

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, May 14, 2015**

- 9:00 a.m. – Appropriative Pool Meeting
- 11:00 a.m. – Non-Agricultural Pool Conference Call Meeting
- 1:30 p.m. – Agricultural Pool Meeting

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

# **CHINO BASIN WATERMASTER**

**Thursday, May 14, 2015**

9:00 a.m. – Appropriative Pool Meeting

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

1:30 p.m. – Agricultural Pool Meeting

***POOL AGENDAS***

**CHINO BASIN WATERMASTER  
APPROPRIATIVE POOL MEETING**

9:00 a.m. – May 14, 2015

**WITH**

*Ms. Rosemary Hoerning, Chair*

*Mr. Darron Poulsen, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held April 9, 2015 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2015 *(Page 12)*
2. Watermaster VISA Check Detail for the month of March 2015 *(Page 25)*
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015 *(Page 28)*
4. Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015 *(Page 32)*
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015 *(Page 36)*

**C. WATER TRANSACTIONS**

1. Notice of Sale or Transfer – The purchase of 5,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account). *(Page 54)*
2. Notice of Sale or Transfer - The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool). Date of application: April 20, 2015. *(Page 62)*
3. Notice of Sale or Transfer - The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16. *(Page 70)*

**II. BUSINESS ITEMS****A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT (Page 80)**

Recommend Advisory Committee approval of the Reimbursement Agreement.

**B. CITY OF ONTARIO AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT (Page 87)**

Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

**C. CITY OF ONTARIO OVERLYING (NON-AGRICULTURAL) POOL PROPOSED WATER RIGHT USE AND PROPOSED METHODOLOGY (Page 101 )**

Provide advice and counsel to Watermaster in regard to Ontario's proposed use. If the proposed use is deemed proper, Watermaster is also seeking advice and counsel on an acceptable assignment methodology when one meter irrigates both City public right of way and the commercial/industrial customer's property.

**D. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET (Page 119)**

Recommend Advisory Committee approval of the Proposed FY 2015/16 Budget as presented.

**E. SAFE YIELD RECALCULATION AND RESET (Discussion Only)****III. REPORTS/UPDATES****A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process (*Map on Page 131*)

**B. ENGINEER REPORT**

1. State of the Basin Report – Part 2
  - Groundwater Quality
  - Land Subsidence
2. Land Subsidence Committee Update
  - Work plan to develop a subsidence management plan for North MZ-1 area
  - 2014 Annual Report
  - Update to MZ-1 Plan

**C. CFO REPORT**

None

**D. GM REPORT**

1. CBWM 35<sup>th</sup> Annual Report
2. Other

**IV. INFORMATION**

1. Cash Disbursements for April 2015 (*Page 132*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 142*)

**V. POOL MEMBER COMMENTS****VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

1. Safe Yield Recalculation and Reset

**VIII. FUTURE MEETINGS AT WATERMASTER**

5/11/15	Mon	11:00 a.m.*	Safe Yield Recalculation and Reset Facilitated Discussion (If needed)
5/14/15	Thu	9:00 a.m.	Appropriative Pool
5/14/15	Thu	11:00 a.m.	Non-Agricultural Pool
5/14/15	Thu	1:30 p.m.	Agricultural Pool
5/19/15	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
5/21/15	Thu	9:00 a.m.	Advisory Committee
5/21/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
5/21/15	Thu	10:30 a.m.	Land Subsidence Committee (LSC)
5/28/15	Thu	11:00 a.m.	Watermaster Board

**\*Note:** These meetings are intended for parties who have signed the Safe Yield Recalculation and Reset Facilitation and Non-Disclosure Agreement.

**ADJOURNMENT**

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**CHINO BASIN WATERMASTER  
NON-AGRICULTURAL POOL MEETING**

11:00 a.m. – May 14, 2015

**WITH**

*Mr. Brian Geye, Chair*

*Mr. Bob Bowcock, Vice-Chair*

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

**Call can be taken at**

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

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held April 9, 2015 (*Page 4*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2015 (*Page 12*)
2. Watermaster VISA Check Detail for the month of March 2015 (*Page 25*)
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015 (*Page 28*)
4. Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015 (*Page 32*)
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015 (*Page 36*)

**C. WATER TRANSACTIONS**

1. Notice of Sale or Transfer – The purchase of 5,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account). (*Page 54*)
2. Notice of Sale or Transfer - The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool). Date of application: April 20, 2015. (*Page 62*)
3. Notice of Sale or Transfer - The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16. (*Page 70*)

**II. BUSINESS ITEMS**

**A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT (*Page 80*)**

Recommend Advisory Committee approval of the Reimbursement Agreement.

**B. CITY OF ONTARIO AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT (Page 87)**

Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

**C. CITY OF ONTARIO OVERLYING (NON-AGRICULTURAL) POOL PROPOSED WATER RIGHT USE AND PROPOSED METHODOLOGY (Page 101)**

Provide advice and counsel to Watermaster in regard to Ontario's proposed use. If the proposed use is deemed proper, Watermaster is also seeking advice and counsel on an acceptable assignment methodology when one meter irrigates both City public right of way and the commercial/industrial customer's property.

**D. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET (Page 119)**

Recommend Advisory Committee approval of the Proposed FY 2015/16 Budget as presented.

**E. SAFE YIELD RECALCULATION AND RESET (Discussion Only)****F. MEMBER STATUS CHANGES (For Discussion and Possible Action)**

1. Any proposed transfer of Safe Yield by a Member. (See item I.C.3 above).
2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.
  - Watermaster was informed on April 25, 2015 that Charles Linder will be leaving NRG California South, LP (NRG). Staff reached out to Mr. Linder on April 27, 2015 asking for an updated letter of Non-Agricultural Pool (NAP) representation. A letter will be sent to Watermaster shortly. Richard Darnell continues to be NRG's alternate representative on the NAP.

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

1. SGMA Basin Boundary Revisions Rulemaking Process (*Map on Page 131*)

**B. ENGINEER REPORT**

1. State of the Basin Report – Part 2
  - Groundwater Quality
  - Land Subsidence
2. Land Subsidence Committee Update
  - Work plan to develop a subsidence management plan for North MZ-1 area
  - 2014 Annual Report
  - Update to MZ-1 Plan

**C. CFO REPORT**

None

**D. GM REPORT**

1. CBWM 35<sup>th</sup> Annual Report
2. Other

**IV. INFORMATION**

1. Cash Disbursements for April 2015 (*Page 132*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 142*)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

1. Safe Yield Recalculation and Reset
2. Non-Agricultural Pool Quorum
3. Legal Fee Budget

**VIII. FUTURE MEETINGS AT WATERMASTER**

5/11/15	Mon	11:00 a.m.*	Safe Yield Recalculation and Reset Facilitated Discussion (If needed)
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5/28/15	Thu	11:00 a.m.	Watermaster Board

**\*Note:** These meetings are intended for parties who have signed the Safe Yield Recalculation and Reset Facilitation and Non-Disclosure Agreement.

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**CHINO BASIN WATERMASTER  
AGRICULTURAL POOL MEETING**

1:30 p.m. – May 14, 2015

**WITH**

*Mr. Bob Feenstra, Chair*

*Mr. Jeff Pierson, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**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 Agricultural Pool Meeting held April 9, 2015 *(Page 7)*
2. Minutes of the Agricultural Pool Special Meeting held April 22, 2015 *(Page 10)*
3. Minutes of the Agricultural Pool Special Meeting held April 28, 2015 *(Page 11)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2015 *(Page 12)*
2. Watermaster VISA Check Detail for the month of March 2015 *(Page 25)*
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**II. BUSINESS ITEMS****A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT (Page 80)**

Recommend Advisory Committee approval of the Reimbursement Agreement.

**B. CITY OF ONTARIO AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT (Page 87)**

Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

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**D. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET (Page 119)**

Recommend Advisory Committee approval of the Proposed FY 2015/16 Budget as presented.

**E. SAFE YIELD RECALCULATION AND RESET (Discussion Only)****F. OLD BUSINESS**

1. City of Chino Schaefer Avenue Facility – Mr. Dave Crosley (invited)

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

1. SGMA Basin Boundary Revisions Rulemaking Process (*Map on Page 131*)

**B. ENGINEER REPORT**

1. State of the Basin Report – Part 2
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2. Land Subsidence Committee Update
  - Work plan to develop a subsidence management plan for North MZ-1 area
  - 2014 Annual Report
  - Update to MZ-1 Plan

**C. CFO REPORT**

None

**D. GM REPORT**

1. CBWM 35<sup>th</sup> Annual Report
2. Other

**E. AGRICULTURAL POOL LEGAL COUNSEL REPORT****IV. INFORMATION**

1. Cash Disbursements for April 2015 (*Page 132*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 142*)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

1. Safe Yield Recalculation and Reset

**VIII. FUTURE MEETINGS AT WATERMASTER**

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5/21/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
5/21/15	Thu	10:30 a.m.	Land Subsidence Committee (LSC)
5/28/15	Thu	11:00 a.m.	Watermaster Board

**\*Note:** These meetings are intended for parties who have signed the Safe Yield Recalculation and Reset Facilitation and Non-Disclosure Agreement.

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on April 9, 2015

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**

April 9, 2015

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on April 9, 2015.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Rosemary Hoerning, Chair  
Darron Poulsen, Vice-Chair  
Bob Page  
Teri Layton  
Seth Zielke  
Josh Swift, for Robert Young  
Van Jew  
Ryan Shaw, for Scott Burton  
Justin Scott-Coe  
Dave Crosley  
John Lopez  
Jo Lynne Russo-Pereyra, for Marty Zvirbulis  
Ben Lewis  
Ron Craig  
Todd Corbin

City of Upland  
City of Pomona  
County of San Bernardino  
San Antonio Water Company  
Fontana Union Water Company  
Fontana Water Company  
Monte Vista Irrigation Company  
City of Ontario  
Monte Vista Water District  
City of Chino  
Santa Ana River Water Company  
Cucamonga Valley Water District  
Golden State Water Company  
City of Chino Hills  
Jurupa Community Services District

**WATERMASTER BOARD MEMBERS PRESENT**

J. Arnold Rodriguez  
Bob Kuhn

Santa Ana River Water Company  
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  
Andy Malone

Brownstein Hyatt Farber Schreck, LLP  
Wildermuth Environmental, Inc.

**OTHERS PRESENT**

Sylvie Lee  
Liz Hurst  
David De Jesus  
Nadeem Majaj  
Curtis Paxton  
Pete Hall  
Paula Lantz  
Raul Garibay  
Sheri Rojo  
Manny Martinez

Inland Empire Utilities Agency  
Inland Empire Utilities Agency  
Three Valleys Municipal Water District  
City of Chino Hills  
Chino Basin Desalter Authority  
State of California – CIM  
City of Pomona  
City of Pomona  
Fontana Water Company  
Monte Vista Water District

**CALL TO ORDER**

Chair Hoerning called the Appropriative Pool meeting to order at 9:04 a.m.

**AGENDA - ADDITIONS/REORDER**

None

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held March 12, 2015

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2015
2. Watermaster VISA Check Detail for the month of February 2015
3. Combining Schedule for the Period July 1, 2014 through February 28, 2015
4. Treasurer's Report of Financial Affairs for the Period February 1, 2015 through February 28, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through February 28, 2015

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 3,000,000 acre-feet of water from the City of Pomona by the Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: March 13, 2015.

(0:00:28) Mr. Jew requested Consent Calendar Item I.A. be pulled for further discussion.

(0:00:37)

*Motion by Mr. Darron Poulsen, seconded by Mr. Ryan Shaw, and by unanimous vote*

***Moved to approve Consent Calendar with the exception of Item I.A. as presented***

(0:00:54) Mr. Jew commented on the March 12, 2015 meeting minutes indicating that the language for confidential session needs to be changed to reflect what was really intended. He requested the language be changed to: "The Pool took action to increase its Legal Services budget to \$140,000 and that the cost sharing associated with the entire budget would be based on 50% physical production and 50% operating Safe Yield." A discussion ensued.

(0:04:26)

*Motion by Mr. Van Jew, seconded by Mr. Darron Poulsen, and by unanimous vote*

***Moved to approve Consent Calendar Item I.A. with changes as noted above***

**II. BUSINESS ITEMS**

**A. SAFE YIELD RECALCULATION AND RESET (Discussion Only)**

(0:05:18) Mr. Kavounas gave a report.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process

(0:05:32) Mr. Herrema gave a report.

**B. ENGINEER REPORT**

1. State of the Basin Report
  - Production and Recharge
  - Groundwater Levels
2. 2014 Chino Basin Maximum Benefit Annual Report

(0:07:53) Mr. Malone gave a report. A discussion ensued.

**C. CFO REPORT**

- 1. 2015/16 Budget Schedule
- 2. Exhibit "G" Water Transfers

(0:32:39) Mr. Joswiak gave a report. A discussion ensued.

**D. GM REPORT**

- 1. Integrated Resources Planning (IRP) Update
- 2. Recharge Investigation and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

(0:38:19) Mr. Kavounas gave a report and introduced Ms. Sylvie Lee of Inland Empire Utilities Agency to give a presentation on the Integrated Resources Planning Update.

(0:39:03) Ms. Lee gave a presentation. Ms. Hurst also presented information. A discussion ensued.

**IV. INFORMATION**

- 1. 2014/2015 Second Interim Organization Performance Report
- 2. Cash Disbursements for March 2015
- 3. Recharge Investigation and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

**V. POOL MEMBER COMMENTS**

(0:58:58) Mr. Scott-Coe inquired about the Board rotation schedule and asked if the topic could be included on a future agenda for discussion. Chair Hoerning replied that she would work with Mr. Kavounas and the item could be considered for the May/June 2015 agenda.

**VI. OTHER BUSINESS**

None.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Chair Hoerning called for a confidential session at 10:04 a.m. to discuss the Safe Yield Recalculation and Reset.

Confidential session concluded at 11:36 a.m. with no reportable action.

**ADJOURNMENT**

Chair Hoerning adjourned the Appropriative Pool meeting at 11:37 a.m.

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

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

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# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM ROUTINE

### A. MINUTES

1. Non-Agricultural Pool Meeting held on April 9, 2015

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL MEETING**  
April 9, 2015

The Non-Agricultural Pool meeting was held at the offices of Chino Basin Watermaster and via conference call using the Chino Basin Watermaster conference call number on April 9, 2015.

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

Brian Geye, Chair	Auto Club Speedway
Bob Bowcock, Vice-Chair	Calmat Company (Vulcan Materials Co.)
Bob Page	County of San Bernardino
Ken Jeske	California Steel Industries (CSI)

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

David Penrice	Aqua Capital Management LP
Tom O'Neill	Ontario City Non-Agricultural

**WATERMASTER STAFF PRESENT AT WATERMASTER**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary
Janine Wilson	Recording Secretary

**WATERMASTER CONSULTANT PRESENT AT WATERMASTER**

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	Wildermuth Environmental, Inc.

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

Allen Hubsch	Hogan Lovells US, LLP
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**OTHERS PRESENT AT WATERMASTER**

Pete Hall	State of California – CIM
Ramsey Haddad	California Steel Industries (CSI)

**CALL TO ORDER**

Chair Geye called the Non-Agricultural Pool meeting to order at 11:00 a.m.

**ROLL CALL**

Ms. Wilson conducted the roll call.

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held March 12, 2015

(0:01:59)

*Motion by Mr. Bob Page, seconded by Mr. Bob Bowcock. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to receive and file Business Item I.A. as presented.***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2015
2. Watermaster VISA Check Detail for the month of February 2015

3. Combining Schedule for the Period July 1, 2014 through February 28, 2015
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5. Budget vs. Actual Report for the Period July 1, 2014 through February 28, 2015

(0:02:25)

*Motion by Mr. Bob Page, seconded by Mr. Ken Jeske. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to receive and file Business Item I.B. without approval as presented.***

### **C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 3,000.000 acre-feet of water from the City of Pomona by the Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: March 13, 2015.

(0:02:57)

*Motion by Mr. Bob Page, seconded by Mr. Ken Jeske. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to approve staff recommendation of Business Item I.C. as presented and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

## **II. BUSINESS ITEMS**

### **A. SAFE YIELD RECALCULATION AND RESET (Discussion Only)**

(0:03:21) Mr. Kavounas gave a report. A discussion ensued.

### **B. MEMBER STATUS CHANGES (For Discussion and Possible Action)**

1. Any proposed transfer of Safe Yield by a Member.
2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.

Staff Report: Watermaster was informed on March 5, 2015 that Jeff Dambrun is no longer with Gerdau (TAMCO representative). Gerdau hopes to provide Watermaster with a new primary contact when the position is filled next month. Giannina Espinoza continues to be Gerdau's alternate representative.

(0:06:41) Chair Geye asked if anyone had any member status changes other than what was listed on the agenda. No one had any other changes to report. The Chair also asked if the text shown on the agenda satisfied what Mr. Hubsch had in mind as far as changes reported by staff. Mr. Hubsch stated that the text worked well and asked if the same could also be captured in the minutes.

## **III. REPORTS/UPDATES**

### **A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process

(0:07:32) Mr. Herrema gave a report. A discussion ensued.

**B. ENGINEER REPORT**

- 1. State of the Basin Report
  - Production and Recharge
  - Groundwater Levels
- 2. 2014 Chino Basin Maximum Benefit Annual Report

(0:10:53) Mr. Kavounas introduced the items and asked if the Pool wished to view the presentation. The Pool declined the presentation. A discussion ensued on both items.

**C. CFO REPORT**

- 1. 2015/16 Budget Schedule
- 2. Exhibit "G" Water Transfers

(0:20:00) Mr. Joswiak gave a report. A discussion ensued.

**D. GM REPORT**

- 1. Integrated Resources Planning (IRP) Update
- 2. Recharge Investigations and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

(0:24:40) Mr. Kavounas gave a report.

**IV. INFORMATION**

- 1. 2014/2015 Second Interim Organization Performance Report
- 2. Cash Disbursements for March 2015
- 3. Recharge Investigations and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

**V. POOL MEMBER COMMENTS**

None.

**VI. OTHER BUSINESS**

None.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Chair Geye called for a Confidential Session at 11:32 a.m. to discuss the following:

- 1. Safe Yield Recalculation and Reset
- 2. Non-Agricultural Pool Quorum

Confidential Session concluded at 12:03 p.m. with no reportable action.

**ADJOURNMENT**

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:03 p.m.

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

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

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool Meeting held on April 9, 2015
2. Agricultural Pool Special Meeting held on April 22, 2015
3. Agricultural Pool Special Meeting held on April 28, 2015

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**AGRICULTURAL POOL MEETING**

April 9, 2015

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on April 9, 2015.

**AGRICULTURAL POOL MEMBERS PRESENT**

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Pete Hall	State of California – CIM
Glen Durrington	Crops
John Huitsing	Dairy
Bob Page	County of San Bernardino
Rob Vanden Heuvel	Dairy
Marilyn Levin	State of California – DOJ
Gene Koopman	Dairy
Nathan deBoom	Dairy
Larry Dimock	State of California – CIM

**WATERMASTER BOARD MEMBERS PRESENT**

Paul Hofer	Crops
Geoff Vanden Heuvel	Dairy

**WATERMASTER STAFF MEMBERS PRESENT**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary

**WATERMASTER CONSULTANTS PRESENT**

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	Wildermuth Environmental, Inc.

**OTHERS PRESENT**

Dave Crosley	City of Chino
Sylvie Lee	Inland Empire Utilities Agency
Liz Hurst	Inland Empire Utilities Agency
Tracy Egoscue	Egoscue Law Group
Rick Rees	AMEC
Henry DeHaan	Dairy

**CALL TO ORDER**

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

**AGENDA - ADDITIONS/REORDER**

None.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held March 12, 2015
2. Minutes of the Agricultural Pool Special Meeting held March 24, 2015
3. Minutes of the Agricultural Pool Special Meeting held March 31, 2015

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2015
2. Watermaster VISA Check Detail for the month of February 2015
3. Combining Schedule for the Period July 1, 2014 through February 28, 2015
4. Treasurer's Report of Financial Affairs for the Period February 1, 2015 through February 28, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through February 28, 2015

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 3,000.000 acre-feet of water from the City of Pomona by the Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: March 13, 2015.

(0:01:35)

*Motion by Mr. Jeff Pierson, seconded by Mr. Glen Durrington, and by unanimous vote  
**Moved to approve Consent Calendar as presented***

**II. BUSINESS ITEMS**

**A. SAFE YIELD RECALCULATION AND RESET (Discussion Only)**

(0:02:28) Mr. Kavounas gave a report. A discussion ensued.

**B. OLD BUSINESS**

None.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process

(0:07:47) Mr. Herrema gave a report. A discussion ensued.

**B. ENGINEER REPORT**

1. State of the Basin Report
  - Production and Recharge
  - Groundwater Levels
2. 2014 Chino Basin Maximum Benefit Annual Report

(0:12:41) Mr. Malone gave a presentation. A discussion ensued.

(0:38:43) Mr. deBoom joined the meeting.

**C. CFO REPORT**

- 1. 2015/16 Budget Schedule
- 2. Exhibit "G" Water Transfers

(0:53:15) Mr. Joswiak gave a report.

**D. GM REPORT**

- 1. Integrated Resources Planning (IRP) Update
- 2. Recharge Investigations and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

(0:57:02) Mr. Kavounas gave a report and introduced Ms. Sylvie Lee of Inland Empire Utilities Agency to provide a presentation on the Integrated Resources Planning (IRP).

(0:57:39) Ms. Lee gave a presentation.

(1:03:05) Mr. Kavounas gave the remainder of his report.

**E. AGRICULTURAL POOL LEGAL COUNSEL REPORT**

None.

**IV. INFORMATION**

- 1. 2014/2015 Second Interim Organization Performance Report
- 2. Cash Disbursements for March 2015
- 3. Recharge Investigations and Projects Committee (RIPCom) formerly known as Joint IEUA/CBWM Recharge Improvement Projects and RMPU Steering Committees

**V. POOL MEMBER COMMENTS**

(1:05:32) Chair Feenstra raised questions about the treatment plant on Schaefer in the City of Chino between Euclid and Bon View and asked if Mr. Kavounas could follow up with Mr. Crosley to see if Mr. Crosley could address the Pool at a future meeting.

**VI. OTHER BUSINESS**

None

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Chair Feenstra called for a Confidential Session at 2:43 p.m.

Confidential Session concluded at 3:38 p.m. with no reportable action.

**ADJOURNMENT**

Chair Feenstra adjourned the Agricultural Pool meeting at 3:38 p.m.

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

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

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**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**AGRICULTURAL POOL SPECIAL MEETING**  
April 22, 2015

The Agricultural Pool special meeting was held at the offices of the Milk Producer's Council located at 13545 S. Euclid Avenue, Ontario CA and via conference call on April 22, 2015.

**AGRICULTURAL POOL MEMBERS ON CONFERENCE CALL**

Bob Feenstra, Chair	Dairy
Bob Page	County of San Bernardino
Marilyn Levin	State of California – DOJ
Pete Hall	State of California – CIM
Larry Dimock	State of California – CIM
Carol Boyd	State of California – CIM

**AGRICULTURAL POOL MEMBERS PRESENT**

Jeff Pierson, Vice-Chair	Crops
Glen Durrington	Crops
Nathan deBoom	Dairy
Rob Vanden Heuvel	Dairy
Gene Koopman	Dairy

**WATERMASTER BOARD MEMBERS PRESENT**

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**OTHERS PRESENT**

Henry DeHaan	Dairy
Tracy Egoscue	Egoscue Law Group

**CALL TO ORDER**

Chair Feenstra called the Agricultural Pool special meeting to order at 12:00 p.m.

**AGENDA - ADDITIONS/REORDER**

None.

**I. CONFIDENTIAL SESSION**

The Pool went into Confidential Session at 12:00 p.m. to discuss the Safe Yield Recalculation and Reset.

Confidential Session concluded at 2:45 p.m. with no reportable action.

**ADJOURNMENT**

Chair Feenstra adjourned the Agricultural Pool special meeting at 2:45 p.m.

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

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

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**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**AGRICULTURAL POOL SPECIAL MEETING**

April 28, 2015

The Agricultural Pool special meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on April 28, 2015.

**AGRICULTURAL POOL MEMBERS PRESENT**

Bob Feenstra, Chair	Dairy
Pete Hall	State of California – CIM
Glen Durrington	Crops
John Huitsing	Dairy
Rob Vanden Heuvel	Dairy
Gene Koopman	Dairy

**AGRICULTURAL POOL MEMBERS ON CONFERENCE CALL**

Carol Boyd	State of California – CIM
Larry Dimock	State of California – CIM
Bob Page	County of San Bernardino
Nathan deBoom	Dairy

**WATERMASTER BOARD MEMBERS PRESENT**

Paul Hofer	Crops
Geoff Vanden Heuvel	Dairy

**OTHERS PRESENT ON CALL**

Marilyn Levin	State of California – DOJ
---------------	---------------------------

**OTHERS PRESENT**

Richard Rees	AMEC
Tracy Egoscue	Egoscue Law Group
Henry DeHaan	Dairy

**CALL TO ORDER**

Chair Feenstra called the Agricultural Pool special meeting to order at 1:00 p.m.

**AGENDA - ADDITIONS/REORDER**

None.

**I. CONFIDENTIAL SESSION**

The Pool went into Confidential Session at 1:00 p.m. to discuss the Safe Yield Recalculation and Reset.

Confidential Session concluded at 3:46 p.m. with no reportable action.

**ADJOURNMENT**

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

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

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

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# CHINO BASIN WATERMASTER

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

### **B. FINANCIAL REPORTS**

1. Cash Disbursements for the Month of March 2015
2. Watermaster VISA Check Detail for the Month of March 2015
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015
4. Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015

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

### **B. FINANCIAL REPORTS**

1. Cash Disbursements for the Month of March 2015
2. Watermaster VISA Check Detail for the Month of March 2015
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015
4. Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Cash Disbursement Report - Financial Report B1 (March 31, 2015)

### SUMMARY

Issue: Record of cash disbursements for the month of March 31, 2015.

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

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

### Future Consideration

Appropriative Pool: May 14, 2015; Receive and File  
Non-Agricultural Pool: May 14, 2015; Receive and File  
Agricultural Pool: May 14, 2015; Receive and File  
Advisory Committee: May 21, 2015; Receive and File  
Watermaster Board: May 28, 2015; Receive and File (Normal Course of Business)

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### ACTIONS:

May 14, 2015 – Appropriative Pool –  
May 14, 2015 – Non-Agricultural Pool –  
May 14, 2015 – Agricultural Pool –  
May 21, 2015 – Advisory Committee –  
May 28, 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 March 2015 were \$458,439.32.

The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$163,457.96 (check number 18507 dated March 26, 2015); and Brownstein Hyatt Farber Schreck in the amount of \$119,206.66 (check number 18506 dated March 26, 2015).

## ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
March 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/09/2015	ACH 030915	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	02/28/2015	02/28/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 02/15/15-02/28/15	2000 · Accounts Payable	8,018.23
TOTAL						<u>8,018.23</u>
Bill Pmt -Check	03/11/2015	18456	APPLIED COMPUTER TECHNOLOGIES	2562	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	2562		Database Consultant - February 2015	6052.2 · Applied Computer Technol	3,057.20
TOTAL						<u>3,057.20</u>
Bill Pmt -Check	03/11/2015	18457	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	02/19/2015	2/19 Joint Projects		2/19/15 Joint IEUA/CBWM Projects Update Mtg.	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	03/11/2015	18458	BOWMAN, JIM		1012 · Bank of America Gen'l Ckg	
Bill	02/05/2015	2/05 Admin Mtg		2/05/15 Administrative Meeting with PK	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	03/11/2015	18459	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	03/11/2015	18460	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	03/11/2015	18461	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	03/11/2015	18462	ELIE, STEVEN		1012 · Bank of America Gen'l Ckg	
Bill	02/24/2015	2/24 Bd Officers Mtg		2/24/15 Board Officers/Committee Chairs Qtr Mtg	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	03/11/2015	18463	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	

TOTAL

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P14

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
March 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	02/17/2015	2/17 Ag Pool Meeting		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/17/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/19/2015	2/19 Advisory Comm		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/24/2015	2/24 Bd Officers Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/24/15 Board Officers/Committee Chairs Qtr Mtg	8470 · Ag Meeting Attend -Special	100.00
Bill	02/26/2015	2/26 Board Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/26/15 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						500.00
Bill Pmt -Check	03/11/2015	18464	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	02/12/2015	2/12 Appro Pool Mtg		2/12/15 Appropriative Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/12/2015	2/12 Non Ag Pool Mtg		2/12/15 Non Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/19/2015	2/19 Joint Projects		2/19/15 Joint IEUA/CBWM Projects Update Mtg.	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/19/2015	2/19 Advisory Comm		2/19/15 Advisory Committee Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						750.00
Bill Pmt -Check	03/11/2015	18465	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	03/11/2015	18466	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Mtg	8411 · Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	03/11/2015	18467	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	8311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	03/11/2015	18468	MIJAC ALARM	363760	1012 · Bank of America Gen'l Ckg	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**March 2015**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/01/2015	367626		Fire monitoring 3/01/15-5/31/15	6026 · Security Services	411.00
				Annex - opening/closing reports 3/01/15-5/31/15	6026 · Security Services	45.00
				Commercial monitoring 12/01/14-2/28/15	6026 · Security Services	147.00
				Opening/closing reports - 3/01/15-5/31/15	6026 · Security Services	54.00
<b>TOTAL</b>						<b>657.00</b>
Bill Pmt -Check	03/11/2015	18469	MONTE VISTA WATER DIST	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/26/2015	2/26 Board Meeting		2/26/15 Board Meeting - Mark Kinsey attended	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>125.00</b>
Bill Pmt -Check	03/11/2015	18470	OFFICE PRIDE	336564	1012 · Bank of America Gen'l Ckg	
Bill	03/01/2015	336564		336564	6024 · Building Repair & Maintenance	988.32
<b>TOTAL</b>						<b>988.32</b>
Bill Pmt -Check	03/11/2015	18471	PARK PLACE COMPUTER SOLUTIONS, INC.	496	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	496		IT Consulting - February 2015	6052.1 · Park Place Comp Solutn	4,125.00
<b>TOTAL</b>						<b>4,125.00</b>
P16 Bill Pmt -Check	03/11/2015	18472	PAYCHEX	2015022600	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	2015022600		February 2015	6012 · Payroll Services	272.63
<b>TOTAL</b>						<b>272.63</b>
Bill Pmt -Check	03/11/2015	18473	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/17/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/19/2015	2/19 Joint Projects		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/19/15 Joint IEUA/CBWM Projects Update Mtg.	8470 · Ag Meeting Attend -Special	100.00
Bill	02/19/2015	2/19 Advisory Comm		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/26/2015	2/26 Board Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				2/26/15 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>500.00</b>
Bill Pmt -Check	03/11/2015	18474	PRAXAIR DISTRIBUTION, INC.		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2015	51273571		Water quality supplies	7103.6 · Grdwtr Qual-Supplies	80.64
Bill	01/31/2015	51408158		Water quality supplies	7103.6 · Grdwtr Qual-Supplies	44.53
<b>TOTAL</b>						<b>125.17</b>
Bill Pmt -Check	03/11/2015	18475	PREMIERE GLOBAL SERVICES	18099436	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	18099436		1/29 Special Board Meeting Conference call	6312 · Meeting Expenses	71.20

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
March 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				1/30 Special Appropriative Pool Meeting	8312 · Meeting Expenses	87.64
				2/02 WM Coordination call	6909.1 · OBMP Meetings	22.75
				2/04 Special Appropriative Pool meeting	8312 · Meeting Expenses	4.51
				2/06 Safe Yield Recalculation Meeting	6906.73 · OBMP-Safe Yield Recalculation	70.25
				2/09 WM Coordination call	6909.1 · OBMP Meetings	37.72
				2/11 Safe Yield Recalculation Meeting	6906.73 · OBMP-Safe Yield Recalculation	121.88
				2/12 Non-Ag Pool Meeting	8512 · Meeting Expense	28.30
				2/13 Safe Yield Recalculation Meeting	6906.73 · OBMP-Safe Yield Recalculation	132.44
				2/18 Safe Yield Recalculation Presentation Mtg.	6906.73 · OBMP-Safe Yield Recalculation	4.30
				2/18 Safe Yield Recalculation RFI Discussion Mtg.	6906.73 · OBMP-Safe Yield Recalculation	4.07
				2/20 Safe Yield Recalculation Meeting	6906.73 · OBMP-Safe Yield Recalculation	54.20
				2/23 WM Coordination call	6906.1 · OBMP-Watermaster Model Update	15.72
				General - fee	6022 · Telephone	49.00
				Confidential - fee	6022 · Telephone	49.00
				Moderator fees	6022 · Telephone	23.29
TOTAL						<u>776.27</u>
Bill Pmt -Check	03/11/2015	18476	RODRIGUEZ, ARNOLD		1012 · Bank of America Gen'l Ckg	
Bill	02/12/2015	2/12 Appro Pool Mtg		2/12/15 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	02/24/2015	2/24 Bd Officers Mtg		2/24/15 Board Officers/Committee Chairs Meeting	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	03/11/2015	18477	STAPLES BUSINESS ADVANTAGE		1012 · Bank of America Gen'l Ckg	
Bill	02/14/2015	8033271185		Miscellaneous office supplies	6031.7 · Other Office Supplies	220.99
Bill	02/21/2015	8033354090		Miscellaneous office supplies	6031.7 · Other Office Supplies	93.93
TOTAL						<u>314.92</u>
Bill Pmt -Check	03/11/2015	18478	VALLEY PUMP & WATER WELL SERVICE	1203	1012 · Bank of America Gen'l Ckg	
Bill	02/26/2015	1203		1203	7102.5 · In-line Meter-Repair & Maint.	1,423.73
TOTAL						<u>1,423.73</u>
Bill Pmt -Check	03/11/2015	18479	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Meeting		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	03/11/2015	18480	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/17/2015	2/17 Ag Pool Mtg		2/17/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
						<u>100.00</u>

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

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						125.00
Bill Pmt -Check	03/11/2015	18481	VERIZON	012561121521714508	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	012561121521714508		012561121521714508	7405 · PE4-Other Expense	195.72
TOTAL						195.72
Bill Pmt -Check	03/11/2015	18482	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	02/26/2015	001017890001		Vision Insurance - March 2015	60182.2 · Dental & Vision Ins	99.02
TOTAL						99.02
Bill Pmt -Check	03/11/2015	18483	WESTERN MUNICIPAL WATER DISTRICT	Don Galleano Meeting Attendance	1012 · Bank of America Gen'l Ckg	
Bill	02/19/2015	2/19 Joint Projects		2/19/15 Joint IEUA/CBWM Projects Update Mtg.	6311 · Board Member Compensation	125.00
Bill	02/26/2015	2/26 Board Mtg		2/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	03/11/2015	18484	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	03/01/2015	08-k2 213849		Disposal service for March 2015	6024 · Building Repair & Maintenance	111.57
TOTAL						111.57
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Bill Pmt -Check	03/11/2015	18485	ACWA JOINT POWERS INSURANCE AUTHORITY	0340158	1012 · Bank of America Gen'l Ckg	
Bill	03/10/2015	0340158		Prepayment - April 2015	1409 · Prepaid Life, BAD&D & LTD	139.43
				March 2015	60191 · Life & Disab.Ins Benefits	130.42
TOTAL						269.85
Bill Pmt -Check	03/11/2015	18486	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	0023230253		Office Water Bottle - February 2015	6031.7 · Other Office Supplies	83.27
TOTAL						83.27
Bill Pmt -Check	03/11/2015	18487	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	03/01/2015	8245100651455350		8245100651455350	6053 · Internet Expense	44.99
TOTAL						44.99
Bill Pmt -Check	03/11/2015	18488	CORELOGIC INFORMATION SOLUTIONS	81425138	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	81425138		81425138	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81425138	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	03/11/2015	18489	COSTCO WHOLESALE	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	531.68
TOTAL						531.68

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

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/11/2015	18490	EGOSCUE LAW GROUP	10897	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	10897		Ag Pool Legal Services - February 2015	8467 · Ag Legal & Technical Services	9,627.50
TOTAL						<u>9,627.50</u>
Bill Pmt -Check	03/11/2015	18491	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	8000909000168851		Check overnighted to IEUA	6042 · Postage - General	55.52
TOTAL						<u>55.52</u>
Bill Pmt -Check	03/11/2015	18492	RAUCH COMMUNICATION CONSULTANTS, LLC	Feb-15-02	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	Feb-15-02		Annual report work through January 31, 2015	6061.3 · Rauch	971.25
TOTAL						<u>971.25</u>
Bill Pmt -Check	03/11/2015	18493	TRUONG, ANNA		1012 · Bank of America Gen'l Ckg	
Bill	03/10/2015			Reimburse cost of alteration-curtains-auxilliary room	6031.7 · Other Office Supplies	64.00
TOTAL						<u>64.00</u>
Bill Pmt -Check	03/11/2015	18494	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	7076224530355049		February 2015	6175 · Vehicle Fuel	150.85
TOTAL						<u>150.85</u>
Bill Pmt -Check	03/11/2015	18495	WESTERN DENTAL SERVICES, INC.	11882	1012 · Bank of America Gen'l Ckg	
Bill	03/10/2015	11882		Dental Insurance - March 2015	60182.2 · Dental & Vision Ins	15.00
TOTAL						<u>15.00</u>
General Journal	03/14/2015	03/14/2015	Payroll and Taxes for 03/01/15-03/14/15	Payroll and Taxes for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	23,110.71
				Employee Garnishments for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	197.32
				Payroll Taxes for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	8,040.49
				Payroll Checks for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	1,121.35
			ICMA-RC	457 Employee Deductions for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	3,425.07
			ICMA-RC	401(a) Employee Deductions for 03/01/15-03/14/15	1012 · Bank of America Gen'l Ckg	1,106.05
TOTAL						<u>37,000.99</u>
Check	03/16/2015	03/16/2015	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	407.05
TOTAL						<u>407.05</u>
Bill Pmt -Check	03/16/2015	18496	COMPUTER NETWORK	91746	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	91746		Backup power supply	8055 · Computer Hardware	172.80

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

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						172.80
Bill Pmt -Check	03/23/2015	ACH 032315	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	03/14/2015	03/14/20105	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/01/15-03/14/15	2000 · Accounts Payable	8,018.23
TOTAL						8,018.23
Bill Pmt -Check	03/23/2015	18497	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	XXXX-XXXX-XXXX-9341		Trash can liners for office	6031.7 · Other Office Supplies	32.30
				FTP Server license - total license with support	6054 · Computer Software	1,945.00
				VOIP headset bundles	6031.7 · Other Office Supplies	328.55
				Corporate IEN search bundle	6054 · Computer Software	89.99
				Cleaning supplies for office	6031.7 · Other Office Supplies	103.22
				PK meeting w/Jim Bowman	6312 · Meeting Expenses	40.28
				Supplies for 2/12 Ag Pool meeting prep	8412 · Meeting Expenses	69.03
				Supplies for 2/12 Ag Pool meeting prep	8412 · Meeting Expenses	7.99
				Supplies for 2/20 Safe Yield meeting	8312 · Meeting Expenses	66.42
				Reg. fee-Truong to attend 3/03/15 Seminar	6192 · Training & Seminars	199.00
				Supplies for 2/27 Safe Yield meeting	8412 · Meeting Expenses	55.29
				Supplies for 2/27 Safe Yield meeting	8412 · Meeting Expenses	8.59
				Airfare-PK-March 3rd ACWA mtg. in Sacramento	6191 · Conferences - General	454.20
				Early bird check in for above flight	6191 · Conferences - General	25.00
				Shuttle for PK for March 3rd mtg	6191 · Conferences - General	42.00
				Shuttle for PK for March 3rd mtg	6191 · Conferences - General	17.00
				Lunch for PK for March 3rd meeting	6191 · Conferences - General	22.34
				Supplies for PK for March 3rd meeting	6191 · Conferences - General	5.62
				Parking for PK flight for March 3rd meeting	6191 · Conferences - General	31.00
				Reg. fee-PK to attend the March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-DM to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-AT to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-JJ to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Materials for March 24, 2015 seminar	6192 · Training & Seminars	33.90
TOTAL						4,256.72
Bill Pmt -Check	03/23/2015	18498	BUSINESS TELECOMMUNICATION SYSTEMS IN 9018		1012 · Bank of America Gen'l Ckg	
Bill	03/18/2015	9018		Annual hardware and software support	6054 · Computer Software	1,764.00
TOTAL						1,764.00
Bill Pmt -Check	03/23/2015	18499	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2015	1394905143		Medical Insurance Premium - April 2015	60182.1 · Medical Insurance	7,598.11
TOTAL						7,598.11

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

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/23/2015	18500	CUCAMONGA VALLEY WATER DISTRICT	Lease due April 1, 2015	1012 - Bank of America Gen'l Ckg	
Bill	03/16/2015			Lease due April 1, 2015	1422 - Prepaid Rent	6,283.20
TOTAL						<u>6,283.20</u>
Bill Pmt -Check	03/23/2015	18501	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
Bill	02/28/2015	L0198249		L0198249	7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
Bill	02/28/2015	L0198706		L0198706	7103.5 - Grdwtr Qual-Lab Svcs	838.00
Bill	02/28/2015	L0198776		L0198776	7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
Bill	02/28/2015	L0199113		L0199113	7103.5 - Grdwtr Qual-Lab Svcs	3,310.00
Bill	02/28/2015	L0199946		L0199946	7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
Bill	02/28/2015	L0201030		L0201030	7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	02/28/2015	L0201842		L0201842	7103.5 - Grdwtr Qual-Lab Svcs	1,969.00
Bill	02/28/2015	L0202686		L0202686	7103.5 - Grdwtr Qual-Lab Svcs	2,074.00
Bill	02/28/2015	L0203049		L0203049	7103.5 - Grdwtr Qual-Lab Svcs	1,554.00
Bill	02/28/2015	L0203050		L0203050	7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	02/28/2015	L0204041		L0204041	7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	02/28/2015	L0205030		L0205030	7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	02/28/2015	L0203467		L0203467	7103.5 - Grdwtr Qual-Lab Svcs	270.00
Bill	02/28/2015	L0204204		L0204204	7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	02/28/2015	L0204337		L0204337	7103.5 - Grdwtr Qual-Lab Svcs	1,969.00
Bill	02/28/2015	L0204311		L0204311	7103.5 - Grdwtr Qual-Lab Svcs	578.00
TOTAL						<u>19,820.00</u>
Bill Pmt -Check	03/23/2015	18502	LEGAL SHIELD	0111802	1012 - Bank of America Gen'l Ckg	
Bill	03/17/2015	0111802		Employee deductions - March 2015	60194 - Other Employee Insurance	51.80
TOTAL						<u>51.80</u>
Bill Pmt -Check	03/23/2015	18503	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	
Bill	03/31/2015				60182.4 - Retiree Medical	25.76
TOTAL						<u>25.76</u>
Bill Pmt -Check	03/23/2015	18504	TW TELECOM	06889295	1012 - Bank of America Gen'l Ckg	
Bill	03/16/2015	06889295		3/10/15-4/09/15	6053 - Internet Expense	1,042.86
TOTAL						<u>1,042.86</u>
Bill Pmt -Check	03/23/2015	18505	VERIZON WIRELESS	9740016947	1012 - Bank of America Gen'l Ckg	
Bill	03/16/2015	9741705447		Monthly service	6022 - Telephone	296.59
TOTAL						<u>296.59</u>

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

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/26/2015	18506	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	595154		595154	6078 · BHFS Legal - Miscellaneous	8,228.70
				Expenses	6375 · BHFS Legal - Board Meeting	150.00
				Expenses	6907.42 · Safe Yield Recalculation	600.00
Bill	02/28/2015	595155		Alvarez-CaIPERS	6073 · BHFS Legal - Personnel Matters	33,981.30
				457(f) Def. Comp	6073 · BHFS Legal - Personnel Matters	4,284.00
				Personnel	6073 · BHFS Legal - Personnel Matters	81.00
				GM Eval	6073 · BHFS Legal - Personnel Matters	263.25
				Alvarez-Expenses	6073 · BHFS Legal - Personnel Matters	1,189.42
Bill	02/28/2015	595156		595156	6275 · BHFS Legal - Advisory Committee	1,386.00
Bill	02/28/2015	595157		595157	6375 · BHFS Legal - Board Meeting	3,870.00
				Expenses	6375 · BHFS Legal - Board Meeting	166.17
Bill	02/28/2015	595158		595158	8375 · BHFS Legal - Appropriative Pool	945.00
Bill	02/28/2015	595159		595159	8475 · BHFS Legal - Agricultural Pool	1,008.00
Bill	02/28/2015	595160		595160	8575 · BHFS Legal - Non-Ag Pool	945.00
Bill	02/28/2015	595161		595161	6077 · BHFS Legal - Party Status Maint	825.30
Bill	02/28/2015	595162		595162	6907.39 · Recharge Master Plan	1,953.00
Bill	02/28/2015	595163		595163	6907.42 · Safe Yield Recalculation	58,239.00
				Expenses	6907.42 · Safe Yield Recalculation	556.02
Bill	02/28/2015	595164		595164	6078.12 · CCG Motion	535.50
<b>P222</b> <b>TOTAL</b>						<b>119,206.66</b>

Bill Pmt -Check	03/26/2015	18507	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	02/28/2015	2015037		2015037	6906.31 · OBMP-Pool, Adv. Board Mtgs	4,715.07
Bill	02/28/2015	2015038		2015038	6906.32 · OBMP-Other General Meetings	575.00
Bill	02/28/2015	2015039		2015039	6906.74 · OBMP-Mat'l Phy. Injury Requests	7,436.25
Bill	02/28/2015	2015040		2015040	6906.72 · OBMP-Data Req.-Non CBWM Staff	378.75
Bill	02/28/2015	2015041		2015041	6906 · OBMP Engineering Services	4,386.00
Bill	02/28/2015	2015042		2015042	6906.1 · OBMP-Watermaster Model Update	345.00
Bill	02/28/2015	2015043		2015043	6906.73 · OBMP-Safe Yield Recalculation	37,579.77
Bill	02/28/2015	2015044		2015044	6906.21 · State of the Basin Report	7,857.50
Bill	02/28/2015	2015045		2015045	7103.3 · Grdwtr Qual-Engineering	11,726.25
Bill	02/28/2015	2015046		2015045	7104.3 · Grdwtr Level-Engineering	13,714.26
Bill	02/28/2015	2015047		2015047	7107.61 · Grd Level-Chino Hills ASR	4,125.00
Bill	02/28/2015	2015048		2015048	7107.3 · Grd Level-SAR Imagery	123.75
Bill	02/28/2015	2015049		2015049	7107.2 · Grd Level-Engineering	3,993.47
				Zumasys	7107.6 · Grd Level-Contract Svcs	685.00
Bill	02/28/2015	2015050		2015050	7108.3 · Hydraulic Control-Engineering	411.25
Bill	02/28/2015	2015051		2015051	7108.3 · Hydraulic Control-Engineering	418.75
Bill	02/28/2015	2015052		2015052	7108.3 · Hydraulic Control-Engineering	7,146.25

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

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	02/28/2015	2015053			2015053 7109.3 · Recharge & Well - Engineering	3,098.50
Bill	02/28/2015	2015054			2015054 7108.7 · Hydraulic Control - Prado Basin	39,520.84
Bill	02/28/2015	2015055			2015055 7202.2 · Engineering Svc	9,130.05
Bill	02/28/2015	2015056			2015056 7402 · PE4-Engineering	2,856.25
Bill	02/28/2015	2015057			2015057 7502 · PE6&7-Engineering	1,300.00
Bill	02/28/2015	2015058			2015058 7108.7 · Hydraulic Control - Prado Basin	1,935.00
TOTAL						163,457.96
General Journal	03/28/2015	03/28/2015	Special Payroll and Taxes 03/15/15-03/28/15	Special Payroll and Taxes 03/15/15-03/28/15	1012 · Bank of America Gen'l Ckg	
				Payroll Checks for 03/15/15-03/28/15	1012 · Bank of America Gen'l Ckg	1,054.13
				Payroll Taxes for 03/15/15-03/28/15	1012 · Bank of America Gen'l Ckg	435.92
TOTAL						1,490.05
Bill Pmt -Check	03/26/2015	18508	CLEAN TECH SERVICES	5013	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	5013		Interior/exterior cleaning of office windows	6024 · Building Repair & Maintenance	454.00
TOTAL						454.00
Bill Pmt -Check	03/26/2015	18509	COMPUTER NETWORK	92059	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	92059		Replacement laptop for board room	6055 · Computer Hardware	801.04
TOTAL						801.04
Bill Pmt -Check	03/26/2015	18510	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	019447404		3/19/15 - 4/18/15	6031.7 · Other Office Supplies	110.98
TOTAL						110.98
Bill Pmt -Check	03/26/2015	18511	GREAT AMERICA LEASING CORP.	16556983	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	16694168		Invoice	6043.1 · Ricoh Lease Fee	3,252.70
TOTAL						3,252.70
Bill Pmt -Check	03/26/2015	18512	PRAXAIR DISTRIBUTION, INC.	70669409	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	70669409		Balance due on invoice 51273571	7103.6 · Grdwtr Qual-Supplies	1.79
TOTAL						1.79
Bill Pmt -Check	03/26/2015	18513	R&D PEST SERVICES	0186979	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	186979		Pest control-ant and insects	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	03/26/2015	18514	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	707.74
TOTAL						707.74

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

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/26/2015	18515	STATE COMPENSATION INSURANCE FUND	1970970-14	1012 - Bank of America Gen'l Ckg	
Bill	04/01/2015	1970970-14		Premium on account 3/26/15-4/26/15	60183 - Worker's Comp Insurance	724.75
TOTAL						<u>724.75</u>
Bill Pmt -Check	03/26/2015	18516	UNITED HEALTHCARE	0037240878	1012 - Bank of America Gen'l Ckg	
Bill	03/24/2015	0037240878		Dental insurance - April 2015	60182.2 - Dental & Vision Ins	770.24
TOTAL						<u>770.24</u>
Bill Pmt -Check	03/26/2015	18517	VERIZON	012519128144582510	1012 - Bank of America Gen'l Ckg	
Bill	03/24/2015	012519128144582510		012519128144582510	6022 - Telephone	140.79
TOTAL						<u>140.79</u>
General Journal	03/28/2015	03/28/2015	Payroll and Taxes for 03/15/15-03/28/15	Payroll and Taxes for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	21,965.76
				Employee Garnishments for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	125.76
				Payroll Taxes for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	7,574.87
				Payroll Checks for 03/15/15-03/28/15	1014 - Bank of America P/R Ckg	1,192.91
			ICMA-RC	457 Employee Deductions for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	3,425.07
			ICMA-RC	401(a) Employee Deductions for 03/15/15-03/28/15	1012 - Bank of America Gen'l Ckg	1,106.05
TOTAL						<u>35,390.42</u>
Bill Pmt -Check	03/30/2015	18518	HOGAN LOVELLS	2879859	1012 - Bank of America Gen'l Ckg	
Bill	02/28/2015	2879859		Non-Ag Pool Legal Services - January 2015	8567 - Non-Ag Legal Service	7,430.70
TOTAL						<u>7,430.70</u>
General Journal	03/31/2015	03/31/2015	Wage Works FSA Direct Debits - Mar 2015	Wage Works FSA Direct Debits - Mar 2015	1012 - Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - Mar 2015	1012 - Bank of America Gen'l Ckg	549.60
				Wage Works FSA Direct Debits - Mar 2015	1012 - Bank of America Gen'l Ckg	549.60
				Wage Works FSA Direct Debits - Mar 2015	1012 - Bank of America Gen'l Ckg	81.50
TOTAL						<u>1,180.70</u>
					<b>Total Disbursements:</b>	<u><u>458,439.32</u></u>

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# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: VISA Check Detail Report - Financial Report B2 (March 31, 2015)

### SUMMARY

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

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

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

### Future Consideration

Appropriative Pool: May 14, 2015; Receive and File  
Non-Agricultural Pool: May 14, 2015; Receive and File  
Agricultural Pool: May 14, 2015; Receive and File  
Advisory Committee: May 21, 2015; Receive and File  
Watermaster Board: May 28, 2015; Receive and File (Normal Course of Business)

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### ACTIONS:

May 14, 2015 – Appropriative Pool –  
May 14, 2015 – Non-Agricultural Pool –  
May 14, 2015 – Agricultural Pool –  
May 21, 2015 – Advisory Committee –  
May 28, 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 March 2015 was \$4,258.72. The payment was processed by check number 18497 dated March 23, 2015. The monthly charges for March 2015 of \$4,258.72 were for routine and customary expenditures and properly documented with receipts.

#### ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER  
VISA Check Detail Report  
March 2015

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/23/2015	18497	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	02/26/2015	XXXX-XXXX-XXXX-9341		Trash can liners for office	6031.7 · Other Office Supplies	32.30
				FTP Server license - total license with support	6054 · Computer Software	1,945.00
				VOIP headset bundles	6031.7 · Other Office Supplies	328.55
				Corporate IEN search bundle	6054 · Computer Software	89.99
				Cleaning supplies for office	6031.7 · Other Office Supplies	103.22
				PK meeting w/Jim Bowman	6312 · Meeting Expenses	40.28
				Supplies for 2/12 Ag Pool meeting prep	8412 · Meeting Expenses	69.03
				Supplies for 2/12 Ag Pool meeting prep	8412 · Meeting Expenses	7.99
				Supplies for 2/20 Safe Yield meeting	8312 · Meeting Expenses	68.42
				Reg. fee-Truong to attend 3/03/15 Seminar	6192 · Training & Seminars	199.00
				Supplies for 2/27 Safe Yield meeting	8412 · Meeting Expenses	55.29
				Supplies for 2/27 Safe Yield meeting	8412 · Meeting Expenses	8.59
				Airfare-PK-March 3rd ACWA mtg. in Sacramento	6191 · Conferences - General	454.20
				Early bird check in for above flight	6191 · Conferences - General	25.00
				Shuttle for PK for March 3rd mtg	6191 · Conferences - General	42.00
				Shuttle for PK for March 3rd mtg	6191 · Conferences - General	17.00
				Lunch for PK for March 3rd meeting	6191 · Conferences - General	22.34
				Supplies for PK for March 3rd meeting	6191 · Conferences - General	5.62
				Parking for PK flight for March 3rd meeting	6191 · Conferences - General	31.00
				Reg. fee-PK to attend the March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-DM to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-AT to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Reg. fee-JJ to attend March 24, 2015 seminar	6192 · Training & Seminars	170.00
				Materials for March 24, 2015 seminar	6192 · Training & Seminars	33.90
				<b>Total Disbursements:</b>		<b><u>4,258.72</u></b>

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PETER KAVOUNAS, P.E.  
General Manager

### STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through March 31, 2015 - Financial Report B3 (March 31, 2015)

#### SUMMARY

Issue: Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through March 31, 2015.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2014 through March 31, 2015 as presented.

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

#### Future Consideration

Appropriative Pool: May 14, 2015; Receive and File  
Non-Agricultural Pool: May 14, 2015; Receive and File  
Agricultural Pool: May 14, 2015; Receive and File  
Advisory Committee: May 21, 2015; Receive and File  
Watermaster Board: May 28, 2015; Receive and File (Normal Course of Business)

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#### ACTIONS:

May 14, 2015 – Appropriative Pool –  
May 14, 2015 – Non-Agricultural Pool –  
May 14, 2015 – Agricultural Pool –  
May 21, 2015 – Advisory Committee –  
May 28, 2015 – Watermaster Board –

## BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2014 through March 31, 2015 is provided to keep all members apprised of the FY 2014/15 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

## DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 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, 2014 THROUGH MARCH 31, 2015

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2014-2015
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>										
Administrative Assessments			7,215,399		244,107				7,459,506	7,524,250
Interest Revenue			11,763	901	274				12,939	25,800
Mutual Agency Project Revenue	155,607								155,607	155,331
Grant Income									-	0
Miscellaneous Income									-	0
<b>Total Revenues</b>	<b>155,607</b>	<b>-</b>	<b>7,227,163</b>	<b>901</b>	<b>244,381</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,628,052</b>	<b>7,705,381</b>
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	862,402								862,402	1,137,511
Watermaster Board-Advisory Committee	120,605								120,605	228,826
Ag Pool Misc. Expense - Ag Fund									-	400
Pool Administration			98,364	172,131	86,291				356,786	666,185
Optimum Basin Mgmt Administration		1,199,845							1,199,845	1,333,696
OBMP Project Costs		1,870,882							1,870,882	3,354,082
Debt Service		415,978							415,978	431,740
Basin Recharge Improvements									-	1,748,077
Education Funds Use									-	0
Mutual Agency Project Costs									-	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>983,007</b>	<b>3,486,705</b>	<b>98,364</b>	<b>172,131</b>	<b>86,291</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,826,498</b>	<b>8,910,517</b>
<b>Net Administrative/OBMP Expenses</b>	<b>(827,400)</b>	<b>(3,486,705)</b>								
Allocate Net Admin Expenses To Pools	827,400		599,032	201,175	27,193					
Allocate Net OBMP Expenses To Pools		3,070,727	2,223,187	746,619	100,921					
Allocate Debt Service to App Pool		415,978	415,978							
Agricultural Expense Transfer*			1,119,925	(1,119,925)						
<b>Total Expenses</b>			<b>4,456,486</b>	<b>-</b>	<b>214,404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,826,498</b>	<b>8,910,517</b>
<b>Net Administrative Income</b>			<b>2,770,676</b>	<b>901</b>	<b>29,977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,801,554</b>	<b>(1,205,136)</b>
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments						751,983			751,983	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			1,151,196						1,151,196	0
Interest Revenue						1,698			1,698	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			(1,151,196)						(1,151,196)	0
MWD Water Purchases									-	0
Groundwater Replenishment									-	0
LAIF - Fair Market Value Adjustment									-	0
Refund-Excess Reserves			(6,456)		(1,841)				(8,297)	0
Refund-Recharge Debt									-	0
<b>Net Other Income/(Expense)</b>			<b>(6,456)</b>	<b>-</b>	<b>(1,841)</b>	<b>753,681</b>	<b>-</b>	<b>-</b>	<b>745,384</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>		<b>3,546,938</b>	<b>2,764,220</b>	<b>901</b>	<b>28,136</b>	<b>753,681</b>	<b>-</b>	<b>-</b>	<b>3,546,938</b>	<b>(1,205,136)</b>
<b>Working Capital, July 1, 2014</b>			<b>5,373,896</b>	<b>479,894</b>	<b>120,514</b>	<b>633,295</b>	<b>158,251</b>	<b>2,120</b>	<b>6,767,969</b>	
<b>Working Capital, End Of Period</b>			<b>8,138,116</b>	<b>480,795</b>	<b>148,649</b>	<b>1,386,976</b>	<b>158,251</b>	<b>2,120</b>	<b>10,314,907</b>	<b>10,314,907</b>
<b>13/14 Assessable Production</b>			<b>100,165,551</b>	<b>33,638,883</b>	<b>4,546,972</b>				<b>138,351,406</b>	
<b>13/14 Production Percentages</b>			<b>72.399%</b>	<b>24.314%</b>	<b>3.287%</b>				<b>100.000%</b>	

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

CHINO BASIN WATERMASTER  
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
 FOR THE PERIOD JULY 1, 2014 THROUGH MARCH 31, 2015

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015 - Financial Report B4 (March 31, 2015)

### SUMMARY

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

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

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

### Future Consideration

Appropriative Pool: May 14, 2015; Receive and File  
Non-Agricultural Pool: May 14, 2015; Receive and File  
Agricultural Pool: May 14, 2015; Receive and File  
Advisory Committee: May 21, 2015; Receive and File  
Watermaster Board: May 28, 2015; Receive and File (Normal Course of Business)

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### ACTIONS:

May 14, 2015 – Appropriative Pool –  
May 14, 2015 – Non-Agricultural Pool –  
May 14, 2015 – Agricultural Pool –  
May 21, 2015 – Advisory Committee –  
May 28, 2015 – Watermaster Board –

## BACKGROUND

A Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 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 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  
MARCH 1, 2015 THROUGH MARCH 31, 2015**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash		\$	500
Bank of America			
Governmental Checking-Demand Deposits	\$	487,156	
Zero Balance Account - Payroll	\$	-	487,156
Local Agency Investment Fund - Sacramento			10,710,255
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>3/31/2015</b>		<b>\$ 11,197,911</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>2/28/2015</b>		<b>11,654,706</b>
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ (456,795)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable		\$	(7,438)
Assessments Receivable			(1,149,571)
Prepaid Expenses, Deposits & Other Current Assets			(7,685)
(Decrease)/Increase in Liabilities: Accounts Payable			86,814
Accrued Payroll, Payroll Taxes & Other Current Liabilities			1,151,196
Transfer to/(from) Reserves			(530,111)
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ (456,795)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 2/28/2015	\$ 500	\$ 443,951	\$ -	\$ 11,210,255	\$ 11,654,706
Deposits	-	500,019	-	-	500,019
Transfers	-	(92,928)	(66,241)	(500,000)	(659,169)
Withdrawals/Checks	-	(363,887)	66,241	-	(297,645)
<hr/>					
Balances as of 3/31/2015	\$ 500	\$ 487,156	\$ -	\$ 10,710,255	\$ 11,197,911
<hr/>					
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 43,205</b>	<b>\$ -</b>	<b>\$ (500,000)</b>	<b>\$ (456,795)</b>

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

Financial Report - B4

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
3/26/2015	Withdrawal		\$ (500,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (500,000)</b>	<b>-</b>			

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.26% was the effective yield rate at the Quarter ended March 31, 2015.

**INVESTMENT STATUS  
March 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	\$ 10,710,255			
<b>TOTAL INVESTMENTS</b>	<b>\$ 10,710,255</b>			

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

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

Respectfully submitted,



Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster



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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015 -  
Financial Report B5 (March 31, 2015)

### SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2014 through March 31, 2015.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015 as presented.

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

### Future Consideration

Appropriative Pool: May 14, 2015; Receive and File  
Non-Agricultural Pool: May 14, 2015; Receive and File  
Agricultural Pool: May 14, 2015; Receive and File  
Advisory Committee: May 21, 2015; Receive and File  
Watermaster Board: May 28, 2015; Receive and File (Normal Course of Business)

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### ACTIONS:

May 14, 2015 – Appropriative Pool –  
May 14, 2015 – Non-Agricultural Pool –  
May 14, 2015 – Agricultural Pool –  
May 21, 2015 – Advisory Committee –  
May 28, 2015 – Watermaster Board –

## BACKGROUND

A Budget vs. Actual Report for the period July 1, 2014 through March 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 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 – MARCH 2015

Year-To-Date (YTD) for the nine months ending March 31, 2015, all but three 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 \$32,823 or 17.7%; the Non-Agricultural Pool Administrative Expenses (8500's) which were over budget by \$3,772 or 4.6%; and the Optimum Basin Management Plan Expenses (6900's) which were over budget by \$86,903 or 8.5%. Overall, the Watermaster (YTD) Actual Expenses were \$2,827,130 or 36.9% below the (YTD) Budgeted Expenses of \$7,653,628.

### PREVIOUSLY REPORTED ACTIONS (Descending Order)

#### November 2014:

During the month of November 2014 there was a Budget Transfer (T-14-10-01) presented and approved. During the IEUA/CBWM Joint Recharge Improvement Projects Committee Meeting held on October 16, 2014, the committee recommended to use the projected budget savings of approximately \$100,000 from the Jurupa Pump Station HVAC Improvements (Task Order No. 5) to fund the GWR SCADA Upgrades (Task Order No. 4) of \$45,700 ( $\$91,400 \times 50\% = \$45,700$ ) and the Hickory Basin Arizona Crossing settlement of \$27,500 ( $\$55,000 \times 50\% = \$27,500$ ). The total Budget Transfer amounts were \$73,200 ( $\$45,700 + \$27,500 = \$73,200$ ). Budget Transfer Form T-14-10-01 was approved by the Board on November 25, 2014. There was no change to the overall budget of \$7,640,381 as a result of Budget Transfer Form T-14-10-01 and no new funds or assessments were required.

#### September 2014:

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

#### August 2014:

The first Budget Amendment was approved during the August 2014 meetings as a result of the adoption of Task Order No. 2 for the Lower Day Basin RMPU Improvement Project of \$49,000 and Task Order No. 8 for the San Sevaline Basin RMPU Improvement Project of \$175,000. The Watermaster Board approved Budget Amendment Form (A-14-07-01) on August 28, 2014. Budget Amendment Form (A-14-07-01) in the amount of \$224,000 increased the FY 2014/15 budget from \$7,316,381 to \$7,540,381. Budget Amendment Form (A-14-07-01) was recorded to the accounting records for the accounting period ending

July 31, 2014, and is included in this financial report. The amount of \$49,000 was included in account (7690.8) Lower Day Basin RMPU (Task Order #2) and the amount of \$175,000 was included in account (7690.4) San Sevaine Recharge Improvement (Task Order #8).

July 2014:

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

SALARIES EXPENSE

As of March 31, 2015, the total (YTD) Watermaster salary expenses were \$42,652 or 3.8% below the (YTD) budgeted amount of \$1,121,246. The budget was developed with a staffing level of nine Full-Time Equivalents (FTE's). As of March 31, 2015, the actual staffing level was nine Full-Time Equivalents (FTE's).

Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. When the FY 2014/15 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. Currently, the allocations are tracking within budget.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of March 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 '14 - Mar '15 Actual	Jul '14 - Mar '15 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	562,148.44	611,135.25	-48,986.81	91.98%	814,847.00
6017.2 · Temp Services - Office Specialist Services	0.00	7,000.00	-7,000.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	12,760.10	15,725.99	-2,965.89	81.14%	20,968.00
6301 · Watermaster Board - WM Staff Salaries	23,839.95	26,113.50	-2,273.55	91.29%	34,818.00
8301 · Appropriative Pool - WM Staff Salaries	36,368.70	21,203.99	15,164.71	171.52%	28,272.00
8401 · Agricultural Pool - WM Staff Salaries	17,822.51	18,553.49	-730.98	96.06%	24,738.00
8501 · Non-Agricultural Pool - WM Staff Salaries	12,690.26	10,968.75	1,721.51	115.7%	14,625.00
6901 · OBMP - WM Staff Salaries	148,379.46	90,284.24	58,095.22	164.35%	120,379.00
7101.1 · Production Monitor - WM Staff Salaries	56,623.83	56,916.75	-292.92	99.49%	64,489.00
7102.1 · In-line Meter - WM Staff Salaries	1,326.23	6,504.01	-5,177.78	20.39%	8,672.00
7103.1 · Grdwater Quality - WM Staff Salaries	34,867.08	36,643.75	-1,776.67	95.15%	46,525.00
7104.1 · Grdwater Level - WM Staff Salaries	33,485.40	29,804.25	3,681.15	112.35%	39,739.00
7108.1 · Hydraulic Control - WM Staff Salaries	735.39	1,791.74	-1,056.35	41.04%	2,389.00
7108.11 · Prado Basin - WM Staff Salaries	1,141.63	5,984.24	-4,842.61	19.08%	7,979.00
7201 · Comp Recharge - WM Staff Salaries	43,961.11	31,864.50	12,096.61	137.96%	42,486.00
7301 · PE3&5 - WM Staff Salaries	0.00	8,707.50	-8,707.50	0.0%	11,610.00
7401 · PE4 - WM Staff Salaries	2,021.33	6,653.25	-4,631.92	30.38%	8,871.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	4,805.99	-4,805.99	0.0%	6,408.00
7501 · PE6&7 - WM Staff Salaries	0.00	3,168.75	-3,168.75	0.0%	4,225.00
7601 · PE8&9 - WM Staff Salaries	241.62	6,744.00	-6,502.38	3.58%	8,992.00
<b>Subtotal WM Staff Costs</b>	<b>988,413.04</b>	<b>1,000,573.94</b>	<b>-12,160.90</b>	<b>98.79%</b>	<b>1,332,032.00</b>
60185 · Vacation	45,041.63	47,297.25	-2,255.62	95.23%	63,063.00
60186 · Sick Leave	14,037.62	33,018.75	-18,981.13	42.51%	44,025.00
60187 · Holidays	31,102.13	40,356.25	-9,254.12	77.07%	44,025.00
<b>Subtotal WM Paid Leaves</b>	<b>90,181.38</b>	<b>120,672.25</b>	<b>-30,490.87</b>	<b>74.73%</b>	<b>151,113.00</b>
<b>Total WM Salary Costs</b>	<b>1,078,594.42</b>	<b>1,121,246.19</b>	<b>-42,651.77</b>	<b>96.2%</b>	<b>1,483,145.00</b>

**LEGAL SERVICES**

**BROWNSTEIN HYATT FARBER SCHRECK EXPENSES**

The Watermaster Legal Services budget was developed jointly by the Watermaster staff and Brownstein Hyatt Farber Schreck staff with specific assumptions regarding the tasks and legal activities that would occur during FY 2014/15. The "Approved" budget amount was adopted for the amount of \$875,515. The total budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate.

Reviewing in total the BHFS legal expenses (consolidating the three categories of Watermaster Administrative Legal Services, Pool/Advisory/Board Meeting legal expenses, and OBMP legal expenses) for the nine month period ending March 31, 2015, the actual expenses of \$806,619 were over the budgeted amount of \$696,161 by \$110,457 or 15.9%.

Overall, the Watermaster Administrative Legal Services expense (6070's), as of March 31, 2015, was \$32,823 or 17.7% above the budgeted amount of \$185,025. 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 \$22,652 or 80.5%; Annotated Judgment (6072) under budget by \$27,263 or 100.0%; Interagency Issues (6074) under budget by \$36,079 or 95.4%; and the Party Status Maintenance (6077) under budget by \$3,482 or 18.1%. 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 \$78,679 or 191.9%; Miscellaneous (6078) over budget by \$42,739 or 174.1%; and CCG Motion (6078.12) over budget by \$881 or 12.6% %.

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 is scheduled for November 16-18, 2015 at the Glendale CalPERS Regional Office.

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 March 31, 2015 was \$81,303 or 45.3% below the budgeted amount of \$179,318. While the regularly scheduled monthly meetings in December 2014 for the Pools, Advisory and Board were cancelled, there was a Special meeting held for the Board, Advisory, along with the Appropriative and Agricultural Pool.

The OBMP legal expenses (accounts 6907.30 through 6907.90) were above the budget for the month. As of March 31, 2015 the category of OBMP legal expenses were \$158,937 or 47.9% above the budgeted amount of \$331,819. The majority of expenses within this OBMP category were under budget for the first nine months, however, the BHFS Safe Yield Recalculation legal expenses (6907.42) continue to increase and exceed the monthly budget. As of March 31, 2015, the Safe Yield Recalculation legal expenses were \$335,830 or 305.0% above the 6-month budgeted amount of \$110,100. The 12-month annual legal budget for the Safe Yield Recalculation was approved at an amount of \$110,100. The approved BHFS legal budget anticipated 260 labor hours for consolidated legal staff time with regards to the Safe Yield Recalculation effort. Continued Safe Yield Recalculation legal expenses might result in a Budget Transfer or Budget Amendment to fund the ongoing increasing expenses.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of March 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 '14 - Mar '15 Actual	Jul '14 - Mar '15 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	5,491.68	28,143.75	-22,652.07	19.51%	37,525.00
6072 · BHFS Legal - Annotated Judgment	0.00	27,262.50	-27,262.50	0.0%	36,350.00
6073 · BHFS Legal - Personnel Matters	119,678.79	41,000.00	78,678.79	291.9%	41,000.00
6074 · BHFS Legal - Interagency Issues	1,720.80	37,800.00	-36,079.20	4.55%	50,400.00
6076 · BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 · BHFS Legal - Parly Status Maintenance	15,792.80	19,275.00	-3,482.20	81.93%	25,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	67,283.07	24,543.75	42,739.32	274.14%	32,725.00
6078.12 · BHFS Legal - CCG Motion	7,880.58	7,000.00	880.58	112.58%	7,000.00
6078.20 · BHFS Legal - Approp. Pool Issue Resolutio	0.00	0.00	0.00	0.0%	0.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>217,847.72</b>	<b>185,025.00</b>	<b>32,822.72</b>	<b>117.74%</b>	<b>230,700.00</b>
6275 · BHFS Legal - Advisory Committee	10,042.89	25,200.00	-15,157.11	39.85%	33,600.00
6375 · BHFS Legal - Board Meeting	45,883.42	78,517.50	-32,634.08	58.44%	104,690.00
8375 · BHFS Legal - Appropriative Pool	14,087.78	25,200.00	-11,112.22	55.9%	33,600.00
8475 · BHFS Legal - Agricultural Pool	13,370.34	25,200.00	-11,829.66	53.06%	33,600.00
8575 · BHFS Legal - Non-Ag Pool	14,630.36	25,200.00	-10,569.64	58.06%	33,600.00
<b>Total BHFS Legal Services</b>	<b>98,014.79</b>	<b>179,317.50</b>	<b>-81,302.71</b>	<b>54.66%</b>	<b>239,090.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 · Archibald South Plume	0.00	21,356.24	-21,356.24	0.0%	28,475.00
6907.32 · Chino Airport Plume	0.00	21,356.24	-21,356.24	0.0%	28,475.00
6907.33 · Desalter/Hydraulic Control	1,228.95	42,075.00	-40,846.05	2.92%	56,100.00
6907.34 · Santa Ana River Water Rights	9,697.50	21,299.99	-11,602.49	45.53%	28,400.00
6907.36 · Santa Ana River Habitat	2,163.75	16,875.00	-14,711.25	12.82%	22,500.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	9,637.51	-9,637.51	0.0%	12,850.00
6907.39 · Recharge Master Plan	31,673.16	36,975.01	-5,301.85	85.66%	49,300.00
6907.40 · Storage Agreements	0.00	19,274.99	-19,274.99	0.0%	25,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	14,025.01	-14,025.01	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	445,929.82	110,100.00	335,829.82	405.02%	110,100.00
6907.43 · RMPU - City of Fontana Motion	63.00	0.00	63.00	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	18,843.75	-18,843.75	0.0%	25,125.00
<b>Total 6907 · WM Legal Counsel</b>	<b>490,756.18</b>	<b>331,818.74</b>	<b>158,937.44</b>	<b>147.9%</b>	<b>405,725.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>806,618.69</b>	<b>696,161.24</b>	<b>110,457.45</b>	<b>115.87%</b>	<b>875,515.00</b>

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents; (7) Review application of 85/15 rule; (8) Review transfer documents; (9) Land Subsidence Committee reports/meetings; (10) West Venture background reviews; and (11) Miscellaneous legal research on current and pending issues.

## OBMP ENGINEERING SERVICES AND LEGAL COSTS

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 nine month period ending March 31, 2015, the actual expenses of \$1,106,061 were above the budgeted amount of \$1,019,157 by \$86,904 or 8.5%. For a detailed discussion, the following is provided.

For March 31, 2015, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was above the Year-To-Date (YTD) budget by \$66,745 or 64.9%. Watermaster utilizes an in-house database time and attendance system to allocate staff's actual hours worked and also allocates the hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent 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 \$58,095 or 64.3%. The

remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2014/15 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,500 but actual expenses were billed at \$21,150 which was above the budget by \$8,650 or 69.2% as of March 31, 2015.

For March 31, 2015, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$134,213 or 23.3%. The OBMP-Watermaster Model Update and the State of the Basin Report 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 were the majority of why this expense category was under budget for the month.

Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget by \$335,893 while some other line item activities were below the budget by \$176,954. Above the budget line items were the Safe Yield Recalculation of \$335,830; and the RMPU-City of Fontana Motion of \$63. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$21,356; the Chino Airport Plume of \$21,356; the Desalter/Hydraulic Control of \$40,846; the Santa Ana River Water Rights of \$11,602; the Santa Ana River Habitat of \$14,711; the Regional Water Quality Control Board of \$9,637; the Recharge Master Plan of \$5,302; Storage Agreements of \$19,275; the Prado Basin Habitat Sustainability of \$14,025; and the WM Unanticipated of \$18,844. For the nine months ended March 31, 2015, the overall cumulative (YTD) budget was \$331,819 and the actual (BHFS) legal expenses totaled \$490,756 which resulted in an over budget variance of \$158,937 or 47.9%.

As mentioned in the Brownstein Hyatt Farber Schreck section, the 12-month annual legal budget for the Safe Yield Recalculation was approved at an amount of \$110,100. The approved BHFS legal budget anticipated 260 labor hours for consolidated legal staff time with regards to the Safe Yield Recalculation effort. Continued Safe Yield Recalculation legal expenses might result in a Budget Transfer or Budget Amendment to fund the ongoing increasing expenses.

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 March 31, 2015 this category of expenses was \$4,566 or 50.7% below the budgeted amount of \$9,000.

Overall, the Optimum Basin Management Program (OBMP) category was \$1,106,061 compared to a (YTD) budget of \$1,019,157 for an over budget of \$86,903 or 8.5% as of March 31, 2015.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of March 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 '14 - Mar '15 Actual	Jul '14 - Mar '15 Budget	\$ Over Budget	% of Budget	FY 2014/15 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	148,379.46	90,284.24	58,095.22	164.35%	120,379.00
6903 · OBMP SAWPA Group	21,150.00	12,500.00	8,650.00	169.2%	12,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	169,529.46	102,784.24	66,745.22	164.94%	132,879.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	34,829.72	95,320.00	-60,490.28	36.54%	95,320.00
6906.21 · State of the Basin Report	78,257.75	133,510.00	-55,252.25	58.62%	133,510.00
6906.22 · Water Rights Compliance Reporting	24,228.50	24,264.00	-35.50	99.85%	24,264.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	44,561.15	51,104.25	-6,543.10	87.2%	68,139.00
6906.32 · OBMP - Other General Meetings	6,616.11	24,657.75	-18,041.64	26.83%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	25,743.01	-25,743.01	0.0%	34,324.00
6906.71 · OBMP - Data Requests - CBWM Staff	29,821.19	48,095.24	-18,274.05	62.0%	64,127.00
6906.72 · OBMP - Data Requests - Non CBWM	7,970.75	21,258.00	-13,287.25	37.5%	28,344.00
6906.73 · OBMP - Safe Yield Recalculation	162,637.43	79,500.00	83,137.43	204.58%	79,500.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	26,847.50	55,038.01	-28,190.51	48.78%	73,384.00
6906 · OBMP Engineering Services - Other	25,571.25	17,064.00	8,507.25	149.86%	22,752.00
Total 6906 · OBMP Engineering Services	441,341.35	575,554.26	-134,212.91	76.68%	656,541.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 · Archibald South Plume	0.00	21,356.24	-21,356.24	0.0%	28,475.00
6907.32 · Chino Airport Plume	0.00	21,356.24	-21,356.24	0.0%	28,475.00
6907.33 · Desalter/Hydraulic Control	1,228.95	42,075.00	-40,846.05	2.92%	56,100.00
6907.34 · Santa Ana River Water Rights	9,697.50	21,299.99	-11,602.49	45.53%	28,400.00
6907.36 · Santa Ana River Habitat	2,163.75	16,875.00	-14,711.25	12.82%	22,500.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	9,637.51	-9,637.51	0.0%	12,850.00
6907.39 · Recharge Master Plan	31,673.16	36,975.01	-5,301.85	85.66%	49,300.00
6907.40 · Storage Agreements	0.00	19,274.99	-19,274.99	0.0%	25,700.00
6907.41 · Prado Basin Habitat Sustainability	0.00	14,025.01	-14,025.01	0.0%	18,700.00
6907.42 · Safe Yield Recalculation	445,929.82	110,100.00	335,829.82	405.02%	110,100.00
6907.43 · RMPU - City of Fontana Motion	63.00	0.00	63.00	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	18,843.75	-18,843.75	0.0%	25,125.00
Total 6907 · WM Legal Counsel	490,756.18	331,818.74	158,937.44	147.9%	405,725.00
Total 6907 · OBMP Legal Fees	490,756.18	331,818.74	158,937.44	147.9%	405,725.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	2,494.77	0.00	2,494.77	100.0%	0.00
6909.2 · OBMP Mailing Expense	38.75	0.00	38.75	100.0%	0.00
6909.3 · Other OBMP Expenses	1,900.00	1,499.99	400.01	126.67%	2,000.00
6909.4 · Printing	0.00	0.00	0.00	0.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	7,500.01	-7,500.01	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	4,433.52	9,000.00	-4,566.48	49.26%	12,000.00
Total 6900 · Optimum Basin Mgmt Plan	1,106,060.51	1,019,157.24	86,903.27	108.53%	1,207,145.00

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

As of March 31, 2015, the total (YTD) Engineering Services expenses were \$547,152 or 30.5% below the (YTD) budget amount of \$1,793,299. The OBMP Implementation Projects (consolidated accounts 7100's -- 7700's) were all (Under) budget as of March 31, 2015.

September 2014:

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

the updated Subsidence Management Plan for the Chino Basin (MZ1). The Engineering Services budget was amended from \$2,004,879 to \$2,104,879.

July 2014:

The approved "Original" Engineering Services budget of \$1,716,760 was increased by "Carry Over" funding in the amount of \$288,119 to the "Amended" amount of \$2,004,879 for FY 2014/15 as provided in the Engineering Services Task Order. The "Carry Over" amount of \$288,119 is comprised of \$76,796 from FY 2012/13 account (7108.7); and the following amounts from FY 2013/14 of \$30,938 from account (7107.2); \$16,351 from account (7107.6); \$56,175 from account (7108.31); \$48,260 from account (7108.41); \$31,599 from account (7108.7); \$18,000 from account (7108.7); and \$10,000 from account (7502). All of the "Carry Over" funding is for projects or activities that have bridged previous fiscal years and are expected to be completed in the FY 2014/15 timeframe. The breakdown of the total Task Order amount of \$2,004,879 includes direct labor costs for Wildermuth Environmental, Inc. (75%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (25%).

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 March 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 '14 - Mar '15	Jul '14 - Mar '15	\$ Over Budget	% of Budget	FY 2014/15
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	25,571.25	17,064.00	8,507.25	149.86%	22,752.00
6906.1 · OBMP - Watermaster Model Update	34,829.72	95,320.00	-60,490.28	36.54%	95,320.00
6906.21 · State of the Basin Report	78,257.75	133,510.00	-55,252.25	58.62%	133,510.00
6906.22 · Water Rights Compliance Reporting	24,228.50	24,264.00	-35.50	99.85%	24,264.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	44,561.15	51,104.25	-6,543.10	87.2%	68,139.00
6906.32 · OBMP - Other General Meetings	6,616.11	24,657.75	-18,041.64	28.83%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	25,743.01	-25,743.01	0.0%	34,324.00
6906.71 · OBMP - Data Requests - CBWM Staff	29,821.19	48,095.24	-18,274.05	62.0%	64,127.00
6906.72 · OBMP - Data Requests - Non CBWM	7,970.75	21,258.00	-13,287.25	37.5%	28,344.00
6906.73 · OBMP - Safe Yield Recalculation	162,637.43	79,500.00	83,137.43	204.58%	79,500.00
6906.74 · OBMP - Mat'l Physical Injury Requests	26,847.50	55,038.01	-28,190.51	48.78%	73,384.00
7103.3 · Grdwtr Qual-Engineering	8,886.25	61,591.50	-52,705.25	14.43%	82,122.00
7103.5 · Grdwtr Qual-Lab Svcs	33,256.00	29,678.26	3,577.74	112.06%	39,571.00
7104.3 · Grdwtr Level-Engineering	100,845.39	125,899.51	-25,054.12	80.1%	167,866.00
7104.8 · Grdwtr Level-Contracted Services	0.00	7,500.01	-7,500.01	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	591.41	5,250.01	-4,658.60	11.27%	7,000.00
7107.2 · Grd Level-Engineering	52,710.54	86,530.24	-33,819.70	60.92%	105,061.00
7107.3 · Grd Level-SAR Imagery	90,000.00	90,000.00	0.00	100.0%	90,000.00
7107.6 · Grd Level-Contract Svcs	26,775.26	125,071.76	-98,296.50	21.41%	161,312.00
7107.61 · Grd Level-Chino Hills ASR	18,779.16	0.00	18,779.16	100.0%	0.00
7107.8 · Grd Level-Cap Equip Exte	0.00	12,101.26	-12,101.26	0.0%	16,135.00
7108.3 · Hydraulic Control-Engineering	31,361.65	37,448.24	-6,086.59	83.75%	49,931.00
7108.31 · Hydraulic Control-PBHSP	0.00	56,175.00	-56,175.00	0.0%	56,175.00
7108.4 · Hydraulic Control-Lab Svcs	23,601.00	18,960.75	4,640.25	124.47%	25,281.00
7108.41 · Hydraulic Control-PBHSP	0.00	48,260.00	-48,260.00	0.0%	48,260.00
7108.7 · Hydraulic Control-Prado Basin Habitat	119,755.10	126,395.00	-6,639.90	94.75%	126,395.00
7109.3 · Recharge & Well - Engineering	9,089.75	16,750.00	-7,660.25	0.0%	21,000.00
7202.2 · Comp Recharge-Engineering Services	118,944.24	70,844.00	48,100.24	167.9%	79,844.00
7202.3 · Comp Recharge-Implementation	10,361.92	18,603.00	-8,241.08	55.7%	24,804.00
7303 · PE3&5-Engineering - Other	0.00	29,147.99	-29,147.99	0.0%	38,864.00
7402 · PE4-Engineering	139,582.75	157,597.75	-18,015.00	88.57%	176,797.00
7403 · PE4-Contract Svcs	0.00	14,999.99	-14,999.99	0.0%	20,000.00
7502 · PE6&7-Engineering	20,264.50	63,010.00	-42,745.50	32.16%	80,680.00
7602 · PE8&9-Engineering	0.00	15,930.00	-15,930.00	0.0%	21,240.00
<b>Total Engineering Services Costs</b>	<b>1,246,146.27</b>	<b>1,793,298.53</b>	<b>-547,152.26</b>	<b>69.49%</b>	<b>2,104,879.00</b> *

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

## PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

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

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through March 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 - Mar. 2015	\$ 119,755.10	\$ (59,877.55)	\$ -	\$ 59,877.55	9.00	\$ 1,141.63
<b>Totals</b>	<b>\$ 273,566.22</b>	<b>\$ (136,783.11)</b>	<b>\$ 6,750.01</b>	<b>\$ 143,533.12</b>	<b>142.00</b>	<b>\$ 15,109.58</b>
	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 March 31, 2015.

September 2014:

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

#### "CARRY OVER" FUNDING

##### CURRENT MONTH – MARCH 2015

As of March 31, 2015, the total (YTD) amount remaining of the "Carried Over" funding is \$727,819.52 (\$1,205,135.82 - \$477,316.30 = \$727,819.52). The following details are provided:

"Carried Over" Expenses At June 30, 2014

Chino Hills ASR Project	\$ 203,322.00	A	7107.62	
Ground Level Monitoring - Engineering	\$ 30,938.00	G	7107.2 <sup>1</sup>	
Ground Level - Contracted Services	\$ 16,351.00	H	7107.6 <sup>2</sup>	
Hydraulic Control Engineering - PBHSP	\$ 56,175.00	I	7108.31 <sup>3</sup>	
Hydraulic Control Monitoring Lab Services - PBHSP	\$ 48,260.00	J	7108.41 <sup>4</sup>	
Hydraulic Control Monitoring Well Installation - PBHSP	\$ 108,395.00	B	7108.7 <sup>5</sup>	
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ 18,000.00	K	7108.7 <sup>6</sup>	
PE 6&7 - Engineering Services	\$ 10,000.00	L	7502 <sup>7</sup>	
GWR SCADA Upgrades	\$ 45,700.00	E	7690.61	Task Order #4
Jurupa Pumping Station	\$ 76,800.00	E	7209.1	Task Order #5
Wineville Basin Proof of Concept	\$ 179,817.82	F	7209.2	Task Order #6
Recharge Improvement Project - San Sevaine	\$ 300,000.00	M	7690.4	Task Order #8
Recharge Improvement Project - Hickory Basin	\$ 31,377.00	C	7690.3	
Recharge Improvement Project - CB20 Turnout	\$ 80,000.00	D	7690.5	
<b>Total Balance, June 30, 2013</b>	<b>\$ 1,205,135.82</b>			

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

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

Chino Hills ASR Project	\$ (174,036.01)	A	7107.62	
Ground Level Monitoring - Engineering	\$ (30,938.00)	G	7107.2 <sup>1</sup>	
Hydraulic Control Monitoring Well Installation - PBHSP	\$ (99,922.00)	B	7108.7 <sup>5</sup>	
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ (18,000.00)	K	7108.7 <sup>6</sup>	
Wineville Basin Proof of Concept	\$ (144,420.29)	F	7209.2	Task Order #6
PE 6&7 - Engineering Services	\$ (10,000.00)	L	7502 <sup>7</sup>	
<b>Updated Balance as of March 31, 2015</b>	<b>\$ 727,819.52</b>			

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

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

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

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

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

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

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

BACKGROUND OF "CARRY OVER" FUNDING

Once the FY 2013/14 period as of June 30, 2014 was closed, the amount of unfinished capital projects and related engineering costs was calculated and the "Carry Over" funding amount was added to the current FY 2014/15 budget. The Total "Carry Over" funding amount of \$1,205,135.82 was posted to the accounts as of July 31, 2014. The total amount of \$1,205,135.82 consisted of \$595,280 "Carried Over"

from the FY 2013/14 expense funding and \$609,855.82 "Carried Over" from FY 2012/13 and prior expense funding.

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

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

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

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2015, any remaining balances of the FY 2013/14 and prior years funding (if any), along with any new FY 2014/15 expenses, will then be "Carried Over" into the FY 2015/16 budget.

"Carried Over" Expenses At June 30, 2014

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

AUDIT FIELD WORK

FY 2014/15

Auditors from the audit firm of Charles Z. Fedak & Company are scheduled to be onsite at the Watermaster offices on June 15 and June 16, 2015 to conduct preliminary audit field work for the FY 2014/15 financial audit. The final field work is scheduled for August 10 and August 11, 2015. The presentation of the "Draft" Annual Financial and Audit Reports to the Watermaster Board by the Senior Manager of Charles Z. Fedak & Company 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.

FY 2013/14

Auditors from the audit firm of Charles Z. Fedak & Company were onsite at the Watermaster offices on May 12, 2014 to conduct scheduled field work for the FY 2013/14 financial audit. The final field work was completed on August 6 and August 7, 2014. The presentation of the "Draft" Annual Financial and Audit Reports to the Watermaster Board by the Senior Manager of Charles Z. Fedak & Company was completed on November 25, 2014. The "Final" Annual Financial and Audit Reports for FY 2013/14 were posted to the Watermaster website on December 10, 2014.

FY 2014/15 EXHIBIT "G" NON-AGRICULTURAL POOL SALE OF WATER

Pursuant to Exhibit "G" of the Restated Judgment, members of the Overlying (Non-Agricultural) Pool may annually transfer water to members of the Appropriative Pool through a Watermaster clearinghouse

process. Watermaster purchases water from the Overlying (Non-Agricultural) Pool members, which Watermaster then transfers to the members of the Appropriative Pool based on the prescribed process. Members of the Appropriative Pool purchasing water through the process must complete their payments to Watermaster by June 30 of the fiscal year. Watermaster has determined that Aqua Capital Management, California Speedway Corporation and NRG CA South, LP are in compliance with Restated Judgment, Exhibit "G" ¶9(g), authorizing 2014-2015 Exhibit "G" Physical Solution Transfers.

The invoices to the nine Appropriators who purchased Exhibit "G" water from the Non-Agricultural Pool were issued on March 30, 2015 totaling \$1,151,196. Once Watermaster has received all of the payments from the Appropriators and those payments have cleared the bank, Watermaster will issue payment to Aqua Capital Management in the amount of \$150,156 (300,000 AF x \$500.52 = \$150,156); California Speedway Corporation in the amount of \$500,520 (1,000,000 AF x \$500.52 = \$500,520); and NRG CA South, LP in the amount of \$500,520 (1,000,000 AF x \$500.52 = \$500,520).

#### ASSESSMENT INVOICING

The Watermaster Board approved the FY 2014/15 Assessment Package at the November 25, 2014 meeting. Watermaster staff created and emailed the Assessment invoices on Tuesday, November 25, 2014. The Assessment invoices were due 30 days from invoice date, so payment would be received by Watermaster on or before Friday, December 26, 2014. The Watermaster office was closed during the holidays until Friday, January 2, 2015. All checks received by the postal service during the office closure period were delivered to the Watermaster office on January 2, 2015. To date, all payments have been received and accounted for.

This year's Assessment invoicing included the standard Assessment amounts per the Assessment Package, along with any Special Assessments and the "Excess Cash Reserve" refund credits. The Appropriative Pool had a Special Assessment of \$75,000 as approved during the budgeting process. The \$75,000 was allocated to the Appropriative Pool members based upon prorated actual production numbers from 2013/14. The Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on November 13, 2014. The \$60,000 was allocated to the Non-Agricultural Pool members based upon prorated actual production numbers from 2013/14. The Excess Cash Reserves refunds were \$6,456 to the Appropriative Pool members and \$1,841 to the Non-Agricultural Pool members. The refunds were applied as credits on the Assessment invoices and allocated based upon last year's percentage of assessments paid.

#### ATTACHMENTS

1. Financial Report - B5

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

	1/12th (8.33%) of the Total Budget				9/12th (75%) of the Total Budget				100% of the Total Budget			
	For The Month of March 2015				Year-To-Date as of March 31, 2015				Fiscal Year End as of June 30, 2015			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	155,606.67	155,331.00	275.67	100.18%	155,606.67	155,331.00	275.67	100.18%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	7,215,399.15	7,215,154.00	245.15	100.0%	7,280,399.15	7,280,154.00	245.15	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	244,106.89	244,096.00	10.89	100.0%	244,106.89	244,096.00	10.89	100.0%
4700 · Non Operating Revenues	6,519.96	8,730.00	-2,210.04	74.69%	12,938.82	21,630.00	-8,691.18	59.82%	20,938.82	25,800.00	-4,861.18	81.16%
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%
<b>Total Income</b>	<b>6,519.96</b>	<b>8,730.00</b>	<b>-2,210.04</b>	<b>74.69%</b>	<b>7,628,051.53</b>	<b>7,636,211.00</b>	<b>-8,159.47</b>	<b>99.89%</b>	<b>7,701,051.53</b>	<b>7,705,381.00</b>	<b>-4,329.47</b>	<b>99.94%</b>
<b>Gross Profit</b>	<b>6,519.96</b>	<b>8,730.00</b>	<b>-2,210.04</b>	<b>74.69%</b>	<b>7,628,051.53</b>	<b>7,636,211.00</b>	<b>-8,159.47</b>	<b>99.89%</b>	<b>7,701,051.53</b>	<b>7,705,381.00</b>	<b>-4,329.47</b>	<b>99.94%</b>
<b>Expense</b>												
6010 · Admin. Salary/Benefit Costs	43,188.95	72,664.57	-29,475.62	59.44%	535,852.25	627,285.25	-91,433.00	85.42%	789,469.67	842,547.00	-53,077.33	93.7%
6020 · Office Building Expense	9,411.14	8,481.00	930.14	110.97%	80,518.53	81,245.00	-726.47	99.11%	106,158.04	106,274.00	-115.96	99.89%
6030 · Office Supplies & Equip.	2,666.75	2,525.00	141.75	105.61%	23,892.16	24,455.00	-562.84	97.7%	29,856.21	30,330.00	-473.79	98.44%
6040 · Postage & Printing Costs	3,233.26	3,358.33	-125.07	96.28%	36,565.65	46,150.01	-9,584.36	79.23%	52,565.65	56,900.00	-4,334.35	92.38%
6050 · Information Services	13,972.73	12,320.00	1,652.73	113.42%	89,392.62	100,296.66	-10,904.04	89.13%	129,690.16	131,840.00	-2,149.84	98.37%
6060 · Contract Services	0.00	2,500.00	-2,500.00	0.0%	8,470.00	35,500.00	-27,030.00	23.86%	38,293.33	40,200.00	-1,906.67	95.26%
6070 · Watermaster Legal Services	21,212.61	15,225.00	5,987.61	139.33%	217,847.72	185,025.00	32,822.72	117.74%	305,463.63	230,700.00	74,763.63	132.41%
6080 · Insurance	0.00	0.00	0.00	0.0%	25,276.03	25,776.00	-499.97	98.06%	26,776.03	27,312.00	-535.97	98.04%
6110 · Dues and Subscriptions	0.00	0.00	0.00	0.0%	18,090.99	20,325.00	-2,234.01	89.01%	20,190.99	20,325.00	-134.01	99.34%
6140 · WM Admin Expenses	73.53	175.00	-101.47	42.02%	1,699.78	2,125.00	-425.22	79.99%	2,266.37	2,650.00	-383.63	85.52%
6150 · Field Supplies	21.60	0.00	21.60	100.0%	407.21	1,450.00	-1,042.79	28.08%	1,407.21	1,450.00	-42.79	97.05%
6170 · Travel & Transportation	1,469.68	1,620.00	-150.32	90.72%	15,008.25	17,120.00	-2,111.75	87.67%	20,011.00	22,860.00	-2,849.00	87.54%
6190 · Conferences & Seminars	826.05	500.00	326.05	165.21%	15,743.64	16,000.00	-256.36	98.4%	17,993.64	16,000.00	1,993.64	112.46%
6200 · Advisory Comm - WM Board	3,366.41	4,576.90	-1,210.49	73.55%	22,901.98	41,675.99	-18,774.01	54.95%	35,535.97	55,568.00	-20,032.03	63.95%
6300 · Watermaster Board Expenses	8,853.45	14,348.89	-5,495.44	61.7%	97,702.91	129,943.50	-32,240.59	75.19%	135,270.55	173,258.00	-37,987.45	78.08%
8300 · Appr PI-WM & Pool Admin	20,453.34	76,146.01	-55,692.67	26.86%	98,363.79	168,966.49	-70,602.70	58.22%	196,151.72	202,622.00	-6,470.28	96.81%
8400 · Agri Pool-WM & Pool Admin	4,382.32	5,048.07	-665.75	86.81%	34,258.51	46,003.49	-11,744.98	74.47%	50,678.01	61,338.00	-10,659.99	82.62%
8467 · Ag Legal & Technical Services	29,225.00	9,583.33	19,641.67	304.96%	113,097.50	153,750.00	-40,652.50	73.56%	175,796.67	205,000.00	-29,203.33	85.75%
8470 · Ag Meeting Attend -Special	3,375.00	1,850.00	1,525.00	182.43%	24,775.00	16,650.00	8,125.00	148.8%	33,033.33	22,200.00	10,833.33	148.8%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	48,750.00	-48,750.00	0.0%	32,500.00	65,000.00	-32,500.00	50.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	100.00	-100.00	0.0%	0.00	300.00	-300.00	0.0%	0.00	400.00	-400.00	0.0%
8500 · Non-Ag PI-WM & Pool Admin	5,562.07	9,131.25	-3,569.18	60.91%	86,291.04	82,518.75	3,772.29	104.57%	120,054.72	110,025.00	10,029.72	109.12%
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	-28,252.30	-31,526.79	3,274.49	89.61%	-206,363.14	-298,255.20	91,892.06	69.19%	-275,150.85	-391,877.00	116,726.15	70.21%
6900 · Optimum Basin Mgmt Plan	169,312.45	62,353.92	106,958.53	271.54%	1,106,060.51	1,019,157.24	86,903.27	108.53%	1,474,747.35	1,207,145.00	267,602.35	122.17%
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	15,300.25	10,181.12	5,119.13	150.28%	93,784.83	96,317.19	-2,532.36	97.37%	125,046.44	126,551.00	-1,504.56	98.81%
7101 · Production Monitoring	6,509.08	2,682.77	3,826.31	242.63%	57,186.33	57,479.25	-292.92	99.49%	64,748.44	65,239.00	-490.56	99.25%
7102 · In-line Meter Installation	0.00	8,429.59	-8,429.59	0.0%	10,893.03	76,066.53	-65,173.50	14.32%	69,524.04	101,422.00	-31,897.96	68.55%
7103 · Grdwtr Quality Monitoring	8,796.24	13,952.71	-5,156.47	63.04%	128,288.16	133,763.51	-5,475.35	95.91%	171,050.88	176,018.00	-4,967.12	97.18%
7104 · Gdwtr Level Monitoring	19,204.97	19,594.35	-389.38	98.01%	134,925.16	177,266.27	-42,341.11	76.11%	214,900.21	236,355.00	-21,454.79	90.92%
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	78,579.04	64,601.58	13,977.46	121.64%	343,521.81	517,025.26	-173,503.45	66.44%	518,029.08	575,830.00	-57,800.92	89.96%

	1/12th (8.33%) of the Total Budget				9/12th (75%) of the Total Budget				100% of the Total Budget			
	For The Month of March 2015				Year-To-Date as of March 31, 2015				Fiscal Year End as of June 30, 2015			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	26,266.97	7,396.76	18,870.21	355.12%	176,594.77	297,639.96	-121,045.19	59.33%	235,459.69	319,910.00	-84,450.31	73.6%
7109 · Recharge & Well Monitoring Prog	0.00	1,750.00	-1,750.00	0.0%	9,089.75	16,750.00	-7,660.25	54.27%	12,119.67	21,000.00	-8,880.33	57.71%
7200 · PE2- Comp Recharge Pgm	39,741.03	9,290.23	30,450.80	427.77%	733,934.12	978,824.06	-244,889.94	74.98%	1,078,578.83	1,204,944.82	-126,365.99	89.51%
7300 · PE3&5-Water Supply/Desalte	0.00	4,752.04	-4,752.04	0.0%	53.16	43,105.50	-43,052.34	0.12%	45,000.00	57,474.00	-12,474.00	78.3%
7400 · PE4- Mgmt Plan	17,844.80	8,991.25	8,853.55	198.47%	143,311.17	181,126.00	-37,814.83	79.12%	191,081.56	208,168.00	-17,086.44	91.79%
7500 · PE6&7-CoopEfforts/SaltMgmt	0.00	6,748.82	-6,748.82	0.0%	20,264.50	70,984.74	-50,720.24	28.55%	72,019.33	91,313.00	-19,293.67	78.87%
7600 · PE8&9-StorageMgmt/Conj Use	0.00	2,517.75	-2,517.75	0.0%	241.62	22,936.49	-22,694.87	1.05%	25,241.62	30,582.00	-5,340.38	82.54%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	415,978.00	2,179,817.00	-1,763,839.00	19.08%	1,865,978.00	2,179,817.00	-313,839.00	85.6%
7700 · Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	374.99	-374.99	0.0%	250.00	500.00	-250.00	50.0%
9502 · G&A Expenses Allocated-Projects	12,952.05	21,345.67	-8,393.62	60.68%	112,578.31	201,938.01	-89,359.70	55.75%	150,104.41	265,326.00	-115,221.59	56.57%
<b>Total Expense</b>	<b>537,548.47</b>	<b>453,256.79</b>	<b>84,291.68</b>	<b>118.6%</b>	<b>4,826,497.65</b>	<b>7,653,627.94</b>	<b>-2,827,130.29</b>	<b>63.06%</b>	<b>8,367,891.61</b>	<b>8,910,516.82</b>	<b>-542,625.21</b>	<b>93.91%</b>
<b>Net Ordinary Income</b>	<b>-531,028.51</b>	<b>-444,526.79</b>	<b>-86,501.72</b>	<b>119.46%</b>	<b>2,801,553.88</b>	<b>-17,416.94</b>	<b>2,818,970.82</b>	<b>-16,085.22%</b>	<b>-666,840.08</b>	<b>-1,205,135.82</b>	<b>538,295.74</b>	<b>55.33%</b>
<b>Other Income</b>												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	696,210.53	0.00	696,210.53	100.0%	696,210.53	0.00	696,210.53	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	55,772.41	0.00	55,772.41	100.0%	55,772.41	0.00	55,772.41	100.0%
4225 · Interest Income	917.71	0.00	917.71	100.0%	1,697.77	0.00	1,697.77	100.0%	2,297.77	0.00	2,297.77	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	1,151,196.00	0.00	1,151,196.00	100.0%	1,151,196.00	0.00	1,151,196.00	100.0%	1,151,196.00	0.00	1,151,196.00	100.0%
<b>Total Other Income</b>	<b>1,152,113.71</b>	<b>0.00</b>	<b>1,152,113.71</b>	<b>100.0%</b>	<b>1,904,876.71</b>	<b>0.00</b>	<b>1,904,876.71</b>	<b>100.0%</b>	<b>1,905,476.71</b>	<b>0.00</b>	<b>1,905,476.71</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	1,151,196.00	0.00	1,151,196.00	100.0%	1,151,196.00	0.00	1,151,196.00	100.0%	1,151,196.00	0.00	1,151,196.00	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	6,456.00	0.00	6,456.00	100.0%	6,456.00	0.00	6,456.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	1,841.00	0.00	1,841.00	100.0%	1,841.00	0.00	1,841.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Other Expense</b>	<b>1,151,196.00</b>	<b>0.00</b>	<b>1,151,196.00</b>	<b>100.0%</b>	<b>1,159,493.00</b>	<b>0.00</b>	<b>1,159,493.00</b>	<b>100.0%</b>	<b>1,159,493.00</b>	<b>0.00</b>	<b>1,159,493.00</b>	<b>100.0%</b>
<b>Net Other Income</b>	<b>917.71</b>	<b>0.00</b>	<b>917.71</b>	<b>100.0%</b>	<b>745,383.71</b>	<b>0.00</b>	<b>745,383.71</b>	<b>100.0%</b>	<b>745,983.71</b>	<b>0.00</b>	<b>745,983.71</b>	<b>100.0%</b>
<b>Net Income</b>	<b>-530,110.80</b>	<b>-444,526.79</b>	<b>-85,584.01</b>	<b>119.25%</b>	<b>3,546,937.59</b>	<b>-17,416.94</b>	<b>3,564,354.53</b>	<b>-20,364.87%</b>	<b>79,143.63</b>	<b>-1,205,135.82</b>	<b>1,284,279.45</b>	<b>-6.57%</b>

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

# **CHINO BASIN WATERMASTER**

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

### **C. WATER TRANSACTIONS**

(Consider Approval for Notice of Sale or Transfer)

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

### **C. WATER TRANSACTIONS**

(Consider Approval for Notice of Sale or Transfer)

*CHINO BASIN WATERMASTER*

**NOTICE**

OF

**APPLICATION(S)**

RECEIVED FOR

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

May 8, 2015

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

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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: March 21, 2015

Date of this notice: May 8, 2015

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

- Notice of Sale or Transfer – The purchase of 5,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account).

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

Appropriative Pool: May 14, 2015

Non-Agricultural Pool: May 14, 2015

Agricultural Pool: May 14, 2015

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

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

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

Watermaster address:

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

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

# CHINO BASIN WATERMASTER

## NOTICE OF TRANSFER OF WATER

Notification Dated: May 8, 2015

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



## CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

**DATE:** May 8, 2015  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

**Summary –**

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

**Issue –**

- Notice of Sale or Transfer – The purchase of 5,000,000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account).

**Recommendation –**

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

**Fiscal Impact –**

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

**Background**

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

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

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

- Notice of Sale or Transfer – The purchase of 5,000,000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account).

Notice of the water transaction identified above was mailed on May 8, 2015 along with the materials submitted by the requestors.

#### **DISCUSSION**

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

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

FISCAL YEAR 20<sub>14</sub> - 20<sub>15</sub>

DATE REQUESTED: March 21, 2015

AMOUNT REQUESTED: 5,000.00 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>			<b>TRANSFER TO (BUYER / TRANSFEREE):</b>		
City of Upland			Fontana Water Company		
Name of Party			Name of Party		
460 N. Euclid Avenue			15966 Arrow Route		
Street Address			Street Address		
Upland	CA.	91786	Fontana	CA.	92335
City	State	Zip Code	City	State	Zip Code
(909) 291-2931			(909) 822-2201		
Telephone			Telephone		
(909) 291-2974			(909) 823-5046		
Facsimile			Facsimile		

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

**PURPOSE OF TRANSFER:**

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

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage (S.C.D.) <sup>RA</sup>
- Other, explain Excess Carry Over

**WATER IS TO BE TRANSFERRED TO:**

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

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

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
<u>Varies</u>	<u>2014 - 2015</u>
<u>Projected Rate of Recapture</u>	<u>Projected Duration of Recapture</u>
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b>	
<u>Pumping</u>	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b>	
<u>Chino Basin Management Zone 3</u>	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b>	
<u>N/A</u>	

**WATER QUALITY AND WATER LEVELS**

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

If yes, please explain:

Of the wells routinely pumped, current perchlorate levels range from non detect to 10.0 ppb and current nitrate levels range from 8.9 to 39.0 ppm (as of March 2015)

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

Static Water Levels ranging from 316 bgs to 657 bgs (as of March 2015)

**MATERIAL PHYSICAL INJURY**

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

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

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

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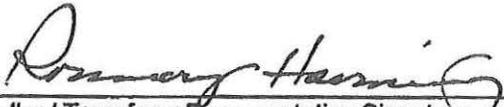
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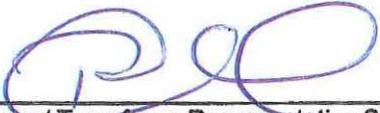
**SAID TRANSFER SHALL BE CONDITIONED UPON:**

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

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
 \_\_\_\_\_  
 Seller / Transferor Representative Signature  
 Rosemary Hoerning, Public Works Director  
 \_\_\_\_\_  
 Seller / Transferor Representative Name (Printed)

  
 \_\_\_\_\_  
 Buyer / Transferee Representative Signature  
 Robert Young, General Manager  
 \_\_\_\_\_  
 Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

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

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*CHINO BASIN WATERMASTER*

**NOTICE**

OF

**APPLICATION(S)**

RECEIVED FOR

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

May 8, 2015

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

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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: April 20, 2015

Date of this notice: May 8, 2015

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

- Notice of Sale or Transfer – The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool).

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

Appropriative Pool: May 14, 2015

Non-Agricultural Pool: May 14, 2015

Agricultural Pool: May 14, 2015

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

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

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

Watermaster address:

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

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

# CHINO BASIN WATERMASTER

## NOTICE OF TRANSFER OF WATER

Notification Dated: May 8, 2015

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



## CHINO BASIN WATERMASTER

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

---

PETER KAVOUNAS, P.E.  
General Manager

**DATE:** May 8, 2015

**TO:** Watermaster Interested Parties

**SUBJECT:** Summary and Analysis of Application for Water Transaction

**Summary –**

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

**Issue –**

- Notice of Sale or Transfer – The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool).

**Recommendation –**

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

**Fiscal Impact –**

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

**Background**

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

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

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

- Notice of Sale or Transfer – The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool).

Notice of the water transaction identified above was mailed on May 8, 2015 along with the materials submitted by the requestors.

#### **DISCUSSION**

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

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

FISCAL YEAR 20<sub>14</sub> - 20<sub>15</sub>

DATE REQUESTED: April 20, 2015

AMOUNT REQUESTED: 4.50 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b> The Nicholson Trust	<b>TRANSFER TO (BUYER / TRANSFEREE):</b> Fontana Water Company
Name of Party Post Office Box	Name of Party 15966 Arrow Route
Street Address El Monte CA 91734	Street Address Fontana CA 92335
City State Zip Code (626) 448-6183	City State Zip Code (909) 822-2201
Telephone (626) 448-5530	Telephone (909) 823-5046
Facsimile	Facsimile

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

**PURPOSE OF TRANSFER:**

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

**WATER IS TO BE TRANSFERRED FROM:**

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

**WATER IS TO BE TRANSFERRED TO:**

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

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

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
Varies	2014 - 2015
Projected Rate of Recapture	Projected Duration of Recapture
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b>	
Pumping	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b>	
Chino Basin Management Zone 3	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b>	
N/A	

**WATER QUALITY AND WATER LEVELS**

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

If yes, please explain:

Of the wells routinely pumped, current perchlorate levels range from non detect to 10.0 ppb and current nitrate levels range from 8.9 to 39.0 ppm (as of March 2015)

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

Static Water Levels ranging from 316 bgs to 657 bgs (as of March 2015)

**MATERIAL PHYSICAL INJURY**

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

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

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

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**SAID TRANSFER SHALL BE CONDITIONED UPON:**

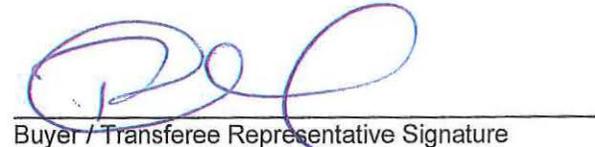
- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to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

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature

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

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

**Robert Young, General Manager**  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

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*CHINO BASIN WATERMASTER*

**NOTICE**

OF

**APPLICATION(S)**

RECEIVED FOR

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

May 8, 2015

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

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**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **April 24, 2015**

Date of this notice: **May 8, 2015**

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

- Notice of Sale or Transfer – The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16.

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

Appropriative Pool: May 14, 2015

Non-Agricultural Pool: May 14, 2015

Agricultural Pool: May 14, 2015

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

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

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

Watermaster address:

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

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

# CHINO BASIN WATERMASTER

## NOTICE OF TRANSFER OF WATER

Notification Dated: May 8, 2015

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



## CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

**DATE:** May 8, 2015  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

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

- Notice of Sale or Transfer – The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16.

Notice of the water transaction identified above was mailed on May 8, 2015 along with the materials submitted by the requestors.

#### **DISCUSSION**

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

Aqua Capital Management Intervened into the Judgment as an Overlying Non-Agricultural Party in November 2008. It currently has 332.981 acre-feet of Safe Yield in the Overlying Non-Agricultural Pool. The City of Ontario Intervened into the Judgment as an Overlying Non-Agricultural Party in September 2008. It currently has 2,627.807 acre-feet of Safe Yield in the Overlying Non-Agricultural Pool.

Aqua Capital Management and Ontario City Non-Ag have submitted Consolidated Forms 3, 4 & 5 (Application for Sale or Transfer of Right to Produce Water from Storage, Application or Amendment to Application to Recapture Water in Storage, and Application to Transfer Annual Production Right or Safe Yield). The Application indicates that the amount of Safe Yield to be permanently transferred from Aqua Capital Management by Ontario City Non-Ag is 282.981 acre-feet. The Parties have indicated that the transfer is to be effective for fiscal year 2015/2016. After the transfer, Aqua Capital Management's remaining adjudicated Safe Yield right will be 50.000 acre-feet, Ontario City Non-Ag's adjudicated Safe Yield right will be 2,910.788 acre-feet. The transfer does not involve any change of use or additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

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



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

May 8, 2015

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

Re. Permanent Transfer of Safe Yield

Dear Mr. Kavounas,

This is to notify the Watermaster that Aqua Capital Management LP ("Transferor") is hereby requesting the permanent transfer to the City of Ontario ("Transferee") 282.981 AF of its remaining groundwater production rights, adjudicated to Transferor or its predecessor-in-interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

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

Sincerely,

A handwritten signature in black ink, appearing to read "D. Penrice", written over a white background.

David Penrice  
Chief Executive Officer

CITY OF



ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON  
MAYOR

AL C. BOLING  
CITY MANAGER

ALAN D. WAPNER  
MAYOR PRO TEM

April 14, 2015

MARY E. WIRTES, MMC  
CITY CLERK

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

JAMES R. MILHISER  
TREASURER

SCOTT BURTON  
UTILITIES GENERAL MANAGER

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

**RE: PERMANENT TRANSFER OF SAFE YIELD**

Dear Mr. Kavounas,

Pursuant to an executed water purchase agreement with Aqua Capital Management LP of the Non-Agricultural Pool (Transferor) and the City of Ontario of the Non-Agricultural Pool (Transferee), enclosed are the following documents for the permanent transfer of 282.981 AF of safe yield:

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

Consistent with the Judgment, Peace Agreements and Rules and Regulations, the City intends to use this water on City property and for future desalter replenishment obligations. Please schedule the proposed application for consideration at the May 2015 Pool and Advisory Watermaster meetings.

Sincerely,

Scott Burton  
Utilities General Manager

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

FISCAL YEAR 2015-2016

DATE REQUESTED: April 24, 2015

AMOUNT REQUESTED: 282.981 Acre-Feet

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

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

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain Any usage allowed under the Judgment, Peace Agreements & Rules & Regulations

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain PERMANENT transfer of 282.981 AF of SY

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain PERMANENT transfer of 282.981 AF of SY

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

Is the Buyer an 85/15 Party? Yes  No

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

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

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
Varies	Indefinite (permanent transfer)
Projected Rate of Recapture	Projected Duration of Recapture
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b>	
Any usage allowed under the Judgment, Peace Agreements, and Rules and Regulations	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b>	
Management Zones 2 & 3	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b>	
N/A	

**WATER QUALITY AND WATER LEVELS**

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

If yes, please explain: Water quality in the area is characterized by high nitrate, perchlorate and VOC concentrations.

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

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

Static level varies from 272 feet to 524 feet

**MATERIAL PHYSICAL INJURY**

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

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

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

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**SAID TRANSFER SHALL BE CONDITIONED UPON:**

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

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
 \_\_\_\_\_  
 Seller / Transferor Representative Signature

\_\_\_\_\_  
 Buyer / Transferee Representative Signature

*David Penice*  
 \_\_\_\_\_  
 Seller / Transferor Representative Name (Printed)

\_\_\_\_\_  
 Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

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

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

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

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

\_\_\_\_\_  
Seller / Transferor Representative Signature

*Scott Burton*  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)

*SCOTT BURTON*  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

# **CHINO BASIN WATERMASTER**

## **II. BUSINESS ITEMS**

### **A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT**



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Integrated Resources Plan Groundwater Modeling Reimbursement Agreement

### SUMMARY

Issue: Inland Empire Utilities Agency (IEUA) is developing its Integrated Resources Plan (IRP) and has requested the services of Wildermuth Environmental, Inc. (WEI), Watermaster's hydrologic and modeling consultant. A Reimbursement Agreement among IEUA and Watermaster has been developed to accommodate the request.

Recommendation: Recommend Advisory Committee approval of the Reimbursement Agreement.

Financial Impact: There is no financial impact to Watermaster as a result of the recommendation. IEUA would reimburse Watermaster for all associated expenses.

### Future Consideration

Appropriative Pool: May 14, 2015 Recommend Advisory Committee approval  
Non-Agricultural Pool: May 14, 2015 Recommend Advisory Committee approval  
Agricultural Pool: May 14, 2015 Recommend Advisory Committee approval  
Advisory Committee: May 21, 2015 Approval  
Watermaster Board: May 28, 2015 Approval [Advisory Committee Approval Required]

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### ACTIONS:

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

## BACKGROUND

IEUA is preparing its IRP and has requested the services of WEI, Watermaster's hydrologic and modeling consultant, to complete modeling work using Watermaster's proprietary Chino Groundwater Basin model. As part of the work WEI would evaluate the response of the surface and groundwater resources of the region to different IRP planning scenarios.

## DISCUSSION

Based on their joint interests in management of water resources within the Basin, Watermaster is participating in the stakeholder process related to IEUA's preparation of the IRP. Because of WEI's institutional and modeling knowledge, WEI is best suited to undertake the requested modeling work. The full scope of work is shown as an attachment to the proposed Reimbursement Agreement.

IEUA would reimburse Watermaster for WEI expenses associated with the development of the IRP. IEUA has agreed to the standard terms Watermaster requires for third party runs of the Watermaster model, including preservation of confidential information and indemnification of Watermaster.

## ATTACHMENTS

1. Reimbursement Agreement dated May 28, 2015 (proposed)



## CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

May 28, 2015

P. Joseph Grindstaff, General Manager  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91709

**RE: Integrated Resources Plan Groundwater Modeling Reimbursement Agreement**

Dear Mr. Grindstaff,

Inland Empire Utilities Agency ("IEUA") has requested the services of Wildermuth Environmental, Inc. ("WEI"), Watermaster's hydrologic and modeling consultant, to complete certain modeling related to IEUA's development of its Integrated Resources Plan ("IRP"), using Watermaster's proprietary Chino Groundwater Basin ("Basin") model. Based on their joint interests in management of water resources within the Basin, Watermaster is participating in the stakeholder process related to IEUA's preparation of the IRP. Because of WEI's institutional and modeling knowledge, Watermaster and IEUA agree that WEI is the entity best suited to undertake the requested modeling work.

In order to facilitate WEI's performance of the IRP modeling work, Watermaster and IEUA agree as follows:

1. **Scope of Work.** The Scope of Work to be completed by WEI on behalf of IEUA shall be that defined in Exhibit "A", attached hereto and incorporated by reference.
2. **Use of Data.** The use of the data produced as a result of WEI's use of Watermaster's proprietary Basin model shall be limited to the use for which the request was made, as described in Exhibit A.
3. **Confidential Information.** IEUA shall not use to the detriment of Watermaster, and shall preserve as confidential, all privileged information furnished or acquired pursuant to its modeling request, which is the subject of this Reimbursement Agreement. The term "privileged information" shall include any and all information regarding private wells and other information deemed privileged by Watermaster.
4. **Reimbursement.** IEUA shall reimburse Watermaster for all fees paid to WEI for work undertaken by WEI in its completion of the modeling work described in the Scope of Work. Such reimbursement shall be made as follows:
  - 4.1 **Time of Reimbursement.** At the last day of each month, Watermaster shall transmit to IEUA's General Manager a single invoice, with supporting documentation, itemizing Watermaster's payments to WEI for work undertaken pursuant to the Scope of Work during the preceding monthly billing period. Reimbursement shall be due and payable in full no later than 30 days from the date of receipt. IEUA will exercise its best efforts to complete payment within 30 days,

May 28, 2015

recognizing that it may be subject to requirement of reimbursement to Watermaster for additional expenses, such as loss of interest earnings, incurred as a result of a delay in reimbursement. The loss of interest earnings will be calculated by Watermaster based on the investment earning rate.

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

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

- 4.3 Disputed Invoices. If IEUA disputes any portion of an invoice, IEUA shall furnish prompt notice of the basis for the dispute and shall pay the undisputed portion. The due date for payment of the disputed portion shall be extended 30 days to allow the Parties to resolve the disputed issue.
5. Indemnity. IEUA agrees to protect, defend and hold harmless Watermaster and WEI, their officers, officials or employees from all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for any liabilities of any kind arising out of or in connection with the work, operation or activities of IEUA, its agents, employees and subcontractors in the use of data or models provided to IEUA by Watermaster or by WEI pursuant to the Scope of Work. The provisions of this Section 5 will survive termination of this Reimbursement Agreement.
6. Enforceability. The terms of this Reimbursement Agreement shall be enforceable by specific performance as ordered by the Court maintaining continuing jurisdiction over the case *Chino Basin Municipal Water District v. City of Chino*, San Bernardino Superior Court Case No. RCV 51010. IEUA hereby agrees to submit to the jurisdiction of said Court for the purpose of enforcement and interpretation of this Reimbursement Agreement.

Pursuant to and conditioned upon the above terms, Watermaster shall facilitate WEI's completion of the modeling request described in the Scope of Work.

Sincerely,

---

PETER KAVOUNAS, P.E.  
General Manager  
CHINO BASIN WATERMASTER

In executing this Reimbursement Agreement, I expressly agree on behalf of the Inland Empire Utilities Agency to the terms described herein.

By \_\_\_\_\_  
P. JOSEPH GRINDSTAFF  
General Manager  
INLAND EMPIRE UTILITIES AGENCY

Attachment: Exhibit A – Scope of Work



February 23, 2015

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

Inland Empire Utilities Agency  
Attention: Joseph Grindstaff, General Manager  
6075 Kimball Road  
Chino, CA 91710

**Subject:** *Letter proposal to provide as-requested engineering services to the Chino Basin Watermaster and the Inland Empire Utilities Agency (IEUA) in support of IEUA's investigation to develop an Integrated Resources Plan (IRP)*

Dear Messrs. Kavounas and Grindstaff:

Pursuant to your request, Wildermuth Environmental Inc. (WEI) is pleased to submit this proposal to provide as-requested engineering services in support of IEUA's investigation to develop an Integrated Resources Plan (IRP). WEI has participated in several meetings during the IRP development process and most recently the February 5, 2015 meeting with Jason Pivavoroff, Elizabeth Hurst and Martha Davis. IEUA is interested in having WEI use its modeling expertise with the Chino Basin Watermaster 2013 model to assist the IEUA in evaluating the Chino Basin response to various regional water resources management strategies that include conjunctive use, increased stormwater recharge, water conservation and climate change.

### **Scope of Work**

The precise scope of work has not been determined but will include WEI project management, meetings to scope out various water management scenarios, the modeling of those scenarios with specific deliverables, review of IEUA interim work and products and attendance at IEUA-led meetings to assist IEUA in presenting the modeling results.

#### **Task 1 Project Management**

Work completed in this task includes project management (resourcing, scheduling, cost controls, etc.), timely invoicing, internal technical reviews, and coordination with the IEUA project manager. The work products include progress reports and invoices. This project is expected to run from March through June, a total of four months.

#### **Task 2 As-Needed Assistance to IEUA in Developing IRP Planning Scenarios**

The objectives of this task are to:

- Work with IEUA and Watermaster staff and consultants to identify the water resource management strategies to be incorporated in each IRP planning scenario,
- Describe the groundwater management activities and impacts specifically, and
- Scope out the effort required to model the scenario and the deliverables for each scenario.

WEI will participate in meetings as requested by IEUA and Watermaster, and will prepare concise lists of assumption and deliverables for each scenario and cost estimates to model each scenario and prepare the deliverables.

### **Task 3 Apply the 2013 Chino Basin Watermaster Model to Evaluate the Surface and Ground Water Response to IRP Scenarios**

The objective of this task is to use the 2013 Chino Basin Watermaster model to evaluate the surface and ground water response to IRP scenarios that are authorized pursuant to Task 3. WEI will:

- Apply the R4 model, if necessary, to estimate the surface water response and evapotranspiration, and the deep infiltration of precipitation and applied water
- Develop groundwater production and supplemental recharge files consistent with the water supply plans
- Use the groundwater model to evaluate the groundwater response throughout the basin and to estimate the discharge in the Santa Ana River at Prado dam
- Prepare a short summary project memorandum that includes:
  - Hydrologic budget of the Chino Basin that shows the recharge, discharge, change in storage and annual developed yield for each scenario
  - Series of groundwater elevation change maps for each scenario
  - Time history projections of groundwater level for select Appropriator Party wells with their sustainability metrics, and
  - Time history of Santa Ana River Discharge at Prado Dam.

### **Task 4 Review of IEUA Interim Work Products and Attendance at IEUA Progress Meetings**

WEI will, as requested, review IEUA interim work products and provide comments back to IEUA. WEI will attend IRP progress meetings as requested by IEUA to assist IEUA and Watermaster staffs in explaining the results of groundwater model assessment of the IRP scenarios.

### **WEI Staffing**

Mark Wildermuth will manage this project and be the principal in charge. Dr. Wenbin Wang will conduct the groundwater modeling and Dr. Jeff Hwang will conduct the surface water modeling.



## Schedule and Cost

IEUA has informed Watermaster and WEI that the work contemplated herein needs to be completed within four months with the modeling work in Task 3 to be completed by early May. WEI will use its best efforts to work with this schedule. To comply with this schedule IEUA must be able to produce concise Scenario descriptions by the end of March.

The cost to complete this assignment is \$49,000 that is based on the following assumptions:

- Two meetings will be required in Task 2 to develop two to three scenario descriptions in enough detail to enable them to be evaluated in Task 3
- IEUA and Watermaster staff can promptly respond to WEI requests for Scenario refinement as WEI simulates the scenarios in Task 3.
- WEI participates in three formal IRP progress meetings.
- WEI will charge cost based on the time and material billing schedule applicable in the WEI-Watermaster contract.

The task descriptions provided above are too imprecise to prepare a detailed work breakdown structure and thus the fee estimate is an estimate. WEI will advise the Watermaster and IEUA on budget status monthly and will work as directed until the work is either completed or the budget is exhausted with the budget limit taking priority over completion of the work.

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Thank you for the opportunity to propose on this extremely important and timely project. We are ready to start at your direction.

Very truly yours,

**Wildermuth Environmental, Inc.**



Mark J. Wildermuth, PE  
President, Principal Engineer



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# **CHINO BASIN WATERMASTER**

## **II. BUSINESS ITEMS**

- B. CITY OF ONTARIO AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YEILD TO OFFSET FUTURE DESALTER REPLENISHMENT**



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committees  
SUBJECT: City of Ontario Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment

### SUMMARY

Issue: The City of Ontario holds both appropriative and overlying water rights and is a member of both the Appropriative and Overlying (Non-Agricultural) Pools. It has indicated that a prospective purchase of water within the Overlying (Non-Agricultural) Pool is dependent upon learning whether it may dedicate a portion of water acquired to off-set a future Desalter replenishment obligation. It anticipates a future obligation to offset or replenish Desalter pumping and seeks confirmation, through an Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment, that it may satisfy its obligation through dedication of Safe Yield arising under its overlying water rights.

Recommendation: Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

Financial Impact: None

### Future Consideration

Non-Agricultural Pool: May 14, 2015; Review and recommend

Agricultural Pool: May 14, 2015; Review and recommend

Appropriative Pool: May 14, 2015; Review and recommend

Advisory Committee: May 21, 2015; Consideration of action

Watermaster Board: May 28, 2015; Consideration of action [Advisory Committee approval required]

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### ACTIONS:

May 14, 2015 -Appropriative Pool -

May 14, 2015 - Non-Agricultural Pool -

May 14, 2015 - Agricultural Pool -

May 21, 2015 -Advisory Committee -

May 28, 2015 - Watermaster Board -

## BACKGROUND

The City of Ontario ("City") is a party to the Judgment and the owner of appropriative and overlying rights, and is a member of the Appropriative and Overlying (Non-Agricultural) Pools. The City has a prospective replenishment obligation attributable to the Desalters as a member of the Appropriative Pool. The City has indicated that it may wish to offset its Desalter Replenishment obligation through contribution of Safe Yield under its overlying water rights. The City has prepared an Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment ("Agreement") to confirm its ability to offset its Desalter Replenishment obligation in this manner.

## DISCUSSION

### The City

The City is an original party to the 1978 Judgment, pursuant to which it was made a member of the Appropriative Pool, with a 20.742% share of the Operating Safe Yield. The City intervened into the Judgment as an Overlying (Non-Agricultural) Party in September 2008. As a result of its original purchase subsequent transfers, as of May 1, 2015, it has 2,627.807 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool ("Non-Ag Pool"), and has requested approval of the permanent transfer of an additional 282.981 acre-feet of Safe Yield in the Non-Ag Pool to be effective in FY15-16.

### Desalter Replenishment

- A. The Development of the Desalter Replenishment Obligation
  1. The Peace Agreement

The obligation for Desalter Replenishment initially arises out of paragraph 7.5 of the Peace Agreement, which provides for replenishment for the Desalters from specified sources in a designated order of priority. Specifically, paragraph 7.5 provides for replenishment first from a Watermaster Desalter Replenishment account composed of 25,000 AF of water abandoned to the Basin by Kaiser<sup>1</sup> and other water previously dedicated for the same purpose, then New Yield of the Basin, Safe Yield of the Basin, and finally "Additional Replenishment Water purchased by Watermaster<sup>2</sup>, the costs of which shall be levied as an Assessment by Watermaster." (Peace Agreement, ¶ 7.5.)

2. First Amendment to Peace Agreement

In 2004, based on changes implemented through the Regional Water Quality Control Board's Basin Plan Amendment for the Chino Basin and the resultant lack of development of previously anticipated "Salt Credits", some Parties to the Peace Agreement contended that they should be relieved of their obligation to provide a share of storm flow recharge New Yield for Desalter Replenishment (First Amendment to Peace Agreement, Recital B.) As a result, the Stormwater component of New Yield was dedicated to the members of the Appropriative Pool according to their percentages of Safe Yield, and was excepted from Desalter Replenishment under Peace Agreement § 7.5(b). (First Amendment to Peace Agreement, ¶ 2.)

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<sup>1</sup> This water was abandoned by Kaiser for this purpose pursuant to what Peace Agreement Section 7.2(a)(ii) refers to as "an agreement with the Watermaster, all Pools of Producers from the Chino Basin, Kaiser Ventures, Inc., formerly known as Kaiser Resources, Inc. (Kaiser) and the California Regional Water Quality Control Board, Santa Ana Region (RWQCB), regarding provision of certain water with which to satisfy the Replenishment obligation for operating the Desalter."

<sup>2</sup> Peace Agreement Section 5.3(e), describing the newly created mechanism through which members of the Overlying (Non-Agricultural) Pool could transfer water held in storage or pursuant to their annual production rights, provides that "the parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter..."

### 3. Peace II Agreement

The Peace II Agreement, which contemplated expansion of the Desalters, further expressed the hierarchy through which water could be dedicated to offset Desalter Production, designating that the Section 6.2 controls the process. (Peace II, § 6.1.) Section 6.2 of the Peace II Agreement ("Peace II Desalter Production Offsets") provides that the Replenishment obligation attributable to Desalter production in any year will be determined by Watermaster by first applying a credit against the total quantity of Desalter Production from:

- (i) the Kaiser account (Peace Agreement Section 7.5(a).);
- (ii) dedication of water from the Overlying (Non-Agricultural) Pool Storage Account;
- (iii) New Yield (other than Stormwater (Peace Agreement Section 7.5(b)));
- (iv) any declared losses from storage in excess of actual losses enforced as a "Leave Behind";
- (v) Safe Yield that may be contributed by the parties (Peace Agreement Section 7.5(c));
- (vi) Any Production of groundwater attributable to the controlled overdraft authorized pursuant to amended Exhibit I to the Judgment.

To the extent available credits applied pursuant to the hierarchy above are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Peace II Section 6.2(b) directs Watermaster to "use water or revenue obtained by levying... assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriative Pool to meet any remaining replenishment obligation." (Peace II, § 6.2(b).)

Section 6.2(b) provides Watermaster shall first levy the Special OBMP Assessment against the Overlying (Non-Agricultural) Pool described in Exhibit "G" to the Judgment<sup>3</sup>, with water obtained through the assessment being dedicated by Watermaster to further off-set replenishment of the Desalters. (Peace II Agreement, § 6.2(b)(i).)

If, after application of the credits and water obtained pursuant to the Overlying (Non-Agricultural) Pool Special OBMP Assessment described above, a replenishment obligation remains, Watermaster is to levy a Replenishment Assessment against the Appropriative Pool, to be assessed pro-rata based on each Producer's combined total share of Operating Safe Yield and the previous year's actual production<sup>4</sup>, excluding Desalter Production.

### 4. Resolution 2010-04

In October 2010, after approval by the Pools and Advisory Committee, the Watermaster Board adopted Resolution 2010-04 in order to confirm the factual and legal assumptions of the Parties as they initiated the final required phase of the Desalter project. The resolution contains commitments by Watermaster and described commitments made by members of the Chino Desalter Authority (CDA) that facilitate the initiation of the final phase of the project.

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<sup>3</sup> Section 5(c) of the Overlying (Non-Agricultural) Pool Pooling Plan provides, "Special Project OBMP Assessment. Each year, every member of this Pool will dedicate ten (10) percent of their annual share of Operating Safe Yield to Watermaster or in lieu thereof Watermaster will levy a Special Project OBMP Assessment in an amount equal to ten percent of the Pool member's respective share of Safe Yield times the then-prevailing MWD Replenishment Rate."

<sup>4</sup> Exhibit "D" to Resolution 2010-04 stated that the intended allocation of the residual Replenishment obligation among the members of the Appropriative Pool would be on the basis of 50% Base Annual Production Right and 50% actual Production. It further stated that the formula is used elsewhere in the Peace II Agreement and it is commonly understood by the Parties to the Judgment and Watermaster to apply in this manner. Watermaster staff understands this allocation mechanism to be on the basis of 50% Operating Safe Yield and 50% assessable production, which is the same as that used for the allocation of stored water in the settlement agreements regarding the Overlying (Non-Agricultural) Pool Purchase and Sale Agreements and that provided for allocation of water available through Physical Solution Transfers pursuant to Paragraph 9(b) of Restated Judgment, Exhibit "G".

Because the cost of Desalter Replenishment was anticipated to be significant<sup>5</sup>, as part of their agreement to move forward with the final portion of the Desalter project, the CDA members required certainty as to the manner in which Watermaster would implement Section 6.2 of the Peace II Agreement. The Parties' understanding of that implementation mechanism was included as Exhibit "D" to Resolution 2010-04, titled "Desalter Replenishment Post-Peace II Measures." (See Resolution 2010-04, Whereas Statement 72.) Exhibit "D" describes, by way of example, the manner in which a replenishment obligation might remain after the application of the credits described in the Peace II Section 6.2 hierarchy, described above,

Exhibit "D" further provides that it was the Parties' understanding that any individual member of the Appropriative Pool reserved its discretion to meet its Desalter Replenishment Obligation in any manner that it might choose that is otherwise consistent with the Judgment. By way of example, Exhibit "D" states that a party might "pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield<sup>6</sup>" to offset its individual Replenishment Assessment. In this manner, Desalter Replenishment is treated no differently than replenishment for pumping in excess of a party's annual production right: "Nothing contained with[in] Peace II and its treatment of Replenishment for the Desalters limited the pre-existing rights of the parties with respect to Replenishment."

The understanding of the Parties regarding their Desalter Replenishment obligations, as documented in Exhibit "D", was approved by the Court as part of its October 28, 2011 Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04, which ordered,

17. Agreements among the Parties, whatever they may be, for Replenishment, operations, conditions and corresponding consideration without limitations, are unaffected by this determination. However, for the avoidance of doubt, Watermaster Resolution 2010-04, Exhibit "D" accurately summarizes and restates these obligations.

(October 28, 2011 Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04.)

B. Appropriative Pool Parties may meet their Desalter Replenishment Obligations through Either Monetary or Water Contributions

As described above, the obligation for Desalter Replenishment, for existing Desalters is apportioned among the Parties to the Judgment in accordance with the hierarchy set forth in Peace II Section 6.2. Assuming that in a particular year that Desalter Production exceeded water made available through the application of the hierarchy, the remaining obligation would be assumed by the members of the Appropriative Pool in accordance with the melded Annual Production Right and Production formula.

As described above, in the creation of the Peace II Section 6.2 requirements, it was the Parties' understanding, endorsed by the Court in its approval of Resolution 2010-04, that the Members of the Appropriative Pool may meet their Desalter Replenishment Obligations in any manner they choose, including through contribution of water – through the acquisition of water by way of allowed water transfers, through the removal of water from a stored water account or through the assignment of a portion of an annual production right – or may contribute financially toward the necessary cost of offsetting their individual Replenishment Assessments.

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<sup>5</sup> The applicable replenishment obligation arises in regard to the Production of the existing Desalters, as the Production that would occur as a result of the expansion of the Desalters was completely offset through the apportionment of a portion of the 400,000 acre-feet of Re-Operation water, approved by the Court pursuant to Condition Subsequent No. 7.

<sup>6</sup> Watermaster has previously discussed mechanisms through which these contributions might be made – similar to preemptive replenishment, but there is no standard mechanism for the same. To date, no party has utilized this provision to dedicate Safe Yield for the purpose of offsetting Desalter obligations.

### The City's Proposed Agreement

The Agreement states that the City has acquired and may, in the future, acquire Overlying (Non-Agricultural) Pool water rights in Safe Yield, and hold this water in storage "with the intention of subsequently contributing this Safe Yield to Watermaster." (Agreement, ¶ 1.) The Agreement provides that if a Replenishment Obligation arises that is attributable to Desalter Production, as provided in Section 6.2 of the Peace II Agreement, the City may contribute Safe Yield attributable to its overlying rights in the Non-Agricultural Pool to Watermaster for the purpose of offsetting its individual Replenishment Obligation as a member of the Appropriative Pool. (Agreement, ¶ 2.) Upon such a contribution, Watermaster would make a corresponding adjustment to the City's assessment and thereby reduce the City's Replenishment obligation in an amount equal to the number of acre-feet contributed by the City in that year. (Agreement, ¶ 2.)

The City seeks the Agreement to confirm its reading of the Peace and Peace II Agreements that it might utilize Safe Yield from its Non-Ag overlying rights to satisfy its Desalter production offset obligations. Confirmation is sought as this mechanism – dedication of Safe Yield arising from an overlying right to satisfy a specific Appropriator's offset obligation – is not explicitly enumerated in the Peace or Peace II Agreements. Although this mechanism not explicitly enumerated in the Peace or Peace II Agreements, staff's interpretation is that the City's reading is permissible.

A question has arisen as to whether the allowance of such a dedication would be contrary to other provisions of the Watermaster guidance documents, particularly in regard to other provisions of the Non-Ag Pool's Pooling Plan (Exhibit "G" to the Restated Judgment). Section 9 of Exhibit "G" describes the manner in which water may be transferred from the Safe Yield rights of a member of the Overlying (Non-Agricultural) Pool, providing that, during the term of the Peace Agreement, members of the Non-Ag Pool may transfer their quantified Production rights and carry-over water held in storage accounts to other members of the Non-Ag Pool, and to Watermaster and thence to members of the Appropriative Pool in accordance with the clearinghouse process outlined therein, which provides all members of the Appropriative Pool the opportunity to purchase a pro rata share of water made available for transfer. (Restated Judgment, Exhibit "G", 9.)

Consistent with Section 5.3(e) of the Peace Agreement ("... parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment of a Desalter") Section 9 of Exhibit "G" additionally provides that such water may be directly transferred to Watermaster for replenishment purposes. Although this section does not expressly indicate that such a transfer may be earmarked to offset the obligation of a particular member of the Appropriative Pool, the language within Peace and Peace II Agreements is susceptible to a common sense interpretation that such dedication is permissible, and the mechanism is not expressly or impliedly limited under the Judgment, Peace I or Peace II, or Watermaster Rules and Regulations.

The Physical Solution Transfers authorized by the Peace Agreement and its progeny have always been construed as collective rights. To date, no party has articulated a good reason for requiring a gross dedication of Safe Yield for the benefit of all members of the Appropriative Pool where only one (or less than all) have provided the consideration for acquiring the underlying rights. Watermaster is seeking review and recommendation as to Watermaster's potential action to confirm that the City may satisfy its Replenishment obligation by dedicating Safe Yield arising under its overlying water rights, and enter into the draft Agreement, subject to obtaining Court approval.

### ATTACHMENTS

1. Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment
2. Exhibit "D" to Watermaster Resolution 2010-04

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**AGREEMENT FOR THE CONDITIONAL CONTRIBUTION  
OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT**

**WHEREAS**, Watermaster is charged with responsibility to administer the Judgment and the Optimum Basin Management Program ("OBMP");

**WHEREAS**, a substantial Replenishment Obligation for the Chino Basin Desalters is projected to arise starting as soon as next fiscal year;

**WHEREAS**, the City of Ontario ("City") is a party to the Judgment and the owner of appropriative and overlying rights and is a member of the Appropriative and Overlying (Non-Agricultural) Pools;

**WHEREAS**, the Judgment allocates the Basin's Safe Yield among the Appropriative, Overlying (Agricultural) and Overlying (Non-Agricultural) Pools;

**WHEREAS**, the City has acquired, and intends to acquire rights to a portion of the Safe Yield allocated among the members of the Overlying (Non-Agricultural) Pool;

**WHEREAS**, Section 9 of the Overlying (Non-Agricultural) Pooling Plan, Exhibit G to the Judgment, provides that members of the Pool may transfer their quantified Production rights "to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000." Said Peace Agreement at Section 5.3 (e) provides that "parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter....";

**WHEREAS**, Section 7.5(c) of the Peace Agreement provides that "Safe Yield" may be utilized for replenishment of Desalter production;

**WHEREAS**, pursuant to Peace Agreement II Section 6.2(a), which cites Section 7.5(c) of the Peace Agreement, Watermaster will determine the Replenishment Obligation attributable to the Desalters after taking into account Safe Yield "contributed by the parties";

**WHEREAS**, Exhibit D to Watermaster Resolution 2010-04, states that a party might pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield to offset its individual Replenishment Assessment attributable to the Desalters.

**WHEREAS**, the City has a prospective Replenishment Obligation attributable to the Desalters as an individual member of the Appropriative Pool, which it may desire to offset through contribution of Safe Yield;

**WHEREAS**, Watermaster has previously acquired Safe Yield from other Parties to offset subsequent Desalter Replenishment obligations;

**WHEREAS**, the City intends to conditionally contribute Safe Yield acquired from the Overlying (Non-Agricultural) Pool to Watermaster in accordance with the provisions of

the Peace and Peace II Agreements;

NOW THEREFORE, the parties agree as follows:

**AGREEMENT**

1. City Acquisition of Safe Yield. The City has acquired and may, in the future, validly acquire Overlying (Non-Agricultural) Pool water rights in Safe Yield from Parties to the Judgment and hold this water in Local Storage with the intention of subsequently contributing this Safe Yield to Watermaster, provided that it complies with all Watermaster rules and regulations concerning the beneficial use and storage of Basin Water, including but not limited to the application of an annual loss from storage until a contribution occurs or the City otherwise elects to use the Safe Yield for another permissible purpose.

2. Contribution. At any time after the date of execution of this Agreement, if a Replenishment Obligation arises that is attributable to Desalter Production, the City may contribute Safe Yield, attributable to its overlying rights in the Non-Agricultural Pool, to Watermaster for the purpose of offsetting its individual Replenishment Obligation as a member of the Appropriative Pool or otherwise. Upon a City contribution, Watermaster will make a corresponding adjustment to the City's assessment and thereby reduce the City's Replenishment obligation in an amount equal to the number of acre-feet contributed by the City in that year.

3. No Prejudice. The execution of this Agreement will be without prejudice to the City's right to use the acquired Safe Yield for permissible purposes under the Judgment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**CHINO BASIN WATERMASTER**

By:

\_\_\_\_\_  
Name:  
Title:

**CITY OF ONTARIO**

By:

\_\_\_\_\_  
Name:  
Title:

# Exhibit “D”

## EXHIBIT "D"

### DESALTER REPLENISHMENT POST-PEACE II MEASURES

#### Summary

Desalter Replenishment is controlled by Peace II Section 6.2, attached hereto. As a result of the methodology referenced below, Western Municipal Water District (WMWD) will not incur any replenishment obligation for the 9 mgd expansion. This follows from the fact that WMWD is not a member of the Appropriative Pool and it was not required to become one as a precondition to the approval of the Peace II Measures, although it may elect in its discretion to do so.

WMWD has no share of Operating Safe Yield. Because the formula for apportioning the cost of Replenishment set forth in Section 6.2 attributable to the Desalters expressly excluded Production from the Desalters from the calculation of responsibility, even WMWD's intervention into the Appropriative Pool would not trigger a Replenishment obligation for WMWD. Specifically, without a share of Operating Safe Yield or any eligible groundwater production, there would be no basis to assess WMWD for a Replenishment Assessment.

It is also true that to the extent WMWD shared a portion of its rights to the 9 mgd expansion with Jurupa Community Services District and the City of Ontario as contemplated by Article VI, there would be no impact on the net Replenishment obligation of any other Party to the Judgment because all of the projected groundwater production planned for the proposed 9 mgd expansion was to be offset by the apportionment of 175,000 acre-feet for this purpose; both in the Court proceeding and in the filing in compliance with Condition Subsequent Number 7 (attached hereto as Exhibit "B").<sup>1</sup> (See below.) Replenishment attributable to the Chino I and Chino II Desalters is also addressed by formula in Peace Agreement II Section 6.2(b)(ii).

#### Replenishment Example

The obligation for Desalter Replenishment, for existing Desalters (as the Expansion was fully offset) was apportioned among the Parties to the Judgment in accordance with the hierarchy set forth in Peace Agreement II Section 6.2. Thus, assuming in Year X, there was 35,000 acre-feet of Desalter Production, the stated hierarchy of sources would be applied to satisfy the cumulative demand.

- (1) Kaiser: (Peace Agreement II Section 6.2(a)(i))

<sup>1</sup> Subject to an adjustment in the schedule to reflect actual operations.

- (2) No Ag Dedication (Peace Agreement II Section 6.2(a)(ii))
- (3) New Yield other than Storm Water (Peace Agreement II Section 6.2(a)(iii))
- (4) Losses from Storage and Recovery Agreements enforced as a Leave Behind (Peace Agreement II Section 6.2(a)(iv)).
- (5) Contributed safe yield (Peace Agreement II Section 6.2(a)(v))
- (6) Controlled Overdraft as authorized (175 / 225). (Judgment Exhibit I.

Assuming for purposes of this example that the sum of (1)-(5) referenced above in Year X was 10,000 acre-feet, there would be a total Replenishment Requirement of 25,000 acre-feet. That quantity apportioned to the Expansion would be apportioned 10,000 acre-feet to offset that production (assuming the schedule is adhered to) and the balance would be assumed by the Appropriative Pool in accordance with the formula set forth in Section 6.2(b)(ii). In summary, that formula divides the residual Replenishment obligation among the members of the Appropriative Pool on the basis of 50% Base Annual Production Right and 50% actual Production. The actual language of Section 6.2(b)(ii) reads slightly different, but it is not inconsistent. This formula is used elsewhere in the Peace II Agreement and it is commonly understood by the Parties to the Judgment and Watermaster to apply in the manner described in this paragraph and this Exhibit.

The formula expressly, albeit provisionally, excludes Desalter Production from the calculation. This means that the 25,000 acre-feet of production in this example attributed to the Desalters would *not* form a basis to assess any member of CDA a larger assessment simply because they received desalted water. However, if there is a material reduction in the cost of desalted water, this provision was subject to a re-opener. (See below)

This structure preserves the intention of the parties, the Court and Watermaster to remove the Replenishment obligation from the cost consideration of the Expansion Project. The Replenishment obligation attributed to the Chino I and Chino II Desalters was a pre-existing and known obligation prior to Peace II. The use of water made available by the Peace II Measures substantially reduced the projected Replenishment obligation by 225,000 acre-feet.

It is true that there is a provision in Peace Agreement Section 6.2(b)(ii) that reflects that the exclusion of the Desalter production from the calculation might be revisited if the costs of water from the Desalters were to be materially reduced. However, as of October 28, 2010, Watermaster has no present information and thus no good cause that would suggest that the cost of product water from the Desalters is going to be substantially less than the negotiated price cap. Consequently it would appear that there is no present basis to reconsider this element although Watermaster and the Court would be authorized to revisit this provision if good cause were subsequently presented.

The treatment of Replenishment in any Renewal Term (Post-Peace Agreement 2030) is the subject of negotiation. (Peace Agreement II, Section 6.2(c)). This means that the inter-se allocation of the 400,000 acre-feet is fully addressed during the term of the Peace Agreement. The Parties to the Judgment are free to extend the Peace Agreement for the Renewal Term or to renegotiate any provision as a condition of extension.

Any individual member of the Appropriative Pool reserves discretion to meet their Replenishment Obligation in any manner that they may choose that is otherwise consistent with the Judgment. For example, a party may pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield to offset their individual Replenishment Assessment. Nothing contained with Peace II and its treatment of Replenishment for the Desalters limited the pre-existing rights of the parties with respect to Replenishment.

#### Allocation of 400,000 Acre-Feet

As far as the inter-se apportionment of the allocation, Section 7 of the Peace II Agreement contemplated a fair process to arrive at an apportionment. An initial schedule was transmitted to the Court in response to the Court Order. The schedule was the subject of testimony and further reporting and ultimately a requirement for a schedule to be filed in connection with Condition Subsequent Number 7.

Watermaster filed its apportionment in response to Condition Subsequent Number 7, allocating 175,000 acre-feet to the expansion and 225,000 to the existing Desalters.

Peace Agreement II Section 7.2(e)(ii) authorizes Watermaster to propose revisions to the proposed schedule where good cause exists – supported by a technical explanation. A potential cause to revise the schedule might include the Expansion Project's failure to extract the allocated quantities as a result of delays in construction and operation. It is possible that there may be other public policy reasons that support other potential causes that would support a revision of the schedule, but no such reason has been presented to Watermaster.

In general, modest corrections are fairly likely to be acceptable. Material deviations may suggest a failure in one or more purposes of the OBMP Implementation Plan, and Watermaster is unable to predict how it may respond to the failure of the Expansion Project to proceed as planned.

#### Legal Effect of WMWD Intervention in the Appropriative Pool

As noted above, there is no requirement in the Peace II Measures that WMWD intervene into the Appropriative Pool. There is a requirement that

WMWD make the Appropriative Pool whole for historic contributions under Peace Agreement II Section 5.5(e). The requirements set forth in Section 5.5(e) of the Peace II Agreement have been satisfied by WMWD's assumption of project risk, out-of-pocket costs presently in excess of \$5 million (\$15 million for the Expansion Parties) and the further assumption of capital and operations and maintenance costs in excess of expectations (the cost-cap as for WMWD's portion of expenses. However, this finding is made only with regard to WMWD's obligation under Section 5.5 to complete final binding agreement(s) regarding Future Desalters. This finding is not intended to have any bearing or impact on the sufficiency of WMWD's assumption of risk and costs for any other purpose, including the availability of a reduced uniform loss percentage under Peace II Agreement Section 7.4. This finding also does not affect WMWD's rights or obligations to intervene into the Appropriative Pool on the terms and conditions that may be fairly agreed among the Appropriative Pool and WMWD.

#### Transferability of 400,000 Acre-Feet

There is no allocation of any portion of the 400,000 acre-feet to any individual party. The water is made available for the express purpose of offsetting Desalter production in furtherance of obtaining Hydraulic Control through Re-Operation. The water is apportioned as provided in Watermaster's Response to Condition Subsequent Number 7 to the December 21, 2007 Order of the Court.

EXHIBIT D-1

PEACE II AGREEMENT:  
PARTY SUPPORT FOR WATERMASTER'S OBMP  
IMPLEMENTATION PLAN, -  
SETTLEMENT AND RELEASE OF CLAIMS  
REGARDING FUTURE DESALTERS

6.2 Peace II Desalter Production Offsets. To facilitate Hydraulic Control through Basin Re-Operation, in accordance with the 2007 Supplement to the OBMP Implementation Plan and the amended Exhibits G and I to the Judgment, additional sources of water will be made available for purposes of Desalter Production and thereby some or all of a Replenishment obligation. With these available sources, the Replenishment obligation attributable to Desalter production in any year will be determined by Watermaster as follows:

- (a) Watermaster will calculate the total Desalter Production for the preceding year and then apply a credit against the total quantity from:
  - (i) the Kaiser account (Peace Agreement Section 7.5(a).);
  - (ii) dedication of water from the Overlying (Non-Agricultural) Pool Storage Account;
  - (iii) New Yield (other than Stormwater (Peace Agreement Section 7.5(b)));
  - (iv) any declared losses from storage in excess of actual losses enforced as a "Leave Behind";
  - (v) Safe Yield that may be contributed by the parties (Peace Agreement Section 7.5(c));
  - (vi) any Production of groundwater attributable to the controlled overdraft authorized pursuant to amended Exhibit I to the Judgment.
- (b) To the extent available credits are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Watermaster will use water or revenue obtained by levying the following assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriate Pool to meet any remaining replenishment obligation as follows.

- (i) A Special OBMP Assessment against the Overlying (Non-Agricultural) Pool as more specifically authorized and described in amendment to Exhibit "G" paragraph 8(c) to the Judgment will be dedicated by Watermaster to further off-set replenishment of the Desalters. However, to the extent there is no remaining replenishment obligation attributable to the Desalters in any year after applying the off-sets set forth in 6.2(a), the OBMP Special Assessment levied by Watermaster will be distributed as provided in Section 9.2 below. The Special OBMP Assessment will be assessed pro-rata on each member's share of Safe Yield, followed by
  - (ii) A Replenishment Assessment against the Appropriative Pool, pro-rata based on each Producer's combined total share of Operating Safe Yield and the previous year's actual production. Desalter Production is excluded from this calculation. However, if there is a material reduction in the net cost of Desalter product water to the purchasers of product water, Watermaster may re-evaluate whether to continue the exclusion of Desalter Production but only after giving due regard to the contractual commitment of the parties.
  - (iii) The quantification of any Party's share of Operating Safe Yield does not include the result of any land use conversions.
- (c) The rights and obligations of the parties, whatever they may be, regarding Replenishment Assessments attributable to all Desalters and Future Desalters in any renewal term of the Peace Agreement are expressly reserved and not altered by this Agreement.

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

### C. CITY OF ONTARIO OVERLYING (NON-AGRICULTURAL) POOL PROPOSED WATER RIGHT USE AND PROPOSED METHODOLOGY



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committees  
SUBJECT: City of Ontario Overlying (Non-Agricultural) Pool Proposed Water Right Use and Proposed Methodology

### SUMMARY

Issue: The City of Ontario holds overlying water rights as a member of the Overlying (Non-Agricultural) Pool. The City proposes to make use pursuant to its overlying rights – via an Assignment agreement with its Appropriative Pool municipal utility– for irrigation of public rights of way maintained by the City water utility’s commercial/industrial customers. This mechanism of use (on public right of way maintained by a commercial/industrial customer) by an Overlying (Non-Agricultural) Pool party has not been accounted for in the past and Watermaster is seeking the advice and counsel of the parties prior to finalizing its accounting for the 2014-2015 water year. Watermaster will compile the input received on the issue and utilize it in developing its 2014-2015 Assessment package.

Recommendation: Provide advice and counsel to Watermaster in regard to Ontario’s proposed use. If the proposed use is deemed proper, Watermaster is also seeking advice and counsel on an acceptable assignment methodology when one meter irrigates both City public right of way and the commercial/industrial customer’s property.

Financial Impact: None

### Future Consideration

Non-Agricultural Pool: May 14, 2015; Provide advice and counsel  
Agricultural Pool: May 14, 2015; Provide advice and counsel  
Appropriative Pool: May 14, 2015; Provide advice and counsel  
Advisory Committee: May 21, 2015; Provide advice and counsel

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### ACTIONS:

May 14, 2015 -Appropriative Pool -  
May 14, 2015 - Non-Agricultural Pool -  
May 14, 2015 - Agricultural Pool –  
May 21, 2015 -Advisory Committee –

## BACKGROUND

The City of Ontario ("City") is a party to the Judgment and the owner of appropriative and overlying rights, and is a member of the Appropriative and Overlying (Non-Agricultural) Pools. The City presently makes use of its Overlying (Non-Agricultural) Pool right via Assignment to Ontario Appropriative Pool. For the Fiscal Year 2013/14 Assessment Package, the City indicated that it may wish to make use, via an assignment, for irrigation of public rights of way maintained by the City water utility's commercial/industrial customers, and submitted a 90 acre-feet assignment with a proposed methodology that would account for water used on both City public right of way and the commercial/industrial customer's property, which is maintained by those customers and metered with only one meter. As this is the first time an assignment of this nature had been proposed, Watermaster requested the City to hold off on its request and allow Watermaster to seek advice from the Pools on the proposed assignment methodology.

## DISCUSSION

### The City

The City is an original party to the 1978 Judgment, pursuant to which it was made a member of the Appropriative Pool, with a 20.742% share of the Operating Safe Yield. The City intervened into the Judgment as an Overlying (Non-Agricultural) Party in September 2008. As a result of its original purchase subsequent transfers, as of May 1, 2015, it has 2,627.807 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool ("Non-Ag Pool"), and has requested approval of the permanent transfer of an additional 282.981 acre-feet of Safe Yield in the Non-Ag Pool to be effective in FY15-16.

### Overlying (Non-Agricultural) Pool Water Rights

Overlying (Non-Agricultural) Pool water rights were decreed for commercial or industrial use on overlying property. Pursuant to the 1978 Judgment, such rights could not be assigned or conveyed separate or apart from overlying property to which they were appurtenant. (Judgment, ¶ 8, Exhibit "G" ¶ 6.) Pursuant to the Peace Agreement, the Judgment was amended to allow Overlying (Non-Agricultural) Pool members to transfer or lease quantified Production rights within the Pool, to Watermaster. (Peace Agreement (June 29, 2000), § 5.3(e).)

Pursuant to the Peace II Agreement, the parties acknowledged and agreed that "any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool." (Peace II Agreement, 4.4.) Peace II additionally created mechanisms for transfer to Appropriators through Watermaster clearinghouse process (Restated Judgment, Exhibit "G", ¶ 9) and one time transfer of stored water (Watermaster Resolution 07-05, Attachment G).

In 2008-2009, Ontario purchased former Sunkist property and water rights and intervened into the NAP in 2008-2009. Ontario's intervention documents state:

Once Ontario is a member of the Pool, Ontario therefore intends to use this water on its overlying property. That property includes uses similar and consistent with uses historically and currently allowed and performed by other members of the Pool. Examples are: median/streetscape landscaping (current example in the Pool would be CCG and other Pool members using water for landscape irrigation, Swan Lake for irrigation of common areas, streetscapes and in fact for residential use in mobile homes); irrigation of recreational parks and community center facilities (current example would be Speedway use for a recreational purpose and landscaping as well a Swan Lake uses); use at other community/municipal/safety building/properties, (examples again would

be CCG's commercial/industrial uses and landscaping, the Speedway and Swan Lake- such City facilities, including most parks and community centers listed above operate commercial activities, field rentals, event rental, facility rental, pay to play activities, pay to attend classes and events similar to the Speedway uses although on a somewhat smaller scale or provide a public service); use at Ontario's Citizen Business Bank Event Center and Ontario's Convention Center (commercial venues similar to the Auto Club Speedway use); and, municipal facility uses such as the City Operation Center (which is in a designated industrial area and is uses similar to other trucking/warehouse/industrial activities). These non-agricultural uses will be metered separately from appropriative uses.

(September 25, 2008 Staff Report.)

#### Overlying (Non-Agricultural) Pool Assignments and the City's Proposed Use

Paragraph 6 of the Overlying (Non-Agricultural) Pool Pooling Plan (Exhibit "G" to the Restated Judgment) provides, in part, that the Overlying (Non-Agricultural) Pool rights therein decreed "are appurtenant to that land and are only assignable with the land for overlying use thereon; provided, however, (a) that any appropriator who may, directly or indirectly, undertake to provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands..." (Restated Judgment, Exhibit "G", ¶ 6(a).) In practice, when Overlying (Non-Agricultural) Pool and Appropriative Pool parties enter into Assignment agreements, use on the overlying property is considered the use of the Overlying (Non-Agricultural) Pool party and a credit is given against the pumping of the Appropriative Pool party serving the property.

Ontario has, to date, made use of its Overlying (Non-Agricultural) Pool water rights on rights of way and medians that it maintains through water meters held under its own name. The City now is seeking to obtain credit for use under its Overlying (Non-Agricultural) Pool right water delivered to commercial customers as part of regular deliveries, with Ontario claiming a portion of water applied to Ontario's right of way, which those customers are required to maintain.

Watermaster is seeking advice from the Pools on the proposed use. Should the proposed use be deemed appropriate, Watermaster is also seeking advice on the proposed methodology for accounting water that is used on the City's right of way and metered through a commercial/industrial customer meter that also measures that customer's water use. Below is a brief description and example of the assignment methodology the City proposed for the Fiscal Year 2013/14 Assessment Package.

Description: When water flows through a City commercial/industrial customer's meter that irrigates both City public right of way and the customers' property; in order to determine how much water is used on City public right of way vs the customers' property, the square footage of both irrigated areas would be calculated and a pro-rata portion would then be assigned to both irrigated areas.

Example: If 10 acre-feet flows through the meter and there is 10 square feet of City public right of way being irrigated and 90 square feet of the customers property irrigated, then 10% of the 10 acre-feet (1 acre-foot) would be assignable.

#### ATTACHMENTS

1. Documentation of City's Intervention
2. City of Ontario's October 15, 2014 Letter to Watermaster

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## CHINO BASIN WATERMASTER

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

**KENNETH R. MANNING**  
Chief Executive Officer

### STAFF REPORT

**DATE:** September 11, 2008  
September 16, 2008  
September 25, 2008

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** City of Ontario request for Intervention as an Overlying (Non-Agricultural) Party

#### SUMMARY

**Issue** – On August 19, 2008, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the City of Ontario. This Staff Report provides a summary and analysis of the proposed Intervention.

**Recommendation** - Staff recommends approval of the request for Intervention.

**Fiscal Impact** – No fiscal impact on the Watermaster Budget.

#### BACKGROUND

In 2006, Sunkist Growers, Inc. sold a portion (i.e., 15 acres) of its real property to Koll, and in 2008 permanently transferred 22,000 AFY of its adjudicated rights to Koll for use on the Koll Property. After the Koll transfer, Sunkist's remaining adjudicated right is 1,851,402 AFY. Sunkist is currently in escrow to sell the Sunkist plant property to the City of Ontario (11.1 acres consisting of parcel numbers 20108, 20207, 20206, and 104923221), with the exception of Sunkist's tank farm (parcel number 104922101), which will be retained by Sunkist.

#### DISCUSSION

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

water from Chino Basin, and who may become a party to [the] physical solution by intervention, shall be assigned to the proper pool by the order of the Court authorizing such intervention." (Judgment para. 43.)

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

Paragraph 4.4 of the Peace II Agreement amplifies the Judgment: "The Parties acknowledge and agree that any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool."

The City of Ontario has requested intervention into the Overlying (Non-Agricultural) Pool for the purpose of accepting the Transfer of Sunkist's water rights. The City of Ontario intends to be members of both the Appropriative and Overlying (Non-Agricultural) Pools, and will therefore hold separate Annual and Storage accounts with Watermaster within each Pool.

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

## **POOL PROCESS**

All three pools have unanimously approved the intervention. At the Appropriative Pool meeting a discussion occurred regarding the scope of authorized uses and place of use of the water that will be transferred to Ontario after it has successfully intervened into the Pool. The Pool requested that as a part of the staff report for the Advisory Committee and Board that Watermaster staff provide an interpretation of the existing authorities as they will inform Watermaster accounting of Ontario's production as a member of the Pool.

To assist in this interpretation, Ontario has provided the following description of its intended use of the water and its own comparison of those uses with uses by other members of the Non-Agricultural Pool:

"Sunkist is a long standing business in the Ontario community. Due to changing agricultural production trends and market conditions Sunkist has closed and moved most of their Ontario operations. Ontario intends to insure proper reuse/redevelopment of the property and desires to keep the local water resources in local beneficial use including use on the Sunkist properties. Ontario and Sunkist agree to a property sale and acquisition to accomplish these goals.

"After the intervention and water rights transfer is complete, Ontario understands that these non-agricultural rights will continue to be accounted in the Non-Agricultural Pool and subject to provisions and agreements pertinent to that Pool.

"Once Ontario is a member of the Pool, Ontario therefore intends to use this water on its overlying property. That property includes uses similar and consistent with uses historically and currently allowed and performed by other members of the Pool. Examples are: median/streetscape landscaping (current example in the Pool would be CCG and other Pool members using water for landscape irrigation, Swan Lake for irrigation of common areas, streetscapes and in fact for residential use in mobile homes); irrigation of recreational parks and community center facilities (current example would be Speedway use for a recreational purpose and landscaping as well as Swan Lake uses); use at other community/municipal/safety building/properties, (examples again would be CCG's commercial/industrial uses and landscaping, the Speedway and Swan Lake – such City facilities, including most parks and community centers listed above operate commercial activities, field rentals, event rental, facility rental, pay to play activities, pay to attend classes and events similar to the Speedway uses although on a somewhat smaller scale or provide a public service); use at Ontario's Citizen Business Bank Event Center and Ontario's Convention Center (commercial venues similar to the Auto Club Speedway use); and,

municipal facility uses such as the City Operation Center (which is in a designated industrial area and is uses similar to other trucking/warehouse/industrial activities). These non-agricultural uses will be metered separately from appropriative uses."

### **SCOPE OF USE**

The only definition of the scope of allowable uses of Non-Agricultural Pool water is found in Paragraph 1 or Exhibit "G" to the Judgment: "Said pool includes producers of water for overlying industrial or commercial (non-agricultural) purposes . . .". This is a general description which on its face would allow a broad category of beneficial uses. However, the scope of use of Non-Agricultural Pool water is also informed by the history of actual use by the Pool members, as the custom and usage among the parties to the Judgment and similarly situated users. As Ontario points-out above, Non-Agricultural water is used for a variety of uses including landscaping, indoor uses at facilities and outdoor uses at commercial and industrial facilities. Watermaster has not historically regulated specific uses of Non-Agricultural Pool water by members of the Pool so long as they are using the water on land owned by the Pool member that overlies the Basin.

### **PLACE OF USE**

The 1978 Judgment specified that Non-Agricultural Pool rights are appurtenant to the land and are therefore only assignable with the land for overlying uses on that land. (Judgment Paragraph 8; Exhibit "G" paragraph 6.) This appurtenancy requirement was modified through the Peace Agreement process and Paragraph 8 and Exhibit "G" paragraph 6 were amended to allow Pool members to transfer or lease their rights as between members of the Pool. The Peace II process which allowed for Non-Agricultural Pool water to be transferred to Watermaster and ultimately to members of the Appropriative Pool under defined conditions further modified this appurtenancy requirement.

Accordingly, Exhibit "G" as amended provides that all overlying rights may be transferred and leased within the Pool. Once Ontario has Intervened, it will be able to make the acquired right available for the benefit of other land owned by the City that overlies the Chino Basin as permitted by the Judgment.

Watermaster therefore interprets the applicable authorities as allowing Ontario to use the water transferred to it by Sunkist according to its intended uses as described above.

### **RECOMMENDATION**

Watermaster staff finds that the proposed intervention is consistent with the Judgment. On this basis, Watermaster staff recommends the approval of the request for Intervention.

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CITY OF



ONTARIO



PUBLIC WORKS AND  
COMMUNITY SERVICES AGENCY

PAUL S. LEON  
MAYOR

JASON ANDERSON  
MAYOR PRO TEM

ALAN D. WAPNER  
SHEILA MAUTZ  
JIM W. BOWMAN  
COUNCIL MEMBERS

August 19, 2008

GREGORY C. DEVEREAUX  
CITY MANAGER

MARY E. WIRTES, MMC  
CITY CLERK

JAMES R. MILHISER  
TREASURER

KENNETH L. JESKE  
PUBLIC WORKS / COMMUNITY  
SERVICES DIRECTOR

Mr. Kenneth R. Manning, CEO  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, California 91730

Re: Request to Intervene in *Chino Basin Municipal Water  
District v. City of Chino, et al*, San Bernardino Superior Court  
Case No. RCV 51010 (Formerly Case No. 164327)

Dear Mr. Manning:

The City of Ontario (City) hereby submits this request to intervene in the above-referenced action (the "Judgment") as a member of the overlying non-agricultural pool. The City's request is based on the following facts:

A. The Judgment allocates water rights based on each party's land ownership. As an owner of real property overlying the Chino Groundwater Basin ("Basin"), Sunkist Growers, Inc. ("Sunkist") was provided under the Judgment with 1,873.40 AFY of adjudicated safe yield when the Judgment was first entered in 1978/1979. The real property held by Sunkist at that time included the real property described in the next paragraph.

B. Sunkist sold real property overlying the Basin to the City of Ontario, known as the Sunkist plant (11.1 acres consisting of parcels # 20108, 20207, 20206, and 104923221) with the exception of Sunkist's tank farm (parcel # 104922101), which will be retained by Sunkist.

C. As part of the sale transaction referenced in Section B above, Sunkist wishes to transfer all of its remaining adjudicated water rights (approximately 1,851.402 AFY), and all Sunkist water in storage (13,633.504 AF as of June 30, 2007, plus any additional Sunkist stored water for FY 2007-08) to the City of Ontario. Form 5 (Application to Transfer Annual Production Right or Safe Yield) and Form 3 (Application for Sale or Transfer of right to Produce Water from Storage) are attached.

D. The City of Ontario is requesting to intervene in the Judgment to become a member of the overlying Non-Agricultural Pool. A Motion to Intervene will be filed with the court if deemed necessary by the Watermaster.

E. The City's request to intervene is pursuant to Section 4.4 of the Peace II agreement which states: "Non-Agricultural Pool Intervention. The Parties acknowledge and agree that any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool."

F. The City of Ontario will use the groundwater described under Section C above for uses authorized in the Judgment including providing water service to properties in Ontario, which have been sold or still are retained by Sunkist.

G. The transfer from Sunkist to the City of Ontario does not involve any additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

Based on the foregoing, the City of Ontario respectfully requests that the Watermaster approve its request to intervene in the Judgment to become a member of the overlying Non-Agricultural Pool and Sunkist's request to transfer its remaining adjudicated rights (approximately 1,851.402 AFY) of overlying groundwater rights, and all of Sunkist water in storage (13,633.504 AF as of June 30, 2007, plus any additional Sunkist stored water for FY 2007-08) to the City of Ontario. The City of Ontario shall comply with all provisions of the Judgment.

Please agendaize the City's request for the September Pool meetings. If you have any questions regarding the foregoing, please contact me.

Respectfully submitted,



Mohamed El-Amany  
Utilities Director

*Minutes*  
**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**  
*September 25, 2008*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on September 25, 2008 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Ken Willis, Chair	City of Upland
Bob Kuhn	Three Valleys Municipal Water District
Jim Curatalo	Cucamonga Valley Water District
Jim Bowman	City of Ontario
Charles Field	Western Municipal Water District
Terry Catlin	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company
Jeff Pierson/Paul Hofer	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

**Watermaster Staff Present**

Sheri Rojo	CFO/Asst. General Manager
Ben Pak	Senior Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental, Inc.

**Others Present**

Jennifer Novak	Department of Justice/CIM
Robert DeLoach	Cucamonga Valley Water District
Ken Jeske	City of Ontario
Mohamed El-Amamy	City of Ontario
Marty Zvirbulis	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency
Hank Stoy	Visitor
David DeJesus	Three Valleys Municipal Water District
Eldon Horst	Jurupa Community Services District
Ron Craig	RBF Consulting/Chino Hills
Eunice Ulloa	Chino Basin Water Conservation District
Martha Davis	Inland Empire Utilities Agency

The Watermaster Board Meeting was called to order by acting Chair Willis at 11:00 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held July 24, 2008
2. Minutes of the Watermaster Board Conference Call held August 8, 2008
3. Minutes of the Watermaster Board Conference Call held August 13 & 14, 2008

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of July 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through June 30, 2008
4. Treasurer's Report of Financial Affairs for the Period June 1, 2008 through June 30, 2008
5. Budget vs. Actual July 2007 through June 2008
6. Cash Disbursements for the month of August 2008
7. Watermaster Visa Check Detail
8. Combining Schedule for the Period July 1, 2008 through July 31, 2008
9. Treasurer's Report of Financial Affairs for the Period July 1, 2008 through July 31, 2008
10. Budget vs. Actual July 2007 through July 2008

**C. INTERVENTION**

1. Consider Approval for Intervention into the Overlying (Non-Agricultural Pool) – City of Ontario (as an Overlying Non-Agricultural Party)

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

***Moved to approve Consent Calendar Items A, B, and C as presented***

**II. BUSINESS ITEMS**

**A. SEMI-ANNUAL STATUS REPORT**

Ms. Rojo stated this report will be filed with the court. The Semi-Annual Status Report will give the court an update on all the aspects of the basin over a six month period. This report used to be a quarterly report; however, the court requested that it be changed to a semi-annual report. Ms. Rojo stated staff is looking at different ways to change the formatting on the report which will make it easier to read. Staff is seeking approval to receive and file this report. Mr. Catlin noted that he appreciated the history on this item.

*Motion by Catlin, second by Willis, and by unanimous vote*

***Moved to receive and file the Semi-Annual Status Report with the court, as presented***

**B. BUDGET AMENDMENT**

Ms. Rojo stated this item is in conformance with the new policies adopted recently regarding budget amendments. This item pertains to the debt services paid to Inland Empire Utilities Agency which was previously budgeted for the Phase I aspect of the Recharge Master Plan project. Watermaster provides that money to IEUA and at the end of the year IEUA uses that money to pay our portion of the debt service. This year the amount was originally budgeted at \$360,000 which was the amount that IEUA told Watermaster would be the amount necessary to cover the debt service; however, the invoice was received at \$560,000 also noting a \$45,000 credit, which would then require a budget amendment of \$151,594 for approval. A discussion regarding this item ensued. Mr. Atwater stated this item originated in 2002 and was set up with a variable rate. IEUA staff estimated the payment is based on estimates of the variable interest rate which is currently at 1.5% and IEUA staff is estimating, a rate for the year, of 3% which is how the \$500,000+ number came to be. A discussion regarding this matter ensued.

*Motion by Curatalo, second by Bowman, and by unanimous vote*

***Moved to approve Budget Amendment, as presented***

**C. INLAND EMPIRE UTILITIES AGENCY DRY YEAR YIELD REPORT BY IEUA STAFF**

Mr. Atwater gave the Updated Water Demand & Supply Forecasts and Dry Year Yield Status presentation. Mr. Atwater reviewed the updated demand and supply forecasts through the year 2035 in detail along with the forecasted production trends. Mr. Atwater reviewed the implications for groundwater replenishment options which included alternative options to construct new recharge facilities. The current and additional Chino Basin recharge capacities were reviewed for the basins, in-lieu, and ASR wells. The summary of initial and expanded DYY Program "puts" and "takes" per acre-foot was examined. Mr. Atwater reviewed the summary of program participants and facility requirements in detail along with reviewing the "condensed" project work plan and schedule. A discussion regarding Mr. Atwater's presentation and building trends ensued.

*No motion was made regarding this item; it was presented as information only*

**III. REPORTS/UPDATES****A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Santa Ana River Water Right Final Decision**

Counsel Slater stated the Watermaster application was unanimously approved on September 2, 2008. Counsel Fife noted the Orange County Water District and Western Municipal Water District's applications are still in the process of being reviewed and counsel will keep an eye on those. Counsel Slater thanked all the parties for the work put into getting this permit finalized.

**2. LRP Funding Agreement**

Counsel Slater stated this item begins on page 103 of the meeting packet as part of the agreement with MWD concerning the LRP Funding. There are commitments made to MWD about the expansion of the Dry Year Yield Program and those commitments must be fulfilled by September 1, 2009; a process will be gone through to accomplish completion by this date. On page 103 it states that by September 1, 2009 Watermaster needs to have approval of expansion of the DYY Program and Watermaster must waive losses on the MWD Storage Account; both for the original 100,000 acre-feet and this additional expansion. These are conditions which will allow us to hold onto the LRP money. A discussion regarding milestones ensued.

**3. Report on the Issue of Governance**

Counsel Slater stated this item is in the Legal Counsel portion of the agenda for clarification. Counsel Slater stated this item came up due to a joint pleading filed by the City of Chino Hills, City of Chino, and Monte Vista Water those discussions District about the Special Referee issue and although Watermaster is not participating in one of the issues those parties raised was the issue of governance. The allegation states that Watermaster has failed to fulfill its duties listed in the original stipulation. In August, a Watermaster Board conference call took place and MVWD who was on that call asserted to the board that Watermaster and Watermaster staff had not adequately addressed the governance issue. Counsel and staff's understanding was that at the last Strategic Planning Conference in 2007, the issue of governance was covered and the parties participating at that time felt that the issue had been adequately covered and Watermaster had fulfilled its responsibilities under the stipulations that it entered into and that the matter could be tabled. Chair Willis suggested that to take a look at governance, we should have somebody outside the Board with experience in governance come in and due a survey they would be able to tell us what the strong points are and points that are not so strong; which would then allow us to make a decision about going further with that process. Counsel Slater stated that this decision is within the province of the Board at any time to indulge in self examination and that is up to the Board members. Counsel Slater stated counsel and staff will follow the direction of the Board members on this matter. Chair Willis stated the Board members need to submit suggestions regarding this matter in writing so that an accurate record can be kept and at

some point in time have another discussion on this. Counsel Slater stated at the Appropriative Pool meeting, the committee asked that this item be brought back as an action item in October with a detailed staff letter outlining events.

4. Status of Judge Selection

Counsel Slater stated Chino Basin Watermaster has been assigned a new judge, Judge Wade. That assignment was made on September 15, 2008; notice to the parties was sent out on September 16, 2008. Judge Wade serves at the San Bernardino Court. Counsel Slater stated if no preemptory challenge is filed by the close of business tomorrow, we will have a judge for all purposes. A hearing is scheduled for October 21, 2008 to consider several various items that have been placed on hold while the judge selection has been taking place over the past few months. Counsel Slater stated in the context of the Conditions Subsequent, is our progress on implementing Hydraulic Control. The 400,000 acre-feet that we can access is dependent on making progress; there are some Max Benefit issues with Regional Board. Part of that issue involves the CDA expansion because the Peace II Agreement contemplates Western Municipal Water District (WMWD) joining CDA and contributing funding for the expansion of the desalters. That effort resulted in the negotiation of the Term Sheet and there will be a closed session today to go over the conceptual approval of picking up the prosecution responsibility for the contamination. This was agreed upon conceptually pending a presentation on budget and strategy which will be discussed in closed session today. If this Board is in agreement counsel will report out of closed session that you have authorized that action and at which point that would bring your responsibility in the context of the CDA effort to admit WMWD as a member; this would then bring this Board's responsibilities to a close. After that is done, counsel would turn to the parties themselves, who are in the process of approving the agreements. Counsel Slater stated all parties are presently poised to act within the October time frame; hopefully prior to October 21<sup>st</sup> hearing date. Counsel Slater stated it is his understanding that the City of Chino Hills is engaged in a due diligence process and they are reaching to each of the participants in the CDA process and the expansion group. A discussion regarding this matter ensued.

5. MOU of Water Accounting Procedures in Chino Basin

Counsel Slater stated this is an information item only and will be brought back next month as an agenda item.

**B. ENGINEERING REPORT**

1. Oral Progress Report on Engineering Activities, July – August 2008

Mr. Wildermuth stated this item will be on the agenda monthly as an update on the engineering activities. Mr. Wildermuth stated he is currently working with Black & Veatch and the Dodson Group on the Dry Year Yield Expansion tasks. Mr. Wildermuth stated improvements to the groundwater model are being made. In the last two months, the Recharge Master Plan project schedule has been implemented based on the outline which was sent to the court. There has been a lot of work being done in the MZ1 area for repairs and maintenance of equipment. For MZ3 we were successful in getting another AB303 grant to look at specific water quality issues and work has been done in that area. Mr. Wildermuth reviewed the list of tasks performed by Wildermuth staff in July and August. Preparation has begun on the State of the Basin Report. Condition Subsequent Report no. 7 is being worked on and is due at the end of 2008. Mr. Wildermuth stated Wildermuth Environmental no longer supports Data X and that has been replaced by D.A.V.E. which is called Hydro DAVE. Watermaster staff has now has Hydro DAVE installed on their systems and if any of the Watermaster parties want this software installed, arrangements can be made to do so. Mr. Vanden Heuvel inquired into a recent meeting that Mr. Thibeault attended regarding taking Max Benefit away; if that did happen would we then go back to the Basin Plan that was in place prior to Max Benefit? Mr. Wildermuth stated "no" it would fall back to the Anti-Degradation Objectives for Management Zones 1, 2, and 3 that were established in 2004. A lengthy discussion regarding Mr. Vanden Heuvel's comments

ensued. Mr. Vanden Heuvel inquired into the court process for approval of the 400,000 acre-feet that was approved on a go forward basis. Counsel Slater stated the issue was mentioned on the groundwater storage agreement; however, there are other conditions that still exist related to the December order from last year. One of those conditions related to the reconciliation by the end of this year which is an extremely important topic for the parties to begin discussing in the month of October/November if we are to have a resolution to the court by December. A discussion regarding this issue ensued.

### C. CEO/STAFF REPORT

#### 1. Legislative Update

Ms. Rojo stated the State budget has finally passed.

#### 2. Financial Audit Update

Ms. Rojo stated Watermaster recently went through its financial audit and this presentation is going to be presented to the Watermaster Board today. As a result of new auditing standards that have passed; there is a requirement that auditors will have to do a lot more work in doing their financial statement audits. This will require increased communications with those charged with governance. Ms. Rojo discussed governing boards and audit committees. Mr. Rojo noted in an audit committee there needs to be at least one person who understands/knows financial knowledge. Those standards did affect Watermaster this year in that the auditors did a lot of increased internal control testing along with assessment and documentation of Watermaster's internal controlled procedures. The auditors did increase risk assessments. They not only spoke to the CEO, they also spoke with the CFO, Board members, and Watermaster staff. Ms. Rojo noted staff is expanding our current internal control systems documentation to codify what we are already doing and assist the auditors in their testing. Staff will be exploring the establishment of an audit committee. Staff will be continuously performing risk assessments to seek ways to improve our process. Watermaster will be looking into forming an audit committee. A discussion regarding the audit committee ensued.

#### 3. Recharge Update

Ms. Rojo stated the most recent recharge spreadsheet is available as a handout on the back table for review.

#### 4. MWD Groundwater Conjunctive Use Study

Ms. Rojo stated staff has participated since December, 2005 MWD has put together member agency representatives, and basin managers to formulate a groundwater assessment study. That committee is looking at formulating a report that would include an assessment of the overall basin management, the existing facilities and operations, historical production, recharge and water levels, water quality, and groundwater storage opportunities in their service area. Ms. Rojo stated that Mr. Pak from Watermaster staff has been attending those meetings with Mr. Manning. Mr. Rossi offered comment on what that committee is doing.

#### 5. Report on Anticipated Board Closed Session Items

Ms. Rojo stated there will be a closed Board session held at the Watermaster Board meeting today regarding Hanson Aggregates, Tongva American Indian tribe, and the two airport plumes.

#### 6. Strategic Planning Conference Update

Ms. Rojo stated the Strategic Planning Conference in Lake Arrowhead will be held this weekend.

#### 7. Regional Board Meeting on Max Benefit

Ms. Rojo stated this item was reported on by Mr. Manning at the Pool meetings. A series of letters were received a few months ago about our schedule with regard to compliance with

Max Benefit. The Regional Board expressed its displeasure at the pace of the development of our achievement of Hydraulic Control; we are about one year behind. In summary of those letters was that the executive director of the Regional Board did plan to ask the Board to schedule a hearing to consider whether the Max Benefit objectives should be removed from Chino Basin. Mr. Manning and Mr. Atwater attended that board meeting which was held on September 5, 2008 and assured the board that we were in fact moving forward. After discussions at that board meeting, that board directed Jerry Thibeault to hold off on the item but that if this process was not completed by October then they would schedule a hearing again to consider whether Chino Basin could still have access to the Max Benefit Objectives.

8. November and December Meeting Dates

Ms. Rojo noted as in previous years the Advisory Committee and the Watermaster Board meetings will need to be moved up one week to accommodate Thanksgiving Day and Christmas Day. The committee members agreed to move the meeting up one week in November and December.

**IV. INFORMATION**

1. Chino Basin Recycled Water Groundwater Recharge Program Quarterly Monitoring Report for April Through June 2008

No comment was made regarding this item.

2. Senator Dianne Feinstein Secures Senate Committee Approval of Key Water Supply Legislation for the Chino Basin

No comment was made regarding this item.

3. Newspaper Articles

No comment was made regarding this item.

**V. BOARD MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session will be held during the Watermaster Board meeting for the purpose of discussion and possible action regarding three items:

1. Hanson Aggregates Litigation
2. Tongva American Indian Possible Litigation
3. OIA / Chino Airport Possible Litigation

Counsel Slater stated the Watermaster Board took action to reaffirm its conceptual decision and it will assume its primary responsibility for prosecuting the airport plume contamination.

**VIII. FUTURE MEETINGS**

September 25, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 25, 2008	9:00 a.m.	Advisory Committee Meeting
September 25, 2008	11:00 a.m.	Watermaster Board Meeting
September 28-30, 2008		Strategic Planning Conference, Lake Arrowhead Resort
October 9, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
October 21, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA

Agenda Watermaster Board Meeting

September 25, 2008

October 23, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
October 23, 2008	9:00 a.m.	Advisory Committee Meeting
October 23, 2008	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board meeting was dismissed by Chair Willis at 1:46 p.m.

Secretary: Kathy Hoops

Minutes Approved: October 23, 2008

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CITY OF



ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON  
MAYOR

AL C. BOLING  
CITY MANAGER

ALAN D. WÄPNER  
MAYOR PRO TEM

MARY E. WIRTES, MMC  
CITY CLERK

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

JAMES R. MILHISER  
TREASURER

SCOTT BURTON  
UTILITIES GENERAL MANAGER

October 15, 2014

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

Re: City of Ontario's Overlying Non-Ag Use

Dear Peter:

As part of Watermaster's annual request for the production Year 2013-2014 Water Activity Report (WAR), Ontario submitted 90 acre-feet of Overlying Non-Ag use on City property within the public right-of-way. This letter is in response to Chino Basin Watermaster's (Watermaster) request for additional information in order for Watermaster to evaluate if this is an allowable use of Ontario's Overlying Non-Ag water rights.

By way of background, in 2007, the City of Ontario (Ontario) intervened into the Overlying Non-Ag Pool and, as allowed under the Judgment, Section II.B.8, and is using these Overlying Non-Ag water rights to serve City property. Ontario has made a considerable investment in Overlying Non-Ag Pool water rights to meet existing and future City property demands.

It is Ontario's understanding that Watermaster initially rejected this submittal on the basis that 1) There was uncertainty on how a Voluntary Assignment should work when a third party has responsibility for landscape maintenance; and 2) There was confusion on who is paying for the water (i.e. a customer or the City). Ontario's response is that; 1) There is a completed Voluntary Assignment form from the Ontario Non-Ag Party to the Ontario Appropriative Pool Party for an allowable use; and 2) The City's water service charges are consistent with State law and should have no bearing on Watermaster's acceptance or rejection of this claim.

Based on the Judgment, other guiding documents and recent conference calls with Watermaster staff, Ontario believes that this is an allowable use. The water was used

within the City's public right-of-way, was metered and the appropriate Form 10 was completed.

As discussed in meetings prior to Watermaster's WAR deadline, Ontario believes that this is clearly an eligible use of the Non-Ag water and requests that Watermaster approve the Form 10 Assignment as submitted. If Watermaster believes otherwise or will not comply with the requested action, please provide a written explanation.

We look forward to your response. Please let me know if you need additional information.

Sincerely,



Scott Burton, PE  
Utilities General Manager

# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

### D. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET



# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

DATE: May 14, 2015  
TO: Pool Committee Members  
SUBJECT: Proposed FY 2015/16 Budget

### SUMMARY

Issue: Proposed FY 2015/16 Budget.

Recommendation: Recommend Advisory Committee approval of the Proposed FY 2015/16 Budget as presented.

Financial Impact: The FY 2015/16 Proposed Budget expenses are \$9,114,206 (excluding any Carryover Funds). The FY 2015/16 Budget, as proposed, is higher than the prior year "Amended" Budget of \$7,705,381 (which excludes Carryover funding of \$1,205,135.82).

### Future Consideration

Appropriative Pool: May 14, 2015; Review and recommend  
Non-Agricultural Pool: May 14, 2015; Review and recommend  
Agricultural Pool: May 14, 2015; Review and recommend  
Advisory Committee: May 21, 2015; Approval  
Watermaster Board: May 28, 2015; Approval (Advisory Committee Approval required)

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### ACTIONS:

May 14, 2015 – Appropriative Pool -  
May 14, 2015 – Non-Agricultural Pool -  
May 14, 2015 – Agricultural Pool -  
May 21, 2015 – Advisory Committee -  
May 28, 2015 – Watermaster Board -

## BACKGROUND

Each year, Watermaster staff conducts meetings internally and with consultants to discuss upcoming projects and anticipated work. As the budget is developed, the related budgeted expenses are continually refined. The following budget related meetings were held during the past few months:

- The Personnel Committee met on November 25, 2014 to discuss personnel and labor related costs.
- The Land Subsidence Committee met on March 19, 2015 and April 9, 2015 to review the proposed budget related to MZ1 issues and subsidence.
- Peter Kavounas, Danni Maurizio and Joseph Joswiak met with the Wildermuth Environmental staff on March 23, 2015 and April 7, 2015 for an engineering services budget workshop to discuss the ongoing reporting and monitoring activities required by the judgment and other upcoming engineering activities.
- The Groundwater Recharge Coordinating Committee met on January 27, 2015 and February 24, 2015 to review the anticipated cost of operations and maintenance activities.
- The Recharge Investigations and Projects Committee RIPCCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee) has met every third Thursday of the month since November 2013, with the last meeting being held on April 16, 2015 to review ongoing capital projects and future years' capital expense projections.
- Watermaster staff has had numerous meetings and discussions with staff from Brownstein Hyatt Farber Schreck regarding the legal services budget and expected legal activities for FY 2015/16.

From all of these various committees and groups, and other input from operational staff, the Watermaster staff developed the Proposed FY 2015/16 Budget. The current version of the budget reflects the discussions with consultants and stakeholders.

On Wednesday, April 15, 2015 Watermaster conducted the Budget Distribution/Presentation meeting and discussed the Proposed Budget of \$9,114,206 in detail, specifically looking at the various cost categories of Labor, Legal Services, Engineering Services, ongoing and new Recharge Improvements Projects, Recharge Basin O&M, and Recharge Debt Service costs. The methodology of how Watermaster calculates the estimated production data along with the production assessment amount by Administrative and OBMP/Projects costs was provided and explained. Attendees at the meeting were requested to email their budget related questions or comments to Joseph Joswiak before the close of business on Friday, April 17, 2015. Mr. Joswiak received several emails and responded with answers to the questions.

The Watermaster Budget Workshop #1 was held on Tuesday, April 21, 2015. At this workshop, the Proposed Budget of \$9,114,206 for FY 2015/16 was presented and discussed in detail specifically looking at the various cost categories of Labor, Legal Services, Engineering Services, ongoing and new Recharge Improvements Projects, Recharge Basin O&M, and Recharge Debt Service costs. The methodology of how Watermaster calculates the estimated production data along with the production assessment amount by Administrative and OBMP/Projects costs was provided and explained. Attendees at the meeting were requested to email their budget related questions or comments to Joseph Joswiak before the close of business on Friday, April 24, 2015. Mr. Joswiak received several emails and responded with answers to the questions.

Budget Workshop #2 was scheduled for Wednesday, April 29, 2015. As a result of the Safe Yield Recalculation efforts which included numerous meetings and conference calls, the parties were given an option to cancel Workshop #2. On April 28, 2015 the Budget Workshop #2 was cancelled. Notice was provided that any questions related to the budget should be emailed directed to Joseph Joswiak. Several members of the Appropriative Pool emailed their questions regarding the budget and have received answers to their questions.

The table listed below provides a comparison of the FY 2015/16 Proposed Budget of \$9,114,206 with the FY 2014/15 Amended Budget of \$7,705,381. The blue arrow shows the consolidated budget expenses

including all category types and expenses. This blue section totals \$9,114,206 and is the total FY 2015/16 Proposed Budget. To determine what amount will be used for the Production Based Assessments, specific costs must be eliminated from the Total Expenses of \$9,114,206. The green arrow shows the costs (which are included in the Total Expenses) but are excluded from the calculation when determining what expenses are included in the Production Based Assessment amount. After the non-production based expenses and income sources of \$2,634,091 are removed from the calculation, the remaining dollar amount (shown by the yellow arrow) of \$6,480,116 becomes the basis for the Production Based Assessment. The Proposed Assessment is then calculated as \$6,480,116 ÷ 116,043.559 AF = \$55.84 AF.

	FY 2014/15 Approved Budget	FY 2014/15 Amended Budget	FY 2015/16 Proposed Budget	Proposed vs. Amended	
Total Administrative Expenses	\$ 1,967,923	\$ 2,032,923	\$ 2,026,019	\$ (6,904)	 Basis for Total Assessments
Total General OBMP Expenses	1,343,696	1,343,696	1,483,093	139,397	
Total OBMP Implementation Projects	4,004,762	4,328,762	5,605,094	1,276,332	
<b>Total Expenses</b>	<b>\$ 7,316,381</b>	<b>\$ 7,705,381</b>	<b>\$ 9,114,206</b>	<b>\$ 1,408,825</b>	
<b>Adjustments For Non-Production Based Assessments:</b>					
Recharge Improvements	\$ (1,067,000)	\$ (1,291,000)	\$ (1,858,900)	\$ (567,900)	 Non-Production
Debt Service	\$ (431,740)	\$ (431,740)	\$ (460,200)	\$ (28,460)	
Appropriative Pool - Legal Services	(75,000)	(140,000)	(75,000)	\$ 65,000	
Non-Agricultural Pool - Legal Services	(60,000)	(60,000)	(60,000)	\$ -	
Interest Income	(25,800)	(25,800)	(22,050)	\$ 3,750	
MWD Groundwater Storage Program	(155,328)	(155,328)	(167,941)	\$ (2,613)	
Transfer From Reserves	0	0	0	\$ (0)	
<b>Total Adjustments</b>	<b>(1,814,868)</b>	<b>(2,103,868)</b>	<b>(2,634,091)</b>	<b>(530,223)</b>	
<b>Basis For Production Based Assessment</b>	<b>\$ 5,501,511</b>	<b>\$ 5,601,511</b>	<b>\$ 6,480,116</b>	<b>\$ 878,602</b>	 Production Based Assessments

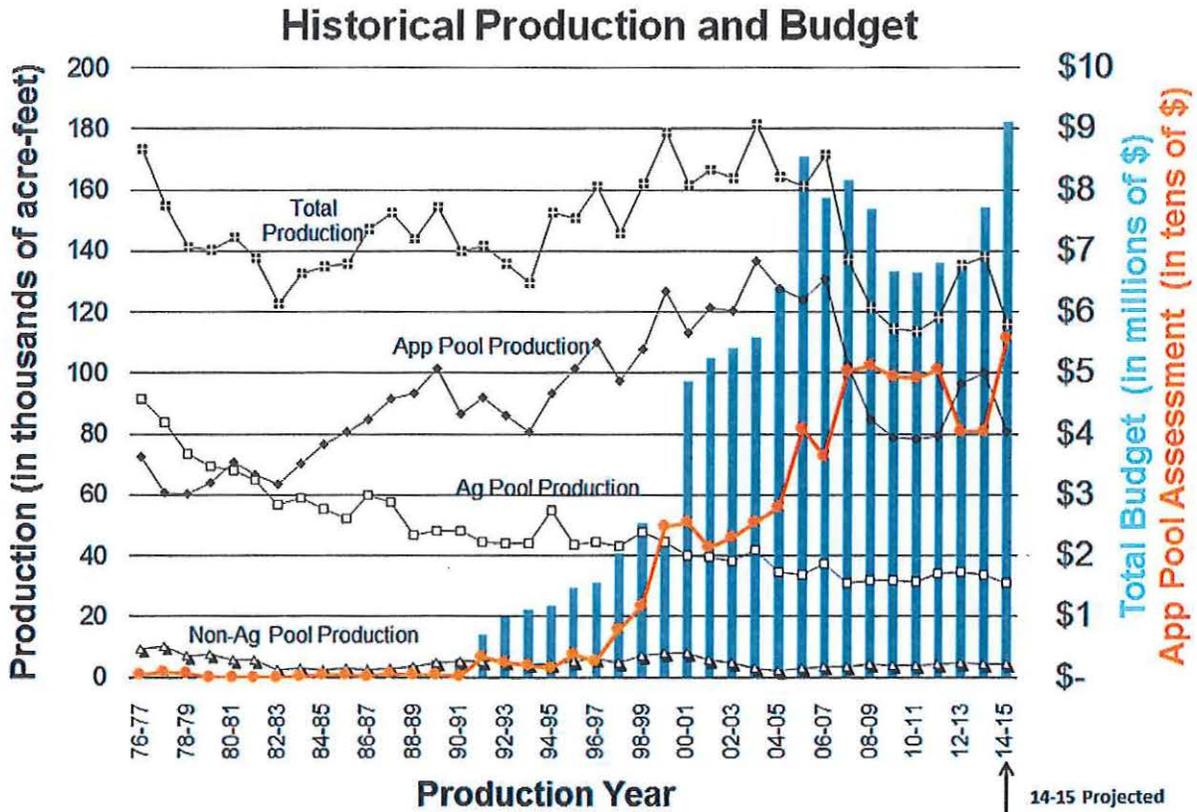
Staff discussed how the production data is used in the calculation of the Assessment amount each year. The Total Assessable Production (for budget purposes) was estimated to be 116,043.559 acre-feet which was based upon the actual production numbers for the first two quarters, and projected to estimate the full year's production. The "projected" Total Assessable Production of 116,043.559 acre-feet is lower than the "actual" previous year's Total Assessable Production of 138,351.405 acre-feet by 22,307.846 acre-feet or 16.1%. Lower production results in the current year will increase the overall assessments per acre-foot, while higher production numbers will decrease the overall assessments per acre-foot. The proposed budget contains the proposed assessments of \$15.71 per acre-foot for Administration and \$40.13 per acre-foot for OBMP and Implementation Projects, for a combined total of \$55.84 per acre-foot.

Assessment Amounts	G&A Expenses	OBMP & Implementation Projects	Total Assessment
Estimated Assessment as of April 15, 2015	\$15.71	\$40.13	\$55.84
Actual Assessment FY2014/15	\$12.80	\$27.69	\$40.49
Estimated Assessment vs. Actual Assessment	\$2.91 22.7%	\$12.44 44.9%	\$15.35 37.9%

Comparing the current Proposed Assessment as of April 15, 2015 of \$55.84 to the Actual Assessment paid last year of \$40.49, a variance of \$15.35 or 37.9% is shown. For comparison purposes only, when using last year's actual production of 138,351.405 acre-foot, the Proposed Assessment amount would be

\$13.18 per acre-foot for Administration and \$33.66 per acre-foot for OBMP and Implementation Projects, for a combined total of \$46.84 per acre-foot.

The following chart (incorporated from Workshop #1 and updated to reflect the proposed budget of \$9,114,206) details the Historical Production and Budget for Watermaster:



The purpose of the chart listed above was to show the historical progression of both production and the budget amounts by fiscal year. It was noted at the Workshop #1 that four of the previous five years of budget have remained relatively flat, excluding the additional Recharge Project costs in FY 2014/15. The FY 2014/15 budget increase reveals the beginning of increased costs for Recharge Improvement Projects. The FY 2015/16 budget shows a steep increase from previous years directly related to the increased Recharge Project costs. This trend which started in FY 2014/15 continues for FY 2015/16, while the overall production has varied.

During Workshop #1, staff discussed the Watermaster budget can be segregated into five separate and distinct categories. The first category is the Watermaster Labor costs, the second category is the Legal Services, the third category is the Engineering Services, the fourth category is the Debt Service and Recharge Improvements Projects, and the fifth category is Recharge Basin O&M and all other expenses.

WATERMASTER LABOR EXPENSE

The first section of the Proposed FY 2015/16 budget relates to Watermaster Salaries and Burden. The total salaries and burden for FY 2015/16 are \$1,533,711 which is \$71,566 or 4.89% above the previous year's amended budget of \$1,462,145. The Full Time Equivalent (FTE) number of Watermaster employees for the Proposed Budget is 9.0 (FTE) which is the same number of Watermaster employees as the Amended Budget for FY 2014/15.

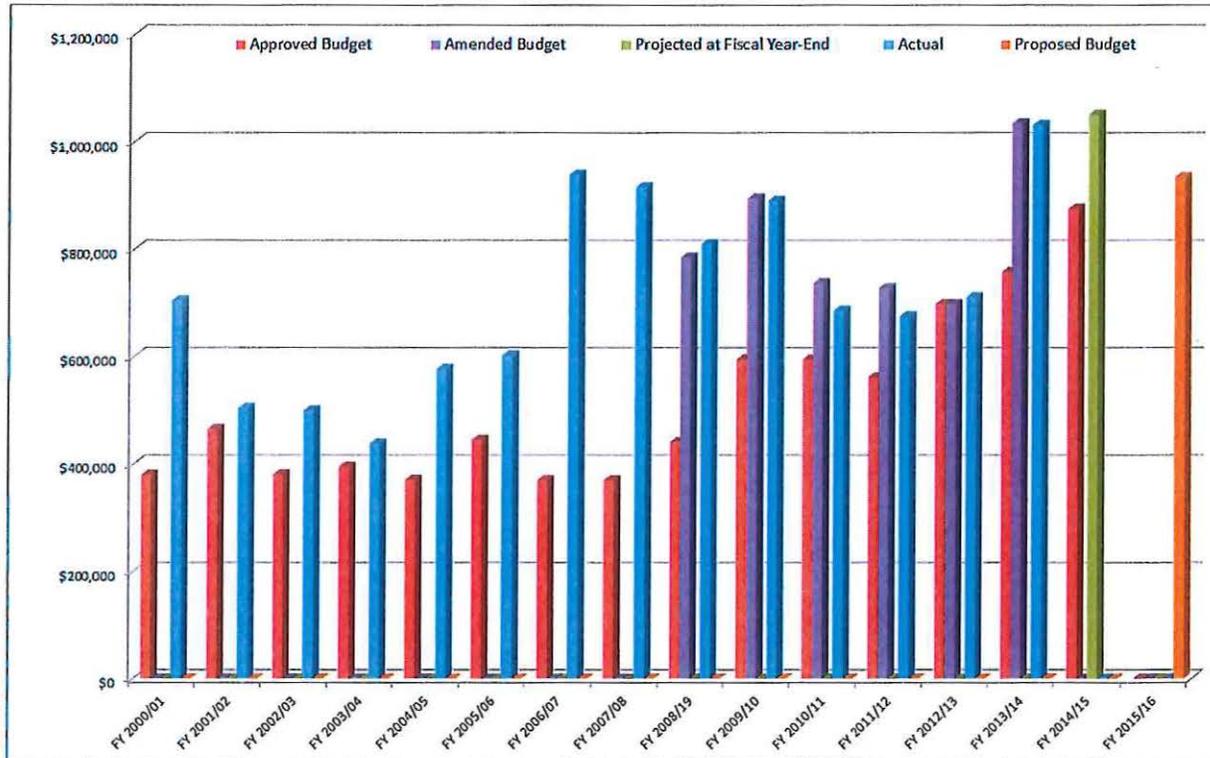
	FY 2014/15 Approved Budget	FY 2014/15 Amended Budget	FY 2015/16 Proposed Budget	\$ Variance Approved vs. Amended	% Variance Approved vs. Amended
Payroll	\$ 953,892	\$ 953,892	\$ 1,005,439	\$ 51,547	5.40%
Burden	\$ 508,253	\$ 508,253	\$ 528,272	\$ 20,019	3.94%
<b>Total</b>	<b>\$ 1,462,145</b>	<b>\$ 1,462,145</b>	<b>\$ 1,533,711</b>	<b>\$ 71,566</b>	<b>4.89%</b>
FTE's	9.0	9.0	9.0		

Staff informed the Workshop attendees that a meeting was held on November 25, 2014 with the Personnel Committee. During this meeting, the Personnel Committee met to discuss and review Watermaster's current pay and benefits structure. No changes to the existing pay and benefits structure was recommended. The following assumptions were incorporated into the FY 2015/16 Labor and Burden budget of \$1,533,711 as directed by the Personnel Committee:

- Based upon nine FTE's
- Includes a 1.5% increase (CalPERS Reset adjustment) and a 1.0% CPI increase, offset by an additional 2% deduction for all "Classic" employees
- FY 2015/16 is the third and final year of the CalPERS Reset adjustment
- Labor allocations for FY 2015/16 are 75% Admin, 8% OBMP and 17% Implementation Projects
- Burden category includes an overall \$67K reduction for full employee contributions of 8% towards CalPERS retirement
- Assumes a health premium increase of 10% effective January 1, 2016

#### LEGAL SERVICES

A historical chart of the last 15+ years of budgeted vs. actual Watermaster legal cost was presented. It was discussed that three of the five previous years' legal services budget had remained relatively flat, but additional unbudgeted legal expenses occurred in both FY 2013/14 and FY 2014/15 which increased the budget. For FY 2014/15, the legal expenses are projected at \$1,050,515. The Proposed FY 2015/16 Brownstein Hyatt Farber Schreck budget was presented at \$933,815 which is \$58,300 or 6.7% higher than the Approved FY 2014/15 budget of \$875,515. No new categories have been added to the Legal Services budget. For comparison purposes, the 5-Year Average (Actual Amounts) for legal services total \$798,599 compared to the Proposed FY 2015/16 budget of \$933,815.



**Activities resulting in legal expenses beyond routine activities:**

2000/01: Peace I and Desalter negotiations    2002/04: Relatively routine activities    2005/06: Santa Ana River water rights application, beginning of Peace II negotiations  
 2007/08: Peace II especially heavy in 2007 and into 2008    2008/09: Watermaster transitioned to Judge Wade and had four Informational Court hearings  
 2009/10: Water Auction, Paragraph 31 Motion    2010/12: Desalter Negotiations, Paragraph 31 Motion, Archibald South Plume, Chino Airport Plume  
 2012/13: Recharge Master Plan Update, CDA/Chino Airport Plume, Refresh/Recharge/Reunite    2013/14: CCG Motion, Safe Yield Recalculation, RMPU, City of Fontana Motion  
 2014/15: Safe Yield Recalculation, CalPERS/Personnel Matters

	FY 2010/11 June Actual	FY 2011/12 June Actual	FY 2012/13 June Actual	FY 2013/14 June Actual	FY 2014/15 Approved Budget	FY 2014/15 Projected Actual	FY 2015/16 Proposed Budget	\$'s Over (Under)
<b>6070 Watermaster Legal Services</b>								
6071 Legal Services - Court Coordination	0	939	28,395	5,555	37,525	9,992	40,950	3,425
6072 Legal Services - Annotated/Rules & Regs	0	30,486	38,313	17,122	36,350	0	40,150	3,800
6073 Legal Services - Personnel Matters	0	57,511	50,142	109,549	41,000	127,179	80,700	39,700
6074 Legal Services - Interagency Issues	0	7,667	18,477	3,717	50,400	1,721	30,600	(19,800)
6075 Legal Services - Replenishment Water	0	42,187	0	0	0	0	0	0
6076 Legal Services - Storage Issues	0	16,387	6,642	0	0	0	0	0
6077 Legal Services - Party Status Maintenance	0	0	0	1,512	25,700	15,793	28,700	3,000
6078 Legal Services - Miscellaneous	0	69,604	64,186	101,269	32,725	83,783	35,350	2,625
6078.10 Refresh, Recharge, Reunite	0	0	36,196	0	0	0	0	0
6078.11 Safe Yield Recalculation	0	0	19,492	0	0	0	0	0
6078.12 CCG Motion	0	0	0	75,505	7,000	7,881	0	(7,000)
6078.20 Pool Issues Resolution Facilitation	0	0	4,055	0	0	0	0	0
<b>Total 6070 Watermaster Legal Services</b>	<b>0</b>	<b>\$ 224,759</b>	<b>\$ 265,898</b>	<b>\$ 314,230</b>	<b>\$ 230,700</b>	<b>\$ 246,346</b>	<b>\$ 256,450</b>	<b>\$ 25,750</b>
<b>6275 Legal Services - Advisory Committee Meeting</b>	<b>0</b>	<b>25,781</b>	<b>21,659</b>	<b>12,969</b>	<b>33,600</b>	<b>16,043</b>	<b>20,400</b>	<b>(13,200)</b>
6375 Legal Services - Board Meeting	0	68,299	58,568	108,899	84,240	63,883	84,240	0
6375 Legal Services - Board Briefings/Workshops	0	0	0	0	20,450	15,000	22,325	1,875
8375 Legal Services - Approp. Pool Meeting	0	23,117	46,387	20,691	33,600	20,088	30,600	(3,000)
8475 Legal Services - Ag. Pool Meeting	0	20,763	28,171	24,194	33,600	19,370	30,600	(3,000)
8575 Legal Services - Non-Ag. Pool Meeting	0	26,075	31,115	37,073	33,600	20,630	30,600	(3,000)
8575 Legal Services - Paragraph 51 - CSI/ACM	0	0	10,759	0	0	0	0	0
<b>Total Watermaster Legal Services - Meetings</b>	<b>0</b>	<b>\$ 164,036</b>	<b>\$ 196,660</b>	<b>\$ 203,826</b>	<b>\$ 239,090</b>	<b>\$ 155,015</b>	<b>\$ 218,765</b>	<b>\$ (20,325)</b>
<b>6907 OBMP - Legal</b>								
6907.3 WM Legal Counsel	224,048	0	0	0	0	0	0	0
6907.30 Peace II - CEQA	1,176	3,365	1,071	0	0	0	0	0
6907.31 Archibald South Plume	28,856	6,642	0	0	28,475	0	24,500	(3,975)
6907.32 Chino Airport Plume	62,126	10,359	67,665	11,277	28,475	0	24,500	(3,975)
6907.33 Desalter/Hydraulic Control Issues	178,473	84,113	65,754	23,780	56,100	2,729	48,900	(7,200)
6907.34 Santa Ana River Water Rights	16,562	15,439	10,681	3,223	28,400	11,198	25,300	(3,100)
6907.35 Paragraph 31 Motion	146,114	112,572	20,912	0	0	0	0	0
6907.36 Santa Ana River Habitat	15,208	12,100	4,757	684	22,500	4,664	19,700	(2,800)
6907.37 Storage and Recovery, Water Auction	1,184	0	0	0	0	0	0	0
6907.38 Reg. Water Quality Control Board	3,591	0	0	63	12,850	0	14,350	1,500
6907.39 Recharge Master Plan	8,419	41,812	64,399	98,026	49,300	34,570	68,100	18,800
6907.40 Storage Agreements	0	0	12,770	4,197	25,700	0	66,100	60,400
6907.41 Prado Basin Habitat Sustainability	0	0	153	0	18,700	0	14,350	(4,350)
6907.42 Safe Yield Recalculation	0	0	0	206,810	110,100	595,930	103,300	(6,800)
6907.43 RMPU - City of Fontana Motion	0	0	0	164,907	0	63	0	0
6907.9 WM Legal Counsel - Unanticipated	0	0	0	0	25,125	0	29,500	4,375
<b>Total 6907 Watermaster Legal Expenses</b>	<b>685,756</b>	<b>\$ 286,402</b>	<b>\$ 248,162</b>	<b>\$ 512,969</b>	<b>\$ 405,725</b>	<b>\$ 649,153</b>	<b>\$ 458,600</b>	<b>\$ 52,875</b>
<b>TOTAL WATERMASTER LEGAL EXPENSES</b>	<b>685,756</b>	<b>\$ 675,196</b>	<b>\$ 710,720</b>	<b>\$ 1,031,026</b>	<b>\$ 875,515</b>	<b>\$ 1,050,615</b>	<b>\$ 933,815</b>	<b>\$ 58,300</b>
		5 Year Average (Actuals)					\$ 798,599	

As with the past practice for the last four years, the Brownstein Hyatt Farber Schreck Legal Services budget has been developed using a formula of assumed hours to complete a specific tasks multiplied by the hourly rate. Brownstein Hyatt Farber Schreck will be proposing one rate increase and adjusting two other rates, both for attorneys who bill less than 25 hours per year on Watermaster projects, to conform to the proper classification under the contract. Brownstein has provided a detailed memorandum and worksheet which is provided as Attachment 1. These documents were provided as handouts at both the Budget Distribution and Budget Workshop #1 and also available on the Watermaster website under the FTP location.

**ENGINEERING SERVICES**

The Engineering Services budget is proposed at \$2,595,942 which is \$491,062 higher than the Amended FY 2014/15 Budget of \$2,104,880. A discussion involving the Engineering Services along with information provided by Wildermuth Environmental, Inc. (a budget comparison worksheet along with a detailed narrative report that described each category within their budget) was conducted at both the Distribution and Workshop meetings. As with the legal services documents, this information was also distributed to the attendees of both meetings and available on the Watermaster website under the FTP location. These documents are provided as Attachment 2.

Incorporated within the Engineering Services budget of \$2,595,942 is the Land Subsidence Committee (LSC) recommendations for FY 2015/16. The LSC recommended a proposed budget of \$912,730 less

anticipated Carry-Over funding of \$44,583 for a budget amount of \$868,148 for FY 2015/16 (\$912,730 - \$44,583 = \$868,148).

The following chart details the proposed Engineering Services budget for FY 2015/16 categorized by Watermaster account number. The comparison is between the FY 2015/16 Proposed Budget of \$2,595,942 and the FY 2014/15 Amended Budget of \$2,104,880.

	FY 2013/14 Actual Expenditures	FY 2014/15 Approved Budget	FY 2014/15 Amended Budget	FY 2015/16 Proposed Budget	\$'s Over (Under)
<b>Engineering Services</b>					
6066 Engineering Services	\$0	\$0	\$0	\$0	\$0
6906 OBMP - Engineering	83,059	22,752	22,752	25,920	\$3,168
6906.1 OBMP - Watermaster Model Application	190,985	95,320	95,320	279,340	\$184,020
6906.2 OBMP - Basin Wide Objectives	0	0	0	0	\$0
6906.21 OBMP - State of the Basin Report	0	133,510	133,510	0	(\$133,510)
6906.22 OBMP - Water Rights Compliance Reporting	0	24,264	24,264	24,404	\$140
6906.23 OBMP - SGMA Reporting Requirements	0	0	0	17,392	\$17,392
6906.31 OBMP - Pool, Advisory, Board Meetings	0	68,139	68,139	87,659	\$19,520
6906.32 OBMP - Other General Meetings	0	32,877	32,877	32,877	\$0
6906.33 OBMP - Appropriative Pool Issue Resolution	0	34,324	34,324	54,964	\$20,640
6906.4 OBMP - CEQA	0	0	0	0	\$0
6906.70 OBMP - Misc. Data Requests	853	0	0	0	\$0
6906.71 OBMP - Data Requests - CBWM GW/Staff	74,109	64,127	64,127	64,064	(\$63)
6906.72 OBMP - Data Requests - Non CBWM Staff	8,646	28,344	28,344	38,208	\$9,864
6906.73 OBMP - Safe Yield Recalculation	175,658	79,500	79,500	0	(\$79,500)
6906.74 OBMP - Material Physical Injury Requests	0	73,384	73,384	110,300	\$36,916
7101.3 Production Monitoring - Engineering Services	0	0	0	0	\$0
7102.3 In-Line Meter - Engineering Services	0	0	0	0	\$0
7103.3 Grdwtr Quality - Engineering Services	83,292	82,122	82,122	120,516	\$38,394
7103.5 Grdwtr Quality - Laboratory Services	19,138	39,571	39,571	39,205	(\$366)
7104.3 Grdwtr Level - Engineering Services	132,932	167,866	167,866	176,430	\$8,564
7104.8 Grdwtr Level - Contract Services	0	10,000	10,000	10,000	\$0
7104.9 Grdwtr Level - Capital Equipment	0	7,000	7,000	7,000	\$0
7107.2 Ground Level - Engineering Services	59,593	74,124	105,061	46,534	(\$58,527)
7107.3 Ground Level - SAR Imagery	90,000	90,000	90,000	85,000	(\$5,000)
7107.6 Ground Level - Contract Services	127,039	144,961	161,312	116,289	(\$45,023)
7107.61 Ground Level - Chino Hills ASR	65,827	0	0	0	\$0
7107.7 Ground Level - Extensometer Installation	0	0	0	0	\$0
7107.8 Ground Level - Capital Equipment	0	16,135	16,135	5,600	(\$10,535)
7108.3 Hydraulic Control Monitoring - Engineering Services	61,905	49,931	49,931	49,968	\$37
7108.31 Hydraulic Control Monitoring - Eng. Serv. - PBHSP	4,225	0	56,175	103,023	\$46,848
7108.4 Hydraulic Control Monitoring - Laboratory Services	28,523	25,281	25,281	25,081	(\$200)
7108.41 Hydraulic Control Monitoring - Lab. Serv. - PBHSP	0	0	48,260	13,110	(\$35,150)
7108.6 Hydraulic Control Monitoring - Contract Services	0	0	0	90,000	\$90,000
7108.7 Hydraulic Control Monitoring - Well Installation - PBH	21,722	0	126,396	24,172	(\$102,224)
7108.9 Hydraulic Control Monitoring - Contract Services	0	0	0	0	\$0
7109.3 Recharge & Well Monitoring - Engineering Services	6,726	21,000	21,000	19,867	(\$1,133)
7202.2 Comp Recharge - Engineering Services	14,034	79,844	79,844	159,504	\$79,660
7202.3 Comp Recharge - Implementation	80,236	24,804	24,804	0	(\$24,804)
7203 Comp Recharge - Contract Services	0	0	0	0	\$0
7303 OBMP - Engineering Services	1,473	38,864	38,864	23,384	(\$15,480)
7402 OBMP - Engineering Services	85,812	76,797	76,797	84,708	\$7,911
7403 OBMP - Contract Services	11,300	20,000	20,000	20,000	\$0
7402.10 OBMP - MZ1 Pomona Project	0	0	100,000	506,255	\$406,255
7502 OBMP - Engineering Services	44,885	70,680	80,680	70,840	(\$9,840)
7503 OBMP - Contract Services (Plume)	0	0	0	0	\$0
7504 OBMP - Contract Services	0	0	0	0	\$0
7602 OBMP - Engineering Services	0	21,240	21,240	64,328	\$43,088
<b>Total Engineering Services</b>	<b>\$1,471,973</b>	<b>\$1,716,761</b>	<b>\$2,104,880</b>	<b>\$2,595,942</b>	<b>\$491,062</b>

The Engineering budget includes work as recommended by the Land Subsidence Committee during its March 19, 2015 and April 9, 2015 meetings. Based on the discussions at the two budget meetings, the recommendations and associated budget are shown as Attachment 3, and Watermaster will present the recommendations of the Land Subsidence Committee during the approval process of the required LSC annual report in the coming months.

Watermaster Labor, Legal, Engineering expenses (described above) and other General Expenses and Recharge Project Improvements are grouped in Administrative, OBMP General, and OBMP Implementation Project costs.

For the Administrative expenses:

Overall, the Administrative expense section of the budget totaling \$2,026,019 is \$6,904 or 0.3% lower than the previous year's "Amended" budget of \$2,032,923.

- Salary Cost increase of \$35,044. This is not a true 100% increase in budgeted costs. The total budgeted labor and burden expenses have increased overall by \$71,566 but a portion of the increase is a direct result of how Watermaster allocates the budgeted salary costs between Administration, OBMP and Implementation Projects. Watermaster utilizes an in-house time and attendance system to capture labor hours by activity. For FY 2015/16 the allocations are budgeted at 75% Administration, 8% OBMP and 17% Implementation Projects (based upon current time and attendance records). In the FY 2014/15 budget, the salary allocations were 70% Administration, 10% OBMP and 20% Implementation Projects. Because more allocation and emphasis is geared towards Administration and less on OBMP and Implementation Projects, the Administrative salary expenses are higher and the OBMP and Implementation salary costs are lower.
- Watermaster Legal Services (6070's) includes additional budget for the legal expenses associated with the CalPERS Administrative Hearing regarding the former CEO Desi Alvarez scheduled for November 16-18, 2015 at the Glendale CalPERS Regional office.
- Conferences & Seminars (6190's) includes \$7,400 of additional funding for ongoing education and training for all staff during the fiscal year. Previous years' budgets included training for only the senior management staff and a few of the other administrative staff.
- Advisory Committee expenses (6200's) reduction of the budget for FY 2015/16 reflects the reduced time associated with attending meetings of legal staff from Brownstein Hyatt Farber Schreck.
- The Appropriative Pool Administration expenses (8300's) reflects the Pool's legal services costs being reduced from \$140,000 in FY 2014/15 to \$75,000 in FY 2015/16.
- Allocated G&A Expenditures of (\$9,431). As with the higher salary allocations being charged to the Administrative section, the G&A expenses are also allocated based upon salary percentages. So if the salary allocation increases more on the Administrative side and less on the OBMP and Implementation Projects side, the G&A allocation of expenses will follow the same trend.

For OBMP General costs:

- Overall, the OBMP expense section of the budget totaling \$1,483,093 is 10.4% or \$139,397 above the previous year's "Amended" budget of \$1,343,696.
- Watermaster staff salary allocations (6901) are \$4,330 or 3.6% higher than the previous year's "Amended" budget of \$120,379. This is not a true 100% increase in budgeted costs. The total budgeted labor and burden expenses have increased overall by \$71,566 but a portion of the increase is a direct result of how Watermaster allocates the budgeted salary costs between Administration, OBMP and Implementation Projects. Watermaster utilizes an in-house time and attendance system to capture labor hours by activity. For FY 2015/16 the allocations are

budgeted at 75% Administration, 8% OBMP and 17% Implementation Projects (based upon current time and attendance records). In the FY 2014/15 budget, the salary allocations were 70% Administration, 10% OBMP and 20% Implementation Projects. Because less allocation and emphasis is geared towards OBMP, the Watermaster salary expenses are lower, but the overall increase pushes the allocation higher.

- Meetings between the Watermaster staff, Wildermuth and Brownstein were held to determine a realistic estimate of working hours, project costs, and if any costs might be reduced or work delayed until next fiscal year.
- The total OBMP Engineering budget for FY 2015/16 is \$735,128 which is an increase of \$78,586 or 12.0% from the previous year's "Amended" budget of \$656,542. Note that this amount is only for the OBMP section and not the entire Engineering budget.
- The Wildermuth Environmental staff budgeted the full complement of attendance at all Watermaster meetings, and if attendance is not required, a cost savings would be reflected. This category is budgeted at \$19,520 higher than the previous year's amended budget of \$101,016. Watermaster staff evaluates the ongoing Wildermuth attendance at meeting(s) based upon the need of the engineering staff to attend the meeting(s) based upon ongoing issues.
- The anticipated increase in Material Physical Injury requests are reflected with the increase in the FY 2015/16 budget from the previous year's amended FY 2014/15 budget of \$36,916.
- The Watermaster Model Application and Required Demonstrations are budgeted at \$279,340, an increase from the previous year of \$184,020 as a result of increased activities and emphasis in the model calibration which needs to be extended from July 2011 through June 2015.
- The OBMP Safe Yield Recalculation engineering costs are not being budgeted for in FY 2015/16 which is a reduction from the previous years' budget in FY 2014/15 of \$79,500.
- The "State of the Basin" data analysis and preparation of exhibits and reports is not budgeted for in FY 2015/16 since this activity is done every other year and this is an "off" year. This results in an overall budget savings of \$133,510.
- Watermaster's budget for the Brownstein Hyatt Farber Schreck legal expenses within the OBMP section is \$458,600 which is \$52,875 or 13.0% above the previous year's "Amended" budget of \$405,725. The OBMP legal section contains the amount of \$86,100 for Storage Agreements (6907.40), \$29,500 for unanticipated legal costs (6907.9) and budget of \$103,300 for the Safe Yield Recalculation (6907.42).

#### OBMP Implementation Project costs:

- Overall, the OBMP Implementation Project expense section of the budget totaling \$5,605,094 is 29.5% or \$1,276,332 above the previous year's "Amended" budget of \$4,328,762.
- The total Engineering budget for FY 2015/16 is \$1,860,814 which is an increase of \$412,476 or 28.5% from the previous year's "Amended" budget of \$1,448,338. Note that this amount is only for the OBMP Implementation Project section (7100's - 7600's) and not the entire Engineering budget.
- Watermaster staff salary allocations are \$11,901 or 4.7% higher than the previous year's "Amended" budget of \$252,385. This is not a true increase in overall costs but a result of how Watermaster allocates the budgeted salary costs between Administration, OBMP and Implementation Projects. Watermaster utilizes an in-house time and attendance system to capture labor hours by activity. For FY 2015/16 the allocations are budgeted at 75% Administration, 8% OBMP and 17% Implementation Projects (based upon current time and attendance records). In the FY 2014/15 budget, the salary allocations were 70% Administration, 10% OBMP and 20% Implementation Projects. Because less allocation and emphasis is geared towards OBMP Implementation Projects, the Watermaster salary expenses are lower, but the overall increase pushes the allocation higher.

- Allocated G&A Expenditures increased by \$7,326 or 2.8%. G&A expenses are allocated based upon budgeted salary percentages.
- The Increase in Hydraulic Control Monitoring Program expenses (7108's) is a direct result of FY 2015/16 being the first full year of implementing the PBHSP monitoring program and the vegetation monitoring according to the draft adaptive management plan of the PBHSP.
- The increase in OBMP Program Element 4 – Mgmt. Zone Strategies (7400's) budget is due to the addition of data collected from new monitoring facilities that will be installed in the Pomona area and will be analyzed for the Annual Report of the Land Subsidence Committee.
- The direct costs from IEUA for the Recharge Basin O&M (7206) are budgeted at \$791,908 which is a slight increase of \$215 from the prior year of \$791,693.
- The projected Recharge Improvement Debt Payment (7690.1) due to IEUA in the amount of \$460,200 is budgeted, with no adjustment(s) for previous year's credits.
- The RMPU Amendment - Task Order #1 (7690.15) is budgeted at \$569,750. This is a new project for FY 2015/16 and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).
- Turner Basin Recharge Improvement Project (7690.2) is not budgeted for in FY 2015/16 and the previous year's budget of \$107,000 will be "Carried Over" if not spent within FY 2014/15.
- The San Sevaine Recharge Improvement Project - Task Order #8 (7690.4) is budgeted at \$1,126,900 for FY 2015/16. This is an ongoing multi-year project and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).
- The GWR SCADA Upgrades - Task Order #3 (7690.61) is budgeted at \$38,675 for FY 2015/16. This is an ongoing multi-year project and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).
- The SCADA Communications Upgrades - Task Order #3 (7690.62) is budgeted at (\$21,425) for FY 2015/16. This is an ongoing multi-year project and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).
- The Upper Santa Ana River Habitat Conservation Plan - Task Order #7 (7690.7) is budgeted at \$5,000 for FY 2015/16. This is an ongoing multi-year project and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).
- The Lower Day Basin RMPU Improvements - Task Order #2 (7690.8) is budgeted at \$140,000 for FY 2015/16. This is an ongoing multi-year project and has been reported monthly as part of the Recharge Investigations and Projects Committee RIPCom (formerly IEUA/CBWM Joint Projects Committee and RMPU Steering Committee).

In summary, the FY 2015/16 Budget, as proposed, anticipates an increase in total budgeted costs of \$1,408,825 or 18.3% above the previous year's "Amended" budget. The final assessments will be refined when the assessment package is prepared this fall.

The Proposed FY 2015/16 Budget of \$9,114,206 is provided as Attachment 4.

The complete set of FY 2015/16 detailed documents has been uploaded to the FTP site at <F:\Proposed FY 2015-16 Budget\20150514 Proposed Budget>

ATTACHMENTS

1. Brownstein Hyatt Farber Schreck Budget Worksheet and Memorandum <F:\Proposed FY 2015-16 Budget\20150514 Proposed Budget\Attachment 1 - FY 2015-16 Legal Services 041515.pdf>
2. Wildermuth Environmental, Inc. Budget Worksheet and Memorandum <F:\Proposed FY 2015-16 Budget\20150514 Proposed Budget\Attachment 2 - FY 2015-16 Eng. Services 041515.pdf>
3. Land Subsidence Committee Recommendations and Wildermuth Environmental, Inc. Land Subsidence Monitoring Program Budget for FY 2015/16 <F:\Proposed FY 2015-16 Budget\20150514 Proposed Budget\Attachment 3 - FY 2015-16 Eng. Services - LSC Budget 041515.pdf>
4. Proposed FY 2015/16 Budget of \$9,114,206 <F:\Proposed FY 2015-16 Budget\20150514 Proposed Budget\Attachment 4 - FY 2015-16 Proposed Budget 041515.pdf>

# CHINO BASIN WATERMASTER

## III. REPORTS/UPDATES

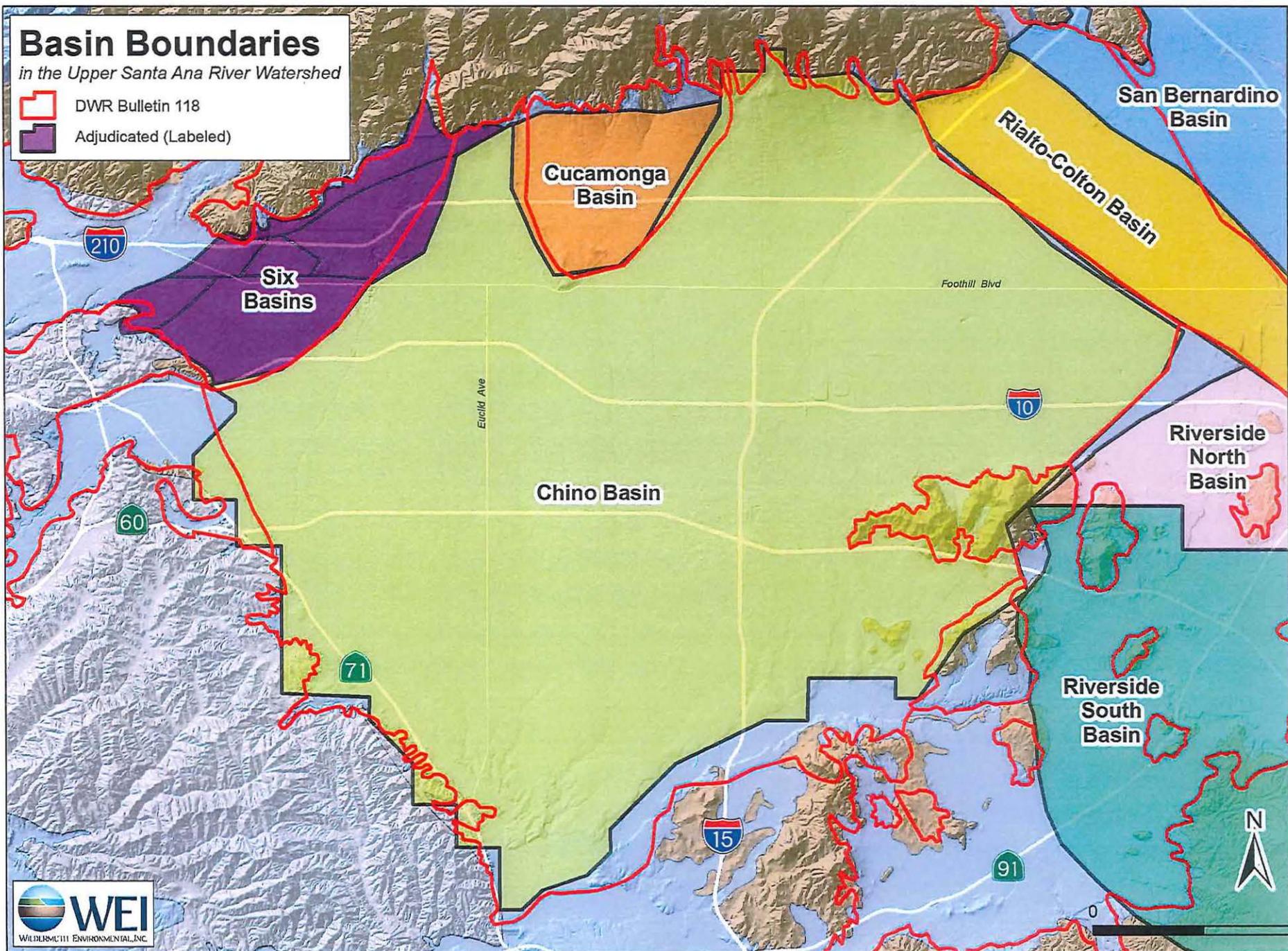
### A. LEGAL COUNSEL REPORT

1. SGMA Basin Boundary Revisions (Map)

# Basin Boundaries

in the Upper Santa Ana River Watershed

-  DWR Bulletin 118
-  Adjudicated (Labeled)



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# CHINO BASIN WATERMASTER

## IV. INFORMATION

### 1. Cash Disbursements for April 2015

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
April 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/06/2015	ACH 040615	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	03/28/2015	03/28/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/15/15-03/28/15	2000 · Accounts Payable	8,018.23
TOTAL						8,018.23
Bill Pmt -Check	04/09/2015	18519	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2015	0023230253		Office Water Bottle - March 2015	6031.7 · Other Office Supplies	149.25
TOTAL						149.25
Bill Pmt -Check	04/09/2015	18520	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	04/03/2015	8245100651455350		8245100651455350	6053 · Internet Expense	44.99
TOTAL						44.99
Bill Pmt -Check	04/09/2015	18521	COMPUTER NETWORK	92128	1012 · Bank of America Gen'l Ckg	
Bill	03/26/2015	92128		Replacement laptop for board room	6055 · Computer Hardware	144.72
TOTAL						144.72
Bill Pmt -Check	04/09/2015	18522	HOGAN LOVELLS	2886038	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	2886038		Non-Ag Pool Legal Services - February 2015	8567 · Non-Ag Legal Service	2,112.32
TOTAL						2,112.32
Bill Pmt -Check	04/09/2015	18523	MATHIS GROUP		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	16747		Consulting Services - 16747	6013 · Human Resources Services	375.00
Bill	03/31/2015	16741		Consulting Services - 16741	6013 · Human Resources Services	562.50
TOTAL						937.50
Bill Pmt -Check	04/09/2015	18524	OFFICE PRIDE	339923	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2015	339923		Janitorial Services - 339923	6024 · Building Repair & Maintenance	988.32
TOTAL						988.32
Bill Pmt -Check	04/09/2015	18525	PARK PLACE COMPUTER SOLUTIONS, INC.	497	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	497		IT Consulting Services - March 2015	6052.1 · Park Place Comp Solutn	2,475.00
TOTAL						2,475.00
Bill Pmt -Check	04/09/2015	18526	PAYCHEX	2015032600	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2015	2015032600		March 2015	6012 · Payroll Services	368.07
TOTAL						368.07
Bill Pmt -Check	04/09/2015	18527	STAPLES BUSINESS ADVANTAGE	8033720842	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	8033720842		Miscellaneous office supplies	6031.7 · Other Office Supplies	342.00

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**April 2015**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount	
				Toner	6031.7 · Other Office Supplies	72.51	
				Copier paper	6031.1 · Copy Paper	210.55	
<b>TOTAL</b>						<b>625.06</b>	
Bill Pmt -Check	04/09/2015	18528	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg		
Bill	03/31/2015	7076224530355049		Fuel - March 2015	6175 · Vehicle Fuel	69.68	
<b>TOTAL</b>						<b>69.68</b>	
Bill Pmt -Check	04/09/2015	18529	VERIZON	012561121521714508	1012 · Bank of America Gen'l Ckg		
Bill	03/30/2015	012561121521714508		012561121521714508	7405 · PE4-Other Expense	195.72	
<b>TOTAL</b>						<b>195.72</b>	
Bill Pmt -Check	04/09/2015	18530	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg		
Bill	03/30/2015	001017890001		Vision Insurance - April 2015	60182.2 · Dental & Vision Ins	99.02	
<b>TOTAL</b>						<b>99.02</b>	
Bill Pmt -Check	04/09/2015	18531	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg		
Bill	04/01/2015	08-k2213849		Disposal Service - April 2015	6024 · Building Repair & Maintenance	111.57	
<b>TOTAL</b>						<b>111.57</b>	
<b>133</b>	General Journal	04/11/2015	04/11/2015	Payroll and Taxes for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg		
				Payroll and Taxes for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	22,539.31	
				Direct Deposits for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	125.76	
				Employee Garnishments for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	8,433.90	
				Payroll Taxes for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	1,192.91	
				Payroll Checks for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	3,457.97	
				ICMA-RC	457 Employee Deductions for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	1,134.17
				ICMA-RC	401(a) Employee Deductions for 03/29/15-04/11/15	1012 · Bank of America Gen'l Ckg	36,884.02
<b>TOTAL</b>						<b>36,884.02</b>	
Bill Pmt -Check	04/13/2015	18532	ACWA JOINT POWERS INSURANCE AUTHORITY	0345117	1012 · Bank of America Gen'l Ckg		
Bill	04/08/2015	0345117		Prepayment - May 2015	1409 · Prepaid Life, BAD&D & LTD	125.20	
				April 2015	60191 · Life & Disab. Ins Benefits	131.57	
<b>TOTAL</b>						<b>256.77</b>	
Bill Pmt -Check	04/13/2015	18533	APPLIED COMPUTER TECHNOLOGIES	2572	1012 · Bank of America Gen'l Ckg		
Bill	03/31/2015	2572		Database Consulting Services - March 2015	6052.2 · Applied Computer Technol	3,057.20	
<b>TOTAL</b>						<b>3,057.20</b>	
Bill Pmt -Check	04/13/2015	18534	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg		
Bill	03/12/2015	3/12 Ag Pool Mtg		3/12/15 Ag Pool Meeting	6311 · Board Member Compensation	125.00	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/26/2015	3/26 Board Mtg		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18535	BOWMAN, JIM	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/26/2015	3/26 Board Mtg		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/13/2015	18536	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	03/23/2015	92098		Replacement Server	1840 · Capital Assets	7,668.00
Bill	03/24/2015	92105		Replacement Server	6055 · Computer Hardware	4,642.92
TOTAL						12,310.92
Bill Pmt -Check	04/13/2015	18537	CORELOGIC INFORMATION SOLUTIONS	81440705	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	81440705		81440705	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81440705	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	04/13/2015	18538	COSTCO WHOLESALE	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	1,183.93
TOTAL						1,183.93
Bill Pmt -Check	04/13/2015	18539	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/19/2015	3/19 Advisory Comm		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18540	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Pool		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18541	DURRINGTON, GLEN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		3/12/15 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/13/2015	18542	EGOSCUE LAW GROUP	10906	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	10906		Ag Pool Legal Services - March 2015	8467 · Ag Legal & Technical Services	29,225.00
TOTAL						29,225.00
Bill Pmt -Check	04/13/2015	18543	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/24/2015	3/24 Admin Mtg		3/24/15 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18544	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/19/2015	3/19 Advisory Comm		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/26/2015	3/26 Board Mtg		3/26/15 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	04/13/2015	18545	HALL, PETE*	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/04/2015	3/04 Joint Projects		3/04/15 Joint Proj. Committee-East Declez Basin	8470 · Ag Meeting Attend -Special	125.00
Bill	03/12/2015	3/12 Appro Pool Mtg		3/12/15 Appropriative Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/12/2015	3/12 Non Ag Pool Mtg		3/12/15 Non Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/12/2015	3/12 Ag Pool Mtg		3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/19/2015	3/19 Land Subsidence		3/19/15 Land Subsidence Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/19/2015	3/19 RMPU Mtg		3/19/15 RMPU Amendment Steering Committee	8470 · Ag Meeting Attend -Special	125.00
Bill	03/19/2015	3/19 Advisory Comm		3/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/24/2015	3/24 Special Ag Pool		3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/26/2015	3/26 Board Mtg		3/26/15 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						1,125.00
Bill Pmt -Check	04/13/2015	18546	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18547	INLAND EMPIRE UTILITIES AGENCY	90015858	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2015	90015858		Groundwater Recharge O&M Cost Reimbursement	7206 · Comp Recharge-O&M	185,423.12

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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						185,423.12
Bill Pmt -Check	04/13/2015	18548	JESKE, KEN'	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/19/2015	3/19 Advisory Comm		3/19/15 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/13/2015	18549	KOOPMAN, GENE	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Meeting Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Mtg		Ag Pool Member Meeting Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18550	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Appro Pool Mtg		3/12/15 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/19/2015	3/19 Advisory Comm		3/19/15 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	04/13/2015	18551	MONTE VISTA WATER DIST	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/19/2015	3/19 Admin Mtg		3/19/15 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting - Mark Kinsey attended	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18552	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/19/2015	3/19 Land Subsidence		3/19/15 Land Subsidence Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/19/2015	3/19 RMPU Steering		3/19/15 RMPU Amendment Steering Comm. Mtg.	8470 · Ag Meeting Attend -Special	125.00
Bill	03/19/2015	3/19 Advisory Comm		3/19/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/24/2015	3/24 Special Ag Pool		3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	03/26/2015	3/26 Board Mtg		3/26/15 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						750.00
Bill Pmt -Check	04/13/2015	18553	PREMIERE GLOBAL SERVICES	18288973	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	18288973		SY Recalc call on 2/27	6906.73 · OBMP-Safe Yield Recalculation	117.45
				WM Coordination call on 3/02	6909.1 · OBMP Meetings	29.49
				Joint Projects Committee call on 3/04	6909.1 · OBMP Meetings	39.25
				Call re Desi Alvarez/CalPERS on 3/05	6141.3 · Admin Meetings	18.14
				SY Recalc call on 3/06	6906.73 · OBMP-Safe Yield Recalculation	75.72

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Type	Date	Num	Name	Memo	Account	Paid Amount
				SY Recalc call on 3/09	6906.73 · OBMP-Safe Yield Recalculation	28.54
				SY Recalc call on 3/11	6906.73 · OBMP-Safe Yield Recalculation	36.37
				Pool mtgs check call on 3/11	6312 · Meeting Expenses	1.35
				Pool mtgs check call on 3/11	8412 · Meeting Expenses	1.35
				Pool mtgs check call on 3/11	8512 · Meeting Expense	1.36
				Non Ag Pool mtg call on 3/12	8512 · Meeting Expense	54.52
				SY Recalc call on 3/13	6906.73 · OBMP-Safe Yield Recalculation	86.34
				SY Recalc call on 3/16	6906.73 · OBMP-Safe Yield Recalculation	53.76
				RMPU call on 3/17	7204 · Comp Recharge-Supplies	40.00
				SY Recalc call on 3/17	6906.73 · OBMP-Safe Yield Recalculation	96.81
				SY Recalc call on 3/17	6906.73 · OBMP-Safe Yield Recalculation	4.06
				SY Recalc call on 3/17	6906.73 · OBMP-Safe Yield Recalculation	126.87
				SY Recalc call on 3/18	6906.73 · OBMP-Safe Yield Recalculation	24.16
				Joint Projects Committee call on 3/19	6909.1 · OBMP Meetings	4.30
				Joint Projects Committee call on 3/19	6909.1 · OBMP Meetings	4.07
				Land Subsidence Committee call on 3/19	6909.1 · OBMP Meetings	4.42
				SY Recalc call on 3/20	6906.73 · OBMP-Safe Yield Recalculation	139.19
				SY Recalc call on 3/23	6906.73 · OBMP-Safe Yield Recalculation	76.26
				Board Agenda review call on 3/24	6312 · Meeting Expenses	8.21
				SY Recalc call on 3/25	6906.73 · OBMP-Safe Yield Recalculation	12.67
				SY Recalc call on 3/26	6906.73 · OBMP-Safe Yield Recalculation	88.51
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				Service fee	6022 · Telephone	41.67
TOTAL						1,312.84
Bill Pmt -Check	04/13/2015	18554	RODRIGUEZ, ARNOLD	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Appro Pool Mtg		3/12/15 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18555	STAPLES BUSINESS ADVANTAGE	8033805226	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2015	8033805226		Miscellaneous office supplies	6031.7 · Other Office Supplies	17.95
TOTAL						17.95
Bill Pmt -Check	04/13/2015	18556	VANDEN HEUVEL, GEOFFREY	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		3/12/15 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/24/2015	3/24 Special Ag Pool		3/24/15 Special Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/13/2015	18557	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2015	3/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/12/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/24/2015	3/24 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				3/24/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	04/13/2015	18558	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/26/2015	3/26 Board Meeting		3/26/15 Board Meeting - Don Galleano attended	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/20/2015	18559	ED BELL	VOID: April 20, 2015 CBWM Board Dinner	1012 · Bank of America Gen'l Ckg	0.00
TOTAL						
Bill Pmt -Check	04/20/2015	18560	ED BELL	April 20, 2015 CBWM Board Dinner	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2015			Catering for 4/20/15 CBWM Board dinner	6312 · Meeting Expenses	324.00
TOTAL						324.00
P138 Bill Pmt -Check	04/22/2015	18561	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2015	1394905143		Medical Insurance - May 2015	60182.1 · Medical Insurance	7,598.11
TOTAL						7,598.11
Bill Pmt -Check	04/22/2015	18562	CUCAMONGA VALLEY WATER DISTRICT	Lease due May 1, 2015	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2015			Lease due May 1, 2015	1422 · Prepaid Rent	6,283.20
TOTAL						6,283.20
Bill Pmt -Check	04/22/2015	18563	OFFICE DEPOT		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	756643610001		Binders	6031.7 · Other Office Supplies	22.65
Bill	03/31/2015	756642798001		Miscellaneous office supplies	6031.7 · Other Office Supplies	36.40
TOTAL						59.05
Bill Pmt -Check	04/22/2015	18564	STAPLES BUSINESS ADVANTAGE	8033909226	1012 · Bank of America Gen'l Ckg	
Bill	04/04/2015	8033909226		Miscellaneous office supplies	6031.7 · Other Office Supplies	87.72
TOTAL						87.72
Bill Pmt -Check	04/22/2015	18565	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2015				60182.4 · Retiree Medical	25.76
TOTAL						25.76

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/22/2015	18566	THOMAS HARDER & CO	Consulting Services	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	12		Jan & Feb 2015	8306 · Consulting/Engineering Services	12,026.34
Bill	03/31/2015	13		March 2015	8306 · Consulting/Engineering Services	1,483.78
TOTAL						13,510.12
Bill Pmt -Check	04/22/2015	18567	VERIZON WIRELESS	9743401778	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2015	9743401778		Monthly service	6022 · Telephone	296.67
TOTAL						296.67
Bill Pmt -Check	04/23/2015	ACH 042315	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	04/23/2015	04/23/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/29/15-04/11/15	2000 · Accounts Payable	8,194.92
TOTAL						8,194.92
Bill Pmt -Check	04/24/2015	18568	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	XXXX-XXXX-XXXX-9341		Uniform shirt for field staff	6154 · Uniforms	21.60
				Reg. fee-PK-attend 2015 State of the City conferenc	6192 · Training & Seminars	50.00
				Lunch-03/18/15 Land Subsidence Committee Mtg.	6909.1 · OBMP Meetings	232.91
				Admin. Mtg. w/Kavounas/Joswiak/Maurizio/Truong	6141.3 · Admin Meetings	55.39
				Earphone extension cord audio cable	6031.7 · Other Office Supplies	9.67
				Headphones	6031.7 · Other Office Supplies	12.99
				Lunch for 3/06/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	55.29
				Lunch for 3/06/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	5.99
				PK meeting w/Chris Berch - IEUA	8312 · Meeting Expenses	20.09
				Lunch for staff between 3/12/15 meetings	6909.1 · OBMP Meetings	50.11
				Lunch for 3/13/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	302.82
				Lunch for 3/16/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	296.03
				Lunch for 3/20/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	338.10
				Lunch for 3/23/15 SY Recalc meeting	6906.73 · OBMP-Safe Yield Recalculation	299.19
				Airfare-PK-04/14/15 DWR Technical Panel in Sacto	6191 · Conferences - General	224.50
				Early bird check-PK-04/14/15 DWR Technical Pane	6191 · Conferences - General	25.00
				PK meeting w/Rick Hansen - TVWMD	8312 · Meeting Expenses	36.24
				Book for office-"It's Not About the Shark: How to So	6031.7 · Other Office Supplies	13.88
				Trays for office lunch/breakroom supplies	6031.7 · Other Office Supplies	12.94
				4/02/15 PK meeting w/Steve Elie	6312 · Meeting Expenses	11.74
				Training materials for staff attending seminar	6192 · Training & Seminars	526.55
TOTAL						2,601.03
Bill Pmt -Check	04/24/2015	18569	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2015	598339		598339	6078 · BHFS Legal - Miscellaneous	4,534.20
				Expenses	6907.42 · Safe Yield Recalculation	2,550.00

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				Expenses	8375 · BHFS Legal - Appropriative Pool	55.20
				Expenses	8475 · BHFS Legal - Agricultural Pool	55.20
				Expenses	8575 · BHFS Legal - Non-Ag Pool	55.20
Bill	03/31/2015	598340		Alvarez-CalPERS	6073 · BHFS Legal - Personnel Matters	12,538.35
				457(f) Def. Comp.	6073 · BHFS Legal - Personnel Matters	3,559.50
				Personnel	6073 · BHFS Legal - Personnel Matters	252.00
				Expenses	6073 · BHFS Legal - Personnel Matters	13.56
Bill	03/31/2015	598341		598341	6907.36 · Santa Ana River Habitat	123.75
Bill	03/31/2015	598342		598342	6275 · BHFS Legal - Advisory Committee	1,071.00
				Expenses	6275 · BHFS Legal - Advisory Committee	329.55
Bill	03/31/2015	598343		598343	6375 · BHFS Legal - Board Meeting	4,851.00
Bill	03/31/2015	598344		598344	8375 · BHFS Legal - Appropriative Pool	1,449.00
Bill	03/31/2015	598345		598345	8475 · BHFS Legal - Agricultural Pool	1,449.00
Bill	03/31/2015	598346		598346	8575 · BHFS Legal - Non-Ag Pool	1,449.00
Bill	03/31/2015	598347		598347	6077 · BHFS Legal - Party Status Maint	315.00
Bill	03/31/2015	598348		598348	6907.39 · Recharge Master Plan	2,337.30
Bill	03/31/2015	598349		598349	6907.42 · Safe Yield Recalculation	83,357.10
				Expenses	6907.42 · Safe Yield Recalculation	1,845.32
<b>TOTAL</b>						<b>122,190.23</b>
<b>PR140</b>						
Bill Pmt -Check	04/24/2015	18570	<b>GREAT AMERICA LEASING CORP.</b>	<b>16840199</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/22/2015	16840199		Invoice	6043.1 · Ricoh Lease Fee	3,252.70
<b>TOTAL</b>						<b>3,252.70</b>
Bill Pmt -Check	04/24/2015	18571	<b>LEGAL SHIELD</b>	<b>0111802</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/22/2015	0111802		Employee Deductions - April 2015	60194 · Other Employee Insurance	51.80
<b>TOTAL</b>						<b>51.80</b>
Bill Pmt -Check	04/24/2015	18572	<b>PITNEY BOWES CREDIT CORPORATION</b>	<b>6684246</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/22/2015	6684246		Postage meter lease	6044 · Postage Meter Lease	548.64
<b>TOTAL</b>						<b>548.64</b>
Bill Pmt -Check	04/24/2015	18573	<b>SAN BERNARDINO COUNTY - DEPT. AIRPORTS</b>	<b>Lease No. CNO-1843</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/22/2015	Lease No. CNO-1843		Annual rental payment for extensometer site	7107.9 · Grd Level-Other	1,596.00
<b>TOTAL</b>						<b>1,596.00</b>
Bill Pmt -Check	04/24/2015	18574	<b>STANDARD INSURANCE CO.</b>	<b>Policy # 00-649299-0009</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/22/2015	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	707.74
<b>TOTAL</b>						<b>707.74</b>

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
April 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/24/2015	18575	TW TELECOM	06961950	1012 - Bank of America Gen'l Ckg	
Bill	04/22/2015	06961950		4/10/15-5/09/15	6053 - Internet Expense	1,043.93
TOTAL						<u>1,043.93</u>
Bill Pmt -Check	04/24/2015	18576	UNITED HEALTHCARE	003747822	1012 - Bank of America Gen'l Ckg	
Bill	04/22/2015	0037478221		Dental Insurance - May 2015	60182.2 - Dental & Vision Ins	770.24
TOTAL						<u>770.24</u>
Bill Pmt -Check	04/24/2015	18577	VERIZON	012519128144592510	1012 - Bank of America Gen'l Ckg	
Bill	04/22/2015	012519128144592510			6022 - Telephone	136.45
TOTAL						<u>136.45</u>
					<b>Total Disbursements:</b>	<u><u>461,289.51</u></u>

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# CHINO BASIN WATERMASTER

## IV. INFORMATION

2. Recharge Investigations and Projects Committee (RIPCom)

# Recharge Investigations and Projects Committee Meeting Agenda

**When:** Thursday, April 16th, 2015 @ 9:30 a.m.

**Where:** Chino Basin Watermaster  
9641 San Bernardino Rd.  
Rancho Cucamonga, CA 91730

**Topics:**

1. Introductions
2. IEUA/CBWM joint projects
  - a) Status updates
  - b) Budget updates
3. CBWCD projects
  - a) Status updates
4. RMPU Implementation updates
  - a) Sustainability projects
  - b) Contact with sand and gravel companies
  - c) AP New Yield and cost allocation agreement
  - d) Flood Control and water conservation agreement
  - e) Agreement with property owners
  - f) Preliminary design reports
  - g) MS4
5. New Project consideration
  - a) East Declez
  - b) Open forum for potential new projects

Next Meeting Date: Thursday, May 21, 2015 @ 9:30 A.M.

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# Pre-RMPU Ongoing Projects



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**TURNER BASIN IMPROVEMENTS**  
**PROJECT NO. WR11017.00**  
**STATUS UPDATE: MARCH 25, 2015**

The project involves grading and hauling activities and the design and installation of new pipes, gates, and controls for two new recharge basins east of Turner Basin No. 4. This project also connects an existing flood control retention facility, Basin No. 5, to capture additional stormwater and recycled water for groundwater recharge by constructing new stormwater piping from Deer Creek Channel into Basin No. 8 which feeds into Basin No. 5. This will allow the Turner Basin site to receive and capture channel flow further upstream and increase recharge potential. The goal of the project is to bring in an additional 600 acre-feet of annual recharge through stormwater and recycled water.

**Schedule:**

<u>Project Budget</u> \$1,275,000	<u>Actual Cost to Date</u> \$1,272,564
--------------------------------------	---

<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	03/01/11	02/22/12	Completed	\$32,622	\$35,768
Pre-design	02/22/12	04/01/12	Completed	\$13,419	\$78,270
Environmental Impact	03/01/11	12/20/12	Completed	\$72,892	\$74,197
Design	04/02/12	02/22/13	Completed	\$120,772	\$122,203
Permits	03/30/12	12/20/12	Completed	\$9,927	\$10,896
Bid and Award	12/21/12	02/20/13	Completed	\$2,736	\$2,747
Construction	02/20/13	02/27/15	Completed	\$1,022,632	\$948,483
				\$1,275,000	\$1,272,564

This project is partially funded by the Bureau of Reclamation with a grant of \$406,712.

**Cost Sharing Document:** 2014 Amendment to the Turner/Gausti Cost Sharing Agreement 2012

**Project Update:**

The project is completed. However, the Grading and Hauling contractor, GRB, is still on site to remove the remaining stock pile that he temporarily stored at the far south east area of the basin. GRB's activities will be completed mid-May.

Project Photos:



Completed junction structure



Completed valve and structure



Completed new south basin (Turner 4c)



Completed new outlet basin north of Gausti Park (Turner 8)



New north basin (Turner 4b) – grading/hauling in progress



**JURUPA PUMP STATION HVAC IMPROVEMENTS**  
**PROJECT NO. EN14040**  
**STATUS UPDATE: MARCH 25, 2015**

The Jurupa Pump Station (PS) is a key recharge facility that directly conveys storm water runoff, local runoff, imported and recycled water to Cell 1A at the RP-3 Basin. The PS is located on the north-east corner of Jurupa Basin which acts as a pass through basin for flows intercepted at the nearby San Sevaine Channel. The PS' electrical equipment, such as the motor control center, variable frequency drives (VFDs) and communication equipment, are critical to the operation of the pump station. With high temperatures experienced at the PS, vital controls and switches have been experiencing temperature related failures and shutdowns. The HVAC improvements will address these critical failures by installing a permanent air conditioning system, roof thermal insulation, controls, etc. for the electrical equipment at the Jurupa PS.

**Schedule:**

<u>Project Budget</u> \$300,000	<u>Actual Cost to Date</u> \$77,584
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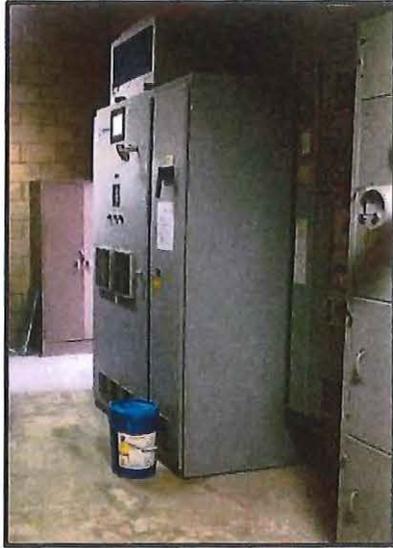
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	09/02/13	10/30/13	Completed	\$3,000	\$6,660
Pre-design	10/31/13	03/03/14	Completed	\$5,000	\$7,390
Proposal	03/04/14	05/14/14	Completed	\$12,000	\$872
Design/Build	05/14/14	10/06/14	Completed	\$186,000	\$62,662
				\$206,000	\$77,584

**Cost Sharing Document:** Task Order No. 5 of the Master Agreement of 2014

**Project Update:**

This project is completed. Final invoicing for Watermaster's share is in progress.

Project Photos:



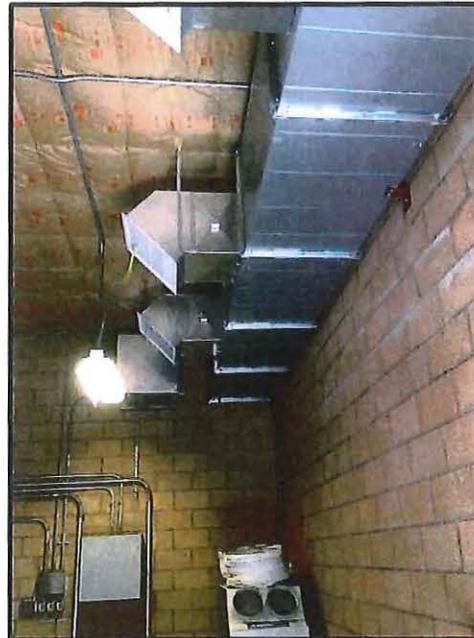
Existing MCC control panel



Existing pumping system



Installed AC unit



Installed ceiling insulation and AC air ducting



**GWR SCADA UPGRADES  
PROJECT NO. EN14047  
STATUS UPDATE: MARCH 25, 2015**

The Inland Empire Utilities Agency's existing Supervisory Control & Data Acquisition (SCADA) system is comprised of a wide range of equipment that is located at various remote sites and facilities throughout the IEUA's RW and GWR facilities. During IEUA's master planning process, a thorough and comprehensive review and evaluation of the recycled water and groundwater recharge SCADA system was conducted. The Master Plan recommended SCADA upgrades to the RW and GWR SCADA systems. The purpose of these upgrades will provide the foundation of a robust, reliable and seamless control system that will sustain and support the continued growth of the RW and GWR programs. Under this project, five recharge basins which also operate a rubber dam system will be replaced with newer, reliable and fully supported programmable logic controllers (PLCs). The current PLCs are out dated and lack critical replacement support. The upgrade will extend the system's reliable use by 10 years and provide the initial development model when transitioning the other controllers in the future.

**Schedule:**

	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$892,000		\$82,847		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	11/11/11	02/24/14	Completed	\$927	\$422
Design	02/26/14	05/28/15	In Progress	\$129,900	\$72,870
Permits	09/12/14	05/28/15	In Progress	\$10,000	\$0
Bid and Award	05/29/15	07/19/15	Not Started	\$428	\$0
Construction	07/20/15	06/30/16	Not Started	\$750,745	\$9,555
				<u>\$892,000</u>	<u>\$82,847</u>

This project qualified for a \$139,650 grant and a 1% interest 30-year loan at \$740,145 from the Santa Ana Project Water Authority and Clean Water State Revolving Fund loan program respectively.

**Cost Sharing Document:** Task Order No. 4 of the Master Agreement of 2014

**Project Update:**

The design consultant, MSO Technologies, received review comments from IEUA, Cucamonga Valley Water District, and Watermaster on March 26. During the review period, the scope to change to a new HMI system needed further evaluation. The design period is extended by an additional month to evaluate potential modification to the construction efforts.

Project Photo:



San Sevaine turnout control panel



**COMMUNICATION UPGRADES  
PROJECT NO. EN12019  
STATUS UPDATE: MARCH 25, 2015**

This project will transition the communication equipment within the remote GWR and RW sites (totaling over 20 sites) onto the new, faster and more reliable communication network. The upgrade will replace the radio equipment for each site and add several new communication towers to send all communication onto the Agency's new 18GHz Motorola network back-haul. The Communication System Upgrades proposes to upgrade all GRW remote sites to the new communication radio systems. Each site will be equipped with new antennas and radios. The proposed plan to include new towers at select sites will be deferred and planned for later capital projects because these sites do not require immediate remote communication and control.

**Schedule:**

	<u>Project Budget</u>		<u>Actual Cost to Date</u>			
	\$1,245,000		\$191,608			
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>	
Project Development	11/11/11	01/17/14	Completed	\$5,771	\$5,771	
Pre-Design	01/20/14	11/27/14	Completed	\$130,000	\$130,000	
RFP/Solicitation	11/30/14	03/18/15	Completed	\$44,000	\$44,000	
Design/Construction	03/19/15	12/31/15	In Progress	\$1,065,229	\$11,837	
				<u>\$1,245,000</u>	<u>\$191,608</u>	

This project qualified for a \$192,850 grant and a 1% interest 30-year loan at \$1,022,105 from the Clean Water State Revolving Fund loan program, as part of the Proposition 50 grant program, and a Department of Water Resources Proposition 84 grant program through Santa Ana Project Water Authority.

**Cost Sharing Document:** Task Order No. 3 of the Master Agreement of 2014

**Project Update:**

On March 18, 2015, IEUA awarded an \$826,294 design/build contract to Sun Wireless, a qualified and experienced communication specialist. An award notice was issued. IEUA's CM team is in the process of reviewing initial submittals before a notice-to-proceed is sent. The contract is schedule for a December 31, 2015 completion.

The following table summarizes the completed radio survey study:

Site	Remote Site	Distance	Tower Height (Feet)	Antenna Height
8th Street Basin	6-B	6.3 miles	Existing 55'	40' or above
Brooks Street Basin	6-B	10.8 miles	Existing 55'	55'
CB-11 MWD Turnout	6-B	1.6 miles	No tower (Need at least 45')	40' or above
CB-14 MWD Turnout	6-B	3.8 miles	No tower (Need at least 25')	20' or above
CB-15 MWD Turnout	6-B	2.5 miles	No tower (Need at least 20')	15' or above
CB-18 MWD Turnout	6-B	5.2 miles	No tower (Need at least 35')	30' or above
CB-20 MWD Turnout	6-B	4.8 miles	Need 10' extension on 25' square monopole or new 35' tower	30' or above
College Heights	CCWRF	8.2 miles	Existing 55'	40' or above
Declez Basin	6-B	10.2 miles	Existing 55'	40' or above
Ely 3 Basin	RP-1	0.5 miles	Existing 55'	15' or above
Grove Basin	6-B	10.8 miles	Existing 55'	40' or above
Hickory Basin	6-B	6.1 miles	Existing 55'	40' or above
Hickory FMM Turnout	RP-4	1.3 miles	Existing 55'	40' or above
Jurupa Basin	6-B	8.8 miles	Existing 55'	40' or above
Lower Day Basin	6-B	2.9 miles	Existing 55'	15' or above
Montclair Basin	CCWRF	7.3 miles	Existing 55'	40' or above
Orchard RW Turnout	6-B	10.2 miles	No tower (Need at least 20')	15' or above
RP-3	6-B	10.4 miles	Existing 55'	40' or above
San Sevaine 5RW Turnout	6-B	4.5 miles	Existing 55'	40' or above
San Sevaine Basin 5	6-B	4.6 miles	No tower (25' lamp post or new 25' tower)	25' or above
Turner Basin 1	6-B	6.4 miles	Existing 55'	40' or above
Turner Basin 4	6-B	6.4 miles	Existing 55'	50' or above
Upland Basin	CCWRF	8.0 miles	No tower (Need at least 45')	40' or above
Victoria Basin	6-B	4.7 miles	Existing 55'	40' or above
Wineville Basin	6-B	8.8 miles	No tower (Need at least 45')	40' or above

Sites that need attention



**CB20 NOISE MITIGATION  
PROJECT NO. EN14038  
STATUS UPDATE: MARCH 25, 2015**

In 2010, a recharge basin turnout structure was constructed within the Metropolitan Water District's right-of-way in the residential area of the City of Upland. The turnout was to provide immediate access to available raw water for the purpose of groundwater storage. The Noise Mitigation Project is to reduce the impact of operating noise to the surrounding residences. Current sound studies reveal the facility generates noise levels above the allowable limits permitted by Upland's Ordinances. As a public service effort, IEUA and Chino Basin Watermaster initiated a capital project to design and build a sound enclosure by a qualified sound specialist. The objective is to maintain compliance with City Ordinance and reduce the impact of noise to nearby residents.

**Schedule:**

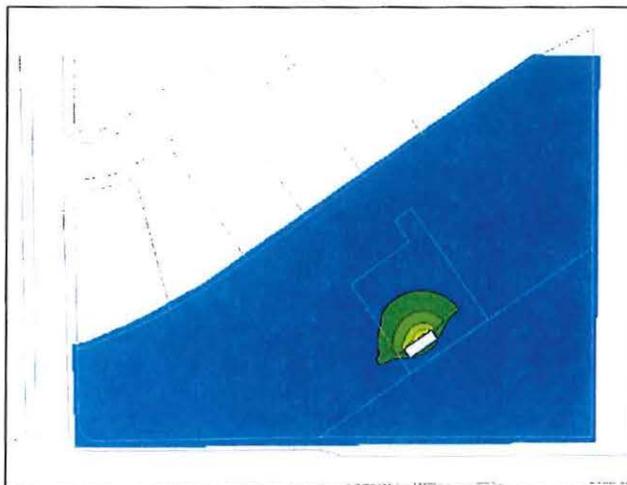
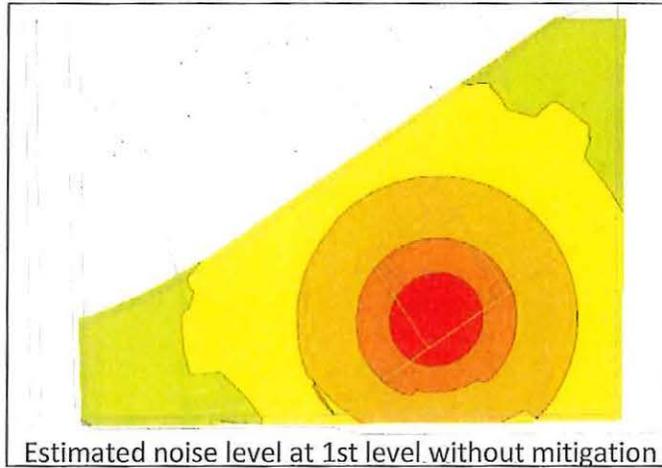
	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$160,000		\$29,780		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	09/25/13	01/23/14	Completed	\$200	\$182
Design	01/24/14	11/26/14	In Progress	\$29,000	\$28,971
Construction	11/30/14	06/30/15	In Progress	\$130,800	\$627
				<u>\$160,000</u>	<u>\$29,780</u>

**Cost Sharing Document:** CBFIP, Phase II Cost Sharing Agreement of 2006

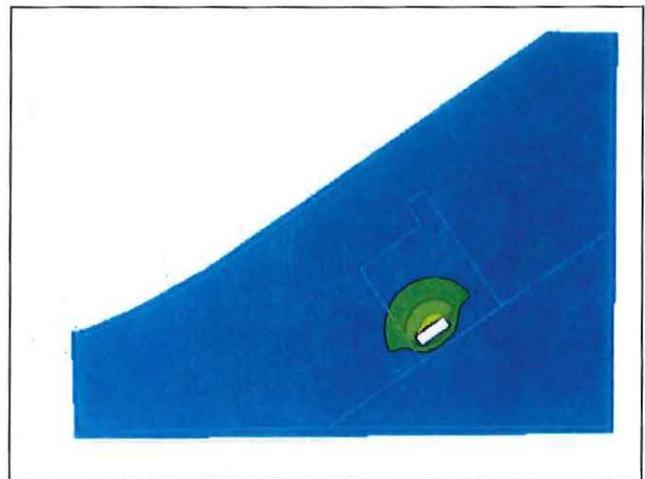
**Project Update:**

The designer and installer of the sound enclosure requested an additional one month extension in receiving all required materials due to the extended delays from the manufacturer. In late 2014, the sound wall system manufacturer recently relocated to newer facilities. This has created unanticipated delays in meeting production orders. The contractor is working with the manufacturer to ensure there are no further delays. Project completion is moved to mid-June 2015.

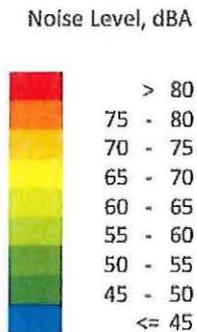
Sound study result which confirms the intended noise reduction with the added enclosure:



Estimated noise level at 1st level with mitigation



Estimated noise level at 2nd level with mitigation





**HICKORY BASIN ARIZONA CROSSING  
PROJECT NO. EN12025  
STATUS UPDATE: MARCH 25, 2015**

The Hickory Basin Arizona Crossing Project designed and constructed a new soil cement access road and culvert over the inlet channel at the Hickory Basin. The purpose of the access road was to provide immediate maintenance and operational access for IEUA and San Bernardino Flood Control District (SBCFCD) personnel to the north area of the Basin without interrupting recharge or storm water detention operations. The goal of the project is to minimize maintenance costs and mitigate recharge interruptions due to basin dewatering when accessing critical pumping equipment for routine or emergency maintenance. Secondly, the access crossing was also a required condition with the Flood Control as part of a maintenance agreement to utilize the basin for continuous recharge. This project was a part of the Chino Basin Facilities Improvement Program, Phase II, which was deferred due to Flood Control permitting approvals. In January 2012, the project re-commenced bidding after receiving full permitting documents from the District.

**Schedule:**

	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$332,971		\$275,417		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Design	10/01/11	12/31/11	Completed	\$7,200	\$7,200
Permits	10/01/11	01/12/12	Completed	\$2,000	\$1,518
Bid and Award	01/12/12	03/21/12	Completed	\$1,200	\$307
Construction	03/22/12	04/17/13	Completed	\$222,571	\$211,392
Added Contingencies				\$100,000	\$55,000
				<u>\$332,971</u>	<u>\$275,417</u>

The added contingency was included into the project towards the later phase of construction to address potential change orders with the General Contractor.

**Cost Sharing Document:** CBFIP Phase II Cost Sharing Agreement of 2006

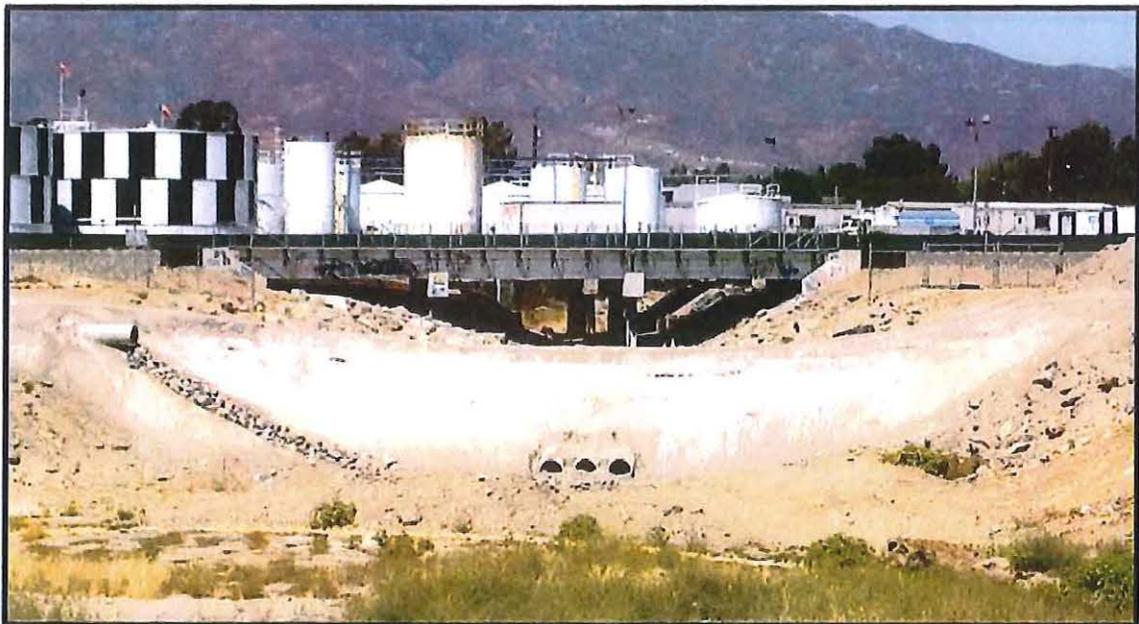
**Project Update:**

Project is completed. Final cost sharing invoicing with CBWM will be sent soon. This will address the recently accepted construction cost settlement.

**Project Photo:**



Completed access road leading to the north side of Hickory Basin



Completed Arizona Crossing which spans the inlet channel



**UPPER SANTA ANA RIVER WATERSHED HABITAT CONSERVATION PLAN  
PROJECT NO. RW15002  
STATUS UPDATE: MARCH 25, 2015**

The purpose of the Habitat Conservation Plan is to investigate and develop a plan to offset the biological impact of future water and recharge improvement projects in the Chino Basin area that have the potential to affect federally-listed endangered, threatened or special status species. This project will be a part of a regional plan with other proposed projects within the Upper Santa Ana River Region. The goal of the project is to identify, in advance, sites that may require biological offset/mitigation and avoid permitting delays on future RMPU projects or other identified recharge improvement projects.

**Schedule:**

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$160,000	\$33,548

<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Investigate/Plan	07/01/14	06/30/17	In Progress	\$160,000	\$33,548
				\$160,000	\$33,548

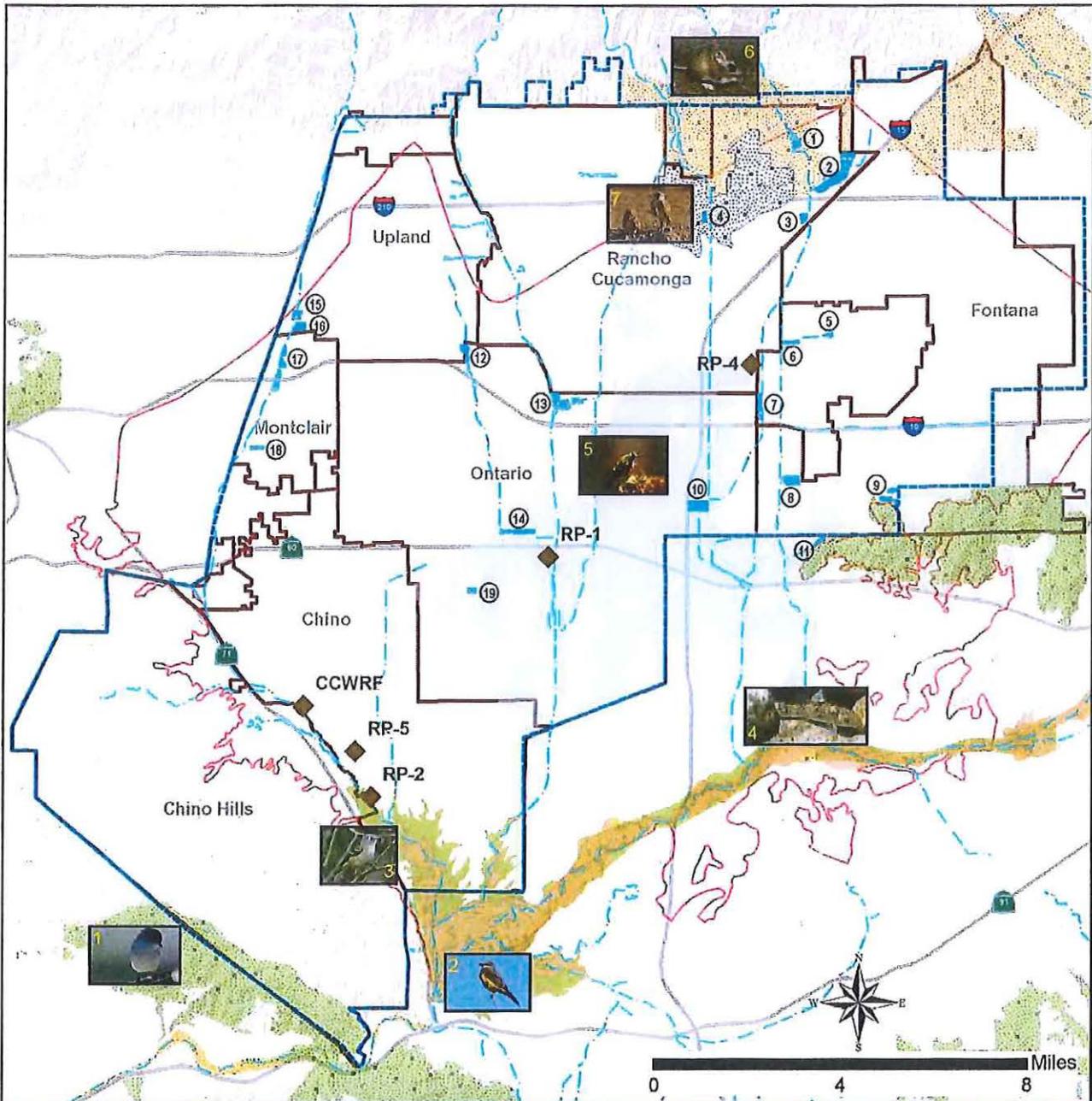
**Cost Sharing Document:** Task Order No. 7 of the Master Agreement of 2014

**Project Update:**

The HCP team has refined the covered activities for the proposed projects and is entering the hydraulic modeling phase. Hydraulic modeling will be used to determine the overall impacts to the Santa Ana River from all of the projects in the HCP which include the following RMPU project sites. ICF International is the firm that is conducting the research and planning of the project.

<u>RMPU Projects</u>	<u>Location</u>	<u>Potential Species</u>
<b>PID - 19a</b>	Wineville Basin	DSF
<b>PID - 12</b>	Lower Day Basin	SBKR,CAGN,BUOW
<b>PID - 7</b>	San Sevaine Basins (1-5)	SBKR
<b>PID - 11</b>	Victoria Basin	SBKR
<b>PID - 2</b>	Montclair Basins (1-3)	CAGN

*DSF=Delhi Sands Flower-Loving Fly; SBKR=Merriam's San Bernardino Kangaroo Rat; CAGN=California Gnatcatcher; BUOW=Burrowing Owl*



Legend	Endangered Species Habitat Ranges	Recharge Basins
Regional Plants	1. California Gnatcatcher	1. Etiwanda Debris Basin - (SBCFCD)
Rivers/Channels	2. Southwestern Willow Flycatcher	2. San Sevaine Basins - (SBCFCD)
CBWM Service Area	3. Least Bell's Vireo	3. Victoria Basin - (SBCFCD)
IEUA Service Area	4. Santa Ana Sucker	4. Lower Day Basin - (SBCFCD)
Cities Boundary	5. Delhi Sands Flower-Loving Fly	5. Banana Basin - (SBCFCD)
Freeways	6. Merriam's San Bernardino Kangaroo Rat	6. Hickory Basin - (SBCFCD)
	7. Borrowing Owl	7. Etiwanda Conservation Basins - (SCE)
		8. Jurupa Basin - (SBCFCD)
		9. RP-3 Basin - (IEUA)
		10. Wineville Basin - (SBCFCD)
		11. Declez Basin - (SBCFCD)
		12. 8th Street Basin - (SBCFCD)
		13. Turner Basins - (SBCFCD/CBWCD)
		14. Ely Basins 1, 2 and 3 - (SBCFCD/CBWCD)
		15. College Heights Basins - (CBWCD)
		16. Upland Basin - (Upland)
		17. Montclair Basins - (CBWCD)
		18. Brooks Street Basins - (CBWCD)
		19. Grove Basin - (SBCFCD)

# RMPU PROJECTS



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**SAN SEVAINE IMPROVEMENTS PROJECT  
PROJECT NO. EN13001  
STATUS UPDATE: MARCH 25, 2015**

As part of the 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU), this Project will evaluate, design and construct basin improvements needed to maximize infiltration and recharge capture at the San Sevaime Basins. The final recommendation from the preliminary development report proposes to implement: (1) a new stormwater/recycled water pump station in Basin 5, (2) directly tie into an existing RW pipeline, (3) place new pipelines and headwalls into Basins 1, 2, and 3, and (4) install monitoring wells and lysimeters. The purposed improvements will add 642 acre-feet per year of stormwater and 4,100 acre-feet per year of recycled water for groundwater recharge.

**Schedule:**

	<u>Project Budget</u>			<u>Actual Cost to Date</u>	
	\$6,460,000*			\$174,610	
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Pre-design	10/01/12	04/15/15	In Progress	\$200,000	\$155,541
Environmental Impact	06/26/13	05/23/15	In Progress	\$32,200	\$0
Design	4/19/15	11/24/15	Not Started	\$206,200	\$0
Permits	05/15/13	11/24/15	In Progress	\$100,000	\$18,969
Bid and Award	11/25/15	01/20/16	Not Started	\$11,600	\$0
Construction	01/21/16	04/25/17	Not Started	\$5,910,000	\$100
				<u>\$6,460,000</u>	<u>\$174,610</u>

\*The project budget is proposed to be raised to the expected design and construction cost as detailed in completed Preliminary Development Report. This new cost was approved by the Watermaster Board on 3/26/15.

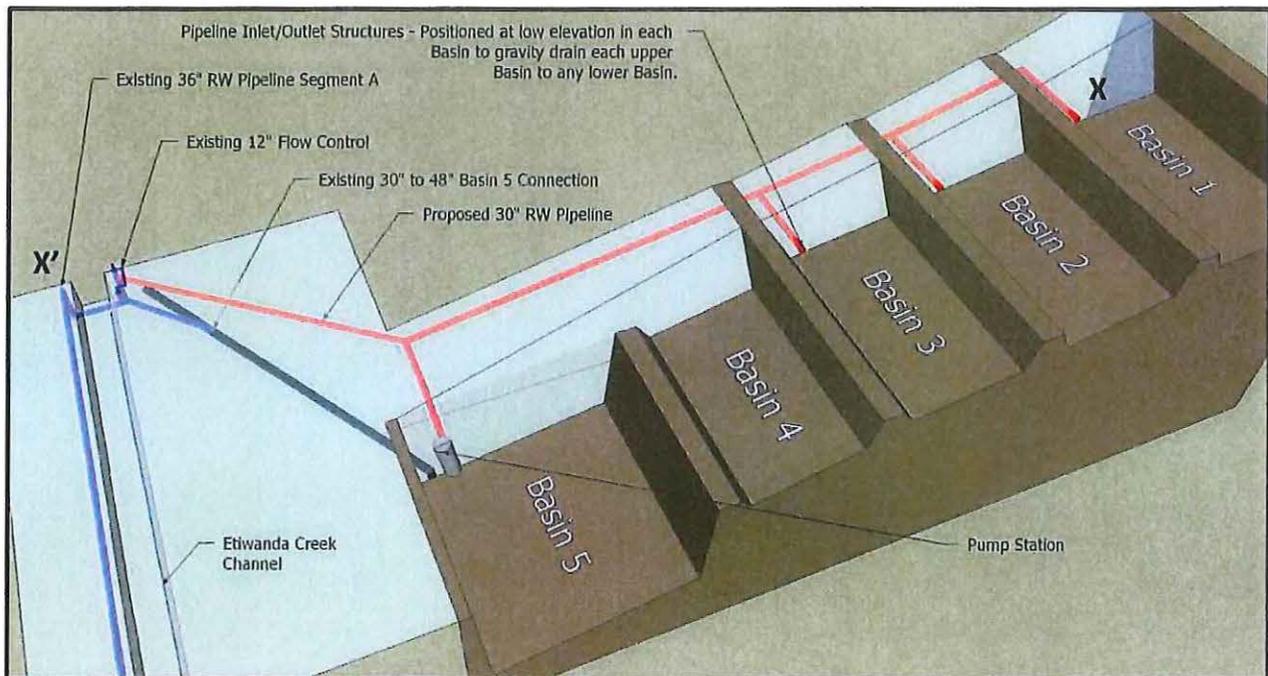
The project was approved for a \$750,000 grant from the Department of Water Resources through the Santa Ana Watershed Project authority as part of Proposition 84.

**Cost Sharing Document:** Task Order No. 8 of the Master Agreement of 2014

### Project Update:

The requested amendment to the project's Cost Sharing Task Order No. 8 was approved through Watermaster's Pools, Advisory, and Board in March. The amended task order is expected to be fully executed after it receives approval from IEUA's Board on April 15, 2015. In regard to the design phase of the project, IEUA has received four proposals in response to the RFP for design services. The proposals are from Lee&Ro, Dudek, PACE, and Stantec. Watermaster and IEUA have established a proposal review committee to determine the most qualified firm by April 21st. Staff also completed and submitted an application with the Bay-Delta Restoration Program for additional grant funding of \$750,000 under this project and the Lower Day Basin Improvement Project.

### Conceptual Design:



Isometric View of the Recommended Basin Improvement  
Pump Station in Basin 5 and Extension of the Recycled Water Pipeline to Basins 1, 2, and 3



**2013 RMPU AMENDMENT YIELD ENHANCEMENT PROJECTS**  
**PROJECT NO. RW15003**  
**STATUS UPDATE: MARCH 25, 2015**

The 2013 Amendment to the 2010 Recharge Master Plan Update recommended that the yield enhancement projects listed below be implemented for preliminary-design, environmental review, permitting, and final design.

ID	Basin Projects	Key Project Improvements	Original RMPU Yield		Adjusted Yield	
			SW	RW	SW	RW
			acre-feet per year			
18a	CSI Storm Water Basin	New storage and recharge facility by deepening/removing 36,000 CY	81	-	81	-
23a	Wineville, Jurupa, and RP3	Improve storage and recharge capacity with pumps/conveyance systems between basins and provide new diversion structures	3,166	2,905	3,166	2,905
27	Declez Basin	Improve capacity by modifying existing/adding new structures	241	-	241	-
11	Victoria Basin	Improve the infiltration rate and increase storage by removing settled deposits	43	120	43	120
14	Turner Basin	Increase storage and recharge by raising the spillway height	66	-	66	-
15a	Ely Basin	Improve storage and recharge by removing 470,000 CY	221	-	221	-
2	Montclair Basins	Increase storage and recharge capacity by directing more channel flow	248	-	248	-
25a	Sierra	Improve storage and recharge by removing 40,000 CY <i>(Removed-no longer feasible)</i>	64	-		
17a	Lower San Sevine Basin	Construct a new storage flow through basin <i>(Removed-no longer feasible)</i>	1,221	-		
-	East Declez Basin	<i>New basin towards the east (Potential new project for design consideration)</i>			913	-
			<b>5,351</b>	<b>3,025</b>	<b>4,979</b>	<b>3,025</b>

**Schedule:**

	<u>Original Soft Cost</u>	<u>Adjusted Soft Cost*</u>	<u>Actual Cost to Date</u>		
	\$8,122,500	\$7,490,500	\$5,892		
<u>Soft Cost Phases</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	07/01/14	06/17/15	In Progress	\$53,547	\$5,892
Preliminary Design	06/25/15	08/31/16	Not Started	\$1,360,328	-
Environmental	02/19/15	08/29/16	Not Started	\$532,190	-
Design	08/29/16	12/29/17	Not Started	\$5,169,055	-
Permits	08/29/16	12/29/17	Not Started	\$375,380	-
				<u>\$7,490,500</u>	<u>\$5,892</u>

\*PID 25a and PID 17a were removed and East Declez was added

**Cost Sharing Document:** Task Order No. 1 of the Master Agreement of 2014

**Project Update:**

The amendment to Task Order No. 1, which removes two projects from the RMPU and adds the East Declez Basin Project for design consideration, was approved by Watermaster's Board in March 26, 2015. Concurrently IEUA issued the "Request for Proposal" (RFP) on the preliminary design services for the RMPU projects. A RFP pre-proposal meeting with interested engineering firms is scheduled for April 22. The proposal closing date is May 12, 2015.

A separate RFP for conducting an initial feasibility study on the East Declez Basin will be issued at an accelerated schedule so that confirmation on project's stormwater benefits and expected cost is established before further consideration is made to proceed with detailed designs.

**Project Photos:**



Aerial of Victoria Basin



**LOWER DAY RMPU IMPROVEMENTS  
PROJECT NO. RW15004  
STATUS UPDATE: MARCH 25, 2015**

This project will modify the existing intake structure and install pneumatic gates in the channel. The pneumatic gates will monitor and self-adjust to maintain a water level or rate of discharge over the gate structure in accordance with an established programmable logic controller. The basin's existing embankment will be evaluated and reconstructed to meet the requirements of a dam embankment with the Division of Safety of Dams. Improvement on the embankment may include excavation and keying to prevent piping and seepage.

The potential increase in recharge with the inlet is 789 acre-feet per year as per 2010 RMPU.

**Schedule:**

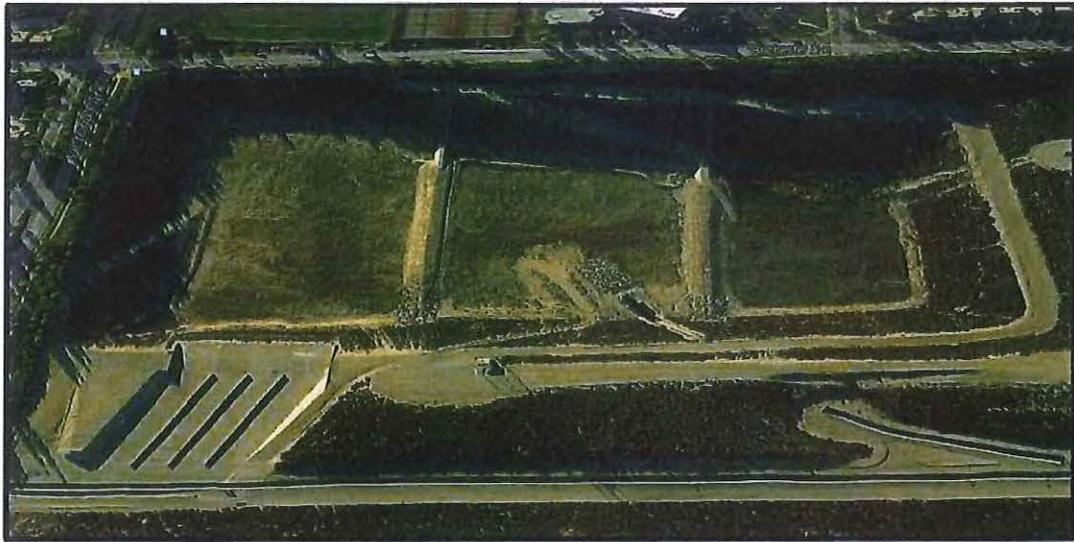
	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$2,480,000		\$27,282		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	07/01/14	12/17/14	Completed	\$5,000	\$12,122
Pre-Design	12/18/14	04/30/15	In Progress	\$50,000	\$15,160
Design	05/01/15	02/10/16	Not Started	\$145,275	-
Environmental Impact	02/02/15	02/09/16	In Progress	\$76,200	-
Permits	07/08/15	02/02/16	Not Started	\$66,000	-
Bid and Award	02/11/16	04/20/16	Not Started	9,000	-
Construction	04/21/16	05/31/17	Not Started	\$2,128,525	-
				<u>\$2,480,000</u>	<u>\$27,282</u>

**Cost Sharing Document:** Task Order No. 2 of the Master Agreement of 2014

**Project Update:**

A draft preliminary design document for Lower Day Basin Project was received. April 13 is the scheduled review meeting. Currently environmental studies are in progress with Tom Dodson & Associates.

**Project Photo:**



Aerial photo of the project site



Field photo showing the location of the proposed improvement to the existing channel to increase storm water capture

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[1A] [1B] [1C] [1D] [1E] [1F] [1G-1] [1G] [1H] [1I] [1J] [1K] [1L] [1M] [1N] [1O] [1P] [1Q]

Project Name	Project Status	Percent Completion on Overall Schedule	Anticipated (Dr Actual) Completion Date	Project Cost To Date	TOTAL PROJECT BUDGET			PERCENT COST SHARE		SUBJECT ALLOCATION			IEUA PROJECT COSTS		CEMWM PROJECT COSTS		Remaining Balance Available (Based on Project Budget)
					Original Budget	Proposed Revised Budget	Approved Revised Budget	IEUA	CEMWM	IEUA Actual Cost To Date	Remainder Balance Available (Based on Project Budget)	Actual Share (Based on Actual Cost To Date)	Invoiced Paid To Date	IEUA Grant Funding	IEUA	CEMWM	
Turner Basin Improvements (2013 Cost Sharing Agreement)	Completed	100%	2/27/2015	\$ 1,272,864	\$ -	\$ 1,275,000	50%	50%	\$ 494,144	\$ 494,144	\$ 482,628	\$ 1,118	\$ 482,926	\$ 327,144	\$ 107,000		
Winville Proof of Concept (Task No. 6)	Completed	100%	4/30/2014	\$ 858,805	\$ -	\$ 424,300	50%	50%	\$ 212,150	\$ 212,150	\$ 176,759	\$ 85,888	\$ 176,759	\$ 32,332	\$ 279,818		
Jurupa Pump Station (Task No. 5)	Completed	100%	10/6/2014	\$ 77,884	\$ -	\$ 800,000	50%	50%	\$ -	\$ 150,000	\$ 98,792	\$ 111,208	\$ 38,792	\$ -	\$ 150,000		
San Serrano Improvements (Task No. 8)	Pre-Design	20%	4/25/2017	\$ 174,610	\$ -	\$ 6,460,000*	50%	50%	\$ 750,000	\$ 2,855,000	\$ 771,189	\$ 2,777,811	\$ 771,189	\$ -	\$ 2,855,000		
GVR SCADA Upgrades (Task No. 4)	Design	30%	6/30/2016	\$ 82,847	\$ -	\$ 892,000	50%	50%	\$ 139,650	\$ 376,175	\$ 341,938	\$ 341,937	\$ 34,938	\$ -	\$ 376,175		
COMMUNICATION Upgrades (Task No. 3)	Construction	45%	12/31/2015	\$ 181,608	\$ -	\$ 1,245,000	50%	50%	\$ 182,850	\$ 526,075	\$ 80,964	\$ 445,111	\$ 80,964	\$ -	\$ 526,075		
CE20 Noise Mitigation (CE20 Phase II Agreement)	Construction	65%	6/30/2015	\$ 29,780	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 14,880	\$ 65,110	\$ 14,880	\$ -	\$ 80,000		
Hickory Basin (CE20 Phase II Agreement)	Completed	100%	4/17/2013	\$ 275,417	\$ -	\$ 882,971	50%	50%	\$ -	\$ 166,486	\$ 137,709	\$ 28,777	\$ 137,709	\$ 110,269	\$ 9,877		
Upper Santa Ana River Habitat Conservation Plan (Task No. 7)	Evaluation	22%	6/30/2017	\$ 33,448	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 16,774	\$ 63,226	\$ 16,774	\$ -	\$ 80,000		
2013 BMPU Amendment Yield Enhancement Projects (Task No. 1)	Project Evaluation	10%	11/28/2017	\$ 5,892	\$ -	\$ 7,490,500**	8%	97%	\$ -	\$ 250,250	\$ 2,846	\$ 247,404	\$ 2,846	\$ -	\$ 7,240,250		
Lower Day Basin BMPU Improvement Project (Task No. 2)	Pre-Design	10%	5/31/2017	\$ 27,282	\$ -	\$ 2,480,000	0%	100%	\$ 790,000	\$ -	\$ 9,516	\$ (9,516)	\$ 9,516	\$ -	\$ 1,790,000		
GRAND TOTALS	--	---	---	\$ 2,524,637	\$ -	\$ 21,218,771	---	---	\$ 2,239,212	\$ 8,130,280	\$ 1,023,976	\$ 4,106,904	\$ 1,023,976	\$ 469,685	\$ 13,928,195		

NOTES:

\* The total approved project budget is \$3,550,000. However, the budget is proposed for the San Serrano project be adjusted per staff's recent request to increase the budget from \$3,550,000 to \$6,500,000 to match the recently recommended POR.

\*\* The total project budget for the Soft Cost of this BMPUVE projects are still shown as originally established under the 2013 BMPUVE, however recommendations are making forward the adjust the budget to reflect the removal of Lower San Serrano and Sierra Basins and replace them with the East Decatur expansion. The estimate adjusted soft cost budget is \$7,490,500

Updated on: 4/9/2015

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[2A]	[2B]	[2C]	[2D]	[2E]	[2F]	[2G]	[2H]	[2I]	[2J]	[2K]	[2L]	[2M]
Project Name	CBWM Fiscal Year 2014/15							CBWM Future Years				
	Budget Carry-Over	Approved Budget	Budget Amendments/Transfers	Total Fiscal Year Budget	Actuals Date (including Paid & Outstanding Invoices)	Remaining Balance Available	CBWM Remaining Projected Costs	Budget Amendment Required? (Yes/No)	Projected Carryover Fund: FY 2015/16	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18
Turner Basin Improvements (7690.2)	\$ -	\$ 107,000	\$ -	\$ 107,000	-	\$ 107,000	\$ 107,000	No	\$ -	\$ -	\$ -	\$ -
Meadville Basin of Concept (7209.2) (Task No. 6)	\$ 179,818	\$ -	\$ -	\$ 179,818	144,420	\$ 35,398	\$ 35,398	No	\$ -	\$ -	\$ -	\$ -
Jurupa Pump Station (7205.1) (Task No. 5)	\$ 450,000	\$ -	\$ (79,200)	\$ 370,800	-	\$ 76,800	\$ 76,800	No	\$ -	\$ -	\$ -	\$ -
San Savelino Improvements (7690.4) (Task No. 8)	\$ 300,000	\$ -	\$ 175,000	\$ 475,000	-	\$ 475,000	\$ 475,000	No	\$ -	\$ 1,126,000	\$ 1,253,100	\$ -
GWR SCADA Upgrades (7690.61) (Task No. 4)	\$ -	\$ 337,500	\$ 45,700	\$ 383,200	-	\$ 383,200	\$ 383,200	No	\$ -	\$ 38,675	\$ -	\$ -
COMMUNICATION Upgrades (7690.62) (Task No. 3)	\$ -	\$ 547,500	\$ -	\$ 547,500	-	\$ 547,500	\$ 547,500	No	\$ -	\$ (21,425)	\$ -	\$ -
CE20 Noise Mitigation (7690.5)	\$ 80,000	\$ -	\$ -	\$ 80,000	-	\$ 80,000	\$ 80,000	No	\$ -	\$ -	\$ -	\$ -
Hilborn Basin (7690.3)	\$ 9,377	\$ -	\$ 27,500	\$ 31,377	-	\$ 31,377	\$ 31,377	No	\$ -	\$ -	\$ -	\$ -
Upper Santa Ana River Habitat Conservation Plan (7690.7) (Task No. 7)	\$ -	\$ 75,000	\$ -	\$ 75,000	-	\$ 75,000	\$ 75,000	No	\$ -	\$ 5,000	\$ -	\$ -
2013 RMPU Amendment Yield Enhancement Projects (Task No. 1)	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	No	\$ -	\$ 569,750	\$ 8,100,000	\$ 3,570,500
Lower Day Basin RMPU Improvement Project (7690.8) (Task No. 2)	\$ -	\$ -	\$ 49,000	\$ 49,000	-	\$ 49,000	\$ 49,000	No	\$ -	\$ 140,000	\$ 140,000	\$ 1,401,000
<b>GRAND TOTALS</b>	\$ 713,695	\$ 1,067,000	\$ 224,000	\$ 2,004,695	\$ 144,420	\$ 1,860,275	\$ 1,860,275	-	\$ -	\$ 1,859,900	\$ 4,495,100	\$ 4,971,500

NOTES:  
 Budget Amendment A-14-07-01 of \$124,000 (\$175,000 + \$49,000) approved by Watermaster Board on August 28, 2014.  
 Budget Transfer T-14-10-01 of \$0 (-\$73,200 + \$73,200 + \$45,700 + \$27,500) approved by Watermaster Board on November 25, 2014.