits currently in force for the Watermaster. Such insurance shall be only the workers compensation and employers liability, general liability, and errors and omissions insurance. The scope of the insurance coverage and limits in such policies may change over time with changes by the insurance companies or the Watermaster and such changed policies shall become the available insurance currently in force for the Watermaster. In no event shall any employee, agent, officer, director or member of Watermaster have any individual liability.

- F. Conflict of Interest: No official of the Watermaster who is authorized in such capacity and on behalf of the Watermaster to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving

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this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

- G. Equal Opportunity: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
- H. Non-Conforming Work and Warranty: Consultant represents and warrants that the deliverables provided in each Task Order shall be adequate to serve the purposes described in each Task Order issued pursuant to the Contract. For a period of not less than one (1) year after completion of a Task Order, Consultant shall, at no additional cost to Watermaster, correct any and all errors in the deliverable. Upon request of Watermaster, Consultant shall correct any such error deemed important by Watermaster in its sole discretion to Watermaster's continued use of the Task Order deliverable pursuant to a schedule jointly agreed to by the Watermaster and the Consultant. The Consultant will use best efforts to correct all errors in a timely manner.
- I. Disputes:
1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Watermaster's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor. Both Watermaster and Consultant waive trial by jury and any appeal except as the appeal is provided below.

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2. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
 - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Watermaster shall determine if any of the names submitted by Consultant are acceptable and, if so, such person will be designated as Arbitrator. The Watermaster shall have seven (7) calendar days in which to determine if one such person is acceptable.
 - b. In the event that none of the names submitted by Consultant are acceptable to Watermaster, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Watermaster shall submit to Consultant a list of five names of persons acceptable to the Watermaster for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
 - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party. If either Watermaster or Consultant desires to appeal the ruling of the arbitrator, then it may utilize this procedure to have a retired appellate judge to decide those issues being appealed in which case the party appealing shall pay the fees and costs of the arbitrator hearing the appeal and each party shall pay its own attorneys fees and costs for the appeal.

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4. Joinder in Mediation/Arbitration: The Watermaster may join the Consultant in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Watermaster's representative to the Consultant.
- J. Attorneys' Fees: In the event an action is commenced by a party to this Contract against the other to enforce its rights or obligations arising from this Contract, the prevailing party in such action, in addition to any other relief and recovery ordered by the court or arbitration, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

1313. OWNERSHIP OF ORIGINAL WORK PRODUCTS CREATED IN THIS CONTRACT.

Watermaster shall own all work products that were initially created pursuant to work which was or will be billed to Watermaster by Consultant. This includes, but is not limited to, current and future iterations of the Chino Basin Groundwater Model developed by Consultant. If the Watermaster chooses to use the model itself, have another entity (e.g., another consultant or government entity) use the model or its input files or results, then the Watermaster:

- A. Will assume all liabilities resulting from the use of the model and the relying on the results of the model;
- B. Will for a period of ten years from the effective date of this Contract provide the Consultant with copies of the final input and output files that Watermaster and or other entity is relying on.

Consultant may use the model or derivatives of the model for non-Watermaster-related investigations provided that Consultant provides notice to the Watermaster of such investigations.

1314. OWNERSHIP OF ORIGINAL WORK PRODUCTS CREATED BY THE CONSULTANT.

Work products that remain proprietary to Consultant shall include:

- A. The relational database and supporting software tools collectively called "HydroDaVE"; the Consultant will provide the Watermaster a license to use HydroDaVE during the term of this Contract without cost to the Watermaster.

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B. Any GIS shape files, database files or any other files or work products that were initially developed by Consultant at non-Watermaster expense that were subsequently used by the Consultant in the development of a work product for the Watermaster.

~~1415.~~ Watermaster shall not release to any third party for any reason any work product that is proprietary to the Consultant without prior written permission from the Consultant. The Consultant shall not release to any third party for any reason any work product owned by Watermaster ~~without prior written permission from Watermaster.~~ In regard to the release of the model to third parties, it is presently Watermaster's practice to require any party obtaining access to the model to assume all liabilities resulting from the third party's use of or reliance on its use of the model, and to indemnify both Watermaster and Consultant as to the same.

~~1516.~~ Before Watermaster releases any work product owned by Watermaster to any third party, it shall receive written releases of liability in favor of both Watermaster and Consultant prior to such release.

~~1617.~~ PUBLIC RECORDS POLICY: The Watermaster shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Watermaster shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Watermaster is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall, if it decides to pursue such exemption from disclosure, defend and indemnify Watermaster from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

In the event of litigation concerning disclosure of information Watermaster considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Consultant shall act as a stakeholder only, holding the information until otherwise

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ordered by a court or other legal process. If Watermaster is required to defend an action arising out of a Public Records Act request for any of the information Watermaster has marked "Confidential," "Proprietary," or "Trade Secret," Watermaster shall, if it decides to pursue such exemption from disclosure, defend and indemnify Consultant from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

4718. TITLE AND RISK OF LOSS:

- A. Documentation: Except as pertains to proprietary work product of the Consultant or stated otherwise in each Task Order, title to the Documentation (Work Products) created in a Task Order shall pass to Watermaster when prepared; however, a copy may be retained by Consultant for its records and internal use.

The Work Products shall not be changed or used for purposes other than those set forth in the Task Order without the prior written approval of Consultant. If Watermaster releases the Work Products to a third party without Consultant's prior written consent, or changes or uses the Work Products other than as intended hereunder, Watermaster shall do so at its sole risk and discretion, and Watermaster shall indemnify the Consultant against any and all claims and/or damages resulting from or connected with the release of or any third party's use of the Work Products.

- B. Material: Unless stated otherwise in each Task Order, title to all Material, field or research equipment, and laboratory equipment, procured or fabricated under the Contract shall pass to Watermaster when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Watermaster-owned equipment of which it has custody. Watermaster shall indemnify the Consultant against any and all claims and/or damages resulting from or connected with the use of all Material, field or research equipment, and laboratory equipment, procured or fabricated under the Contract that are subsequently used by the Watermaster or by third parties.
- C. Disposition: Consultant shall dispose of items to which Watermaster has title as directed in writing by the Watermaster Contract Manager.

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1819. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

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

Consultant: Mark Wildermuth
President
Wildermuth Environmental, Inc.
23692 Birtcher
Lake Forest, California 92630

Any notice given hereunder shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission with the United States Postal Service.

1920. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Watermaster, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Watermaster; except that it may be assigned without such consent to a related entity, an affiliate or wholly owned subsidiary of Consultant; and, any such purported or attempted assignment, transfer or disposal without the prior written consent of the Watermaster shall be null, void and of no legal effect whatsoever.

2021. RIGHT TO AUDIT: The Watermaster reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available at the place of business of Consultant within three (3) working days after said records are requested by the Watermaster. Notwithstanding the foregoing, an adjustment may only be requested and a claim made during the term of each Task Order and for one year following its final

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payment. Following the termination of the claim period then Consultant may destroy its records for such Task Order.

- 2422. INTEGRATION:** The Contract Documents represent the entire Contract of the Watermaster and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Watermaster and the Consultant.
- 2423. GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
- 2424. TERMINATION FOR CONVENIENCE:** Either party has the right to suspend, cancel or terminate this Contract at any time upon thirty (30) days written notice to the other party. In the event of such termination, within 60 days the Consultant shall deliver all work product to Watermaster and Watermaster shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.
- 2425. FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
- 2426. NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed has been issued to the Consultant on a specific Task Order.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

CHINO BASIN WATERMASTER:

Peter Kavounas

Date

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General Manager

WILDERMUTH ENVIRONMENTAL, INC.

Mark J. Wildermuth
President

Date

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 WATERMASTER ENGINEERING SERVICES
 2013 JANUARY 1, 2016 THROUGH 2016 JUNE 30, 2019

Exhibit A
Consulting Engineering Services
Time and Materials Billing Schedule
July 1, 2016 through June 30, 2019

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Professional Billing Rates

Professional Level	Hourly Rate	Hourly Rate	Hourly Rate
Principal III Engineer/Scientist	\$253	\$253	\$253
Principal II Engineer/Scientist	\$237	\$241	\$244
Principal I Engineer/Scientist	\$229	\$232	\$236
Supervising II Engineer/Scientist	\$209	\$212	\$215
Supervising I Engineer/Scientist	\$198	\$201	\$204
Senior II Engineer/Scientist	\$182	\$185	\$188
Senior I Engineer/Scientist	\$171	\$174	\$177
Staff II Engineer/Scientist	\$149	\$150	\$152
Staff I Engineer/Scientist	\$138	\$140	\$142
Technical Editor	\$121	\$123	\$125
Field Technician	\$67	\$78	\$79
Administrative Assistant	\$121	\$123	\$125
Intern	\$65	\$65	\$65

Appearance at depositions and expert witness testimony in court –billed at twice the hourly rate listed above for a minimum of eight hours each day

Other Direct Costs

ODC Type	Cost
Mileage	
Automobiles	Current IRS Rates
Field Vans	\$0.80 per Mile
Tolls	As incurred at prevailing rates
Internal Printing	
8.5x11 Color	\$0.35 each page
11x17 Color	\$0.50 each page
8.5x11 Black & White	\$0.20 each page
11x17 Black & White	\$0.35 each page
Field Equipment	
Aquacalc	\$28 per day
Low Flow Sampling Device	\$75 per day
Precision Water Level Meter	\$19 per day
Pygmy Flow Meter	\$28 per day
Sump Pump	\$24 per day
Water Level Meter	\$32 per day
Water Quality Meter	\$27 per day
Turbidity Meter	\$22 per day
Rental Equipment and All Other ODCs	Passed through with fifteen percent no mark-up

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 WATERMASTER ENGINEERING SERVICES
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Exhibit A
Watermaster Engineering Services
Time and Materials Billing Schedule
2013 through 2015

Professional Billing Rates

Professional Level	Hourly Rate
Principal-III	\$230
Principal-II	\$215
Principal-I	\$208
Supervising-II	\$190
Supervising-I	\$180
Senior-II	\$165
Senior-I	\$155
Staff-II	\$135
Staff-I	\$125
Technical-Editor	\$110
Senior-Field-Technician	\$90
Field-Technician	\$65
Office-Administrator	\$110
Intern	\$65

Other Direct Costs

ODC-Type	Cost
Mileage	
—Automobiles	Current-IRS-Rates
—Field-Vans	\$0.80-per-Mile
Tolls	As-incurred-at-prevailing rates
Field-Equipment	
—Aquacalc	\$28-per-day
Low-Flow-Sampling-Device	\$75-per-day
Precision-Water-Level-Meter	\$10-per-day
—Pygmy-Flow-Meter	\$28-per-day
—Sump-Pump	\$24-per-day
—Water-Level-Meter	\$32-per-day
—Water-Quality-Meter	\$27-per-day
—Turbidity-Meter	\$22-per-day
Rental-Equipment-and-All-Other-ODCs	Passed-through-with-no-mark-up

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**CONTRACT
FOR
WATERMASTER ENGINEERING SERVICES**

THIS CONTRACT (the "Contract"), is by and between the Chino Basin Watermaster (hereinafter referred to as "Watermaster"), and, Wildermuth Environmental Incorporated, of Lake Forest, California (hereinafter referred to as "Consultant"), for professional engineering services in support the Watermaster and shall govern the relationship between the parties effective January 1, 2016.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. WATERMASTER CONTRACT MANAGER ASSIGNMENT: All technical direction related to this Contract shall come from the designated Watermaster Contract Manager. Details of the Watermaster's assignment are listed below:

Watermaster Contract Manager: Peter Kavounas
 General Manager or designee
 Chino Basin Watermaster
 Address: 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730
 Telephone: (909) 484-3888
 Facsimile: (909) 484-3890
 Email: pkavounas@cbwm.org

2. CONSULTANT CONTRACT MANAGER ASSIGNMENT: Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Consultant Contract Manager: Mark J. Wildermuth
 President
 Wildermuth Environmental, Inc.
 Address: 23692 Birtcher
 Lake Forest, California 92630
 Telephone: (949) 420-3030
 Facsimile: (949) 420-4040
 Email: mwildermuth@weewater.com

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:

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1. Task Orders for specific work assignments issued pursuant to this Contract.
 2. Amendments to Contract
 3. Contract, General Terms and Conditions.
4. **SCOPE OF WORK, SCHEDULE AND SERVICES:** Consultant Scope of Work, Schedule, and Services shall be in accordance with specific Task Orders that are issued pursuant to this Contract. Each Task Order will contain a scope of work, description of the deliverables, schedule, fee and the naming of a specific project manager for each Task Order.
5. **TERM:** The term of this Contract shall extend from January 1, 2016, and terminate on June 30, 2019, and will continue thereafter until one party elects to terminate with 90 days written notice.
6. **COMPENSATION:** Watermaster shall pay Consultant's properly executed monthly invoices, approved by the Watermaster Contract Manager, within thirty (30) days following receipt of the invoice. Payment will be withheld for any service, which does not meet Watermaster requirements or have proven unacceptable until such service is revised, resubmitted, and accepted by the Watermaster Contract Manager.

The Consultant will submit monthly invoices for each Task Order. Each invoice shall include a cost breakdown, billing message describing the work done during the monthly billing period, itemized material cost and reasonable and customary expenses, including that of other parties retained by Consultant and shall include the current monthly amount, and the cumulative amount invoiced to date. Exhibit A lists the hourly billing rates which will remain constant throughout the term of this contract. Material cost and reasonable expenses shall be submitted with receipts, and will be reimbursed at cost with no markup. Invoices shall not be submitted in advance.

In compensation for the work represented by this Contract, Watermaster shall pay Consultant's invoices up to the total fee established in each Task Order. Consultant shall not be paid for any amount exceeding the Task Order authorized fee, without an amendment to the Task Order.

Watermaster may, at any time, make changes to the scope of work in a Task Order, including additions, reductions, and changes to any or all of the work, as directed in writing by the Watermaster. Such changes shall be made by a written amendment

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JANUARY 1, 2016 THROUGH JUNE 30, 2019**

to the Task Order. The Task Order authorized fee and schedule shall be equitably adjusted to account for such changes, and shall be set forth in the written amendment.

7. NO AUTHORITY TO BIND WATERMASTER: Consultant has no authority, right or ability to bind or commit Watermaster in any way or incur any debts or liabilities in the name of or on behalf of Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Consultant agrees not to advertise, promote or represent to any third party that Consultant or its agents or employees are the agents or employees of Watermaster. Consultant may represent only that the Parties have an independent contractor relationship pursuant to which Consultant has accepted an opportunity to provide Consultant's customary services to Watermaster. Consultant will refrain from using Watermaster's name in any advertisement, promotion, business card, website, or similar manner without Watermaster's prior written consent. Consultant will not add to, delete from or modify any documentation or forms provided by Watermaster, except with the prior written consent of Watermaster.

8. CONTROL OF THE WORK: Consultant shall perform the work described in each Task Order. If performance of the work falls behind schedule, the Consultant shall use best efforts to accelerate the work to comply with the schedule in the Task Order. If the Consultant is unable to accelerate the work, the Consultant shall promptly notify the Watermaster Contract Manager of the delay, the causes of the delay, and submit a proposed revised completion schedule.

9. SERVICES FOR OTHER PARTIES: Consultant shall advise the Watermaster Contract Manager of any services that Consultant proposes to perform for other parties to the Chino Basin Judgment and shall receive written consent (in any form including email) from the Watermaster Contract Manager prior to engaging in such services. Any services contract between Consultant and a party to the Judgment shall contain a provision providing for the termination of the services should a conflict develop between the services and the services provided by Consultant to Watermaster. Notwithstanding the foregoing, Consultant shall not provide services to any party to the Judgment on a matter that will later be subject to Watermaster review. Furthermore, Consultant shall not provide services to the Inland Empire Utilities Agency, nor to the Three Valleys Municipal Water District and Western Municipal Water District to the extent that such

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JANUARY 1,2016 THROUGH JUNE 30, 2019

services would involve matters within the Chino Basin, except through a services contract with Watermaster and those entities.

In any work for parties other than Watermaster, Consultant may make no representation as to the policy or position of Watermaster, other than as might be found in an existing publicly available document.

10. FITNESS FOR DUTY:

A. Fitness: Consultant shall institute steps to attempt to make certain that Consultant's personnel on the Jobsite:

1. shall report for work in a manner fit to do their job;
2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Watermaster.

11. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. Minimum Scope of Insurance:

1. General Liability: \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$5,000,000 combined single limit per accident for bodily injury and property damage.
3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of \$1,000,000 per accident.

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4. Professional Liability insurance in the amount of \$1,000,000 per occurrence with a \$2,000,000 policy aggregate.

At the time of the Parties' entrance into this Contract, Consultant maintains coverage that meets these requirements, and it is the intention of the Parties that Consultant continue to do so for the duration of the Contract.

- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention, different from those generally available at reasonable cost, must be declared to and approved by the Watermaster.
- C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
 - a. The Watermaster, its officers, officials, employees and volunteers are to be covered as insureds, endorsements as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Watermaster, its officers, officials, employees or volunteers.
 - b. The Consultant's insurance coverage shall be primary insurance as respects the Watermaster, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Watermaster, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Watermaster, its officers, officials, employees or volunteers.
 - d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. All Coverages

Each insurance policy required by this contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Watermaster.

- D. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A+. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII.
- E. Verification of Coverage: Consultant shall furnish the Watermaster with certificates of insurance and with original endorsements effecting coverage required by the Watermaster for themselves and all subcontractors prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be approved by the Watermaster before work commences. The Watermaster reserves the right to require complete, certified copies of all required insurance policies, at any time.
- F. Submittal of Certificates: Consultant shall submit all required certificates and endorsements to the following:

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

12. LEGAL RELATIONS AND RESPONSIBILITIES

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- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.

- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Watermaster.

- C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Watermaster, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.

- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Watermaster Contract Manager.

- E. Indemnification: The Consultant agrees to protect, defend, indemnify and hold harmless the Watermaster, its officers, directors, agents, employees, servants, and volunteers free and harmless from liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Watermaster and the Consultant) and damage to property, directly or indirectly out of the obligations herein undertaken or out of the operations conducted by the Consultant, its employees, agents, representatives or subcontractors under or in connection with this Contract, to the extent due to Consultant's negligence or willful misconduct. The Consultant further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Consultant.

The Watermaster agrees to protect, defend, indemnify and hold harmless the Consultant, its officers, directors, agents, employees, servants, and volunteers free and harmless from liability, claims, judgments, costs and

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demands, including demands arising from injuries or death of persons (including employees of the Watermaster and the Consultant) and damage to property, directly or indirectly out of the obligations herein undertaken or out of the operations conducted by the Watermaster, its employees, agents, representatives or subcontractors under or in connection with this Contract, to the extent due to the Watermaster's negligence or willful misconduct. The Watermaster further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Watermaster.

Notwithstanding anything to the contrary in this Contract, any suit, arbitration, claim, demand, indemnification, or any other remedy against the Consultant shall be limited to the scope of the insurance coverage and limits currently in force for the Consultant. Such insurance shall be only the workers compensation and employers liability, general liability, and errors and omissions insurance. The scope of the insurance coverage and limits in such policies may change over time with changes by the insurance companies or the Consultant and such changed policies shall become the available insurance currently in force for the Consultant; and, the Consultant shall not be required to provide notice of any such changes after the earlier of final payment, the completion of services performed by the Consultant under this Contract, or the termination of the Contract. In no event shall any employee, agent, officer, director or shareholder of Consultant have any individual liability.

Notwithstanding anything to the contrary in this Contract, any suit, arbitration, claim, demand, indemnification, or any other remedy against the Watermaster shall be limited to the scope of the insurance coverage and limits currently in force for the Watermaster. Such insurance shall be only the workers compensation and employers liability, general liability, and errors and omissions insurance. The scope of the insurance coverage and limits in such policies may change over time with changes by the insurance companies or the Watermaster and such changed policies shall become the available insurance currently in force for the Watermaster. In no event shall any employee, agent, officer, director or member of Watermaster have any individual liability.

- F. Conflict of Interest: No official of the Watermaster who is authorized in such capacity and on behalf of the Watermaster to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving

CONTRACT
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this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

- G. Equal Opportunity: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.

- H. Non-Conforming Work and Warranty: Consultant represents and warrants that the deliverables provided in each Task Order shall be adequate to serve the purposes described in each Task Order issued pursuant to the Contract. For a period of not less than one (1) year after completion of a Task Order, Consultant shall, at no additional cost to Watermaster, correct any and all errors in the deliverable. Upon request of Watermaster, Consultant shall correct any such error deemed important by Watermaster in its sole discretion to Watermaster's continued use of the Task Order deliverable pursuant to a schedule jointly agreed to by the Watermaster and the Consultant. The Consultant will use best efforts to correct all errors in a timely manner.

- I. Disputes:
 - 1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Watermaster's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor. Both Watermaster and Consultant waive trial by jury and any appeal except as the appeal is provided below.

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2. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
 - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Watermaster shall determine if any of the names submitted by Consultant are acceptable and, if so, such person will be designated as Arbitrator. The Watermaster shall have seven (7) calendar days in which to determine if one such person is acceptable.
 - b. In the event that none of the names submitted by Consultant are acceptable to Watermaster, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Watermaster shall submit to Consultant a list of five names of persons acceptable to the Watermaster for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
 - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party. If either Watermaster or Consultant desires to appeal the ruling of the arbitrator, then it may utilize this procedure to have a retired appellate judge to decide those issues being appealed in which case the party appealing shall pay the fees and costs of the arbitrator hearing the appeal and each party shall pay its own attorneys fees and costs for the appeal.

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4. Joinder in Mediation/Arbitration: The Watermaster may join the Consultant in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Watermaster's representative to the Consultant.
- J. Attorneys' Fees: In the event an action is commenced by a party to this Contract against the other to enforce its rights or obligations arising from this Contract, the prevailing party in such action, in addition to any other relief and recovery ordered by the court or arbitration, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.
13. OWNERSHIP OF ORIGINAL WORK PRODUCTS CREATED IN THIS CONTRACT. Watermaster shall own all work products that were initially created pursuant to work which was or will be billed to Watermaster by Consultant. This includes, but is not limited to, current and future iterations of the Chino Basin Groundwater Model developed by Consultant. If the Watermaster chooses to use the model itself, have another entity (e.g., another consultant or government entity) use the model or its input files or results, then the Watermaster:
- A. Will assume all liabilities resulting from the use of the model and the relying on the results of the model;
 - B. Will for a period of ten years from the effective date of this Contract provide the Consultant with copies of the final input and output files that Watermaster and or other entity is relying on.

Consultant may use the model or derivatives of the model for non-Watermaster-related investigations provided that Consultant provides notice to the Watermaster of such investigations.

14. OWNERSHIP OF ORIGINAL WORK PRODUCTS CREATED BY THE CONSULTANT. Work products that remain proprietary to Consultant shall include:
- A. The relational database and supporting software tools collectively called "HydroDaVE"; the Consultant will provide the Watermaster a license to use HydroDaVE during the term of this Contract without cost to the Watermaster.

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JANUARY 1, 2016 THROUGH JUNE 30, 2019

- B. Any GIS shape files, database files or any other files or work products that were initially developed by Consultant at non-Watermaster expense that were subsequently used by the Consultant in the development of a work product for the Watermaster.
15. Watermaster shall not release to any third party for any reason any work product that is proprietary to the Consultant without prior written permission from the Consultant. The Consultant shall not release to any third party for any reason any work product owned by Watermaster. In regard to the release of the model to third parties, it is presently Watermaster's practice to require any party obtaining access to the model to assume all liabilities resulting from the third party's use of or reliance on its use of the model, and to indemnify both Watermaster and Consultant as to the same.
16. Before Watermaster releases any work product owned by Watermaster to any third party, it shall receive written releases of liability in favor of both Watermaster and Consultant prior to such release.
17. PUBLIC RECORDS POLICY: The Watermaster shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Watermaster shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Watermaster is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall, if it decides to pursue such exemption from disclosure, defend and indemnify Watermaster from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

In the event of litigation concerning disclosure of information Watermaster considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Consultant shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Watermaster is required to defend an

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action arising out of a Public Records Act request for any of the information Watermaster has marked "Confidential," "Proprietary," or "Trade Secret," Watermaster shall, if it decides to pursue such exemption from disclosure, defend and indemnify Consultant from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

18. TITLE AND RISK OF LOSS:

- A. Documentation: Except as pertains to proprietary work product of the Consultant or stated otherwise in each Task Order, title to the Documentation (Work Products) created in a Task Order shall pass to Watermaster when prepared; however, a copy may be retained by Consultant for its records and internal use.

The Work Products shall not be changed or used for purposes other than those set forth in the Task Order without the prior written approval of Consultant. If Watermaster releases the Work Products to a third party without Consultant's prior written consent, or changes or uses the Work Products other than as intended hereunder, Watermaster shall do so at its sole risk and discretion, and Watermaster shall indemnify the Consultant against any and all claims and/or damages resulting from or connected with the release of or any third party's use of the Work Products.

- B. Material: Unless stated otherwise in each Task Order, title to all Material, field or research equipment, and laboratory equipment, procured or fabricated under the Contract shall pass to Watermaster when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Watermaster-owned equipment of which it has custody. Watermaster shall indemnify the Consultant against any and all claims and/or damages resulting from or connected with the use of all Material, field or research equipment, and laboratory equipment, procured or fabricated under the Contract that are subsequently used by the Watermaster or by third parties.
- C. Disposition: Consultant shall dispose of items to which Watermaster has title as directed in writing by the Watermaster Contract Manager.

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19. **NOTICES:** Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

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

Consultant: Mark Wildermuth
President
Wildermuth Environmental, Inc.
23692 Birtcher
Lake Forest, California 92630

Any notice given hereunder shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission with the United States Postal Service.

20. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Watermaster, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Watermaster; except that it may be assigned without such consent to a related entity, an affiliate or wholly owned subsidiary of Consultant; and, any such purported or attempted assignment, transfer or disposal without the prior written consent of the Watermaster shall be null, void and of no legal effect whatsoever.
21. **RIGHT TO AUDIT:** The Watermaster reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available at the place of business of Consultant within three (3) working days after said records are requested by the Watermaster. Notwithstanding the foregoing, an adjustment may only be requested and a claim made during the term of each Task Order and for one year following its final

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payment. Following the termination of the claim period then Consultant may destroy its records for such Task Order.

22. **INTEGRATION:** The Contract Documents represent the entire Contract of the Watermaster and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Watermaster and the Consultant.
23. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
24. **TERMINATION FOR CONVENIENCE:** Either party has the right to suspend, cancel or terminate this Contract at any time upon thirty (30) days written notice to the other party. In the event of such termination, within 60 days the Consultant shall deliver all work product to Watermaster and Watermaster shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.
25. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
26. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed has been issued to the Consultant on a specific Task Order.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

CHINO BASIN WATERMASTER:

Peter Kavounas
General Manager

Date

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WILDERMUTH ENVIRONMENTAL, INC.

Mark J. Wildermuth
President

Date

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**Exhibit A
Consulting Engineering Services
Time and Materials Billing Schedule
July 1, 2016 through June 30, 2019**

Professional Billing Rates

Professional Level	FY 2016/17 Hourly Rate	FY 2017/18 Hourly Rate	FY 2018/19 Hourly Rate
Principal III Engineer/Scientist	\$253	\$253	\$253
Principal II Engineer/Scientist	\$237	\$241	\$244
Principal I Engineer/Scientist	\$229	\$232	\$236
Supervising II Engineer/Scientist	\$209	\$212	\$215
Supervising I Engineer/Scientist	\$198	\$201	\$204
Senior II Engineer/Scientist	\$182	\$185	\$188
Senior I Engineer/Scientist	\$171	\$174	\$177
Staff II Engineer/Scientist	\$149	\$150	\$152
Staff I Engineer/Scientist	\$138	\$140	\$142
Technical Editor	\$121	\$123	\$125
Field Technician	\$67	\$78	\$79
Administrative Assistant	\$121	\$123	\$125
Intern	\$65	\$65	\$65
Appearance at depositions and expert witness testimony in court –billed at twice the hourly rate listed above for a minimum of eight hours each day			

Other Direct Costs

ODC Type	Cost
Mileage	
Automobiles	Current IRS Rates
Field Vans	\$0.80 per Mile
Tolls	As incurred at prevailing rates
Internal Printing	
8.5x11 Color	\$0.35 each page
11x17 Color	\$0.50 each page
8.5x11 Black & White	\$0.20 each page
11x17 Black & White	\$0.35 each page
Field Equipment	
Aquacalc	\$28 per day
Low Flow Sampling Device	\$75 per day
Precision Water Level Meter	\$19 per day
Pygmy Flow Meter	\$28 per day
Sump Pump	\$24 per day
Water Level Meter	\$32 per day
Water Quality Meter	\$27 per day
Turbidity Meter	\$22 per day
Rental Equipment and All Other ODCs	Passed through with no mark-up

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CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written)
2. Community Outreach/Public Relations Report
3. State and Federal Legislative Reports

CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

October 15, 2015

AGENDA

INTERAGENCY WATER MANAGER'S REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

Discussion Items:

- MWD Update (Written)

Written Items:

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

**CBWM Advisory Committee Meeting
October 15, 2015**

MWD Update – Discussion

- **Integrated Resources Plan:**

MWD is in the process of updating its 2010 Integrated Resources Plan (IRP) and has been conducting technical workshops to discuss both imported water and local supply forecasts. Initial results indicate that if no IRP actions are taken, there is a 20% likelihood of being in a shortage allocation by 2030 and 60% by 2040. This indicates that they will need to establish additional supplies to avoid triggering water allocations. IEUA has been participating in these discussions, and is coordinating with Chino Basin Watermaster (CBWM) as needed. There will be a workshop on October 22 at MWD's headquarters for public comments on the Technical IRP work. Policy IRP work will follow.

IEUA is also developing an IRP and held a supply portfolio development workshop with guest presenters from RAND Corp. At this workshop each member agency had the ability to select project categories they would like to include in a regional supply portfolio. A group analysis of the common interests was done prior to concluding the workshop. In general, interest in groundwater projects, securing supplemental water for recharge via spreading or in-lieu and increasing water use efficiency due to cost effectiveness were some of the comment themes. The Agency will continue the supply portfolio discussions through September and will schedule individual meetings with our member agencies.

- **Water Supply Allocation Plan (WSAP):**

Reminder that effective July 1, 2015 through June 30, 2016, reduced Tier 1 allocations will be as follows. Purchases of water in excess of the amounts below will result in an Allocation Surcharge from MWD. Cumulative sales are through end of August 2015.

CVWD: 26,569 AF	(Cumulative sales of 2,234.6 AF, 8% of WSAP Allocation)
WFA: 27,406 AF	(Cumulative sales of 2,906.4, 11% of WSAP Allocation)
FWC: 7,293 AF	(Cumulative sales of 1,602.3 AF, 22% of WSAP Allocation)

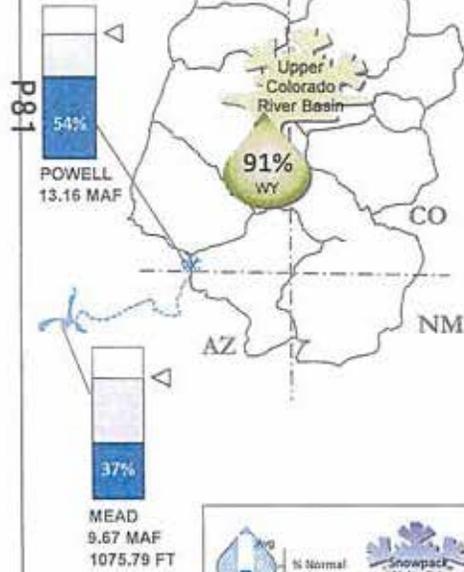
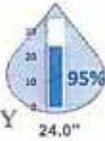


WATER SUPPLY CONDITIONS CRA

As of: 07/12/2015



2015 Colorado River
925,000 AF
74% of full CRA



Turn page for more CRA Data

Flip Over for SWP Data

HIGHLIGHTS

Colorado River Basin

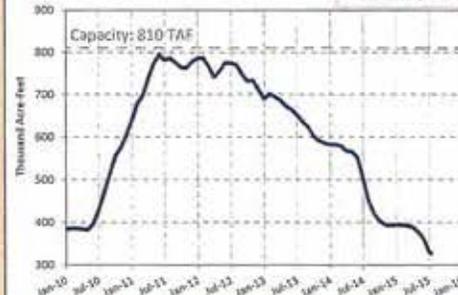
- Runoff forecast at 91% of normal up from 63% due to above normal precipitation in May and June.
- More monsoonal moisture anticipated this week, producing heavy rain and localized flooding.

Northern California

- Runoff forecast remains below normal at 49%.
- Above normal temperatures forecasted for the week.
- Snow in July for portions of the central Sierra, increasing the 5 Station Index to 167% for the month of July to date

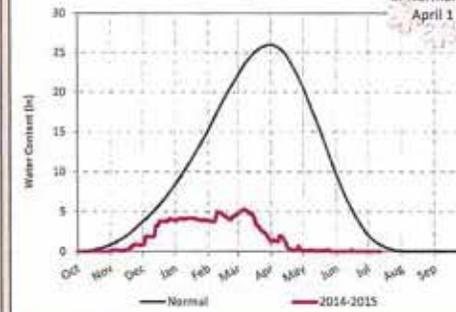
Diamond Valley Lake Storage

155 TAF less in storage than this time last year

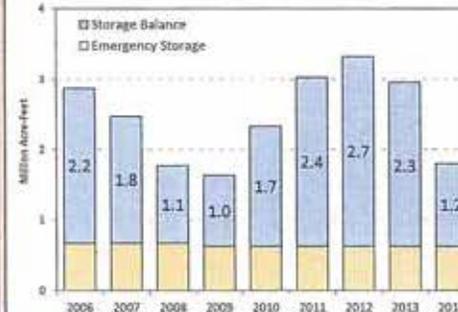


Southern Sierra Snowpack

5% of Normal on April 1

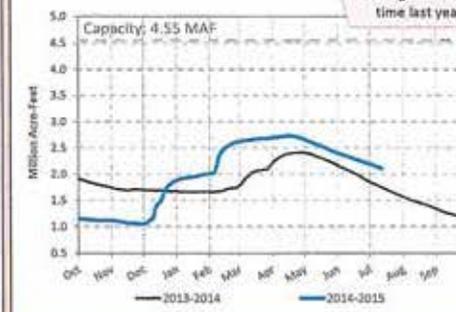


MWD Storage Reserve Levels



Lake Shasta Reservoir Storage

363 TAF more in storage than this time last year



This report is produced by the Water Resource Management group and contains information from various federal, state, and local agencies. Metropolitan cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information. Reservoir, lake, snowpack, maps, watersheds, and all other visual representations on this report are not drawn to scale.

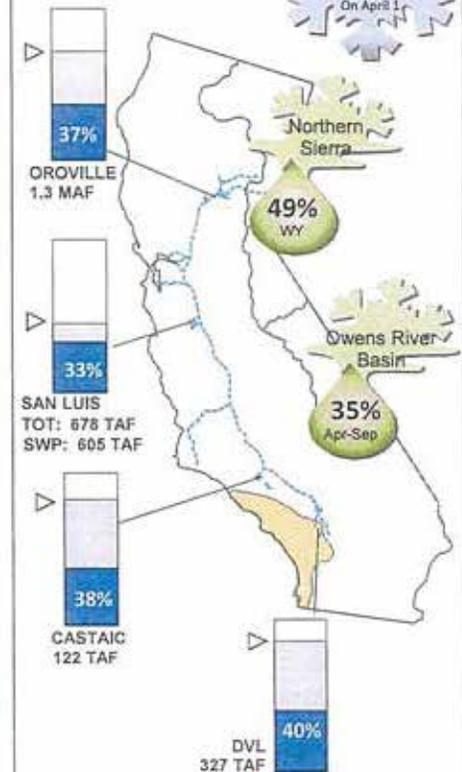
http://www.mwdh2o.com/PDF_About_Your_Water/2.2.4_water_supply_conditions.pdf
This report is best printed double-sided on legal size paper (8.5" x 14") and folded in quarters.



WATER SUPPLY CONDITIONS SWP

As of: 07/12/2015

2015 SWP Allocation
382,300 AF
20% of Table A



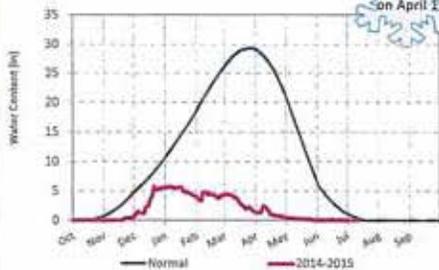
Flip Over for CRA Data

Turn page for more SWP Data

State Water Project Resources

As of: 07/12/2015

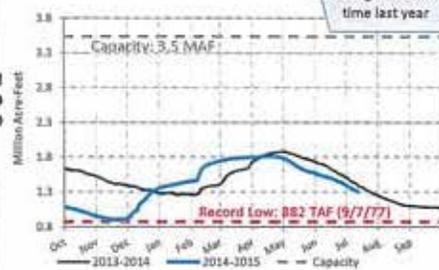
Northern Sierra Snowpack



8 Station Index Precip



Oroville Reservoir Storage



5 Station Index Precip

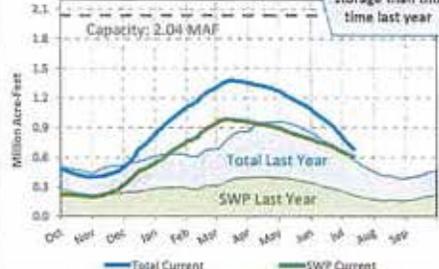


Other SWP Contract Supplies for 2015 (AF)

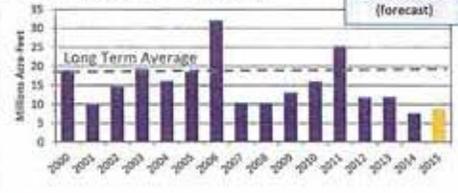
Transfer Supplies*	19,700
Multi Year Pool	1,400
Pool A/B (Purchased)	0
Article 56 (Prior Cal. Year(s) CO)	36,000

* Assumes 20% losses

San Luis Reservoir Storage



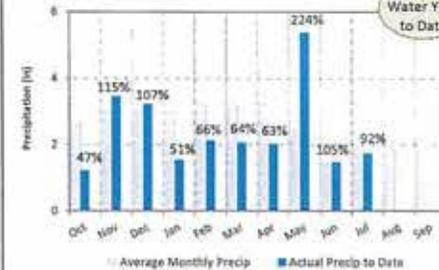
Sacramento River Runoff



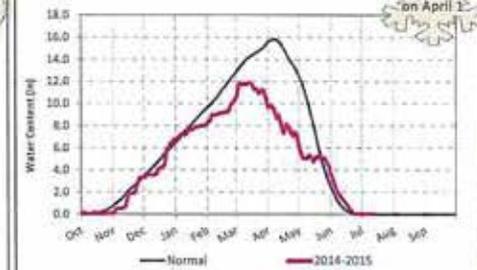
Colorado River Resources

As of: 07/12/2015

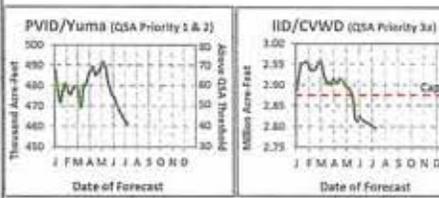
Upper Colorado Basin Precip



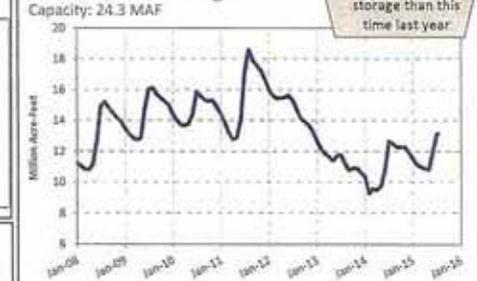
Upper Colorado Basin Snowpack



Colorado River Ag Use Forecast



Lake Powell Storage

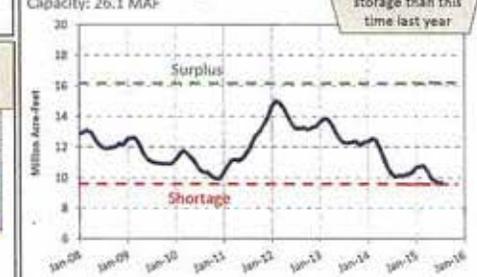


Lake Mead Shortage/Surplus Outlook

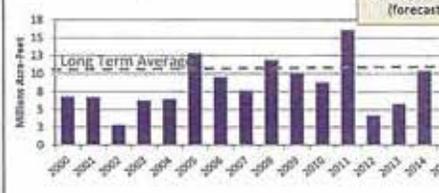
	2016	2017	2018	2019	2020
Shortage	0%	47%	65%	66%	53%
Surplus	0%	0%	3%	8%	12%

*Based on results from the 2011 USBR M3/M4/C35 simulations.

Lake Mead Storage



Powell Unregulated Inflow



Agricultural Resources

635 Maryland Avenue, N.E.
Washington, D.C. 20002-5811
(202) 546-5115
agresources@erols.com

September 30, 2015

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

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

SU: Legislative Report, September, 2015

The month of September – not what anyone expected. The entire legislative year and the last month of the fiscal year was turned upside down by an unanticipated the Speaker's surprise resignation announcement and a House Republican political feud. It is a huge distraction – and is competing with the overall legislative agenda for time and attention.

Snapshot.

- * House and Senate returned from the August Recess on September 8
- * Current fiscal year ended on September 30, new one begins on October 1.
- * None of the 12 annual funding bills had been enacted yet.
- * The Iran Nuclear Deal was pending mid-month and efforts to block it failed. It was approved.
- * The underlying budget agreement had been modified to propose more Defense spending (at the expense of domestic spending). That created an internal House political backlash in every direction and among all factions and interests.
- * Congress was scheduled to be in session only 10 days during September.
- * Returning just after Labor Day, the Tea Party/Freedom Caucus were making budget cuts/amendment demands that would shut-down Government (and wanted to do it).
- * Since July, same Tea Party/Freedom Caucus factions of House R Conference were openly talking of forcing Speaker Boehner out and forcing a no-confidence vote.

- * During the third week of September, Pope Francis arrived at the invitation of the Speaker. Washington was completely distracted for three days (September 22-24).

Boehner's Surprise Announcement – He's Retiring – Now

- Speaker, the day after Pope departed, met with his caucus first thing the following morning and stunned the Members by announcing that he was stepping down in 30+ days.
- In his announcement, he made it clear that he'd "had it" with those in his Caucus who just want to take down the entire system and that he was departing to prevent a shut down.
- Boehner will relinquish the Speakership AND retire from Congress on October 30 – a month from now.
- A political upheaval ensued and scramble is underway (that will culminate in a vote of the entire House sometime in late October – selection of a Speaker is a House matter, not just a R decision).
- Boehner's resignation set in motion a full House R leadership shuffle/reconfiguration (a) in the middle of a session (highly unusual); (b) on the eve of the fiscal year; and (c) with a Federal Government shut-down pending.

New House Republican Leadership Team Pending

- The leadership "transition" is underway and will start with a Republican Caucus election first week of October (step one) and finalized later in the month (step two) with an election in the full House (Rs and Ds). In Caucus, only Rs vote. In the full House, Rs and Ds vote. The outcome is by no means assured or settled.
- Rep. Paul Ryan (VP candidate with Mitt Romney in 2012) was immediately considered as a possible Speaker. He declined and, for now, will remain as Chair, Ways and Means (the powerful and important tax-writing Committee who's preoccupied with drafting a comprehensive tax reform bill).
- California Rep. Kevin McCarthy (R-Bakersfield), the current Majority Leader, is seeking the Speakership, but is being challenged by two members, Rep. Daniel Webster from Florida (and a distant relative of the historically famous Daniel Webster) and the high-profile Rep. Jason Chaffetz (R-UT), presently Chair, Government Reform Committee.
- Immediate reaction within the Caucus – House Rs appear to be rallying around McCarthy.
- This would open the Majority Leader's position and as well as the Whip's position (third ranking in House leadership). Candidates for these positions have emerged (assuming McCarthy becomes Speaker).

Immediate Legislative Response – No Government Shut-Down

- Instant reaction – clean CR (no controversial provisions) advanced, approved by House and Senate, submitted to the President on September 30 and CR immediately signed into law. All 12 funding bills were approved and the Federal Government continues business uninterrupted.
- The CR is a short-term funding “fix.” It was only extended to December 11. Congress will confront the same issues (now without Speaker Boehner) ten weeks from now.

Boehner’s 30-Day Exit Agenda

- Boehner, in his press conference and afterwards, announced that, prior to his departure (end of October) that he wanted the new Speaker to be able to have a fresh start. To that end, he indicated that he wanted to pass:
 - * Full year CR.
 - * Debt Limit bill (Federal Government cannot operate without a legislative adjustment to the Debt Limit). The Treasury Department recently notified Congress that the Debt Limit would be reached in early November
 - * Reauthorization of the Export-Import Bank (high priority for business and the Chamber of Commerce), but previously defunded at the insistence of the Tea Party/Freedom Caucus
 - * Passage of the stuck (and overdue) Highway bill.
 - * Other(s)?
- These bills – without highly restrictive amendments, are opposed by the Tea Party and Freedom Caucus within the House R Caucus. To move these bills, Boehner will lose 40-60 R votes (or more) and count on D votes to pass these bills. Pending on the horizon, a burst of bi-partisanship (welcomed by many).
- Freedom Caucus and Tea Party Members are up in arms – seething over the implications – and all of this is playing out in the various leadership battles.

Senate Response – Anxious to Work With Boeher, Isolate Fringe Elements of R Caucus (Senate)

- Sen, Mitch McConnell (R-KY), Senate Majority Leader, is actively working with Speaker Boehner to pass the held-up annual funding bills (or, a full-year CR), Debt Limit bill, Highway bill and Export-Import bill.
- Senator Ted Cruz (R-TX) and a candidate for President returned to Washington on the eve of the fiscal year, and offered amendments to the short-term CR that would have led to a Government shut-down on September 30.
- In a remarkable development, Sen. Cruz offered the amendment, but was unable to get any senators to support him. His amendment died for lack of a second (this is virtually unheard of) and he was forced to relinquish the floor.

- Clean CR passed the Senate.

Administration Response

- President Obama signed the short-term CR into law hours after it was passed. Shutdown averted.
- President also issued a statement declaring that he will not sign another short-term CR into law. This imposes more pressure on Congress to produce full-year funding for the departments and agencies.

Water/Weather/Drought

Water/Drought – Senate Hearings Scheduled on Boxer-Feinstein Drought Bill

- Senate Energy Committee announced a hearing for October 8 to hear testimony on the House-passed Valadao bill and the Boxer-Feinstein bill.
- Witness list is very limited, however Jeff Kightlinger, MWD, will be a witness.
- A markup in the Senate could occur in November, but that remains unclear.

El Nino

- Last month I reported on “El Nino is Coming, El Nino is Coming...” The report is unchanged.
- Last month’s report. *“El Nino stories from NASA, the Weather Service and academics who track such events are now appearing daily in print and e-media and are reporting this EL Nino to be one of the strongest formations ever is building in the Pacific in years. Questions remain. Is this a “drought-buster OR a flood-inducer? Will precipitation from storms have a chance to permeate the dry landscape, OR instead, become huge “gully-washers?” Where will the storm hit? Most reports and indications are that Southern California will receive the brunt of an El Nino. What about Northern California? Will it come as rain OR reach the higher elevations as snow? And, will any of this precip carry over to the Colorado River Basin? Within the IEUA service area, if flooding occurs, there will be concerns about the ability to capture and recharge as much water as possible and limit conflicts with the Chino Dairies. Right now, there are more questions than answers. IEUA should be coordinating with SAWPA, the Corps and local governments if flooding occurs or to manage it if/when it comes.”*
- Report after report from departments, agencies and academics – during September – is certain that an El Nino will bring considerable rain/precip to Southern California, but is as uncertain that (a) it will meaningfully reach Northern California and (b) if it does, whether or not it will fall as snow in the Sierra Nevadas or rain beneath the network of dams (thereby a high risk for flooding).. The short-term implication is clear: carry-over storage is unclear and uncertain.

- ACWA-sponsored drought bill briefing. ACWA hosted a briefing at its Hall of States offices attended by almost 30 DC reps. House and Senate (D&R) staff from the Energy Committee and Resources Committee, along with John Watts, DF's Legislative Director attended and participated. Discussion focused on (a) the BB-DF bill; and (b) what would likely happen procedurally as these bills are considered.
 - * Part of the discussion became "budget-technical." Key question – how to, under the current rules, pay for the bill (required by the H/S Budget rules).
 - * Offsets will be required. Various options were identified and reviewed.
 - * The BB-DF bill estimated cost is \$1.3 Billion and the sponsors proposed to offset part of the cost by deauthorizing unused authorities previously enacted for BuRec projects and programs. This would include, according to DF's office, used Title XVI projects.
 - * By that criteria, the IEUA-Cucamonga Title XVI project could get authorized.
 - * This was immediately discussed with DF's office. They know that IEUA and Cucamonga want to proceed, but BuRec blocked it for questionable technical reasons. IEUA has been invited to provide a full explanation to the Senators and the Committee.
 - * IEUA has informed DF's office about this in previous years and again last July. IEUA is preparing a new "white paper" on the problem – to protect and recapture the multi-million authorization.
 - * IEUA and Cucamonga are working together on this.

- ***Drought Conditions – California.*** An all but identical report from last few months. At the end of September, all 58 California Counties remained in various levels of drought. According to the NOAA/USDA's well-visited Drought Monitor web site, 100% of California remains in drought and the September 28 weekly update reported that approximately 90% of the entire State was in severe, extreme or exceptional drought\

- ***Drought Conditions – Rest of the West.*** Coastal states (CA, OR, and WA plus NV) remain in severe drought. Same with Arizona, Utah, Idaho and western Montana as each state continues to experience serious drought conditions. Texas, after several months of reduced drought conditions, is once again seeing them reappear.

Looking Into September

- House leadership to be resolved – hopefully. Speaker's gavel to be handed to the next Speaker.

- Boehner will attempt to move back-logged legislation (or it will be blocked).
- Threat of future government shut-downs will be addressed and perhaps ended for now.
- Drought legislation will be considered.
- IEUA trip to Washington is being planned for the third week of October.



CALIFORNIA STRATEGIES, LLC

Date: October 01, 2015
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: September Activity Report

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

- Met with IEUA Executive Management Team to review priority issues and to discuss activities for September that they wanted accomplished.
- Participated in discussions with staffs of San Bernardino and IEUA to discuss coordination of County and District legislative and public policy issue agendas that Executive Staff wanted.
- Received the recently released LAFCO report and updated strategy and approach
- Discussed County flood control and IEUA issues.
- Continue to monitor statewide water issues including the BDCP, water bond, and drought relief act activities.
- Outreach to Board Directors as needed on issues of interest
- Monitor Santa Ana Regional Board agenda and issues of interest to IEUA.

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Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff and Kathy Besser, IEUA

From: Letitia White, Jean Denton, and Drew Tatum

Date: September 30, 2015

Re: September Monthly Legislative Update

Temporary Appropriations Bill Crosses the Finish Line

There was talk again this year that the federal government would shut down at the end of the fiscal year because Congress would not be able to pass any appropriations bills to fund the government beyond September 30th. In what came as a shock to most on Capitol Hill on September 25th, House Speaker John Boehner (R-OH) announced that he would be resigning at the end of October, and would be introducing a clean continuing resolution to fund the government through December 11, 2015 over objections from conservatives in his own party. Boehner told his colleagues of his plans during a regularly scheduled conference meeting where Members get the schedule for the upcoming week. At this point, the Senate had already started the process of advancing a clean continuing resolution after failing to advance one that stripped Planned Parenthood funding.

Senate Majority Leader Mitch McConnell (R-KY) had attempted to advance the continuing resolution that stripped Planned Parenthood funding, but it failed when Republicans were unable to get the 60 votes needed to advance the bill. Several Republicans joined their Democratic colleagues to block the bill from advancing on a 47-52 vote. Earlier this week, the clean continuing resolution was able to reach the cloture threshold by a vote of 77-19, and ultimately passed the Senate by a vote of 78-20. Speaker Boehner indicated that he would need Democratic votes to pass the continuing resolution, as the more conservative members of his party have demanded that any appropriations legislation include a provision to defund Planned Parenthood. The House was able to pass the clean continuing resolution by a vote of 277-151. Last night, President Obama signed the continuing resolution into law before the midnight deadline, avoiding a government shutdown.

Republican leaders have insisted that they will go another direction in attempting to defund Planned Parenthood. The House and Senate passed a budget resolution for the first time this year, giving them the option to use a procedure called reconciliation to pass legislation with a simple majority vote in the Senate. The House Ways and Means Committee has already met and advanced legislation to roll back portions of the president's healthcare law. Conservatives have wanted to send a bill to President Obama that would dismantle portions of the Affordable Care Act, but have not been able to reach the 60 vote threshold in the Senate necessary to proceed with any such legislation. Under the legislation being developed by the House Ways and Means

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Committee, only portions of the law would be repealed in order to comply with Senate rules dictating that reconciliation language only deal with taxes and spending in order to meet budget guidelines. The Planned Parenthood restrictions are set to be added as the legislation makes its way through different House committees. If this legislation does advance, it would only require 51 votes in the Senate. Republicans currently have a 54 seat majority. However, any such legislation is sure to be vetoed by President Obama and Republicans do not have the votes necessary to override it.

The Senate Majority Leader released information this week that House and Senate leaders have begun discussions with the White House to solidify a two year budget agreement that would push the threat of a government shutdown past the 2016 presidential election. Recognizing the stalemate that has existed between Republicans in Congress and President Obama, the goal of the conversations is to be sure this is the last time both parties must come to the table with the current administration. At least two phone calls between the White House, Boehner, and McConnell have already occurred. McConnell will first attempt to bring back the FY16 funding bills to the floor, which are sure to be filibustered by Senate Democrats. He hopes that will be the "triggering event" to get all parties to the table to negotiate a two year budget deal.

Boehner's Resignation Sets off Leadership Race

Speaker Boehner's resignation has set off House leadership races that could shake up many of the top positions within the Republican conference. The conference has not set dates for elections, but they will begin with a vote to replace Boehner. To elect a Speaker of the House, Republicans will first have to advance a candidate by a majority vote of the conference. This nominee will then have to get a majority vote of Members present and voting from the full House of Representatives. Traditionally, Democrats put forth their own nominee for Speaker, and all members of its caucus vote for that nominee. This underscores the need for Republicans to put forth a nominee who will be able to secure at least 218 votes from the full House of Representatives in order to avoid an embarrassing intraparty fight on the floor. The other picks for party leadership only require a simple majority of Republicans within the conference. Though we generally know the winners of those positions in advance, the respective conference chairman announces those changes to the House from the floor. Below are a list of potential scenarios for House Republican leadership races:

- **Speaker of the House:** Current Majority Leader Kevin McCarthy (R-CA) is seen as the frontrunner to serve as the next speaker. Before announcing his bid, McCarthy began soliciting support for the top spot. He has been talking with the conservative wing of his party in an effort to assure them he will take a more aggressive stance against the White House and will push harder on Senate Republicans to do the same. McCarthy may have to push for a "coalition" style of leadership, opting to support a more conservative majority leader or whip in order to secure the votes he needs. At the moment, the only other Republican considering throwing his hat in the race is Rep. Daniel Webster (R-FL). Webster ran for Speaker and received several votes in January from members protesting Boehner's continued occupancy of the gavel. However, Webster does not have the same name recognition or campaign operation as McCarthy. Additionally, McCarthy has the added benefit of having traveled the country to recruit candidates over the last few election cycles.

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- **Majority Leader:** If Kevin McCarthy is able to unite his party around his bid for speaker, there will be an opening for his current position. As with the case of the Speaker's race, current Majority Whip Steve Scalise (R-LA) would like a promotion from his party. Scalise went from serving as Republican Study Committee Chairman to Majority Whip after the leadership shakeup last summer that resulted from Majority Leader Eric Cantor's primary election defeat. Scalise has had several high-profile embarrassments since taking over the party's vote counting operations. In addition to a public scandal, there have been questions about his ability to accurately determine where his party stands before bills are brought to the floor. There have been several instances where bills have been pulled from the floor after leadership was no longer confident they would have the votes necessary to pass legislation. Scalise will face a serious challenge from Rep. Tom Price (R-GA), the current Chairman of the House Budget Committee. In that position, he negotiated the first joint budget resolution to pass both the House and Senate for the first time in many years. Price has already received a high profile endorsement from Rep. Paul Ryan (R-WI). Price has also received the endorsement from Rep. Jeb Hensarling (R-TX) who was considering his own bid for the position. At the moment, it appears that the majority leader's race may be very competitive.
- **Majority Whip:** There won't be a race for majority whip if the current No. 3 House Republican, Steve Scalise of Louisiana, doesn't beat Budget Chairman Tom Price of Georgia for majority leader. If he is successful, there are already two members looking to join House leadership. Rep. Patrick McHenry (R-NC), the appointed chief deputy whip, and Rep. Pete Sessions (R-TX), the chairman of the Rules Committee, both sent letters to colleagues announcing their intentions. In most cases, the chief deputy whip has moved into a position of elected leadership, except in the recent case where Scalise was able to beat out former chief deputy whip Peter Roskam (R-IL). McHenry is attempting to play on his experience to persuade his colleagues to give him the opportunity to serve in leadership. For his part, Sessions is relying on his fundraising and campaign experience while service as chairman of the NRCC, the fundraising arm for Congressional Republicans. In that role, Sessions was able to help Republicans return to their position as the majority party.

Republicans hope to move quickly to elect new party leaders with votes scheduled to take place on Thursday, October 8th. At this point, elections should not have an impact on pending legislation, but they will impact negotiations on yearlong spending moving into the fall. Additionally, the new leadership team will have to grapple with other "big ticket" items facing Congress this fall: raising the debt ceiling, transportation funding, and dealing with the budget caps. This could prove to be a heavy lift for a new leadership team that hopes to unite a party.

Outlook for October

Congress had bought itself more time on dealing with yearlong funding, but another deadline looms at the end of the month. The current short term extension for transportation authorization and funding is set to expire on October 29th. There are already talks that Congress may need another temporary extension as little progress has been made determining overall funding levels for transportation programs or the necessary budgetary offsets or revenue streams. The Senate Energy and Natural Resources Committee has also announced it will hold a hearing on western

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drought during the second week of October. Both Senator Feinstein's drought bill and the House-passed package are on the agenda.

Federal Legislation of Significance

Bill Number	Sponsor	Summary	Status
n/a	Sen. Dianne Feinstein	Feinstein introduced legislation in the final days of the month to combat drought in California. Specifically for IEUA, it contains a title on recycled water. It also removed the requirement for Congress to authorize Title XVI projects.	Introduced. Waiting a hearing before the Senate Energy and Natural Resources Committee in October when other drought bills are considered.
H.R.2898	Rep. David Valadao	Western Drought Legislation introduced by California House Republicans that would ease environmental regulations provide for easier permitting for water storage projects.	Passed the House. To be considered before the Senate Energy and Natural Resources Committee in October alongside Feinstein's bill.
S.1140	Senator John Barrasso	Requires the Secretary of the Army and the Administrator of the Environmental Protection Agency to propose a regulation revising the definition of the term "waters of the United States".	Introduced and reported favorably by the Environment and Public Works Committee for consideration by the Senate.
H.R.1732	Rep. Bill Shuster	Requires the Secretary of the Army and the Administrator of the Environmental Protection Agency to withdraw their existing proposed rule regarding the waters of the United States and propose a new rule with additional stakeholder feedback.	This bill has passed the House. The Senate is currently considering their own version (mentioned above).
H.R. 2028 / S. _____	House and Senate Appropriations	Energy and Water Appropriations Bills for	Both the House and Senate Committees have cleared

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	Committees	FY16. The Senate bill contains an additional \$50 million for "Western Drought Relief" like last year's bill. That money was used primarily for recycled water projects.	their annual appropriations bills, but only the House has passed its version. With the CR set to expire on December 11 th , Congress will have to pass either full-year funding bills or another continuing resolution. We are watching for a two year deal to develop that could increase the budget caps, and therefore potentially made additional funding available for drought mitigation projects.
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October 2, 2015

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

Overview:

The first year of the 2015-16 Legislative Session was officially gaveled closed in the early hours of September 12 with hundreds of bills being sent to the Governor in the final days of the session. One of the biggest pieces of legislation to pass was the scaled-back version SB 350 (de Leon, D-Los Angeles), with included provisions for a 50 percent by 2030 renewable energy target and expanded building energy efficiency targets. The Governor's proposal to reduce petroleum usage by 50 percent was removed in order to earn enough votes for the bill to pass. The Legislature also acted, or failed to act on several measures that IEUA had taken positions on. Unfortunately, AB 1201 (Salas, D-Bakersfield) on Delta predation did not make it out of the Senate Appropriations Committee. However, after a long, multi-year and down to the last minute battle, AB 888 (Bloom, D-Santa Monica) to eliminate plastic microbeads from personal care products finally made it to the Governor's desk with a strong assist from IEUA.

While the Legislature did not allocate most of the \$1.5 billion from Greenhouse Gas Reduction Fund, they did appropriate \$19 million to Department of Water Resources for local agencies, JPAs, and nonprofits for water efficiency and energy efficiency programs, and for continued implementation of the California Water Plan.

During the final week of the session new leadership was elected in both houses. Anthony Rendon (D-Lakewood) was chosen by the Democratic Caucus to become the next Speaker of the Assembly replacing Toni Atkins (D-San Diego) sometime shortly after the Legislature returns in January. Assemblymember Chad Mayes (R-Yucca Valley) was elected to replace Assemblymember Kristin Olsen (R-Modesto) as the Minority Leader. Finally, Senator Jean Fuller (D-Bakersfield) stepped in earlier than expected to replace Senator Bob Huff (R-Diamond Bar) as the Senate Minority Leader.

As California's drought continues, the state's major reservoirs all remain at significantly low levels. Late summer rains in Southern California helped ease conditions a little, but not enough to reverse the severe and extreme drought conditions facing most of the state.

Metropolitan Water District of Southern California (MWD) staff presented a framework to partner with Los Angeles County Sanitation District create one of the world's largest water recycling plants with a capacity to recycle 168,000 acre-feet of water a year. San Diego County Water Authority Officials voiced skepticism over the proposal.

A recently released poll conducted by the LA Times/USC Dornsife showed that while 92 percent of Californians see the drought as a major problem or a crisis, 64 percent said it has had little to no effect on their daily lives. Additionally, the poll showed that 95 percent of voters strongly favor approaches to boosting supplies, such as water recycling, capturing storm runoff and 85 percent favor increasing groundwater storage.

The California Energy Commission, the California Public Utilities Commission and the California Independent System Operator kicked off a new transmission-planning effort known as the Renewable Energy Transmission Initiative (RETI 2.0) to look at how changes in the electrical system including higher levels of renewable energy, demand response and distributed generation will impact electricity transmission.

Inland Empire Utilities Agency Status Report – September 2015

Legislative Session Ends

The first year of the 2015-16 legislative session was gaveled closed in the very early morning of September 12 with lawmakers sending hundreds of bills to the Governor's desk in the final 36 hours of the session.

Notably, the scaled back version of SB 350 (de Leon, D- Los Angeles) gained enough support to pass after a key provision that would have required a 50 percent reduction in petroleum use was removed from the legislation. The bill, which is expected to be signed by Governor Brown before the October 11 deadline, still increases the state's renewable energy targets to 50 percent by 2030 and doubles energy efficiency in existing buildings by 2030.

During the final week of session, an amendment went into the bill that would have completely eliminated unbundled Renewable Energy Credits (RECs). Unbundled RECs, known as "Bucket Three" RECs, are provided for renewable energy produced and used onsite. Unbundled, or "paper" RECs are sold without the produced renewable energy entering the grid. West Coast Advisors worked with others to successfully remove this provision from SB 350. On a related front, sponsors of AB 1144 (Rendon) were unsuccessful in getting their language into SB 350. Ab 1144 sought to provide full renewable energy credit (REC) status to behind the meter, onsite energy projects.

SB 32 (Pavley, D-Agoura Hills) which would codify the state's greenhouse gas reduction targets to 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050, failed to gain enough support and the bill was put on hold until the legislature returns in January. The measure ran into a block of moderate Democrats on the Assembly floor preventing its passage.

After several unsuccessful attempts in years past, Assemblyman Richard Bloom (D- Santa Monica) was finally able to get his plastic microbeads bill onto the Governor's desk where it is currently awaiting action. The bill prohibits the sale of personal care products with plastic microbeads after January 1, 2020. The bill was met with strong opposition by the personal care

products industry, but Mr. Bloom took last minute amendments to address concerns and get the bill onto the Governor's desk. West Coast Advisors worked with IEUA staff to ensure that the Inland Empire' legislative in the Senate were aware of IEUA's position, helping to earn some key votes to ensure the bill's passage.

AB 1288 (Atkins, D-San Diego) was amended in the final 36 hours of the session and gives the Speaker of the Assembly and the Senate Rules Committee authority to each appoint one person to the California Air Resources Board. These individuals must represent environmental justice communities. Currently the Governor appoints all 12 members of the CARB board and it is unclear if he supports legislative appointments and will sign the legislation.

Senator Lois Wolk's (D-Davis) SB 7 to require water submeters in new multi-unit structures once again failed to reach the finish line and will be a two-year bill.

AB 1201 (Salas, D- Bakersfield), which sought to require the Department of Fish and Wildlife to develop and implement a predation program to protect endangered species has stalled for the year. The legislation was unexpectedly held by the Senate Appropriations Committee due to fiscal concerns.

SB 471 (Pavley, D-Agoura Hills) which would explicitly allow reductions of greenhouse gas emissions associated with the water sector, including water use, supply and treatment, to be eligible for funding from AB 32 cap and trade revenues also stalled in the Assembly Appropriations committee.

Greenhouse Gas Reduction Fund Stalls

During the June budget process, the Legislature and Governor decided to punt the allocation of the \$1.5 billion Greenhouse Gas Reduction Fund (GGRF) to the end of session. As a result, stakeholders waited patiently for the spending plan to be released in the final week of the session. The Legislature and the Governor once again punted the spending plan, which is now expected to be released after the Legislature returns in January, or during the next budget cycle. The decision to delay the spending plan does not affect the 60 percent continuously appropriated for high speed rail, other transportation and sustainable communities programs. Limited GGRF funding was also allocated for water-use efficiency projects. Specifically, the Department of Water Resources was allocated \$19 million for local agencies, JPAs, and nonprofits for water efficiency and energy efficiency programs, and for continued implementation of the California Water Plan.

Legislative Leadership Changes

Amidst all of the last minute flurry on legislation, there were also three big leadership changes in the Senate and Assembly that could have implications for water policy moving forward as the new leaders have broad hands-on experience with water issues.

Assemblyman Anthony Rendon (D-Lakewood) has been chosen by his Democratic colleagues to become then next Assembly Speaker when the Legislature resumes in 2016. He has been the chair of the Assembly Utilities and Commerce Committee for the past year and he previously

chaired the Assembly Water, Parks and Wildlife Committee (2013-2014) and was instrumental in development of Proposition 1, the 2014 Water Bond. Rendon will replace current Speaker Toni Atkins (D-San Diego) and is expected to provide more practical leadership on statewide water issues and policy.

On the Republican side, first-term Assemblyman Chad Mayes (R- Yucca Valley) was recently chosen to be the next Republican Leader in the lower house, replacing Kristin Olsen (R- Modesto). Olsen was sometimes concerned with in-Delta interests and failed to favorably view a broader statewide water perspective. Mayes' district extends from the Coachella Valley in Riverside County to the high-desert regions of San Bernardino County. Mayes will not face term limits for 11 years.

Finally, Senator Jean Fuller (R-Bakersfield) replaced Republican Leader Bob Huff (R-Diamond Bar) in late August, several months earlier than expected. Like Rendon, Senator Fuller has been actively engaged in water policy and issues and served as the vice chair of the Senate Natural Resources and Water Committee for several years. She also represents a significant agricultural region and understands Central Valley Project and State Water Project issues and the importance of new conveyance facilities and additional water storage facilities. Senator Fuller will be termed out in 2018.

Water Supply Update

California's reservoirs continue to decline. Late summer rain in Southern California helped southern basins, while the north remains very dry.

The following is a chart of water levels at several California reservoirs, as of September 28:

Reservoir	Percent of Capacity	Percent of Historical Average
Lake Shasta	35%	59%
Lake Oroville	30%	48%
Folsom Lake	18%	32%
San Luis Reservoir	20%	42%
Lake Perris	36%	47%
Castaic Lake	36%	45%

Releases from Shasta continue to be held lower than normal to keep cold water in the reservoir to benefit Chinook salmon later in the year. Shasta Reservoir is expected to reach 1,460,000 AF by the middle of October. At that level, it will be double the amount recorded at the same time in 1977 when storage was just 700,000 AF. Releases from Oroville have also been running slightly higher than normal to make up for the Shasta reductions. Oroville is expected to sit at just 900,000 AF by the middle of October, or roughly the same level reached in 1977. Folsom is still on pace to reach 120,000 AF by the end of October, or roughly 30,000 AF below the record 1976-77 low level.

MWD Plans to Recycle Water

At a recent committee meeting, Metropolitan Water District of Southern California (MWD) staff presented a framework to create one of the world's largest water recycling plants. The proposed plan is to partner with Los Angeles County Sanitation District to build treatment and distribution infrastructure over the next ten years that would ultimately purify and reuse as much as 168,000

acre-feet of water a year. Initially, MWD staff is asking for \$15 million to build a demonstration facility in Carson. San Diego County Water Authority Officials voiced skepticism over the proposal.

LA Times/USC Poll

A recently released poll conducted by the LA Times/USC Dornsife showed that while 92 percent of Californians see the drought as a major problem or a crisis, 64 percent said it has had little to no effect on their daily lives. They oppose sacrificing environmental protections (50 percent) to expand water supplies and generally approve of how Gov. Jerry Brown has handled the crisis (50 percent).

95 percent of voters strongly favored approaches to boosting supplies, such as water recycling, capturing storm runoff and 85 percent favor increasing groundwater storage.

The poll found that voters spread blame for the state's water supply problems: in order; lack of rain and snow, followed by old delivery systems and insufficient storage, people using too much water, growth, climate change, environmental regulations and agricultural use.

RETI 2.0

As the Legislature passed new climate change targets, the California Energy Commission, the California Public Utilities Commission and the California Independent System Operator kicked off a new transmission-planning effort known as the Renewable Energy Transmission Initiative (RETI 2.0) to look at how changes in the electrical system including higher levels of renewable energy, demand response and distributed generation will impact electricity transmission.

The agencies will hold a series of workshops on environmental data and analytical approaches and engage a broad group of stakeholders in the effort.

Bill Update

Below are bills IEUA is tracking:

Bill/ Author	Subject	Status	Description	IEUA Positio n	Notes
AB 143 Stone (R)	Diamond Valley Reservoir: recreational use.	2-Year Bill	Would exempt prohibition recreational activity in which there is bodily contact with water by any participant in the Diamond Valley Reservoir.	Oppose	Bill was made a two-year bill.
SB 75 Budget Committee	Emergency Drought Appropriati ons	Held in Assembly	Emergency Drought Expenditures	Support	The Emergency Drought bills were passed in separate vehicles, ABs 91 & 92, contained the same language as SB 75
AB 888 Bloom (D)	Plastic Microbeads	Governor' s Desk	Would prohibit, on and after January 1, 2020, a person, as defined, from selling or offering for promotional purposes in this state a personal care product containing plastic microbeads that are used to exfoliate or cleanse in a rinse-off product	Support	
SB 385- Hueso (D)	Hexavalent Chromium	Signed by Governor	Would authorize, until January 1, 2020, the State Water Resources Control Board, at the request of a public water system that prepares and submits a compliance plan to the state board, to grant a period of time to achieve compliance with the primary drinking water standard for hexavalent chromium by approving the compliance plan	Support	ACWA Sponsored
SB 471- Pavley (D)	Water Energy Nexus	2- Year Bill	Would include reduction of greenhouse gas emissions associated with water treatment among the investments that are eligible for funding from the Greenhouse Gas Reduction Fund. The bill would also make legislative findings and declarations, and a statement of legislative intent, with regard to the nexus between water and energy and water and reduction of greenhouse gas emissions.	Support	



Date: October 21, 2015

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (10/14/15)

From: P. Joseph Grindstaff
General Manager

Submitted by: Kathy Besser
Manager of External Affairs

Subject: Public Outreach and Communication

RECOMMENDATION

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

BACKGROUND

October

- October 17, Landscape and Water Conservation Fair, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m.-2:00 p.m.
- October 27, WEWAC Project WET Workshop, IEUA HQB Event Room, 8:00 a.m. - 3:00 p.m.
- October 29, Employee Association Halloween Luncheon, IEUA HQB Event Room, 11:30 a.m. - 1:00 p.m.

December

- December 16, Employee Holiday Luncheon, Los Serranos Country Club, 15656 Yorba Ave, Chino Hills, 11:00 a.m. – 3:00 p.m.

January

- January 14, Blood Drive, IEUA HQB Event Room, 10:00 a.m. – 2:00 p.m.

February

- Cypress Elementary GIES Dedication, 9751 Cypress Ave, Fontana, 5:00 p.m. – 6:30 p.m.

April

- Eagle Canyon Elementary GIES Dedication, 13435 Eagle Canyon Drive, Chino Hills

May

- Truman Middle School GIES Dedication, 16224 Mallory Drive, Fontana

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA staff has renewed Civic Publications contract for fiscal year 2015/16. Staff ran a ¼ page, bilingual (English/Spanish) regional workshop ad on September 13, 2015 and a Water Fair spadea on October 11, 2015 in the Daily Bulletin.

Media and Outreach

- IEUA staff has renewed contracts with *Chino Champion*, *La Opinion* and *Fontana Herald News* for fiscal year 2015/16. Outreach campaigns will feature *Kick the Habit* advertisements and banner displays, as well as promoting upcoming events.
- IEUA staff held the third Drought Task Force meeting with member agencies on September 29, 2015 to discuss rolling-out the regional *Kick the Habit* public awareness campaign. Consultants Tripepi Smith & Associates presented campaign artwork to the member agency reps that has been developed thus far, including; bus advertisements, mirror clings, vehicle magnets, and a *Kick the Habit* landing page on IEUA's website. Drought Task Force meetings will continue to be held every other month, with the next meeting scheduled for mid-November.
- To launch *Kick the Habit*, a landing page has been created on IEUA's website to increase awareness about the drought and promote changes in water use that will help ensure the sustainability of our water supply. The landing page currently features conservation messages, rebates and a list of sponsoring agencies.
- *Kick the Habit* print advertisements ran in the *Chino Champion* on August 22, September 5 and October 3, 2015, as well as an online banner display has been created for *Fontana Herald News* directing community members to the landing page on IEUA's website.
- *Kick the Habit* bus advertisements began on October 5, 2015 and will run for six months. Mirror clings and vehicle magnets are in the printing process. Clings will be placed in restrooms at the Ontario Mills Mall for six months, and we are working with management at Victoria Gardens and the Chino Spectrum to do the cling displays at these locations as well.
- Staff has renewed a 12 month signage display contract with Big League Dreams located in Chino Hills. *Kick the Habit* artwork was created and sent to Big League Dreams to update the current Save Our Water display.

Education and Outreach Updates

- Water Discovery Program: 116 Girl Scout troop members, elementary, middle and high school students have taken part in the park field trip from July 1, 2015 through September 30, 2015. Fourteen additional Water Discovery Field Trips for school year 2015/16 have been scheduled. The Busing Mini-Grant program will be ending in December 2015. Only schools within IEUA's service area will qualify for busing grants after December 2015.

- Staff has updated school contacts and sent out education program brochures to all schools within IEUA's service area to begin promotion of IEUA's education programs for school year 2015/16.
- Staff is currently working on scheduling principal meetings at the school districts within IEUA's service area to promote upcoming education programs and opportunities.
- IEUA staff is working in cooperation with Chino Basin Water Conservation District and member agency representatives to plan the Landscape and Water Conservation Fair held annually in October. The Water Conservation Fair will be held on Saturday, October 17th. IEUA has been awarded MWD's Community Partnering Program grant for an additional \$2,000 for outreach and materials.
- Staff worked with the Water Resources Analyst II and graphic design consultants to create a tagline and logo to use for landscape signage and magnets. Signs are currently in the process of being printed and will be distributed to member agencies accordingly.
- IEUA is working on updating various facility illustrations and brochures. The educational component for these brochures is being updated in order for visitors and stakeholders to have a simple yet detailed visual of each IEUA facility and process. Since July 1, 2015, staff has updated brochures for Regional Plant No. 5, education programs and the Chino Creek Wetlands and Educational Park.
- Staff is currently working on scheduling the next Water Association Leadership Breakfast. Colonel Kirk Gibbs, U.S. Army Corps of Engineers, who took command of the Los Angeles District Office on August 1st, has accepted to be the keynote speaker. Date is TBD.
- Staff, in cooperation with member agencies, has recruited three teams for MWD's 2016 Solar Cup Competition to be held May 13-16, 2016. Final team names and contact information were submitted to MWD on October 1, 2015 for the 2016 program year: Chino High School (Chino), Chino Hills High School (Chino Hills) and Henry J. Kaiser High School (Fontana).
- Staff has GIES pre-inspection visits set up for October for program year 2015/16 participants. Schools are currently in the process of clearing the garden sites to prep for planting. Once inspections are complete the next phase of the project will begin.

PRIOR BOARD ACTION

None.

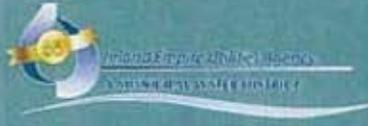
IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2015/16 Administrative Service Fund, External Affairs Services budget.

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IEUA WATER FORUM

SEPTEMBER 2015



Local Initiatives for Drought Response

- The Prop 84 grant for a regional drought response shows 15 agencies in the SAWPA watershed have signed-up to move to budget-based rates, including Chino and Chino Hills. The agencies beginning the process utilize Tom Ash, IEUA Senior Planner, who has assisted 12 agencies transition to budget-based rates. "The main features of this type of rate design are (1) revenue stability regardless of the amount of water being sold, (2) the ability to identify customers who are efficient and who are inefficient, and (3) set objective and fair allocations across the wide range of customers. Agencies with budget-based rates see far less negative economic impact today because this rate design recognizes efficient water use and rewards the customer on the bill while recovering the agency costs of service."
- IEUA and SAWPA have also partnered to provide a "drought response tool" to agencies. The "tool" calculates residential parcel water budgets based on their size of lot, family and weather. The agency has a dashboard of customer data by which they can quickly target specific customers based on the amount of water used over state efficiency standards. **This program is free to IEUA agencies.** For more information email tash@ieua.org.

WUE Programs Snapshot

- On October 16, 2015, the IEUA Board of Directors approved an MOU with Western MWD to extend and expand the freesprinklernozzles.com program to include additional brands and sprinkler nozzle options for commercial, industrial and institutional (CII) customers only. In addition to Toro, new brands include Hunter and Rain bird nozzles.
- As of September 8, 2015, IEUA added an additional \$300,000 in supplemental funding to continue supporting the enhancement of MWD rebate incentives for public sector and commercial conservation devices. Customer response has been overwhelming and reservations submitted between July 1st and August 15th consumed the entire FY 15-16 \$100,000 CII supplemental budget. Additional supplemental funding was reallocated from FY 15-16 budgeted drought programming activities.
- IEUA Staff issued an RFP on September 8, 2015 to accept proposals for the development of two 2015 Urban Water Management Plans for the Agency and the Water Facilities Authority. Contract will be awarded in October.

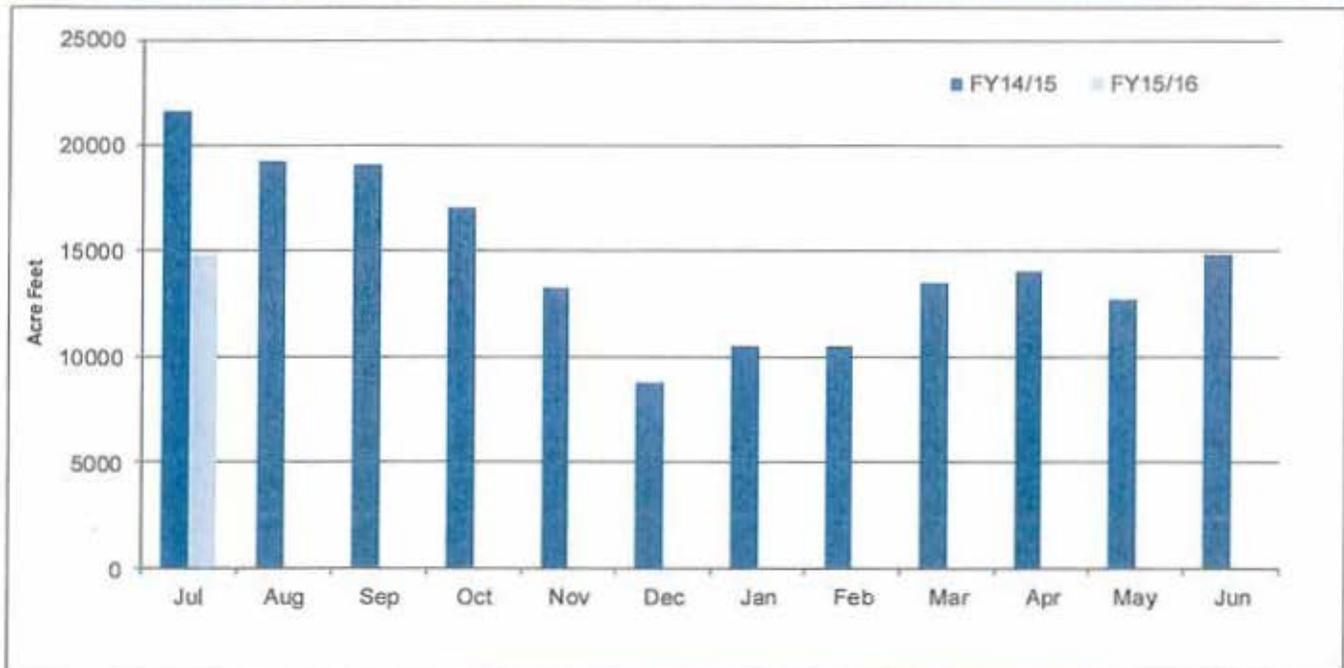
Regional Fees & Rates

- Following six months of discussion with stakeholders within the region, the Inland Empires Utilities Agency (IEUA) Board of Directors adopted Ordinance No. 103 and Resolution No. 2015-5-6 establishing a water connection fee for all new and upsized water meter connections within the IEUA service area.
- The collection of this fee by IEUA begins on January 1, 2016.
- The water connection fee has been established by IEUA in order to proportionally recover the costs to create regional water supplies that are available to meet the demands of future development.
- IEUA is currently meeting with all Agencies to discuss the process to ensure a smooth implementation when collection of this fee begins in January.
- The DWR Model Water Efficient Landscape Ordinance revisions have been adopted. The California Water Commission voted July 15, 2015, and implementation is December 31, 2015.

Integrated Resources Plan

- On August 26th the Agency held a supply portfolio development workshop with guest presenters from RAND Corp. The Agency will continue portfolio discussions on September 30th where we will review draft results from an example portfolio and continue developing and optimizing portfolios through October.
- Baseline supply availability and uncertainty was completed by RAND. Weather dependent supplies such as local surface, imported water and groundwater were modeled against 106 downscaled global climate model simulations. The models included monthly temperature and precipitation projections to 2050. Initial trends indicate that across all climate model simulations average annual temperature will increase. Precipitation is highly variable and did not exhibit a consistent trend with half of the simulations resulting in drier and wetter conditions.

Regional Water Use



MWD Dashboard

- MWD-IRP:** MWD is in the process of updating its 2010 Integrated Resources Plan (IRP) and has been conducting technical workshops to discuss both imported water and local supply forecasts. Initial results indicate that if no IRP actions are taken, there is a 20% likelihood of being in a shortage allocation by 2030 and further increases to 60% by 2040. Schedule for completion is set for October.
- MWD Water Supply Allocation Plan (WSAP):** Reminder that effective July 1, 2015 through June 30, 2016, reduced Tier 1 allocations will be as follows. Purchases of water in excess of the amounts below will result in an Allocation Surcharge from MWD. Cumulative sales is through end of August 2015.

CVWD: 26,569 AF (Cumulative sales of 2,234.6 AF, 8% of WSAP Allocation)

WFA: 27,406 AF (Cumulative sales of 2,906.4, 11% of WSAP Allocation)

FWC: 7,293 AF (Cumulative sales of 1,602.3AF, 22% of WSAP Allocation)

- Imported Water Delivery Snapshot:** Fiscal Year 2015/16 sales are approximately 50% lower compared to last Fiscal Year.

Calendar of Upcoming Meetings & Events

Wednesday, September 23 12:00 pm—1:30 pm IEUA	Joint Technical Committee & Water Manager's Meeting	Integrated Resources Plan Update
Wednesday, September 30 10:00 am—12:00 pm IEUA	IRP Technical Committee Workshop	Integrated Resources Plan Development, Results & Optimization
Wednesday, October 6 1:30 pm—3:30 pm IEUA	IRP Technical Committee Workshop (continuation from 9/30)	Integrated Resources Plan Development, Results & Optimization (continued from 9/30)
Wednesday, November 4 10:00 am—12:00 pm IEUA	Joint IEUA Board & Policy Committee Workshop	Integrated Resources Plan

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for September 2015

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/04/2015	ACH 090415	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	08/29/2015	08/29/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/16/15-08/29/15	2000 - Accounts Payable	6,467.41
TOTAL						6,467.41
Bill Pmt -Check	09/08/2015	18866	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	610804		610804	6078 - BHFS Legal - Miscellaneous	8,190.00
				610804	6375 - BHFS Legal - Board Meeting	352.80
				Personnel	6073 - BHFS Legal - Personnel Matters	445.50
				Expenses	6375 - BHFS Legal - Board Meeting	150.00
				Expenses	8907.42 - Safe Yield Recalculation	450.00
				Expenses	6375 - BHFS Legal - Appropriative Pool	12.46
				Expenses	8475 - BHFS Legal - Agricultural Pool	12.46
				Expenses	8575 - BHFS Legal - Non-Ag Pool	12.45
				Expenses	6078 - BHFS Legal - Miscellaneous	66.85
Bill	07/31/2015	610805		Training	6073 - BHFS Legal - Personnel Matters	114.75
				OAH	6073 - BHFS Legal - Personnel Matters	579.60
				GM Contract	6073 - BHFS Legal - Personnel Matters	1,924.20
				Personnel	6073 - BHFS Legal - Personnel Matters	582.75
Bill	07/31/2015	610806		610806	6907.34 - Santa Ana River Water Rights	525.80
Bill	07/31/2015	610807		610807	6907.36 - Santa Ana River Habitat	531.00
Bill	07/31/2015	610808		610808	6275 - BHFS Legal - Advisory Committee	1,338.75
Bill	07/31/2015	610809		610809	6375 - BHFS Legal - Board Meeting	5,961.15
Bill	07/31/2015	610810		610810	6375 - BHFS Legal - Appropriative Pool	1,721.25
Bill	07/31/2015	610811		610811	8475 - BHFS Legal - Agricultural Pool	1,721.25
Bill	07/31/2015	610812		610812	8575 - BHFS Legal - Non-Ag Pool	1,721.25
Bill	07/31/2015	610813		610813	6071 - BHFS Legal - Court Coordination	3,309.75
Bill	07/31/2015	610814		610814	6907.42 - Safe Yield Recalculation	69,571.35
				Expenses	6907.42 - Safe Yield Recalculation	198.59
				610814	6375 - BHFS Legal - Board Meeting	263.25
Bill	07/31/2015	610815		610815	6078.12 - CCG Motion	3,021.75
				Expenses	6078.12 - CCG Motion	58.07
TOTAL						102,626.63
Bill Pmt -Check	09/08/2015	18867	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	019447404		8/19/15 - 9/18/15	6031.7 - Other Office Supplies	110.98
TOTAL						110.98
Bill Pmt -Check	09/08/2015	18868	FEDAK & BROWN LLP		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015			Progress Billing - August 2015	6062 - Audit Services	3,502.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

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							3,502.00
	Bill Pmt -Check	09/08/2015	18869	GREAT AMERICA LEASING CORP.	17415818	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	17415818		Invoice	6043.1 - Ricoh Lease Fee	3,252.70
					Property tax	6043.1 - Ricoh Lease Fee	202.15
					Property tax	6043.1 - Ricoh Lease Fee	60.64
					Property tax	6043.1 - Ricoh Lease Fee	240.90
TOTAL							3,756.39
	Bill Pmt -Check	09/08/2015	18870	LOS ANGELES NEWS GROUP	900421820	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	900421820		6/25/15-8/19/16 (\$429.00 plus \$46.35)	6112 - Subscriptions/Publications	475.35
TOTAL							475.35
	Bill Pmt -Check	09/08/2015	18871	MIJAC ALARM	376377	1012 - Bank of America Gen'l Ckg	
	Bill	09/01/2015	376377		Fire monitoring 9/01/15-11/30/15	6026 - Security Services	411.00
					Opening & closing reports 9/01/15-11/30/15	6026 - Security Services	54.00
					Annex-opening & closing reports 9/01/15-11/30/15	6026 - Security Services	45.00
					Commercial monitoring 9/01/15-11/30/15	6026 - Security Services	147.00
TOTAL							657.00
PAY 10	Bill Pmt -Check	09/08/2015	18872	PARK PLACE COMPUTER SOLUTIONS, INC.	502	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	502		IT Consulting Services - August 2015	6052.1 - Park Place Comp Solutn	4,725.00
TOTAL							4,725.00
	Bill Pmt -Check	09/08/2015	18873	PAYCHEX	2015082700	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	2015082700		August 2015	6012 - Payroll Services	372.01
TOTAL							372.01
	Bill Pmt -Check	09/08/2015	18874	READY REFRESH BY NESTLE	0023230253	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	0023230253		Office Water Bottle - August 2015	6031.7 - Other Office Supplies	98.85
TOTAL							98.85
	Bill Pmt -Check	09/08/2015	18875	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	006492990009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	689.35
TOTAL							689.35
	Bill Pmt -Check	09/08/2015	18876	STAPLES BUSINESS ADVANTAGE		1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2015	8035607244		Miscellaneous office supplies	6031.7 - Other Office Supplies	554.33
	Bill	08/31/2015	8035695211		Miscellaneous office supplies	6031.7 - Other Office Supplies	327.40
TOTAL							881.73

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/08/2015	18877	STATE COMPENSATION INSURANCE FUND	1970970-15	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	01970970-15		Premium on account 8/26/15-9/26/15	60183 - Worker's Comp Insurance	961.58
TOTAL						961.58
Bill Pmt -Check	09/08/2015	18878	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	012519128144592510		012519128144592510	6022 - Telephone	136.22
Bill	08/31/2015	012561121521714508		012561121521714508	7405 - PE4-Other Expense	191.72
TOTAL						327.94
Bill Pmt -Check	09/08/2015	18879	VERIZON WIRELESS	9750570978	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	9750570978		9750570978	7103.7 - Grdwtr Qual-Computer Svc	20.02
TOTAL						20.02
Bill Pmt -Check	09/08/2015	18880	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	001017890001		Vision Insurance - September 2015	60182.2 - Dental & Vision Ins	105.03
TOTAL						105.03
P111 Bill Pmt -Check	09/08/2015	18881	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	09/01/2015	08-k2 213849		Disposal Service - September 2015	6024 - Building Repair & Maintenance	111.57
TOTAL						111.57
General Journal	09/12/2015	09/12/2015	Payroll and Taxes for 08/30/15-09/12/15	Payroll and Taxes for 08/30/15-09/12/15	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 08/30/15-09/12/15	1012 - Bank of America Gen'l Ckg	22,279.42
				Payroll Taxes for 08/30/15-09/12/15	1012 - Bank of America Gen'l Ckg	7,550.13
			ICMA-RC	457(f) Employee Deductions for 08/30/15-09/12/15	1012 - Bank of America Gen'l Ckg	3,846.36
			ICMA-RC	401(a) Employee Deductions for 08/30/15-09/12/15	1012 - Bank of America Gen'l Ckg	1,150.53
TOTAL						34,826.44
Bill Pmt -Check	09/12/2015	ACH 092115	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	09/12/2015	09/12/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/30/15-09/12/15	2000 - Accounts Payable	6,226.22
TOTAL						6,226.22
Bill Pmt -Check	09/14/2015	18882	ACWA JOINT POWERS INSURANCE AUTHORITY	0369673	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2015	0369673		Prepayment - October 2015	1409 - Prepaid Life, BAD&D & LTD	128.39
				September 2015	60191 - Life & Disab.ins Benefits	128.36
TOTAL						256.77
Bill Pmt -Check	09/14/2015	18883	APPLIED COMPUTER TECHNOLOGIES	2615	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	2615		Database Consulting - August 2015	6052.2 - Applied Computer Technol	4,388.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						4,388.00
Bill Pmt -Check	09/14/2015	18884	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	08/10/2015	8/10 Ad Hoc Comm		8/10/15 Ad Hoc Committee-Ontario Non Ag Usage	8311 - Board Member Compensation	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	8311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/14/2015	18885	BOWMAN, JIM	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18886	CHARTER COMMUNICATIONS	8245100651455350	1012 - Bank of America Gen'l Ckg	
Bill	09/08/2015	8245100651455350		9/08/15-10/05/15	6053 - Internet Expense	64.99
TOTAL						64.99
Bill Pmt -Check	09/14/2015	18887	CHEF DAVE'S CAFE & CATERING	5638	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	5638		Lunch for 8/27/15 Watermaster Board meeting	6312 - Meeting Expenses	526.40
TOTAL						526.40
P112						
Bill Pmt -Check	09/14/2015	18888	CORELOGIC INFORMATION SOLUTIONS	8154452	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	8154452		8154452	7103.7 - Grdwtr Qual-Computer Svc	62.50
				8154452	7101.4 - Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18889	DE BOOM, NATHAN		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	09/14/2015	18890	DE HAAN, HENRY		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	08/12/2015	8/12 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	08/26/2015	8/26 Special Ag Mtg		Ag Pool Member Compensation	8411 - Compensation	25.00
				8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						375.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/14/2015	18891	DURRINGTON, GLEN		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	09/14/2015	18892	ELIE, STEVEN	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18893	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/05/2015	8/05 Mtg w/Counsel		8/05/15 Meeting w/Tracy Egoscue	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 Advisory Comm		8/20/15 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						875.00
P113						
Bill Pmt -Check	09/14/2015	18894	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Appro Pool Mtg		8/13/15 Appropriative Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Non Ag Pool Mtg		8/13/15 Non-Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 Advisory Comm		8/20/15 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 RIPCom Mtg		8/20/15 RIPCom Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						1,125.00
Bill Pmt -Check	09/14/2015	18895	HUITSING, JOHN		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	09/14/2015	18896	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
Bill	08/13/2015	8/13 Appro Pool Mtg		8/13/15 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/20/2015	8/20 Advisory Comm		8/20/15 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	09/14/2015	18897	MONTE VISTA WATER DIST	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting - Mark Kinsey attendance	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18898	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/05/2015	8/05 Mtg w/Counsel		8/05/15 Meeting w/Tracy Egoscue	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 Advisory Comm		8/20/15 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 RIP Com Mtg		8/20/15 RIPCom Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						1,000.00
Bill Pmt -Check	09/14/2015	18899	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
Bill	09/08/2015	1394905143		Unfunded accrued liability	60180 - Employers PERS Expense	3,077.00
TOTAL						3,077.00
Bill Pmt -Check	09/14/2015	18900	RR FRANCHISING, INC.	9886	1012 - Bank of America Gen'l Ckg	
Bill	09/01/2015	9886		Janitorial Services	6024 - Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	09/14/2015	18901	SANTA ANA RIVER WATER COMPANY	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Mtg. - Arnold Rodriguez attendance	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18902	STAPLES BUSINESS ADVANTAGE	8035801938	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	8035801938		Miscellaneous office supplies	6031.7 - Other Office Supplies	32.39
TOTAL						32.39
Bill Pmt -Check	09/14/2015	18903	UNION 76	7076-2245-3035-5049	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	7076224530355049		August 2015	6175 - Vehicle Fuel	85.34
TOTAL						85.34
Bill Pmt -Check	09/14/2015	18904	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	09/14/2015	18905	VANDEN HEUVEL, ROB		1012 - Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/20/2015	8/20 Advisory Comm		8/20/15 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	09/14/2015	18906	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting - Don Galeano attendance	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18907	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2015	2015204		2015204	6906.31 - OBMP-Pool, Adv. Board Mtgs	5,718.15
Bill	07/31/2015	2015205		2015205	6906.32 - OBMP-Other General Meetings	965.10
Bill	07/31/2015	2015206		2015206	6906.71 - OBMP-Data Req.-CBWM Staff	10,251.50
Bill	07/31/2015	2015207		2015207	6906.72 - OBMP-Data Req.-Non CBWM Staff	4,741.25
Bill	07/31/2015	2015208		2015208	6906.22 - Water Rights Compliance Rprting	5,798.50
Bill	07/31/2015	2015209		2015209	6906 - OBMP Engineering Services	2,931.25
Bill	07/31/2015	2015210		2015210	6906.1 - OBMP-Watermaster Model Update	15,621.25
Bill	07/31/2015	2015211		2015211	7103.3 - Grdwtr Qual-Engineering	5,326.25
Bill	07/31/2015	2015212		2015212	7104.3 - Grdwtr Level-Engineering	12,258.74
Bill	07/31/2015	2015213		Neva Ridge	7107.3 - Grd Level-SAR Imagery	12,000.00
				2015213	7107.2 - Grd Level-Engineering	41.25
Bill	07/31/2015	2015214		2015214	7107.2 - Grd Level-Engineering	7,746.01
				Zumasys	7107.6 - Grd Level-Contract Svcs	331.50
Bill	07/31/2015	2015215		2015215	7108.3 - Hydraulic Control-Engineering	582.35
Bill	07/31/2015	2015216		2015216	7108.3 - Hydraulic Control-Engineering	882.05
Bill	07/31/2015	2015218		2015218	7202.2 - Engineering Svc	2,580.72
Bill	07/31/2015	2015219		2015219	7402 - PE4-Engineering	2,600.00
Bill	07/31/2015	2015220		2015220	7402.10 - PE4 - MZ1 Pomona Project	15,638.90
Bill	07/31/2015	2015221		2015221	7502 - PE6&7-Engineering	8,312.25
Bill	07/31/2015	2015222		2015222	6906.73 - OBMP-Safe Yield Recalculation	21,611.05

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/31/2015	2015223		2015223	6910.1 - IRP Groundwater Modeling - WEI	28,448.00
Bill	07/31/2015	2015217-A		2015217-A	7108.32 - HCMP - Adaptive Mgmt Plan	19,977.50
Bill	07/31/2015	2015217-B		2015217-B	7108.31 - Hydraulic Control - PBHSP	2,229.62
TOTAL						186,593.19
Bill Pmt -Check	09/16/2015	18908	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	L0223770		L0223770	7108.7 - Hydraulic Control - Prado Basin	848.00
Bill	08/31/2015	L0223622		L0223622	7108.7 - Hydraulic Control - Prado Basin	848.00
Bill	08/31/2015	L0223769		L0223769	7108.7 - Hydraulic Control - Prado Basin	2,732.00
TOTAL						4,428.00
Bill Pmt -Check	09/16/2015	18909	HOGAN LOVELLS	2922131	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	2922131		Non-Ag Pool Legal Services - July 2015	8567 - Non-Ag Legal Service	7,011.22
TOTAL						7,011.22
Bill Pmt -Check	09/16/2015	18910	IAAP	39342242	1012 - Bank of America Gen'l Ckg	
Bill	09/10/2015	93942242		Annual dues for A. Truong IAAP membership	6111 - Membership Dues	141.00
TOTAL						141.00
Bill Pmt -Check	09/16/2015	18911	MILK PRODUCERS COUNCIL		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015			Reimburse conf. call charges-8/05, 8/12 and 8/26	8412 - Meeting Expenses	115.01
TOTAL						115.01
Bill Pmt -Check	09/16/2015	18912	PREMIERE GLOBAL SERVICES	19312408	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	19312408		WM coordination call on 7/27	6909.1 - OBMP Meetings	4.87
				Board agenda call on 7/28	6312 - Meeting Expenses	4.26
				Joe call on 7/29	6141.3 - Admin Meetings	18.44
				Joe call on 8/03	6141.3 - Admin Meetings	24.26
				Pool agenda prep call on 8/03	8512 - Meeting Expense	8.83
				Pool agenda prep call on 8/03	8412 - Meeting Expenses	8.63
				Pool agenda prep call on 8/03	8312 - Meeting Expenses	8.63
				Discuss Tech memo call on 8/05	6909.1 - OBMP Meetings	40.04
				SY drafting session call on 8/06	6906.73 - OBMP-Safe Yield Recalculation	122.26
				WM coordination call on 8/10	6909.1 - OBMP Meetings	21.96
				WE Inc task orders call on 8/10	6909.1 - OBMP Meetings	35.70
				Non-Ag Pool Meeting call on 8/13	8512 - Meeting Expense	31.01
				SY drafting session call on 8/14	6906.73 - OBMP-Safe Yield Recalculation	5.82
				SY drafting session call on 8/14	6909.1 - OBMP Meetings	28.43
				WM coordination call on 8/17	6909.1 - OBMP Meetings	15.55
				BHFS call on 8/20	6909.1 - OBMP Meetings	16.40

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Type	Date	Num	Name	Memo	Account	Paid Amount
				SY drafting session call on 8/21	6906.73 - OBMP-Safe Yield Recalculation	4.70
				Draft agendas call on 8/24	8512 - Meeting Expense	39.26
				Draft agendas call on 8/24	8412 - Meeting Expenses	39.26
				Draft agendas call on 8/24	8312 - Meeting Expenses	39.25
				WM coordination call on 8/24	6909.1 - OBMP Meetings	28.29
				Board agenda call on 8/25	6312 - Meeting Expenses	18.75
				SY drafting session call on 8/21	6909.1 - OBMP Meetings	65.58
				General Call Line - Fee	8022 - Telephone	49.00
				Confidential Call Line - Fee	8022 - Telephone	49.00
				Service fees	8022 - Telephone	22.21
TOTAL						748.21
Bill Pmt -Check	09/16/2015	18913	R&D PEST SERVICES	0193177	1012 - Bank of America Gen'l Ckg	
Bill	09/10/2015	019377		Pest control-ant and flea control	6024 - Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	09/16/2015	18914	SANDERS, LAURA		1012 - Bank of America Gen'l Ckg	
Bill	09/14/2015			Transcript for 8/21/15 Court Hearing	6046 - Legal Publications/Services	384.00
TOTAL						384.00
Bill Pmt -Check	09/16/2015	18915	STATE COMPENSATION INSURANCE FUND	1970970-14	1012 - Bank of America Gen'l Ckg	
Bill	09/14/2015	1970970-14		1970970-14	60183 - Worker's Comp Insurance	841.35
TOTAL						841.35
Bill Pmt -Check	09/16/2015	18916	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015	1394905143		Medical Insurance - October	60182.1 - Medical Insurance	6,622.64
TOTAL						6,622.64
Bill Pmt -Check	09/16/2015	18917	CUCAMONGA VALLEY WATER DISTRICT	Lease due October 1, 2015	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015			Lease due October 1, 2015 - new adjusted amount	1422 - Prepaid Rent	6,371.16
TOTAL						6,371.16
Bill Pmt -Check	09/16/2015	18918	EGOSCUE LAW GROUP	11042	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	11042		Ag Pool Legal Services - August 2015	8467 - Ag Legal & Technical Services	53,755.00
TOTAL						53,755.00
Bill Pmt -Check	09/16/2015	18919	INLAND EMPIRE UTILITIES AGENCY	90016783	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015	90016783		Recharge O&M Cost Reimbursement-2nd Quarter	7206 - Comp Recharge-O&M	197,976.87
TOTAL						197,976.87

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/16/2015	18920	STAPLES BUSINESS ADVANTAGE	8035898424	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015	8035898424		Miscellaneous office supplies	6031.7 - Other Office Supplies	67.20
TOTAL						67.20
Bill Pmt -Check	09/16/2015	18921	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	-
Bill	09/30/2015			Retiree Medical	60182.4 - Retiree Medical	25.76
TOTAL						25.76
Bill Pmt -Check	09/16/2015	18922	THREE VALLEYS MUNICIPAL WATER DIST	October 29, 2015 Leadership Breakfast	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015			October 29, 2015 Leadership Breakfast-Kavounas	6192 - Training & Seminars	20.00
TOTAL						20.00
Bill Pmt -Check	09/16/2015	18923	VERIZON WIRELESS	9751752404	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2015	9751752404		9751752404	6022 - Telephone	296.63
TOTAL						296.63
Bill Pmt -Check	09/17/2015	18924	ELIE, STEVEN	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/25/2015	8/25 Board Agenda		8/25/15 Board Agenda Call	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/17/2015	18925	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
Bill	08/17/2015	8/17 Admin Mtg		8/17/15 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
Bill	08/25/2015	8/25 Admin Mtg		8/25/15 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/17/2015	18926	MONTE VISTA WATER DIST	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	08/11/2015	8/11 Admin Mtg		8/11/15 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/25/2015	18927	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	614194		614194	6078 - BHFS Legal - Miscellaneous	14,873.40
				Expenses	6907.42 - Safe Yield Recalculation	1,350.00
				Expenses	8575 - BHFS Legal - Non-Ag Pool	49.82
				Expenses	8375 - BHFS Legal - Appropriative Pool	12.46
				Expenses	8475 - BHFS Legal - Agricultural Pool	12.46
				Expenses	6375 - BHFS Legal - Board Meeting	150.00
Bill	08/31/2015	614195		Personnel	6073 - BHFS Legal - Personnel Matters	5,045.85
Bill	08/31/2015	614196		614196	6275 - BHFS Legal - Advisory Committee	725.87
Bill	08/31/2015	614197		614197	6375 - BHFS Legal - Board Meeting	4,942.35
Bill	08/31/2015	614198		614198	8375 - BHFS Legal - Appropriative Pool	918.00
Bill	08/31/2015	614199		614199	8475 - BHFS Legal - Agricultural Pool	918.00
Bill	08/31/2015	6141200		6141200	8575 - BHFS Legal - Non-Ag Pool	918.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2015	614201		614201	6071 - BHFS Legal - Court Coordination	1,568.25
Bill	08/31/2015	614202		614202	6077 - BHFS Legal - Party Status Maint	114.75
Bill	08/31/2015	614203		614203	6907.39 - Recharge Master Plan	497.25
Bill	08/31/2015	614204		614204	6907.42 - Safe Yield Recalculation	95,039.55
				Expenses	6375 - BHFS Legal - Board Meeting	157.95
				Expenses	6907.42 - Safe Yield Recalculation	112.11
TOTAL						127,406.07
Bill Pmt -Check	09/25/2015	18928	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	XXXX-XXXX-XXXX-9341		Supplies for 8/06/15 SY Drafting Group Meeting	6906.73 - OBMP-Safe Yield Recalculation	183.56
				Toner for printers	6031.7 - Other Office Supplies	273.26
				Working lunch-Kavounas, Maurizio, Herrera, Slate	6909.1 - OBMP Meetings	58.06
				Supplies for 8/24/15 SY Drafting Group Meeting	6906.73 - OBMP-Safe Yield Recalculation	247.50
				Supplies for 8/26/15 SY Drafting Group Meeting	6906.73 - OBMP-Safe Yield Recalculation	366.40
				Microsoft Support	6057 - Computer Maintenance	499.00
				M2M Cell Modem Connector for Ayala Park	7404 - PE4-Supplies	646.49
				Flight for PK to attend meeting in Sacramento	6191 - Conferences - General	214.50
				Early bird check in for above flight	6191 - Conferences - General	25.00
				Flowers-Board Member Rodriguez' wife's funeral	6312 - Meeting Expenses	179.26
				PK meeting w/Board Member Kinsey	6312 - Meeting Expenses	36.44
				PK meeting w/Bob Kuhn	6312 - Meeting Expenses	13.13
				PK meeting w/Don Pietro	6909.1 - OBMP Meetings	43.10
				PK meeting w/DeJesus	6312 - Meeting Expenses	23.69
				PK meeting w/R. Hoerning	6312 - Meeting Expenses	20.17
				Reg. fee- PK-attend SCWC's 31st Annual Dinner	6193.2 - Conference - Registration Fee	200.00
TOTAL						3,031.76
Bill Pmt -Check	09/25/2015	18929	GREAT AMERICA LEASING CORP.	17562880	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	17562880		Invoice	6043.1 - Ricoh Lease Fee	3,658.40
TOTAL						3,658.40
Bill Pmt -Check	09/25/2015	18930	LEGAL SHIELD	0111802	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	0111802		Employee deductions - September 2015	60194 - Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	09/25/2015	18931	RON SHELLEY'S AUTOMOTIVE		1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	7272		Oil change, front brakes for F150 truck	6177 - Vehicle Repairs & Maintenance	551.03
Bill	09/21/2015	7285		Oil change, sensor replacement for Expedition	6177 - Vehicle Repairs & Maintenance	572.81
TOTAL						1,123.84

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/25/2015	18932	PITNEY BOWES CREDIT CORPORATION	6684246	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	6684246		Property tax	6044 - Postage Meter Lease	28.64
TOTAL						28.64
Bill Pmt -Check	09/25/2015	18933	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	006492990009		Policy # 00-649299-0009	60191 - Life & Disab.Ins Benefits	689.35
TOTAL						689.35
Bill Pmt -Check	09/25/2015	18934	UNITED HEALTHCARE	C0038628765	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	C0038628765		Dental Insurance - October 2015	60182.2 - Dental & Vision Ins	592.21
TOTAL						592.21
Bill Pmt -Check	09/25/2015	18935	VERIZON WIRELESS	9752217971	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	9752217971		9752217971	7103.7 - Grdwtr Qual-Computer Svc	20.08
TOTAL						20.08
Bill Pmt -Check	09/25/2015	18936	LEVEL 3 COMMUNICATIONS	08141339	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2015	08141339		9/10/15-10/09/15	6053 - Internet Expense	1,048.04
TOTAL						1,048.04
Bill Pmt -Check	09/25/2015	18937	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2015	2015253		2015253	6906.31 - OBMP-Pool, Adv. Board Mtgs	6,927.23
Bill	08/31/2015	2015254		2015254	6906.32 - OBMP-Other General Meetings	104.00
Bill	08/31/2015	2015255		2015255	6906.71 - OBMP-Data Req.-CBWM Staff	3,902.50
Bill	08/31/2015	2015256		2015256	6906.72 - OBMP-Data Req.-Non CBWM Staff	371.00
Bill	08/31/2015	2015257		2015257	6906.22 - Water Rights Compliance Rprting	6,974.50
Bill	08/31/2015	2015258		2015258	6906 - OBMP Engineering Services	1,385.00
Bill	08/31/2015	2015259		2015259	6906.1 - OBMP-Watermaster Model Update	3,385.00
Bill	08/31/2015	2015260		2015260	7103.3 - Grdwtr Qual-Engineering	8,298.75
Bill	08/31/2015	2015261		2015261	7104.3 - Grdwtr Level-Engineering	19,412.67
Bill	08/31/2015	2015262		2015262	7107.2 - Grd Level-Engineering	4,162.13
Bill	08/31/2015	2015263		2015263	7108.3 - Hydraulic Control-Engineering	481.25
Bill	08/31/2015	2015264		2015264	7108.3 - Hydraulic Control-Engineering	701.15
Bill	08/31/2015	2015265		2015265	7108.32 - HCMP - Adaptive Mgmt Plan	9,508.75
Bill	08/31/2015	2015266		2015266	7108.31 - Hydraulic Control - PBHSP	4,039.78
Bill	08/31/2015	2015267		2015267	7109.3 - Recharge & Well - Engineering	2,145.50
Bill	08/31/2015	2015268		2015268	7202.2 - Engineering Svc	6,036.02
Bill	08/31/2015	2015269		2015269	7402 - PE4-Engineering	660.00
Bill	08/31/2015	2015270		2015270	7402.10 - PE4 - MZ1 Pomona Project	14,197.52
Bill	08/31/2015	2015271		2015271	7502 - PE6&7-Engineering	6,420.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2015	2015272		2015272	6906.73 - OBMP-Safe Yield Recalculation	10,271.00
Bill	08/31/2015	2015273		2015273	6910.1 - IRP Groundwater Modeling - WEI	1,982.00
TOTAL						111,365.75
					Total Disbursements:	898,377.57

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CHINO BASIN WATERMASTER

IV. INFORMATION

2. Ground-Level Monitoring Report

Quarterly Status Report
Ground-Level Monitoring Program
July –September 2015

Background

Historically, the utilization of the Chino Basin has inadvertently resulted in land subsidence and ground fissuring. Pursuant the OBMP Implementation Plan, the Watermaster developed and implements the Chino Basin Subsidence Management Plan (SMP). The objective of the SMP is to minimize or abate the occurrence of land subsidence and ground fissuring.

The SMP identifies five “Areas of Subsidence Concern” in the Chino Basin. Figure 1 shows the locations and names of these Areas of Subsidence Concern. These are areas where land subsidence and ground fissuring have historically occurred, or where the underlying hydrogeologic conditions make these areas susceptible to land subsidence and ground fissuring. In one of these areas, the MZ-1 Managed Area, the Watermaster has conducted monitoring and testing programs, and has developed a Management Criteria for the groundwater producers in the area to minimize or abate the future occurrence of subsidence and fissuring. The Management Criteria consists of the following main elements:

1. a list of production wells in the MZ-1 Managed Area that are subject to the SMP.
2. an index water level measured in Watermaster’s PA-7 piezometer at Ayala Park (Guidance Level).
3. a Watermaster recommendation that the well owners collectively manage their production so that the water level in the PA-7 piezometer remains above the Guidance Level.

The SMP also calls for:

4. an ongoing monitoring and reporting program to verify the protective nature of the SMP or identify new threats or occurrences of subsidence.
5. a process to adjust the SMP to minimize or abate subsidence and fissuring.

Since the initial SMP was adopted by the Watermaster in 2007, Watermaster has conducted the annual Ground-Level Monitoring Program (GLMP) to implement the monitoring and reporting program in (4) above. The main results and recommendations of the GLMP have been:

- Very little permanent land subsidence has occurred in the MZ-1 Managed Area, which indicates that subsidence is being successfully managed in this area.
- Subsidence has been occurring in the Northwest MZ-1 Area. Of particular concern is that subsidence in Northwest MZ-1 has occurred differentially across the San Jose Fault—the same pattern of differential subsidence that occurred in the MZ-1 Managed Area during the time of ground fissuring.

Based on these results, Watermaster determined that the SMP needs to be updated to include a *Subsidence Management Plan for the Northwest MZ-1 Area* with the long-term objective to minimize or abate the occurrence of the differential land subsidence. To assist in this update, the GLMP has been expanded in the Northwest MZ-1 Area.

The main activities of the GLMP include:

- Setup and Maintenance of Monitoring Facilities



Quarterly Status Report

Ground-Level Monitoring Program

July –September 2015

- Monitoring and Testing
- Data Analysis and Reporting
- Meetings of the Ground-Level Monitoring Committee (Committee)

This quarterly status report describes the main activities of the GLMP for the period July-September, 2015.

Activities Performed from July - September 2015

Setup and Maintenance of the Monitoring Facilities

- Performed monthly routine maintenance, data collection, and verification at the Ayala Park Extensometer and Chino Creek Extensometer facilities.
- Completed setup and testing of telemetry equipment at the Chino Creek Extensometer facility. The telemetry allows Watermaster to remotely view and download the piezometric and aquifer-system deformation data measured at the facility, to facilitate rapid detection of changes in the piezometric levels or aquifer-system compaction, and to identify maintenance needs.
- Completed refurbishing of the Ayala Park Extensometer facility, which included replacement of aging components and testing the monitoring functionality. Upgrades to the internet connection at the site are currently being performed.

Monitoring and Testing

- Performed quarterly collection, processing, checking, and storing of piezometric and aquifer-system deformation data from the wells and extensometers shown on Figure 1.
- Tasked five (5) InSAR data-collection events across the western Chino Basin during the 2015-16 fiscal year from the German Aerospace Center's TerraSAR-X satellite.
- *Long-Term Pumping Test in the MZ-1 Managed Area.* To test and refine the Guidance Level for the Managed Area, a Long-Term Pumping Test has been developed by the Committee, which requires that the City of Chino Hills simultaneously pump wells CH-15B and CH-17 to cause water levels at PA-7 to decline below the Guidance Level. The recovery phase of the Long-Term Pumping Test involves groundwater injection cycles at well CH-16. Both CH-15B and CH-16 require physical improvements to function in the Long-Term Pumping Test. The following work was performed for the Long-Term Pumping Test during the reporting period:
 - The City of Chino Hills modified and tested the wellhead-treatment facility at CH-15B. No significant pumping at the well occurred that resulted in declining water levels at PA-7 to below the Guidance Level.
 - The City of Chino Hills performed planning tasks to connect CH-16 to a source-water pipeline for injection.
- *Northwest MZ-1 Area Investigation.* Watermaster began implementation of the Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area (Work Plan). The following work was performed for monitoring and testing during the reporting period:



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Ground-Level Monitoring Program
July -September 2015

- Worked with the wells owners in the area to (1) record on/off times and pumping rates at all active production wells, (2) canvass each accessible well to determine the feasibility of installing pressure transducers, and (3) developed plans to monitor groundwater levels at these wells at 15-minute intervals using pressure transducers.
- Transducer installations were designed based on well construction and the historical water-level data. Transducers and installation hardware were purchased. Transducers are being installed in about 30 wells in the area.

Data Analysis and Reporting

- The *2014 Annual Report of the Ground-Level Monitoring Committee* was approved through the Watermaster Pool process in July 2015. The final report was submitted to the Court in August 2015.
- The *2015 Chino Basin Subsidence Management Plan*, with the *Work Plan* as an appendix, was adopted through the Watermaster Pool process during July 2015.
- *Northwest MZ-1 Area Investigation*: The following work was performed for data analysis and reporting during the reporting period:
 - Began preparation of a technical memorandum titled *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area*. The technical memorandum describes (1) the technical information that is required to develop a Subsidence Management Plan for the Northwest MZ-1 Area, (2) the currently known technical information, and (3) a strategy to acquire the remaining necessary technical information through a monitoring and testing program.

Meetings of the Ground-Level Monitoring Committee

There were no Committee meetings during the reporting period.

Activities Planned for October - December 2015

Setup and Maintenance of the Monitoring Facilities

- Perform monthly routine maintenance, data collection, and verification at the Ayala Park Extensometer and Chino Creek Extensometer facilities.
- Complete the upgrade of the internet connection at the Ayala Park Extensometer facility.

Monitoring and Testing

- Perform quarterly collection, processing, checking, and storing of piezometric and aquifer-system deformation data from the wells and extensometers shown on Figure 1.
- The German Aerospace Center's TerraSAR-X satellite will finish collecting InSAR data across the western Chino Basin for 2015.
- Perform ground-level and electronic distance measurements (EDMs) surveys at benchmarks in the Southeast Area, Managed Area and San Jose Fault Zone survey areas shown on Figure 1.



Quarterly Status Report
Ground-Level Monitoring Program
July –September 2015

- *Long-Term Pumping Test in the MZ-1 Managed Area:*
 - The City of Chino Hills will continue to install and test a wellhead-treatment facility at well CH-15B, in an effort to pump this well. The City of Chino Hills currently does not expect to have the treatment facility online during the 2015/16 fiscal year. Therefore, pumping from the deep aquifer is not expected to cause groundwater levels at PA-7 to decline to or below the Guidance Level during the 2015/16 fiscal year.
 - The City of Chino Hills will continue planning and implementation to connect CH-16 to a source-water pipeline for injection. The City does not expect to inject or pump from CH-16 in 2015, but expects to complete the connection by the end of the 2015/16 fiscal year.
- *Northwest MZ-1 Area Investigation:*
 - Task 2: The Initial Monitoring Program will continue to be implemented. Pressure transducers will be installed and begin monitoring groundwater levels in about 30 wells in and around the Northwest MZ-1 Area. Production data will be collected and will include on/off times and production rates at all wells in the area.
 - Task 3: The Baseline Management Alternative will be developed and evaluated to project groundwater levels and subsidence if the Chino Basin is operated without a *Subsidence Management Plan for the Northwest MZ-1 Area*.
 - Task 4: An estimate of the pre-consolidation stress in the Northwest MZ-1 Area will be prepared.
 - Task 5: A siting study will be performed to identify up to five publicly-owned sites for the potential Pomona Extensometer Facility.

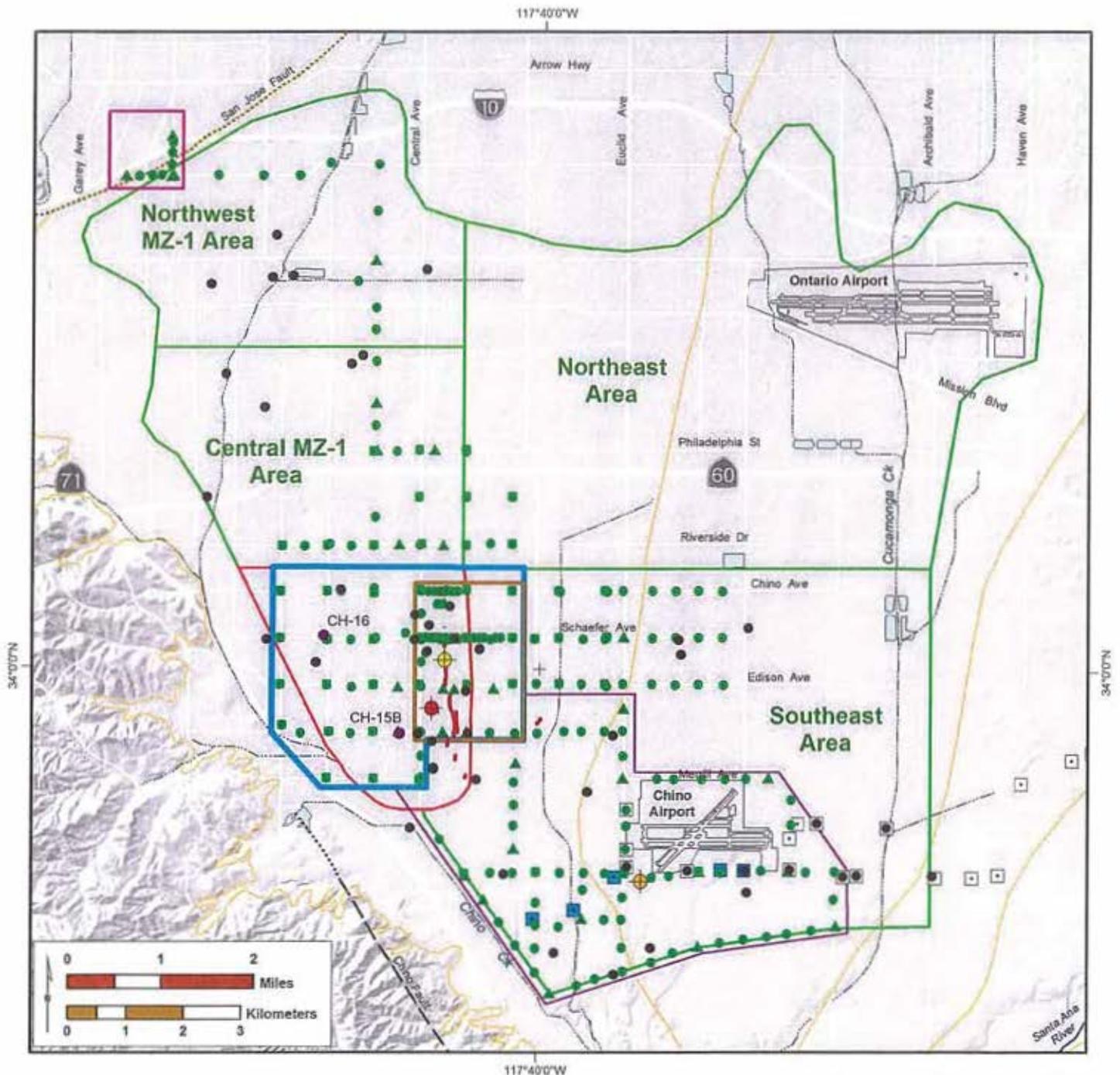
Data Analysis and Reporting

- *Northwest MZ-1 Area Investigation:*
 - Task 1: The draft technical memorandum titled *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area* is scheduled to be completed and submitted to the Committee for review in November 2015. The final technical memorandum is scheduled to be published in December 2015.

Meetings of the Ground-Level Monitoring Committee

The next meeting of the Committee is planned for November 2015 to discuss progress and interim deliverables for the GLMP.





- Survey Benchmarks**
- ▲ Class A Monuments
 - Class B Monuments

- Survey Areas**
- ▭ Southeast Area
 - ▭ Fissure Zone
 - ▭ Managed Area
 - ▭ San Jose Fault Zone

- Wells and Extensometers**
- Well Monitored by Pressure Transducer - July 2015
 - CH-15B & CH-16
 - Desalter Well
 - ▣ Desalter Well - Chino Creek Well Field
 - Ayala Park Extensometer
 - ⊕ Chino Creek Extensometer
 - ⊕ Daniels Horizontal Extensometer

- ▭ MZ-1 Managed Area
- ▭ Areas of Subsidence Concern
- ⌘ Historical Ground Fissures



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Ground-Level Monitoring Program
 Q1 FY2015-16

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CHINO BASIN WATERMASTER

IV. INFORMATION

3. RMPU Status Report

Schedule:

**Figure 8-3
 Implementation Plan and Schedule**

Implementation Step	Project Type (PS or YE)	Implementation Period					
		2014	2015	2016	2017	2018	2019
Determine Need and Refine Production Sustainability Projects	PS	■					
Contact Sand and Gravel Companies	YE	■					
Develop Watermaster and the IEUA Yield Enhancement Project Implementation Agreement	YE	■					
Consider Appropriative Pool New Yield and Cost Allocation Agreement	YE	■					
Develop Flood Control and Water Conservation Agreement	YE	■	■				
Develop an Implementation Agreement among the Parties Participating in the Production Sustainability Project(s)	PS		■	■			
Develop Appropriative Pool Production Sustainability Cost Allocation Agreement	PS		■	■			
Prepare Preliminary Design of Recommended Yield Enhancement Projects	YE		■	■			
Prepare Environmental Documentation for Yield Enhancement Projects	YE			■	■		
Select Final Set of Yield Enhancement Projects from the 2013 RMPU for Implementation and Finalize Capital Requirements	YE				*		
Prepare Preliminary Design of Recommended Production Sustainability Projects	PS			■			
Prepare Environmental Documentation for Production Sustainability Projects	PS			■	■		
Select Final Set of Production Sustainability Projects from the 2013 RMPU for Implementation and Finalize Capital Requirements	PS				*		
Prepare Final Designs and Acquire Permits for Production Sustainability Projects	PS				■		
Prepare Final Designs and Acquire Permits for Yield Enhancement Projects	YE			■	■		
Construct 2013 RMPU Amendment Production Sustainability Projects	PS					■	■
Construct 2013 RMPU Amendment Yield Enhancement Projects	YE					■	■

* -- Decision Point Milestone

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STATUS

In April 2015, the 2013 Amendment to 2010 Recharge Master Plan update Steering Committee was merged with the IEUA/Watermaster Joint Projects Committee meeting and renamed the Recharge Investigations and Projects Committee (RIPCom), and meets monthly. This was done so that progress on all recharge projects, including prior projects, RMPU Sustainability and Yield Enhancement projects, and potential new projects could be reviewed by all Pool representatives before making a recommendation to their respective Pools. Progress on all projects is reported as a separate report attached to this RMPU Amendment Status Report.

PROJECTS

Sustainability Projects: Determine Need and Refine Production Sustainability Projects

Effort is underway. JCSD is the lead on this and is working with IEUA, Ontario, MVWD, and FWC to refine sustainability project options. JCSD has begun receiving water from the City of Ontario per the Ontario-Jurupa In lieu Sustainability Project Agreement. With this agreement, JCSD will receive 2,000 acre-feet of Ontario's CDA allotment of water for recharge. JCSD is also exploring other sources of imported water beyond Metropolitan Water District, as it has been running into issues with delivery. The Vulcan Pit project anticipated percolation testing on the Basin in early September, however due to some logistical issues, it has been delayed.

Yield Enhancement Projects: Contact Sand and Gravel Companies

The effort to have material removed from Turner Basin is nearly complete. To move material from other basins it is necessary to first complete the PDR to allow for an assessment of volume of material available for removal. A site-specific characterization of soils is also required. Preliminary contact with sand and gravel companies has been made and while there is interest, there are a number of considerations to be addressed. Most companies prefer not to be tied to an IEUA/Watermaster schedule, rather they would prefer to be driven by the needs of development-related construction projects. IEUA estimates having 12 potential companies interested in dirt hauling, however, the number may fluctuate as demands and future schedules change.

Yield Enhancement Projects: Develop Watermaster and IEUA Yield Enhancement Project Implementation Agreement

This was completed and the Master Agreement and Task Orders have been signed by both IEUA and Watermaster Boards.

Yield Enhancement Projects: Consider AP New Yield Cost Allocation Agreement

Within the Safe Yield Reset effort, it was determined that the stormwater yield from the RMPU projects will initially be part of the New Yield allocation. The cost sharing will be based on the Operating Safe Yield percentage, with an opt-out provision that would allow Fontana Water Company the first chance at that water. Section 5.1 of the 2015 Safe Yield Reset Agreement further describes the mechanisms for accounting and allocation among the Appropriate Pool Parties.

Yield Enhancement Projects: Prepare Preliminary Design of Recommended Yield Enhancement Projects

The Preliminary Design effort has begun and is reported for each individual project as a separate report attached to this RMPU Amendment Status Report.

Yield Enhancement Projects: Develop Flood Control and Water Conservation Agreement

IEUA and Watermaster have met and exchanged correspondence with San Bernardino County Flood Control District to expand the Four Party Agreement to include all facilities necessary for RMPU Implementation. IEUA, Watermaster and San Bernardino Flood Control District have also met to discuss the Flood Control District's anticipated permit conditions for the RMPU projects so that there would be minimal or no impact to the RMPU projects scope budget or schedule.. IEUA and Watermaster have also met with CBWCD to discuss the CBWCD facilities that are involved in the RMPU Implementation. As of October, negotiations are ongoing.

Yield Enhancement Projects: Agreement with Property Owners

Contact with SBCFCD and CBWCD has been made through above-mentioned process. The Sierra Basin is no longer considered a potential project due to the City of Fontana stating that the basin is to be repurposed in the future. Lower San Sevaine (PID 17) property was sold at auction; status is "ongoing due diligence by potential buyer." IEUA is working with CSI on a wastewater issue and is discussing the potential of using that basin for the project contemplated in the RMPU. CSI has expressed interest in recharging the Basin with stormwater, recycled water, and other sources of supplemental water. As of October, discussions are ongoing. IEUA has come to an agreement with the property owners of the land where the proposed East Declez Basin may be built. The agreement allows IEUA to hold the site until April 2016 while a decision is being finalized on how to proceed with the project after the initial pre-design study is completed.

Monitoring, Reporting, and Accounting Long-Term Average Net New Stormwater Recharge

The second round of requests for WQMP's, Design Reports, and As-Built drawings for new projects and projects built between Fiscal Years 2011 and 2013 was sent out on August 27, 2015. Watermaster has set an October 31, 2015 due date for the information requested.