

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, October 8, 2015

- 9:00 a.m. – Appropriative Pool Meeting
- 11:00 a.m. – Non-Agricultural Pool 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, October 8, 2015

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

POOL AGENDAS

**CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

9:00 a.m. – October 8, 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 September 10, 2015 *(Page 1)*
2. Minutes of the Appropriative Pool Special Meeting held September 17, 2015 *(Page 5)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2015 *(Page 21)*
2. Watermaster VISA Check Detail for the month of August 2015 *(Page 31)*
3. Combining Schedule for the Period July 1, 2015 through August 31, 2015 *(Page 35)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 *(Page 39)*
5. Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 *(Page 43)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT (DISCUSSION ONLY)

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION *(Page 57)*

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

C. INTERIM 2015/16 ASSESSMENT (INFORMATION ONLY) *(Page 95)*

Discuss the collection of an interim partial assessment in late November, with the balance to be collected when the Assessment Package is produced, as well as Staff's recommendation as to how the interim assessment will be calculated.

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

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

B. ENGINEER REPORT

1. Ground Level Monitoring Report

C. CFO REPORT

None

D. GM REPORT

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

IV. INFORMATION

1. Cash Disbursements for September 2015 (*Page 171*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 185*)
3. Ground Level Monitoring Report (*Page 225*)
4. RMPU Status Report (*Page 231*)

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. Watermaster Reappointment

VIII. FUTURE MEETINGS AT WATERMASTER

10/8/15	Thu	9:00 a.m.	Appropriative Pool
10/8/15	Thu	11:00 a.m.	Non-Agricultural Pool
10/8/15	Thu	1:30 p.m.	Agricultural Pool
10/15/15	Thu	9:00 a.m.	Advisory Committee
10/15/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
10/22/15	Thu	11:00 a.m.	Watermaster Board
11/12/15	Thu	9:00 a.m.	Appropriative Pool
11/12/15	Thu	11:00 a.m.	Non-Agricultural Pool
11/12/15	Thu	1:30 p.m.	Agricultural Pool
11/17/15	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
11/19/15	Thu	9:00 a.m.	Advisory Committee
11/19/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
11/19/15	Thu	11:00 a.m.	Watermaster Board (Rescheduled from 11/26/15)

ADJOURNMENT

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

11:00 a.m. – October 8, 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

AGENDA – ADDITIONS/REORDER

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held September 10, 2015 *(Page 7)*
2. Minutes of the Non-Agricultural Pool Special Meeting held September 15, 2015 *(Page 11)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2015 *(Page 21)*
2. Watermaster VISA Check Detail for the month of August 2015 *(Page 31)*
3. Combining Schedule for the Period July 1, 2015 through August 31, 2015 *(Page 35)*
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5. Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 *(Page 43)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT (DISCUSSION ONLY)

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION *(Page 57)*

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

C. INTERIM 2015/16 ASSESSMENT (INFORMATION ONLY) *(Page 95)*

Discuss the collection of an interim partial assessment in late November, with the balance to be collected when the Assessment Package is produced, as well as Staff's recommendation as to how the interim assessment will be calculated.

D. 2015 SAFE YIELD RESET AGREEMENT APPROVAL *(Page 103)*

Approve the 2015 Safe Yield Reset Agreement and authorize the Pool Chair to sign on behalf of the Pool.

E. 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.
 - City of Ontario/Aqua Capital Management transaction completion.
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.

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

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

B. ENGINEER REPORT

1. Ground Level Monitoring Report

C. CFO REPORT

None

D. GM REPORT

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

IV. INFORMATION

1. Cash Disbursements for September 2015 (*Page 171*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 185*)
3. Ground Level Monitoring Report (*Page 225*)
4. RMPU Status Report (*Page 231*)

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

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

1. Watermaster Reappointment
2. Safe Yield Reset Agreement

VIII. FUTURE MEETINGS AT WATERMASTER

- | | | | |
|----------|-----|------------|---|
| 10/8/15 | Thu | 9:00 a.m. | Appropriative Pool |
| 10/8/15 | Thu | 11:00 a.m. | Non-Agricultural Pool |
| 10/8/15 | Thu | 1:30 p.m. | Agricultural Pool |
| 10/15/15 | Thu | 9:00 a.m. | Advisory Committee |
| 10/15/15 | Thu | 9:30 a.m. | Recharge Investigations and Projects Committee (RIPCom) |
| 10/22/15 | Thu | 11:00 a.m. | Watermaster Board |

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

ADJOURNMENT

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**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – October 8, 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 September 15, 2015 *(Page 17)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2015 *(Page 21)*
2. Watermaster VISA Check Detail for the month of August 2015 *(Page 31)*
3. Combining Schedule for the Period July 1, 2015 through August 31, 2015 *(Page 35)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 *(Page 39)*
5. Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 *(Page 43)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT (DISCUSSION ONLY)

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION *(Page 57)*

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

C. 2015 SAFE YIELD RESET AGREEMENT APPROVAL *(Page 103)*

Approve the 2015 Safe Yield Reset Agreement and authorize the Pool Chair to sign on behalf of the Pool.

D. OLD BUSINESS

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

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

B. ENGINEER REPORT

1. Ground Level Monitoring Report

C. CFO REPORT

None

D. GM REPORT

1. Business Plan Update
2. Storage
3. Request for Information Process
4. Volume Vote
5. Interim 2015/16 Assessment
6. Holiday Meeting Schedule
7. Other

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

1. Cash Disbursements for September 2015 (*Page 171*)
2. Recharge Investigations and Projects Committee (RIPCom) (*Page 185*)
3. Ground Level Monitoring Report (*Page 225*)
4. RMPU Status Report (*Page 231*)

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.

VIII. FUTURE MEETINGS AT WATERMASTER

10/8/15	Thu	9:00 a.m.	Appropriative Pool
10/8/15	Thu	11:00 a.m.	Non-Agricultural Pool
10/8/15	Thu	1:30 p.m.	Agricultural Pool
10/15/15	Thu	9:00 a.m.	Advisory Committee
10/15/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
10/22/15	Thu	11:00 a.m.	Watermaster Board
11/12/15	Thu	9:00 a.m.	Appropriative Pool
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11/12/15	Thu	1:30 p.m.	Agricultural Pool
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11/19/15	Thu	9:00 a.m.	Advisory Committee
11/19/15	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
11/19/15	Thu	11:00 a.m.	Watermaster Board (Rescheduled from 11/26/15)

ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on September 10, 2015
2. Appropriative Pool Special Meeting held on September 17, 2015

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

September 10, 2015

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 10, 2015.

APPROPRIATIVE POOL MEMBERS PRESENT

Rosemary Hoerning, Chair	City of Upland
Darron Poulsen, Vice-Chair	City of Pomona
Bob Page	County of San Bernardino
Dave Crosley	City of Chino
Teri Layton	San Antonio Water Company
Justin Scott-Coe	Monte Vista Water District
Van Jew	Monte Vista Irrigation Company
Ron Craig	City of Chino Hills
Jo Lynne Russo-Pereyra for Marty Zvirbulis	Cucamonga Valley Water District
Todd Corbin	Jurupa Community Services District
Ryan Shaw for Scott Burton	City of Ontario

WATERMASTER BOARD MEMBER PRESENT

Bob Kuhn	Three Valleys Municipal Water District
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WATERMASTER STAFF PRESENT

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

WATERMASTER CONSULTANTS PRESENT

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

OTHERS PRESENT

Pete Hall	State of California – CIM
David DeJesus	Three Valleys Municipal Water District
Marsha Westropp	Orange County Water District
Eunice Ulloa	Chino Basin Water Conservation District
Curtis Paxton	Chino Basin Desalter Authority
Andy Campbell	Inland Empire Utilities Agency
Raul Garibay	City of Pomona
Scott Burton	City of Ontario
Manny Martinez	Monte Vista Water District

CALL TO ORDER

Chair Hoerning called the Appropriative Pool meeting to order at 9:03 a.m.

AGENDA - ADDITIONS/REORDER

(0:00:23) Chair Hoerning requested that Confidential Session Items 1 and 3 be reordered to follow Business Item II.A., and that the CFO Report include the Recharge Investigations and Projects Committee (RIPCom) update.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held August 13, 2015

B. FINANCIAL REPORTS

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

C. OBMP SEMI-ANNUAL STATUS REPORT 2013-1

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

(0:01:34) Ms. Maurizio reported the minor requested text change to Consent Calendar Item C., the OBMP Semi-Annual Status Report. The requested change is to the second to last paragraph of page 74 of the meeting package, "and then revisit all existing applications of Local Storage Agreements" to be changed to "and then revisit all applications of Local Storage Agreements." Staff had no objection to the requested edit and will make the change prior to finalizing the report.

(0:02:45)

Motion by Mr. Dave Crosley, seconded by Ms. Jo Lynne Russo-Pereyra, and by unanimous vote

Moved to approve Consent Calendar with the edit to Item I.C. as presented

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

Offer advice and counsel to Watermaster on the 2015 Safe Yield Reset Agreement and related court documents.

(0:03:06) Ms. Maurizio and Mr. Herrema gave a report. A discussion ensued. No action was taken.

Chair Hoerning called for the first Confidential Session at 9:09 a.m. to discuss the Safe Yield Redetermination and Reset, and Exhibit "G" Physical Solution Transfer Rate Substitution. Confidential Session concluded at 10:40 a.m. The following was reported out of Confidential Session:

1. Watermaster Legal Counsel would receive comments on the Resolution and Agreement from the Appropriative Pool.
2. The Appropriative Pool will be convening a special meeting at Watermaster on September 17, 2015 at 8:00 a.m. to further discuss the Safe Yield Reset process.

B. EXHIBIT “G” PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION

Recommend to the Advisory Committee to approve the proposed FY 2015-16 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

(0:08:18) Ms. Maurizio gave a report.

(0:09:19)

*Motion by Mr. Ron Craig, seconded by Mr. Darron Poulsen, and by majority vote
Moved to approve Business Item II.B. as presented*

The following abstained as they are also members of the Non-Agricultural Pool:

- Monte Vista Water District – Mr. Justin Scott Coe
- Monte Vista Irrigation Company – Mr. Van Jew
- City of Ontario – Ryan Shaw

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:10:07) Mr. Herrema gave a report and added an additional report item regarding Watermaster Reappointment.

B. ENGINEER REPORT

None

C. CFO REPORT

(0:14:22) Mr. Joswiak gave a report on the Recharge Investigations and Projects Committee (RIPCom) funds. A discussion ensued.

D. GM REPORT

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

(0:23:21) Ms. Maurizio gave a report. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for August 2015
2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

(0:24:42) Mr. Jew raised a question regarding the next RIPCom meeting. A discussion ensued.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Hoerning called for the second Confidential Session at 11:07 a.m. to discuss the Watermaster Reappointment. Confidential session concluded at 12:20 p.m. with the following reportable action:

The Appropriative Pool designated Mr. Darron Poulsen to be their delegate on the ad hoc committee with regard to Watermaster Reappointment.

ADJOURNMENT

Chair Hoerning adjourned the Appropriative Pool meeting at 12:24 p.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL SPECIAL MEETING

September 17, 2015

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

APPROPRIATIVE POOL MEMBERS PRESENT AT WATERMASTER

Rosemary Hoerning, Chair	City of Upland
Darron Poulsen, Vice-Chair	City of Pomona
Dave Crosley	City of Chino
Justin Scott-Coe	Monte Vista Water District
Van Jew	Monte Vista Irrigation Company
Marty Zvirbulis	Cucamonga Valley Water District
Ron Craig	City of Chino Hills
Scott Burton	City of Ontario
Todd Corbin	Jurupa Community Services District
Teri Layton	San Antonio Water Company
Josh Swift	Fontana Water Company
Cris Fealy	Fontana Union Water Company

OTHERS PRESENT AT WATERMASTER

Raul Garibay	City of Pomona
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Ryan Shaw	City of Ontario
Sheri Rojo	Fontana Water Company

CALL TO ORDER

Chair Hoerning called the Appropriative Pool special meeting to order at 8:00 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONFIDENTIAL SESSION - POSSIBLE ACTION

The Appropriative Pool went into Confidential Session to discuss the Safe Yield Redetermination and Reset. Confidential Session concluded at 8:55 a.m. with the following reportable action:

Recommend Board approval of Resolution 2015-06. Passed by majority vote.

Abstentions:

San Antonio Water Company – Teri Layton
Jurupa Community Services District – Todd Corbin

No Vote:

City of Chino – Dave Crosley

ADJOURNMENT

Chair Hoerning adjourned the Appropriative Pool special meeting at 8:55 a.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM ROUTINE

A. MINUTES

1. Non-Agricultural Pool Meeting held on September 10, 2015
2. Non-Agricultural Pool Special Meeting held on September 15, 2015

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

September 10, 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 September 10, 2015.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

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

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

Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Janine Wilson	Recording Secretary

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Non-Agricultural Pool Attorney
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OTHERS PRESENT AT WATERMASTER

Pete Hall	State of California – CIM
Andy Campbell	Inland Empire Utilities Agency

OTHERS PRESENT ON CALL

Ramsey Haddad	California Steel Industries (CSI)
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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.

AGENDA – ADDITIONS/REORDER

(0:01:59) Mr. Joswiak recommended reordering the agenda to take Item III, Reports/Updates first to allow Ms. Maurizio time to wrap up with the Appropriative Pool meeting. Chair Geye acknowledged and proceeded as recommended.

I. BUSINESS ITEMS - ROUTINE**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held August 13, 2015

(0:07:59)

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.A. as presented.

B. FINANCIAL REPORTS

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

(0:08:15)

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. OBMP SEMI-ANNUAL STATUS REPORT 2013-1

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

(0:08:33) Ms. Maurizio reported the minor requested text change to Consent Calendar Item C., the OBMP Semi-Annual Status Report. The requested change is to the second to last paragraph of page 74 of the meeting package, "and then revisit all existing applications of Local Storage Agreements" to be changed to "and then revisit all applications of Local Storage Agreements." Staff had no objection to the requested edit and will make the change prior to finalizing the report.

(0:10:20)

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 direct the Pool representatives to support Business Item I.C. at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

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

Offer advice and counsel to Watermaster on the 2015 Safe Yield Reset Agreement and related court documents.

(0:10:41) Ms. Maurizio gave a report. A discussion ensued; the item was deferred to confidential session, and no action was taken.

B. EXHIBIT "G" PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION

Recommend to the Advisory Committee to approve the proposed FY 2015-16 substitute Physical Solution Transfer rate, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

(0:16:58) Ms. Maurizio gave a report. A discussion ensued.

(0:18:47)

Motion by Mr. Ken Jeske, 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 direct the Pool representatives to support Business Item II.B. at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

C. MEMBER STATUS CHANGES (For Discussion and Possible Action)

1. Any proposed transfer of Safe Yield by a Member.
 - TAMCO/Ameron Water Transfer
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.

(0:19:13) Ms. Maurizio gave a report regarding Item II.C.1. A discussion ensued.

(0:20:04) Mr. Jeske commented on the new Non-Agricultural Pool member, Monte Vista Water District. Mr. Mark Kinsey is the primary representative and Mr. Van Jew is his alternate.

(0:20:49) Mr. Hubsch requested confirmation that the permanent transfer of 50,000 acre-feet of Safe Yield from Aqua Capital Management by Monte Vista Water District has been completed. Both parties confirmed that the transaction was completed.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:02:42) Mr. Herrema gave a report and added a report on the Watermaster Reappointment.

B. ENGINEER REPORT

None

C. CFO REPORT

None

D. GM REPORT

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

(0:06:55) Ms. Maurizio gave a report.

IV. INFORMATION

- 1. Cash Disbursements for August 2015
- 2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 11:28 a.m. to discuss the Safe Yield Redetermination and Reset and Watermaster Reappointment.

Confidential session concluded at 12:18 p.m. with the following reportable action:

The Pool recommends an ad hoc committee be set up amongst all three Pools to discuss the Board Reappointment process. That ad hoc committee will provide input to the Advisory Committee for action and Chair Geye has been designated to serve as the Non-Agricultural Pool's representative on the ad hoc committee.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:22 p.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL SPECIAL MEETING
CONFERENCE CALL ONLY
September 15, 2015

The Non-Agricultural Pool special meeting was held via conference call on September 15, 2015.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Brian Geye, Chair	Auto Club Speedway
Dave Penrice	Aqua Capital Management LP
Mark Kinsey	Monte Vista Water District
Bob Page	County of San Bernardino
Ken Jeske	California Steel Industries (CSI)
Tom O' Neill	Ontario City Non-Agricultural

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Hogan Lovells US, LLP
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CALL TO ORDER

Chair Geye called the Non-Agricultural Pool special meeting to order at 3:05 p.m.

AGENDA – ADDITIONS/REORDER

None

I. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a Confidential Session at 3:05 p.m. to discuss the Safe Yield Redetermination and Reset.

Confidential session concluded at 3:51 p.m. with the following reportable action:

The Pool authorized a Resolution regarding the Safe Yield Reset Agreement.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool special meeting at 3:51 p.m.

Secretary: _____

Approved: _____

ATTACHMENT TO MINUTES: NON-AGRICULTURAL POOL RESOLUTION

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RESOLUTION

WHEREAS the NAP Committee has provided comments to Watermaster staff and Watermaster Board Counsel from time to time stating that the Safe Yield Reset Agreement should provide for development on an expedited basis of a storage plan for the Chino Basin. The most recent comments given by Pool Counsel, at the direction of representatives of the NAP Committee, are attached hereto.

WHEREAS the Safe Yield Reset Agreement (the "Agreement") circulated by Watermaster staff for consideration by the NAP Committee does not reflect progress on storage, but instead appears to impose additional restrictions on storage.

NOW THEREFORE, for the foregoing reasons, the NAP Committee will support the Safe Yield Reset Agreement only if the Agreement provides as follows in new Sections 6.5 and 6.6, inserted immediately after existing Section 6.4:

6.5 NAP Storage. Neither this Agreement nor implementation hereof (including without limitation the Storage Management Plan referenced in Section 6.3 of this Agreement) shall adversely affect rights of members of the Non-Agricultural Pool existing as of the date hereof, including transfer rights and storage rights existing as of the date hereof (it being acknowledged that members of the Non-Agricultural Pool may continue to store any quantity of carryover and excess carryover water, and produce the same for any use, without deduction or diminution other than uniform storage losses applicable to all parties provided in Section 7.4 of the Peace II Agreement).

6.6 Supplemental Water. At any time, and from time to time, during the period after this Agreement is approved by the Court and prior to finalization, approval and implementation of the Storage Management Plan referenced in Section 6.3 of this Agreement, any party to the Judgment may acquire, receive, recharge and store supplemental water in the Basin in any amount, subject only to the filing, after the date this Agreement is approved by the Court, of a recharge application in standard form, and material physical injury review thereof. Any restriction imposed on or otherwise affecting storage of supplemental storage shall not apply to such recharge, including without limitation any restriction imposed prior the date this Agreement is approved by the Court. Unless the Watermaster Board makes a determination, after the filing of such application and prior to the date which is 45 days after the filing of such application, that, at the time of recharge of such amount by such party, a material physical injury to the Basin will result from recharge of such amount by such party, such application shall be deemed approved. Priority of the right to store any amount of supplemental water pursuant to this Section shall be based upon time of actual storage of such amount rather than on time of any application therefor (including for this purpose any application filed prior to the date hereof). Any party may store such water without deduction or diminution other than uniform storage losses provided in Section 7.4 of the Peace II Agreement. Any party may sell, transfer, produce and otherwise use

such water in any manner and for any use that any party is now permitted or has previously been allowed to sell, transfer, produce or otherwise use supplemental water prior to the date hereof, subject only to the filing of a transfer application in standard form for any sale or transfer of such water, and material physical injury review thereof, and provided that such water may not be produced for any purpose prior to the date which is 24 months after this Agreement is approved by the Court. The Storage Management Plan referenced in Section 6.3, when adopted, shall not adversely affect, or purport to affect, any water recharged pursuant to this Section, or any right thereto.

Hubsch, Allen W.

From: Hubsch, Allen W.
Sent: Wednesday, September 02, 2015 4:30 PM
To: Peter Kavounas (PKavounas@cbwm.org)
Cc: 'Herrema, Brad'; Brian Geye (bgeye@autoclubspeedway.com); Bob Bowcock (BBowcock@irmwater.com); Ken Jeske (KJeske1@gmail.com)
Subject: NAP/CBWM - Storage

Peter,

Representatives of the NAP Committee have asked me to express concern about the lack of progress regarding storage in the Safe Yield reset discussions. As you may recall, the NAP Committee's resolution supporting the Safe Yield reset discussions several months ago was expressly made subject to a more robust timetable for developing a storage plan. During the Safe Yield reset discussions, I and other representatives of the NAP Committee have reiterated the NAP Committee's interest in developing a storage plan, and have asked for more focus and energy in that regard. The NAP Committee's comments have not been reflected in the drafts. In fact, the current draft Safe Yield Agreement and technical memorandum focus on storage restrictions. They do not address storage development and usage. The NAP Committee has asked and asks again that the draft agreement provide for positive development of storage resources in the basin in the near future, to allow members of the NAP and others to use the storage capacity to assist with water supply for the Chino Basin.

The technical memorandum developed in connection with the Safe Yield reset makes clear that due largely or entirely to storage drawdown over the years there is significant unused storage capacity in the basin, which could be used without affecting hydraulic control. In this period of drought, it is irresponsible that basin storage capacity remains significantly under-utilized. The representatives of the NAP Committee contemplate applying in the near future for use of 100,000 AF of storage in the basin, with such storage to be managed and administered by the NAP Committee, pursuant to a plan to be developed by the NAP Committee. The NAP Committee will seek input on the plan from other stakeholders. The NAP Committee anticipates that the plan would be subject to applicable material physical injury review, and Watermaster accounting practices. The plan would allow the members of the NAP to move forward with recharge and storage, including with respect to supplemental water, without adversely affecting other parties.

Progress on the NAP Committee's storage should not be further delayed because of issues within the Appropriative Pool about the Appropriative Pool's storage. On behalf of the NAP Committee, I am asking staff to provide a timely response to this proposal for the NAP Committee's consideration at the next regular meeting of the NAP Committee, as the Committee discusses potential action on the draft Safe Yield Agreement.

Allen

Allen Hubsch

Hogan Lovells US LLP
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Los Angeles, CA 90067

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Email: allen.hubsch@hoganlovells.com
www.hoganlovells.com

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on September 15, 2015

DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

September 15, 2015

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 15, 2015.

AGRICULTURAL POOL MEMBERS PRESENT

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Henry De Haan for Gene Koopman	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Carol Boyd	State of California – CIM
Bob Page	County of San Bernardino

WATERMASTER BOARD MEMBERS PRESENT

Paul Hofer	Crops
Geoff Vanden Heuvel	Dairy

WATERMASTER STAFF 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
Mark Wildermuth	Wildermuth Environmental, Inc.

OTHERS PRESENT

Rick Rees	AMEC
Tracy Egoscue	Egoscue Law Group

CALL TO ORDER

Chair Feenstra called the Agricultural Pool meeting to order at 1:38 p.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Special Meeting held August 5, 2015
2. Minutes of the Agricultural Pool Special Meeting held August 12, 2015
3. Minutes of the Agricultural Pool Meeting held August 13, 2015
4. Minutes of the Agricultural Pool Special Meeting held August 26, 2015

B. FINANCIAL REPORTS

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

C. OBMP SEMI-ANNUAL STATUS REPORT 2013-1

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

(0:01:50)

Motion by Mr. Nathan deBoom, seconded by Mr. Jeff Pierson, and by unanimous vote

Moved to approve Consent Calendar as presented

II. BUSINESS ITEMS

A. SAFE YIELD REDETERMINATION AND RESET

Offer advice and counsel to Watermaster on the 2015 Safe Yield Reset Agreement and related court documents.

(0:02:22) Mr. Kavounas gave a report. A discussion ensued.

B. OLD BUSINESS

1. Voluntary Agreements

(0:05:19) Mr. Kavounas introduced the item and handed off to Ms. Maurizio who gave a presentation. A discussion ensued.

(0:08:16) Mr. De Haan joined the meeting.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:12:20) Mr. Herrema gave a report and added an additional report item regarding Watermaster Reappointment.

B. ENGINEER REPORT

None

C. CFO REPORT

(0:21:27) Mr. Joswiak gave a report on the Recharge Investigations and Projects Committee (RIPCom) funds.

D. GM REPORT

- 1. Exhibit "G" Physical Solution Transfer Rate Substitution
- 2. Amendment No. 2 to Agreement to Form Task Force to Conduct Basin Monitoring Program For Nitrogen And TDS in The Santa Ana River Watershed (Basin Monitoring Program)
- 3. Other

(0:23:40) Mr. Kavounas gave a report. A discussion ensued.

E. AGRICULTURAL POOL LEGAL COUNSEL REPORT

None

IV. INFORMATION

- 1. Cash Disbursements for August 2015
- 2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Feenstra called for a confidential session at 2:03 p.m. to discuss the Safe Yield Redetermination and Reset and the Watermaster Reappointment.

Confidential session concluded at 3:35 p.m. with the following reportable actions which were passed by unanimous vote of the Pool:

- 1. The Pool supports Resolution 2015-06 regarding the 2015 Safe Yield Reset Agreement. Motion by Mr. Pierson, seconded by Mr. deBoom.
- 2. The Pool designated Mr. Jeff Pierson to be their representative on the ad hoc committee regarding Watermaster Reappointment. Motion by Mr. deBoom, seconded by Ms. Boyd.

ADJOURNMENT

Chair Feenstra adjourned the Agricultural Pool meeting at 3:38 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 August 2015
2. Watermaster VISA Check Detail for the Month of August 2015
3. Combining Schedule for the Period July 1, 2015 through August 31, 2015
4. Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015
5. Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

B. FINANCIAL REPORTS

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (August 31, 2015)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: October 8, 2015; Receive and File
Non-Agricultural Pool: October 8, 2015; Receive and File
Agricultural Pool: October 8, 2015; Receive and File
Advisory Committee: October 15, 2015; Receive and File
Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool –
October 8, 2015 – Non-Agricultural Pool –
October 8, 2015 – Agricultural Pool –
October 15, 2015 – Advisory Committee –
October 22, 2015 – Watermaster Board –

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of August 2015 were \$171,888.45.

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

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/07/2015	08/07/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/31/2015	07/31/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/19/15-08/01/15	2000 · Accounts Payable	6,515.12
TOTAL						<u>6,515.12</u>
Bill Pmt -Check	08/11/2015	18820	ACWA JOINT POWERS INSURANCE AUTHORITY	0364791	1012 · Bank of America Gen'l Ckg	
Bill	08/08/2015	0364791		Prepayment - September 2015 August 2015	1409 · Prepaid Life, BAD&D & LTD 60191 · Life & Disab.Ins Benefits	128.39 128.38
TOTAL						<u>256.77</u>
Bill Pmt -Check	08/11/2015	18821	APPLIED COMPUTER TECHNOLOGIES	2606	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2015	2606		Database Consulting Services - July 2015	6052.2 · Applied Computer Technol	4,069.00
TOTAL						<u>4,069.00</u>
Bill Pmt -Check	08/11/2015	18822	BOWCOCK, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
P23 Bill Pmt -Check	08/11/2015	18823	BOWMAN, JIM	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	08/11/2015	18824	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	08/04/2015	8245100651455350		8245100651455350	6053 · Internet Expense	64.99
TOTAL						<u>64.99</u>
Bill Pmt -Check	08/11/2015	18825	DE BOOM, NATHAN		1012 · Bank of America Gen'l Ckg	
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	08/11/2015	18826	DE HAAN, HENRY		1012 · Bank of America Gen'l Ckg	
Bill	07/16/2015	7/16 Special Ag Mtg		Ag Pool Member Compensation 7/16/15 Special Ag Pool Meeting	8411 · Compensation 8470 · Ag Meeting Attend -Special	25.00 100.00
Bill	07/22/2015	7/22 Special Ag Mtg		Ag Pool Member Compensation 7/22/15 Special Ag Pool Meeting	8411 · Compensation 8470 · Ag Meeting Attend -Special	25.00 100.00
Bill	07/29/2015	7/29 Special Ag Mtg		Ag Pool Member Compensation 7/29/15 Special Ag Pool Meeting	8411 · Compensation 8470 · Ag Meeting Attend -Special	25.00 100.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount	
TOTAL						1,125.00	
Bill Pmt -Check	08/11/2015	18833	HUITSING, JOHN		1012 · Bank of America Gen'l Ckg		
Bill	07/09/2015	7/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00	
				7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00	
Bill	07/16/2015	7/16 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00	
				7/16/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00	
TOTAL						250.00	
Bill Pmt -Check	08/11/2015	18834	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg		
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00	
TOTAL						125.00	
Bill Pmt -Check	08/11/2015	18835	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg		
Bill	07/09/2015	7/09 Appro Pool Mtg		7/09/15 Appropriate Pool Meeting	6311 · Board Member Compensation	125.00	
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	6311 · Board Member Compensation	125.00	
TOTAL						250.00	
P25	Bill Pmt -Check	08/11/2015	18836	MONTE VISTA WATER DIST	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Mark Kinsey attendance	6311 · Board Member Compensation	125.00
TOTAL						125.00	
Bill Pmt -Check	08/11/2015	18837	PARK PLACE COMPUTER SOLUTIONS, INC.	501	1012 · Bank of America Gen'l Ckg		
Bill	07/31/2015	501		IT Consulting Services - July 2015	6052.1 · Park Place Comp Solutn	2,550.00	
TOTAL						2,550.00	
Bill Pmt -Check	08/11/2015	18838	PAYCHEX	2015073000	1012 · Bank of America Gen'l Ckg		
Bill	07/31/2015	2015073000		July 2015	6012 · Payroll Services	292.09	
TOTAL						292.09	
Bill Pmt -Check	08/11/2015	18839	PETTY CASH	2532-2546	1012 · Bank of America Gen'l Ckg		
Bill	07/31/2015	2532-2546		Purchase office supplies	6031.7 · Other Office Supplies	135.23	
				Travel expense reimbursements for PK	6191 · Conferences - General	129.75	
				Parking expense for IAAP seminar	6192 · Training & Seminars	10.00	
				Supplies for 5/19 and 8/06 Safe Yield meetings	6906.73 · OBMP-Safe Yield Recalculation	46.70	
				Supplies for Appropriate Pool Meeting	8312 · Meeting Expenses	15.11	
				Supplies for staff meetings	6141.3 · Admin Meetings	39.27	
TOTAL						376.06	
Bill Pmt -Check	08/11/2015	18840	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg		

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 Advisory Comm		7/16/15 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/16/2015	7/16 RIP Com Mtg		7/16/15 RIP Com Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/23/2015	7/23 Special Mtg		7/23/15 Water for Property Development Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	08/11/2015	18841	PREMIERE GLOBAL SERVICES	19082434	1012 · Bank of America Gen'l Ckg	
Bill	08/05/2015	19082434		WM coordination call on 6/29	6909.1 · OBMP Meetings	16.48
				Pools agenda prep call on 6/30	8312 · Meeting Expenses	1.51
				Pools agenda prep call on 6/30	8412 · Meeting Expenses	1.51
				Pools agenda prep call on 6/30	8512 · Meeting Expense	1.52
				City of Ontario Non-Ag call on 7/01	8512 · Meeting Expense	16.61
				Safe Yield call on 7/02	6906.73 · OBMP-Safe Yield Recalculation	107.66
				WM coordination call on 7/06	6909.1 · OBMP Meetings	37.42
				Safe Yield call on 7/08	6906.73 · OBMP-Safe Yield Recalculation	30.72
				Non-Ag Pool Meeting call on 7/09	8512 · Meeting Expense	32.26
				Safe Yield call on 7/10	6906.73 · OBMP-Safe Yield Recalculation	139.02
				WM coordination call on 7/13	6909.1 · OBMP Meetings	24.13
				RIP Com call on 7/16	7204 · Comp Recharge-Supplies	4.60
				Ag Pool tech memo call on 7/16	8412 · Meeting Expenses	19.56
				Safe Yield call on 7/17	6906.73 · OBMP-Safe Yield Recalculation	5.16
				Safe Yield call on 7/17	6906.73 · OBMP-Safe Yield Recalculation	100.92
				WM coordination call on 7/20	6909.1 · OBMP Meetings	5.51
				Board agenda preview call on 7/21	6312 · Meeting Expenses	13.98
				Safe Yield call on 7/22	6906.73 · OBMP-Safe Yield Recalculation	6.76
				Safe Yield call on 7/24	6906.73 · OBMP-Safe Yield Recalculation	112.95
				Fee - general line	6022 · Telephone	49.00
				Fee - confidential line	6022 · Telephone	49.00
				Service fees	6022 · Telephone	23.98
TOTAL						800.26
Bill Pmt -Check	08/11/2015	18842	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	08/06/2015	100000014590109		Monthly unfunded accrued liability payment	60180 · Employers PERS Expense	3,077.00
TOTAL						3,077.00
Bill Pmt -Check	08/11/2015	18843	RR FRANCHISING, INC.	8391	1012 · Bank of America Gen'l Ckg	
Bill	08/04/2015	8391		Janitorial Services	6024 · Building Repair & Maintenance	740.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							740.00
	Bill Pmt -Check	08/11/2015	18844	SANTA ANA RIVER WATER COMPANY	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	07/09/2015	7/09 Appro Pool Mtg		7/09/15 Approp. Pool Mtg. - Rodriguez attendance	6311 · Board Member Compensation	125.00
	Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Rodriguez attendance	6311 · Board Member Compensation	125.00
TOTAL							250.00
	Bill Pmt -Check	08/11/2015	18845	SOFTCHOICE	4020452	1012 · Bank of America Gen'l Ckg	
	Bill	07/01/2015	4020452		MS Exchange Server standard license	6054 · Computer Software	2,639.47
TOTAL							2,639.47
	Bill Pmt -Check	08/11/2015	18846	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2015	7076224530355049		July 2015	6175 · Vehicle Fuel	248.82
TOTAL							248.82
	Bill Pmt -Check	08/11/2015	18847	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2015	2x81x0		Ship package, schedule a pickup	6042 · Postage - General	19.76
TOTAL							19.76
P27	Bill Pmt -Check	08/11/2015	18848	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
	Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	6311 · Board Member Compensation	125.00
	Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting	6311 · Board Member Compensation	125.00
	Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	6311 · Board Member Compensation	125.00
TOTAL							375.00
	Bill Pmt -Check	08/11/2015	18849	VANDEN HEUVEL, ROB		1012 · Bank of America Gen'l Ckg	
	Bill	07/09/2015	7/09 Ag Pool Mtg		7/09/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	07/16/2015	7/16 Special Ag Mtg		7/16/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	07/22/2015	7/22 Special Ag Mtg		7/22/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	07/29/2015	7/29 Special Ag Mtg		7/29/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL							500.00
	Bill Pmt -Check	08/11/2015	18850	VERIZON	012519128144592510	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2015	012561121521714508		012519128144592510	7405 · PE4-Other Expense	191.24
TOTAL							191.24
	Bill Pmt -Check	08/11/2015	18851	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	07/23/2015	7/23 Board Mtg		7/23/15 Board Meeting - Galleano attendance	6311 · Board Member Compensation	125.00
TOTAL							125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	08/15/2015	08/15/2015	Payroll and Taxes for 08/02/15-08/15/15	Payroll and Taxes for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	22,381.59
				Employee Garnishments for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	100.61
				Payroll Taxes for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	7,783.47
				Payroll Checks for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	1,523.68
			ICMA-RC	457(f) Employee Deductions for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	3,696.36
			ICMA-RC	401(a) Employee Deductions for 08/02/15-08/15/15	1012 · Bank of America Gen'l Ckg	1,162.69
TOTAL						36,648.40
Check	08/17/2015	08/17/2015	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	312.45
TOTAL						312.45
Bill Pmt -Check	08/24/2015	ACH 082415	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/15/2015	08/15/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/02/15-08/15/15	2000 · Accounts Payable	6,515.12
TOTAL						6,515.12
P28 Bill Pmt -Check	08/25/2015	18852	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2015	XXXX-XXXX-XXXX-9341		Registration-Joswiak-CalPERS Educational Forum	6193.2 · Conference - Registration Fee	399.00
				Airfare-Joswiak-CalPERS Educational Forum	6191 · Conferences - General	155.50
				Service awards luncheon for staff	6141.3 · Admin Meetings	228.80
				Miscellaneous office supplies	6031.7 · Other Office Supplies	351.84
				Uniforms for office staff	6154 · Uniforms	182.92
				Miscellaneous office supplies	6031.7 · Other Office Supplies	366.14
				Miscellaneous office supplies	6031.7 · Other Office Supplies	344.34
				Purchase cable for headset for Assist. GM office	6031.7 · Other Office Supplies	27.83
				PK meeting w/Marty Zvirbulis	8312 · Meeting Expenses	29.25
				Registration-PK-ACWA Fall Conference	6193.2 · Conference - Registration Fee	695.00
				Registration-PK-CUEMA Leadership Summit	6193.2 · Conference - Registration Fee	600.00
TOTAL						3,380.62
Bill Pmt -Check	08/25/2015	18853	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	08/19/2015	1394905143		1394905143	60182.1 · Medical Insurance	7,888.75
TOTAL						7,888.75
Bill Pmt -Check	08/25/2015	18854	CORELOGIC INFORMATION SOLUTIONS	81563613	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2015	81563613		81563613	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81563613	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

Financial Report - B1

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2015

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (August 31, 2015)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: October 8, 2015; Receive and File
Non-Agricultural Pool: October 8, 2015; Receive and File
Agricultural Pool: October 8, 2015; Receive and File
Advisory Committee: October 15, 2015; Receive and File
Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool –
October 8, 2015 – Non-Agricultural Pool –
October 8, 2015 – Agricultural Pool –
October 15, 2015 – Advisory Committee –
October 22, 2015 – Watermaster Board –

BACKGROUND

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

DISCUSSION

The total cash disbursement during the month of August 2015 was \$3,380.62. The payment was processed by check number 18852 dated August 25, 2015. The monthly charges for August 2015 of \$3,380.62 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 August 2015

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

TOTAL

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2015 through August 31, 2015 - Financial Report B3 (August 31, 2015)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: October 8, 2015; Receive and File

Non-Agricultural Pool: October 8, 2015; Receive and File

Agricultural Pool: October 8, 2015; Receive and File

Advisory Committee: October 15, 2015; Receive and File

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

ACTIONS:

October 8, 2015 – Appropriative Pool –

October 8, 2015 – Non-Agricultural Pool –

October 8, 2015 – Agricultural Pool –

October 15, 2015 – Advisory Committee –

October 22, 2015 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2015 through August 31, 2015 is provided to keep all members apprised of the FY 2015/16 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 15.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

ATTACHMENTS:

1. Financial Report - B3

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

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GRAND TOTALS	AMENDED BUDGET 2015-2016
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments			-		-				-	8,934,215
Interest Revenue			-	-	-				-	22,050
Mutual Agency Project Revenue	157,349								157,349	157,941
Miscellaneous Income									-	0
Total Revenues	157,349	-	-	-	-	-	-	-	157,349	9,114,206
Administrative & Project Expenditures:										
Watermaster Administration	203,504								203,504	1,227,268
Watermaster Board-Advisory Committee	26,239								26,239	222,418
Ag Pool Misc. Expense - Ag Fund									-	400
Pool Administration			8,104	106,800	12,992				127,896	595,933
Optimum Basin Mgmt Administration		351,456							351,456	1,473,093
OBMP Project Costs		436,552							436,552	3,525,355
Debt Service		460,202							460,202	460,200
Basin Recharge Improvements									-	3,472,477
Mutual Agency Project Costs									-	10,000
Total Administrative/OBMP Expenses	229,743	1,248,209	8,104	106,800	12,992	-	-	-	1,605,849	10,987,144
Net Administrative/OBMP Expenses	(72,394)	(1,248,209)								
Allocate Net Admin Expenses To Pools	<u>72,394</u>		52,413	17,602	2,379				-	
Allocate Net OBMP Expenses To Pools		788,008	570,513	191,597	25,898				-	
Allocate Debt Service to App Pool		<u>460,202</u>	460,202						-	
Agricultural Expense Transfer*			315,999	(315,999)					-	
Total Expenses			1,407,230	-	41,269	-	-	-	1,605,849	10,987,144
Net Administrative Income			(1,407,230)	-	(41,269)	-	-	-	(1,448,500)	(1,872,938)
Other Income/(Expense)										
Replenishment Water Assessments									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			-						-	0
Interest Revenue									-	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			-						-	0
MWD Water Purchases									-	0
Groundwater Replenishment									-	0
LAIF - Fair Market Value Adjustment								-	-	0
Other Post-Employment Benefits (OPEB)									-	0
Refund-Excess Reserves									-	0
Refund-Recharge Debt									-	0
Net Other Income/(Expense)			-	-	-	-	-	-	-	0
Net Transfers To/(From) Reserves		(1,448,500)	(1,407,230)	-	(41,269)	-	-	-	(1,448,500)	(1,872,938)
Working Capital, July 1, 2015			6,273,229	481,130	67,280	1,388,080	158,251	3,446	8,371,416	
Working Capital, End Of Period			4,865,999	481,130	26,011	1,388,080	158,251	3,446	6,922,916	6,922,916
13/14 Assessable Production			100,165,551	33,638,883	4,546,972				138,351,406	
13/14 Production Percentages			72.399%	24.314%	3.287%				100.000%	

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

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 - Financial Report B4 (August 31, 2015)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: October 8, 2015; Receive and File
Non-Agricultural Pool: October 8, 2015; Receive and File
Agricultural Pool: October 8, 2015; Receive and File
Advisory Committee: October 15, 2015; Receive and File
Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool –
October 8, 2015 – Non-Agricultural Pool –
October 8, 2015 – Agricultural Pool –
October 15, 2015 – Advisory Committee –
October 22, 2015 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2015 through August 31, 2015 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST) and on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF) and/or CalTRUST, the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 15.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

ATTACHMENTS

1. Financial Report - B4

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

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	606,221		
Zero Balance Account - Payroll	\$	-		606,221
Local Agency Investment Fund - Sacramento				7,501,426
TOTAL CASH IN BANKS AND ON HAND				\$ 8,108,147
TOTAL CASH IN BANKS AND ON HAND				8,122,530
				\$ (14,383)

CHANGE IN CASH POSITION DUE TO:

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

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 7/31/2015	\$ 500	\$ 95,605	\$ -	\$ 8,026,426	\$ 8,122,530
Deposits	-	682,505	-	-	682,505
Transfers	-	(88,001)	(63,842)	(525,000)	(676,844)
Withdrawals/Checks	-	(83,887)	63,842	-	(20,045)
	\$ 500	\$ 606,221	\$ -	\$ 7,501,426	\$ 8,108,147
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 510,617	\$ -	\$ (525,000)	\$ (14,383)

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

INVESTMENT TRANSACTIONS

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

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

**INVESTMENT STATUS
August 31, 2015**

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

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2015 through August 31, 2015 -
Financial Report B5 (August 31, 2015)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: October 8, 2015; Receive and File
Non-Agricultural Pool: October 8, 2015; Receive and File
Agricultural Pool: October 8, 2015; Receive and File
Advisory Committee: October 15, 2015; Receive and File
Watermaster Board: October 22, 2015; Receive and File (Normal Course of Business)

ACTIONS:

October 8, 2015 – Appropriative Pool –
October 8, 2015 – Non-Agricultural Pool –
October 8, 2015 – Agricultural Pool –
October 15, 2015 – Advisory Committee –
October 22, 2015 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2015 through August 31, 2015 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimum Basin Management Program Expenses; Project Expenses; and Other Income/Expenses. The Budget vs. Actual report has been created from Intuit QuickBooks Enterprise Solutions 15.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

DISCUSSION

CURRENT MONTH – AUGUST 2015

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

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

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

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

SALARIES EXPENSE

CURRENT MONTH – AUGUST 2015

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

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

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

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

When the FY 2015/16 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which of the projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. Currently, the allocations are tracking within budget.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of August 31, 2015. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	124,886.53	143,659.00	-18,772.47	86.93%	848,891.00
6017 · Temporary Services	0.00	3,500.00	-3,500.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	2,275.71	3,770.00	-1,494.29	60.36%	22,274.00
6301 · Watermaster Board - WM Staff Salaries	4,876.76	6,241.00	-1,364.24	78.14%	36,879.00
8301 · Appropriative Pool - WM Staff Salaries	5,302.08	5,030.00	272.08	105.41%	29,719.00
8401 · Agricultural Pool - WM Staff Salaries	3,915.26	4,416.00	-500.74	88.66%	26,090.00
8501 · Non-Agricultural Pool - WM Staff Salaries	3,149.96	2,636.00	513.96	119.5%	15,574.00
6901 · OBMP - WM Staff Salaries	41,731.93	21,104.00	20,627.93	197.74%	124,709.00
7101.1 · Production Monitor - WM Staff Salaries	12,825.91	9,442.00	3,383.91	135.84%	55,797.00
7102.1 · In-line Meter - WM Staff Salaries	0.00	1,558.00	-1,558.00	0.0%	9,212.00
7103.1 · Grdwater Quality - WM Staff Salaries	4,611.80	9,224.00	-4,612.20	50.0%	54,511.00
7104.1 · Grdwater Level - WM Staff Salaries	12,102.33	7,184.00	4,918.33	168.46%	42,447.00
7108.1 · Hydraulic Control - WM Staff Salaries	0.00	416.00	-416.00	0.0%	2,464.00
7108.11 · Prado Basin - WM Staff Salaries	0.00	1,406.00	-1,406.00	0.0%	8,305.00
7201 · Comp Recharge - WM Staff Salaries	7,752.97	7,490.00	262.97	103.51%	44,259.00
7301 · PE3&5 - WM Staff Salaries	0.00	2,520.00	-2,520.00	0.0%	14,892.00
7401 · PE4 - WM Staff Salaries	0.00	1,530.00	-1,530.00	0.0%	9,042.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	1,141.00	-1,141.00	0.0%	6,743.00
7501 · PE6&7 - WM Staff Salaries	0.00	742.00	-742.00	0.0%	4,383.00
7601 · PE8&9 - WM Staff Salaries	0.00	2,070.00	-2,070.00	0.0%	12,231.00
Subtotal WM Staff Costs	223,431.24	235,079.00	-11,647.76	95.05%	1,389,422.00
60185 · Vacation	21,363.78	12,079.00	9,284.78	176.87%	72,479.00
60186 · Sick Leave	2,120.95	7,735.00	-5,614.05	27.42%	46,405.00
60187 · Holidays	1,997.58	3,867.00	-1,869.42	51.66%	46,405.00
Subtotal WM Paid Leaves	25,482.31	23,681.00	1,801.31	107.61%	165,289.00
Total WM Salary Costs	248,913.55	258,760.00	-9,846.45	96.2%	1,554,711.00

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – AUGUST 2015

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

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's), as of August 31, 2015, was \$7,605 or 23.6% above the budgeted amount of \$32,290. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Court Coordination (6071) under budget by \$1,947 or 28.5%; Annotated Judgment (6072) under budget by \$6,691 or 100.0%; Interagency Issues (6074) under budget by \$5,100 or 100.0%; and the Party Status Maintenance (6077) under budget by \$4,668 or 97.6%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the expenses for Personnel Matters (6073) over budget by \$5,693 or 189.8%; Miscellaneous (6078) over budget by \$17,239 or 292.6%; and CCG Motion (6078.12) over budget by \$3,080 or 100.0%.

Personnel Matters: As reported during the previous monthly meetings, Watermaster's legal counsel filed an appeal with CalPERS regarding CalPERS original determination (from February 2013) which rejected the base salary of the former CEO, Desi Alvarez, with regards to his retirement pension benefit. There have been several filings of appeal and we are awaiting CalPERS determination. On December 9, 2013 CalPERS notified the attorneys of record that the CalPERS Legal Office received the case on November 22, 2013 and we would be notified when the case has been assigned to an attorney who will represent CalPERS regarding the appeal. On February 27, 2014 the case was assigned to Wesley E. Kennedy, Senior Staff Attorney for CalPERS. On July 17, 2014 a document request from CalPERS was received by Watermaster related to the pending case. On August 22, 2014 the specific documents were provided to CalPERS. On September 9, 2014 Watermaster received the Notice of Hearing from CalPERS and the hearing has been scheduled for March 11-13, 2015 at the Glendale CalPERS Regional office. On October 1, 2014 Watermaster received from CalPERS a discovery request for Case No. 2013-1113. On October 31, 2014 Brownstein Hyatt Farber Schreck provided the information to Mr. Kennedy of CalPERS as requested on October 1, 2014. On January 16, 2015 a Prehearing conference along with a Settlement conference was conducted in Los Angeles. On March 2, 2015 a Motion to Continue was granted and the new Administrative Hearing (OAH Case No. 2014080757) was scheduled for November 16-18, 2015 at the Glendale CalPERS Regional Office. On September 28, 2015 the attorney for Mr. Alvarez (Mr. Jensen), at the suggestion of Mr. Kennedy, requested a short continuance of the OAH hearing because CalPERS has scheduled a full Board hearing on the claims of one of Mr. Jensen's clients for November 17, 2015 which is right in the middle of the three-day hearing scheduled for Mr. Alvarez's case. The continuance has been requested for January, February or March 2016. No confirmed dates have been provided.

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 8375, 8475 and 8575). Overall, this category of legal expenses as of August 31, 2015 was \$14,389 or 39.5% below the budgeted amount of \$36,461. Normal Brownstein Hyatt Farber Schreck meeting attendance during any given month includes attendance at all three pool meetings, one Advisory Committee meeting and one Board meeting.

OBMP LEGAL SERVICES:

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

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of August 31, 2015 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	4,878.00	6,825.00	-1,947.00	71.47%	40,950.00
6072 · BHFS Legal - Annotated Judgment	0.00	6,691.00	-6,691.00	0.0%	40,150.00
6073 · BHFS Legal - Personnel Matters	8,692.65	3,000.00	5,692.65	289.76%	80,700.00
6074 · BHFS Legal - Interagency Issues	0.00	5,100.00	-5,100.00	0.0%	30,600.00
6076 · BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	114.75	4,783.00	-4,668.25	2.4%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	23,130.05	5,891.00	17,239.05	392.63%	35,350.00
6078.12 · BHFS Legal - CCG Motion	3,079.82	0.00	3,079.82	100.0%	0.00
Total 6070 · Watermaster Legal Services	39,895.27	32,290.00	7,605.27	123.55%	256,450.00
6275 · BHFS Legal - Advisory Committee	2,064.62	3,400.00	-1,335.38	60.72%	20,400.00
6375 · BHFS Legal - Board Meeting	11,977.50	17,761.00	-5,783.50	67.44%	106,565.00
8375 · BHFS Legal - Appropriative Pool	2,664.17	5,100.00	-2,435.83	52.24%	30,600.00
8475 · BHFS Legal - Agricultural Pool	2,664.17	5,100.00	-2,435.83	52.24%	30,600.00
8575 · BHFS Legal - Non-Ag Pool	2,701.52	5,100.00	-2,398.48	52.97%	30,600.00
Total BHFS Legal Services	22,071.98	36,461.00	-14,389.02	60.54%	218,765.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	8,150.00	-8,150.00	0.0%	48,900.00
6907.34 · Santa Ana River Water Rights	525.60	4,216.67	-3,691.07	12.47%	25,300.00
6907.36 · Santa Ana River Habitat	531.00	3,283.33	-2,752.33	16.17%	19,700.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.39 · Recharge Master Plan	497.25	11,350.00	-10,852.75	4.38%	68,100.00
6907.40 · Storage Agreements	0.00	14,350.00	-14,350.00	0.0%	86,100.00
6907.41 · Prado Basin Habitat Sustainability	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.42 · Safe Yield Recalculation	166,711.60	103,300.00	63,411.60	161.39%	103,300.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	4,916.67	-4,916.67	0.0%	29,500.00
Total 6907 · WM Legal Counsel	168,265.45	162,516.67	5,748.78	103.54%	458,600.00
Total Brownstein, Hyatt, Farber, Schreck Costs	230,232.70	231,267.67	-1,034.97	99.55%	933,815.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents; (7) Review transfer documents; (8) Land Subsidence Committee reports/meetings; (9) Review process and criteria for re-appointment of the Watermaster 9 member Board; (10) Review current California issued drought regulations; (11) Review and comment on Waters of the United States rule making; (12) Review and draft documents for basin boundary regulations; and (13) Miscellaneous legal research on current and pending issues.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – AUGUST 2015

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

For August 31, 2015, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was above the Year-To-Date (YTD) budget by \$20,287 or 60.4%. Watermaster utilizes an in-house database time and attendance system to record and document staff's actual hours worked and also allocates those hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent more time on specific OBMP related areas and less time on administrative related tasks. As a result, Watermaster staff allocated more actual time to the OBMP project as budgeted, which resulted in an over budget variance of \$20,628 or 97.7%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2015/16 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,500 but actual expenses were billed at \$12,159 which was below the budget by \$341 or 2.7% as of August 31, 2015.

For August 31, 2015, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$35,602 or 25.8%. For FY 2015/16, the OBMP-Safe Yield Recalculation expenses (6906.73) did not have a budget amount assigned. For the month of August 2015, there were OBMP-Safe Yield Recalculation expenses of \$11,704 recorded under this account. As a result, the account was over budget by \$33,362 or 100.0%. The OBMP-Watermaster Model Update and the Material Physical Injury Request expenses had a budget provided for the month, but there was a small amount of activity and Engineering expenses recorded for this period. These two expenses, along with several other engineering related line items within the (6906's) assisted in reducing the overall budget variance and is a large factor as to why this expense category was under budget for the month.

Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget by \$63,412 while some other line item activities were below the budget by \$57,663. Above the budget line items were the Safe Yield Recalculation of \$63,412. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$4,083; the Chino Airport Plume of \$4,083; the Desalter/Hydraulic Control of \$8,150; the Santa Ana River Water Rights of \$3,691; the Santa Ana River Habitat of \$2,752; the Regional Water Quality Control Board of \$2,392; the Recharge Master Plan of \$10,853; Storage Agreements of \$14,350; the Prado Basin Habitat Sustainability of \$2,392; and the WM Unanticipated of \$4,917. For the two months ended August 31, 2015, the overall cumulative (YTD) budget was \$162,517 and the actual (BHFS) legal expenses totaled \$168,265 which resulted in an over budget variance of \$5,749 or 3.5%.

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

The OBMP Other Expenses (6909's) were below the budget for the month. These expenses are typically conference calls, meeting expenses, supplies, annual inspection fees, and other miscellaneous type expenses. As of August 31, 2015 this category of expenses was \$1,810 or 80.5% below the budgeted amount of \$2,250.

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

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

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of August 31, 2015 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '15 - Aug '15 Actual	Jul '15 - Aug '15 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	41,731.93	21,104.00	20,627.93	197.74%	124,709.00
6903 · OBMP SAWPA Group	12,159.00	12,500.00	-341.00	97.27%	12,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	53,890.93	33,604.00	20,286.93	160.37%	137,209.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	19,006.25	62,075.54	-43,069.29	30.62%	279,340.00
6906.21 · State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 · Water Rights Compliance Reporting	12,773.00	4,067.30	8,705.70	314.04%	24,404.00
6906.23 · SGMA Reporting Requirements	0.00	2,898.70	-2,898.70	0.0%	17,392.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	12,645.38	14,609.83	-1,964.45	86.55%	87,659.00
6906.32 · OBMP - Other General Meetings	1,069.10	5,479.50	-4,410.40	19.51%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	9,160.67	-9,160.67	0.0%	54,964.00
6906.71 · OBMP - Data Requests - CBWM Staff	14,154.00	10,677.33	3,476.67	132.56%	64,064.00
6906.72 · OBMP - Data Requests - Non CBWM	5,112.25	6,368.00	-1,255.75	80.28%	38,208.00
6906.73 · OBMP - Safe Yield Recalculation	33,362.20	0.00	33,362.20	100.0%	0.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	0.00	18,383.33	-18,383.33	0.0%	110,300.00
6906 · OBMP Engineering Services - Other	4,316.25	4,320.00	-3.75	99.91%	25,920.00
Total 6906 · OBMP Engineering Services	102,438.43	138,040.20	-35,601.77	74.21%	735,128.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	4,083.33	-4,083.33	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	8,150.00	-8,150.00	0.0%	48,900.00
6907.34 · Santa Ana River Water Rights	525.60	4,216.67	-3,691.07	12.47%	25,300.00
6907.36 · Santa Ana River Habitat	531.00	3,283.33	-2,752.33	16.17%	19,700.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.39 · Recharge Master Plan	497.25	11,350.00	-10,852.75	4.38%	68,100.00
6907.40 · Storage Agreements	0.00	14,350.00	-14,350.00	0.0%	86,100.00
6907.41 · Prado Basin Habitat Sustainability	0.00	2,391.67	-2,391.67	0.0%	14,350.00
6907.42 · Safe Yield Recalculation	166,711.60	103,300.00	63,411.60	161.39%	103,300.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	4,916.67	-4,916.67	0.0%	29,500.00
Total 6907 · WM Legal Counsel	168,265.45	162,516.67	5,748.78	103.54%	458,600.00
Total 6907 · OBMP Legal Fees	168,265.45	162,516.67	5,748.78	103.54%	458,600.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	439.52	250.00	189.52	175.81%	1,500.00
6909.3 · Other OBMP Expenses	0.00	333.33	-333.33	0.0%	2,000.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	1,666.67	-1,666.67	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	439.52	2,250.00	-1,810.48	19.53%	13,500.00
6910 · Integrated Resource Plan					
6910.1 · IRP Groundwater Modeling - WEI	30,430.00	0.00	30,430.00	100.0%	0.00
6910.15 · IRP Groundwater Modeling - IEUA	-30,430.00	0.00	-30,430.00	100.0%	0.00
Total 6910 · Integrated Resource Plan	0.00	0.00	0.00	0.0%	0.00
Total 6900 · Optimum Basin Mgmt Plan	325,034.33	336,410.87	-11,376.54	96.62%	1,344,437.00

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

CURRENT MONTH – AUGUST 2015

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

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

The approved "Original" Engineering Services budget of \$2,595,942 was increased by "Carry Over" funding in the amount of \$136,696 to the "Amended" amount of \$2,732,638 for FY 2015/16 as provided in the Engineering Services Task Order. The "Carry Over" amount of \$136,696 from FY 2014/15 to the FY 2015/16 budget are expenses related to the ongoing long-term pumping test (\$9,813 for account 7107.2 and \$34,770 for account 7107.6), the PBHSP monitoring program (\$12,127 for account 7108.31 and \$35,986 for account 7108.41), the hydraulic control monitoring program Adaptive Management Plan (\$33,000 for account 7107.8), and expenses related to the upload of GeoTracker and EnviroStor data (\$11,000 for account 7502). All of the "Carry Over" funding is for projects or activities that have bridged previous fiscal years and are expected to be completed in the FY 2015/16 timeframe.

The table listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget as of August 31, 2015. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '15 - Aug '15	Jul '15 - Aug '15	\$ Over Budget	% of Budget	FY 2015/16
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	4,316.25	4,320.00	-3.75	99.91%	25,920.00
6906.1 · OBMP - Watermaster Model Update	19,006.25	62,075.54	-43,069.29	30.62%	279,340.00
6906.21 · State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 · Water Rights Compliance Reporting	12,773.00	4,067.30	8,705.70	314.04%	24,404.00
6906.23 · SGMA Reporting Requirements	0.00	2,898.70	-2,898.70	0.0%	17,392.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	12,645.38	14,609.83	-1,964.45	86.55%	87,659.00
6906.32 · OBMP - Other General Meetings	1,069.10	5,479.50	-4,410.40	19.51%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	9,160.67	-9,160.67	0.0%	54,964.00
6906.71 · OBMP - Data Requests - CBWM Staff	14,154.00	10,677.33	3,476.67	132.56%	64,064.00
6906.72 · OBMP - Data Requests - Non CBWM	5,112.25	6,368.00	-1,255.75	80.28%	38,208.00
6906.73 · OBMP - Safe Yield Recalculation	33,362.20	0.00	33,362.20	100.0%	0.00
6906.74 · OBMP - Mat'l Physical Injury Requests	0.00	18,383.33	-18,383.33	0.0%	110,300.00
7103.3 · Grdwtr Qual-Engineering	13,625.00	20,086.00	-6,461.00	67.83%	120,516.00
7103.5 · Grdwtr Qual-Lab Svcs	0.00	6,534.17	-6,534.17	0.0%	39,205.00
7104.3 · Grdwtr Level-Engineering	31,671.41	29,405.00	2,266.41	107.71%	176,430.00
7104.8 · Grdwtr Level-Contracted Services	0.00	1,666.67	-1,666.67	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	0.00	1,166.67	-1,166.67	0.0%	7,000.00
7107.2 · Grd Level-Engineering	11,949.39	17,568.67	-5,619.28	68.02%	56,347.00
7107.3 · Grd Level-SAR Imagery	12,000.00	21,250.00	-9,250.00	56.47%	85,000.00
7107.6 · Grd Level-Contract Svcs	331.50	54,151.50	-53,820.00	0.61%	151,059.00
7107.8 · Grd Level-Capital Equipment	0.00	933.33	-933.33	0.0%	5,600.00
7108.3 · Hydraulic Control-Engineering	2,646.80	8,328.00	-5,681.20	31.78%	49,968.00
7108.31 · Hydraulic Control-PBHSP	6,269.40	31,630.17	-25,360.77	19.82%	129,146.00
7108.32 · Hydraulic Control-Adaptive Mgmt Plan	29,486.25	33,000.00	-3,513.75	89.35%	33,000.00
7108.4 · Hydraulic Control-Lab Svcs	2,032.00	4,180.17	-2,148.17	48.61%	25,081.00
7108.41 · Hydraulic Control-PBHSP	0.00	38,171.00	-38,171.00	0.0%	49,096.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	15,000.00	-15,000.00	0.0%	90,000.00
7108.7 · Hydraulic Control-Prado Basin Habitat	4,428.00	0.00	4,428.00	100.0%	0.00
7109.3 · Recharge & Well - Engineering	2,145.50	3,311.17	-1,165.67	0.0%	19,867.00
7202.2 · Comp Recharge-Engineering Services	8,616.74	26,584.00	-17,967.26	32.41%	159,504.00
7303 · PE3&5-Engineering - Other	0.00	3,897.33	-3,897.33	0.0%	23,384.00
7402 · PE4-Engineering	3,260.00	14,118.00	-10,858.00	23.09%	84,708.00
7402.10 · PE4-MZ1 Pomona Project	29,836.42	84,375.83	-54,539.41	35.36%	506,255.00
7403 · PE4-Contract Svcs	0.00	3,333.33	-3,333.33	0.0%	20,000.00
7502 · PE6&7-Engineering	14,732.25	22,806.67	-8,074.42	64.6%	81,840.00
7602 · PE8&9-Engineering	0.00	10,721.33	-10,721.33	0.0%	64,328.00
Total Engineering Services Costs	275,469.09	590,259.21	-314,790.12	46.67%	2,722,462.00 *

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

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

performing vegetation monitoring every three years. Grants have been applied for to offset the cost of this program; however, the Grants were not approved.

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through August 31, 2015:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ 11,143.75	\$ (5,571.88)	\$ -	\$ 5,571.88	4.00	\$ 411.38
Jul. 2012 - Jun. 2013	\$ 120,945.28	\$ (60,472.64)	\$ 6,275.92	\$ 66,748.56	73.00	\$ 7,837.27
Jul. 2013 - Jun. 2014	\$ 21,722.09	\$ (10,861.05)	\$ 474.09	\$ 11,335.14	56.00	\$ 5,719.30
Jul. 2014 - Jun. 2015	\$ 198,138.44	\$ (99,069.22)	\$ -	\$ 99,069.22	9.00	\$ 1,141.63
Jul. 2015 - Aug. 2015	\$ 4,428.00	\$ (2,214.00)	\$ -	\$ 2,214.00	-	\$ -
Totals	\$ 356,377.56	\$ (178,188.78)	\$ 6,750.01	\$ 184,938.79	142.00	\$ 15,109.58
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2015:

Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin with The Metropolitan Water District of Southern California, the FY 2015/16 annual administrative fee invoice was issued on July 1, 2015 in the amount of \$157,349.47 under invoice number DYY 15-01. On August 3, 2015 payment in the amount of \$157,349.47 was received from The Metropolitan Water District of Southern California.

"CARRY OVER" FUNDING

CURRENT MONTH - AUGUST 2015

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

"Carried Over" Expenses At June 30, 2015

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

"Carried Over" Balance, July 1, 2015 \$ 1,872,937.85
Less: (Invoices Received To Date FY 2015/16)

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

¹ Long-Term Pumping Test

² Prado Basin Habitat Sustainability Program monitoring program

³ Adaptive Management Plan

⁴ Upload GeoTracker and EnviroStor sites

BACKGROUND OF "CARRY OVER" FUNDING

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

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

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

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

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

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

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At August 31, 2016, any remaining balances of the FY 2015/16 and prior years funding (if any), along with any new FY 2015/16 expenses, will then be "Carried Over" into the FY 2016/17 budget.

AUDIT FIELD WORK

FY 2014/15

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

ASSESSMENT INVOICING

CURRENT MONTH – AUGUST 2015

No Assessment activity for the month to report.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2015				Year-To-Date as of August 31, 2015				Fiscal Year End as of June 30, 2016			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget
Income												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	157,941.00	157,941.00	0.00	100.0%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	8,637,418.00	8,637,418.00	0.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	296,797.00	296,797.00	0.00	100.0%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	22,050.00	22,050.00	0.00	100.0%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Income	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	9,114,206.00	9,114,206.00	0.00	100.0%
Gross Profit	0.00	0.00	0.00	0.0%	157,349.47	157,941.00	-591.53	99.63%	9,114,206.00	9,114,206.00	0.00	100.0%
Expense												
6010 · Admin. Salary/Benefit Costs	56,349.78	74,306.00	-17,956.22	75.84%	117,041.51	147,707.00	-30,665.49	79.24%	880,591.00	880,591.00	0.00	100.0%
6020 · Office Building Expense	8,051.75	8,501.00	-449.25	94.72%	16,150.49	18,694.00	-2,543.51	86.39%	110,381.00	110,381.00	0.00	100.0%
6030 · Office Supplies & Equip.	1,852.73	2,630.00	-777.27	70.45%	4,310.02	5,260.00	-949.98	81.94%	32,560.00	32,560.00	0.00	100.0%
6040 · Postage & Printing Costs	3,756.39	3,303.00	453.39	113.73%	7,605.63	12,405.00	-4,799.37	61.31%	60,032.00	60,032.00	0.00	100.0%
6050 · Information Services	10,941.03	10,320.00	621.03	106.02%	24,474.33	24,890.00	-415.67	98.33%	131,840.00	131,840.00	0.00	100.0%
6060 · Contract Services	3,502.00	11,000.00	-7,498.00	31.84%	4,702.00	27,500.00	-22,798.00	17.1%	55,600.00	55,600.00	0.00	100.0%
6070 · Watermaster Legal Services	21,602.25	16,146.00	5,456.25	133.79%	39,895.27	32,290.00	7,605.27	123.55%	256,450.00	256,450.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	26,194.25	26,776.00	-581.75	97.83%	27,916.00	27,916.00	0.00	100.0%
6110 · Dues and Subscriptions	475.35	0.00	475.35	100.0%	8,794.35	9,568.00	-773.65	91.91%	21,335.00	21,335.00	0.00	100.0%
6140 · WM Admin Expenses	42.70	375.00	-332.30	11.39%	311.61	750.00	-438.39	41.55%	2,700.00	2,700.00	0.00	100.0%
6150 · Field Supplies	0.00	200.00	-200.00	0.0%	183.60	700.00	-516.40	26.23%	1,450.00	1,450.00	0.00	100.0%
6170 · Travel & Transportation	1,485.34	1,725.00	-239.66	86.11%	3,344.16	3,605.00	-260.84	92.76%	25,320.00	25,320.00	0.00	100.0%
6190 · Conferences & Seminars	284.00	0.00	284.00	100.0%	2,428.75	3,817.00	-1,388.25	63.63%	22,400.00	22,400.00	0.00	100.0%
6200 · Advisory Comm - WM Board	1,979.54	3,668.00	-1,688.46	53.97%	4,340.33	7,337.00	-2,996.67	59.16%	43,674.00	43,674.00	0.00	100.0%
6300 · Watermaster Board Expenses	11,184.64	14,942.00	-3,757.36	74.85%	21,898.48	29,885.00	-7,986.52	73.28%	178,744.00	178,744.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	3,157.02	11,378.00	-8,220.98	27.75%	8,104.17	22,755.00	-14,650.83	35.62%	136,069.00	136,069.00	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	2,783.67	5,008.00	-2,224.33	55.58%	7,037.80	10,016.00	-2,978.20	70.27%	59,690.00	59,690.00	0.00	100.0%
8467 · Ag Legal & Technical Services	53,755.00	17,083.00	36,672.00	314.67%	90,187.50	34,167.00	56,020.50	263.96%	205,000.00	205,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	5,175.00	1,850.00	3,325.00	279.73%	9,575.00	3,700.00	5,875.00	258.78%	22,200.00	22,200.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	65,000.00	65,000.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	100.00	-100.00	0.0%	0.00	100.00	-100.00	0.0%	400.00	400.00	0.00	100.0%
8500 · Non-Ag PI-WM & Pool Admin	9,413.59	9,018.00	395.59	104.39%	12,991.99	18,036.00	-5,044.01	72.03%	107,974.00	107,974.00	0.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-26,312.24	-33,442.00	7,129.76	78.68%	-51,931.63	-66,885.00	14,953.37	77.64%	-401,307.00	-401,307.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	153,167.03	141,605.45	11,561.58	108.17%	325,034.33	336,410.87	-11,376.54	96.62%	1,344,437.00	1,344,437.00	0.00	100.0%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	10,000.00	-10,000.00	0.0%	10,000.00	10,000.00	0.00	100.0%
9501 · G&A Expenses Allocated-OBMP	13,279.64	10,721.33	2,558.31	123.86%	26,421.32	21,442.67	4,978.65	123.22%	128,656.00	128,656.00	0.00	100.0%
7101 · Production Monitoring	4,283.04	4,783.50	-500.46	89.54%	12,950.91	9,567.00	3,383.91	135.37%	56,547.00	56,547.00	0.00	100.0%
7102 · In-line Meter Installation	0.00	5,601.92	-5,601.92	0.0%	1,415.32	11,203.83	-9,788.51	12.63%	67,087.00	67,087.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	11,380.73	18,431.24	-7,050.51	61.75%	18,403.86	36,862.51	-18,458.65	49.93%	220,342.00	220,342.00	0.00	100.0%
7104 · Gdwtr Level Monitoring	25,977.77	20,690.33	5,287.44	125.56%	43,773.74	41,380.67	2,393.07	105.78%	247,627.00	247,627.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
7107 · Ground Level Monitoring	4,162.13	14,035.25	-9,873.12	29.66%	24,280.89	123,189.49	-98,908.60	19.71%	327,291.99	327,291.99	0.00	100.0%

	1/12th (8.33%) of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2015				Year-To-Date as of August 31, 2015				Fiscal Year End as of June 30, 2016			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	19,158.93	25,509.16	-6,350.23	75.11%	44,862.45	132,131.34	-87,268.89	33.95%	397,236.00	397,236.00	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	2,145.50	1,655.58	489.92	129.59%	2,145.50	3,311.17	-1,165.67	64.8%	19,867.00	19,867.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	9,840.23	17,828.67	-7,988.44	55.19%	214,351.18	307,013.19	-92,662.01	69.82%	1,078,549.86	1,078,549.86	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	0.00	3,792.00	-3,792.00	0.0%	0.00	7,584.00	-7,584.00	0.0%	45,276.00	45,276.00	0.00	100.0%
7400 · PE4- Mgmt Plan	15,695.73	51,886.92	-36,191.19	30.25%	34,125.87	103,773.83	-69,647.96	32.89%	622,505.00	622,505.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	6,420.00	6,844.33	-424.33	93.8%	14,732.25	24,689.67	-9,957.42	59.67%	92,966.00	92,966.00	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	0.00	6,424.84	-6,424.84	0.0%	0.00	12,849.66	-12,849.66	0.0%	76,909.00	76,909.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	460,201.50	2,096,027.00	-1,635,825.50	21.96%	3,932,677.00	3,932,677.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	83.33	-83.33	0.0%	500.00	500.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	13,032.60	22,720.92	-9,688.32	57.36%	25,510.31	45,441.83	-19,931.52	56.14%	272,651.00	272,651.00	0.00	100.0%
Total Expense	448,022.87	510,684.11	-62,661.24	87.73%	1,605,849.04	3,696,035.06	-2,090,186.02	43.45%	10,987,143.85	10,987,143.85	0.00	100.0%
Net Ordinary Income	-448,022.87	-510,684.11	62,661.24	87.73%	-1,448,499.57	-3,538,094.06	2,089,594.49	40.94%	-1,872,937.85	-1,872,937.85	0.00	100.0%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9251 · Other Post Employment Benefits	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Income	-448,022.87	-510,684.11	62,661.24	87.73%	-1,448,499.57	-3,538,094.06	2,089,594.49	40.94%	-1,872,937.85	-1,872,937.85	0.00	100.0%

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. WILDERMUTH ENVIRONMENTAL, INC. CONTRACT EXTENSION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Wildermuth Environmental Inc. Contract Extension

SUMMARY

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

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

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

Future Consideration

Appropriative Pool: September 10, 2015 Advice and Counsel
Non-Agricultural Pool: September 10, 2015 Advice and Counsel
Agricultural Pool: September 15, 2015 Advice and Counsel
Advisory Committee: September 17, 2015 Advice and Counsel
Watermaster Board: September 24, 2015 Approval [Normal Course of Business]

ACTIONS:

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

BACKGROUND

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

DISCUSSION

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

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

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

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

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

ATTACHMENTS

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

CONTRACT
FOR
WATERMASTER ENGINEERING SERVICES

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

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

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

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

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

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

mwildermuth@~~wildermuthenvironmental~~weewater.com

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

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~~2013~~JANUARY 1, 2016 THROUGH ~~2015~~JUNE 30, 2019

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

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

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

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

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

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

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

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

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

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

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910. FITNESS FOR DUTY:

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

4011. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

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

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

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

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

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

2. All Coverages

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

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

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

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

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

11.2. LEGAL RELATIONS AND RESPONSIBILITIES

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

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

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

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

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

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

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

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

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

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

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

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

~~1213~~. OWNERSHIP OF ORIGINAL WORK PRODUCTS CREATED IN THIS CONTRACT.

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

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

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

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

Work products that remain proprietary to Consultant shall include:

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

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

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

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

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

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

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

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

1718. TITLE AND RISK OF LOSS:

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

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

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

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

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

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

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

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

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

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

2422. **INTEGRATION:** The Contract Documents represent the entire Contract of the Watermaster and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Watermaster and the Consultant.

2423. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.

2424. **TERMINATION FOR CONVENIENCE:** Either party has the right to suspend, cancel or terminate this Contract at any time upon thirty (30) days written notice to the other party. In the event of such termination, within 60 days the Consultant shall deliver all work product to Watermaster and Watermaster shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.

2425. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

2526. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed has been issued to the Consultant on a specific Task Order.

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

CHINO BASIN WATERMASTER:

Peter Kavounas

Date

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General Manager

WILDERMUTH ENVIRONMENTAL, INC.

Mark J. Wildermuth
President

Date

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

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Professional Billing Rates

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

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

Other Direct Costs

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

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

Professional Billing Rates

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

Other Direct Costs

ODC Type	Cost
Mileage	
— Automobiles	Current IRS Rates
— Field Vans	\$0.80 per Mile
Tolls	As incurred at prevailing rates
Field Equipment	
— Aquacalc	\$28 per day
Low Flow Sampling Device	\$75 per day
Precision Water Level Meter	\$19 per day
— Pygmy Flow Meter	\$28 per day
— Sump Pump	\$24 per day
— Water Level Meter	\$32 per day
— Water Quality Meter	\$27 per day
— Turbidity Meter	\$22 per day
Rental Equipment and All Other ODCs	Passed through with no mark-up

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CONTRACT
FOR
WATERMASTER ENGINEERING SERVICES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10. FITNESS FOR DUTY:

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

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

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

A. Minimum Scope of Insurance:

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

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

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

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

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

2. All Coverages

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

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

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

12. LEGAL RELATIONS AND RESPONSIBILITIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18. TITLE AND RISK OF LOSS:

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

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

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

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

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

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

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

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

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

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

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

CHINO BASIN WATERMASTER:

Peter Kavounas
General Manager

Date

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WILDERMUTH ENVIRONMENTAL, INC.

Mark J. Wildermuth
President

Date

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

Professional Billing Rates

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

Other Direct Costs

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

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CHINO BASIN WATERMASTER

- II. BUSINESS ITEMS (App & Non-Ag Pool)
 - C. INTERIM 2015/16 ASSESSMENT (INFORMATION ONLY)



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Pool Committee Members
SUBJECT: Interim 2015-2016 Assessment

SUMMARY

Issue: Due to the Safe Yield Reset process this year, and the effects that it has on the Assessment Package, production of the Assessment Package will be delayed beyond its usual November timeframe.

Recommendation: Discuss the collection of an interim partial assessment in late November, with the balance to be collected when the Assessment Package is produced, as well as Staff's recommendation as to how the interim assessment will be calculated.

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

Future Consideration

Appropriative Pool: October 8, 2015 Discussion
Non-Agricultural Pool: October 8, 2015 Discussion
Agricultural Pool: October 8, 2015 Discussion
Appropriative Pool: November 12, 2015 Recommend Advisory Committee approval
Non-Agricultural Pool: November 12, 2015 Recommend Advisory Committee approval
Agricultural Pool: November 12, 2015 Recommend Advisory Committee approval
Advisory Committee: November 19, 2015 Approval
Watermaster Board: November 19, 2015 Approval [Advisory Committee Approval Required]

ACTIONS:

October 8, 2015 – Appropriative Pool –
October 8, 2015 – Non-Agricultural Pool –
October 8, 2015 – Agricultural Pool –
November 12, 2015 – Appropriative Pool –
November 12, 2015 – Non-Agricultural Pool –
November 12, 2015 – Agricultural Pool –
November 19, 2015 – Advisory Committee –
November 19, 2015 – Watermaster Board –

BACKGROUND

Watermaster issues an Assessment Package annually based on the previous production year (July 1 through June 30). Assessments create funds that are used during the current fiscal year for budgeted expenses. The Assessment Package is generally issued in November of each year, and assessments are generally collected in December of each year.

DISCUSSION

Due to the Safe Yield Reset process this year, and the effects that it has on the Assessment Package, production of the Assessment Package will be delayed. It will not be produced until the Court has ordered the Safe Yield Reset Agreement, which is expected in a few months. However, Watermaster cannot wait until that time to collect assessments, as the funds will be needed sooner than that in order to keep Watermaster operational.

Staff recommends collection of an interim partial assessment in late November (following Watermaster Board approval), with payments due in late December. The balance, accounting for the interim assessment, will be collected when the Assessment Package is produced, following a Court Order of the Safe Yield Reset Agreement. Staff's recommendation is to collect 50% of last year's Appropriative Pool Admin and OBMP assessments, including those paid on behalf of the Agricultural Pool, in addition to 50% of last year's Recharge Debt and Recharge Improvement assessments, and to collect 50% of last year's Non-Ag Pool Admin and OBMP assessments. Attachments 1 and 2 are Appropriative Pool and Non-Ag Pool assessment fee pages from the last Assessment Package that demonstrate the assessments paid, including the components described above. Attachments 3 and 4 show the proposed 50% assessments for the Appropriative and Non-Ag Pools, respectively.

This recommendation is being brought to the Pools for discussion this month, and will be brought back in November for action. Levying of assessments is authorized through a separate resolution. This resolution will be presented for consideration in November, as a separate item.

ATTACHMENTS

1. Page 1A of Fiscal Year 2014-2015 Assessment Package (Appropriative Pool)
2. Page 13A of Fiscal Year 2014-2015 Assessment Package (Non-Ag Pool)
3. Proposed Interim 2015-2016 Assessment Table (Appropriative Pool)
4. Proposed Interim 2015-2016 Assessment Table (Non-Ag Pool)



Assessment Year 2014-2015 (Production Year 2013-2014)

Pool 3 Assessment Fee Summary

	AF Production and Exchanges	Appropriative Pool		Ag Pool SY Reallocation		Replenishment Assessments			85/15 Water Transaction Activity			ASSESSMENTS DUE					Total Due		
		\$12.80	\$27.69	AF Total Reallocation	\$430,437.99	\$931,517.99	AF/15%	\$518.50	\$610.00	15% Producer Credits	15% Pro-rated Debits	CURO Adjustment	Total Production Based	Pomona Credit	Recharge Debt Payment	Recharge Imprvmt Project		Other Adjustments	
		AF/Admin	AF/OBMP		\$8.76	\$18.95		AF/85%	AF/100%										
Arrowhead Mtn Spring Water Co	379.111	4,852.62	10,497.58	0.000	0.00	0.00	0.00	0.00	188,539.41	0.00	0.00	(500.54)	203,389.07	0.00	0.00	0.00	0.00	0.00	203,389.07
Chino Hills, City Of	7,224.004	92,467.25	200,032.67	1,998.600	17,499.06	37,870.01	101.90	0.00	0.00	0.00	75,492.88	(0.23)	423,463.53	2,567.35	16,626.31	49,716.41	0.00	0.00	492,373.60
Chino, City Of	0.000	0.00	0.00	8,367.955	73,266.97	158,558.25	0.00	0.00	0.00	0.00	0.00	0.00	231,825.22	4,904.69	31,763.11	94,978.87	0.00	0.00	363,471.89
Cucamonga Valley Water District	16,121.550	206,355.84	446,405.72	2,304.146	20,174.32	43,659.58	227.40	0.00	0.00	0.00	168,474.75	(0.52)	885,297.08	4,400.69	28,499.16	85,218.91	0.00	0.00	1,003,415.84
Desalter Authority	29,242.552	0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fontana Union Water Company	0.000	0.00	0.00	3,187.956	27,912.66	60,406.24	0.00	0.00	0.00	0.00	0.00	0.00	88,318.90	7,771.37	50,327.93	150,491.87	0.00	0.00	296,910.07
Fontana Water Company	15,377.579	196,833.01	425,805.16	695.920	6,093.24	13,186.48	216.91	0.00	0.00	(792,550.95)	160,700.04	(0.50)	10,283.39	1.33	8.63	25.82	0.00	0.00	10,319.18
Fontana, City Of	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Golden State Water Company	736.362	9,425.43	20,389.86	205.110	1,795.87	3,886.48	10.39	0.00	0.00	(1,170.00)	7,695.19	(0.02)	42,033.20	500.00	3,238.05	9,682.50	0.00	0.00	55,453.75
Jurupa Community Services District	18,018.347	230,634.84	498,928.03	12,597.713	110,301.29	238,704.84	254.15	0.00	0.00	(86,400.00)	188,296.81	(0.58)	1,180,719.38	2,506.01	16,229.11	48,528.69	0.00	0.00	1,247,983.19
Marygold Mutual Water Company	1,314.734	16,828.60	36,404.98	326.809	2,861.43	6,192.46	0.00	0.00	47,979.55	0.00	0.00	0.00	110,267.02	796.67	5,159.29	15,427.45	0.00	0.00	131,650.44
Monte Vista Irrigation Company	0.000	0.00	0.00	337.474	2,954.81	6,394.55	0.00	0.00	0.00	0.00	0.00	0.00	9,349.35	822.67	5,327.67	15,930.94	0.00	0.00	31,430.64
Monte Vista Water District	6,998.745	89,583.94	193,795.25	2,451.724	21,466.46	46,455.92	98.72	0.00	0.00	0.00	73,138.86	(0.23)	424,538.92	5,864.70	37,980.17	113,569.27	0.00	0.00	581,953.06
Niagara Bottling, LLC	1,342.588	17,185.13	37,176.26	0.000	0.00	0.00	0.00	0.00	452,978.68	0.00	0.00	(688.06)	506,652.01	0.00	0.00	0.00	0.00	0.00	506,652.01
Nicholson Trust	0.000	0.00	0.00	1.914	16.76	36.27	0.00	0.00	0.00	0.00	0.00	0.00	53.02	4.67	30.22	90.37	0.00	0.00	178.28
Norco, City Of	0.000	0.00	0.00	100.641	881.18	1,906.97	0.00	0.00	0.00	0.00	0.00	0.00	2,788.15	245.34	1,588.80	4,750.88	0.00	0.00	9,373.17
Ontario, City Of	15,697.045	200,922.18	434,651.18	7,374.348	64,567.28	139,731.12	221.41	0.00	0.00	0.00	164,038.55	(0.51)	1,004,131.21	13,828.07	89,551.51	267,779.22	0.00	0.00	1,375,290.01
Pomona, City Of	12,909.293	165,238.95	357,458.32	5,593.760	48,977.06	105,992.06	0.00	0.00	0.00	0.00	0.00	0.00	677,666.39	(53,030.93)	88,308.10	264,061.14	0.00	0.00	977,004.70
San Antonio Water Company	1,159.242	14,838.30	32,099.41	751.523	6,580.08	14,240.06	16.35	0.00	0.00	0.00	12,114.41	(0.04)	79,888.57	1,832.01	11,864.22	35,476.68	0.00	0.00	129,061.47
San Bernardino, County of (Shootin	16.390	209.79	453.84	0.000	0.00	0.00	0.23	6,731.69	0.00	0.00	0.00	171.28	(15.43)	7,551.41	0.00	0.00	0.00	0.00	7,551.41
Santa Ana River Water Company	48.515	620.99	1,343.38	648.968	5,682.14	12,296.82	0.68	0.00	0.00	0.00	507.00	0.00	20,451.01	1,582.01	10,245.19	30,635.43	0.00	0.00	62,913.64
Upland, City Of	2,822.046	36,122.19	78,142.45	1,422.643	12,456.18	26,956.62	39.81	0.00	0.00	0.00	29,491.18	(0.09)	183,208.33	3,468.02	22,459.11	67,157.82	0.00	0.00	276,293.28
West End Consolidated Water Co	0.000	0.00	0.00	472.573	4,137.69	8,954.44	0.00	0.00	0.00	0.00	0.00	0.00	13,092.13	1,152.01	7,460.47	22,308.48	0.00	0.00	44,013.08
West Valley Water District	0.000	0.00	0.00	321.339	2,813.53	6,088.82	0.00	0.00	0.00	0.00	0.00	0.00	8,902.35	783.34	5,072.95	15,169.25	0.00	0.00	29,927.88
	129,408.103	1,282,119.05	2,773,584.10	49,161.116	430,437.99	931,517.99	1,187.94	6,731.69	689,497.64	(880,120.95)	880,120.95	(1,206.74)	6,113,869.65	0.00	431,739.99	1,291,000.00	0.00	0.00	7,836,609.64
	1A	1B	1C	1D	1E	1F	1G	1H	1I	1J	1K	1L	1M	1N	1O	1P	1Q	1R	

p1: 1) TVMWD elected to discontinue payment of the "Pomona Credit," effective FY 2012/2013. It is now paid by the Appropriative Pool Parties, allocated on % OSY.
 2) Recharge Debt Project expenses [1O] and Recharge Improvement Project expenses [1P] are each allocated on % OSY, based on the approved budget.

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Assessment Year 2014-2015 (Production Year 2013-2014)

Pool 2 Assessment Fee Summary

	Non-Agricultural Pool			Replenishment Assessments				Total Assessments Due
	AF Production	\$12.80 AF/Admin	\$27.69 AF/OBMP	AF Exceeding Annual Right	\$610.00 Per AF	CURO Adjustment	Other Adjustments	
Ameron International Corp.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Aqua Capital Management LP	0.000	0.00	0.00	57.154	34,863.94	0.00	0.00	34,863.94
California Speedway Corp. (Auto Club Speedway)	435.795	5,578.18	12,067.16	0.000	0.00	0.00	0.00	17,645.34
California Steel Industries, Inc. (CSI)	1,417.448	18,143.33	39,249.14	0.000	0.00	0.00	0.00	57,392.47
Galmat Co., a Division of Vulcan Materials Co.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
CCG Ontario, LLC	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
General Electric Co. (GE)	0.004	0.05	0.11	0.004	2.44	0.00	0.00	2.60
Hamner Park Associates (Swan Lake MHP)	285.791	3,658.12	7,913.55	0.000	0.00	0.00	0.00	11,571.68
Kaiser Ventures, Inc.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
KCO, LLC / The Koll Company	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Loving Savior Of The Hills Lutheran Church	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
NRG California South LP	289.980	3,711.74	8,029.55	0.000	0.00	0.00	0.00	11,741.29
Ontario, City of (Non-Ag)	1,855.196	23,746.51	51,370.38	0.000	0.00	0.00	0.00	75,116.89
Praxair, Inc.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Riboli Family / San Antonio Winery	10.403	133.16	288.06	10.403	6,345.83	(13.51)	0.00	6,753.54
San Bernardino, County of (Chino Airport)	104.278	1,334.76	2,887.46	0.000	0.00	0.00	0.00	4,222.22
Southern California Edison Co. (SCE)	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Southern Service Co. (Angelica)	36.519	467.44	1,011.21	19.609	11,961.49	(41.28)	0.00	13,398.86
Space Center Mira Loma, Inc.	93.708	1,199.46	2,594.77	0.000	0.00	0.00	0.00	3,794.24
Sunkist Growers, Inc.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
TAMCO	17.850	228.48	494.27	4.350	2,653.50	0.00	0.00	3,376.25
West Venture Development Co.	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
	4,546.972	58,201.24	125,905.65	91.520	55,827.20	(54.79)	0.00	239,879.30
	13A	13B	13C	13D	13E	13F	13G	13H

p13: 1) TAMCO Intervened into the Non-Ag Pool, effective July 1, 2013. Concurrently, Ameron International permanently transferred 15.000 AF of Safe Yield to TAMCO.

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Proposed Interim Assessment -- Appropriative Pool

Last Year (for reference)

Assessment Year 2014-2015 (Production Year 2013-2014):

Party	Appropriative Pool		Ag Pool SY Reallocation		Recharge	Recharge	Total
	Admin	OBMP	Admin	OBMP	Debt Payment	Improvement Project	
Arrowhead Mtn Spring Water Co	\$4,852.62	\$10,497.58	\$0.00	\$0.00	\$0.00	\$0.00	\$15,350.20
Chino Hills, City Of	\$92,467.25	\$200,032.67	\$17,499.06	\$37,870.01	\$16,626.31	\$49,716.41	\$414,211.71
Chino, City Of	\$0.00	\$0.00	\$73,266.97	\$158,558.25	\$31,763.11	\$94,978.87	\$358,567.20
Cucamonga Valley Water District	\$206,355.84	\$446,405.72	\$20,174.32	\$43,659.58	\$28,499.16	\$85,218.91	\$830,313.53
Desalter Authority	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fontana Union Water Company	\$0.00	\$0.00	\$27,912.66	\$60,406.24	\$50,327.93	\$150,491.87	\$289,138.70
Fontana Water Company	\$196,833.01	\$425,805.16	\$6,093.24	\$13,186.48	\$8.63	\$25.82	\$641,952.34
Fontana, City Of	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Golden State Water Company	\$9,425.43	\$20,389.86	\$1,795.87	\$3,886.48	\$3,238.05	\$9,682.50	\$48,418.19
Jurupa Community Services District	\$230,634.84	\$498,928.03	\$110,301.29	\$238,704.84	\$16,229.11	\$48,528.69	\$1,143,326.80
Marygold Mutual Water Company	\$16,828.60	\$36,404.98	\$2,861.43	\$6,192.46	\$5,159.29	\$15,427.45	\$82,874.21
Monte Vista Irrigation Company	\$0.00	\$0.00	\$2,954.81	\$6,394.55	\$5,327.67	\$15,930.94	\$30,607.97
Monte Vista Water District	\$89,583.94	\$193,795.25	\$21,466.46	\$46,455.92	\$37,980.17	\$113,569.27	\$502,851.01
Niagara Bottling, LLC	\$17,185.13	\$37,176.26	\$0.00	\$0.00	\$0.00	\$0.00	\$54,361.39
Nicholson Trust	\$0.00	\$0.00	\$16.76	\$36.27	\$30.22	\$90.37	\$173.62
Norco, City Of	\$0.00	\$0.00	\$881.18	\$1,906.97	\$1,588.80	\$4,750.88	\$9,127.83
Ontario, City Of	\$200,922.17	\$434,651.18	\$64,567.28	\$139,731.12	\$89,551.51	\$267,779.22	\$1,197,202.48
Pomona, City Of	\$165,238.95	\$357,458.32	\$48,977.08	\$105,992.06	\$88,308.10	\$264,061.14	\$1,030,035.63
San Antonio Water Company	\$14,838.30	\$32,099.41	\$6,580.08	\$14,240.06	\$11,864.22	\$35,476.68	\$115,098.75
San Bernardino, County of (Shooting Park)	\$209.79	\$453.84	\$0.00	\$0.00	\$0.00	\$0.00	\$663.63
Santa Ana River Water Company	\$620.99	\$1,343.38	\$5,682.14	\$12,296.82	\$10,245.19	\$30,635.43	\$60,823.95
Upland, City Of	\$36,122.19	\$78,142.45	\$12,456.18	\$26,956.62	\$22,459.11	\$67,157.82	\$243,294.37
West End Consolidated Water Co	\$0.00	\$0.00	\$4,137.69	\$8,954.44	\$7,460.47	\$22,308.48	\$42,861.08
West Valley Water District	\$0.00	\$0.00	\$2,813.53	\$6,088.82	\$5,072.95	\$15,169.25	\$29,144.55
Total	\$1,282,119.05	\$2,773,584.10	\$430,437.99	\$931,517.99	\$431,739.99	\$1,291,000.00	\$7,140,399.12

[1A]

[1B]

[1D]

[1E]

[1O]

[1P]

Proposed Interim Assessment for

Assessment Year 2015-2016 (Production Year 2014-2015):

Party	Appropriative Pool		Ag Pool SY Reallocation		Recharge	Recharge	Total
	Admin	OBMP	Admin	OBMP	Debt Payment	Improvement Project	
Arrowhead Mtn Spring Water Co	\$2,426.31	\$5,248.79	\$0.00	\$0.00	\$0.00	\$0.00	\$7,675.10
Chino Hills, City Of	\$46,233.63	\$100,016.34	\$8,749.53	\$18,935.01	\$8,313.16	\$24,858.21	\$207,105.86
Chino, City Of	\$0.00	\$0.00	\$36,633.49	\$79,279.13	\$15,881.56	\$47,489.44	\$179,283.60
Cucamonga Valley Water District	\$103,177.92	\$223,202.86	\$10,087.16	\$21,829.79	\$14,249.58	\$42,609.46	\$415,156.77
Desalter Authority	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fontana Union Water Company	\$0.00	\$0.00	\$13,956.33	\$30,203.12	\$25,163.97	\$75,245.94	\$144,569.35
Fontana Water Company	\$98,416.51	\$212,902.58	\$3,046.62	\$6,593.24	\$4.32	\$12.91	\$320,976.17
Fontana, City Of	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Golden State Water Company	\$4,712.72	\$10,194.93	\$897.94	\$1,943.24	\$1,619.03	\$4,841.25	\$24,209.10
Jurupa Community Services District	\$115,317.42	\$249,464.02	\$55,150.65	\$119,352.42	\$8,114.56	\$24,264.35	\$571,663.40
Marygold Mutual Water Company	\$8,414.30	\$18,202.49	\$1,430.72	\$3,096.23	\$2,579.65	\$7,713.73	\$41,437.11
Monte Vista Irrigation Company	\$0.00	\$0.00	\$1,477.41	\$3,197.28	\$2,663.84	\$7,965.47	\$15,303.99
Monte Vista Water District	\$44,791.97	\$96,897.63	\$10,733.23	\$23,227.96	\$18,990.09	\$56,784.64	\$251,425.51
Niagara Bottling, LLC	\$8,592.57	\$18,588.13	\$0.00	\$0.00	\$0.00	\$0.00	\$27,180.70
Nicholson Trust	\$0.00	\$0.00	\$8.38	\$18.14	\$15.11	\$45.19	\$86.81
Norco, City Of	\$0.00	\$0.00	\$440.59	\$953.49	\$794.40	\$2,375.44	\$4,563.92
Ontario, City Of	\$100,461.09	\$217,325.59	\$32,283.64	\$69,865.56	\$44,775.76	\$133,889.61	\$598,601.24
Pomona, City Of	\$82,619.48	\$178,729.16	\$24,488.53	\$52,996.03	\$44,154.05	\$132,030.57	\$515,017.82
San Antonio Water Company	\$7,419.15	\$16,049.71	\$3,290.04	\$7,120.03	\$5,932.11	\$17,738.34	\$57,549.38
San Bernardino, County of (Shooting Park)	\$104.90	\$226.92	\$0.00	\$0.00	\$0.00	\$0.00	\$331.82
Santa Ana River Water Company	\$310.50	\$671.69	\$2,841.07	\$6,148.41	\$5,122.60	\$15,317.72	\$30,411.98
Upland, City Of	\$18,061.10	\$39,071.23	\$6,228.09	\$13,478.31	\$11,229.56	\$33,578.91	\$121,647.19
West End Consolidated Water Co	\$0.00	\$0.00	\$2,068.85	\$4,477.22	\$3,730.24	\$11,154.24	\$21,430.54
West Valley Water District	\$0.00	\$0.00	\$1,406.77	\$3,044.41	\$2,536.48	\$7,584.63	\$14,572.28
Total	\$641,059.53	\$1,386,792.05	\$215,219.01	\$465,759.00	\$215,870.00	\$645,500.00	\$3,570,199.57

Proposed Interim Assessment -- Non-Ag Pool

Last Year (for reference)

Assessment Year 2014-2015 (Production Year 2013-2014):

Party	Non-Ag Pool		Total
	Admin	OBMP	
Ameron International Corp.	\$0.00	\$0.00	\$0.00
Aqua Capital Management LP	\$0.00	\$0.00	\$0.00
California Speedway Corp. (Auto Club Speedw	\$5,578.18	\$12,067.16	\$17,645.34
California Steel Industries, Inc. (CSI)	\$18,143.33	\$39,249.14	\$57,392.47
Calmat Co., a Division of Vulcan Materials Co.	\$0.00	\$0.00	\$0.00
CCG Ontario, LLC	\$0.00	\$0.00	\$0.00
General Electric Co. (GE)	\$0.05	\$0.11	\$0.16
Hamner Park Associates (Swan Lake MHP)	\$3,658.12	\$7,913.55	\$11,571.67
NRG California South LP	\$3,711.74	\$8,029.55	\$11,741.29
Ontario, City of (Non-Ag)	\$23,746.51	\$51,370.38	\$75,116.89
Praxair, Inc.	\$0.00	\$0.00	\$0.00
Riboli Family / San Antonio Winery	\$133.16	\$288.06	\$421.22
San Bernardino, County of (Chino Airport)	\$1,334.76	\$2,887.46	\$4,222.22
Southern California Edison Co. (SCE)	\$0.00	\$0.00	\$0.00
Southern Service Co. (Angelica)	\$467.44	\$1,011.21	\$1,478.65
Space Center Mira Loma, Inc.	\$1,199.46	\$2,594.77	\$3,794.23
TAMCO	\$228.48	\$494.27	\$722.75
West Venture Development Co.	\$0.00	\$0.00	\$0.00
Total	\$58,201.23	\$125,905.66	\$184,106.89

[13B]

[13C]

Proposed Interim Assessment for

Assessment Year 2015-2016 (Production Year 2014-2015):

Party	Non-Ag Pool		Total
	Admin	OBMP	
Ameron International Corp.	\$0.00	\$0.00	\$0.00
Aqua Capital Management LP	\$0.00	\$0.00	\$0.00
California Speedway Corp. (Auto Club Speedw	\$2,789.09	\$6,033.58	\$8,822.67
California Steel Industries, Inc. (CSI)	\$9,071.67	\$19,624.57	\$28,696.24
Calmat Co., a Division of Vulcan Materials Co.	\$0.00	\$0.00	\$0.00
CCG Ontario, LLC	\$0.00	\$0.00	\$0.00
General Electric Co. (GE)	\$0.03	\$0.06	\$0.08
Hamner Park Associates (Swan Lake MHP)	\$1,829.06	\$3,956.78	\$5,785.84
NRG California South LP	\$1,855.87	\$4,014.78	\$5,870.65
Ontario, City of (Non-Ag)	\$11,873.26	\$25,685.19	\$37,558.45
Praxair, Inc.	\$0.00	\$0.00	\$0.00
Riboli Family / San Antonio Winery	\$66.58	\$144.03	\$210.61
San Bernardino, County of (Chino Airport)	\$667.38	\$1,443.73	\$2,111.11
Southern California Edison Co. (SCE)	\$0.00	\$0.00	\$0.00
Southern Service Co. (Angelica)	\$233.72	\$505.61	\$739.33
Space Center Mira Loma, Inc.	\$599.73	\$1,297.39	\$1,897.12
TAMCO	\$114.24	\$247.14	\$361.38
West Venture Development Co.	\$0.00	\$0.00	\$0.00
Total	\$29,100.62	\$62,952.83	\$92,053.45

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS (Ag Pool)

C. 2015 SAFE YIELD RESET AGREEMENT APPROVAL

II. BUSINESS ITEMS (Non-Ag Pool)

D. 2015 SAFE YIELD RESET AGREEMENT APPROVAL



CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 8, 2015
TO: Non-Agricultural and Agricultural Pool Committee Members
SUBJECT: 2015 Safe Yield Reset Agreement Approval

SUMMARY

Issue: A binding Agreement on the Safe Yield Reset is complete. The Watermaster Board has adopted Resolution 2015-06 endorsing the Agreement and recommending it to the Court. The Pool has indicated its support and needs to formally approve the Agreement.

Recommendation: Approve the 2015 Safe Yield Reset Agreement and authorize the Pool Chair to sign on behalf of the Pool.

Financial Impact: No impact to Watermaster.

Future Consideration

Non-Agricultural Pool: October 8, 2015 Approve the Agreement and Authorize the Pool Chair to sign on behalf of the Pool.

Agricultural Pool: October 8, 2015 Approve the Agreement and Authorize the Pool Chair to sign on behalf of the Pool.

ACTIONS:

March 11, 2014 – Watermaster Board – Passed by majority vote to direct Watermaster legal counsel to prepare a status report with the Court informing it of the process underway to accomplish the required recalculation of the Basin's Safe Yield, for consideration by the Board

April 8, 2014 – Watermaster Board – Passed by majority vote to approve the status report to the Court on the Safe Yield recalculation with changes as reported by Mr. Kavounas

July 10, 2014 – Appropriative Pool – Reported out of confidential session: Vice-Chair Burton indicated that the Pool would like to make more progress on the Safe Yield recalculation process and would like Watermaster to hold special meetings every two weeks on the first and third Thursday from 10 a.m. to 12 p.m. or immediately following the Advisory Committee meeting starting on August 7, 2014. This meeting will require that the Joint Projects meeting would need to shift to a new time.

September 25, 2014 – Watermaster Board – Unanimously moved to agendaize for the October 23, 2014 Watermaster Board meeting to discuss submitting to the Court a Safe Yield number of 135,000 AF and process the same through the Pools, Advisory and Board meetings in November 2014.

October 9, 2014 – Appropriative Pool – Reported out of confidential session: 1. In light of Watermaster's proposal today, the Pool wishes to cancel the Safe Yield Recalculation and Related Matters meeting next Thursday, and in its place, the Pool would like to hold a special meeting next Thursday, October 16, 2014 at 10:00 a.m. to discuss the Safe Yield Recalculation and reset. 2. The Pool will provide Watermaster with a Safe Yield reset proposal prior to the October 23, 2014 Board meeting.

October 9, 2014 – Agricultural Pool – Unanimously moved to approve the following Motion: The Overlying Agricultural Pool (Ag Pool) is unable to support the Watermaster staff's proposal regarding the proposed motion on the safe yield recalculation presented during the October 9, 2014 Ag Pool meeting. The Ag Pool has studied all available data and information provided by the Watermaster regarding the safe yield in the Chino Basin. As a result, the Ag Pool is informing Watermaster staff that the only safe yield recalculation that is legally and factually supportable would be one that follows the existing Watermaster Rules and Regulations. To wit, the recalculation of the Safe Yield "shall be recalculated in year 2010/11 based upon data from the ten-year period 2000/01 to 2009/10." The Ag Pool supports a Safe Yield recalculation of 130,500 AFY retroactive to 2010/11.

October 23, 2014 – Watermaster Board – Passed by majority vote to approve setting the Safe Yield at 130,000 AFY with an effective date of 2010/2011 using the 2001–2010 base period consistent with the Rules and Regulations, and for staff to prepare a report with its recommendations to be presented at next Pools, Advisory Committee and Board meetings for a vote.

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

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

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

November 20, 2014 – Advisory Committee – Passed by 94% volume vote to approve the following: Instead of filing a motion or status report to the Court at this time, Watermaster shall immediately start a facilitated process to identify and resolve all issues related to the successful completion of the Safe Yield reset by April 1, 2015 for Pool, Advisory and Board action in May 2015. The Safe Yield shall be filed to the Court no later than May 29, 2015, Watermaster shall start a mediation selection process and the mediator shall be selected no later than December 12, 2014. In the event the Parties cannot reach an agreement on the Safe Yield reset, Watermaster shall implement the reset consistent with the agreements and that process would start in April 2015 and will go through Pool, Advisory and Board approval to be submitted to the Court in May 2015. The City of Chino and San Antonio Water Company voted against.

November 25, 2014 – Watermaster Board – Unanimously moved to adopt the Advisory Committee's recommendation with clarifications as shown herein: moved to approve that no motion or status report shall be filed with the Court yet; Watermaster Parties shall immediately start a facilitated process to identify and resolve all issues related to the successful completion of the Safe Yield reset by April 1, 2015 for Pools, Advisory and Board action in May 2015. The Safe Yield shall be filed with the Court no later than May 29, 2015. The Parties shall start a mediation selection process and select a mediator by 5pm December 11, 2014 through the Advisory Committee; there will be a Watermaster Board meeting on December 12, 2014 to either ratify the Advisory Committee selection or, in case the Advisory Committee is unable to agree on a mediator, to select a mediator for this process. In the event the Parties cannot reach an agreement on the Safe Yield reset, Watermaster shall implement the reset consistent with the agreements and that process would start in April 2015 and go through Pools, Advisory and Board for discussion in April so it can go to the Board for action in May 2015.

December 11, 2014 – Special Appropriative Pool – The following was reported after Confidential Session by unanimous vote of the Pool: Consistent with its December 9, 2014 letter, the Appropriative Pool reaffirms the selection of Scott Slater as the facilitator of the Safe Yield process. The Appropriative Pool requests Watermaster to initiate the process by gathering the goals and objectives from Parties so that we can begin the facilitated process meetings in January 2015. The Appropriative Pool will work collaboratively with the overlying pools to identify one or more potential mediators, if necessary, by the end of January 2015.

December 11, 2014 – Special Agricultural Pool – The following was reported after Confidential Session: Consistent with the direction given by the Watermaster Board in the November 2014 meeting, the Agricultural Pool recommends Scott Slater to act as mediator in the Safe Yield Recalculation process.

December 11, 2014 – Special Advisory Committee – Pass by 75% volume vote to approve the following: Consistent with the Appropriative Pool's December 9, 2014 letter, the Advisory Committee supports the selection of Scott Slater as the facilitator of the Safe Yield process. The Advisory Committee requests Watermaster to initiate the process by gathering the goals and objectives from Parties so that we can begin the facilitated process meetings in January 2015. The Pools will work collaboratively to identify

one or more potential mediators, if necessary, by the end of January 2015. The Agricultural Pool and Non-Agricultural voted against.

December 12, 2014 – Special Watermaster Board – Unanimously moved to select the Advisory Committee's nomination of Scott Slater as the mediator for the Safe Yield recalculation process.

January 8, 2015 – Appropriative Pool – Reported out of confidential session: The AP is going to form an ad hoc committee to assist in the the Safe Yield Recalculation and Reset process and members are as follows: Rosemary Hoerning, Darron Poulsen, Todd Corbin, and Ron Craig. Chair Hoerning further reported that direction was given to the AP's legal counsel.

January 22, 2015 – Special Appropriative Pool – Report out of confidential session: The Appropriative Pool took action authorizing its legal counsel to make a statement at the January 22, 2015 annual Watermaster Board meeting that it will communicate with the Agricultural Pool regarding the draft non-disclosure agreement while the Appropriative Pool continues to diligently internally work towards resolving the issues.

January 29, 2015 – Watermaster Board – Unanimously moved to approve the Safe Yield Recalculation and Reset Facilitation and Non-Disclosure Agreement and to authorize Watermaster's Chair and Legal Counsel to sign the agreement.

March 12, 2015 – Appropriative Pool – Report out of closed session: The Appropriative 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% production and 50% OSY.

March 26, 2015 – Watermaster Board – Unanimously moved to suspend the April 1, 2015 deadline referenced in the November 2014 Board motion until the April 2015 Board meeting; and for the Board to have a special meeting, open to all stakeholders, during the second week of April 2015 with a time and date that is to be determined.

April 28, 2015 – Watermaster Board – Recommend by majority vote to approve an extension to the May 28, 2015 Board meeting where there will be a substantial consensus on a set of key principles for publication at the May 2015 Board meeting.

May 28, 2015 – Watermaster Board – Moved to direct staff and counsel to prepare a status report to the Court for consideration by the Board at its regular meeting on June 25, 2015. Direct staff and counsel to commence coordinating drafting of a binding agreement based on FANDA Key Principles unless either the Agricultural or Non-Agricultural Pool express concerns with the Principles by close of business on June 12, 2015. If necessary, the Board will convene a special meeting on June 16, 2015 to evaluate concerns and take appropriate action.

June 11, 2015 – Appropriative Pool – Recommended by majority vote that WM move forward with the amended language on the Key Principles which incorporates Agricultural and Non-Agricultural Pool comments. The City of Chino and San Antonio Water Company voted against the motion.

June 11, 2015 – Non-Agricultural Pool – Unanimously voted to support the Safe Yield Key Principles document, and direct the Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate with the following caveats: [1] Paragraph 4 – Storage Management Plan: The Pool recommends that issues related to this item be scoped by December 31, 2015 including a cost estimate and that the Storage Management Plan process is completed no later than June 30, 2016; and [2] The Pool would like the FANDA expenses be reallocated to participants only; any costs allocated to the NAP should be credited.

June 11, 2015 – Agricultural Pool – Unanimously approved the amended Safe Yield Reset Key Principles document approved by the Appropriative Pool.

June 18, 2015 – Advisory Committee – Information only

June 25, 2015 – Watermaster Board – Unanimously moved to approve filing the status report in substantial conformity and attach the Tech Memo as a draft with a draft stamp, allow the parties to suggest any revisions on July 9, 2015, and file the status report with the Court on July 10, 2015.

August 27, 2015 – Watermaster Board – Direct Legal Counsel and staff to seek advice and counsel from the Committees on the 2015 Safe Yield Reset Agreement, and to return to the Board in September so that the Board may take action in order to file with the Court by the planned date of October 1, 2015

September 10, 2015 – Appropriative Pool – no action

September 10, 2015 – Non Agricultural Pool – no action

September 15, 2015 – Agricultural Pool – Unanimously moved to support the Advisory Committee's recommendation that the Board adopt Resolution 2015-06

September 15, 2015 – Special Non Agricultural Pool – Unanimously adopted a Non Agricultural Pool resolution regarding the 2015 Safe Yield Reset Agreement

September 17, 2015 – Special Appropriative Pool – Majority vote to recommend Board's adoption of Resolution 2015-06. City of Chino voted against the motion. Jurupa CSD and SAWCo abstained.

September 17, 2015 – Advisory Committee – Majority vote to recommend Board's adoption of Resolution 2015-06. City of Chino voted against the motion. Jurupa CSD and SAWCo abstained.

September 24, 2015 – Watermaster Board - Adopt Resolution 2015-06 endorsing the 2015 Safe Yield Reset Agreement and direct Legal Counsel to prepare and file moving papers recommending the Agreement with the Court.

BACKGROUND

The parties with assistance from Watermaster Counsel have drafted the 2015 Safe Yield Reset Agreement (Attachment 1), and the Watermaster Board during its September 24, 2015 meeting approved Resolution 2015-06 endorsing the Agreement and directing Legal Counsel to prepare and file moving papers recommending the Agreement with the Court.

DISCUSSION

The Non-Agricultural and Agricultural Pool Committees have indicated support for the Agreement and need to take formal action to authorize a representative to sign the Agreement on behalf of each respective Pool.

ATTACHMENTS

1. 2015 Safe Yield Reset Agreement with Exhibits

2015 SAFE YIELD RESET AGREEMENT

WHEREAS, the Parties to this 2015 Safe Yield Reset Agreement (hereinafter, the "Agreement") are Parties or successors to Parties in *Chino Basin Municipal Water District v. City of Chino* (San Bernardino Superior Court Case No. 51010) and the Judgment in that case set the Safe Yield of the Chino Basin at 140,000 acre-feet per year (AFY), but reserved continuing jurisdiction to the Court to amend the Judgment, inter alia, to redetermine the Safe Yield after the first 10 years of operation of the Physical Solution established under the Judgment;

WHEREAS, the Parties to the Judgment have executed; and Watermaster, with the advice and consent of the Pools and Advisory Committees, has endorsed; and the Court has approved, the following agreements to implement the Physical Solution ("Court Approved Management Agreements"):

[1] the Chino Basin Peace Agreement, dated June 29, 2000, as subsequently amended in September 2004 and December 2007;

[2] the Peace II Measures (Court approved on December 21, 2007);

[3] the OBMP Implementation Plan dated June 29, 2000, as supplemented in December 2007;

[4] the Recharge Master Plan, dated 1998, as updated in 2010 and amended in 2013;

[5] the Watermaster Rules and Regulations dated June 2000, as amended;

[6] the October 8, 2010 Order Approving Watermaster's Compliance with Condition Subsequent Number Eight and Approving Procedures to be used to Allocated Surplus Agricultural Pool Water in the Event of a Decline in Safe Yield and

[7] Watermaster Resolution 2010-04 ("Resolution of the Chino Basin Watermaster regarding Implementation of the Peace II Agreement and the Phase III Desalter Expansion in Accordance with the December 21, 2007 Order of the San Bernardino Superior Court);

WHEREAS, the parties to this Agreement have reviewed evidence that the conditions affecting the Safe Yield of the Basin have changed since the Judgment was entered in 1978 and evidence supporting reset of the Safe Yield of the Basin to 135,000 AFY;

WHEREAS, questions have arisen concerning the interpretation and implementation of the Judgment and the Court Approved Management Agreements,

and the Parties to this Agreement intend to address those questions and settle their disputes and compromise their respective claims as to the subject matter set forth herein as expressly provided for in this Agreement;

WHEREAS, the Parties intend this Agreement to be consistent with, and further the implementation of, the Judgment and the Court Approved Management Agreements. The terms of this Agreement shall not constitute an amendment to the Judgment or the Court Approved Management Agreements, but shall be construed and implemented consistently with the Judgment and Court Approved Management Agreements; and

NOW, THEREFORE, in consideration of the mutual promises specified herein and by conditioning their performance under this Agreement upon the conditions precedent set forth in Article 2 herein, and for other good and valuable consideration, the Parties agree as follows:

ARTICLE 1
DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Definitions.

(a) "2001-2014 Stormwater Recharge Program" means those specific recharge projects that were previously approved and initiated by Watermaster during production years 2001-2014 (e.g., Chino Basin Facilities Improvement Plan, and Chino Basin Facilities Improvement Plan II). The 2001-2014 Stormwater Recharge Program does not include projects identified in the 2013 Amendment to the 2010 Recharge Master Plan Update.

(b) "Advisory Committee" shall have the meaning as used in the Judgment for the Advisory Committee.

(c) "Agricultural Pool" shall have the meaning of Overlying (Agricultural) Pool as used in the Judgment and shall include all its members.

(d) "Appropriative Pool" shall have the meaning as used in the Judgment and shall include all its members.

(e) "Assessment Package" means Watermaster's annual report of that title, which summarizes allocations of Production rights, Production, and related data (e.g., water transfers, storage accounting) relative to the previous Production Year. Based on this information, the report includes the calculation of each Party's share of Assessments for the applicable fiscal year's Watermaster-approved budget.

(f) “Best Efforts” means reasonable diligence and reasonable efforts under the totality of the circumstances. Indifference and inaction do not constitute Best Efforts. Futile action(s) are not required.

(g) “Chino Basin” or “Basin” means the groundwater basin underlying the area shown on Exhibit “B” to the Judgment and within the boundaries described on Exhibit “K” to the Judgment.

(h) “Desalter” and “Desalters” means the Chino I Desalter, Chino I Desalter Expansion, the Chino II Desalter and Future Desalters, consisting of all the capital facilities and processes that remove salt from Basin Water, including extraction wells, transmission facilities for delivery of groundwater to the Desalter, Desalter treatment and delivery facilities for the Desalter water including pumping and storage facilities, and treatment and disposal capacity in the SARI System.

(i) “Effective Date” means the date upon which all conditions precedent, described in Article 2.1, are satisfied.

(j) “Hydraulic Control” means the reduction of groundwater discharge from the Chino North Management Zone to the Santa Ana River to *de minimus* quantities. The Chino North Management Zone is defined in the 2004 Basin Plan Amendment (RWQCB resolution R8-2004-001) attached to the Peace II Agreement as Exhibit “B.”

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

(l) “Net New Recharge” means the stormwater recharge caused by the implementation of a Post-2014 Stormwater Recharge Project, upon its construction and operation, less the decrease in recharge at stormwater recharge projects existing at the time of implementation, which decrease is attributable to the new projects.

(m) “New Yield” means proven increases in yield in quantities greater than historical amounts from sources of supply including, but not limited to, capture of rising water, capture of available storm flow,

operation of the Desalters (including the Chino I Desalter), induced Recharge and other management activities implemented and operational after June 1, 2000.

(n) "Non-Agricultural Pool" shall have the meaning as used in the Judgment for the Overlying (Non-Agricultural) Pool and shall include all its members.

(o) "Operating Safe Yield" means the annual amount of groundwater which Watermaster shall determine, pursuant to criteria specified in Exhibit "I" to the Judgment, can be Produced from Chino Basin by the Appropriative Pool parties free of Replenishment obligation under the Physical Solution. Watermaster shall include any New Yield in determining Operating Safe Yield.

(p) "Participation Share" means a member of the Appropriative Pool's prescribed share of the potential Post-2014 Stormwater Recharge Project Net New Recharge benefits and corresponding financial obligations.

(q) "Party" means a party to this Agreement.

(r) "Party to the Judgment" means a party to the Judgment regardless of whether it has executed this Agreement.

(s) "Physical Solution" shall have the meaning of Physical Solution as described in the Judgment.

(t) "Post-2014 Stormwater Recharge Program" means a suite of Post-2014 Stormwater Recharge Projects that are considered together for approval and initiation.

(u) "Post-2014 Stormwater Recharge Project" means a stormwater recharge project, including the improvement of a previously existing project, that was not in existence in Production Year 2014 but is approved and initiated thereafter (i.e., a project other than those within the 2001-2014 Stormwater Recharge Program) and is included within a Post-2014 Stormwater Recharge Program.

(v) "Produce" or "Produced" means to pump or extract groundwater from the Chino Basin.

(w) "Production" means the annual quantity, stated in acre-feet, of water Produced from the Chino Basin.

(x) "Production Year" means the fiscal year, July 1 through June 30 following, for which Production and related data are used to calculate the Assessment Package of the following year.

(y) "Re-Operation" means the controlled overdraft of the Basin by the managed withdrawal of groundwater Production for the Desalters and the potential increase in the cumulative un-replenished Production from 200,000 acre-feet authorized by Paragraph 3 of the Engineering Appendix attached as Exhibit "I" to the Judgment, to 600,000 acre-feet for the express purpose of securing and maintaining Hydraulic Control as a component of the Physical Solution.

(z) "Reset Technical Memorandum" means the memorandum attached hereto and incorporated herein as Exhibit "A," which sets forth the methodology pursuant to which the Safe Yield is evaluated or reset.

(aa) "Safe Yield" shall have the meaning of Safe Yield as used in the Restated Judgment.

(bb) "Safe Storage Reserve" shall mean the 130,000 AF reserve composed of stored water held in the non-Supplemental Water storage accounts of individual members of the Appropriative Pool, that may be conditionally accessed as described in Paragraph 6.2 of this Agreement.

(cc) "Storage Management Plan" shall mean a long-term plan for ensuring that, consistent with Program Elements 8 and 9 of the Optimum Basin Management Program Implementation Plan and section 5.2 of the Peace Agreement, use of the Basin's Safe Storage Capacity, as defined in the Optimum Basin Management Program Implementation Plan, is safe, sustainable, and will not cause Material Physical Injury or undesirable results.

(dd) "Supplemental Water" includes both water imported to Chino Basin from outside Chino Basin Watershed and reclaimed water.

(ee) Unless otherwise expressly provided herein, all definitions set forth in the Peace Agreement, the Peace II Agreement, and the Restated Judgment are applicable to the terms as they are used herein.

1.2 Rules of Construction.

(a) Unless the context clearly requires otherwise:

(i) The plural and singular forms include the other;

- (ii) "Shall," "will," "must," and "agrees" are each mandatory;
 - (iii) "May" is permissive;
 - (iv) "Or" is not exclusive;
 - (v) "Includes" and "including" are not limiting; and
 - (vi) "Between" includes the ends of the identified range.
- (b) Headings at the beginning of Articles, Paragraphs and Subparagraphs of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement and shall not be used in construing it.
- (c) The masculine gender shall include the feminine and neuter genders and vice versa.
- (d) The word "person" shall include individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority, water district and other entity of whatever nature.
- (e) Reference to any agreement (including this Agreement), document, or instrument means such agreement, document, instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms thereof.
- (f) Except as specifically provided herein, reference to any law, statute or ordinance, regulation or the like means such law as amended, modified, codified or reenacted, in whole or in part and in effect from time to time, including any rules and regulations promulgated thereunder.
- (g) In the event of a conflict between this Agreement and the Judgment, the Judgment shall prevail. The terms of the Peace Agreement, Peace II Agreement, and this Agreement shall be construed as an integrated set of agreements; but, where the subject matter of this Agreement expressly provides guidance, direction, construction, or interpretation, those terms of this Agreement shall prevail.

1.3 Incorporation of Recitals and Exhibits. The Recitals set forth above are incorporated in this Agreement and made a part hereof. All exhibits attached hereto are incorporated by this reference as though fully stated herein.

1.4 Reservation of Discretion. Execution of this Agreement is not intended to commit any Party to undertake a project without compliance with CEQA or to commit the Parties individually or collectively to any specific course of action, which would result in the present approval of a future project.

1.5 Commitments are Consistent with CEQA. The Parties acknowledge and agree that this Agreement provides for the further administration of the Judgment by Watermaster following the reset of the Safe Yield, pursuant to the Court's continuing jurisdiction, and that no commitment is being made to carry out any "project" within the meaning of CEQA unless and until the environmental review and assessment that may be required by CEQA for that defined "project" have been completed.

ARTICLE 2 CONDITIONS PRECEDENT

2.1 Performance under Articles 3 through 10 is Subject to Satisfaction of the Conditions Precedent. Each Party's obligations under this Agreement are subject to the satisfaction of the following conditions precedent on or before the dates specified below, unless satisfaction of a specified condition is waived in writing by all other Parties;

- (a) Watermaster approval of Resolution 2015-06 in the form attached hereto as Exhibit "F", including the following Attachments thereto:
 - (i) 2015 Safe Yield Reset Agreement;
 - (ii) Proposed Order amending Paragraph 6 of the Restated Judgment; and
 - (iii) Amended schedule for access to Re-Operation water.
- (b) Court orders:
 - (i) Amending Paragraph 6 of the Restated Judgment, as shown in Exhibit "B" to Resolution 2015-06, to provide that the Safe Yield of the Chino Basin is 135,000 acre feet per year;
 - (ii) Amending the schedule for access to Re-Operation water as shown in Exhibit "C" to Resolution 2015-06; and
 - (iii) Directing Watermaster to proceed in accordance with the terms of the Agreement on Redetermination and Reset of Safe Yield, as embodied in Resolution 2015-06.

ARTICLE 3
MUTUAL ACKNOWLEDGEMENT AND COVENANTS

3.1 Acknowledgment of Safe Yield Reset. The collective actions of Watermaster set forth in Watermaster Resolution 2015-06 and the Attachments thereto constitute further actions by Watermaster in implementing the OBMP Implementation Plan and administration of the Judgment post-reset in accordance with the Judgment

3.2 Non-Opposition. No Party shall oppose Watermaster's administration of the Judgment as set forth in this Agreement. Notwithstanding this covenant, no Party shall be limited in its right of participation in all functions of Watermaster as they are provided in the Judgment nor shall a Party to the Judgment be precluded from seeking judicial review (i) of Watermaster actions not related to this Agreement; or (ii) to determine the consistency of Watermaster actions with this Agreement, pursuant to the Judgment or as otherwise provided in this Agreement.

3.3 Consent to Amendments. Each Party expressly consents to the amendment of Paragraph 6 of the Restated Judgment and to the amendment to the schedule for access to Re-Operation water set forth in Watermaster's Resolution 2015-06.

3.4 Stewardship. Each of the Parties acknowledges its individual duty and the collective stewardship obligation of all Parties to the Judgment to manage the precious water resources of this State, and, more specifically, all waters of the Chino Basin, in accordance with the Constitutional requirements set forth in Article X, section 2 of the California Constitution, which states, in part:

It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare.

The Parties will exercise their best efforts toward the optimization of groundwater management in the Basin to ensure the maximum reasonable and beneficial use thereof.

3.5 Supplemental Water Recharge. The Parties acknowledge the obligations of Watermaster, pursuant to Peace Agreement sections 5.1 and Peace II Agreement section 8.4, to exercise Best Efforts to direct Recharge relative to Production in each area and sub-area of the Basin to achieve and maintain long term

balance between total Recharge and discharge and to promote the goal of equal access to groundwater within all areas and sub-areas of the Basin, and to direct wet water Supplemental Water recharge to Management Zone 1 in an amount equal to or greater than 6,500 AFY.

ARTICLE 4 SAFE YIELD RESET

4.1 Safe Yield Reset. Consistent with the prior orders of the Court pursuant to its continuing jurisdiction, effective July 1, 2010 and continuing until June 30, 2020, the Safe Yield for the Basin is reset at 135,000 AFY. For all purposes arising under the Judgment, the Peace Agreement(s) and the OBMP Implementation Plan, the Safe Yield shall be 135,000 AFY, without exception, unless and until Safe Yield is reset in accordance with the procedures set forth in this Article 4, and determined by the Court pursuant to its retained continuing jurisdiction. Any reduction in Safe Yield pursuant to Paragraph 5.2(b), below, shall be a reduction from this 135,000 AFY.

4.2 Scheduled Reset. Watermaster will initiate a process to evaluate and reset the Safe Yield by July 1, 2020 as further provided herein. Subject to the provisions of Paragraph 4.3 below, the Safe Yield, as it is reset effective July 1, 2020 will continue until June 30, 2030. Watermaster will initiate the reset process no later than January 1, 2019, in order to ensure that the Safe Yield, as reset, may be approved by the Court no later than June 30, 2020. Consistent with the provisions of the OBMP Implementation Plan, thereafter, Watermaster will conduct a Safe Yield evaluation and reset process no less frequently than every ten years. This Paragraph is deemed to satisfy Watermaster's obligation, under Paragraph 3.(b) of Exhibit "I" to the Restated Judgment, to provide notice of a potential change in Operating Safe Yield.

4.3 Interim Correction. In addition to the scheduled reset set forth in Paragraph 4.2 above, the Safe Yield may be reset in the event that, with the recommendation and advice of the Pools and Advisory Committee and in the exercise of prudent management discretion described in Paragraph 4.5(c), below, Watermaster recommends to the Court that the Safe Yield must be changed by an amount greater (more or less) than 2.5% of the then-effective Safe Yield.

4.4 Safe Yield Reset Methodology. The Safe Yield has been reset effective July 1, 2010 and shall be subsequently evaluated pursuant to the methodology set forth in the Reset Technical Memorandum attached hereto and incorporated herein as Exhibit "A". The reset will rely upon long-term hydrology and will include data from 1921 to the date of the reset evaluation. The long-term hydrology will be continuously expanded to account for new data from each year, through July 2030, as it becomes available. This methodology will thereby account for short-term climatic variations, wet and dry. Based on the best information practicably available to Watermaster, the Reset Technical Memorandum sets forth a prudent and

reasonable professional methodology to evaluate the then prevailing Safe Yield in a manner consistent with the Judgment, the Peace Agreements, and the OBMP Implementation Plan. In furtherance of the goal of maximizing the beneficial use of the waters of the Chino Basin, Watermaster, with the recommendation and advice of the Pools and Advisory Committee, may supplement the Reset Technical Memorandum's methodology to incorporate future advances in best management practices and hydrologic science as they evolve over the term of this Agreement.

4.5 Annual Data Collection and Evaluation. In support of its obligations to undertake the reset in accordance with the Reset Technical Memorandum, Watermaster shall annually undertake the following actions:

- (a) Ensure that, unless a Party to the Judgment is excluded from reporting, all production by all Parties to the Judgment is metered, reported, and reflected in Watermaster's approved Assessment Packages;
- (b) Collect data concerning cultural conditions annually, with cultural conditions including, but not limited to, land use, water use practices, production, and facilities for the production, generation, storage, recharge, treatment, or transmission of water;
- (c) Evaluate the potential need for prudent management discretion to avoid or mitigate undesirable results including, but not limited to, subsidence, water quality degradation, and unreasonable pump lifts. Where the evaluation of available data suggests that there has been or will be a material change from existing and projected conditions or threatened undesirable results, then a more significant evaluation, including modeling, as described in the Reset Technical Memorandum, will be undertaken; and,
- (d) As part of its regular budgeting process, develop a budget for the annual data collection, data evaluation, and any scheduled modeling efforts, including the methodology for the allocation of expenses among the Parties to the Judgment. Such budget development shall be consistent with section 5.4(a) of the Peace Agreement.

4.6 Modeling. Watermaster shall cause the Basin Model to be updated and a model evaluation of Safe Yield, in a manner consistent with the Reset Technical Memorandum, to be initiated no later than January 1, 2024, in order to ensure that the same may be completed by June 30, 2025.

4.7 Peer Review. The Pools shall be provided with reasonable opportunity, no less frequently than annually, for peer review of the collection of data and the application of the data collected in regard to the activities described in Paragraphs 4.4, 4.5, and 4.6 above.

4.8 No Retroactive Accounting. Notwithstanding that the initial Safe Yield reset, described in Paragraph 4.1, above, shall be effective as of July 1, 2010, Watermaster will not, in any manner, including through the approval of its Assessment Packages, seek to change prior accounting of the prior allocation of Safe Yield and Operating Safe Yield among the Parties to the Judgment for production years prior to July 1, 2014.

ARTICLE 5 WATERMASTER ACCOUNTING

5.1 Stormwater Recharge. After the Effective Date and until termination of this Agreement, the Parties expressly consent to Watermaster's accounting for Basin recharge arising from stormwater as follows:

- (a) 2001-2014 Stormwater Recharge Program. Stormwater recharge that arises from or is attributable to the 2001-2014 Stormwater Recharge Program shall be: (i) New Yield for the period 2001-2014 in the manner that it has been distributed through approved Watermaster Assessment Packages; and (ii) Safe Yield in each subsequent year. For the 2001-2014 Stormwater Recharge Program, Watermaster shall cause no reduction against Safe Yield requiring supplementation by the reallocation of a portion of the unproduced Overlying (Agricultural) Pool's share of the Basin's Safe Yield.
- (b) Post-2014 Stormwater Recharge Projects. For the remainder of the term of the Peace Agreement, inclusive of an extension term, if any, stormwater recharge that arises from or is attributable to Post-2014 Stormwater Recharge Projects shall be allocated as set forth in this Paragraph 5.1(b).
 - (i) Interim Accounting Between Resets. For any and all Post-2014 Stormwater Recharge Projects completed in the interim periods between subsequent Safe Yield resets, Net New Recharge attributable to specific Post-2014 Stormwater Recharge Projects shall be New Yield, as that term is defined in the Peace Agreement and will be allocated based upon observed and quantified annual net-increases rather than projected future estimates of annual performance. New Yield attributable to Post-2014 Stormwater Recharge

Projects shall be credited annually to the Project participants, in the Production Year in which such New Yield actually arises. Post-2014 Stormwater Recharge Project New Yield is in addition to Safe Yield and therefore by definition it shall cause no reduction against Safe Yield requiring supplementation by the reallocation of a portion of the unproduced Overlying (Agricultural) Pool's share of the Basin's Safe Yield.

- (ii) Post-Safe Yield Reset Accounting for Post-2014 Stormwater Recharge Projects. Upon any reset of the Safe Yield after 2015, any Net New Recharge that occurs as a result of specific Post-2014 Stormwater Recharge Projects that have been previously approved and fully implemented at the time of the reset shall be considered as a potential change in cultural conditions as provided in the Reset Technical Memorandum and thereafter considered a component of the Safe Yield if the Post-2014 Stormwater Recharge Projects to which the Net New Recharge is attributable have been constructed and in operation for a minimum of five (5) years prior to the reset. The Net New Recharge will be measured and accounted for and will be made available exclusively to the members of the Appropriative Pool in accordance with Paragraph 5.1(c) below. Following a reset of the Safe Yield, Post-2014 Stormwater Recharge Project recharge will be included within Safe Yield and its separate measurement and allocation shall cause no reduction against Safe Yield requiring supplementation by the reallocation of a portion of the unproduced Overlying (Agricultural) Pool's share of the Basin's Safe Yield. Moreover, Post-2014 Stormwater Recharge Projects that have been fully constructed and in operation for less than five (5) years or the Net New Recharge from which is otherwise not included as a component of Safe Yield pursuant to the Reset Technical Memorandum, will be treated "as if" the Net New Recharge were Safe Yield for the limited and exclusive purpose of quantifying the annual supplementation by the reallocation of a portion of the unproduced Overlying (Agricultural) Pool's share of the Basin's Safe Yield. To assist the Parties to the Agreement in their understanding of this section, examples of how Watermaster will conduct the accounting described in this Section 5.1(b)(ii) are included in Exhibit "B" hereto.

- (c) Participation in Post-2014 Stormwater Recharge Programs. The Parties contemplate that Post-2014 Stormwater Recharge Projects, such as those projects described in Watermaster's Court-approved 2013 Amendment to 2010 Recharge Master Plan Update, may be completed after the Effective Date, as part of suites of such Projects (each suite of Projects, a "Post-2014 Stormwater Recharge Program" and collectively, "Post-2014 Stormwater Recharge Programs"). Watermaster shall prepare an estimate of the Net New Recharge projected to arise from or be attributable to proposed Post-2014 Stormwater Recharge Programs. Based on this pre-approval estimate, Watermaster shall quantify each member of the Appropriative Pool's proportionate share of the potential Net New Recharge benefits in accordance with its percentage of Operating Safe Yield and calculate its corresponding capital financing obligations. Each Appropriative Pool member's proportionate share of the potential Program Net New Recharge benefits and corresponding financing obligations shall be referred to as its "Participation Share" in the Program. The Participation Shares in a particular Program shall remain unchanged regardless of actual Program yield. Within six months of the Effective Date, Watermaster, with the recommendation and advice of the Pools and Advisory Committee, will develop rules and regulations for the definition of Post-2014 Stormwater Programs and Participation Shares therein.

Any member of the Appropriative Pool may elect, in its discretion, not to participate in certain Post-2014 Stormwater Recharge Programs. In the case a member of the Appropriative Pool has cast a final vote against an approved Post-2014 Stormwater Recharge Program, then that member may elect, in its complete discretion, to opt out of its Participation Share, by providing written notice to the members of the Appropriative Pool, within ninety (90) days of the approval of the Post-2014 Stormwater Recharge Program. Notice shall be provided through a request that the election be placed on the agenda of a regularly scheduled meeting of the Appropriative Pool, and offering the other members of the Appropriative Pool the right to assume its respective Participation Share of stormwater recharge New Yield or Safe Yield attributable to the Post-2014 Stormwater Recharge Program, along with the Pool member's assumption of all applicable rights and responsibilities.

- (i) In the event that one or more members of the Appropriative Pool voting against the approval of a Post-2014 Stormwater Recharge Program elects to opt

out of its Participation Share therein, each shall permanently waive and relinquish, without limitation, all right to all the benefits accruing under its Participation Share of a Post-2014 Stormwater Recharge Program;

- (ii) An Appropriative Pool member electing to opt out of participation in a Post-2014 Stormwater Recharge Program shall be assigned no further financial obligation attributable to a Participation Share in the Post-2014 Stormwater Recharge Program that was the subject of the election;
- (iii) Fontana Water Company (FWC), a member of the Appropriative Pool, and any successor in interest thereto, shall have the first priority and exclusive right and obligation to acquire the Participation Shares, representing up to 2,000 AFY (cumulative maximum) of projected annual average recharge arising from or attributable to one or more Post-2014 Stormwater Recharge Programs, which may be made available by one or more members of the Appropriative Pool opting out of the Post-2014 Stormwater Recharge Programs. If Participation Shares in Post-2014 Stormwater Recharge Programs are available in excess of FWC's first priority right of up to 2,000 AFY under this provision, then each member of the Appropriative Pool may elect to participate in the acquisition of the excess Participation Shares along with its corresponding assumption of duties associated therewith. Available Participation Shares shall be distributed among the members of the Appropriative Pool electing to acquire the Participation Shares, pro rata based on the total number of members electing to acquire, including FWC. The acquisition of any obligations and benefits pursuant to this Paragraph shall survive the expiration of the Peace Agreement, for the life of the Post-2014 Stormwater Recharge Program, pursuant to the same terms and conditions generally applicable to all Project Participants.
- (iv) FWC shall have a right of first refusal (ROFR) as to any transfer, lease, or assignment (collectively "transfer") of any portion of a Participation Share by any member of the Appropriative Pool until a cumulative maximum of 2,000 AFY of Participation Shares has been acquired by FWC. Any member of the Appropriative Pool desiring to

transfer any portion of its Participation Share will provide sixty (60) days written notice of its intention to transfer to FWC along with a copy of any agreement and accompanied by a reasonable description of the transfer. Upon its receipt of written notice, FWC may, in its complete discretion, elect to match the offer and the Appropriate Pool member providing its notice of intention to transfer must sell the identified Participation Shares. After FWC has acquired a cumulative total of 2,000 AFY of Participation Shares, its right to share in Post-2014 Stormwater Recharge Programs shall be limited to the provisions of Paragraph 5.1(c)(iii) above. FWC's ROFR, as described in this Section 5.1(c)(iv), shall be limited only to those transfers as to which the City of Ontario is not the proposed transferee.

5.2 Desalter-Induced Recharge. After the Effective Date and until termination of this Agreement, the Parties expressly consent to Watermaster's accounting for Basin recharge arising from or attributable the Desalters as follows:

- (a) 2001-2014 Desalter-Induced Recharge. Induced recharge that arises from or is attributable to the Desalters for the period of production years 2001-2014 shall be accounted for as Safe Yield, in the manner it has been distributed through approved Watermaster Assessment Packages, shall not be considered New Yield, and shall not be considered to have been available for production by the Desalters.
- (b) 2015-2030 Desalter-Induced Recharge. For the production years of 2015- 2030, Watermaster shall account for induced recharge that arises from or is attributable to the Desalters as equal to fifty (50) percent of the total Desalter Production during each applicable production year up to a maximum of twenty-thousand (20,000) AFY of recharge. Consistent with Paragraph 6.2(a)(iii) of the Peace II Agreement, Watermaster shall deem the induced recharge as having been produced by the Desalters. During each applicable production year, Watermaster shall reduce Safe Yield by an amount equal to fifty (50) percent of the total Desalter Production, up to a maximum of twenty-thousand (20,000) AFY, and require a corresponding supplementation by the reallocation of available unproduced Agricultural Pool's share of the Basin's Safe Yield.

Claims for reallocation of the remaining unproduced quantity of the Agricultural Pool's share of Safe Yield shall be satisfied consistent with section 6.3(c) of Watermaster's Rules and Regulations, as amended as part of the Peace II Measures, and the October 8, 2010 Order Approving Watermaster's Compliance with Condition Subsequent Number Eight and Approving Procedures to be used to Allocated Surplus Agricultural Pool Water in the Event of a Decline in Safe Yield.

- (c) 2031-2060 Desalter-Induced Recharge. Should the term of the Peace Agreement be extended pursuant to Paragraph 8.4 thereof, the treatment of Desalter-Induced Recharge shall be subject to the negotiation of a new and separate agreement among the Parties to the Judgment. The accounting provided for in Section 5.2(b), above, shall be without prejudice to the negotiation of such a new and separate agreement among the Parties to the Judgment. Unless otherwise agreed by the Parties, during the extension term, Watermaster shall not consider such recharge to require supplementation by the reallocation of a portion of the unproduced Agricultural Pool's share of Safe Yield.

5.3 Post-2030 Priority among Land Use Conversion and Early Transfer Claims. At the expiration of the Peace II Agreement, the Peace II provisions relating to the distribution of surplus (unpumped) water by the Agricultural Pool requiring that claims for the Early Transfer of 32,800 AFY and for Land Use Conversion be treated equally are expressly repealed, including (i) the amendment to Section 6.3(c) of Watermaster's Rules and Regulations, pursuant to the Peace II measures, and (ii) Section III.(6) of the October 8, 2010 Order Approving Watermaster's Compliance with Condition Subsequent Number Eight and Approving Procedures to be used to Allocate Surplus Agricultural Pool Water in the Event of a Decline in Safe Yield. In any Peace Agreement extension term, the previous changes to Restated Judgment, Exhibit "H", Paragraph 10(b)(3)(i) effectuated by Paragraph 4.4(c) of the Peace Agreement, which, to the extent sufficient unallocated Safe Yield from the Agricultural Pool is available for conversion claims, allocate 2.0 acre-feet of unallocated Safe Yield water for each converted acre, shall remain in effect.

ARTICLE 6 SAFE STORAGE MANAGEMENT

6.1 Safe Storage Management. The following measures ensure that withdrawals of groundwater from authorized storage accounts within the Basin are safe, sustainable, and will not cause Material Physical Injury or undesirable results.

6.2 Safe Storage Reserve. A Safe Storage Reserve is established in the amount of one hundred thirty thousand (130,000) AF. This quantity is sufficient to

ensure protection against a precipitous drop in water levels, undesirable results, and Material Physical Injury while a Storage Management Plan is developed by the Parties.

- (a) The Safe Storage Reserve shall be composed of water in the non-Supplemental Water stored water accounts of members of the Appropriative Pool, apportioned among them in accordance with their relative percentages of their quantity of non-Supplemental Water held in groundwater storage on July 1, 2015, consistent with the illustration shown in Exhibit "C," attached hereto, which utilizes existing July 1, 2014 information. Watermaster will update Exhibit "C" and distribute the final table when the quantities of non-Supplemental water held in groundwater storage on July 1, 2015 become available. For the avoidance of doubt, the Safe Storage Reserve shall not include water in the non-Supplemental Water stored water accounts of members of the Non-Agricultural Pool.
- (b) Watermaster shall annually report, in its Assessment Package, the quantity of water in non-Supplemental stored water accounts of the members of the Appropriative Pool. In any production year in which Watermaster determines that less than one hundred fifty thousand (150,000) AF exist in non-supplemental stored water accounts, each member of the Appropriative Pool shall maintain a stored water balance in their non-supplemental stored water accounts in an amount equal to or greater than the quantity set forth in Exhibit "C" by the close of that production year.
 - (i) Watermaster will provide written notice to the Chair of the Appropriative Pool within thirty (30) days of its determination that the cumulative quantity of non-supplemental stored water is less than one hundred fifty thousand (150,000) AF.
 - (ii) Members of the Appropriative Pool shall not be restricted in their transactions (withdrawals and transfers to and from storage) unless and until Watermaster has provided notice of its determination that the cumulative quantity of non-supplemental stored water is less than one hundred fifty thousand (150,000) AF. Thereafter, and until quantities of non-supplemental stored water again exceed 150,000 AF, withdrawals from non-supplemental storage shall be subject to the provisions of Paragraph 6.1(c) below.

If, within 24 months of the Effective Date, the Court has not approved a Storage Management Plan pursuant to Paragraph 6.3, below, Watermaster, with the recommendation and advice of the Pools and Advisory Committee, will develop rules and regulations for the administration of its obligations under this Paragraph 6.2(b).

(c) Withdrawals from Safe Storage Reserve. Members of the Appropriative Pool may make temporary withdrawals from their portions of the Safe Storage Reserve, in the event of an emergency, and permanent withdrawals for Desalter Replenishment as set forth below:

(i) Emergency. Each member of the Appropriative Pool shall be allowed to temporarily withdraw a quantity equal to 10/13 of its portion of the Safe Storage Reserve in the event that the member of the Appropriative Pool has made a finding, in its discretion, pursuant to Water Code section 350 or other applicable law, that the ordinary demands and requirements of its customers cannot be satisfied by its other supplies such that, without access to this water, it would have insufficient supplies for human consumption, sanitation, and fire protection. The availability of water for withdrawal pursuant to this provision is expressly conditioned upon the full replenishment, at the member's expense, of any temporary withdrawals within thirty six (36) months of the withdrawal, and upon a Watermaster finding that the withdrawal will not result in Material Physical Injury or undesirable results, consistent with the methodology defined in Exhibit "E" hereto.

(ii) Withdrawal for Desalter Replenishment. After 2024, each member of the Appropriative Pool shall be allowed to withdraw a quantity equal to 3/13 of its portion of the Safe Storage Reserve for the exclusive purpose of replenishment of Desalter production, consistent with Peace II Agreement section 6.2, Watermaster Resolution 2010-04, dedication to Desalter Replenishment in furtherance of the OBMP Implementation Plan and the maintenance of Hydraulic Control. Any such withdrawal of this water is conditioned upon a Watermaster finding that the withdrawal will not result in Material Physical Injury or undesirable results, consistent with the methodology defined in Exhibit "E" hereto.

- (d) The provisions of this Paragraph 6.2 shall remain in effect only until the Court has approved a Storage Management Plan pursuant to Paragraph 6.3, below.

6.3 Development of Storage Management Plan. Within twenty four (24) months of the Effective Date, the Appropriative Pool, in coordination with other interested Pools and Parties to the Judgment, will exercise Best Efforts to develop and recommend, a Storage Management Plan to Watermaster and the Court for approval. Each of the Agricultural Pool Committee, the Non-Agricultural Pool Committee and the Appropriative Pool Committee must approve any Storage Management Plan before it may be presented to the Watermaster, provided that, at any time after exercising good faith and undertaking Best Efforts to reach a mutually acceptable agreement within one year from the initiation of negotiations, any Pool may submit its proposal to Watermaster, and then to the Court, for review and approval. Pending the Court's approval of a Storage Management Plan, applications for the recharge, storage, and recovery of Supplemental Water will be administered in accordance with the Court Approved Management Agreements.

6.4 Storage Losses. After the Effective Date and until termination of this Agreement, consistent with Exhibit "D" hereto, the "Post-Hydraulic Control uniform loss percentage of less than 1 percent," as that terminology is used in Peace II Agreement 7.4(b), shall be a uniform annual storage loss of 0.07 percent. Storage losses for storage accounts held by persons other than Parties to the Judgment, if any, will be consistent with the requirements of the Peace Agreements. This Paragraph 6.4 shall have no effect on any agreements, in existence at the Effective Date, that provide for the exemption from storage losses of specific quantities of water resident in the Basin.

ARTICLE 7 SETTLEMENT AND RESERVATION OF RIGHTS

7.1 Settlement. By execution of this Agreement, the Parties mutually and irrevocably fully settle their respective claims, rights and obligations, whatever they may be, regarding the timing and methodology of the 2015 Safe Yield Reset, and Watermaster's past and future accounting practices consistent with this Agreement for the apportionment of Basin recharge resulting from 2001-2014 Stormwater Recharge Program, Post-2014 Stormwater Recharge Projects, and Desalter-Induced Recharge.

7.2 Reservation of Rights: General. Nothing herein shall be construed as precluding any Party to the Judgment from seeking judicial review of any Watermaster action on the grounds that Watermaster has failed to act in accordance with the Peace Agreement as amended, the Peace II Agreement, this Agreement, the Amended Judgment, the OBMP Implementation Plan as amended, and applicable law.

7.3 Reservation of Rights: Desalter Replenishment. The Parties expressly reserve their respective rights and remedies arising from the Judgment and the Peace Agreements, whatever they may be, to pursue, promote, design, plan, finance and implement Desalter Replenishment in furtherance of the OBMP Implementation Plan and to allocate costs attributable thereto. Notwithstanding this reservation, the Parties expressly waive their right to seek a re-evaluation of Desalter Replenishment arising from Paragraph 6.2(b) of the Peace II Agreement.

The rights and obligations of the Parties regarding Replenishment Assessments attributable to all Desalters in any renewal term of the Peace Agreement are subject to the negotiation of a new and separate agreement among the Parties to the Judgment.

ARTICLE 8 TERM

8.1 Commencement. This Agreement will become effective upon the satisfaction of all conditions precedent and shall expire on its termination, as described in Paragraph 8.2, below.

8.2 Termination. This Agreement is coterminous with of the term of the Peace Agreement, including any extension thereto, and will expire of its own terms and terminate on the date of the Peace Agreement.

8.3 Survival. Paragraphs 5.1(b)(ii) and 5.1(c) shall survive termination of this agreement.

ARTICLE 9 DISPUTE RESOLUTION

9.1 Scope of Dispute Resolution. Disputes (Disputes) between the Parties other than those constituting an "Exclusion" (defined below), shall be subject to the provisions of this Paragraph.

9.2 Exclusions:

- (a) Emergency. An emergency event which, if not promptly resolved may result in imminent danger to the public health, safety or welfare shall not be subject to dispute resolution.
- (b) Complete Discretion. Those matters reserved to the complete discretion of a Party under this Agreement shall not be subject to dispute resolution.
- (c) Review under the Judgment Unaffected. The rights and remedies of the Parties to the Judgment to seek review of Watermaster actions shall not be subject to dispute resolution.

9.3 Disputes.

- (a) Each Party may submit any Dispute related to or arising under this Agreement to non-binding mediation by delivering a Notice of Dispute to the other Party;
- (b) The written Notice of Dispute prepared by the Party shall be delivered to the other Party in accordance with Section 10.13 of the Peace Agreement. The Notice of Dispute shall clearly describe the basis of the dispute and the Paragraphs of the Agreement under which the Dispute arises;
- (c) The non-binding mediation shall be conducted by Judicial Arbitration Mediation Services (JAMS) or an equivalent mediation service agreed to by the Parties;
- (d) Unless otherwise agreed, a mediator shall be appointed within forty-five (45) days of the date the Notice of Dispute is delivered to hear the dispute and provide a written determination. The mediator shall be chosen jointly by the Parties. If the Parties cannot agree, the Court shall appoint the mediator. Employees or agents of Watermaster or any Party to the Judgment are ineligible to serve as the mediator;
- (e) The mediation shall be held within ninety (90) days of the date the Notice of Dispute is delivered;
- (f) Any statute of limitations applicable to any claims, rights, causes of action, suits, or liabilities of whatever kind or nature, in law, equity or otherwise, whether known or unknown, shall be tolled during the mediation process. For purposes of this Paragraph, the mediation process shall commence upon the service of a Notice of Dispute to the other Party pursuant to Paragraph 9.3(b) above. For purposes of this Paragraph, the mediation process shall be deemed complete ten (10) days after service of the mediator's written notice of the conclusion of the mediation.

**ARTICLE 10
GENERAL PROVISIONS**

10.1 Construction of this Agreement. Each Party, with the assistance of competent legal counsel, has participated in the drafting of this Agreement and any ambiguity should not be construed for or against any Party on account of such drafting.

10.2 Awareness of Contents/Legal Effect. The Parties expressly declare and represent that they have read the Agreement and that they have consulted with their respective counsel regarding the meaning of the terms and conditions contained herein. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement and they approve and accept the terms and conditions contained herein, and that this Agreement is executed freely and voluntarily.

10.3 Amendments and/or Changes to Agreement.

- (a) Any amendments and/or changes to this Agreement must be in writing, signed by a duly authorized representative of the Parties hereto, and must expressly state the mutual intent of the Parties to amend this Agreement as set forth herein. The Parties to this Agreement recognize that the terms and conditions of this Agreement, which are set forth herein in the Paragraphs preceding this Paragraph, have been arrived at through the collective negotiations by the Parties.
- (b) The Parties hereby agree that no amendments and/ or changes may be made to this Agreement without the express written approval of each Party to this Agreement, provided that upon request, no such approval shall be unreasonably withheld.

10.4 Counterparts. This Agreement may be executed in counterparts. This Agreement shall become operative as soon as one counterpart hereof has been executed by each Party. The counterparts so executed shall constitute on Agreement notwithstanding that the signatures of all Parties do not appear on the same page.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

EXHIBITS

- A. Reset Technical Memorandum
- B. Section 5.1(b)(ii) Accounting Examples
- C. Safe Storage Reserve Allocation Illustration
- D. Storage Losses Technical Memorandum
- E. Safe Storage Withdrawal Technical Memorandum
- F. Watermaster Resolution No. 2015-06

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IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED:

CITY OF ONTARIO

By _____

DATED:

CITY OF POMONA

By _____

DATED:

CITY OF UPLAND

By _____

DATED:

STATE OF CALIFORNIA

By _____

DATED:

**CUCAMONGA COUNTY WATER
DISTRICT**

By _____

DATED:

MONTE VISTA WATER DISTRICT

By _____

DATED:

**FONTANA UNION WATER
COMPANY**

By _____

DATED:

CITY OF CHINO HILLS

By _____

DATED:

**JURUPA COMMUNITY SERVICES
DISTRICT**

By _____

DATED:

**OVERLYING (AGRICULTURAL)
POOL**

By _____

DATED:

APPROPRIATIVE POOL

By _____

DATED:

**OVERLYING: (NON-
AGRICULTURAL) POOL**

By _____

DATED:

**INLAND EMPIRE UTILITIES
AGENCY**

By _____

DATED:

**THREE VALLEYS MUNICIPAL
WATER DISTRICT**

By _____

DATED:

**WESTERN MUNICIPAL WATER
DISTRICT**

By _____

DATED:

SAN ANTONIO WATER COMPANY

By _____

DATED:

**CHINO BASIN WATER
CONSERVATION DISTRICT**

By _____

DATED:

**MONTE VISTA IRRIGATION
COMPANY**

By _____

DATED:

FONTANA WATER COMPANY

By _____

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Reset Technical Memorandum

To:	Peter Kavounas, General Manager of the Chino Basin Watermaster
From:	Mark Wildermuth and Andy Malone
Date:	August 10, 2015
Subject:	Methodology to Reset Safe Yield Using Long-Term Average Hydrology and Current and Projected Future Cultural Conditions
Job No.:	007-014-076

The Safe Yield of the Chino Basin is defined within the Judgment as:

The *long-term average* annual quantity of ground water (excluding replenishment or stored water but including return flow to the Basin from use of replenishment or stored water) which can be produced from the Basin under *cultural conditions* of a particular year without causing an undesirable result. (emphasis added)

The “long-term average annual quantity of ground water which can be produced from the Basin” is directly related to the long-term average hydrologic conditions, such as precipitation. The “cultural conditions” refer to the overlying land uses and water-management practices that affect the net recharge to the Basin, including but not limited to, impervious cover, channel lining, land use conversions from agricultural to urban uses, installation and operation of the Chino Desalter well fields, construction of recharge basins and the location and magnitude of groundwater pumping, etc.

The Judgment additionally provides for a Physical Solution to provide maximum flexibility and adaptability in order that Watermaster and the Court may be free to use existing and future technological, social, institutional and economic options, in order to maximize beneficial use of the waters of Chino Basin. (Restated Judgment, ¶ 40).

Subject to these requirements, Watermaster developed an optimum basin management program [OBMP] that both preserved the quantity of the Basin’s waters and maximized their beneficial use. (Restated Judgment, ¶ 41).

Watermaster’s OBMP Implementation Plan called for an initial redetermination of Basin’s Safe Yield in 2010/2011, using monitoring data that would be gathered for the first time during 2000/01 through 2009/10. (OBMP Implementation Plan, pages 44-45

[Program Element 8 – Develop and Implement Groundwater Storage Management Program, Program Element 9 – Develop and Implement Storage and Recovery Programs]). This requirement is additionally carried forward in Section 6.5 of Watermaster’s Rules and Regulations, which states that the “Safe Yield shall be recalculated in year 2010/11 based upon data from the ten-year period 2000/01 to 2009/10.”

The methodology to redetermine the Safe Yield for 2010/11 and the recommended methodology for future Safe Yield evaluations is listed below. This methodology is consistent with professional custom, standard and practice, and the definition of Safe Yield in the Judgment and the Physical Solution.

1. Use the data collected during 2000/01 to 2009/10 (and in the case of subsequent resets newly collected data) in the re-calibration process for the Watermaster’s groundwater-flow model.
2. Use a long-term historical record of precipitation falling on current and projected future land uses to estimate the long-term average net recharge to the Basin.
3. Describe the current and projected future cultural conditions, including, but not limited to the plans for pumping, stormwater recharge and supplemental-water recharge.
4. With the information generated in [1] through [3] above, use the groundwater-flow model to redetermine the net recharge to the Chino Basin taking into account the then existing current and projected future cultural conditions.
5. Qualitatively evaluate whether the groundwater production at the net recharge rate estimated in [4] above will cause or threaten to cause "undesirable results" or "Material Physical Injury". If groundwater production at net recharge rate estimated in [4] above will cause or threaten to cause "undesirable results" or "Material Physical Injury" then Watermaster will identify and implement prudent measures necessary to mitigate "undesirable results" or "Material Physical Injury", set the value of Safe Yield to ensure there is no "undesirable results" or "Material Physical Injury", or implement a combination of mitigation measures and a changed Safe Yield.



Safe Yield Reset and Stormwater Recharge Scenarios

Assumptions

- 1 Projects count toward New Yield annually on actual basis for first five years
- 2 Projects are included in Safe Yield after Reset if at least five years of performance – as OSY if no opt outs; as OSY though separately accounted-for if opt out:
- 3 Projects count toward reduction in decline in Safe Yield backfill obligation after five years either through (1) inclusion in Safe Yield; or (2) "as if" treatment
- 4 Backfill is calculated from Original Safe Yield of 140,000

	Production Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Stormwater Program A	annualized yield											5400	5400	5400	5400	5400	5400
Project #1	measured yield				700	800	750	600	900	400	500						
Project #2	measured yield				600	700	650	500	750	600	650						
Projects #3-5	measured yield						4000	3800	4200	3700	4100						
Stormwater Program B	annualized yield																5600
Projects #1-3	measured yield								6000	5000	4000	5500	6000	4000	5500	6500	
Total Stormwater New Yield:					1300	1500	5400	4900	11850	9700	9250	5500	6000	4000	5500	6500	0
							Reset					Reset					Reset
Safe Yield		135000	135000	135000	135000	135000	133000	133000	133000	133000	133000	138000	138000	138000	138000	138000	140000
Production Right					136300	136500	138400	137900	144850	142700	142250	143500	144000	142000	143500	144500	140000
Backfill (SY decline)		5000	5000	5000	5000	5000	7000	7000	7000	7000	7000	2000	2000	2000	2000	2000	0
Available Reduction in Backfill (SW projects "as if")					1300	1500	5400	4900	11850	9700	9250	5500	6000	4000	5500	6500	
Remaining backfill obligation due to SY decline:					3700	3500	1600	2100	0	0	0	0	0	0	0	0	

Net Ag Pool Reallocation Scenario
 Including Desalter-Induced Recharge of 50% Desalter Production
 Land Use Conversion and Ag Production Based on Linear Projections for Ultimate Build-Out at 2049/2050

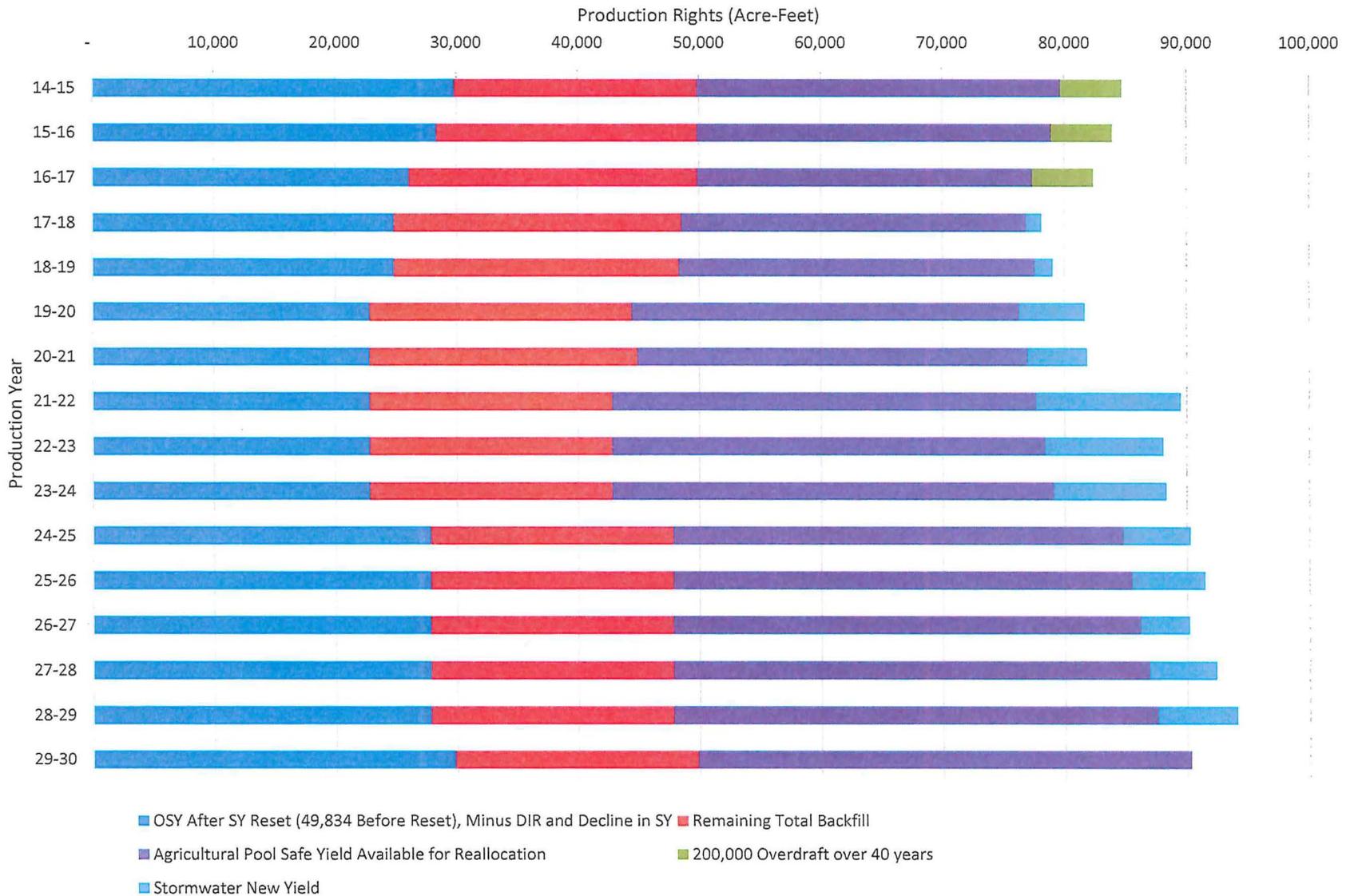
Assume build-out is at 2050, and occurs linearly. Based on 11/2014 Watermaster Staff Projections.

Assume Ultimate Agricultural Total Pool Physical Production (Including Voluntary Agreements) =	6,601
Assume Ultimate Agricultural Total Pool Voluntary Agreements =	1,560
Assume Ultimate Land Use Conversion =	50,399

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	Production Year															
	PROJECTED Ag Production & Land Use Conversion Values															
	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30
Assumptions:																
Safe Yield	135,000	135,000	135,000	135,000	135,000	133,000	133,000	133,000	133,000	133,000	138,000	138,000	138,000	138,000	138,000	140,000
Change in Safe Yield (= 140,000 AF - New Safe Yield)	5,000	5,000	5,000	5,000	5,000	7,000	7,000	7,000	7,000	7,000	2,000	2,000	2,000	2,000	2,000	-
Desalter-Induced Recharge (To Be Allocated Toward DRO Until 2030)	15,000	16,500	18,750	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Backfill Due to Decline in Safe Yield & DRO	20,000	21,500	23,750	25,000	25,000	27,000	27,000	27,000	27,000	27,000	22,000	22,000	22,000	22,000	22,000	20,000
Net New Recharge	-	-	-	1,300	1,500	5,400	4,900	11,850	9,700	9,250	10,900	11,400	9,400	10,900	11,900	11,000
Portion of Net New Recharge That Is Measured Yield (SW New Yield)	-	-	-	1,300	1,500	5,400	4,900	11,850	9,700	9,250	5,500	6,000	4,000	5,500	6,500	-
Portion of Net New Recharge That Is Annualized Yield (Incl. as Safe Yield)	-	-	-	-	-	-	-	-	-	-	5,400	5,400	5,400	5,400	5,400	11,000
Reduction in Backfill (Stormwater Projects "As If")	-	-	-	1,300	1,500	5,400	4,900	7,000	7,000	7,000	2,000	2,000	2,000	2,000	2,000	-
Remaining Total Backfill	20,000	21,500	23,750	23,700	23,500	21,600	22,100	20,000								
Agricultural Pool Safe Yield	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800
Agricultural Total Pool Physical Production	(21,656)	(21,226)	(20,796)	(20,366)	(19,936)	(19,506)	(19,076)	(18,645)	(18,215)	(17,785)	(17,355)	(16,925)	(16,495)	(16,065)	(15,634)	(15,204)
Agricultural Total Pool Voluntary Agreements	(11,275)	(10,997)	(10,720)	(10,442)	(10,164)	(9,887)	(9,609)	(9,332)	(9,054)	(8,777)	(8,499)	(8,222)	(7,944)	(7,666)	(7,389)	(7,111)
Remaining Total Backfill	(20,000)	(21,500)	(23,750)	(23,700)	(23,500)	(21,600)	(22,100)	(20,000)								
Agricultural Pool Safe Yield Available for Reallocation	29,869	29,077	27,534	28,292	29,200	31,807	32,015	34,823	35,530	36,238	36,946	37,654	38,361	39,069	39,777	40,484
Total Land Use Conversions	(26,835)	(27,508)	(28,181)	(28,855)	(29,528)	(30,201)	(30,875)	(31,548)	(32,221)	(32,894)	(33,568)	(34,241)	(34,914)	(35,587)	(36,261)	(36,934)
Early Transfer	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)	(32,800)
Potential for Ag Pool Reallocation	(59,635)	(60,308)	(60,981)	(61,655)	(62,328)	(63,001)	(63,675)	(64,348)	(65,021)	(65,694)	(66,368)	(67,041)	(67,714)	(68,387)	(69,061)	(69,734)
Required Ag Pool Reallocation Adjustment	(29,766)	(31,232)	(33,447)	(33,363)	(33,128)	(31,194)	(31,660)	(29,525)	(29,491)	(29,456)	(29,422)	(29,387)	(29,353)	(29,319)	(29,284)	(29,250)

Net Ag Pool Reallocation Scenario



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Safe Yield Reset Implementation
Safe Storage Reserve Accounting Illustration¹
Excess Carryover Storage Account Ending Balances as of June 30, 2014 / July 1, 2014⁴
(Per June 11, 2015 Key Principles)
(Acre-Feet)

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[A] Appropriative Pool Party	[B] Excess Carryover (ECO) Balance ²	[C] ECO Percent of Total	[D]		[E]		[F] Total
			Emergency		Safe Storage Reserves		
			ECO Party	Percent Applied Over 100,000 AF	Post-2024 Desalter Replenishment ECO Party	Percent Applied Over 30,000 AF	
Arrowhead Mtn Spring Water Co	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	7,044.754	3.041%	3,040.738	912.221	3,952.959	3,952.959	3,952.959
Chino, City Of	65,507.715	28.275%	28,275.193	8,482.558	36,757.751	36,757.751	36,757.751
Cucamonga Valley Water District	41,927.991	18.097%	18,097.441	5,429.232	23,526.674	23,526.674	23,526.674
Desalter Authority	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Fontana Union Water Company	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Fontana Water Company	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Fontana, City Of	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	1,216.503	0.525%	525.081	157.524	682.605	682.605	682.605
Jurupa Community Services District	7,272.166	3.139%	3,138.896	941.669	4,080.565	4,080.565	4,080.565
Marygold Mutual Water Company	832.906	0.360%	359.508	107.853	467.361	467.361	467.361
Monte Vista Irrigation Company	4,959.655	2.141%	2,140.743	642.223	2,782.966	2,782.966	2,782.966
Monte Vista Water District	6,639.003	2.866%	2,865.603	859.681	3,725.284	3,725.284	3,725.284
Niagara Bottling, LLC	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Nicholson Trust	1.129	0.000%	0.487	0.146	0.634	0.634	0.634
Norco, City Of	3,058.998	1.320%	1,320.360	396.108	1,716.468	1,716.468	1,716.468
Ontario, City Of	31,465.957	13.582%	13,581.698	4,074.509	17,656.207	17,656.207	17,656.207
Pomona, City Of	28,375.606	12.248%	12,247.805	3,674.342	15,922.147	15,922.147	15,922.147
San Antonio Water Company	4,447.513	1.920%	1,919.687	575.906	2,495.593	2,495.593	2,495.593
San Bernardino, County of (Shooting Park)	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Santa Ana River Water Company	1,835.140	0.792%	792.104	237.631	1,029.735	1,029.735	1,029.735
Upland, City Of	16,682.750	7.201%	7,200.800	2,160.240	9,361.040	9,361.040	9,361.040
West End Consolidated Water Co	4,028.903	1.739%	1,739.001	521.700	2,260.702	2,260.702	2,260.702
West Valley Water District	6,382.421	2.755%	2,754.854	826.456	3,581.310	3,581.310	3,581.310
Total	231,679.110	100.000%	100,000.000	30,000.000	130,000.000	130,000.000	130,000.000

1. Per the Key Principles, the Safe Storage Reserves are to be calculated based on July 1, 2015 ECO account balances. The table will be updated and distributed when these numbers become available.

2. Excess Carry Over (ECO) water is subject to Safe Storage, and Supplemental water is not.

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Storage Losses Technical Memorandum	
To:	Peter Kavounas, General Manager of the Chino Basin Watermaster
From:	Mark Wildermuth, Wenbin Wang
Date:	September 4, 2015
Subject:	Storage Losses After Achievement of Hydraulic Control
Job No.:	007-015-076

Background

In May 2014, Wildermuth Environmental, Inc. (WEI) completed an assessment of the state of hydraulic control and identified the timing of attainment of hydraulic control, based on a schedule to bring the Chino Creek Well Field (CCWF) and three new Desalter II wells online. This work was documented in a letter report to Watermaster dated May 29, 2014. The letter report was provided to the Regional Board to demonstrate that the implementation of the Chino Desalter Authority (CDA) project and Reoperation would ensure that hydraulic control is achieved and maintained in the future as agricultural groundwater production declines.

This Technical Memorandum describes WEI's assessment of hydraulic control, based on the CDA production plan, and provides an estimate of storage loss.

CDA Production Plan and Schedule

Table 1 lists existing and proposed CDA wells, nominal production capacities in gallons per minute (gpm), use factors (fraction of time well is in use), effective production capacities (gpm), and annual production expressed in acre-feet/year (afy). This table was initially provided by Curtis Paxton of the CDA on April 21, 2014 via email and updated by him on August 20, 2015. Figure 1 shows the locations of the existing and proposed CDA wells. The CDA is constructing three new wells; two of which (II-10 and II-11) will become operational in January 2016 and the third well (II-12) will become operational in June 2016. All of the new wells are projected to have a production capacity of about 2,000 gpm. Table 1 indicates when the CCWF and new wells are projected to come on-line. The CCWF is projected to come on-line later this year, and hydraulic control will be achieved shortly thereafter.

Analysis of Hydraulic Control with CDA Proposed Expansion

The projected state of hydraulic control was estimated with the 2013 Groundwater Model by simulating the Chino Basin's response to Watermaster planning Scenarios 5A and 5G¹. Scenarios 5A and 5G are identical except for the location of the future CDA II-12 well and when its production commences. Scenarios 5A and 5G contain identical projected future groundwater production and recharge and replenishment plans. Scenarios 5A and 5G include a gradual increase in groundwater production by the Appropriator Parties, based on groundwater production projections developed in the 2013 Amendment to the 2010 Recharge Master Plan Update,² and assume that replenishment and recharge operations would be conducted by Watermaster pursuant to the Judgment and Peace Agreements. Planning Scenarios 5A and 5G assume:

- The planning period runs from 2012 through 2050.
- The economy will expand with the build out of undeveloped land occurring by 2030.
- The CDA expansion would occur based on an approved schedule, and re-operation will occur based on the current approved schedule through 2030.
- The 6,500 acre-ft/yr supplemental water recharge obligation for MZ1 will terminate in 2030.
- Projected future recycled water recharge estimates were provided by the IEUA.
- Projected future stormwater recharge estimates were based on average historical stormwater recharge estimates.
- There will be no increase in future stormwater recharge capacity.
- The 5,000 acre-ft/yr of controlled overdraft pursuant to the Judgment will cease after 2017.
- Production rights will be based on the current and projected future Safe Yield.
- Groundwater production estimates for fiscal years 2012 and 2013 were actual production estimates, and groundwater production estimates for 2014 through 2050 were provided by the Parties or developed by Watermaster staff and approved by the Parties.
- The annual replenishment obligation was estimated using the efficient market assumption that includes the following:
 - On a go-forward (post 2013) basis, under-producers will transfer unpumped rights to over-producers each year; that is, there is an efficient

¹ Planning scenarios 5A through 5F were created to investigate the groundwater response to assuming different base periods for resetting Safe Yield. Watermaster is using Scenario 5A for the Safe Yield reset. Scenario 5G is identical Scenario 5A except for the location of CDA well II-12.

² http://www.cbwm.org/rep_engineering.htm

- market that moves unused production rights from under-producers to over-producers.
- Water in storage accounts will be used to meet future replenishment obligations prior to the purchase of supplemental water for wet-water for recharge.
 - All transfers among the parties and depletion from storage accounts will not cause MPI.

The model-projected groundwater response for Scenarios 5A and 5G are identical except in the immediate vicinity of proposed CDA well II-12 locations. Scenario 5G is representative of the actual well location for CDA well II-12. Therefore for simplicity and clarity for presentation only Scenario 5G is discussed further herein.

The attainment of hydraulic control is measured either by demonstrating, from groundwater elevation data, that all groundwater north of the desalter well fields cannot pass through the desalter well fields (total hydraulic containment standard) or that the groundwater discharge through the desalter well fields is, in aggregate, less than 1,000 afy (de minimis standard). The Regional Board has agreed that compliance with the de minimis standard will be determined from the results of periodic calibrations of the Watermaster groundwater model and the interpretations of the calibration results.

Figures 2a and 2b illustrate the state of hydraulic control for Scenario 5G for 2020 and 2025, respectively. These maps include groundwater-elevation contours and arrows that depict groundwater-flow directions in the southern part of the Chino Basin in the vicinity of the CDA well field and the Santa Ana River. Hydraulic containment is attained at and east of CDA well I-20 by 2020 for both scenarios.

Groundwater discharge from the Chino North Management Zone to the Prado Basin Management Zone and the Santa Ana River is projected to not be fully contained by the CCWF in the area between the Chino Hills and CDA well I-20. Groundwater discharge through the CCWF was estimated through the analysis of 2013 Groundwater Model projected cell-by-cell discharges through the CCWF. Table 2 lists the projected annual time series of this discharge through the CCWF for Scenario 5G (as reported in the May 29, 2014 report to the Regional Board) and comparable time series, taking into account an updated schedule to bring the CCWF online. Using the *de minimis* discharge threshold of 1,000 afy or less of groundwater discharge from the Chino North Management Zone to the Santa Ana River, hydraulic control is achieved in 2016 and maintained thereafter. Thus, hydraulic control will likely be established in 2016.

Storage Losses after the Achievement of Hydraulic Control

Surface water discharge in the Santa Ana River consists of storm flow and base flow. Base flow is divided into two components: wastewater discharged from publicly owned

treatment plants and rising groundwater. Section 2 of the *Optimum Basin Management Program, Phase 1 Report*³ contains a description of the relationship of groundwater discharge from the Chino Basin to the Santa Ana River due to storing water in the Chino Basin. The discussion below describes the theoretical background for the storage loss rate and its application using the modeling results from the hydraulic control investigation described above.

In the absence of complete hydraulic containment, the aggregate volume of water held in storage accounts and carryover will increase groundwater discharge and a subsequent increase in Santa Ana River base flow. The physics of the groundwater storage-base flow relationship can be represented by the linear reservoir theory⁴, where discharge is directly proportional to storage:

$$Q = K * S$$

Where:

- Q is the discharge from storage (afy)
- S is the volume of water in storage (af)
- K is the linear reservoir coefficient (y^{-1})

This formula can be calibrated to a specific range of storage and groundwater management conditions. Figure 3 shows the relationship of total groundwater discharge through the CCWF to the projected future aggregate volume of water held in storage accounts and carryover⁵; this relationship is shown by the dark blue curve. This curve is divided into two parts, corresponding to the period of projected future increases in the aggregate volume of water in storage accounts and carryover (2015 through 2023) and the subsequent period of decline in the aggregate volume of water in storage accounts and carryover (2024 through 2043). Inspection of the curve indicates the following:

- The decreasing storage limb of the curve has a slope of about 0.07 percent for a range of storage of 0 to 450,000 af and where the slope is the storage loss rate (K).
- The increasing storage limb of the curve is too short to interpret except to conclude that it is suggestive of a comparable storage loss rate.

³ *Optimum Basin Management Program Report, Phase 1 Report*, prepared by WEI and submitted to Watermaster in August 1999. http://www.cbwm.org/rep_engineering.htm

⁴ This is discussed in hydrology textbooks when covering hydrograph decomposition. For example, see Section 7-2 in *Hydrology for Engineers* by Linsley, Kohler and Paulhus, second edition, 1975.

⁵ Though Watermaster does not consider carryover water to be stored water, it is included in this document because the model considers it in the same manner as stored water.

- The increasing limb of the curve does not include the full hydraulic effect of the CCWF well field as it was assumed to come online in 2014, and the production trough created by it will take a few years to reach it's maximum effectiveness.
- There is a minimum groundwater discharge through the CCWF of about 500 afy regardless of amount of water in storage: when the aggregate volume of water in storage accounts and carryover is 0 af, the groundwater discharge is about 500 afy.

Watermaster should use the slope of the decreasing limb of the curve to estimate the storage loss rate. The second (green) curve shown in Figure 3 represents the estimated discharge through the CCWF attributable to the aggregate volume of water in storage accounts and carryover. It is identical to the total discharge through the CCWF curve plotted above minus 500 afy. Based on modeling work described herein, there will be about 500 afy of discharge through the CCWF regardless of the volume of water in storage accounts and carryover. This base 500 afy discharge is an artifact of the CCWF design and projected operation. This base 500 afy of discharge is accounted for in the net recharge calculation and could be eliminated through additional production wells in the CCWF.

The planning assumptions used to project future groundwater conditions presented herein represent the best estimate of future basin management at the time the assumptions were made. These assumptions will likely change in the future and new future projections will be made. Watermaster will revise the planning assumptions and projected hydrologic conditions when it reevaluates net recharge and Safe Yield in 2020, 2025 and 2030. Watermaster has a maximum benefit requirement to assess the state of hydraulic control and report its findings to the Regional Board when it evaluates the net recharge and Safe Yield. It is our professional opinion that under a range of plausible future changes in cultural conditions that the storage loss rate will not change significantly from that estimated herein.

Recommendation

Upon achieving hydraulic control, Watermaster should change the storage loss rate used in its accounting process from 2.00 percent to 0.07 percent. Achieving hydraulic control will reduce losses from the aggregate volume of water in storage accounts and carryover by about 97 percent.

Table 1
CDA Desalter Well Production Schedule for Scenario 5G
As of May 2014

Well	Operational Assumptions		Model-Assumed Production		Well in Service
	Current Capacity (gpm)	Operating Factor (% used)	Average Capacity (gpm)	Annual Capacity (afy)	
(1)	(2)	(3)	(4) = (2) * (3)	(5) = (4) * 1.631	(6)
CDA I-1	399	95%	379	611	Now
CDA I-2	210	95%	200	322	Now
CDA I-3	555	95%	527	850	Now
CDA I-4	170	95%	162	260	Now
CDA I-5	1,327	70%	932	1,504	Now
CDA I-6	297	70%	209	337	Now
CDA I-7	302	70%	212	342	Now
CDA I-8	1,098	70%	771	1,244	Now
CDA I-9	1,096	70%	770	1,242	Now
CDA I-10	1,304	70%	916	1,478	Now
CDA I-11	789	70%	554	894	Now
CDA I-13	1,185	70%	833	1,343	Now
CDA I-14	2,103	70%	1,477	2,383	Now
CDA I-15	2,496	70%	1,754	2,828	Now
CDA I-16	250	70%	176	283	5/1/2014
CDA I-17	300	70%	211	340	5/1/2014
CDA I-18	0	0%	0	0	Not Used
CDA I-19	0	0%	0	0	Abandoned
CDA I-20	400	70%	281	453	9/1/2015
CDA I-21	400	70%	281	453	9/1/2015
CDA II-1	2,162	70%	1,519	2,450	Now
CDA II-2	1,791	70%	1,258	2,029	Now
CDA II-3	1,848	70%	1,298	2,094	Now
CDA II-4	2,030	70%	1,426	2,300	Now
CDA II-6	1,758	70%	1,235	1,992	Now
CDA II-7	1,089	70%	765	1,234	Now
CDA II-8	1,287	70%	904	1,458	Now
CDA II-9A	1,980	70%	1,391	2,244	Now
CDA II-10	2,000	70%	1,405	2,266	1/1/2016
CDA II-11	2,000	70%	1,405	2,266	1/1/2016
CDA II-12 Opt 1					Not Used
CDA II-12 Opt 2					Not Used
CDA II-12 Opt 3	2,000	70%	1,405	2,266	6/1/2016
Totals	34,626	71%	24,656	39,768	
CCWF Sub-totals	1,350		948	1,530	



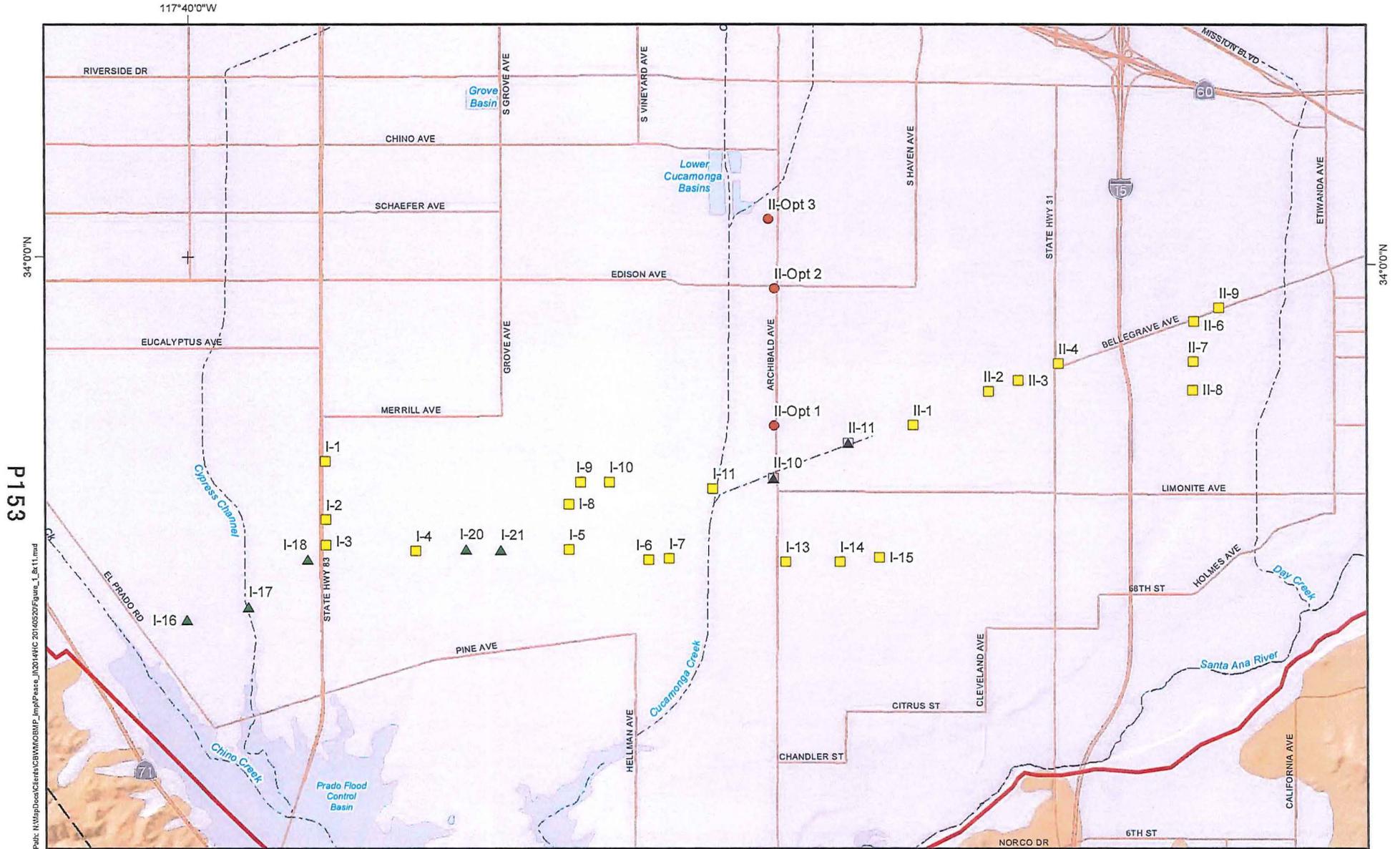
Table 2
Subsurface Discharge through the CCWF for Scenario 5G
 (afy)

Year	Per May 29, 2014 Report	July 31, 2015 Technical Memorandum ¹
2014	1,061	
2015	910	1,061
2016	910	910
2017	916	910
2018	917	916
2019	911	917
2020	905	911
2021	904	905
2022	898	904
2023	888	898
2024	876	888
2025	863	876
2026	850	863
2027	837	850
2028	824	837
2029	811	824
2030	797	811
2040	584	562
2050	417	416

¹ The groundwater discharge through the CCWF in the July 31 Technical Memorandum is, for any given year, has been assumed equal the discharge in the May 29, 2014 Report for the immediately prior year. That is, it has been lagged a year to account for the delay in bringing the CCWF online.



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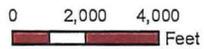
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Chino Basin Hydraulic Control and Safe Yield

Author: LBB
 Date: 8/11/2015

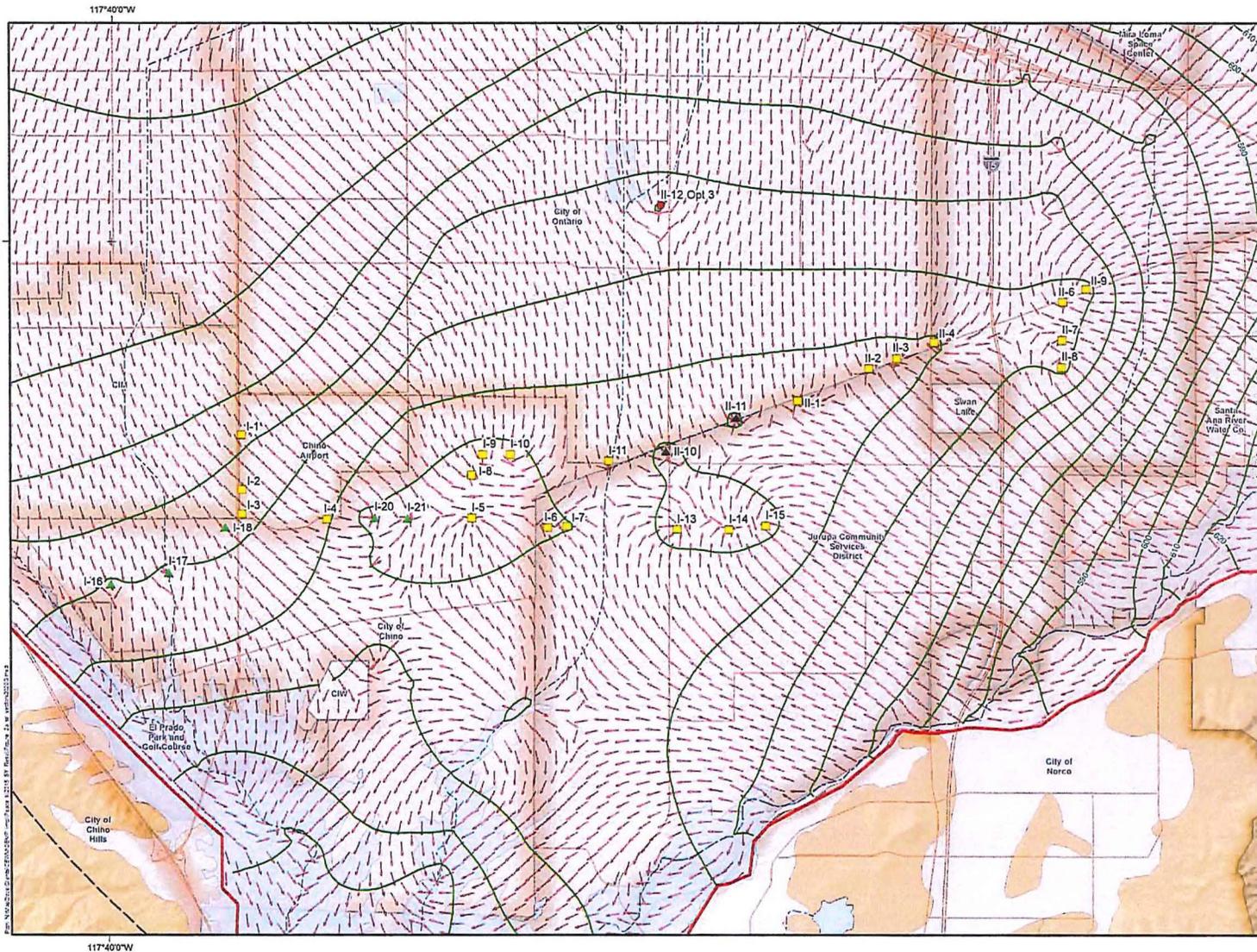
- Existing Chino Desalter Wells
- ▲ New Chino Creek Well Field Wells
- ▲ Future Chino II Desalter Wells
- Location Options for Third New Chino II Desalter Well
- Groundwater Flow Model Boundary
- Flood Control and Conservation Basins



Chino Basin Desalter Wells

Figure 1

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- 2020 Groundwater Flow Vectors Model Layer 1 - Scenario 5G
- 2020 Groundwater Elevation Contours (Scenario 5G) (feet above mean sea-level)
- Water Service Area Boundaries
- Existing Chino Desalter Wells
- New Chino Creek Well Field Wells
- Future Chino II Desalter Wells
- Location Option for Third New Chino II Desalter Well

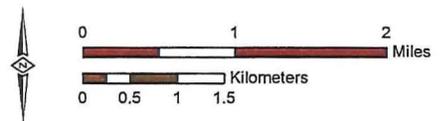
Other Features

- Groundwater Flow Model Boundary
- Flood Control and Conservation Basins



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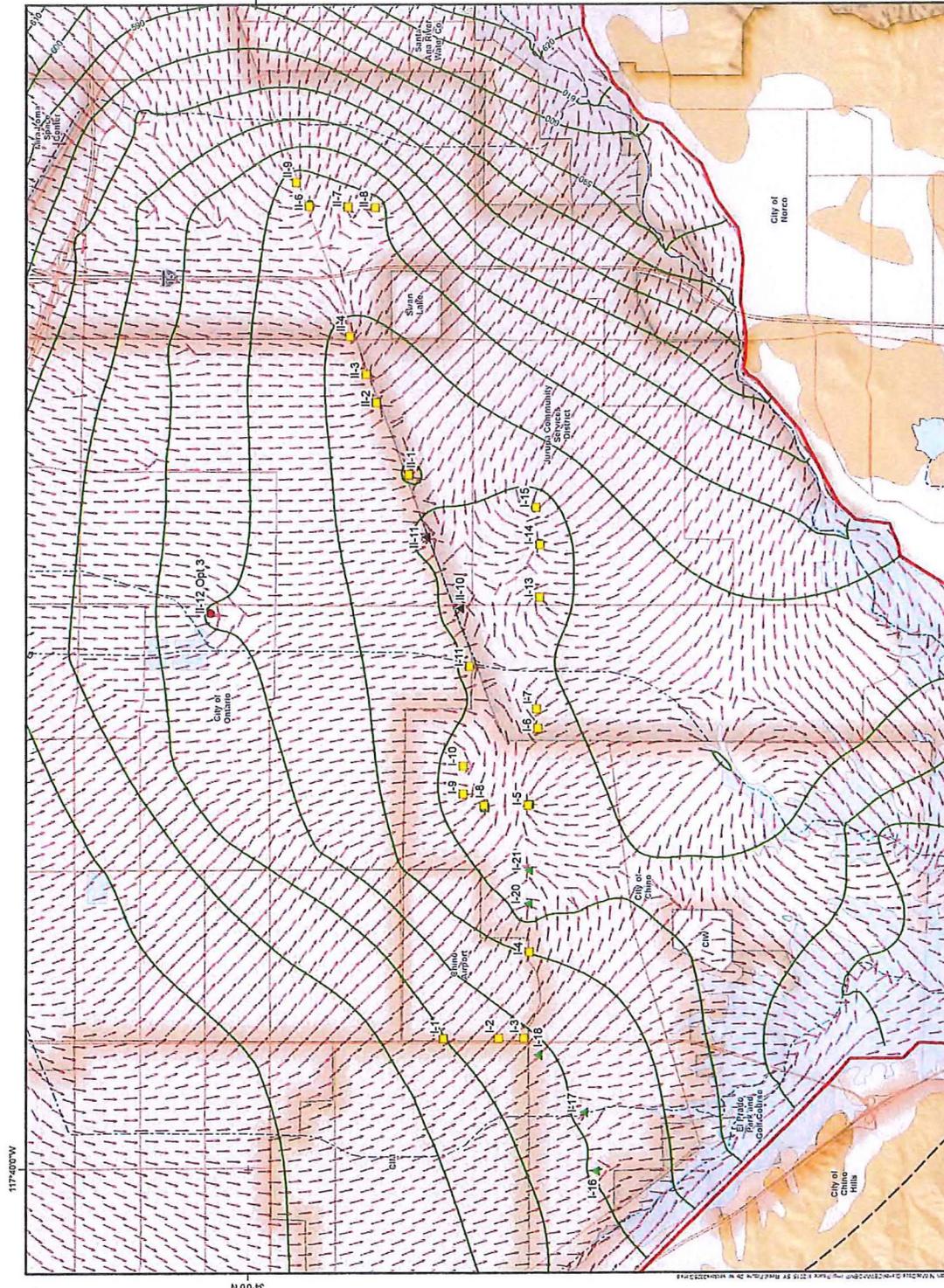
Author: LBB
 Date: 8/24/2015



Chino Basin Hydraulic Control and Safe Yield

State of Hydraulic Control in 2020
 Scenario 5G

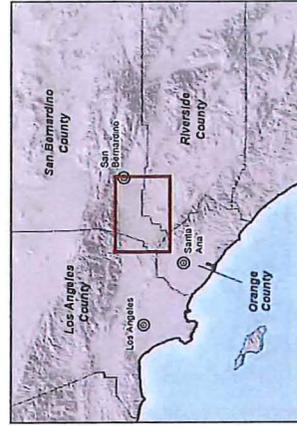
Figure 2a



- 2025 Groundwater Flow Vectors
Model Layer 1 - Scenario 5G
- 2025 Groundwater Elevation Contours (Scenario 5G)
(feet above mean sea-level)
- Water Service Area Boundaries
- Existing Chino Desalter Wells
- New Chino Creek Well Field Wells
- Future Chino II Desalter Wells
- Location Option for Third New Chino II Desalter Well

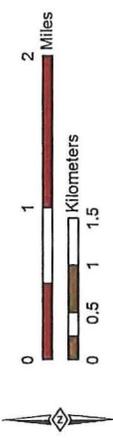
Other Features

- Groundwater Flow Model Boundary
- Flood Control and Conservation Basins



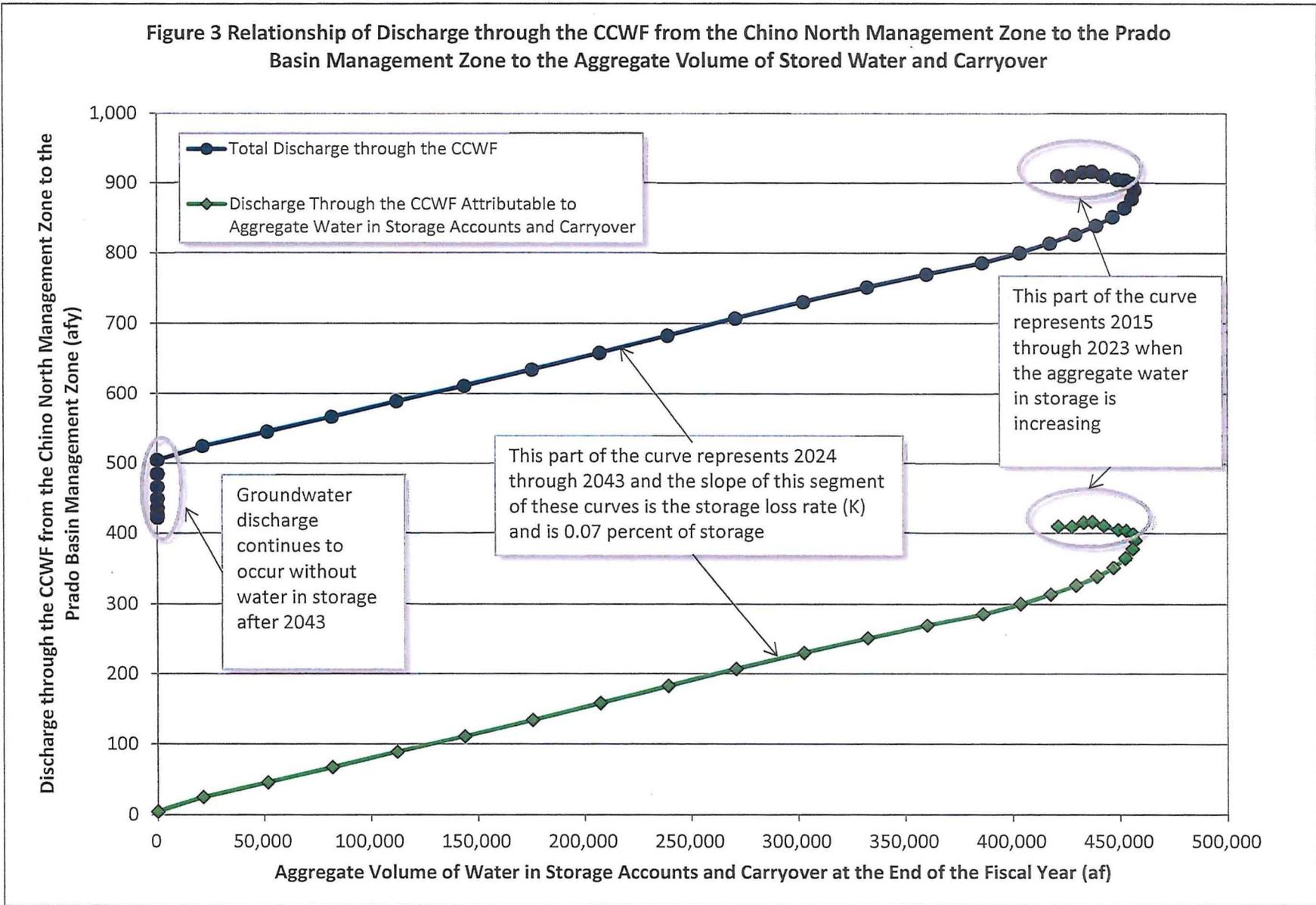
State of Hydraulic Control in 2025
Scenario 5G
Figure 2b

Chino Basin Hydraulic Control and Safe Yield



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Date: 9/24/2015
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Figure 3 Relationship of Discharge through the CCWF from the Chino North Management Zone to the Prado Basin Management Zone to the Aggregate Volume of Stored Water and Carryover





Safe Storage Management Technical Memorandum

To:	Peter Kavounas, General Manager, Chino Basin Watermaster Scott Slater, General Counsel
From:	Mark Wildermuth, Andy Malone
Date:	September 16 2015
Subject:	Evaluation of Safe Storage Management Measures as Described in the August 23, 2015 Draft 2015 Safe Yield Reset Agreement
Job No.:	007-015-076

As part of the development of the 2015 Safe Yield Reset Agreement, the Parties have proposed certain Safe Storage Management measures with the objective of ensuring that any potential removal of groundwater from non-Supplemental Water storage accounts¹ would not cause Material Physical Injury (MPI) or undesirable results. As an interim measure to “ensure protection against a precipitous drop in water levels and undesirable results” and MPI, a Safe Storage Reserve, comprising 130,000 AF of non-Supplemental Water in Appropriative Pool member storage accounts, would be established, pending the development of a Storage Management Plan. This technical memorandum examines whether setting aside 130,000 AF is sufficient to achieve this objective in the interim. We conclude that, in combination with the existing monitoring and Watermaster-required review, it does.

Background

The 2013 Watermaster model was used to evaluate past and future conditions in the Chino Basin, including, but not limited to, net recharge, the state of hydraulic control, and time histories of groundwater levels and storage. The investigation covered the historical period of 1961 through 2011 and projected future conditions for 2012 through 2050. Planning scenarios were created based on the water resource plans provided by the Watermaster Parties. Scenario 5A is the planning scenario used by Watermaster as a basis for projecting future Basin conditions, resetting the Safe Yield, and making regulatory findings regarding the state of hydraulic control. The analysis of current and

¹ The 2015 Safe Yield Reset Agreement consistently refers to water held in non-Supplemental Water storage accounts. In Watermaster accounting, non-Supplemental Water storage accounts is the same as excess carryover water storage accounts and excess carryover water storage accounts is used in this Technical Memorandum when discussing the Safe Storage management measures.

projected future conditions is described in detail in the draft *2013 Chino Basin Groundwater Model Update and Recalculation of Safe Yield Pursuant to the Peace Agreement*² and subsequent Watermaster monthly process meetings and numerous Safe Yield Reset workshops³.

During the Watermaster process to evaluate and reset the Safe Yield, a concern arose regarding the projection of future changes in groundwater levels that may be caused through the management of stored water pursuant to the Judgment and Peace Agreements. To address this concern, the Watermaster Parties and Watermaster desire to implement Safe Storage Management measures (SSMM) that will ensure that the future management of stored water will not cause MPI or undesirable results to the Basin or a Party to the Judgment.

This Technical Memorandum was prepared to: describe the historical and projected future changes in storage, describe potential bases of concern, describe the proposed SSMM, describe the interim SSMM and respond to specific questions regarding the interim SSMM, and describe the anticipated technical process to develop the Storage Management Plan.

Historical and Projected Future Changes in Storage

Table 1 lists the historical amounts of water in carryover⁴, excess carryover storage, and the supplemental water in storage for the Appropriative and Overlying Non-Agricultural Pools for the period spanning fiscal years 2001 through 2014 (the Peace Agreement period). The water in storage held by members of the Appropriative Pool increased during the Peace Agreement period:

- The aggregate annual volume of carryover increased from about 16,000 acre-feet (af) in 2001 to about 42,000 af in 2008 and remained at about that level through 2014—an increase of 26,000 af or 162 percent.
- The aggregate volume of excess carryover storage increased steadily from about 45,000 af in 2001 to about 232,000 af through 2014—an increase of 186,000 af or 412 percent.
- The aggregate volume of supplemental water storage varied between 80,000 and 90,000 af during the period of 2001 through 2010 and thereafter increased to about 125,000 af through 2014—an increase of 32,000 af or 35 percent.

²

<http://www.cbwm.org/FTP/2013%20Safe%20Yield%20Recalculation/20140128%20Draft%202013%20CBWM%20Model%20Update%20and%20Recalc%20of%20Safe%20Yield%20Report/>

³ <http://www.cbwm.org/FTP/2013%20Safe%20Yield%20Recalculation/>

⁴ Though Watermaster does not consider Carryover water to be stored water, it is included in this document because the model considers it in the same manner as stored water.

- In sum, the aggregate volume of storage by the Appropriative Pool Parties increased from about 154,000 af in 2001 to about 398,000 af in 2014—an increase of 244,000 af or 159 percent.

The aggregate volume of water in storage held by the Overlying Non Agricultural Pool was about 38,000 af in 2001, increased to 59,000 af in 2007, and subsequently decreased to about 20,000 af in the 2012 through 2014 period.

The total water held in carryover and storage accounts by Parties within the Appropriative and Overlying Non-Agricultural Pools increased from 192,000 in 2001 to about 418,000 af through 2014—an increase over fourteen years of 226,000 af or 118 percent.

Figure 1 shows the estimated time history of the total volume of water in storage in the Chino Basin for the historical period of 1978 through 2011 and the subsequent projected future period of 2012 through 2050. This time history was developed from the calibration of the 2013 Chino Basin Model and its subsequent application to projected future Basin conditions.

In contrast to the increase in water in storage accounts during the period of 2001 through 2014, as described above and in Table 1, the physical water in storage within the Basin declined from 5,966,000 af to about 5,649,000 af during this period—a decline of about 317,000 af. The planned change in storage during the same period was a decline of 294,000 af (5,000 afy from controlled overdraft [as provided for in the Judgment] and Reoperation and other water dedicated from storage [as provided for in the Peace Agreements]). The physical groundwater storage declined by about 23,000 af more than was planned.

The projected future total volume of water in storage was estimated by simulating the Chino Basin's response to projected future groundwater production and recharge and replenishment plans with the 2013 Groundwater Model. The specific projected future groundwater production, recharge and replenishment plans, other cultural conditions, and hydrology used herein are collectively referred to as Scenario 5A. Scenario 5A includes a gradual increase in groundwater production by the Appropriators, based on groundwater production projections developed in the 2013 Amendment to the 2010 Recharge Master Plan Update⁵ and that replenishment and recharge operations would be conducted by Watermaster pursuant to the Judgment and Peace Agreements⁶. Planning Scenario 5A assumes:

- The planning period runs from 2012 through 2050.

⁵ http://www.cbwm.org/rep_engineering.htm

⁶ The planning assumptions used to project future groundwater conditions presented herein represent the best estimate of future basin management at the time the assumptions were made. These assumptions will likely change in the future and new future projections will be made.

- The economy will expand with the build out of undeveloped land occurring by 2030.
- The CDA expansion would occur based on an approved schedule, and re-operation will occur based on the current approved schedule through 2030.
- The 6,500 af/yr supplemental water recharge obligation for MZ1 will terminate in 2030.
- Projected future recycled water recharge estimates were provided by the IEUA.
- Projected future stormwater recharge estimates were based on the average historical stormwater recharge estimates.
- There will be no increase in future stormwater recharge capacity installed after 2013 and excludes the new stormwater recharge projected included in the 2013 Amendment to the RMPU.
- The 5,000 acre-ft/yr of controlled overdraft pursuant to the Judgment will cease after 2017.
- Production rights will be based on the current and projected future Safe Yield including 135,000 afy Safe Yield for 2015 through 2020 period as contemplated in the 2015 Safe Yield Reset Agreement.
- Groundwater production estimates for fiscal years 2012 and 2013 are actual production estimates, and groundwater production estimates for 2014 through 2050 are estimates provided by the Parties or developed by Watermaster staff and approved by the Parties.
- The annual replenishment obligation was estimated using the efficient market assumption, which includes the following:
 - On a go-forward (post 2013) basis, under-producers will transfer unpumped rights to over-producers each year; there is an efficient market that moves unused production rights from under-producers to over-producers.
 - Water in storage accounts will be used to meet future replenishment obligations prior to the purchase of supplemental water for wet-water for recharge.
 - All transfers among the Parties and depletion from storage accounts will not cause MPI or undesirable results.

Figure 2 shows the projected future change in physical storage for the period of 2012 through 2050 based upon assumptions included within Scenario 5A. Storage is projected to decline by about 604,000 af through 2043 and not decline thereafter. The decline in storage during 2012 through 2043 can be attributed to planned reductions in storage (5,000 af/yr from controlled overdraft [as provided for in the Judgment and

Reoperation] and other water dedicated from storage [as provided for in the Peace Agreements]) and withdrawals from storage accounts.

The historical and projected future decline in storage within the Basin from fiscal 2000-01 through 2049-50 is estimated to be about 900,000 af, all of which except for 23,000 af is planned reduction under the Judgment and Peace Agreements. The major contributions to the decrease in storage are planned Basin water dedicated to the replenishment of CDA production (Reoperation) and stored water in the Watermaster Parties' storage accounts.

The withdrawal of supplemental water in storage currently requires an MPI analysis by Watermaster (Rules and Regulations 8.4). Consequently, some portion of the supplemental water currently in storage may already have an MPI analysis completed and a finding of no MPI, allowing it to be produced without further review. The transfer of excess carryover water is subject to MPI review pursuant to the Peace Agreement (Peace Agreement 5.1 (e)(iv)) "Watermaster shall exercise Best Efforts to: [...]

"evaluate the potential or threat for any Material Physical Injury to any party to the Judgment or the Chino Basin including, but not limited to, any Material Physical Injury that may result from any Transfer of water in storage or water rights which is proposed in place of physical Recharge of water to the Chino Basin in accordance with the provisions of Section 5.3;"

For the avoidance of doubt that the withdrawal of water from storage accounts will not result in MPI or undesirable results and to inform Watermaster and the Parties as to whether they may also achieve their concurrent objective of facilitating the reservation of some stored water for future water shortages caused by drought or importation system failure, further analysis was undertaken. The principle MPI concerns are: exacerbating subsidence in the Northwest MZ1 area and production sustainability generally and specifically in the Jurupa area. In response to this concern, the Watermaster Parties are contemplating an agreement to implement the SSMM.

Safe Storage Management Plan Description

An initial description of the SSMM emerged from the FANDA process in June 2015 and is included in the 2015 Safe Yield Reset Agreement (currently being drafted⁷). The goal of the SSMM is to manage stored water to protect against MPI or undesirable results. The SSMM will be implemented in two parts. First an interim plan will be implemented immediately after the 2015 Safe Yield Reset Agreement is approved by the Court, which is anticipated this year. The Watermaster Parties have committed to use Best Efforts to develop a Storage Management Plan within two years of Court approval of the 2015 Safe Yield Reset Agreement. The Storage Management Plan will replace the interim plan upon the Court's approval.

⁷ Specifically the August 23, 2015 draft as circulated by Brad Herrema.

The key feature of the interim plan is the creation of a *Safe Storage Reserve* of 130,000 af⁸ to be maintained by the Appropriative Pool Parties in their excess carryover water accounts. During the interim plan period, the aggregate water in their excess carryover water accounts will not be allowed to decline below 130,000 af except as provided for below:

- During the interim plan period, the Appropriative Pool Parties may be able to access up to 100,000 af from the Safe Storage Reserve in the event of an emergency, provided that the water withdrawn will be replaced within 36 months and that Watermaster can make a finding that the withdrawal will not cause MPI or undesirable results.
- Absent a Storage Management Plan, up to a maximum of 30,000 af will be available from the Safe Storage Reserve after 2024 for the exclusive purpose of dedication to Desalter replenishment, provided that Watermaster can make a finding that the withdrawal will not cause MPI or undesirable results.

The contents and requirements of the Storage Management Plan will be developed in the future; therefore, the following discussion pertains to the SSMM during the interim plan period while the Storage Management Plan is developed.

Evaluation of the Interim Safe Storage Management Plan Commitments

As to the Safe Storage Reserve, four questions have been posed in the drafting of the SSMM regarding the likelihood of the Appropriative Pool Parties needing access to the 100,000 af emergency water held in the Safe Storage Reserve and as to whether there will be potential for or an actual MPI or undesirable results caused by withdrawals from storage during the interim plan period. These questions and their answers follow.

Assuming the SSMM is effective July 1, 2015, what is the likelihood that the Appropriative Pool Parties will need to access the 100,000 af pool of water in the 130,000 af Safe Storage Reserve in the next two years and prior to the approval and implementation of the Storage Management Plan?

Under the current best estimate of planned production, recharge and replenishment, it is highly unlikely that the Appropriative Pool will need to access the 100,000 af emergency storage in the Safe Storage Reserve during the next two years. The aggregate volumes of water in excess carryover storage and supplemental water storage for the Appropriative Pool Parties on July 1, 2014 (July 1, 2015 values are not yet available) were about 232,000 af and 125,000 af, respectively, totaling 357,000 af. The average amount of carryover water for the five-year period of 2010 through 2014 is about 41,000 af. So for planning purposes, the amount of water in storage and

⁸ Using methodology consistent with prudent professional standards, short term actual measured net recharge during 2000-2014 was less than total rights allocated to the Parties to the Judgment to produce groundwater without incurring a replenishment assessment over the period 2000-2014 by a quantity potentially as high as 130,000 AF.

carryover available to the Appropriative Pool Parties is about 398,000 af (equal to 232,000 af of excess carryover storage plus 125,000 af of supplemental water storage and 41,000 af of carryover). The difference between what is in storage plus carryover now and the 130,000 af of proposed Safe Storage Reserve is about 268,000 af. Figure 2 shows the Scenario 5A-based projected future total water in storage, aggregate water in storage accounts plus carryover through 2050, the 130,000 af Safe Storage Reserve limit and the 100,000 af limit of emergency storage within the Safe Storage Reserve. Based on this planning scenario:

- The aggregate volume of water in storage in storage accounts and carryover will continue to increase through 2023 and potentially reach 457,000 af.
- The amount of stored water plus carryover will decline to about 100,000 af in about 2040.

Therefore, based on the best planning information available to Watermaster, it is highly unlikely that the Appropriative Pool Parties will need to access the 100,000 af pool of water in the 130,000 af Safe Storage Reserve in the next two years and prior to the approval and implementation of the Storage Management Plan.

Based on the information available to WEI, the Appropriative Pool Parties in aggregate do not have the well and groundwater treatment capacity to produce an additional 268,000 af over the next two years or the water demand to serve it. It is also highly unlikely that the Appropriative Pool Parties will have the well and groundwater treatment capacity to produce an additional 268,000 af over the next five years, and doing so would require replacing most or all of the imported water that now comes into the basin for direct use⁹. Some of the imported water used for direct use is required for blending with groundwater to produce potable water. For all these reasons, we believe that it is very unlikely that the limitation of the Safe Storage Reserve would actually constrain party production and withdrawal from non-supplemental storage accounts during the next five years.

How would the projected aggregate volume of water in storage accounts change if the efficient market assumption was not used?

The aggregate volume of water in storage accounts would increase at a greater rate than described above and shown in Figure 2 if the efficient market assumption was not used. The total water in storage in the Basin would also increase. This occurs because under-producers would store their unproduced water right instead of transferring it to over-producers, thus triggering wet-water recharge to occur to meet replenishment obligations. Without the efficient market assumption, the aggregate volume in storage accounts would increase beyond that shown in Figure 2, the period of increasing storage would extend further into the future (beyond 2024), and the subsequent projected decline in storage would occur slower and perhaps never reach the 600,000 af decline

⁹ For both the two and five-year periods, it was assumed that that the Appropriators would use up their supplemental water in storage prior to accessing the 100,000 af in the Safe Storage Reserve.

by 2045 as suggested with the efficient market assumption. The use of the efficient market assumption results in a more rapid (conservative) rate of drawdown than would occur if it were not used.

Will withdrawals from storage during the interim plan period of the SSMM cause potential or actual MPI or undesirable results?

No. Watermaster is required to conduct an MPI evaluation for each transfer among the Parties that is ultimately used to satisfy a replenishment obligation. This obligation does not change with the SSMM. In doing so, Watermaster will be able to identify storage management and transfer activity that has the potential to cause MPI or undesirable results well before volume in excess carryover declines to Safe Storage Reserve of 130,000 af.

The aggregate volume of water in storage accounts plus carryover water is projected to increase by 12,000 af during the interim plan period (July 1, 2015 through June 30, 2017). The physical storage in the Basin is projected to decrease by about 12,000 af for the same period. Figure 3 shows the projected change in groundwater levels for the interim period. During this period no significant changes in groundwater elevations are projected to occur except in the Chino II Desalter well field area and, more specifically, where new desalter production wells will come online after 2015. The projected groundwater level changes during the two-year interim plan period will not cause MPI or undesirable results to the Basin or a Party.

If a Storage Management Plan is never developed and the interim plan remains in force through the term of the Peace Agreement, does Watermaster have the authority to review and approve the recovery of water in storage in excess of the 130,000 Safe Storage Reserve to ensure there is no MPI or undesirable results to the Chino Basin or a Party?

Yes. The Peace Agreement and Watermaster's Rules and Regulations provide Watermaster with the authority to review each transfer and subsequent recovery of stored water, evaluate these actions before they occur for MPI or undesirable results, and subsequently to: approve them if there is no threatened or actual MPI or undesirable results, conditionally approve them with mitigation requirements if there is threatened or actual MPI or undesirable results, or disapprove them if there is unmitigated threatened or actual MPI or undesirable results.

Watermaster conducts continuous monitoring of the Basin and programmatic investigations that provide Watermaster with scientifically defensible information for use in MPI or undesirable results assessments. Watermaster is required to conduct certain investigations every two years that inform Watermaster regarding how past approval of transfers that reduce replenishment with wet water recharge have impacted the Basin and provide Watermaster guidance on conducting wet water replenishment. These analyses are:

- Analysis of the cumulative impact of transfers (Rules and Regulations, § 9.3(a)). This effort is included in Fiscal year 2016.
- Balance of recharge and discharge (Peace Agreement, § 5.1(e)(viii); Rules and Regulations, § 7.1). This effort is included in Fiscal 2016.

Watermaster conducts extensive monitoring and reports on this monitoring every two years in its State of the Basin Report. This monitoring supports many Watermaster activities. This monitoring includes groundwater production, groundwater levels, groundwater quality, artificial recharge, surface water discharge surface water quality and ground elevation.

Watermaster is monitoring subsidence over the entire Chino Basin and is conducting a focused investigation to understand the cause of subsidence in the Northwest MZ1 Area and to develop a management plan to abate or minimize subsidence in this area. The subsidence management plan will be completed in fiscal 2020. Watermaster and the Appropriative Pool Parties are implementing the 2013 RMPU¹⁰ that includes the development of production sustainability projects.

Process to Develop the Storage Management Plan

The Watermaster Parties will, pursuant to the 2015 Safe Yield Reset Agreement, develop the Storage Management Plan to protect the Basin and the Parties from MPI or undesirable results caused by withdrawing water from Basin storage accounts. The Storage Management Plan may also address, as necessary, the appropriateness of any limitations on the total amount of water held in storage accounts, as well as priority among pending applications for local storage accounts. Watermaster may also identify other goals consistent with the OBMP that can be addressed through storage management and subsequently incorporate them into the Storage Management Plan (e.g., salinity management).

¹⁰ http://www.cbwm.org/rep_engineering.htm

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Table 1
Time History of Ending Balances in Storage in the Chino Basin Exclusive of the Dry-Year Yield Activities and
Aggregate Storage Account Estimate without Reoperation

(af)

Fiscal Year	Appropriative Pool (Pool 3)				Overlying Non-Ag (Pool 2)			Total in Storage
	Carryover	Excess Carryover (ECO)	Suppl.	Total	Carryover	Local Storage	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2001	15,940	45,281	92,813	154,034	5,301	32,330	37,631	191,665
2002	13,521	42,206	87,801	143,528	5,285	33,727	39,012	182,540
2003	18,656	48,650	81,180	148,486	6,743	36,850	43,593	192,079
2004	21,204	53,128	80,963	155,295	7,177	40,881	48,058	203,353
2005	21,289	63,631	88,849	173,769	7,227	45,888	53,115	226,884
2006	32,062	55,442	86,170	173,674	7,227	49,178	56,405	230,079
2007	34,552	50,894	83,184	168,630	7,084	51,476	58,560	227,190
2008	41,626	83,962	83,861	209,449	6,819	45,248	52,067	261,516
2009	42,795	101,908	84,867	229,570	6,672	46,600	53,272	282,842
2010	41,263	120,897	90,133	252,293	6,934	47,732	54,666	306,959
2011	41,412	146,074	98,080	285,566	6,959	49,343	56,302	341,868
2012	42,614	209,981	116,138	368,733	6,914	13,993	20,907	389,640
2013	39,413	225,068	116,378	380,859	7,073	15,473	22,546	403,405
2014	41,708	231,679	125,052	398,439	6,478	12,812	19,290	417,729

¹ Though Watermaster does not consider Carryover water to be stored water, it is included in this document because the model considers it in the same manner as stored water.



Figure 1 Historical and Projected Future Storage in the Chino Basin 1978 through 2050

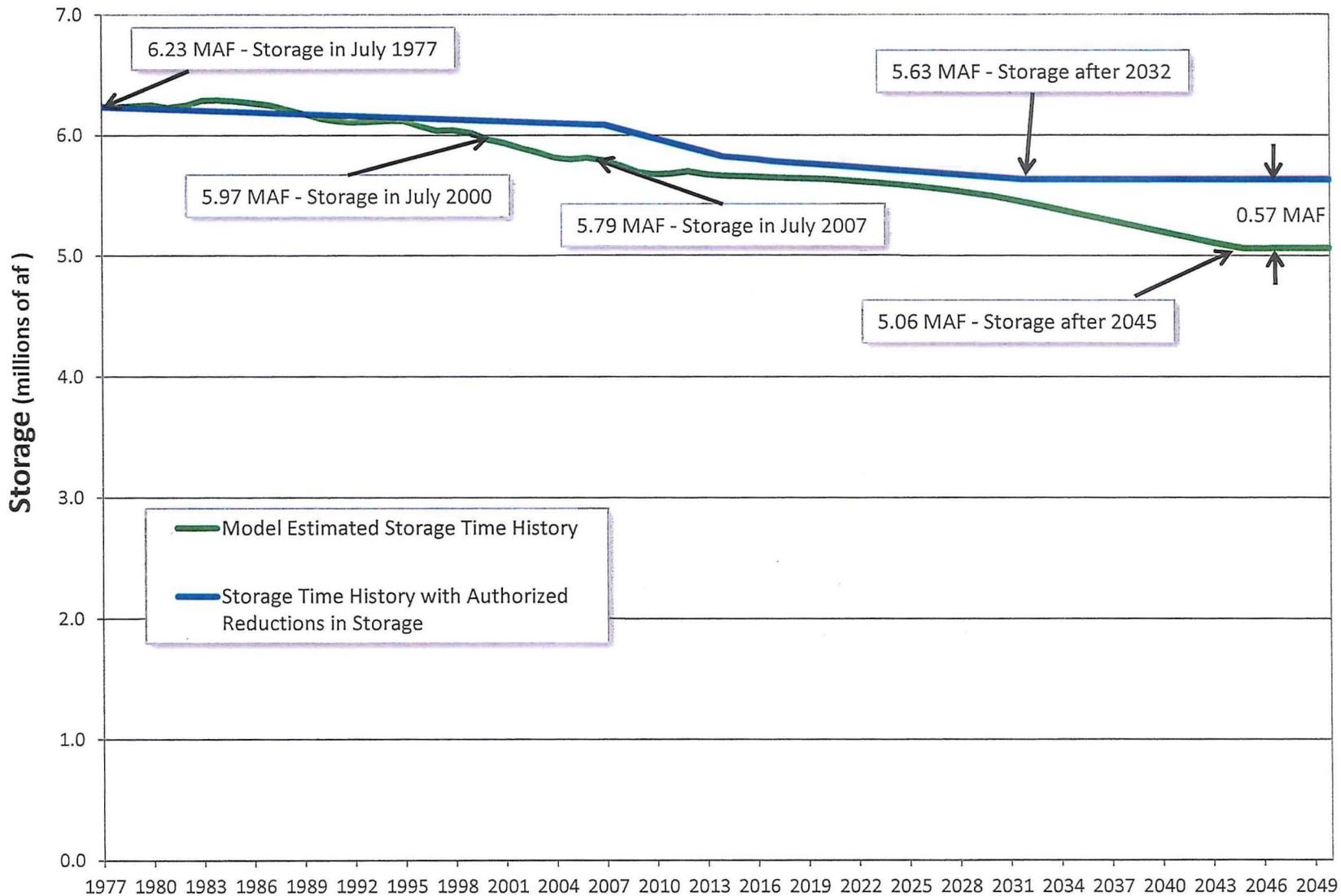
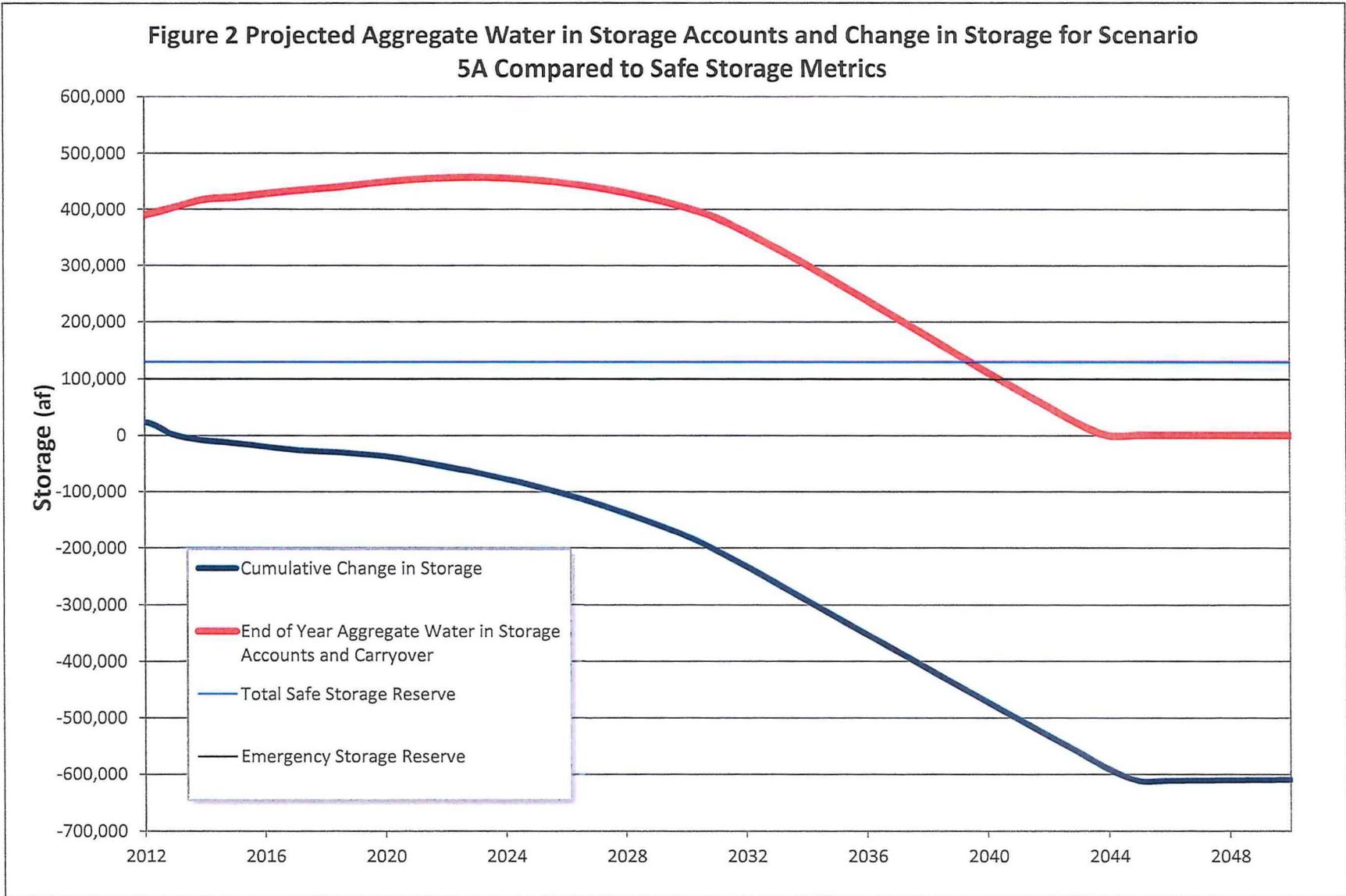


Figure 2 Projected Aggregate Water in Storage Accounts and Change in Storage for Scenario 5A Compared to Safe Storage Metrics



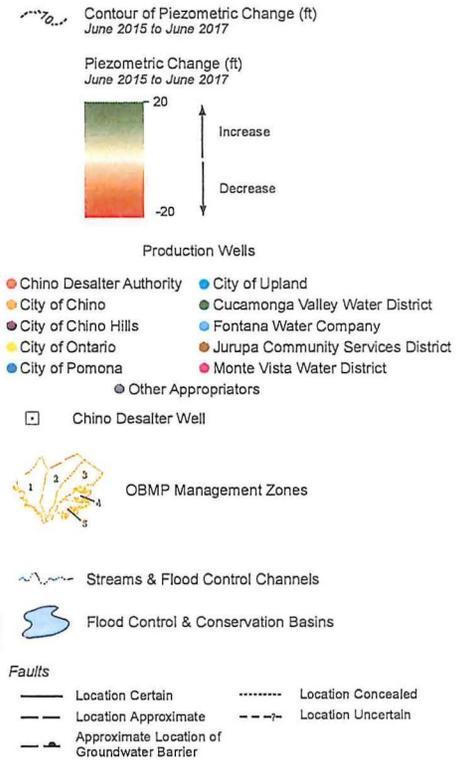
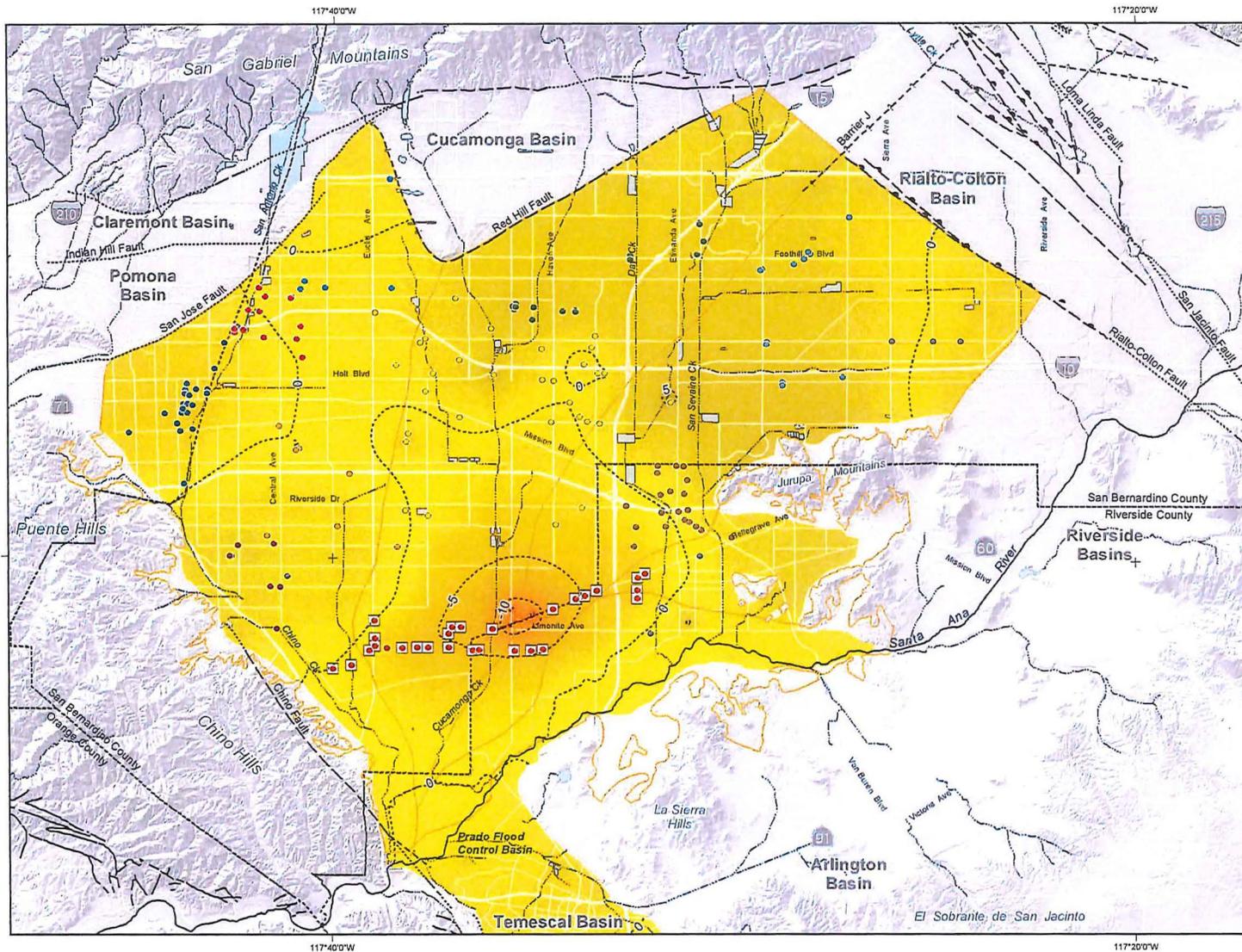
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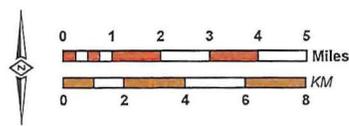
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Technical Memorandum No. 2 - Evaluation of the Safe Storage Management Proposal as Described in the June 11, 2015 Safe Yield Reset Summary of Non-Binding Key Principles Derived from Facilities Process



Groundwater Level Change in Layer 1

June 2015 to June 2017

Figure 3

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for September 2015

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/04/2015	ACH 090415	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/29/2015	08/29/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/16/15-08/29/15	2000 · Accounts Payable	6,467.41
TOTAL						6,467.41
Bill Pmt -Check	09/08/2015	18866	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	07/31/2015	610804		610804	6078 · BHFS Legal - Miscellaneous	8,190.00
				610804	6375 · BHFS Legal - Board Meeting	352.80
				Personnel	6073 · BHFS Legal - Personnel Matters	445.50
				Expenses	6375 · BHFS Legal - Board Meeting	150.00
				Expenses	6907.42 · Safe Yield Recalculation	450.00
				Expenses	8375 · BHFS Legal - Appropriative Pool	12.46
				Expenses	8475 · BHFS Legal - Agricultural Pool	12.46
				Expenses	8575 · BHFS Legal - Non-Ag Pool	12.45
				Expenses	6078 · BHFS Legal - Miscellaneous	66.65
Bill	07/31/2015	610805		Training	6073 · BHFS Legal - Personnel Matters	114.75
				OAH	6073 · BHFS Legal - Personnel Matters	579.60
				GM Contract	6073 · BHFS Legal - Personnel Matters	1,924.20
				Personnel	6073 · BHFS Legal - Personnel Matters	582.75
Bill	07/31/2015	610806		610806	6907.34 · Santa Ana River Water Rights	525.60
Bill	07/31/2015	610807		610807	6907.36 · Santa Ana River Habitat	531.00
Bill	07/31/2015	610808		610808	6275 · BHFS Legal - Advisory Committee	1,338.75
Bill	07/31/2015	610809		610809	6375 · BHFS Legal - Board Meeting	5,961.15
Bill	07/31/2015	610810		610810	8375 · BHFS Legal - Appropriative Pool	1,721.25
Bill	07/31/2015	610811		610811	8475 · BHFS Legal - Agricultural Pool	1,721.25
Bill	07/31/2015	610812		610812	8575 · BHFS Legal - Non-Ag Pool	1,721.25
Bill	07/31/2015	610813		610813	6071 · BHFS Legal - Court Coordination	3,309.75
Bill	07/31/2015	610814		610814	6907.42 · Safe Yield Recalculation	69,571.35
				Expenses	6907.42 · Safe Yield Recalculation	188.59
				610814	6375 · BHFS Legal - Board Meeting	263.25
Bill	07/31/2015	610815		610815	6078.12 · CCG Motion	3,021.75
				Expenses	6078.12 · CCG Motion	58.07
TOTAL						102,826.63
Bill Pmt -Check	09/08/2015	18867	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	019447404		8/19/15 - 9/18/15	6031.7 · Other Office Supplies	110.98
TOTAL						110.98
Bill Pmt -Check	09/08/2015	18868	FEDAK & BROWN LLP		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015			Progress Billing - August 2015	6062 · Audit Services	3,502.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

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

TOTAL
72

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/08/2015	18877	STATE COMPENSATION INSURANCE FUND	1970970-15	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	01970970-15		Premium on account 8/26/15-9/26/15	60183 · Worker's Comp Insurance	961.58
TOTAL						961.58
Bill Pmt -Check	09/08/2015	18878	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	012519128144592510		012519128144592510	6022 · Telephone	136.22
Bill	08/31/2015	012561121521714508		012561121521714508	7405 · PE4-Other Expense	191.72
TOTAL						327.94
Bill Pmt -Check	09/08/2015	18879	VERIZON WIRELESS	9750570978	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	9750570978		9750570978	7103.7 · Grdwtr Qual-Computer Svc	20.02
TOTAL						20.02
Bill Pmt -Check	09/08/2015	18880	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	001017890001		Vision Insurance - September 2015	60182.2 · Dental & Vision Ins	105.03
TOTAL						105.03
P173 Bill Pmt -Check	09/08/2015	18881	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	09/01/2015	08-k2 213849		Disposal Service - September 2015	6024 · Building Repair & Maintenance	111.57
TOTAL						111.57
General Journal	09/12/2015	09/12/2015	Payroll and Taxes for 08/30/15-09/12/15	Payroll and Taxes for 08/30/15-09/12/15	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 08/30/15-09/12/15	1012 · Bank of America Gen'l Ckg	22,279.42
				Payroll Taxes for 08/30/15-09/12/15	1012 · Bank of America Gen'l Ckg	7,550.13
			ICMA-RC	457(f) Employee Deductions for 08/30/15-09/12/15	1012 · Bank of America Gen'l Ckg	3,646.36
			ICMA-RC	401(a) Employee Deductions for 08/30/15-09/12/15	1012 · Bank of America Gen'l Ckg	1,150.53
TOTAL						34,626.44
Bill Pmt -Check	09/12/2015	ACH 092115	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	09/12/2015	09/12/2015	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/30/15-09/12/15	2000 · Accounts Payable	6,226.22
TOTAL						6,226.22
Bill Pmt -Check	09/14/2015	18882	ACWA JOINT POWERS INSURANCE AUTHORITY	0369673	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2015	0369673		Prepayment - October 2015	1409 · Prepaid Life, BAD&D & LTD	128.39
				September 2015	60191 · Life & Disab.Ins Benefits	128.38
TOTAL						256.77
Bill Pmt -Check	09/14/2015	18883	APPLIED COMPUTER TECHNOLOGIES	2615	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	2615		Database Consulting - August 2015	6052.2 · Applied Computer Technol	4,388.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						4,388.00
Bill Pmt -Check	09/14/2015	18884	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	08/10/2015	8/10 Ad Hoc Comm		8/10/15 Ad Hoc Committee-Ontario Non Ag Usage	6311 · Board Member Compensation	125.00
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/14/2015	18885	BOWMAN, JIM	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/27/2015	8/27 Board Mtg		8/27/15 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18886	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	09/08/2015	8245100651455350		9/06/15-10/05/15	6053 · Internet Expense	64.99
TOTAL						64.99
Bill Pmt -Check	09/14/2015	18887	CHEF DAVE'S CAFE & CATERING	5638	1012 · Bank of America Gen'l Ckg	
Bill	08/27/2015	5638		Lunch for 8/27/15 Watermaster Board meeting	6312 · Meeting Expenses	526.40
TOTAL						526.40
Bill Pmt -Check	09/14/2015	18888	CORELOGIC INFORMATION SOLUTIONS	8154452	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	8154452		8154452	7103.7 · Grdwtr Qual-Computer Svc	62.50
				8154452	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	09/14/2015	18889	DE BOOM, NATHAN		1012 · Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		8/05/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/12/2015	8/12 Special Ag Mtg		8/12/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/13/2015	8/13 Ag Pool Mtg		8/13/15 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	08/26/2015	8/26 Special Ag Mtg		8/26/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	09/14/2015	18890	DE HAAN, HENRY		1012 · Bank of America Gen'l Ckg	
Bill	08/05/2015	8/05 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				8/05/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	08/12/2015	8/12 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				8/12/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	08/26/2015	8/26 Special Ag Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				8/26/15 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00

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

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

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

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

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	07/31/2015	2015223			6910.1 · IRP Groundwater Modeling - WEI	28,448.00
Bill	07/31/2015	2015217-A			7108.32 · HCMP - Adaptive Mgmt Plan	19,977.50
Bill	07/31/2015	2015217-B			7108.31 · Hydraulic Control - PBHSP	2,229.62
TOTAL						186,593.19
Bill Pmt -Check	09/16/2015	18908	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	L0223770		L0223770	7108.7 · Hydraulic Control - Prado Basin	848.00
Bill	08/31/2015	L0223622		L0223622	7108.7 · Hydraulic Control - Prado Basin	848.00
Bill	08/31/2015	L0223769		L0223769	7108.7 · Hydraulic Control - Prado Basin	2,732.00
TOTAL						4,428.00
Bill Pmt -Check	09/16/2015	18909	HOGAN LOVELLS	2922131	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	2922131		Non-Ag Pool Legal Services - July 2015	8567 · Non-Ag Legal Service	7,011.22
TOTAL						7,011.22
Bill Pmt -Check	09/16/2015	18910	IAAP	39342242	1012 · Bank of America Gen'l Ckg	
Bill	09/10/2015	93942242		Annual dues for A. Truong IAAP membership	6111 · Membership Dues	141.00
TOTAL						141.00
Bill Pmt -Check	09/16/2015	18911	MILK PRODUCERS COUNCIL		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015			Reimburse conf. call charges-8/05, 8/12 and 8/26	8412 · Meeting Expenses	115.01
TOTAL						115.01
Bill Pmt -Check	09/16/2015	18912	PREMIERE GLOBAL SERVICES	19312408	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	19312408		WM coordination call on 7/27	6909.1 · OBMP Meetings	4.87
				Board agenda call on 7/28	6312 · Meeting Expenses	4.26
				Joe call on 7/29	6141.3 · Admin Meetings	18.44
				Joe call on 8/03	6141.3 · Admin Meetings	24.26
				Pool agenda prep call on 8/03	8512 · Meeting Expense	8.63
				Pool agenda prep call on 8/03	8412 · Meeting Expenses	8.63
				Pool agenda prep call on 8/03	8312 · Meeting Expenses	8.63
				Discuss Tech memo call on 8/05	6909.1 · OBMP Meetings	40.04
				SY drafting session call on 8/06	6906.73 · OBMP-Safe Yield Recalculation	122.28
				WM coordination call on 8/10	6909.1 · OBMP Meetings	21.96
				WE Inc task orders call on 8/10	6909.1 · OBMP Meetings	35.70
				Non-Ag Pool Meeting call on 8/13	8512 · Meeting Expense	31.01
				SY drafting session call on 8/14	6906.73 · OBMP-Safe Yield Recalculation	5.82
				SY drafting session call on 8/14	6909.1 · OBMP Meetings	26.43
				WM coordination call on 8/17	6909.1 · OBMP Meetings	15.55
				BHFS call on 8/20	6909.1 · OBMP Meetings	16.40

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Type	Date	Num	Name	Memo	Account	Paid Amount
				SY drafting session call on 8/21	6906.73 · OBMP-Safe Yield Recalculation	4.70
				Draft agendas call on 8/24	8512 · Meeting Expense	39.26
				Draft agendas call on 8/24	8412 · Meeting Expenses	39.26
				Draft agendas call on 8/24	8312 · Meeting Expenses	39.25
				WM coordination call on 8/24	6909.1 · OBMP Meetings	28.29
				Board agenda call on 8/25	6312 · Meeting Expenses	18.75
				SY drafting session call on 8/21	6909.1 · OBMP Meetings	65.58
				General Call Line - Fee	6022 · Telephone	49.00
				Confidential Call Line - Fee	6022 · Telephone	49.00
				Service fees	6022 · Telephone	22.21
TOTAL						748.21
Bill Pmt -Check	09/16/2015	18913	R&D PEST SERVICES	0193177	1012 · Bank of America Gen'l Ckg	
Bill	09/10/2015	019377		Pest control-ant and flea control	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	09/16/2015	18914	SANDERS, LAURA		1012 · Bank of America Gen'l Ckg	
Bill	09/14/2015			Transcript for 8/21/15 Court Hearing	6046 · Legal Publications/Services	384.00
TOTAL						384.00
Bill Pmt -Check	09/16/2015	18915	STATE COMPENSATION INSURANCE FUND	1970970-14	1012 · Bank of America Gen'l Ckg	
Bill	09/14/2015	1970970-14		1970970-14	60183 · Worker's Comp Insurance	841.35
TOTAL						841.35
Bill Pmt -Check	09/16/2015	18916	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015	1394905143		Medical Insurance - October	60182.1 · Medical Insurance	6,622.64
TOTAL						6,622.64
Bill Pmt -Check	09/16/2015	18917	CUCAMONGA VALLEY WATER DISTRICT	Lease due October 1, 2015	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015			Lease due October 1, 2015 - new adjusted amount	1422 · Prepaid Rent	6,371.16
TOTAL						6,371.16
Bill Pmt -Check	09/16/2015	18918	EGOSCUE LAW GROUP	11042	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	11042		Ag Pool Legal Services - August 2015	8467 · Ag Legal & Technical Services	53,755.00
TOTAL						53,755.00
Bill Pmt -Check	09/16/2015	18919	INLAND EMPIRE UTILITIES AGENCY	90016783	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015	90016783		Recharge O&M Cost Reimbursement-2nd Quarter	7206 · Comp Recharge-O&M	197,976.87
TOTAL						197,976.87

TOTAL
679

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/16/2015	18920	STAPLES BUSINESS ADVANTAGE	8035898424	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015	8035898424		Miscellaneous office supplies	6031.7 · Other Office Supplies	67.20
TOTAL						67.20
Bill Pmt -Check	09/16/2015	18921	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2015			Retiree Medical	60182.4 · Retiree Medical	25.76
TOTAL						25.76
Bill Pmt -Check	09/16/2015	18922	THREE VALLEYS MUNICIPAL WATER DIST	October 29, 2015 Leadership Breakfast	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015			October 29, 2015 Leadership Breakfast-Kavounas	6192 · Training & Seminars	20.00
TOTAL						20.00
Bill Pmt -Check	09/16/2015	18923	VERIZON WIRELESS	9751752404	1012 · Bank of America Gen'l Ckg	
Bill	09/15/2015	9751752404		9751752404	6022 · Telephone	298.63
TOTAL						298.63
Bill Pmt -Check	09/17/2015	18924	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/25/2015	8/25 Board Agenda		8/25/15 Board Agenda Call	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/17/2015	18925	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	08/17/2015	8/17 Admin Mtg		8/17/15 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	08/25/2015	8/25 Admin Mtg		8/25/15 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	09/17/2015	18926	MONTE VISTA WATER DIST	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/11/2015	8/11 Admin Mtg		8/11/15 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/25/2015	18927	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	614194		614194	6078 · BHFS Legal - Miscellaneous	14,873.40
				Expenses	6907.42 · Safe Yield Recalculation	1,350.00
				Expenses	8575 · BHFS Legal - Non-Ag Pool	49.82
				Expenses	8375 · BHFS Legal - Appropriative Pool	12.46
				Expenses	8475 · BHFS Legal - Agricultural Pool	12.46
				Expenses	6375 · BHFS Legal - Board Meeting	150.00
Bill	08/31/2015	614195		Personnel	6073 · BHFS Legal - Personnel Matters	5,045.85
Bill	08/31/2015	614196		614196	6275 · BHFS Legal - Advisory Committee	725.87
Bill	08/31/2015	614197		614197	6375 · BHFS Legal - Board Meeting	4,942.35
Bill	08/31/2015	614198		614198	8375 · BHFS Legal - Appropriative Pool	918.00
Bill	08/31/2015	614199		614199	8475 · BHFS Legal - Agricultural Pool	918.00
Bill	08/31/2015	6141200		6141200	8575 · BHFS Legal - Non-Ag Pool	918.00

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1880

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2015	614201		614201	6071 · BHFS Legal - Court Coordination	1,568.25
Bill	08/31/2015	614202		614202	6077 · BHFS Legal - Party Status Maint	114.75
Bill	08/31/2015	614203		614203	6907.39 · Recharge Master Plan	497.25
Bill	08/31/2015	614204		614204	6907.42 · Safe Yield Recalculation	95,039.55
				Expenses	6375 · BHFS Legal - Board Meeting	157.95
				Expenses	6907.42 · Safe Yield Recalculation	112.11
TOTAL						127,406.07
Bill Pmt -Check	09/25/2015	18928	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2015	XXXX-XXXX-XXXX-9341		Supplies for 8/06/15 SY Drafting Group Meeting	6906.73 · OBMP-Safe Yield Recalculation	183.56
				Toner for printers	6031.7 · Other Office Supplies	273.26
				Working lunch-Kavounas, Maurizio, Herrema, Slate	6909.1 · OBMP Meetings	58.06
				Supplies for 8/24/15 SY Drafting Group Meeting	6906.73 · OBMP-Safe Yield Recalculation	247.50
				Supplies for 8/26/15 SY Drafting Group Meeting	6906.73 · OBMP-Safe Yield Recalculation	366.40
				Microsoft Support	6057 · Computer Maintenance	499.00
				M2M Cell Modem Connector for Ayala Park	7404 · PE4-Supplies	646.49
				Flight for PK to attend meeting in Sacramento	6191 · Conferences - General	214.50
				Early bird check in for above flight	6191 · Conferences - General	25.00
				Flowers-Board Member Rodriguez' wife's funeral	6312 · Meeting Expenses	179.26
				PK meeting w/Board Member Kinsey	6312 · Meeting Expenses	38.44
				PK meeting w/Bob Kuhn	6312 · Meeting Expenses	13.13
				PK meeting w/Don Pierro	6909.1 · OBMP Meetings	43.10
				PK meeting w/DeJesus	8312 · Meeting Expenses	23.89
				PK meeting w/R. Hoerning	8312 · Meeting Expenses	20.17
				Reg. fee- PK-attend SCWC's 31st Annual Dinner	6193.2 · Conference - Registration Fee	200.00
TOTAL						3,031.76
Bill Pmt -Check	09/25/2015	18929	GREAT AMERICA LEASING CORP.	17562880	1012 · Bank of America Gen'l Ckg	
Bill	09/21/2015	17562880		Invoice	6043.1 · Ricoh Lease Fee	3,658.40
TOTAL						3,658.40
Bill Pmt -Check	09/25/2015	18930	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	09/21/2015	0111802		Employee deductions - September 2015	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	09/25/2015	18931	RON SHELLEY'S AUTOMOTIVE		1012 · Bank of America Gen'l Ckg	
Bill	09/21/2015	7272		Oil change, front brakes for F150 truck	6177 · Vehicle Repairs & Maintenance	551.03
Bill	09/21/2015	7285		Oil change, sensor replacement for Expedition	6177 · Vehicle Repairs & Maintenance	572.81
TOTAL						1,123.84

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

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

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2015

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2015	2015272		2015272	6906.73 · OBMP-Safe Yield Recalculation	10,271.00
Bill	08/31/2015	2015273		2015273	6910.1 · IRP Groundwater Modeling - WEI	1,982.00
TOTAL						111,365.75
					Total Disbursements:	<u>898,377.57</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, September 17, 2015 @ 9:30 a.m.

Where: Chino Basin Watermaster
9641 San Bernardino Rd.
Rancho Cucamonga, CA 91730

Topics:

1. Introductions
2. New Project consideration
 - a) Open forum for potential new projects
3. IEUA/CBWM joint projects
 - a) Status updates
 - b) Budget updates
4. RMPU Financing Plan
 - a) Status updates
5. RMPU Implementation updates
 - a) Sustainability projects
 - i. Vulcan Pit
 - 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) MS4

Next Meeting Date: Thursday, October 15, 2015 @ 9:30 A.M.

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Pre-RMPU Ongoing Projects



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**GWR SCADA UPGRADES
PROJECT NO. EN14047
STATUS UPDATE: September 3, 2015**

During Inland Empire Utilities Agency's asset review of the existing Supervisory Control & Data Acquisition (SCADA) system, a thorough and comprehensive evaluation of the recycled water and groundwater recharge control system was conducted. A Master Plan was developed; and it recommended critical upgrades to the RW and GWR SCADA systems. The purpose of this project is to provide control system improvements to sustain and support the continued growth of the RW and GWR programs. Under this project, five recharge basins which operate a rubber dam system will be replaced with newer, reliable and fully supported programmable logic controllers (PLCs). The current PLCs are outdated and lack critical product and technical support. The upgrade will extend the site's reliability by 10 years and provide the initial development model when transitioning other sites to newer controllers.

Schedule:

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$892,000	\$119,805

<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	09/28/15	In Progress	\$129,900	\$119,383
Permits	09/12/14	09/28/15	In Progress	\$10,000	-
Bid and Award	09/29/15	11/18/15	Not Started	\$428	-
Construction	11/19/15	11/28/16	Not Started	\$750,745	-
				\$892,000	\$119,805

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:

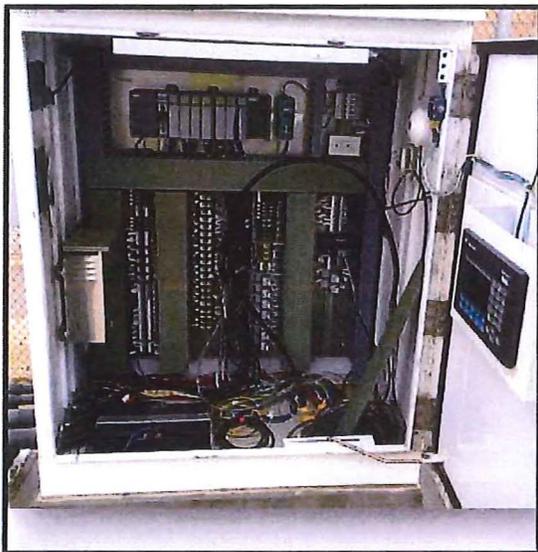
MSO Technologies continues with the additional scope to revise the final construction document to update the controller system with one new controller for each of the five sites. This will replaced the aged Siemen controller with a new Allen Bradley CompactLogix system and maintain the existing Allen Bradley SLC 5/05. The current SLC still has over ten years of product support from Rockwell. This change in design approach will consequently move the construction completion date to September 2016 with no impact to the operation or existing

equipment. The above schedule is changed from previous updates to reflect the extended design phase for revising the construction plans.

Project Photos:



San Sevaine Turnout control panel



Turner Basin control panel



**COMMUNICATION UPGRADES
PROJECT NO. EN12019
STATUS UPDATE: September 3, 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 Project 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		\$549,807		
<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	\$370,036
				<u>\$1,245,000</u>	<u>\$549,807</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 The Santa Ana Project Water Authority.

Cost Sharing Document: Task Order No. 3 of the Master Agreement of 2014

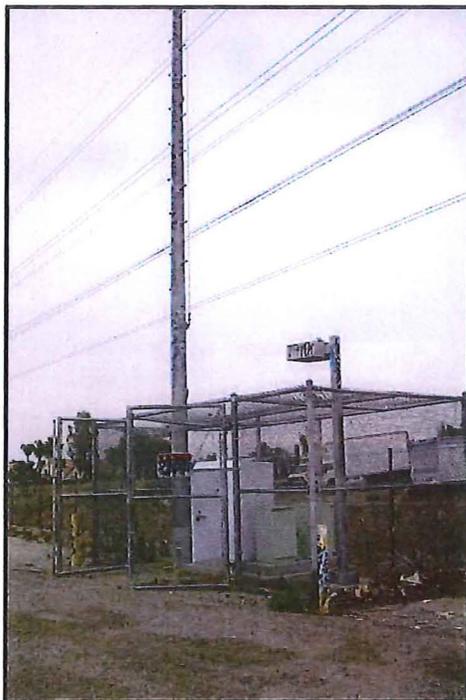
Project Update:

The design/build contractor, Sun Wireless, continues with its installation work, which is scheduled for a December 2015 completion. A contract amendment with Sun Wireless was recently executed to address \$3,600 of additional scope to register four existing towers with the Federal Aviation Administration (FAA) because these sites are in the proximity of nearby airports. FAA review is required prior to receiving FCC licensing. An additional amendment is also required to upgrade the user licenses for the wireless manager system due to the upgraded radios. The proposed amendment is \$190.

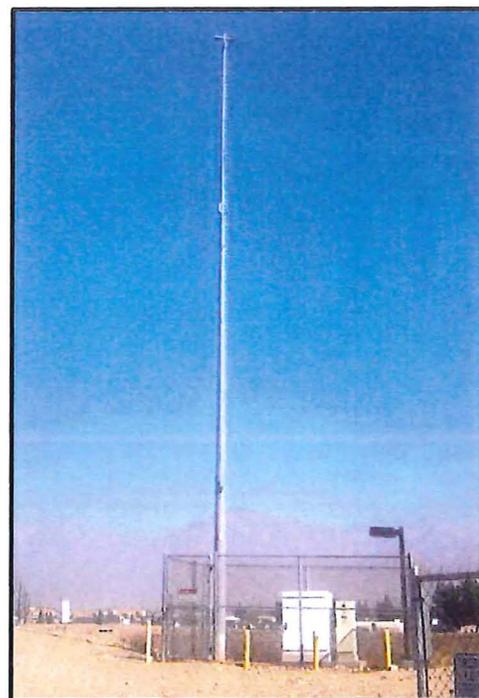
Starting September 11, Sun Wireless will begin installation. The following table summarizes the installation schedule:

Item	Groundwater/Recycled Water Site	Planned Start Date
1	Tower 6B and Victoria Basin	Sept. 11, 2015
2	San Sevaine RW Turnout and Hickory Basin	Sept. 18, 2015
3	Turner Basin 1 and Turner Basin 4	Sept. 25, 2015
4	Lower Day Basin and 8 th Street Basin	Oct. 2, 2015
5	Ely Basin and RP-1 Tower	Oct. 9, 2015
6	RP-4 Tower and Hickory FMM	Oct. 16, 2015
7	RP-3 Basin and CCWRF Tower	Oct. 30, 2015
8	Montclair Basin and College Hts. Basin	Nov. 6, 2015
9	Jurupa Basin and Grove Basin	Nov 13, 2015
10	Declez Basin and Brooks	Nov. 20, 2015
11	Align and Test Sites	Nov. 27, 2015

Project Photos:



Declez Basin – Pole and Control Panel



Montclair Basin – Pole and Control Panel



**CB20 NOISE MITIGATION
PROJECT NO. EN14038
STATUS UPDATE: September 3, 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:

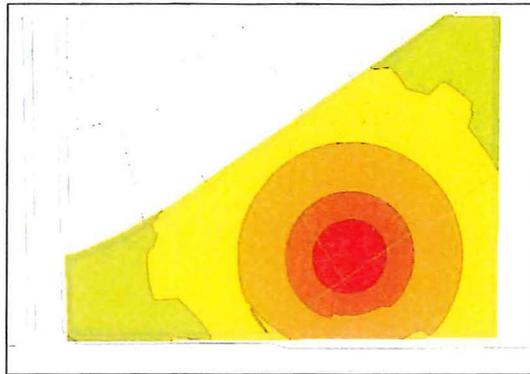
	<u>Project Budget</u>	<u>Actual Cost to Date</u>			
	\$160,000	\$102,076			
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	09/25/13	01/23/14	Completed	\$200	\$182
Design	01/24/14	11/26/14	Completed	\$29,000	\$28,850
Construction	11/30/14	09/30/15	In Progress	\$130,800	\$73,044
				<u>\$160,000</u>	<u>\$102,076</u>

Cost Sharing Document: CBFIP, Phase II Cost Sharing Agreement of 2006

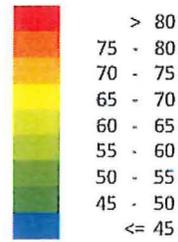
Project Update:

On August 24, 2015, the designer and installer of the sound enclosure received over 95-percent of the manufactured sound enclosures. Installation continues with plans to connect electrical into the structure. Due to the extended delivery, the final completion is pushed to September 30, 2015. As stated last month, IEUA sent an information notice to the two nearby residents to disclose the purpose of the facility and notify them of the upcoming improvements.

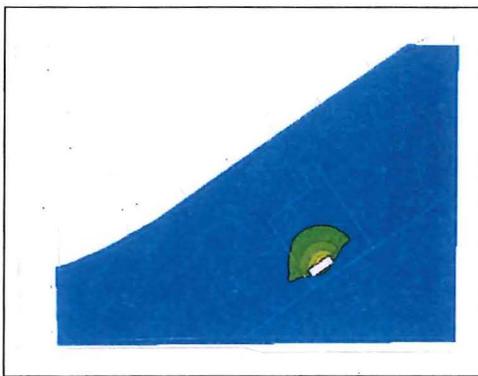
Sound study result which confirms the intended noise reduction with the added enclosure:



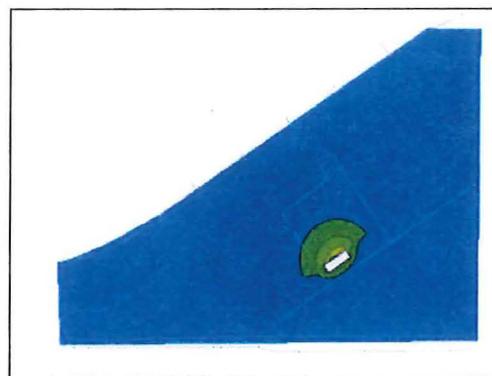
Noise Level, dBA



Noise level at 1st level without mitigation



Noise level at 1st level with mitigation



Noise level at 2nd level with mitigation

Project Photo:



Progress photo to show the installation of the south and east/west walls



**UPPER SANTA ANA RIVER WATERSHED HABITAT CONSERVATION PLAN
PROJECT NO. RW15002
STATUS UPDATE: September 3, 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	\$35,548

<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	\$35,548
				\$160,000	\$35,548

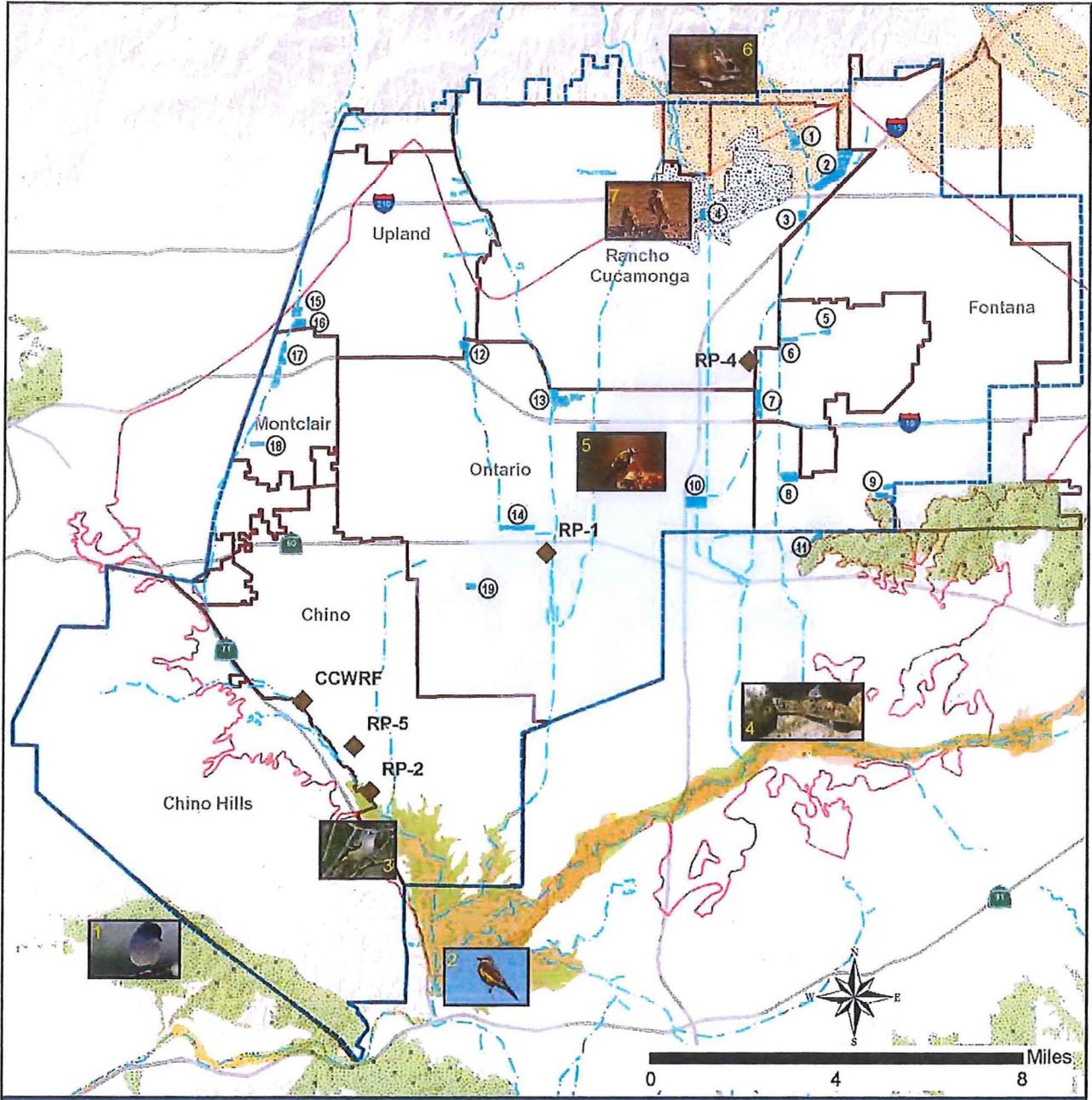
Cost Sharing Document: Task Order No. 7 of the Master Agreement of 2014

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>
PID - 19a	Wineville Basin	DSF
PID - 12	Lower Day Basin	SBKR,CAGN,BUOW
PID - 7	San Sevaine Basins (1-5)	SBKR
PID - 11	Victoria Basin	SBKR
PID - 2	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		Etiwanda Debris Basin - (SBCFCD)
	Rivers/Channels		2. Southwestern Willow Flycatcher		San Sevaine Basins - (SBCFCD)
	CBWM Service Area		3. Least Bell's Vireo		Victoria Basin - (SBCFCD)
	IEUA Service Area		4. Santa Ana Sucker		Lower Day Basin - (SBCFCD)
	Cities Boundary		5. Delhi Sands Flower-Loving Fly		Banana Basin - (SBCFCD)
	Freeways		6. Merriam's San Bernardino Kangaroo Rat		Hickory Basin - (SBCFCD)
			7. Borrowing Owl		Etiwanda Conservation Basins - (SCE)
					Jurupa Basin - (SBCFCD)
					RP-3 Basin - (IEUA)
					Wneville Basin - (SBCFCD)
					Declerz Basin - (SBCFCD)
					8th Street Basin - (SBCFCD)
					Turner Basins - (SBCFCD/CBWCD)
					Ely Basins 1, 2 and 3 - (SBCFCD/CBWCD)
					College Heights Basins - (CBWCD)
					Upland Basin - (Upland)
					Montclair Basins - (CBWCD)
					Brooks Street Basins - (CBWCD)
					Grove Basin - (SBCFCD)



**EAST DECLEZ BASIN IMPROVEMENTS
PROJECT NO. RW15003
STATUS UPDATE: September 3, 2015**

In 2014 Watermaster members proposed the utilization of the available land east of the existing Declez Basins. This project proposes to expand the Declez Recharge Facility with an added basin. It also includes upstream improvements to divert and convey additional stormwater to the new basin. The potential increase in recharge capacity is 913 acre-feet per year. Project improvements include the following:

- Excavating and hauling offsite over 1,030,000 cubic yards of soil material to develop the new east basin.
- Constructing a diversion structure from the Declez Channel into the new basin with approximately 2,700 linear feet of new piping.
- Constructing a new spillway structure and outlet between the new and existing basins.
- Constructing a rubber dam system to divert flow from the San Sevaine Channel into the Jurupa Basin. The Jurupa Basin will act as a flow through basin to Declez Basin.
- Increasing the flow capacity to over 100 cfs on an existing pump station within Jurupa Basin.
- Construct approximately 2,800 linear feet of new conveyance piping from Jurupa to the Declez Channel.

Schedule:

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$3,665,000	\$2,637

<u>Soft Cost Phases</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	07/01/15	07/21/15	Completed	\$26,000	-
Feasibility Study (PDR)	07/22/15	11/11/15	In Progress	\$114,000	\$2,637
Pre-Environmental	07/22/15	02/01/16	In Progress	\$11,000	-
Preliminary Design	02/02/16	08/29/16	Not Started	\$511,000	-
Environmental	02/02/16	08/29/16	Not Started	\$197,000	-
Design	08/30/16	12/29/17	Not Started	\$2,531,000	-
Permits	08/30/16	12/29/17	Not Started	\$275,000	-
				\$3,665,000	\$2,637

Cost Sharing Document: Task Order No. 1 of the Master Agreement of 2014

Project Update:

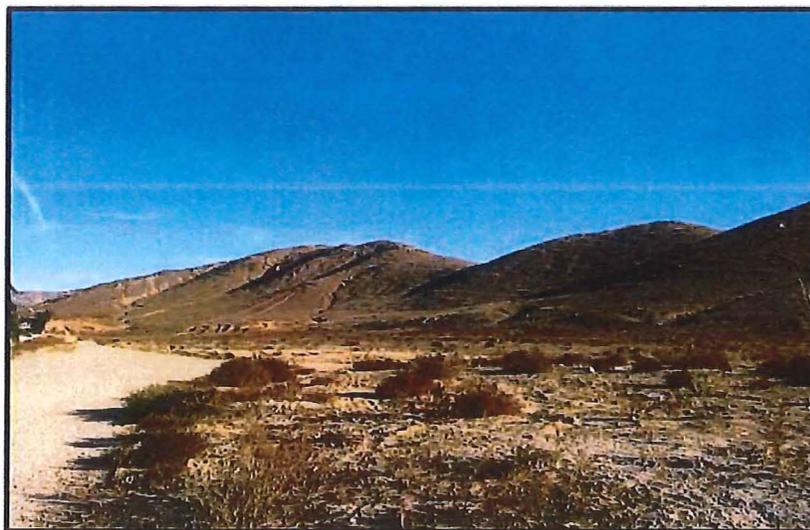
Under the amended Task Order No. 1, staff was given a conditional approval to proceed with the Declez Basin expansion design, by first providing a detailed preliminary report, to confirm through further field investigations whether, the proposed basin expansion site will meet the

expected yield of 913 AFY of stormwater. The projected cost for this initial effort is approximately \$114,000. Currently Thomas Harder & Co was selected and contracted to conduct the above feasibility study. In parallel to this, environmental services through Tom Dodson & Associates were acquired to provide field services to ensure the testing activities under Thomas Harder will not disturb or impact sensitive habitat. Dodson's efforts will also include reviewing the property owner's Biological Habitat Clearance document to determine whether the site is suited for improvements without extensive restrictions and/or mitigations. The findings from Thomas Harder and Tom Dodson will be presented to the RIPCom Members for their review, comment, and recommendation on how best to proceed.

The following is a summarized schedule for the feasibility study (PDR) and preliminary environmental assessment efforts:

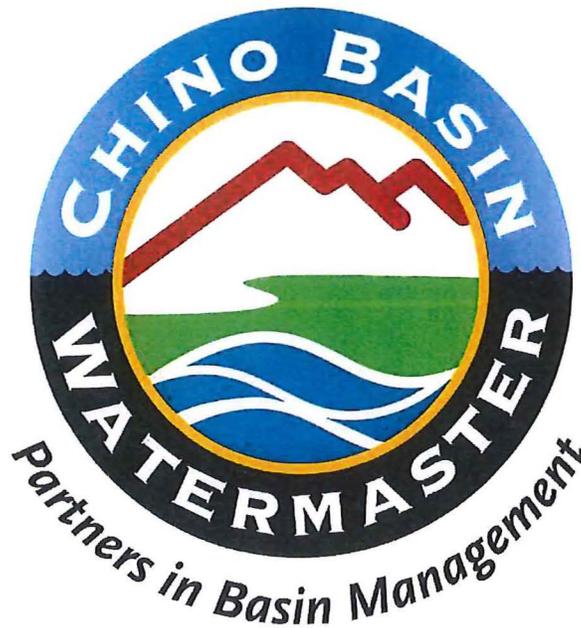
Item	Feasibility Study/Preliminary Environmental Assessment	Date
1	Submit Proposed Work Plan	August 14, 2015
2	Approve Proposed Work Plan	August 19, 2015
3	Conduct Field Review with Staff and Environmentalist	August 24, 2015
4	Receive & Review the Biological Habitat Clearance Document	September 8, 2015
5	Conduct Cone Penetrometer Test	September 22, 2015
6	Conduct Borehole Drilling/Sampling	September 28, 2015
7	Submit Draft Report – Feasibility Study/Prelim Envir.	October 16, 2015
8	Finalize Report	November 11, 2015

Project Photo:

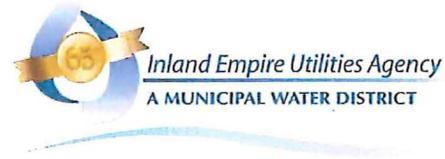


Field Photo showing the location of proposed improvement east of Declez Basin

RMPU PROJECTS



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SAN SEVAINE IMPROVEMENTS PROJECT
PROJECT NO. EN13001
STATUS UPDATE: September 3, 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 Sevaine 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		\$239,280		
<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	05/14/15	Completed	\$160,000	\$155,541
Environmental Impact	06/26/13	09/18/15	In Progress	\$30,000	\$15,251
Design	05/15/15	03/18/16	In Progress	\$400,000	\$43,488
Permits	05/15/13	03/18/16	In Progress	\$25,000	\$25,000
Bid and Award	03/21/16	05/18/16	Not Started	\$5,000	-
Construction	05/19/16	07/05/17	Not Started	\$5,840,000	-
				\$6,460,000	\$239,280

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.

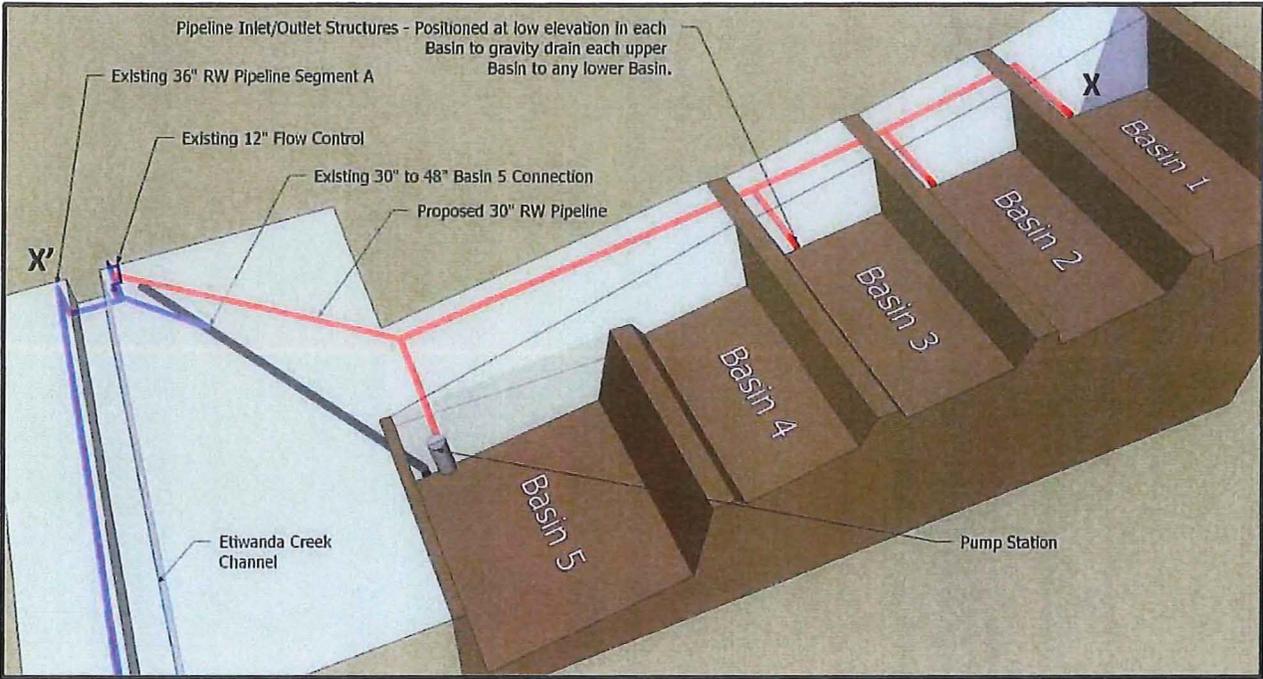
Cost Sharing Document: Task Order No. 8 of the Master Agreement of 2014 (Amended in April 2015)

Project Update:

Dudek continues to draft the memorandum that discusses the design approach for locating and quantifying the required monitoring wells at San Sevaine. This initial memorandum will also include discussions and recommendation on designing the proposed pump station as a permanent facility and provide for a portable pump system. In parallel, environmental studies are in progress with Tom Dodson & Associates, where a draft Initial Study was completed. The final Initial Study completed. Before it is fully approved IEUA is waiting for responses from local

tribal communities to confirm the proposed project does not have any tribal cultural resource concerns.

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: September 3, 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	Declaz 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 Sevaive Basin	Construct a new storage flow through basin <i>(Removed-no longer feasible)</i>	1,221	-		
			5,351	3,025	4,066	3,025

Schedule:

<u>Original Soft Cost</u>	<u>Adjusted Soft Cost*</u>	<u>Actual Cost to Date</u>
\$8,122,500	\$3,825,500	\$19,416

<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	Completed	\$27,000	\$1,678
Preliminary Design	06/25/15	08/17/16	In Progress	\$735,000	\$17,738
Environmental	02/19/15	08/17/16	In Progress	\$325,000	-
Design	08/17/16	12/29/17	Not Started	\$2,638,500	-
Permits	08/29/16	12/29/17	Not Started	\$100,000	-
				\$3,825,500	\$19,416

*PID 25a and PID 17a are removed from the design and not included within the total soft cost.

Cost Sharing Document: Task Order No. 1 of the Master Agreement of 2014 (Amended in April 2015)

Project Update:

Stantec is currently preparing for the initial draft of the PDR for a late September 2015 submittal. In the meantime, they will continue with site surveys. Tom Dodson & Associates is also tasked to develop a Programmatic Environmental Impact Report which will include the above recharge improvements. This is scheduled for an August 2016 completion.

Project Photos:



Aerial of Victoria Basin



**LOWER DAY RMPU IMPROVEMENTS
PROJECT NO. RW15004
STATUS UPDATE: September 3, 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 to 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:

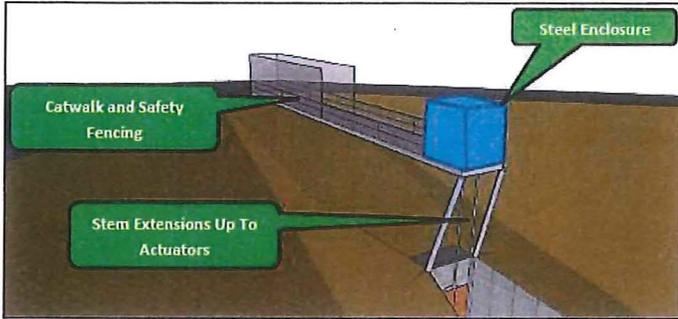
	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$2,480,000		\$114,008		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	07/01/14	12/17/14	Completed	\$25,000	\$25,000
Pre-Design	12/18/14	10/15/15	In Progress	\$75,000	\$74,183
Design	10/16/15	05/24/16	Not Started	\$183,000	-
Environmental Impact	02/02/15	03/15/16	In Progress	\$35,000	\$14,825
Permits	05/04/15	03/15/16	In Progress	\$25,000	-
Bid and Award	05/25/16	07/20/16	Not Started	8,000	-
Construction	07/21/16	08/01/17	Not Started	\$2,129,000	-
				\$2,480,000	\$114,008

Cost Sharing Document: Task Order No. 2 of the Master Agreement of 2014

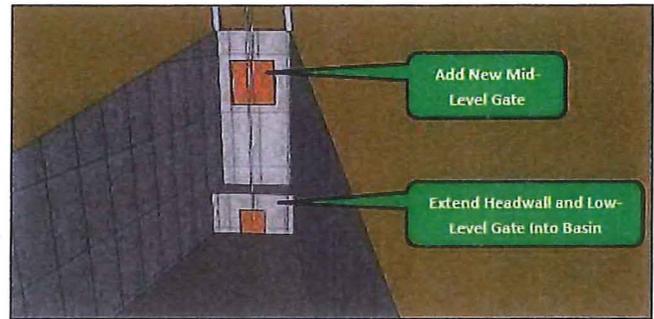
Project Update:

The current phase was extended to address the need to obtain further design comments from the Flood Control District prior to finalizing the design approach for the basin improvements. This came after meeting with the Flood Control District who recommended that we produce sufficient data on the potential impact the improvements would have on the facility’s main function of maintaining flood control. Since then, Scheevel Engineering has developed a conceptual plan which has been sent to the District for their review and comment. As soon as the concept is met with general approval and with design conditions, the project will proceed with the design phase as scheduled. In parallel to this, environmental studies are in progress with Tom Dodson & Associates. A draft initial study of potential impacts or recommended mitigation is scheduled to be received by September 2015.

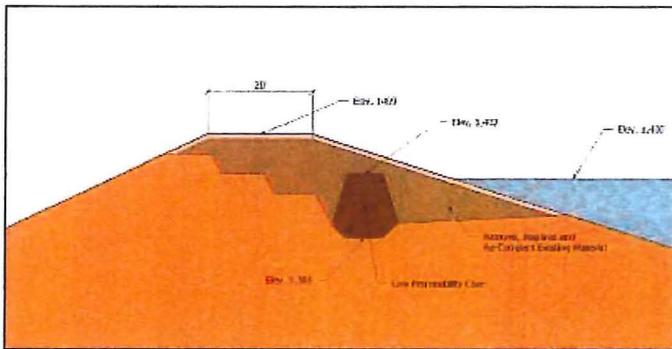
Conceptual Design of the Proposed Improvements:



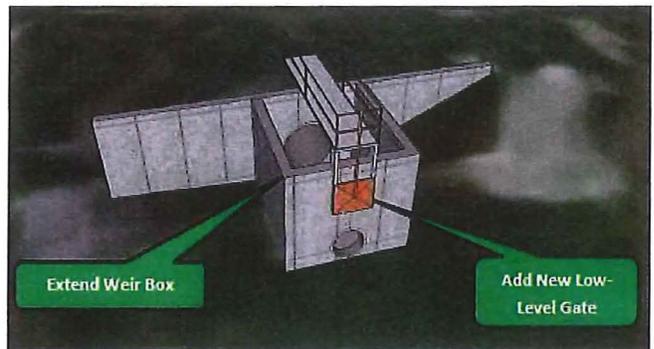
Mid-level Outlet Modifications – Increase Storage to the Lower Basin



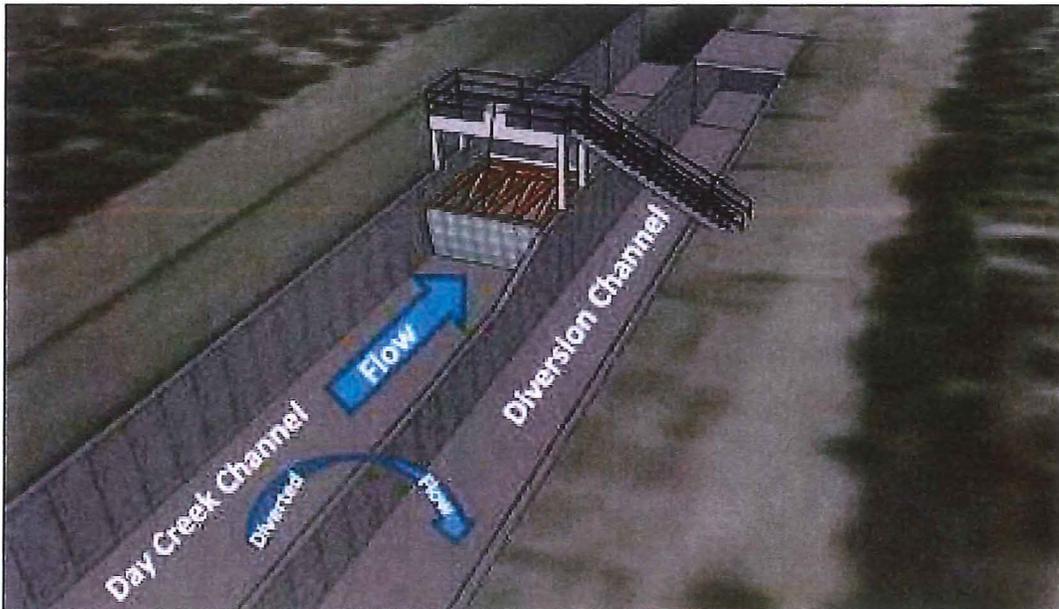
Coating Existing 36" & 72" Outlet Pipes – Maintain Flood Control requirements of immediate dewatering



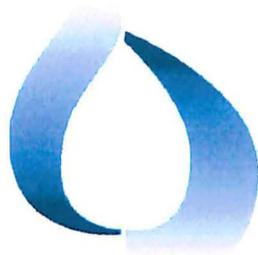
Reconstruction of Southern Berm – Prevent Seepage



Modifications to Upper Basin Outlet – Increase Storage to the Upper Basin



Single Radial Gate on the Channel – Divert non flood flows for added groundwater storage



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

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RMPU Projects – Financing Options



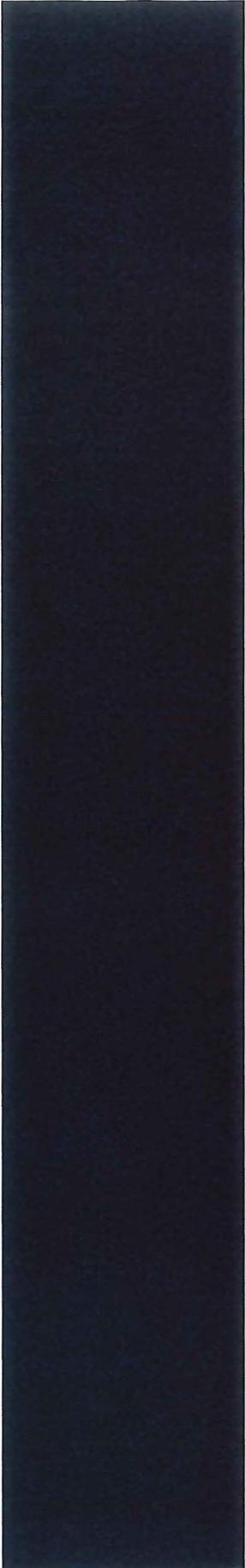
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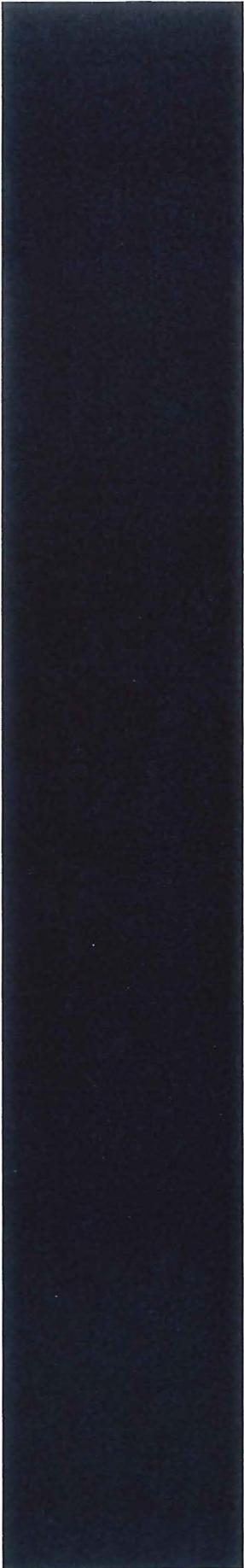
Assumptions

RMPU Projects

- Net project Needs of almost \$50 million
- Financing scenarios assume a 3 year construction period
- Chino Basin Regional Financing Authority issues debt

Project Name	Total Project Budget
2013 RMPU Design	\$7,490,500
Lower Day Improvements	2,480,000
2013 RMPU Construction	38,622,500
Victoria Basin Construction	130,000
RP-3 Construction	3,300,000
Gross Total Costs	\$52,023,000
Total Available Grants	2,250,000
Net Total Costs	\$49,773,000

P209



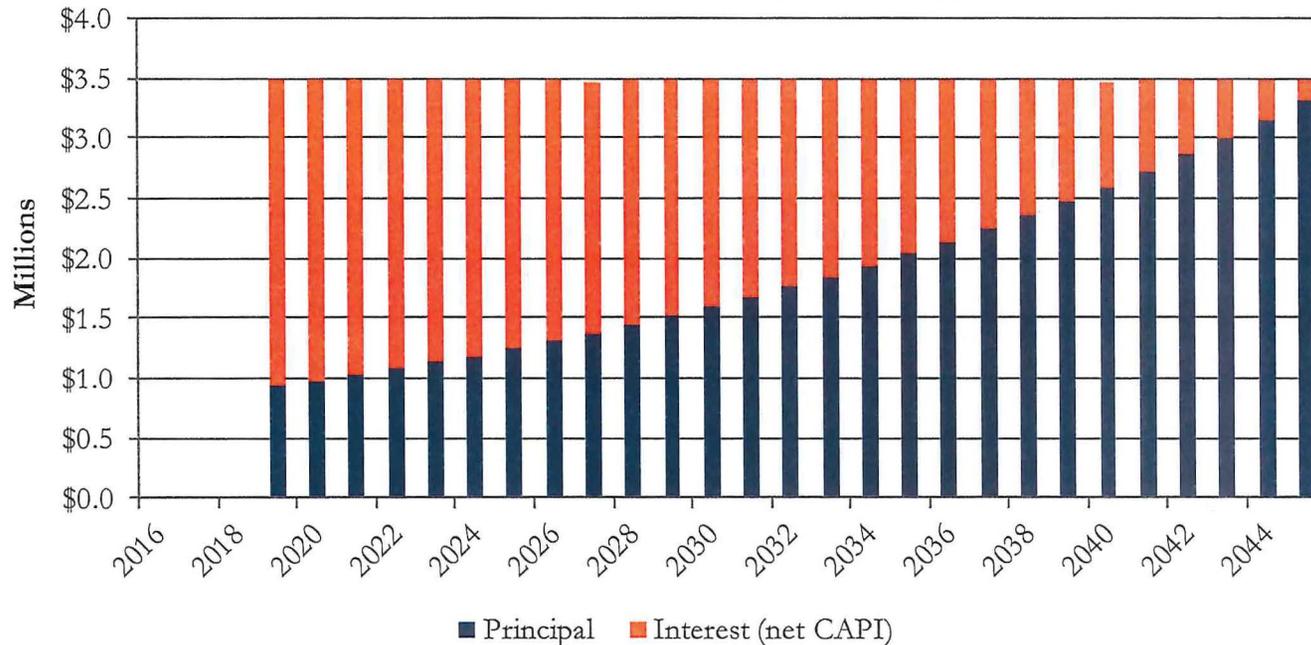
Fixed Rate Bonds



Fixed Rate Bonds

- Authority issues tax-exempt, fixed rate bonds to fund the RMPU projects.
- A Capitalized Interest Fund (CAPI) will cover payments in the first 3 years.

Total Annual Debt Service



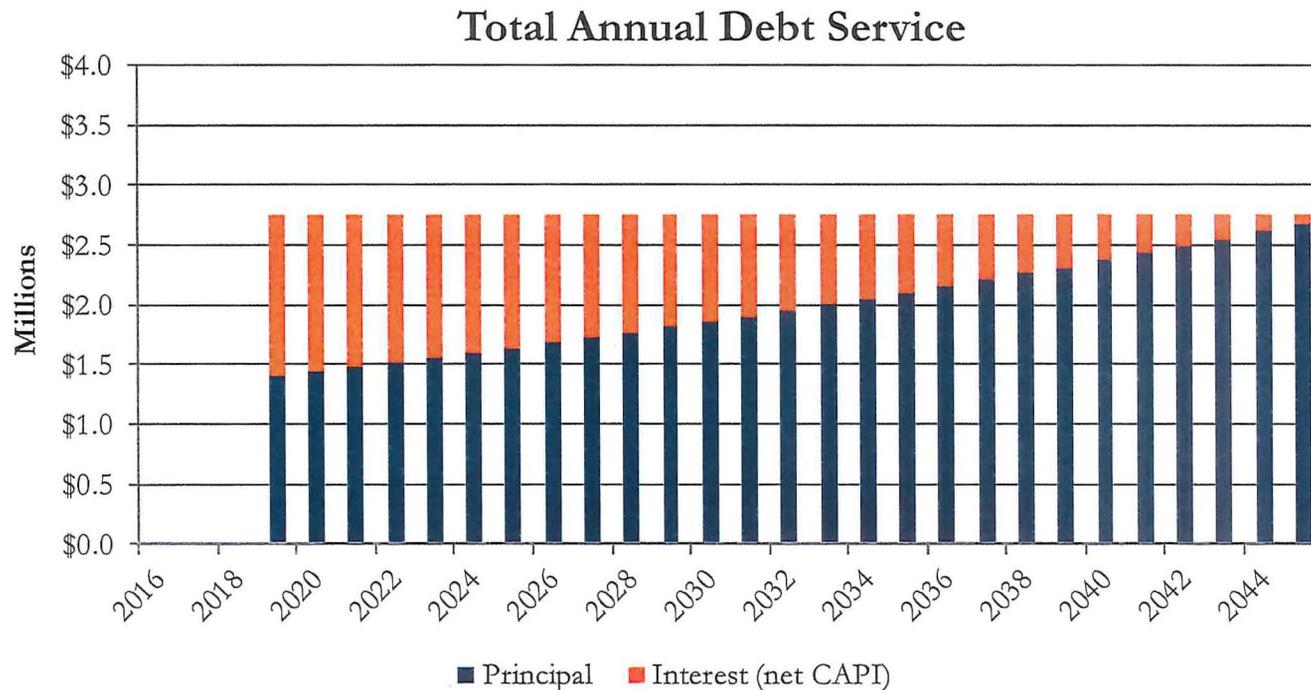
P211



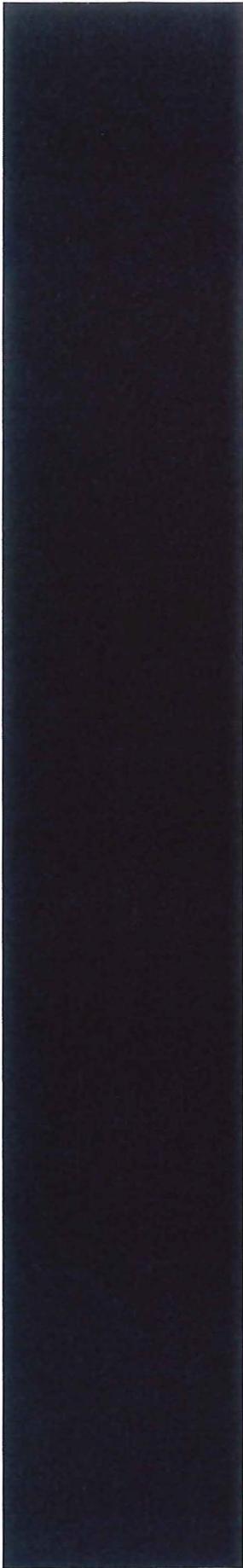
Variable Rate Bonds

Variable Rate Bonds

- Authority issues tax-exempt, variable rate bonds to fund the RMPU projects.
- A Capitalized Interest Fund (CAPI) will cover payments in the first 3 years.



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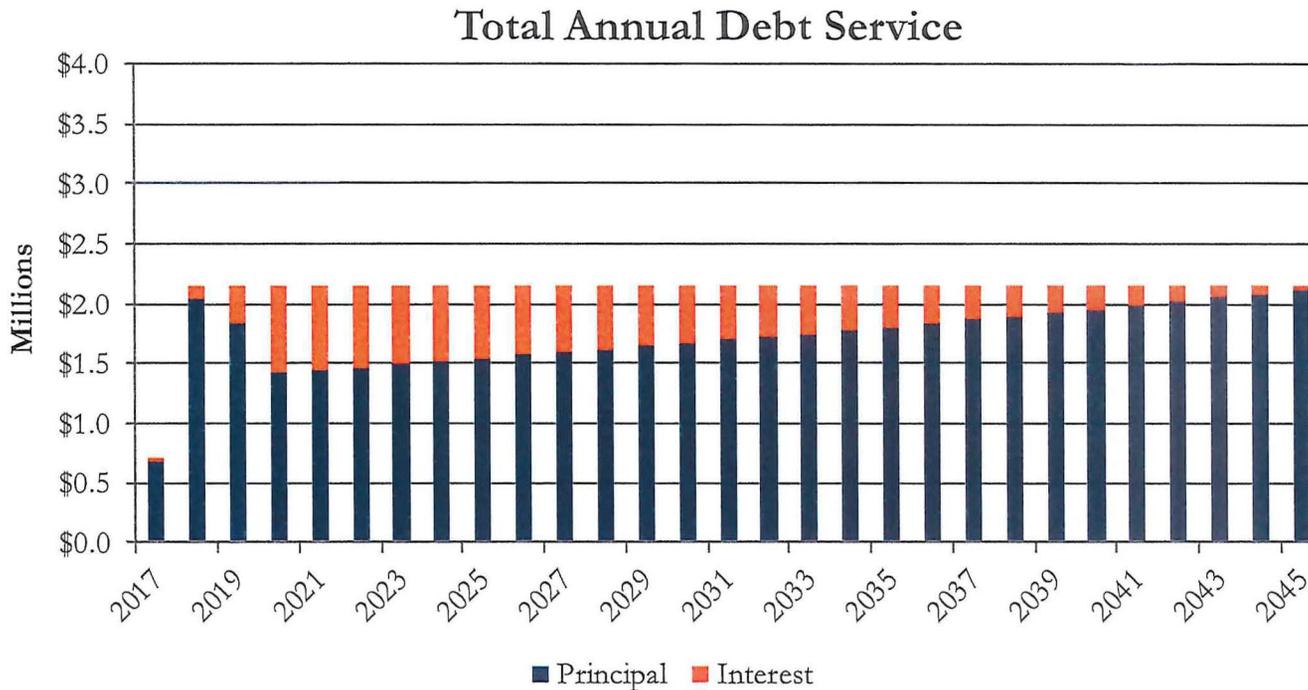


State Revolving Fund Loan



State Revolving Fund Loan

- Authority takes out an SRF loan to fund the RMPU projects.



P215



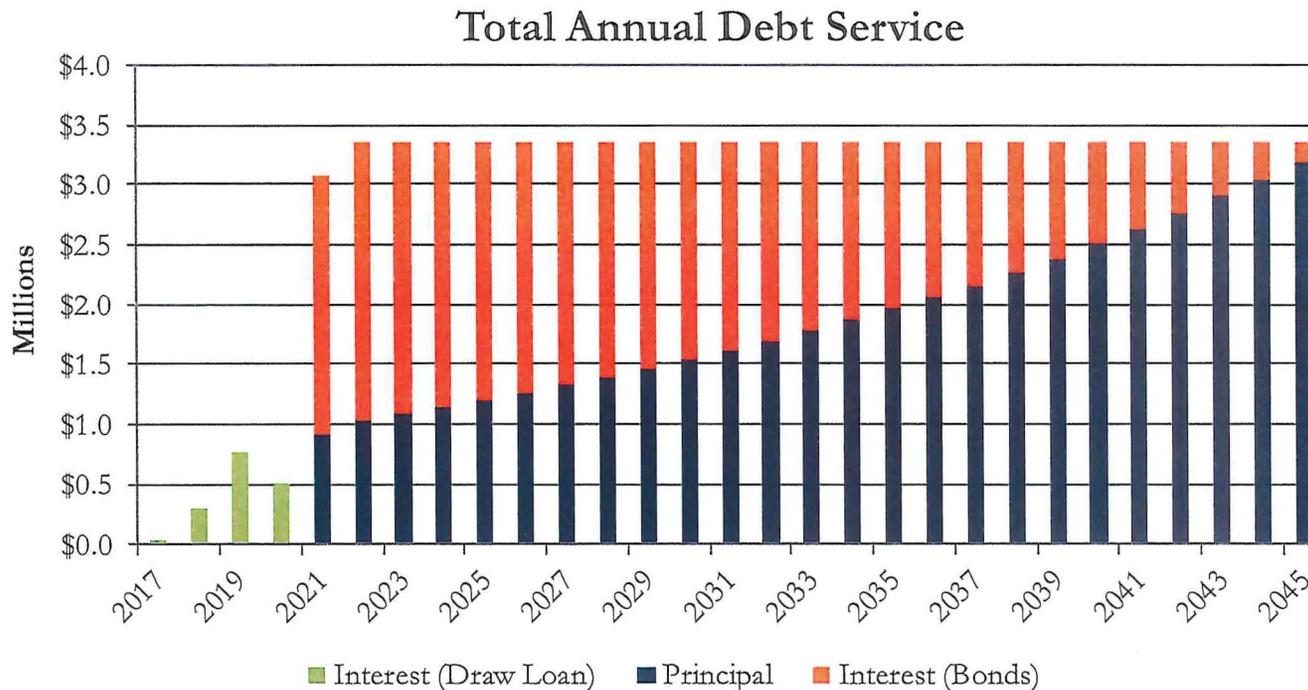
Draw-Down Variable Rate Loan

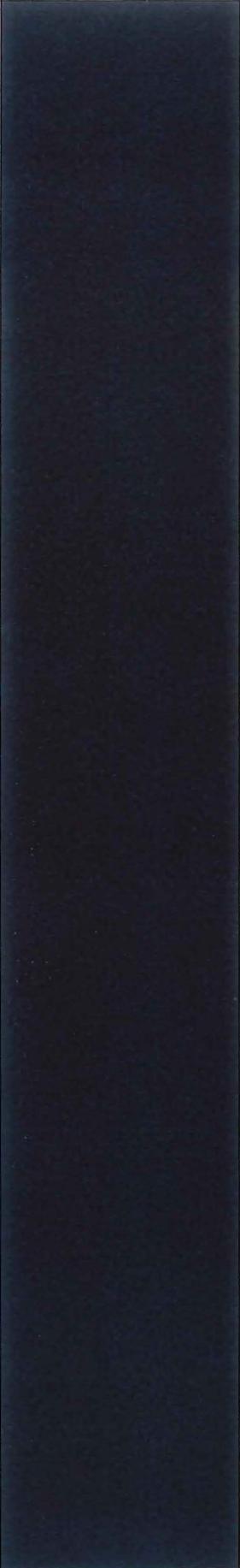


Draw-Down Variable Rate Loan

- Draws are made semi-annually for the first 3 years to fund the RMPU projects.
- The Authority issues tax-exempt, fixed rate bonds to payoff the draw-down loan.

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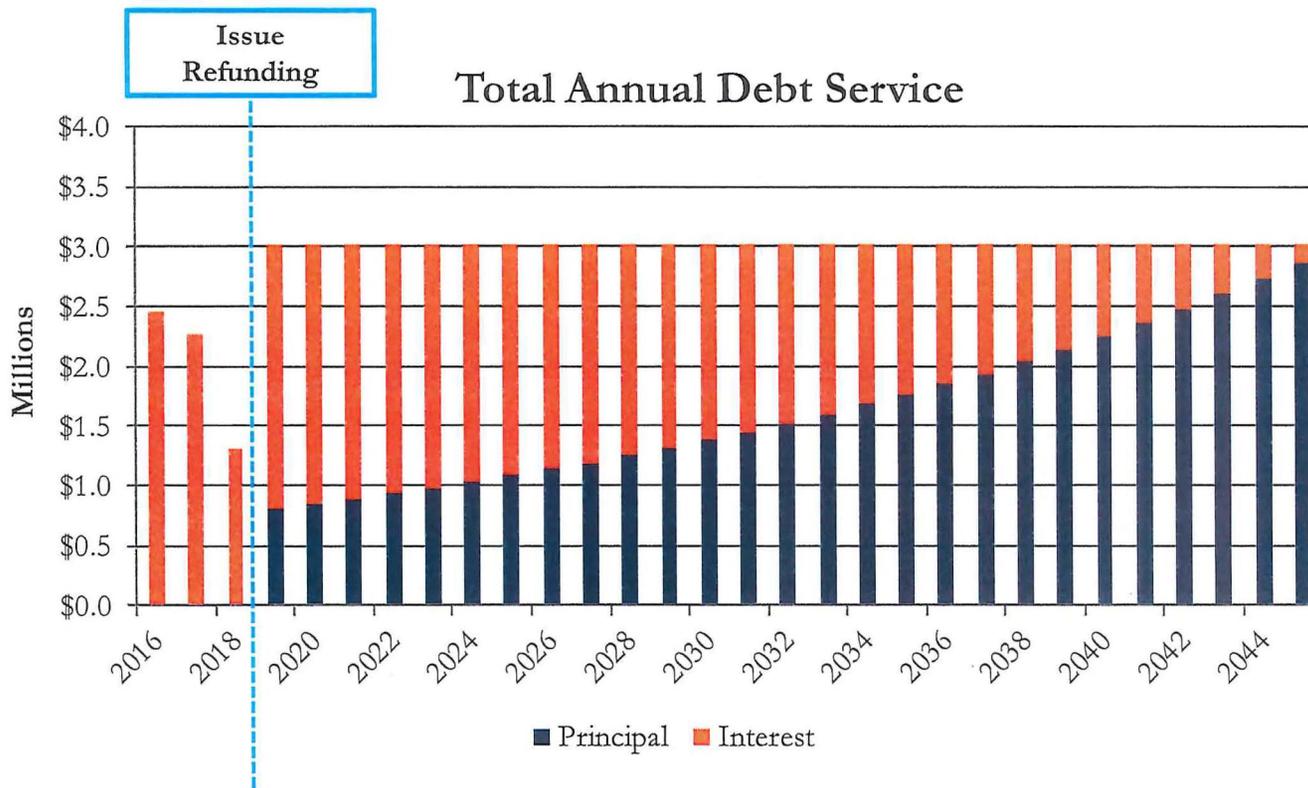


Bond Anticipation Notes

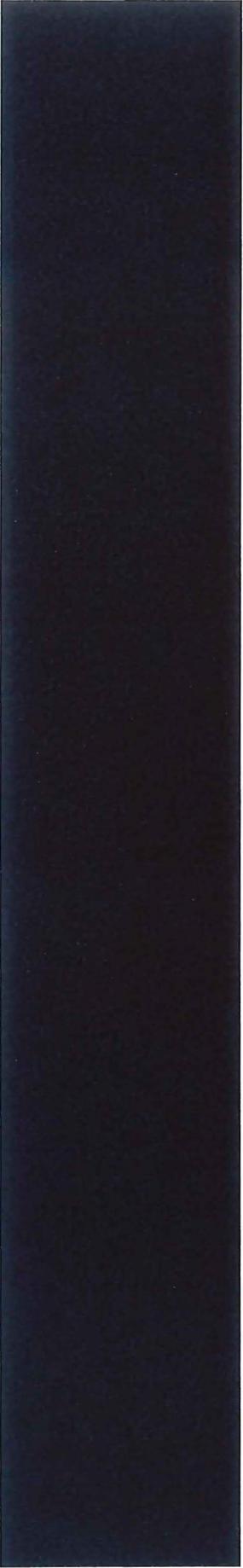


Bond Anticipation Notes

- Authority issues 3 year BANs to fund the RMPU projects.
- Using tax-exempt, fixed rate bonds, the agency refunds the BANs on the third year.



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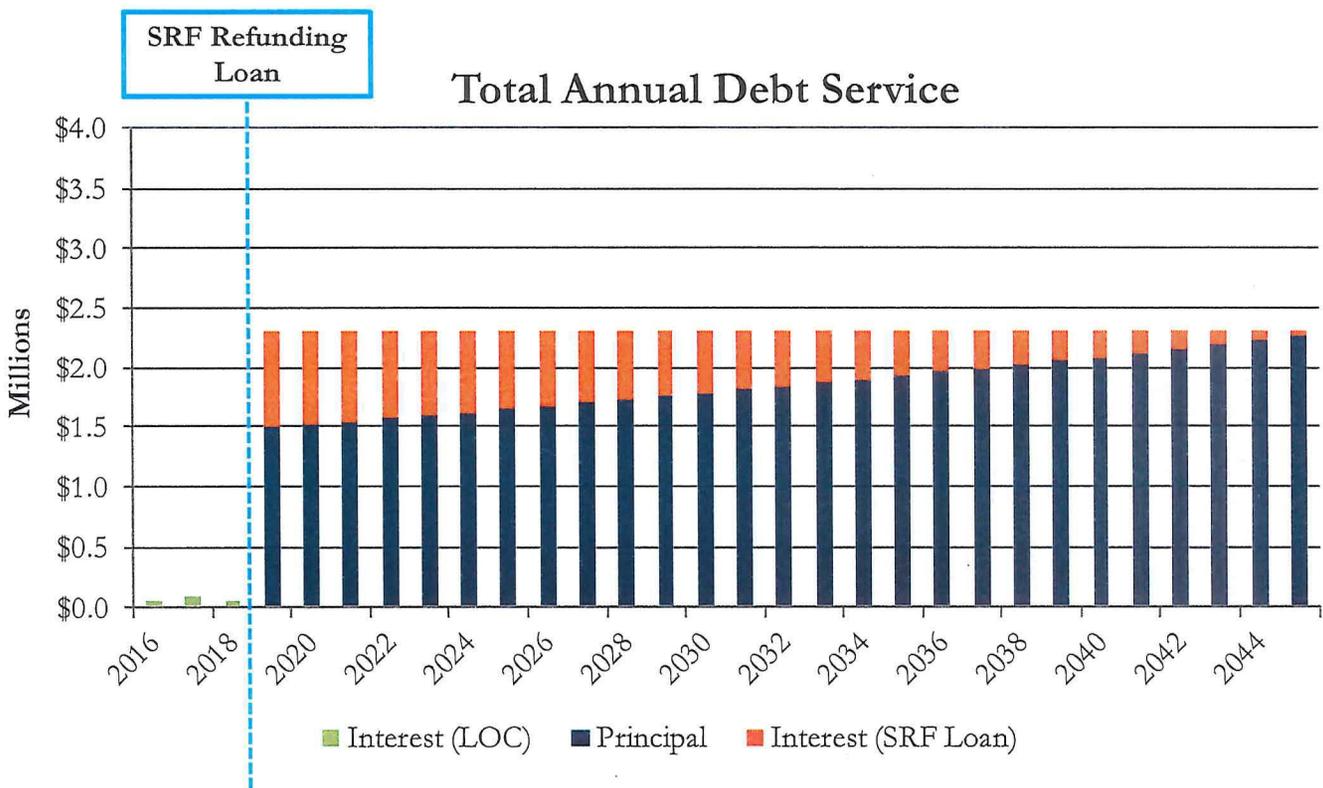


Letter of Credit and State Revolving Fund Loan

Letter of Credit and State Revolving Fund Loan

- Authority uses SRF loan to fund the RMPU
- Authority acquires 3 year LOC and makes draws to fund cashflow of RMPU

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Recharge Investigation and Projects Committee, PAGE 1 OF 2

	[1A]	[1B]	[1C]	[1D]	[1E]	[1F]	[1G]	[1H]	[1I]	[1J]	[1K]	[1L]	[1M]	[1N]	[1O]	[1P]	[1Q]	[1R]
Project Name	Project Status	Percent Completion on Overall Schedule	Anticipated (Or Actual) Completion Date	Project Cost To Date	TOTAL PROJECT BUDGET			PERCENT COST SHARE		Lifetime of Project BUDGET ALLOCATION			IEUA PROJECT COSTS		CBWM PROJECT COSTS			
					Original Budget	Proposed Revised Budget	Approved Revised Budget	IEUA	CBWM	Grant Funding	IEUA	CBWM	Actual Cost To Date	Remaining Balance Available (Based on Project Budget)	Actual Share (Based on Actual Cost To Date)	Invoices Paid To Date	Remaining Balance Available (Based on Project Budget)	
Pre-RMPU Ongoing Projects																		
GWR SCADA Upgrades (Task No. 4)	Design	17%	11/28/2016	\$ 119,805	\$ 892,000	\$ -	\$ 892,000	50%	50%	\$ 139,650	\$ 376,175	\$ 376,175	\$ 50,524	\$ 325,651	\$ 50,524	\$ -	\$ 421,875	
COMMUNICATION Upgrades (Task No. 3)	Construction	51%	12/31/2015	\$ 549,807	\$ 1,245,000	\$ -	\$ 1,245,000	50%	50%	\$ 192,850	\$ 526,075	\$ 526,075	\$ 232,321	\$ 293,754	\$ 232,321	\$ -	\$ 526,075	
CB20 Noise Mitigation (CBFIP Phase II Agreement)	Construction	81%	9/29/2015	\$ 102,076	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 51,038	\$ 28,962	\$ 51,038	\$ -	\$ 80,000	
Upper Santa Ana River Habitat Conservation Plan (Task No. 7)	Evaluation	30%	6/30/2017	\$ 35,548	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 17,774	\$ 62,226	\$ 17,774	\$ -	\$ 80,000	
East Decluz Basin (Task No. 1)	Pre-Design	1%	12/29/2015	\$ 2,637	\$ -	\$ -	\$ 3,665,000 *	-	100%	\$ -	\$ -	\$ 3,665,000	\$ -	\$ -	\$ 3,665,000	\$ -	\$ 3,665,000	
SUBTOTAL PRE-RMPU PROJECTS	---	---	---	\$ 809,873	\$ 2,457,000	\$ -	\$ 6,122,000	---	---	\$ 332,500	\$ 1,062,250	\$ 4,727,250	\$ 351,657	\$ 710,593	\$ 4,016,657	\$ -	\$ 4,772,950	
RMPU Projects																		
San Sevaine Improvements (Task No. 8)	Design	7%	7/5/2017	\$ 239,280	\$ 2,500,000	\$ -	\$ 6,460,000	50%	50%	\$ 750,000	\$ 2,855,000	\$ 2,855,000	\$ 105,750	\$ 2,749,250	\$ 105,750	\$ -	\$ 2,855,000	
2013 RMPU Amendment Yield Enhancement Projects (Task No. 1)	Pre-Design	2%	12/29/2017	\$ 19,416	\$ 8,122,500	\$ -	\$ 3,825,500 **	7%	93%	\$ -	\$ 250,250	\$ 3,575,250	\$ 1,270	\$ 248,980	\$ 18,146	\$ -	\$ 3,575,250	
Lower Day Basin RMPU Improvement Project (Task No. 2)	Pre-Design	3%	8/1/2017	\$ 114,008	\$ 2,480,000	\$ -	\$ 2,480,000	0%	100%	\$ 750,000	\$ -	\$ 1,730,000	\$ -	\$ -	\$ 79,530	\$ -	\$ 1,730,000	
2013 RMPU Amendment Yield Enhancement Projects Construction	Pending - Note 1	0%	6/30/2020	\$ -	\$ -	\$ 38,622,500	\$ -	0%	100%	\$ -	\$ -	\$ 38,622,500	\$ -	\$ -	\$ -	\$ -	\$ 38,622,500	
2013 RMPU Amendment - Victoria Basin Construction	Pending - Note 2	0%	6/30/2019	\$ -	\$ -	\$ 130,000	\$ -	50%	50%	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 65,000	\$ -	\$ -	\$ 65,000	
2013 RMPU Amendment - KP-3 Construction	Pending - Note 2	0%	6/30/2020	\$ -	\$ -	\$ 3,300,000	\$ -	50%	50%	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -	\$ 1,650,000	\$ -	\$ -	\$ 1,650,000	
SUBTOTAL RMPU PROJECTS	---	---	---	\$ 372,704	\$ 13,102,500	\$ 42,052,500	\$ 12,765,500	---	---	\$ 1,500,000	\$ 4,820,250	\$ 48,497,750	\$ 107,020	\$ 4,713,230	\$ 203,426	\$ -	\$ 48,497,750	
GRAND TOTALS	---	---	---	\$ 1,182,577	\$ 15,559,500	\$ 42,052,500	\$ 18,887,500	---	---	\$ 1,832,500	\$ 5,882,500	\$ 53,225,000	\$ 458,677	\$ 5,423,823	\$ 4,220,083	\$ -	\$ 53,270,700	

NOTES:
 * The total design cost of \$3,665,000 is part of the total approved budget as stated within the first amendment to Task Order No. 1. However, the full design for East Decluz will not be implemented until the initial pre-design report is completed and accepted by both IEUA and CBWM. (\$3,665,000 + \$3,825,500 = \$7,490,500).
 ** The total design cost of \$3,825,500 is a part of the total approved budget as stated within the first amendment to Task Order No. 1. (\$3,825,500 + 3,665,000 = \$7,490,500).
 1 Pending project awaiting evaluation by IEUA. Project has not been funded by an approved Task Order or approved by the Watermaster Board. 100% of construction costs are allocated to Watermaster.
 2 Project(s) are under review by IEUA. Projects have not been funded by an approved Task Order or approved by the Watermaster Board. Project construction costs are allocated 50% to IEUA and 50% to Watermaster.

Updated on: 9/14/2015

Recharge Investigation and Projects Committee, PAGE 2 OF 2

[2A] [2B] [2C] [2D] [2E] [2F] [2G] [2H] [2I] [2J] [2K] [2L] [2M] [2N] [2O]

Project Name	CBWM Fiscal Year 2015/16										CBWM Future Years				
	CURRENT YEAR CBWM BUDGET				CURRENT YEAR CBWM ACTUALS						CBWM FUTURE BUDGET NEEDS				
	Budget Carry-Over	Approved Budget	Budget Amendments/Transfers	Total Fiscal Year Budget	Actual to Date (Including Paid & Outstanding Invoices)	Remaining Balance Available	Completed Projects With Available Funds To Be Distributed ¹	CBWM Remaining Projected Costs	Budget Amendment Required? (Yes/No)	Projected CarryOver Funds FY 2016/17	Fiscal Year 2016/17	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	
Pre RMPU Ongoing Projects															
GWR SCADA Upgrades (7690.61) (Task No. 4)	\$ 383,200	\$ 38,675	\$ -	\$ 421,875	\$ -	\$ 421,875	\$ -	\$ 421,875	No	\$ -	\$ -	\$ -	\$ -	\$ -	
COMMUNICATION Upgrades (7690.62) (Task No. 3)	\$ 547,500	\$ (21,425)	\$ -	\$ 526,075	\$ -	\$ 526,075	\$ -	\$ 526,075	No	\$ -	\$ -	\$ -	\$ -	\$ -	
CB20 Noise Mitigation (7690.5)	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ 80,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Upper Santa Ana River Habitat Conservation Plan (7690.7) (Task No. 7)	\$ 75,000	\$ 5,000	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ 80,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	
East Decler Basin (Task No. 1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ 1,550,000	\$ 2,115,000	\$ -	\$ -	
Wineville Proof of Concept (7209.2) (Task No. 6) COMPLETED	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Jurupa Pump Station (7209.1) (Task No. 5) COMPLETED	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Hickory Basin (7690.3) COMPLETED	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
SUBTOTAL PRE-RMPU PROJECTS	\$ 1,162,956	\$ 22,250	\$ -	\$ 1,185,206	\$ -	\$ 1,107,950	\$ 77,256	\$ 1,107,950	No	\$ -	\$ 1,550,000	\$ 2,115,000	\$ -	\$ -	
RMPU Projects															
San Sevaine Improvements (7690.4) (Task No. 8)	\$ 475,000	\$ 1,126,900	\$ -	\$ 1,601,900	\$ -	\$ 1,601,900	\$ -	\$ 1,601,900	No	\$ -	\$ 1,253,100	\$ -	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects (7690.15) (Task No. 1)	\$ -	\$ 569,750	\$ -	\$ 569,750	\$ -	\$ 569,750	\$ -	\$ 569,750	No	\$ -	\$ 1,550,000	\$ 1,455,500	\$ -	\$ -	
Lower Day Basin RMPU Improvement Project (7690.8) (Task No. 2)	\$ 49,000	\$ 140,000	\$ -	\$ 189,000	\$ -	\$ 189,000	\$ -	\$ 189,000	No	\$ -	\$ 140,000	\$ 1,401,000	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 8,300,000	\$ 22,022,500	\$ 8,300,000	
2013 RMPU Amendment Yield Enhancement Projects - Victoria Basin Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 32,500	\$ 32,500	\$ -	
2013 RMPU Amendment Yield Enhancement Projects - RP-3 Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 325,000	\$ 825,000	\$ 500,000	
SUBTOTAL RMPU PROJECTS	\$ 524,000	\$ 1,836,650	\$ -	\$ 2,360,650	\$ -	\$ 2,360,650	\$ -	\$ 2,360,650	---	\$ -	\$ 2,943,100	\$ 11,514,000	\$ 22,880,000	\$ 8,800,000	
GRAND TOTALS	\$ 1,686,956	\$ 1,858,900	\$ -	\$ 3,545,856	\$ -	\$ 3,468,600	\$ 77,256	\$ 3,468,600	---	\$ -	\$ 4,493,100	\$ 13,629,000	\$ 22,880,000	\$ 8,800,000	

NOTES:
¹ \$77,256 of the Carry-Over funds could be (1) allocate some or all the funds to other projects using an approved Budget Transfer Form; (2) retain some or all the funds on reserve to be used for projects as needed; (3) refund some or all the funds back to Appropriators during Assessment invoicing based upon OSY formula; and (4) a combination of the three options listed. Wineville Project of \$35,398; Jurupa Pump Station of \$37,981; and Hickory Basin of \$3,877 = \$77,256.

CHINO BASIN WATERMASTER

IV. INFORMATION

3. Ground Level Monitoring Report

Quarterly Status Report

Ground-Level Monitoring Program

July –September 2015

Background

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

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

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

The SMP also calls for:

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

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

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

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

The main activities of the GLMP include:

- Setup and Maintenance of Monitoring Facilities



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

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

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

Activities Performed from July - September 2015

Setup and Maintenance of the Monitoring Facilities

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

Monitoring and Testing

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



Quarterly Status Report

Ground-Level Monitoring Program

July –September 2015

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

Data Analysis and Reporting

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

Meetings of the Ground-Level Monitoring Committee

There were no Committee meetings during the reporting period.

Activities Planned for October - December 2015

Setup and Maintenance of the Monitoring Facilities

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

Monitoring and Testing

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



Quarterly Status Report

Ground-Level Monitoring Program

July –September 2015

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

Data Analysis and Reporting

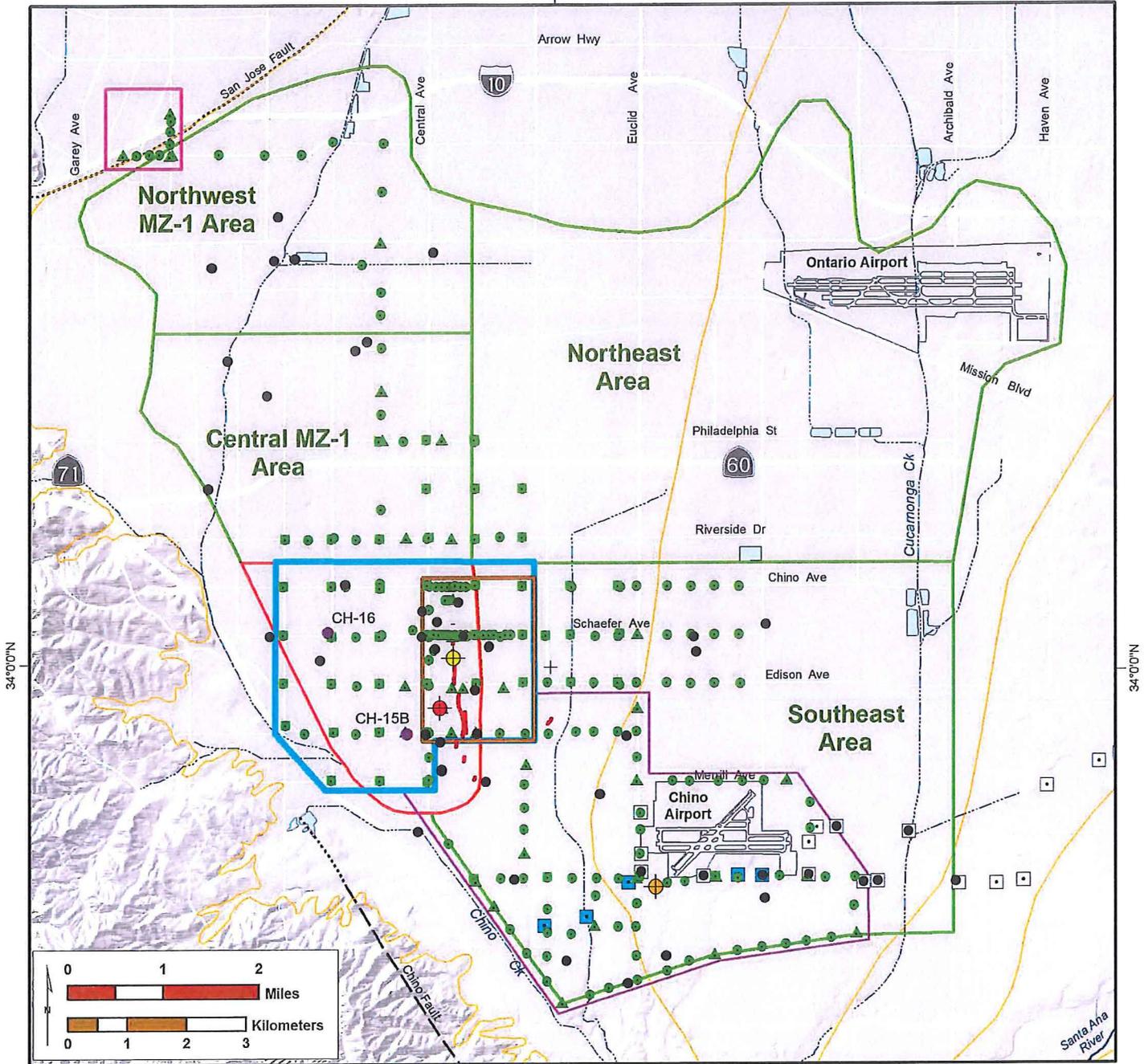
- *Northwest MZ-1 Area Investigation:*
 - Task 1: The draft technical memorandum titled *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area* is scheduled to be completed and submitted to the Committee for review in November 2015. The final technical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

Meetings of the Ground-Level Monitoring Committee

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



117°40'0"W



34°0'0"N

34°0'0"N

117°40'0"W

Survey Benchmarks

- ▲ Class A Monuments
- Class B Monuments

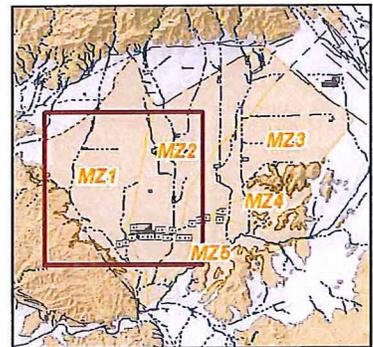
Survey Areas

- ▭ Southeast Area
- ▭ Fissure Zone
- ▭ Managed Area
- ▭ San Jose Fault Zone

Wells and Extensometers

- Well Monitored by Pressure Transducer - July 2015
- CH-15B & CH-16
- Desalter Well
- Desalter Well - Chino Creek Well Field
- Ayala Park Extensometer
- Chino Creek Extensometer
- Daniels Horizontal Extensometer

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



Prepared by:



Author: TCR
 Date: 20151001
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CHINO BASIN WATERMASTER

IV. INFORMATION

4. RMPU Status Report

Schedule:

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

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

* -- Decision Point Milestone

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STATUS

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

PROJECTS

Sustainability Projects: Determine Need and Refine Production Sustainability Projects

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

Yield Enhancement Projects: Contact Sand and Gravel Companies

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

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

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

Yield Enhancement Projects: Consider AP New Yield Cost Allocation Agreement

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

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

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

Yield Enhancement Projects: Develop Flood Control and Water Conservation Agreement

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

Yield Enhancement Projects: Agreement with Property Owners

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

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

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