

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, August 11, 2016

- 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, August 11, 2016

- 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. – August 11, 2016

WITH

*Mr. Darron Poulsen, Chair
Mr. Todd Corbin, Vice-Chair*

At The Offices Of

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

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held July 14, 2016 (*Page 1*)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2016 (*Page 15*)
2. Watermaster VISA Check Detail for the month of June 2016 (*Page 29*)
3. Combining Schedule for the Period July 1, 2015 through June 30, 2016 (*Page 33*)
4. Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016 (*Page 37*)
5. Budget vs. Actual Report for the Period July 1, 2015 through June 30, 2016 (*Page 41*)

C. OBMP SEMI-ANNUAL STATUS REPORTS 2014-2 AND 2015-1

Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Reports 2014-2 and 2015-1, along with filing a copy with the Court, subject to any necessary non-substantive changes. (*Page 63*)

D. WATER TRANSACTION

Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account, effective for the Fiscal Year 2015-2016. Date of application: April 25, 2016. (*Page 87*)

II. BUSINESS ITEMS

A. BUDGET TRANSFER FORM T-16-06-01

Recommend Advisory Committee Approval of Budget Transfer Form T-16-06-01 for FY 2015/16 as presented. (*Page 97*)

B. PRADO BASIN HABITAT SUSTAINABILITY PROGRAM COST-SHARING AGREEMENT AMENDMENT

Recommend Advisory Committee approval of the amendment to the Prado Basin Habitat Sustainability Program cost-sharing agreement with IEUA, subject to any necessary non-substantive changes. *(Page 105)*

C. ADAPTIVE MANAGEMENT PLAN FOR THE PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the Adaptive Management Plan for the Prado Basin Habitat Sustainability Program, subject to any necessary non-substantive changes. *(Page 117)*

D. SUPPLEMENTAL WATER RECHARGE PROCEDURE (DISCUSSION ONLY) *(Page 125)***III. REPORTS/UPDATES****A. LEGAL COUNSEL REPORT**

1. Alvarez CalPERS Appeal

B. ENGINEER REPORT

1. Model Update and Required Demonstrations
2. RMPU Projects Support
3. Compliance with SB 88
4. Watermaster 38th Annual Report

C. CFO REPORT

1. Desalter Replenishment Obligation Update

D. GM REPORT

2. Replenishment Water Order With IEUA
3. Water Activity Reports
4. Water Quality Sampling
5. Other

IV. INFORMATION

1. Cash Disbursements for July 2016 *(Page 139)*
2. Recharge Investigations and Projects Committee (RIPCom) *(Page 151)*

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. Appropriative Pool Strategic Planning Discussion

VIII. FUTURE MEETINGS AT WATERMASTER

- 8/11/16 Thu 9:00 a.m. Appropriative Pool Meeting
- 8/11/16 Thu 11:00 a.m. Non-Agricultural Pool Meeting
- 8/11/16 Thu 1:30 p.m. Agricultural Pool Meeting
- 8/18/16 Thu 8:00 a.m. Appropriative Pool Strategic Planning (Confidential Session Only)
- 8/18/16 Thu 9:00 a.m. Advisory Committee Meeting
- 8/18/16 Thu 9:30 a.m. Recharge Investigations and Projects Committee (RIPCom)
- 8/23/16 Tue 9:00 a.m. Groundwater Recharge Coordinating Committee (GRCC at CBWCD)
- 8/25/16 Thu 11:00 a.m. Watermaster Board

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

11:00 a.m. – August 11, 2016

WITH

Mr. Brian Geye, Chair

Mr. Bob Bowcock, Vice-Chair

(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 July 14, 2016 *(Page 5)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2016 *(Page 15)*
2. Watermaster VISA Check Detail for the month of June 2016 *(Page 29)*
3. Combining Schedule for the Period July 1, 2015 through June 30, 2016 *(Page 33)*
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D. SUPPLEMENTAL WATER RECHARGE PROCEDURE (DISCUSSION ONLY) *(Page 125)***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.
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. Alvarez CalPERS Appeal

B. ENGINEER REPORT

1. Model Update and Required Demonstrations
2. RMPU Projects Support
3. Compliance with SB 88
4. Watermaster 38th Annual Report

C. CFO REPORT

1. Desalter Replenishment Obligation Update

D. GM REPORT

1. Replenishment Water Order With IEUA
2. Water Activity Reports
3. Water Quality Sampling
4. Other

IV. INFORMATION

1. Cash Disbursements for July 2016 *(Page 139)*
2. Recharge Investigations and Projects Committee (RIPCom) *(Page 151)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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VIII. FUTURE MEETINGS AT WATERMASTER

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- 8/18/16 Thu 9:30 a.m. Recharge Investigations and Projects Committee (RIPCom)
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- 8/25/16 Thu 11:00 a.m. Watermaster Board

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**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – August 11, 2016

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

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Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the Adaptive Management Plan for the Prado Basin Habitat Sustainability Program, subject to any necessary non-substantive changes. *(Page 117)*

D. SUPPLEMENTAL WATER RECHARGE PROCEDURE (DISCUSSION ONLY) *(Page 125)*

E. OLD BUSINESS

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Alvarez CalPERS Appeal

B. ENGINEER REPORT

1. Model Update and Required Demonstrations
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3. Compliance with SB 88
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C. CFO REPORT

1. Desalter Replenishment Obligation Update

D. GM REPORT

2. Replenishment Water Order With IEUA
3. Water Activity Reports
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5. Other

IV. INFORMATION

1. Cash Disbursements for July 2016 *(Page 139)*
2. Recharge Investigations and Projects Committee (RIPCom) *(Page 151)*

V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Private Well Data for Triennial Ambient Water Quality Update

VIII. FUTURE MEETINGS AT WATERMASTER

8/11/16	Thu	9:00 a.m.	Appropriative Pool Meeting
8/11/16	Thu	11:00 a.m.	Non-Agricultural Pool Meeting
8/11/16	Thu	1:30 p.m.	Agricultural Pool Meeting
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8/18/16	Thu	9:00 a.m.	Advisory Committee Meeting
8/18/16	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
8/23/16	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC at CBWCD)
8/25/16	Thu	11:00 a.m.	Watermaster Board

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on July 14, 2016

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

July 14, 2016

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on July 14, 2016.

APPROPRIATIVE POOL MEMBERS PRESENT

Darron Poulsen, Chair	City of Pomona
Robert Tock for Todd Corbin, Vice-Chair	Jurupa Community Services District
Josh Swift	Fontana Water Company
Cris Fealy	Fontana Union Water Company
John Bosler for Marty Zvirbulis	Cucamonga Valley Water District
Van Jew	Monte Vista Irrigation Company
Teri Layton	San Antonio Water Company
Rosemary Hoerning	City of Upland
Ryan Shaw for Scott Burton	City of Ontario
Justin Scott-Coe	Monte Vista Water District
Dave Crosley	City of Chino
Bob Page	County of San Bernardino

WATERMASTER BOARD MEMBER PRESENT

James Curatalo	Cucamonga Valley Water District
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WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary
Justin Nakano	Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT

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

OTHERS PRESENT

Eric Tarango	Fontana Water Company
Raul Garibay	City of Pomona
Sylvie Lee	Inland Empire Utilities Agency
Joel Ignacio	Inland Empire Utilities Agency
Sheri Rojo	Fontana Water Company
Curtis Paxton	Chino Basin Desalter Authority
David DeJesus	Three Valley Municipal Water District
Eunice Ulloa	Chino Basin Water Conservation District
Paula Lantz	City of Pomona

CALL TO ORDER

Chair Poulsen called the Appropriative Pool meeting to order at 9:02 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held June 9, 2016

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2016
2. Watermaster VISA Check Detail for the month of May 2016
3. Combining Schedule for the Period July 1, 2015 through May 31, 2016
4. Treasurer's Report of Financial Affairs for the Period May 1, 2016 through May 31, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through May 31, 2016

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer - The purchase of 725.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carryover Account, effective for the Fiscal Year 2015-2016. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 6, 2016.
2. Notice of Sale or Transfer - The purchase of 67.941 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Excess Carryover Account, effective for the Fiscal Year 2015-2016. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 6, 2016.
3. Notice of Sale or Transfer - The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool), effective for the Fiscal Year 2015-2016. Date of application: June 10, 2016.

(0:00:30)

Motion by Ms. Rosemary Hoerning, seconded by Ms. Teri Layton, and by unanimous vote

Moved to approve the Consent Calendar as presented

II. BUSINESS ITEMS**A. NONE****III. REPORTS/UPDATES****A. LEGAL COUNSEL REPORT**

1. September 23, 2016 Hearing

(0:01:01) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Procedure for Supplemental Water Recharge
2. RMPU Projects Support
3. Proposition 1 – Stormwater Grant Application Support
4. Assistance on Self-Certification Applications
5. 2016 Groundwater Elevation Data for California Statewide Groundwater Elevation Monitoring (CASGEM) Program
6. CY 2015 Permittee Progress Report on Stormwater Recharge to State Board

(0:02:23) Mr. Malone gave a report. A discussion ensued.

(0:07:04) Mr. Page joined the meeting.

C. CFO REPORT

1. Assessment Invoicing
2. Desalter Replenishment Obligation
3. Exhibit "G" Water Transactions
4. RTS Charge

(0:09:54) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. Stored Water Accounts – Account Balances
2. SGMA Basin Boundary Modification Update
3. Non-Agricultural Pool Volume Vote

(0:38:44) Mr. Kavounas gave a report. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for June 2016
2. Recharge Investigations and Projects Committee (RIPCom)
3. RMPU Status Report
4. Ground Level Monitoring Status Report
5. South Archibald and Chino Airport Plumes Status Report

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Poulsen called for a confidential session at 9:49 a.m. to hold the Appropriative Pool Strategic Planning discussion. Confidential session concluded at 10:58 a.m. with no reportable action.

ADJOURNMENT

Chair Poulsen adjourned the Appropriative Pool meeting at 10:59 a.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM ROUTINE

A. MINUTES

1. Non-Agricultural Pool Meeting held on July 14, 2016

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

July 14, 2016

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 July 14, 2016.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Bob Page	San Bernardino County
Van Jew for Mark Kinsey	Monte Vista Water District
Ken Jeske	California Steel Industries (CSI)

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Brian Geye, Chair	Auto Club Speedway
David Penrice	Aqua Capital Management LP
Tom O'Neill	Ontario City Non-Agricultural

WATERMASTER STAFF PRESENT AT WATERMASTER

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

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Hogan Lovells US, LLP
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OTHERS PRESENT AT WATERMASTER

Darron Poulsen	City of Pomona
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CALL TO ORDER

Chair Geye called the Non-Agricultural Pool meeting to order at 11:01 a.m.

ROLL CALL

Ms. Truong conducted the roll call.

AGENDA – ADDITIONS/REORDER

None

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held June 9, 2016

(0:02:15)

Motion by Mr. Tom O'Neill, seconded by Mr. Bob Page. 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.

Abstention by Monte Vista Water District

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2016
2. Watermaster VISA Check Detail for the month of May 2016
3. Combining Schedule for the Period July 1, 2015 through May 31, 2016
4. Treasurer's Report of Financial Affairs for the Period May 1, 2016 through May 31, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through May 31, 2016

(0:02:50)

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

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

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer - The purchase of 725.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carryover Account, effective for the Fiscal Year 2015-2016. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 6, 2016.
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(0:03:25)

Motion by Mr. Ken Jeske, seconded by Mr. Tom O'Neill. 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. 2016 NON-AGRICULTURAL POOL VOLUME VOTE**

Approve the Calendar Year 2016 Overlying (Non-Agricultural) Pool Volume Vote as presented.

(0:04:06) Mr. Kavounas gave a report. A discussion ensued.

(0:14:34) Motion introduced by Mr. Jeske, seconded by Mr. Page; more discussion ensued.

(0:18:02) Motion amended by Messrs. Jeske and Page.

(0:19:25) Vote taken

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

Moved to approve Business Item II.A. using current shares of Safe Yield as attached to these minutes and direct staff to prepare a recommended volume vote table every time a water rights transaction occurs.

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

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

(0:19:41) Chair Geye raised the question whether CCG Ontario has been inadvertently omitted from the membership list, if CCG has a secondary right in Speedway's water. David Penrice stated that Aqua may have acquired all of CCG's water rights in the Basin, including the secondary right in Speedway's water. A discussion ensued. No action was taken to add CCG to the membership list.

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

1. September 23, 2016 Hearing

(0:28:15) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Procedure for Supplemental Water Recharge
2. RMPU Projects Support
3. Proposition 1 – Stormwater Grant Application Support
4. Assistance on Self-Certification Applications
5. 2016 Groundwater Elevation Data for California Statewide Groundwater Elevation Monitoring (CASGEM) Program
6. CY 2015 Permittee Progress Report on Stormwater Recharge to State Board

(0:30:01) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Assessment Invoicing
2. Desalter Replenishment Obligation
3. Exhibit "G" Water Transactions
4. RTS Charge

(0:34:27) Mr. Joswiak gave a report. A discussion ensued.

(0:39:38) Mr. Kavounas recommended that the Pool, especially parties that may be purchasing replenishment water in the future, review and become familiar with the new RTS charge process as it fundamentally changes the cost of replenishment water.

D. GM REPORT

1. Stored Water Accounts – Account Balances
2. SGMA Basin Boundary Modification Update

(0:42:54) Mr. Kavounas gave a report. A discussion ensued.

IV. INFORMATION

- 1. Cash Disbursements for June 2016
 - 2. Recharge Investigations and Projects Committee (RIPCom)
 - 3. RMPU Status Report
 - 4. Ground Level Monitoring Status Report
 - 5. South Archibald and Chino Airport Plumes Status Report
- (0:46:02) Mr. Jeske commented about the East Declez Basin Project.

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

None

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 11:47 a.m.

Secretary: _____

Approved: _____

Attachment: 2016 Non-Ag Pool Volume Vote (Share of Safe Yield as of July 14, 2016)



Chino Basin Watermaster 2016 Non-Ag Pool Volume Vote

2014/15 Production data from Assessment Package approved on June 23, 2016

Share of Safe Yield as of July 14, 2016

	Assessable Production			Share of Safe Yield			TOTAL VOLUME VOTE
	Acre-Ft	Percentage	Votes	Acre-Ft	WV Realloc	Votes	
Ameron International Corp.	0.000	0.000%	0.000	82.858	0.176	8.988	8.988
Aqua Capital Management LP	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
California Speedway Corp. (Auto Club Speedway)	454.248	10.482%	77.774	1,000.000	2.130	100.864	178.638
California Steel Industries, Inc. (CSI)	1,278.665	29.505%	218.926	1,615.137	3.440	161.782	380.708
Calmat Co., a Division of Vulcan Materials Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
CCG Ontario, LLC	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
General Electric Co. (GE)	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Hamner Park Associates (Swan Lake MHP)	277.282	6.398%	47.475	464.240	0.989	46.937	94.411
Kaiser Ventures, Inc.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
KCO, LLC / The Koll Company	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Loving Savior Of The Hills Lutheran Church	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Monte Vista Water District (Non-Ag)	0.000	0.000%	0.000	50.000	0.107	5.992	5.992
NRG California South LP	220.998	5.099%	37.838	954.540	2.033	95.871	133.709
Ontario, City of (Non-Ag)	1,856.735	42.844%	317.899	2,910.788	6.200	291.607	609.506
Praxair, Inc.	0.000	0.000%	0.000	1.000	0.002	0.999	0.999
Riboli Family / San Antonio Winery	7.062	0.163%	1.209	0.000	0.000	0.000	1.209
San Bernardino, County of (Chino Airport)	90.247	2.082%	15.452	133.870	0.285	13.981	29.433
Southern California Edison Co. (SCE)	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Southern Service Co. (Angelica)	25.833	0.596%	4.423	18.789	0.040	1.997	6.420
Space Center Mira Loma, Inc.	93.708	2.162%	16.044	104.121	0.222	10.985	27.029
Sunkist Growers, Inc.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
TAMCO	28.975	0.669%	4.961	15.000	0.032	1.997	6.958
West Venture Development Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
TOTAL	4,333.753	100.000%	742.000	7,350.343	15.656	742.000	1,484.000

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on July 14, 2016

DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

July 14, 2016

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on July 14, 2016.

AGRICULTURAL POOL MEMBERS PRESENT

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Pete Hall	State of California – CIM
Bob Page	County of San Bernardino
Lawrence Dimock	State of California – CIM
Noah Golden-Krasner for Carol Boyd	State of California – DOJ
Rob Vanden Heuvel	Dairy
John Huitsing	Dairy
Nathan deBoom	Dairy
Henry DeHaan for Gene Koopman	Dairy

WATERMASTER BOARD MEMBERS PRESENT

Geoff Vanden Heuvel	Dairy
Paul Hofer	Crops

WATERMASTER STAFF PRESENT

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

WATERMASTER CONSULTANTS PRESENT

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

OTHERS PRESENT

Diana Frederick	State of California – CDCR
Tracy Egoscue	Egoscue Law Group
Richard Rees	AMEC
Flower Armijo	Egoscue Law Group Intern

CALL TO ORDER

Chair Feenstra called the Agricultural Pool meeting to order at 1:40 p.m.

Ms. Egoscue introduced her intern, Flower Armijo.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held June 9, 2016

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2016
2. Watermaster VISA Check Detail for the month of May 2016
3. Combining Schedule for the Period July 1, 2015 through May 31, 2016
4. Treasurer's Report of Financial Affairs for the Period May 1, 2016 through May 31, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through May 31, 2016

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer - The purchase of 725.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carryover Account, effective for the Fiscal Year 2015-2016. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 6, 2016.
2. Notice of Sale or Transfer - The purchase of 67.941 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Excess Carryover Account, effective for the Fiscal Year 2015-2016. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 6, 2016.
3. Notice of Sale or Transfer - The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool), effective for the Fiscal Year 2015-2016. Date of application: June 10, 2016.

(0:02:00)

*Motion by Mr. Nathan deBoom, seconded by Mr. Rob Vanden Heuvel, and by unanimous vote
Moved to approve Consent Calendar as presented*

II. BUSINESS ITEMS**A. OLD BUSINESS**

None

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

1. September 23, 2016 Hearing

(0:02:55) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. Procedure for Supplemental Water Recharge
2. RMPU Projects Support
3. Proposition 1 – Stormwater Grant Application Support
4. Assistance on Self-Certification Applications
5. 2016 Groundwater Elevation Data for California Statewide Groundwater Elevation Monitoring (CASGEM) Program
6. CY 2015 Permittee Progress Report on Stormwater Recharge to State Board

(0:09:56) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

- 1. Assessment Invoicing
- 2. Desalter Replenishment Obligation
- 3. Exhibit "G" Water Transactions
- 4. RTS Charge

(0:15:51) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

- 1. Stored Water Accounts – Account Balances
- 2. SGMA Basin Boundary Modification Update
- 3. Non-Agricultural Pool Volume Vote

(0:30:27) Mr. Kavounas gave a report. A discussion ensued.

(0:33:30) Chair Feenstra commented regarding IEUA grants.

IV. INFORMATION

- 1. Cash Disbursements for June 2016
- 2. Recharge Investigations and Projects Committee (RIPCom)
- 3. RMPU Status Report
- 4. Ground Level Monitoring Status Report
- 5. South Archibald and Chino Airport Plumes Status Report

V. POOL DISCUSSION

- 1. Chairman's Update

(0:44:50) Chair Feenstra thanked staff for assistance in distributing information for the Celebration of Life event for Mr. Gene Koopman.

- 2. Pool Member Comments
None

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Feenstra called for a confidential session at 2:29 p.m. to discuss Pool business. Confidential session concluded at 3:03 p.m. with no reportable action.

ADJOURNMENT

Chair Feenstra adjourned the Agricultural Pool meeting at 3:04 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 June 2016
2. Watermaster VISA Check Detail for the month of June 2016
3. Combining Schedule for the Period July 1, 2015 through June 30, 2016
4. Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through June 30, 2016

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2016
2. Watermaster VISA Check Detail for the month of June 2016
3. Combining Schedule for the Period July 1, 2015 through June 30, 2016
4. Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through June 30, 2016



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: August 11, 2016
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (June 30, 2016)

SUMMARY

Issue: Record of Cash Disbursements for the month of June 30, 2016.

Recommendation: Receive and file Cash Disbursements for June 30, 2016 as presented.

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

Future Consideration

Appropriative Pool: August 11, 2016; Receive and File
Non-Agricultural Pool: August 11, 2016; Receive and File
Agricultural Pool: August 11, 2016; Receive and File
Advisory Committee: August 18, 2016; Receive and File
Watermaster Board: August 25, 2016; Receive and File (Normal Course of Business)

ACTIONS:

August 11, 2016 – Appropriative Pool –
August 11, 2016 – Non-Agricultural Pool –
August 11, 2016 – Agricultural Pool –
August 18, 2016 – Advisory Committee –
August 25, 2016 – 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 June 2016 were \$3,328,401.81.

The most significant expenditures during the month were to Inland Empire Utilities Agency in the amounts of \$164,980.61, \$38,407.15, \$24,389.12 and \$46,586.06 (check number 19469 dated June 15, 2016, check number 19481 dated June 15, 2016, check number 19493 dated June 22, 2016, and check number 19494 dated June 22, 2016); Wildermuth Environmental, Inc. in the amount of \$142,258.89 (check number 19483 dated June 20, 2016); Brownstein Hyatt Farber Schreck in the amount of \$124,881.19 (check number 19482 dated June 20, 2016); Auto Club Speedway in the amount of \$508,000.00 (check number 19495 dated June 23, 2016); CSI in the amount of \$1,270,000.00 (check number 19496 dated June 23, 2016); and NRG California South LLP in the amount of \$762,000.00 (check number 19497 dated June 23, 2016).

The checks issued to Auto Club Speedway, CSI and NRG California South LP totaling \$2,540,000.00 were for the sale and payment of Exhibit "G" water sales.

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/01/2016	ACH 0601201	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/21/2016	05/21/2016	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/08/16-05/21/16	2000 · Accounts Payable	5,343.90
TOTAL						<u>5,343.90</u>
General Journal	06/04/2016	06/04/2016	Payroll and Taxes for 05/22/16-06/04/16	Payroll and Taxes for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	19,648.08
				Payroll Taxes for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	14,436.65
				Payroll Checks for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	5,864.93
			ICMA-RC	457(b) Employee Deductions for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	3,639.27
			ICMA-RC	401(a) Employee Deductions for 05/22/16-06/04/16	1012 · Bank of America Gen'l Ckg	945.28
TOTAL						<u>44,534.21</u>
Bill Pmt -Check	06/07/2016	19430	APPLIED COMPUTER TECHNOLOGIES	2683	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2016	2683		Database Consulting - May 2016	6052.2 · Applied Computer Technol	4,069.00
TOTAL						<u>4,069.00</u>
Bill Pmt -Check	06/07/2016	19431	BOWCOCK, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2016	4/15 Mtg w/PK		4/15/16 Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	05/19/2016	5/19 RIPCom Mtg		5/19/16 RIPCom Meeting	6311 · Board Member Compensation	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	06/07/2016	19432	BOWMAN, JIM	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	06/07/2016	19433	CHEF DAVE'S CAFE & CATERING	6114	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	6114		Lunch for 5/26/16 Watermaster Board meeting	6312 · Meeting Expenses	536.00
TOTAL						<u>536.00</u>
Bill Pmt -Check	06/07/2016	19434	CURATALO, JAMES	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2016	5/24 Admin Mtg		5/24/16 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	06/07/2016	19435	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	5/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				5/12/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/07/2016	19436	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2016	5/24 Brd Agenda Mtg		5/24/16 Chair/Vice Chair Board Agenda Meeting	6311 · Board Member Compensation	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	06/07/2016	19437	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	05/02/2016	L0262468		L0262468	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
Bill	05/02/2016	L0261229		L02621229	7108.4 · Hydraulic Control-Lab Svcs	440.00
TOTAL						2,032.00
Bill Pmt -Check	06/07/2016	19438	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	5/12 Ag Pool Mtg		5/12/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	06/07/2016	19439	GRAINGER		1012 · Bank of America Gen'l Ckg	
Bill	05/19/2016	9116771909		Supplies for equipment repair	7104.6 · Grdwtr Level-Supplies	25.10
Bill	05/19/2016	9116771891		Supplies for equipment repair	7104.6 · Grdwtr Level-Supplies	73.98
TOTAL						99.08
Bill Pmt -Check	06/07/2016	19440	GREAT AMERICA LEASING CORP.	18758586	1012 · Bank of America Gen'l Ckg	
Bill	05/16/2016	18758586		Monthly lease invoice	6043.1 · Ricoh Lease Fee	3,285.30
TOTAL						3,285.30
Bill Pmt -Check	06/07/2016	19441	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	5/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				5/12/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/07/2016	19442	LEVEL 3 COMMUNICATIONS	44060579	1012 · Bank of America Gen'l Ckg	
Bill	05/17/2016	44060579		5/17/16-6/16/16	6053 · Internet Expense	1,087.54
TOTAL						1,087.54
Bill Pmt -Check	06/07/2016	19443	MIJAC ALARM	388810	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2016	388810		Fire monitoring 6/01/16-8/31/16	6026 · Security Services	411.00
				Opening and closing reports 6/01/16-8/31/16	6026 · Security Services	54.00
				Annex-opening & closing reports 6/01/16-8/31/16	6026 · Security Services	45.00
				Commercial monitoring 6/01/16-8/31/16	6026 · Security Services	147.00
TOTAL						657.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/07/2016	19444	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	5/12 Ag Pool Mtg		5/12/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/19/2016	5/19 RIPCom Mtg		5/19/16 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/19/2016	5/19 Advisory Comm		5/19/16 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	06/07/2016	19445	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	06/06/2016	1394905143		Unfunded Accrued Liability as of the June 30, 2013	60180 · Employers PERS Expense	3,077.00
TOTAL						3,077.00
Bill Pmt -Check	06/07/2016	19446	RAUCH COMMUNICATION CONSULTANTS, LLC	May-1606	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	May-1606		Progress billing for work thru April 30, 2016	6061.3 · Rauch	8,516.25
TOTAL						8,516.25
Bill Pmt -Check	06/07/2016	19447	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	0023230253		Office Water Bottle - May 2016	6031.7 · Other Office Supplies	102.43
TOTAL						102.43
Bill Pmt -Check	06/07/2016	19448	RR FRANCHISING, INC.	22971	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2016	22971		Monthly service charge for June 2016	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	06/07/2016	19449	STAPLES BUSINESS ADVANTAGE	8039305428	1012 · Bank of America Gen'l Ckg	
Bill	05/16/2016	8039305428		Miscellaneous office supplies	6031.7 · Other Office Supplies	56.48
				Toner	6031.7 · Other Office Supplies	244.98
TOTAL						301.46
Bill Pmt -Check	06/07/2016	19450	STATE COMPENSATION INSURANCE FUND	1970970-15	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	1970970-15		1970970-15	60183 · Worker's Comp Insurance	961.58
TOTAL						961.58
Bill Pmt -Check	06/07/2016	19451	THOMAS, THOMAS R.	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/07/2016	19452	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	7076224530355049		May 2016	6175 · Vehicle Fuel	58.03
TOTAL						58.03

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/07/2016	19453	UNITED HEALTHCARE	0040596724	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2016	0040596724		Dental Insurance Premium - June 2016	60182.2 · Dental & Vision Ins	572.39
TOTAL						<u>572.39</u>
Bill Pmt -Check	06/07/2016	19454	VANDEN HEUVEL, GEOFFREY	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	06/07/2016	19455	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	5/12 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				5/12/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	06/07/2016	19456	VERIZON WIRELESS	9765345377	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2016	9765345377		9765345377	7103.7 · Grdwtr Qual-Computer Svc	100.04
TOTAL						<u>100.04</u>
P20 Bill Pmt -Check	06/07/2016	19457	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2016	001017890001		Vision Insurance Premium - June 2016	60182.2 · Dental & Vision Ins	73.46
TOTAL						<u>73.46</u>
Bill Pmt -Check	06/07/2016	19458	WEST POINT MEDICALCENTER	GRE133135	1012 · Bank of America Gen'l Ckg	
Bill	05/25/2016	GRE133135		GRE133135	6016 · New Employee Search Costs	110.00
TOTAL						<u>110.00</u>
Bill Pmt -Check	06/07/2016	19459	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting - Don Galleano attendance	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	06/07/2016	19460	YSI INCORPORATED	646706	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2016	646706		Conductivity calibrator solution for water quality	7103.6 · Grdwtr Qual-Supplies	170.19
TOTAL						<u>170.19</u>
Bill Pmt -Check	06/07/2016	19461	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2016	08-k2 213849		Disposal Service - June 2016	6024 · Building Repair & Maintenance	111.57
TOTAL						<u>111.57</u>
Bill Pmt -Check	06/09/2016	ACH 0609201	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/04/2016	06/04/2016	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/22/16-06/04/16	2000 · Accounts Payable	5,556.41

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						5,556.41
Check	06/15/2016	06/15/2016	Service Charge	Service Charge Service Charge	1012 · Bank of America Gen'l Ckg 6039.1 · Banking Service Charges	412.16
TOTAL						412.16
Bill Pmt -Check	06/15/2016	19462	ACWA JOINT POWERS INSURANCE AUTHORITY	0419244	1012 · Bank of America Gen'l Ckg	
Bill	06/02/2016	0419244		Prepayment - July 2016 June 2016	1409 · Prepaid Life, BAD&D & LTD 60191 · Life & Disab.Ins Benefits	137.43 131.97
TOTAL						269.40
Bill Pmt -Check	06/15/2016	19463	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	06/06/2016	8245100651455350		6/06/16-7/05/16	6053 · Internet Expense	64.99
TOTAL						64.99
Bill Pmt -Check	06/15/2016	19464	CORELOGIC INFORMATION SOLUTIONS	81699622	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	81699622		81699622 81699622	7103.7 · Grdwtr Qual-Computer Svc 7101.4 · Prod Monitor-Computer	62.50 62.50
TOTAL						125.00
Bill Pmt -Check	06/15/2016	19465	EGOSCUE LAW GROUP	11284	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	11284		Ag Pool Legal Services - May 2016	8467 · Ag Legal & Technical Services	11,175.00
TOTAL						11,175.00
Bill Pmt -Check	06/15/2016	19466	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2016	90948438900509145		909-484-3890-050914-5	6022 · Telephone	136.63
TOTAL						136.63
Bill Pmt -Check	06/15/2016	19467	GRAINGER	9122545859	1012 · Bank of America Gen'l Ckg	
Bill	05/27/2016	9122545859		Chemical buffer solution for water quality	7103.6 · Grdwtr Qual-Supplies	366.91
TOTAL						366.91
Bill Pmt -Check	06/15/2016	19468	HOGAN LOVELLS	2988350	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	2988350		Non-Ag Pool Legal Services - April 2016	8567 · Non-Ag Legal Service	3,748.50
TOTAL						3,748.50
Bill Pmt -Check	06/15/2016	19469	INLAND EMPIRE UTILITIES AGENCY	1800002794	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2016	1800002794		Communication Upgrades project invoice #2	7690.62 · SCADA Comm. Upgrades (TO #3)	164,980.61
TOTAL						164,980.61

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/15/2016	19470	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/02/2016	5/02 JPIA Conference		5/02/16 JPIA Spring Conference	6311 · Board Member Compensation	125.00
Bill	05/19/2016	5/19 Advisory Comm		5/19/16 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2016	5/24 Admin Mtg		5/24/16 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	05/26/2016	5/26 Board Mtg		5/26/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	06/15/2016	19471	MIJAC ALARM	389947	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	389947		Repair - alarm system fixed	6026 · Security Services	95.00
TOTAL						95.00
Bill Pmt -Check	06/15/2016	19472	MINDSHIFT	0220193	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	0220193		IT Managed Services	6052.4 · mindSHIFT Technologies, Inc.	3,770.00
TOTAL						3,770.00
Bill Pmt -Check	06/15/2016	19473	PAYCHEX	2016052600	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	2016052600		May 2016	6012 · Payroll Services	376.14
TOTAL						376.14
P22						
Bill Pmt -Check	06/15/2016	19474	PETTY CASH	2574-2591	1012 · Bank of America Gen'l Ckg	
Bill	06/13/2016	2574-2591		Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	134.33
				Travel reimbursement for CalPERS Hearing	6073 · BHFS Legal - Personnel Matters	58.91
				Purchase supplies for Administrative meetings	6141.3 · Admin Meetings	163.78
				Proctor fee for A. Truong exam	6192 · Seminars - General	14.94
				Purchase supplies for water quality monitoring	7101.1 · Prod Monitor-WM Staff	55.26
				Parking for J. Nakano to attend RWQCB mtg	6909.1 · OBMP Meetings	2.99
				Purchase supplies for water level monitoring	7104.6 · Grdwtr Level-Supplies	3.81
TOTAL						434.02
Bill Pmt -Check	06/15/2016	19475	PREMIERE GLOBAL SERVICES	21234825	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	21234825		Budget discussion call on 5/054	6909.1 · OBMP Meetings	36.00
				Call on 5/06	6909.1 · OBMP Meetings	43.39
				Pool mtgs check call on 5/11	8512 · Meeting Expense	9.63
				Pool mtgs check call on 5/11	8312 · Meeting Expenses	9.64
				Pool mtgs check call on 5/11	8412 · Meeting Expenses	9.64
				Non-Ag Pool meeting call on 5/12	8512 · Meeting Expense	22.56
				WM coordination call on 5/16	6909.1 · OBMP Meetings	6.13
				Confidential Appropriative Pool call on 5/19	8312 · Meeting Expenses	29.54
				Board agenda call on 5/24	6312 · Meeting Expenses	6.12
				Fee - Confidential	6022 · Telephone	49.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				Fee - General	6022 · Telephone	49.00
				Fee - Service	6022 · Telephone	6.06
TOTAL						<u>276.71</u>
Bill Pmt -Check	06/15/2016	19476	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	06/06/2016	8000909000168851		Postage refill	6042 · Postage - General	3,025.00
TOTAL						<u>3,025.00</u>
Bill Pmt -Check	06/15/2016	19477	SANTA ANA WATERSHED PROJECT AUTHORIT 9244		1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	9244		FY 2016-17 Middle Santa Ana River TMDL TForce	8471 · Ag Pool Expense	9,059.00
TOTAL						<u>9,059.00</u>
Bill Pmt -Check	06/15/2016	19478	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	596.00
TOTAL						<u>596.00</u>
Bill Pmt -Check	06/15/2016	19479	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2016	2x81x0		Package to D. Maurizio	6042 · Postage - General	35.84
TOTAL						<u>35.84</u>
Bill Pmt -Check	06/15/2016	19480	VERIZON WIRELESS	9766511303	1012 · Bank of America Gen'l Ckg	
Bill	06/13/2016	9766511303		9766511303	6022 · Telephone	213.01
TOTAL						<u>213.01</u>
Bill Pmt -Check	06/15/2016	19481	INLAND EMPIRE UTILITIES AGENCY	1800002796	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2016	1800002796		GWR SCADA System Upgrade Project invoice #2	7690.61 · GWR SCADA Upgrades (TO #4)	38,407.15
TOTAL						<u>38,407.15</u>
General Journal	06/18/2016	06/18/2016	Payroll and Taxes for 06/05/16-06/18/16	Payroll and Taxes for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	25,341.75
				Payroll Taxes for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	10,335.38
				Payroll Checks for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	4,436.74
			ICMA-RC	457(b) Employee Deductions for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	3,639.27
			ICMA-RC	401(a) Employee Deductions for 06/05/16-06/18/16	1012 · Bank of America Gen'l Ckg	1,013.06
TOTAL						<u>44,766.20</u>
Bill Pmt -Check	06/20/2016	19482	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2016	640149		640149	6078 · BHFS Legal - Miscellaneous	5,694.75
				Expenses	8375 · BHFS Legal - Appropriative Pool	11.77
				Expenses	8475 · BHFS Legal - Agricultural Pool	11.77

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
				Expenses	8575 · BHFS Legal - Non-Ag Pool	11.77
				Expenses	6078 · BHFS Legal - Miscellaneous	70.62
Bill	04/30/2016	640148		CalPERS-Alvarez	6073 · BHFS Legal - Personnel Matters	43,943.40
				Expenses	6073 · BHFS Legal - Personnel Matters	1,083.39
				Expenses	6073 · BHFS Legal - Personnel Matters	228.79
				Personnel-Various	6073 · BHFS Legal - Personnel Matters	26,678.25
Bill	04/30/2016	640147		640147	6907.34 · Santa Ana River Water Rights	2,079.00
Bill	04/30/2016	640146		640146	6275 · BHFS Legal - Advisory Committee	114.75
Bill	04/30/2016	640145		640145	8375 · BHFS Legal - Appropriative Pool	994.50
Bill	04/30/2016	640144		640144	8475 · BHFS Legal - Agricultural Pool	994.50
Bill	04/30/2016	640142		640142	6071 · BHFS Legal - Court Coordination	7,321.05
Bill	04/30/2016	640143		640143	8575 · BHFS Legal - Non-Ag Pool	994.50
Bill	04/30/2016	640141		640141	6907.39 · Recharge Master Plan	4,201.38
Bill	04/30/2016	640140		640140	6907.41 · Prado Basin Habitat Sustain	1,212.30
Bill	04/30/2016	640139		640139	6907.42 · Safe Yield Recalculation	26,187.75
Bill	04/30/2016	640138		640138	6907.44 · SGMA Compliance	3,046.95
TOTAL						124,881.19

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Bill Pmt -Check	06/20/2016	19483	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	2016168		2016168	6906.31 · OBMP-Pool, Adv. Board Mtgs	6,041.46
Bill	05/31/2016	2016169		2016169	6906.32 · OBMP-Other General Meetings	215.00
Bill	05/31/2016	2016170		2016170	6906.74 · OBMP-Mat'l Phy. Injury Requests	1,336.25
Bill	05/31/2016	2016171		2016171	6910.11 · WEI Support-Grant Funding-RMPU	16,320.75
Bill	05/31/2016	2016172		2016172	6906.71 · OBMP-Data Req.-CBWM Staff	16,122.41
Bill	05/31/2016	2016173		2016173	6906.72 · OBMP-Data Req.-Non CBWM Staff	1,738.17
Bill	05/31/2016	2016174		2016174	6906 · OBMP Engineering Services	2,416.25
Bill	05/31/2016	2016175		2016175	6906.1 · OBMP-Watermaster Model Update	17,044.00
Bill	05/31/2016	2016176		2016176	7103.3 · Grdwtr Qual-Engineering	1,860.00
Bill	05/31/2016	2016177		2016177	7104.3 · Grdwtr Level-Engineering	13,274.47
Bill	05/31/2016	2016178		2016178	7107.2 · Grd Level-Engineering	967.48
				Parsons Brinckerhoff, Inc.	7107.6 · Grd Level-Contract Svcs	10,400.33
				Zumasys	7107.6 · Grd Level-Contract Svcs	289.00
Bill	05/31/2016	2016179		2016179	7108.3 · Hydraulic Control-Engineering	387.50
Bill	05/31/2016	2016180		2016180	7108.32 · HCMP - Adaptive Mgmt Plan	3,408.75
Bill	05/31/2016	2016181		2016181	7108.31 · Hydraulic Control - PBHSP	8,526.25
Bill	05/31/2016	2016182		2016182	7109.3 · Recharge & Well - Engineering	1,111.50
Bill	05/31/2016	2016183		2016183	7202.2 · Engineering Svc	3,195.71
Bill	05/31/2016	2016184		2016184	7402 · PE4-Engineering	14,748.75
Bill	05/31/2016	2016185		2016185	7402.10 · PE4 - Northwest MZ1 Area Proj.	19,268.61
Bill	05/31/2016	2016186		2016186	6910.13 · IEUA-San Sevaime Imp. Proj.	3,586.25

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						142,258.89
Bill Pmt -Check	06/22/2016	ACH 062216	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/18/2016	06/18/2016	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/05/16-06/18/16	2000 · Accounts Payable	5,556.41
TOTAL						5,556.41
Bill Pmt -Check	06/22/2016	19484	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	XXXX-XXXX-XXXX-9341		Purchase software for A. Truong computer	6054 · Computer Software	55.99
				Overnight check	6022 · Telephone	22.84
				Purchase printer for IT use	6055 · Computer Hardware	63.62
				Return fee for sign holders	6031.7 · Other Office Supplies	26.74
				Purchase USB printer cord for printer	6031.7 · Other Office Supplies	26.50
				Hotel-PK to attend 2016 ACWA Spring Conference	6191 · Conferences - General	813.61
				Lunch for 5/12 pre-Ag Pool meeting	8412 · Meeting Expenses	57.92
				PK meeting w/FWC - J. Swift, C. Feely	8312 · Meeting Expenses	63.38
				Purchase sign holders (returned for above credit)	6031.7 · Other Office Supplies	44.25
				Lunch for 5/19/16 Administrative meeting	6141.3 · Admin Meetings	228.02
				Purchase correct sign holders	6031.7 · Other Office Supplies	43.07
				Early bird checkin-flight-PK-CA Water Law Conf.	6191 · Conferences - General	29.46
				Flight-PK-CA Water Law & Policy Conference	6191 · Conferences - General	223.40
				Flowers for Koopman funeral from Watermaster	6141.1 · Meeting Supplies	111.34
				Flowers for Koopman funeral-on behalf of Ag Pool	8412 · Meeting Expenses	114.51
TOTAL						1,924.65
Bill Pmt -Check	06/22/2016	19485	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2016	1394905143		1394905143	60182.1 · Medical Insurance	8,017.14
TOTAL						8,017.14
Bill Pmt -Check	06/22/2016	19486	CUCAMONGA VALLEY WATER DISTRICT	Lease due July 1, 2016	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2016			Lease due July 1, 2016	1422 · Prepaid Rent	6,371.16
TOTAL						6,371.16
Bill Pmt -Check	06/22/2016	19487	GREAT AMERICA LEASING CORP.	18917213	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	18917213		Invoice	6043.1 · Ricoh Lease Fee	3,640.11
TOTAL						3,640.11
Bill Pmt -Check	06/22/2016	19488	JOHN J. SCHATZ	Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016			Approp. Pool Legal Services - Jul. 2015-May 2016	8367 · Legal Service	55,286.00
TOTAL						55,286.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/22/2016	19489	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	0111802		Employee deductions - June 2016	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	06/22/2016	19490	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	623.81
TOTAL						623.81
Bill Pmt -Check	06/22/2016	19491	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016				60182.4 · Retiree Medical	23.62
TOTAL						23.62
Bill Pmt -Check	06/22/2016	19492	VERIZON WIRELESS	97669879754	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	9766989754		97669879754	7103.7 · Grdwtr Qual-Computer Svc	100.06
TOTAL						100.06
Bill Pmt -Check	06/22/2016	19493	INLAND EMPIRE UTILITIES AGENCY	1800002797	1012 · Bank of America Gen'l Ckg	
Bill	06/16/2016	1800002797		Upper Santa Ana River Habitat Conservation - #1	7690.7 · Upper SantaAnaRiver HCP (TO #7)	24,389.12
TOTAL						24,389.12
Bill Pmt -Check	06/22/2016	19494	INLAND EMPIRE UTILITIES AGENCY	1800002795	1012 · Bank of America Gen'l Ckg	
Bill	06/16/2016	1800002795		CB-20 Noise Mitigation Project - invoice #2	7690.5 · CB20 Turnout Noise Abatement	46,586.06
TOTAL						46,586.06
Bill Pmt -Check	06/23/2016	19495	AUTO CLUB SPEEDWAY	Exhibit G Water	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2016	Exhibit G Water		Exhibit G Water Payment to Seller	5107 · Exhibit "G" Non-Ag Pool Water	508,000.00
TOTAL						508,000.00
Bill Pmt -Check	06/23/2016	19496	CSI	Exhibit G Water	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2016			Exhibit G Water Payment to Seller	5107 · Exhibit "G" Non-Ag Pool Water	1,270,000.00
TOTAL						1,270,000.00
Bill Pmt -Check	06/23/2016	19497	NRG CALIFORNIA SOUTH LLP	Exhibit G Water	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2016	Exhibit G Water		Exhibit G Water Payment to Seller	5107 · Exhibit "G" Non-Ag Pool Water	762,000.00
TOTAL						762,000.00
General Journal	06/30/2016	06/30/20106	Wage Works FSA Direct Debits - June 2016	Wage Works FSA Direct Debits - June 2016	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - June 2016	1012 · Bank of America Gen'l Ckg	577.14
				Wage Works FSA Direct Debits - June 2016	1012 · Bank of America Gen'l Ckg	577.14
				Wage Works FSA Direct Debits - June 2016	1012 · Bank of America Gen'l Ckg	81.50

CHINO BASIN WATERMASTER
 Cash Disbursements For The Month of
 June 2016

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,235.78
					Total Disbursements:	<u>3,328,401.81</u>

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CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (June 30, 2016)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of June 30, 2016.

Recommendation: Receive and file VISA Check Detail Report for June 30, 2016 as presented.

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

Future Consideration

Appropriative Pool: August 11, 2016; Receive and File
Non-Agricultural Pool: August 11, 2016; Receive and File
Agricultural Pool: August 11, 2016; Receive and File
Advisory Committee: August 18, 2016; Receive and File
Watermaster Board: August 25, 2016; Receive and File (Normal Course of Business)

ACTIONS:

August 11, 2016 – Appropriative Pool –
August 11, 2016 – Non-Agricultural Pool –
August 11, 2016 – Agricultural Pool –
August 18, 2016 – Advisory Committee –
August 25, 2016 – Watermaster Board –

BACKGROUND

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

DISCUSSION

The total cash disbursement during the month of June 2016 was \$1,924.65. The payment was processed by check number 19484 dated June 22, 2016. The monthly charges for June 2016 of \$1,924.65 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
VISA Check Detail Report
June 2016

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/22/2016	19484	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2016	XXXX-XXXX-XXXX-9341		Purchase software for A. Truong computer	6054 · Computer Software	55.99
				Overnight check	6022 · Telephone	22.84
				Purchase printer for IT use	6055 · Computer Hardware	63.62
				Return fee for sign holders	6031.7 · Other Office Supplies	26.74
				Purchase USB printer cord for printer	6031.7 · Other Office Supplies	26.50
				Hotel-PK to attend 2016 ACWA Spring Conference	6191 · Conferences - General	813.61
				Lunch for 5/12 pre-Ag Pool meeting	8412 · Meeting Expenses	57.92
				PK meeting w/FWC - J. Swift, C. Feely	8312 · Meeting Expenses	63.38
				Purchase sign holders (returned for above credit)	6031.7 · Other Office Supplies	44.25
				Lunch for 5/19/16 Administrative meeting	6141.3 · Admin Meetings	228.02
				Purchase correct sign holders	6031.7 · Other Office Supplies	43.07
				Early bird checkin-flight-PK-CA Water Law Conf.	6191 · Conferences - General	29.46
				Flight-PK-CA Water Law & Policy Conference	6191 · Conferences - General	223.40
				Flowers for Koopman funeral from Watermaster	6141.1 · Meeting Supplies	111.34
				Flowers for Koopman funeral-on behalf of Ag Pool	8412 · Meeting Expenses	114.51
					Total Disbursements:	<u>1,924.65</u>

TOTAL

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CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2015 through June 30, 2016 - Financial Report B3 (June 30, 2016)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2015 through June 30, 2016.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2015 through June 30, 2016 as presented.

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

Future Consideration

Appropriative Pool: August 11, 2016; Receive and File
Non-Agricultural Pool: August 11, 2016; Receive and File
Agricultural Pool: August 11, 2016; Receive and File
Advisory Committee: August 18, 2016; Receive and File
Watermaster Board: August 25, 2016; Receive and File (Normal Course of Business)

ACTIONS:

August 11, 2016 – Appropriative Pool –
August 11, 2016 – Non-Agricultural Pool –
August 11, 2016 – Agricultural Pool –
August 18, 2016 – Advisory Committee –
August 25, 2016 – Watermaster Board –

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2015 through June 30, 2016 is provided to keep all members apprised of the FY 2015/16 cumulative Watermaster revenues, expenditures and changes in net assets for the period listed.

DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Net Assets 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 NET ASSETS
FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		LAIF VALUE ADJ.	GASB 68 BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2015-2016
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS				
Administrative Revenues:											
Administrative Assessments			8,874,750		309,364					9,184,115	9,184,215
Interest Revenue			23,426	2,046	164					25,636	22,050
Mutual Agency Project Revenue	157,349									157,349	157,941
Miscellaneous Income										-	0
Total Revenues	157,349	-	8,898,176	2,046	309,528	-	-	-	-	9,367,100	9,364,206
Administrative & Project Expenditures:											
Watermaster Administration	1,515,585									1,515,585	1,347,768
Watermaster Board-Advisory Committee	144,320									144,320	166,918
Ag Pool Misc. Expense - Ag Fund										-	400
Pool Administration			109,504	341,451	95,741					546,696	567,433
Optimum Basin Mgmt Administration		1,741,442								1,741,442	1,831,093
OBMP Project Costs		2,218,629								2,218,629	3,380,855
Debt Service		304,376								304,376	460,200
Basin Recharge Improvements		1,281,333								1,281,333	3,472,477
Mutual Agency Project Costs										-	10,000
Total Administrative/OBMP Expenses	1,659,906	5,545,780	109,504	341,451	95,741	-	-	-	-	7,752,382	11,237,144
Net Administrative/OBMP Expenses	(1,502,556)	(5,545,780)									
Allocate Net Admin Expenses To Pools	1,502,556		1,080,492	366,391	55,674					-	
Allocate Net OBMP Expenses To Pools		3,960,071	2,847,697	965,643	146,731					-	
Allocate Debt Service to App Pool		304,376	304,376							-	
Allocate Basin Recharge to App Pool		1,281,333	1,281,333							-	
Agricultural Expense Transfer*			1,673,485	(1,673,485)						-	
Total Expenses			7,296,886	-	298,146	-	-	-	-	7,752,382	11,237,144
Net Administrative Income			1,601,290	2,046	11,382	-	-	-	-	1,614,718	(1,872,938)
Other Income/(Expense)											
Replenishment Water Assessments						1,070,692				1,070,692	0
Non-Ag Stored Water Purchases										-	0
Exhibit "G" Non-Ag Pool Water			2,540,000							2,540,000	0
Interest Revenue						6,285				6,285	0
MWD Water Purchases										-	0
Non-Ag Stored Water Purchases										-	0
Exhibit "G" Non-Ag Pool Water			(2,540,000)							(2,540,000)	0
MWD Water Purchases										-	0
Groundwater Replenishment										-	0
LAIF - Fair Market Value Adjustment								(138)		(138)	0
Other Post-Employment Benefits (OPEB)										-	0
Refund-Excess Reserves			(87,128)		(3,182)					(90,310)	0
Refund-Recharge Debt			(345,914)							(345,914)	0
Net Other Income/(Expense)			(433,042)	-	(3,182)	1,076,977	-	(138)	-	640,615	0
Net Transfers To/(From) Reserves		2,255,333	1,168,248	2,046	8,200	1,076,977	-	(138)	-	2,255,333	(1,872,938)
Net Assets, July 1, 2015			6,346,620	481,130	69,774	1,388,080	158,251	3,446	(740,195)	7,707,106	
Net Assets, End of Period			7,514,868	483,176	77,974	2,465,056	158,251	3,308	(740,195)	9,962,439	9,962,439
14/15 Assessable Production			84,107,515	28,520,530	4,333,753					116,961,798	
14/15 Production Percentages			71.910%	24.384%	3.705%					100.000%	

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

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016
- Financial Report B4 (June 30, 2016)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of June 1, 2016 through June 30, 2016.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016 as presented.

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

Future Consideration

Appropriative Pool: August 11, 2016; Receive and File
Non-Agricultural Pool: August 11, 2016; Receive and File
Agricultural Pool: August 11, 2016; Receive and File
Advisory Committee: August 18, 2016; Receive and File
Watermaster Board: August 25, 2016; Receive and File (Normal Course of Business)

ACTIONS:

August 11, 2016 – Appropriative Pool –
August 11, 2016 – Non-Agricultural Pool –
August 11, 2016 – Agricultural Pool –
August 18, 2016 – Advisory Committee –
August 25, 2016 – Watermaster Board –

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period June 1, 2016 through June 30, 2016 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
JUNE 1, 2016 THROUGH JUNE 30, 2016**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	521,412		
Zero Balance Account - Payroll	\$	-		521,412
Local Agency Investment Fund - Sacramento				5,328,596
TOTAL CASH IN BANKS AND ON HAND				\$ 5,850,508
TOTAL CASH IN BANKS AND ON HAND	6/30/2016			7,441,585
	5/31/2016			7,441,585
PERIOD INCREASE (DECREASE)				\$ (1,591,076)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$	(38,168)
Assessments Receivable				(4,359,599)
Prepaid Expenses, Deposits & Other Current Assets				(19,902)
(Decrease)/Increase in Liabilities: Accounts Payable				(1,957,708)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				(17,441)
Long Term Liabilities				1,842
Transfer to/(from) Reserves				4,799,899
PERIOD INCREASE (DECREASE)				\$ (1,591,076)

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	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
<u>SUMMARY OF FINANCIAL TRANSACTIONS:</u>					
Balances as of 5/31/2016	\$ 500	\$ 617,350	\$ -	\$ 6,823,734	\$ 7,441,585
Deposits	-	3,232,463	-	-	3,232,463
Transfers	-	(98,532)	(71,190)	(1,495,000)	(1,664,722)
Withdrawals/Checks	-	(3,229,870)	71,190	(138)	(3,158,818)
	\$ 500	\$ 521,412	\$ -	\$ 5,328,596	\$ 5,850,508
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (95,938)	\$ -	\$ (1,495,138)	\$ (1,591,076)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JUNE 1, 2016 THROUGH JUNE 30, 2016**

Financial Report - B4

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
6/23/2016	Withdrawal		\$ (545,000)				
6/27/2016	Withdrawal		\$ (950,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (1,495,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 0.55% was the effective yield rate at the Quarter ended June 30, 2016.

**INVESTMENT STATUS
June 30, 2016**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 5,328,596			
TOTAL INVESTMENTS	\$ 5,328,596			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2015 through June 30, 2016 -
Financial Report B5 (June 30, 2016)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2015 through June 30, 2016.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2015 through June 30, 2016 as presented.

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

Future Consideration

Appropriative Pool: August 11, 2016; Receive and File
Non-Agricultural Pool: August 11, 2016; Receive and File
Agricultural Pool: August 11, 2016; Receive and File
Advisory Committee: August 18, 2016; Receive and File
Watermaster Board: August 25, 2016; Receive and File (Normal Course of Business)

ACTIONS:

August 11, 2016 – Appropriative Pool –
August 11, 2016 – Non-Agricultural Pool –
August 11, 2016 – Agricultural Pool –
August 18, 2016 – Advisory Committee –
August 25, 2016 – Watermaster Board –

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2015 through June 30, 2016 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 – JUNE 2016

During the August 2016 meetings, Budget Transfer Form (T-16-06-01) was submitted as a Business Item for approval. Since the FY 2015/16 year-end financials required several budget adjustments/budget transfers, Budget Transfer Form (T-16-06-01) was incorporated into the financial reports as of June 30, 2016. The Budget Transfer Form (T-16-06-01) is a “net zero” document, which means the budget reductions of \$327,700 and budget additions of \$327,700 within the general ledger accounts are equal. There is no change to the overall budget as a result of Budget Transfer Form (T-16-06-01) and no new funds or assessments are required. The effective date of the Budget Transfer Form (T-16-06-01) will be June 30, 2016 and all adjustment will be recorded within the June accounting period.

The general ledger accounts increased by Budget Transfer Form (T-16-06-01) were the Brownstein Hyatt Farber Schreck legal costs associated with the Safe Yield Recalculation efforts (6907.42) in the amount of \$33,000; the Brownstein Hyatt Farber Schreck legal costs associated with Personnel Matters (6073) in the amount of \$110,500; Watermaster Staff costs associated with Administration expenses (6011) in the amount of \$10,000; Watermaster Staffing costs associated with Production Monitoring (7101.1) in the amount of \$17,000; Engineering Services costs associated with the OBMP-Safe Yield Recalculation expenses (6906.73) in the amount of \$85,000; Agricultural Pool Legal Services expenses (8467) in the amount of \$63,000; Agricultural Pool Meeting Attendance expenses (8470) in the amount of \$4,000; and Watermaster Staff Training expenses (6193) in the amount of \$5,200; $(\$33,000 + \$110,500 + \$10,000 + \$17,000 + \$85,000 + \$63,000 + \$4,000 + \$5,200 = \$327,700)$.

The budget reductions in the amount of \$327,700 were from the following areas of the FY 2015/16 expense budget: Brownstein Hyatt Farber Schreck overall budget savings within the Pools, Advisory, and Board Meetings categories of \$96,000; Watermaster Staffing salaries budget was reallocated by \$27,000; Watermaster Administrative Membership Dues of \$2,300 and Miscellaneous Office Supplies of \$2,900 were adjusted; Wildermuth Environmental, Inc. overall budget savings of \$144,500; and the Agricultural Pool Special Fund was not fully spent and had \$55,000 to reallocate; $(\$96,000 + \$27,000 + \$2,300 + \$2,900 + \$144,500 + \$55,000 = \$327,700)$.

As mentioned above, the final Budget Transfer Form (T-16-06-01) was incorporated/presented as part of the June 30, 2016 financial reports. Year-To-Date (YTD) for the twelve months ending June 30, 2016, all but one category was at or below the projected budget as a result of the Budget Transfer Form (T-16-06-01). The one category above budget was the Depreciation Expenses (9400's) over budget by \$5,061 or 100%. The Depreciation Expense (9400's) is booked at year-end as part of the financial reporting closing entries. Historically, Watermaster has not budgeted for the depreciation expense at year-end because this expense is not a “cash” transaction (an expense paid to a vendor or entity), but an accounting adjustment to the balance sheet and the income statement.

The Approved Amended Budget for FY 2015/16 of \$11,237,144 (which includes the additional “Carry Over” funding of \$1,872,938) was NOT increased with the Budget Transfer Form (T-16-06-01). Overall, the Watermaster (YTD) Actual Expenses were \$3,484,762 or 31.0% below the (YTD) Budgeted Expenses of \$11,237,144.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

May 2016:

It is anticipated that a Budget Transfer Form will be submitted in August 2016 for approval by the Pools, Advisory Committee, and Watermaster Board as part of the fiscal year-end closing for the accounting period ending June 30, 2016. The Budget Transfer Form will reallocate line items within the FY 2015/16 budget which are under budget, to the six categories listed above which are over budget. Also at fiscal year-end closing, the depreciation expense for the year will be recorded to the financials, along with the reconciliation of the vacation, sick, and admin leave accrued balances by employee which will be adjusted as an increase/decrease to the accrual balances and the correct ending balances recorded on the Balance Sheet as a Current Liability.

April 2016:

Budget Amendment Form (A-16-04-01) was approved by the Board on May 26, 2016 in the amount of \$250,000 as a result of ongoing Safe Yield Redetermination and Reset expenses. With the April 8, 2016 court date being moved several times and the latest date is scheduled for June 24, 2016 the expenses continue. Since the remaining FY 2015/16 Assessment invoicing is scheduled for approval and distribution in June 2016, the additional funding for the \$250,000 will be added to the overall OBMP assessment amount.

FY 2015/16 Approved Budget (Excluding Carry-Over funding of \$1,872,937.85): \$9,114,206
FY 2015/16 Amended Budget (Excluding Carry-Over funding of \$1,872,937.85): \$9,364,206
FY 2015/16 Amended Budget (Including Carry-Over funding of \$1,872,937.85): \$11,237,143.85

The Chino Basin Watermaster "Original" FY 2015/16 budget of \$9,114,206 was approved by the Board on May 28, 2015. With the closing of the financial records for the fiscal year ended June 30, 2015, the "Carry Over" funding from FY 2014/15 and previous years has been calculated at \$1,872,937.85 which brings the "Amended" Budget for FY 2015/16 to \$10,987,143.85. With the approval of Budget Amendment Form (A-16-04-01), the "Amended" FY 2015/16 will become \$11,237,143.85.

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 – JUNE 2016

As of June 30, 2016, the total (YTD) Watermaster salary expenses were \$64,997 or 4.2% below the (YTD) budgeted amount of \$1,554,711. 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).

During the August 2016 meetings, Budget Transfer Form (T-16-06-01) was submitted as a Business Item for approval. With regards to the FY 2015/16 budget, Budget Transfer Form (T-16-06-01) reallocated \$27,000 within the salaries budget between two accounts as follows: \$10,000 from Watermaster Staff-OBMP account (6901) to Watermaster Staff-Administration account (6011); and \$17,000 from Watermaster Staff-Groundwater Quality Monitoring account (7103.1) to Watermaster Staff-Production Monitoring account (7101.1). The overall salaries budget of \$1,554,711 remained the same.

At fiscal year-end, the vacation, sick, and admin leave accrued balances by employee were adjusted as decrease to the accrual balances and the correct ending balances have been recorded on the Balance Sheet as a Current Liability. For fiscal year-end as of June 30, 2016 the general journal adjustment amount to reconcile the accruals was \$29,720. This is a standard accounting journal entry that is completed each fiscal year. These year-end journal entries increased the Watermaster Salary category in account 60185.2 and decreased the accounts 60185.3 and 60186.1 as of June 30, 2015.

Watermaster is currently in the process of filing one vacant position. Watermaster started the recruitment process for the Water Resources professional position on March 16, 2016. After several candidates completed the interview process during the month of May, it was determined that a new recruitment process should begin. An updated recruitment advertisement was submitted to Brown & Caldwell and Water District Jobs on June 27, 2016. A group of new candidates have been selected and scheduled for interviews near the end of August 2016. It is anticipated that the recruitment process could take an additional 30-60 days to complete the selection process, background verification, and hire the Water Resources professional.

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 June 30, 2016. 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:

	<u>Jul '15 - Jun '16</u> <u>Actual</u>	<u>Jul '15 - Jun '16</u> <u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>FY 2015/16</u> <u>Annual Budget</u>
WM Salary Expense					
6011 · WM Staff Salaries	871,433.52	848,891.00	22,542.52	102.66%	848,891.00
6011.4 · 457(f) NQDC Plan	18,995.95	0.00	18,995.95	100.0%	0.00
6015 · Miscellaneous Payments	30,122.83	0.00	30,122.83	100.0%	0.00
6017 · Temporary Services	0.00	21,000.00	-21,000.00	0.0%	21,000.00
6017.2 · Office Specialist Services	7,385.46	0.00	7,385.46	100.0%	0.00
6201 · Advisory Committee - WM Staff Salaries	15,924.47	22,274.00	-6,349.53	71.49%	22,274.00
6301 · Watermaster Board - WM Staff Salaries	27,539.00	36,879.00	-9,340.00	74.67%	36,879.00
8301 · Appropriative Pool - WM Staff Salaries	34,666.14	29,719.00	4,947.14	116.65%	29,719.00
8401 · Agricultural Pool - WM Staff Salaries	20,399.64	26,090.00	-5,690.36	78.19%	26,090.00
8501 · Non-Agricultural Pool - WM Staff Salaries	17,719.27	15,574.00	2,145.27	113.78%	15,574.00
6901 · OBMP - WM Staff Salaries	100,956.52	124,709.00	-23,752.48	80.95%	124,709.00
7101.1 · Production Monitor - WM Staff Salaries	72,426.28	55,797.00	16,629.28	129.8%	55,797.00
7102.1 · In-line Meter - WM Staff Salaries	4,913.02	9,212.00	-4,298.98	53.33%	9,212.00
7103.1 · Grdwater Quality - WM Staff Salaries	10,070.73	54,511.00	-44,440.27	18.48%	54,511.00
7104.1 · Grdwater Level - WM Staff Salaries	57,684.18	42,447.00	15,237.18	135.9%	42,447.00
7108.1 · Hydraulic Control - WM Staff Salaries	0.00	2,464.00	-2,464.00	0.0%	2,464.00
7108.11 · Prado Basin - WM Staff Salaries	3,587.65	8,305.00	-4,717.35	43.2%	8,305.00
7201 · Comp Recharge - WM Staff Salaries	63,895.77	44,259.00	19,636.77	144.37%	44,259.00
7301 · PE3&5 - WM Staff Salaries	0.00	14,892.00	-14,892.00	0.0%	14,892.00
7401 · PE4 - WM Staff Salaries	0.00	9,042.00	-9,042.00	0.0%	9,042.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	6,743.00	-6,743.00	0.0%	6,743.00
7501 · PE6&7 - WM Staff Salaries	0.00	4,383.00	-4,383.00	0.0%	4,383.00
7601 · PE8&9 - WM Staff Salaries	0.00	12,231.00	-12,231.00	0.0%	12,231.00
Subtotal WM Staff Costs	1,357,720.43	1,389,422.00	-31,701.57	97.72%	1,389,422.00
60185 · Vacation	100,294.64	72,479.00	27,815.64	138.38%	72,479.00
60185.2 · Comp Time Accrual Adjustment	4,999.55	0.00	4,999.55	100.0%	0.00
60185.3 · Vacation Accrual Adjustment	-18,867.71	0.00	-18,867.71	100.0%	0.00
60186 · Sick Leave	18,492.78	46,405.00	-27,912.22	39.85%	46,405.00
60186.1 · Sick Leave Accrual Adjustment	-15,851.54	0.00	-15,851.54	100.0%	0.00
60187 · Holidays	42,925.52	46,405.00	-3,479.48	92.5%	46,405.00
Subtotal WM Paid Leaves	131,993.24	165,289.00	-33,295.76	79.86%	165,289.00
Total WM Salary Costs	1,489,713.67	1,554,711.00	-64,997.33	95.82%	1,554,711.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

April 2016:

The Office Specialist/Receptionist vacant position has been filled effective May 23, 2016 with an Administrative Assistant. A former temporary employee who had been filling in during an absence is returning as a new full time employee.

March 2016:

Watermaster is currently in the process of filing two vacant positions. One position is the Office Specialist/Receptionist position which became vacant on April 6, 2016 with the resignation of the current employee, and the other position is the Water Resources professional. The Office Specialist/Receptionist position is being covered by a temporary employee until a suitable full time employee can be recruited and hired. Watermaster anticipates a new administrative professional could be hired within the next 4 to 6 weeks. Watermaster started the recruitment process for the Water Resources professional position on March 16, 2016. It is expected that the recruitment process could take between two to three months before a new hire to fill the Water Resources professional position would start.

February 2016:

Watermaster started the recruitment process for the Water Resources professional position on March 16, 2016. It is expected that the recruitment process could take between two to three months before a new hire would start.

January 2016:

Watermaster completed the recruiting process for the position of Field Operations Specialist which became vacant as of August 27, 2015. Rick Zapien started on Monday, January 4, 2016.

On September 16, 2015, Office Specialist/Receptionist was placed on Pregnancy Disability Leave (PDL) by her physician. Based upon the PDL leave and concurrently running FMLA leave, the employee was scheduled, and did return on Monday, February 22, 2016. During her absence, Watermaster utilized a temporary employee to perform the duties and responsibilities.

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – JUNE 2016

Budget Transfer Form (T-16-06-01) adjusted the "Amended" BHFS legal budget from \$1,183,815 to \$1,231,315 an overall increase of \$47,500 or 41.1%. As of June 30, 2016, 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 \$4,126 or 0.3% below the (YTD) budgeted amount of \$1,231,315.

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 total legal services budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. The "Approved" budget amount was adopted for the amount of \$933,815. Budget Amendment Form (A-16-04-01) in the amount of \$250,000 was approved by Watermaster Board on May 26, 2016. The amount of \$250,000 was funded by the Assessment invoicing issued on June 23, 2016.

During the August 2016 meetings, Budget Transfer Form (T-16-06-01) was submitted as a Business Item for approval. With regards to the FY 2015/16 budget, Budget Transfer Form (T-16-06-01) reallocated \$96,000 within the BHFS Legal Services budget between various BHFS legal accounts, and \$47,500 was reallocated from the Engineering Services budget to the BHFS Legal Services budget. The amount of \$96,000 was reallocated to the BHFS Legal-Personnel Matters account (6073) from the following BHFS accounts: \$6,300 from BHFS Legal-Advisory Committee account (6275); \$49,200 from BHFS Legal-Board Meetings account (6375); \$14,000 from BHFS Legal-Appropriative Pool account (8375); \$14,500 from BHFS Legal-Agricultural Pool account (8475); and \$12,000 from BHFS Legal-Non-Agricultural Pool account (8575). The amount of \$47,500 was reallocated from the Engineering Services budget to the following BHFS Legal Services accounts: \$47,500 from Hydraulic Control-Outside Professionals account (7108.6) to BHFS Legal-Safe Yield Recalculation account (6907.42) in the amount of \$33,000; and BHFS Legal-Personnel Matters account (6073) in the amount of \$14,500 (\$33,000 + \$14,500 = \$47,500).

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's), as of June 30, 2016, was \$286 or 0.0% below the budgeted amount of \$366,950. 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 \$6,724 or 16.4%; Annotated Judgment (6072) under budget by \$40,150 or 100.0%; Personnel Matters (6073) under budget by \$8,409 or 4.4%; Interagency Issues (6074) under budget by \$30,600 or 100.0%; and the Party Status Maintenance (6077) under budget by \$28,241 or 98.4%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Miscellaneous Category expenses (6078) over budget by \$110,758 or 131.3%; 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 December 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 August 11, 2016 which is right in the middle of the three-day hearing scheduled for Mr. Alvarez's case. On October 9, 2015, an Order Granting Continuance; Notice of New Hearing Dates was provided by the State of California, Department of General Services, Office of Administrative Hearings. The administrative hearing was rescheduled for January 4-6, 2016 at the Glendale CalPERS Regional Office. On October 14, 2015 a Notice of Case Reassignment was received from the CalPERS providing notice that OAH Case No. 2014080757 has been reassigned from attorney Wesley Kennedy to Preet Kaur, Staff Attorney. On November 20, 2015, a Request for Continuance was issued from CalPERS to reschedule the hearing to either the period of April 4 through April 6, 2016 or April 11 through April 15, 2016. On December 11, 2015, an Order Granting Continuance; Notice of New Hearing Dates was issued from the State of California, Department of General Services, Office of Administrative Hearings to reschedule the hearing to April 11-13, 2016. The Administrative Hearing was held on April 11-13, 2016 at the Glendale CalPERS Regional Office. A ruling was scheduled for issuance by the Administrative Judge in July 2016. On June 9, 2016 a request by the CalPERS attorney to extend the deadlines for filing the opening and response briefs was submitted to the Administrative Law Judge. On June 13, 2016 the request was granted and the order now states the opening briefs shall be filed and served no later than July 11, 2016. The response briefs were filed and served no later than August 8, 2016.

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 June 30, 2016 was \$2,958 or 2.4% below the budgeted amount of \$122,765. 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. During the month of April 2016, the Watermaster parties agreed that the Advisory Committee and the Board meeting would not be held, adding additional cost savings to this category. The Watermaster parties had also agreed that during the month of December 2015, the three Pools, the Advisory Committee and the Watermaster Board meetings would not be held, adding cost savings to this category.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were below the budget for the month. As of June 30, 2016 the category of OBMP legal expenses were \$882 or 0.1% below the budgeted amount of \$741,600. The majority of expenses within this OBMP category were under budget (Y-T-D), however, the BHFS Safe Yield Redetermination and Reset legal expenses (6907.42) continue to increase and exceed the monthly budget. As of June 30, 2016, the Safe Yield Redetermination and Reset legal expenses were \$257,659 or 66.7% above the budgeted amount of \$386,300. It should be noted that the 12-month annual legal budget for the Safe Yield Redetermination and Reset category was originally approved at an amount of \$103,300 and anticipated to be allocated within the first six months of the 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 Redetermination and Reset effort.

Budget Amendment Form (A-16-04-01) in the amount of \$250,000 was approved by Watermaster Board on May 26, 2016. The amount of \$250,000 was funded by the Assessment invoicing issued on June 23,

2016. Budget Transfer Form (T-16-06-01) added an addition budget amount of \$47,500 to the legal services budget, bringing the FY 2015/16 total legal services budget to \$1,231,315 (\$933,815 + \$250,000 + \$47,500 = \$1,231,315).

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of June 30, 2016 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 - Jun '16 Actual	Jul '15 - Jun '16 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	34,226.21	40,950.00	-6,723.79	83.58%	40,950.00
6072 · BHFS Legal - Annotated Judgment	0.00	40,150.00	-40,150.00	0.0%	40,150.00
6073 · BHFS Legal - Personnel Matters	182,790.62	191,200.00	-8,409.38	95.6%	191,200.00
6074 · BHFS Legal - Interagency Issues	0.00	30,600.00	-30,600.00	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	459.00	28,700.00	-28,241.00	1.6%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	146,107.97	35,350.00	110,757.97	413.32%	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	366,663.62	366,950.00	-286.38	99.92%	366,950.00
6275 · BHFS Legal - Advisory Committee	13,926.17	14,100.00	-173.83	98.77%	14,100.00
6375 · BHFS Legal - Board Meeting	57,105.72	57,365.00	-259.28	99.55%	57,365.00
8375 · BHFS Legal - Appropriative Pool	16,507.21	16,600.00	-92.79	99.44%	16,600.00
8475 · BHFS Legal - Agricultural Pool	15,884.99	16,100.00	-215.01	98.67%	16,100.00
8575 · BHFS Legal - Non-Ag Pool	16,383.11	18,600.00	-2,216.89	88.08%	18,600.00
Total BHFS Legal Services	119,807.20	122,765.00	-2,957.80	97.59%	122,765.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	48,900.00	-48,900.00	0.0%	48,900.00
6907.34 · Santa Ana River Water Rights	5,851.00	25,300.00	-19,449.00	23.13%	25,300.00
6907.36 · Santa Ana River Habitat	964.80	19,700.00	-18,735.20	4.9%	19,700.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	14,350.00	-14,350.00	0.0%	14,350.00
6907.39 · Recharge Master Plan	19,704.28	68,100.00	-48,395.72	28.93%	68,100.00
6907.40 · Storage Agreements	535.50	86,100.00	-85,564.50	0.62%	86,100.00
6907.41 · Prado Basin Habitat Sustainability	11,038.50	14,350.00	-3,311.50	76.92%	14,350.00
6907.42 · Safe Yield Recalculation	643,958.81	386,300.00	257,658.81	166.7%	386,300.00
6907.44 · SGMA Compliance	58,665.05	0.00	58,665.05	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	29,500.00	-29,500.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	740,717.94	741,600.00	-882.06	99.88%	741,600.00
Total Brownstein, Hyatt, Farber, Schreck Costs	1,227,188.76	1,231,315.00	-4,126.24	99.67%	1,231,315.00

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, replenishment obligations, 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 nine 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 – JUNE 2016

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 twelve month period ending June 30, 2016, the actual expenses of \$1,677,524 were below the budgeted amount of \$1,702,437 by \$24,913 or 1.5%. For a detailed discussion, the following is provided.

During the August 2016 meetings, Budget Transfer Form (T-16-06-01) was submitted as a Business Item for approval. With regards to the FY 2015/16 budget, Budget Transfer Form (T-16-06-01) reallocated \$108,000 within the FY 2015/16 Amended budget to the OBMP Engineering Services and Legal Costs section as follows: \$30,500 from Hydraulic Control-Outside Professionals account (7108.6) to OBMP-Safe Yield Recalculation account (6906.73); \$54,500 from Comprehensive Recharge-Engineering Services account (7202.2) to OBMP-Safe Yield Recalculation account (6906.73); \$33,000 from Hydraulic Control-Outside Professionals to BHFS Legal-Safe Yield Recalculation account (6907.42); and \$10,000 from Watermaster Staff Salaries-OBMP account (6901) to Watermaster Staff Salaries-Administration account (6011). ($\$30,500 + \$54,500 + \$33,000 - \$10,000 = \$108,000$).

For June 30, 2016, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$14,093 or 11.1%. 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 less time on specific OBMP related areas and more time on administrative related tasks. As a result, Watermaster staff allocated less actual time to the OBMP project as budgeted, which resulted in an under budget variance of \$13,752 or 12.0%. 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 June 30, 2016.

For June 30, 2016, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$34 or 0.0%. For FY 2015/16, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized, however, Budget Transfer Form (T-16-06-01) reallocated an amount of \$85,000 to this category. For the month of June 2016, there were expenses of \$0 charged to the OBMP-Safe Yield Redetermination and Reset expenses. As of the Year-To-Date (YTD), this account was over budget by \$12,575 or 14.8%. The OBMP-Appropriative Pool Issue Resolution and the OBMP-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. The OBMP-Data Requests-CBWM Staff account (6906.71) was over budget by \$157,053 or 245.2% and is a large factor as to why this expense category was not under budget by a larger amount.

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 \$316,324 while some other line item activities were below the budget by \$317,206. Above the budget line items were the Safe Yield Redetermination and Reset of \$257,659; and the SGMA Compliance of \$58,665. Please note the SGMA Compliance is a new GL account created in January 2016 to capture these costs. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$24,500; the Chino Airport Plume of \$24,500; the Desalter/Hydraulic Control of \$48,900; the Santa Ana River Water Rights of \$19,449; the Santa Ana River Habitat of \$18,735; the Regional Water Quality Control Board of \$14,350; the Recharge Master Plan of \$48,396; Storage Agreements of \$85,565; the Prado Basin Habitat Sustainability of \$3,311; and the WM Unanticipated of \$29,500. For the twelve months ended June 30, 2016, the overall cumulative (YTD) budget was \$741,600 and the actual (BHFS) legal expenses totaled \$740,718 which resulted in an under budget variance of \$882 or 0.1%.

As mentioned in the Brownstein Hyatt Farber Schreck section, the annual legal budget for the Safe Yield Redetermination and Reset 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 Redetermination and Reset effort. The budget assumed these expenses would be recorded during the

period of July 2015 through December 2015. The Mid-Year Review presentation during the February 2016 meetings discussed the anticipated over budget of the Safe Yield Redetermination and Reset category. Budget Amendment Form (A-16-04-01) in the amount of \$250,000 was approved by Watermaster Board on May 26, 2016. The amount of \$250,000 was funded by the Assessment invoicing issued on June 23, 2016. Budget Transfer Form (T-16-06-01) added an addition budget amount of \$33,000 to this category, bringing the FY 2015/16 total Safe Yield Redetermination and Reset budget to \$386,300 ($\$103,300 + \$250,000 + \$33,000 = \$386,300$).

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 June 30, 2016 this category of expenses was \$9,903 or 73.4% below the budgeted amount of \$13,500.

The WEI Support for IEUA expenses (6910's); the Preparation of a Compliance Demonstration for Stormwater Recharge expenses (6910's); As Needed Support for Obtaining Grant Funding of RMPU Projects expenses (6910's); and Ground Water Velocity Field for the San Sevaine Improvement Project expenses (6910's) are billed directly to IEUA on the following month once the payment has been issued to Wildermuth Environmental, Inc. per the agreement. As of June 30, 2016 this category of expenses was fully invoiced to IEUA in the amount of \$145,907.

Overall, the Optimum Basin Management Program (OBMP) category was \$1,677,524 compared to a (YTD) budget of \$1,702,437 for an over budget of \$24,913 or 1.5% as of June 30, 2016.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of June 30, 2016 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 - Jun '16 Actual	Jul '15 - Jun '16 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	100,956.52	114,709.00	-13,752.48	88.01%	114,709.00
6903 · OBMP SAWPA Group	12,159.00	12,500.00	-341.00	97.27%	12,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	113,115.52	127,209.00	-14,093.48	88.92%	127,209.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	307,714.30	279,340.00	28,374.30	110.16%	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	15,593.75	24,404.00	-8,810.25	63.9%	24,404.00
6906.23 · SGMA Reporting Requirements	20,046.58	17,392.00	2,654.58	115.26%	17,392.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	69,311.61	87,659.00	-18,347.39	79.07%	87,659.00
6906.32 · OBMP - Other General Meetings	21,915.60	32,877.00	-10,961.40	66.66%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	54,964.00	-54,964.00	0.0%	54,964.00
6906.71 · OBMP - Data Requests - CBWM Staff	221,117.16	64,064.00	157,053.16	345.15%	64,064.00
6906.72 · OBMP - Data Requests - Non CBWM	19,019.47	38,208.00	-19,188.53	49.78%	38,208.00
6906.73 · OBMP - Safe Yield Recalculation	97,575.33	85,000.00	12,575.33	114.8%	85,000.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	8,409.16	110,300.00	-101,890.84	7.62%	110,300.00
6906 · OBMP Engineering Services - Other	39,390.75	25,920.00	13,470.75	151.97%	25,920.00
Total 6906 · OBMP Engineering Services	820,093.71	820,128.00	-34.29	100.0%	820,128.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	48,900.00	-48,900.00	0.0%	48,900.00
6907.34 · Santa Ana River Water Rights	5,851.00	25,300.00	-19,449.00	23.13%	25,300.00
6907.36 · Santa Ana River Habitat	964.80	19,700.00	-18,735.20	4.9%	19,700.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	14,350.00	-14,350.00	0.0%	14,350.00
6907.39 · Recharge Master Plan	19,704.28	68,100.00	-48,395.72	28.93%	68,100.00
6907.40 · Storage Agreements	535.50	86,100.00	-85,564.50	0.62%	86,100.00
6907.41 · Prado Basin Habitat Sustainability	11,038.50	14,350.00	-3,311.50	76.92%	14,350.00
6907.42 · Safe Yield Recalculation	643,958.81	386,300.00	257,658.81	166.7%	386,300.00
6907.44 · SGMA Compliance	58,665.05	0.00	58,665.05	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	29,500.00	-29,500.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	740,717.94	741,600.00	-882.06	99.88%	741,600.00
Total 6907 · OBMP Legal Fees	740,717.94	741,600.00	-882.06	99.88%	741,600.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	2,282.23	1,500.00	782.23	152.15%	1,500.00
6909.3 · Other OBMP Expenses	1,315.00	2,000.00	-685.00	65.75%	2,000.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	10,000.00	-10,000.00	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	3,597.23	13,500.00	-9,902.77	26.65%	13,500.00
6910 · WEI Support for IEUA					
6910.10 · IRP Groundwater Modeling - WEI	33,814.00	0.00	33,814.00	100.0%	0.00
6910.11 · WEI Support-Grant Funding-RMPU	63,365.37	0.00	63,365.37	100.0%	0.00
6910.12 · WEI Support-Stormwater Recharge	35,495.75	0.00	35,495.75	100.0%	0.00
6910.13 · IEUA-San Sevaine Improvement Project	13,231.50	0.00	13,231.50	100.0%	0.00
6910.15 · IRP Groundwater Modeling - IEUA	-145,906.62	0.00	-145,906.62	100.0%	0.00
Total 6910 · WEI Support for IEUA	0.00	0.00	0.00	0.0%	0.00
Total 6900 · Optimum Basin Mgmt Plan	1,677,524.40	1,702,437.00	-24,912.60	98.54%	1,702,437.00

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

CURRENT MONTH – JUNE 2016

As of June 30, 2016, the total (YTD) Engineering Services expenses were \$510,120 or 19.18% below the (YTD) budget amount of \$2,673,138. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all (Under) budget as of June 30, 2016.

During the August 2016 meetings, Budget Transfer Form (T-16-06-01) was submitted as a Business Item for approval. With regards to the FY 2015/16 Engineering Services budget, Budget Transfer Form (T-16-

06-01) reduced and reallocated \$59,500 ($\$90,000 + \$54,500 - \$85,000 = \$59,500$) from the FY 2015/16 Engineering Services budget to other areas as follows: \$90,000 from Hydraulic Control-Outside Professionals account (7108.6) to Agricultural Pool Legal Services account (8467) in the amount of \$8,000; Agricultural Pool Meeting Attendance account (8470) in the amount of \$4,000; BHFS Legal-Safe Yield Recalculation account (6907.42) in the amount of \$33,000; OBMP-Safe Yield Recalculation account (6906.73) in the amount of \$30,500; and BHFS Legal-Personnel Matters in the amount of \$14,500 ($\$8,000 + \$4,000 + \$33,000 + \$30,500 + \$14,500 = \$90,000$). \$54,500 was adjusted from the Comprehensive Recharge-Engineering Services account (7202.2) to the OBMP-Safe Yield Recalculation account (6906.73). The amount of \$85,000 was reallocated as follows: \$30,500 to the OBMP-Safe Yield Recalculation account (6906.73) and \$54,500 to the OBMP-Safe Yield Recalculation account (6906.73) for a total of \$85,000 ($\$30,500 + \$54,500 = \$85,000$).

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 final year-end report as of June 30, 2016 showed the total Engineering Services expenses under budget by \$510,120 and of that balance, \$59,500 would be reallocated as part of the Budget Transfer Form (T-16-06-01) and \$326,577 would be "Carried-Over" into the FY 2016/17 budget.

The Carry-Over amount of \$326,577 from FY 2015/16 to the FY 2016/17 budget are provided as follows:

1. The ongoing Adaptive Management Plan for the Prado Basin Habitat Sustainability Program in connection with the vegetation monitoring database in HydroDaVE (account 7108.31 in the amount of \$12,072). This work was originally scoped for FY 2015/16 but was not performed because the Adaptive Management Plan was not finalized and adopted by Watermaster in FY 2015/16.
2. Preparation of the Final PBHSP Adaptive Management Plan and the 2016 PBHSP Annual Report (account 7108.32 in the amount of \$50,000). The Adaptive Management Plan for the PBHSP was not finalized during FY 2015/16 and as a result, the initial Annual Report was not completed. The scope for preparing the 2016 Annual Report in FY 2016/17 was based on the assumption that the initial 2015 Annual Report of the PBHSP would have already been completed.
3. The finalization of the 2015 Annual Report of the Ground-Level Monitoring Committee (account 7402 in the amount of \$7,000). The Annual Report has been delayed primarily because the InSAR and ground-level survey data were delivered in March, which delayed the report and completion. The report will be finalized in FY 2016/17.
4. Three separate subtasks for the effort to develop a Subsistence Management Plan for the Northwest MZ-1 Area which is a 5-6 year effort (account 7402.1 in the amount of \$257,505) which will be performed in sequential phases. Some of the early phases of the work have been delayed for various reasons (e.g. delays in initiation of the monitoring program because of difficulties in coordination with well owners). These delays push some of the work that was expected to be completed in FY 2015/16 to FY 2016/17, including subtasks associated with setup and initiation of the monitoring program, siting of extensometers, modeling, and reporting.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

May 2016:

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. It is anticipated that a Budget Transfer Form will be submitted in August 2016 for approval by the Pools, Advisory Committee, and

Watermaster Board as part of the fiscal year-end closing for the accounting period ending June 30, 2016. The Budget Transfer Form will reallocate line items within the FY 2015/16 budget which are under budget, and allocate funding to the engineering services categories that are over budget at fiscal year-end.

April 2016:

The Third quarter ECAC report has been issued during May 2016 for the period January 2016 through March 2016. The ECAC report shows an estimated budget savings of approximately \$227,423 which includes the "Carry-Over" funding amounts of \$136,696 from the prior year. It is expected that at fiscal year-end June 30, 2016 there will be "Carry-Over" funding from FY 2015/16 into FY 2016/17 for ongoing engineering services projects that are overlapping in fiscal years.

February 2016:

The Second quarter ECAC report was provided as part of the FY 2015/16 Mid-Year Review during the February 2016 meetings. The ECAC report for the period ending December 31, 2015 showed a projected under budget of \$19,870. Watermaster does not plan to present any Budget Transfers or Budget Amendments at this time.

November 2015:

The First quarter ECAC report for the current fiscal year has been provided for the period ending September 30, 2015 and showed a projected over budget of \$30,411. The Second quarter ECAC report is scheduled to be issued in mid-February 2016 for the period July 2015 through December 2015.

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 June 30, 2016. 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 - Jun '16	Jul '15 - Jun '16	\$ Over Budget	% of Budget	FY 2015/16
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	39,390.75	25,920.00	13,470.75	151.97%	25,920.00
6906.1 · OBMP - Watermaster Model Update	307,714.30	279,340.00	28,374.30	110.16%	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	15,593.75	24,404.00	-8,810.25	63.9%	24,404.00
6906.23 · SGMA Reporting Requirements	20,046.58	17,392.00	2,654.58	115.26%	17,392.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	69,311.61	87,659.00	-18,347.39	79.07%	87,659.00
6906.32 · OBMP - Other General Meetings	21,915.60	32,877.00	-10,961.40	66.66%	32,877.00
6906.33 · OBMP - App. Pool Issue Resolution	0.00	54,964.00	-54,964.00	0.0%	54,964.00
6906.71 · OBMP - Data Requests - CBWM Staff	221,117.16	64,064.00	157,053.16	345.15%	64,064.00
6906.72 · OBMP - Data Requests - Non CBWM	19,019.47	38,208.00	-19,188.53	49.78%	38,208.00
6906.73 · OBMP - Safe Yield Recalculation	97,575.33	85,000.00	12,575.33	114.8%	85,000.00
6906.74 · OBMP - Mat'l Physical Injury Requests	8,409.16	110,300.00	-101,890.84	7.62%	110,300.00
7103.3 · Grdwtr Qual-Engineering	98,074.09	120,516.00	-22,441.91	81.38%	120,516.00
7103.5 · Grdwtr Qual-Lab Svcs	48,037.00	39,205.00	8,832.00	122.53%	39,205.00
7104.3 · Grdwtr Level-Engineering	180,832.10	176,430.00	4,402.10	102.5%	176,430.00
7104.8 · Grdwtr Level-Contracted Services	0.00	10,000.00	-10,000.00	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	0.00	7,000.00	-7,000.00	0.0%	7,000.00
7107.2 · Grd Level-Engineering	50,361.55	56,347.00	-5,985.45	89.38%	56,347.00
7107.3 · Grd Level-SAR Imagery	29,000.00	85,000.00	-56,000.00	34.12%	85,000.00
7107.6 · Grd Level-Contract Svcs	163,518.92	151,059.00	12,459.92	108.25%	151,059.00
7107.8 · Grd Level-Capital Equipment	0.00	5,600.00	-5,600.00	0.0%	5,600.00
7108.3 · Hydraulic Control-Engineering	46,340.59	49,968.00	-3,627.41	92.74%	49,968.00
7108.31 · Hydraulic Control-PBHSP	125,459.52	129,146.00	-3,686.48	97.15%	129,146.00
7108.32 · Hydraulic Control-Adaptive Mgmt Plan	64,253.95	43,176.00	21,077.95	148.82%	43,176.00
7108.4 · Hydraulic Control-Lab Svcs	8,528.00	25,081.00	-16,553.00	34.0%	25,081.00
7108.41 · Hydraulic Control-PBHSP	45,838.00	49,096.00	-3,258.00	93.36%	49,096.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	0.00	0.00	0.0%	0.00
7108.7 · Hydraulic Control-Prado Basin Habitat	4,428.00	0.00	4,428.00	100.0%	0.00
7109.3 · Recharge & Well - Engineering	15,098.25	19,867.00	-4,768.75	0.0%	19,867.00
7202.2 · Comp Recharge-Engineering Services	88,443.74	105,004.00	-16,560.26	84.23%	105,004.00
7303 · PE3&5-Engineering - Other	0.00	23,384.00	-23,384.00	0.0%	23,384.00
7402 · PE4-Engineering	74,020.63	84,708.00	-10,687.37	87.38%	84,708.00
7402.10 · PE4-MZ1 Pomona Project	248,749.56	506,255.00	-257,505.44	49.14%	506,255.00
7403 · PE4-Contract Svcs	11,000.00	20,000.00	-9,000.00	55.0%	20,000.00
7502 · PE6&7-Engineering	26,404.75	81,840.00	-55,435.25	32.26%	81,840.00
7602 · PE8&9-Engineering	14,536.00	64,328.00	-49,792.00	22.6%	64,328.00
Total Engineering Services Costs	2,163,018.36	2,673,138.00	-510,119.64	80.92%	2,673,138.00 *

* 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.
 Budget Transfer Form (T-16-06-01) reduced Engineering Budget by \$59,500: \$85,000 (6906.73); -\$90,000 (7108.6); and -\$54,500 (7202.2).
 \$2,732,638 + \$85,000 - \$90,000 - \$54,500 = \$2,673,138.

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 June 30, 2016:

	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 - Jun. 2016	\$ 4,428.00	\$ (2,214.00)	\$ -	\$ 2,214.00	30.00	\$ 3,587.65
Totals	\$ 356,377.56	\$ (178,188.78)	\$ 6,750.01	\$ 184,938.79	172.00	\$ 18,697.23
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

Since June 30, 2016 was the fiscal year-end, there are a number of year-end closing general journals that must be entered into the accounting system. The following closing entries were booked to the financial statements and balance sheet:

1. Recording of Budget Transfer Form (T-16-06-01).
2. Recording of the year-end reconciliation of accruals to actual for vacation, sick and administrative/comp leave for all active Watermaster employees.
3. Recording the accrued payroll expense as of June 30, 2016.
4. Recording of FY 2015/16 depreciation expense.
5. Recording of the quarterly LAIF interest earned as of June 30, 2016 but not received from LAIF until July 15, 2016.
6. Recording the Fair Market Value adjustment as of June 30, 2016 for the cash balances invested at LAIF.
7. Recording the Nonqualified Deferred Compensation expenses as of June 30, 2016.

There were no other significant items to report within the category of Other Income and Expenses for the month ending June 30, 2016.

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 – JUNE 2016

As of June 30, 2016, the total (YTD) amount remaining of the "Carried Over" funding is \$653,265.31 (\$1,872,937.85 - \$1,219,672.54 = \$653,265.31). 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 2013/14	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 2013/14	PROJ
Wineville Basin Proof of Concept (TO #6)	\$ 35,397.53	J	7209.2	FY 2013/14	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 2013/14	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 300,000.00	M	7690.4	FY 2013/14	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 175,000.00	M	7690.4	FY 2014/15	PROJ
CB20 Turnout Noise Abatement Project	\$ 58,193.00	N	7690.5	FY 2011/12	PROJ
CB20 Turnout Noise Abatement Project	\$ 21,807.00	N	7690.5	FY 2013/14	PROJ
GWR SCADA Upgrades (TO #4)	\$ 45,700.00	O	7690.61	FY 2013/14	PROJ
GWR SCADA Upgrades (TO #4)	\$ 337,500.00	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)

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
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
PE 6&7 - Engineering Services	\$ (11,000.00)	K	7502 ⁴	FY 2014/15	ENG
San Sevaine Recharge Improvement Project (TO #8)	\$ (241,316.69)	M	7690.4	FY 2014/15	PROJ
CB20 Turnout Noise Abatement Project	\$ (79,140.20)	N	7690.5	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$ (103,856.53)	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)	\$ (42,163.12)	Q	7690.7	FY 2014/15	PROJ
Lower Day Basin RMPU (TO #2)	\$ (49,000.00)	R	7690.8	FY 2014/15	PROJ
Updated Balance as of May 31, 2016	\$ 653,265.31				

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 July 1, 2016. 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 June 30, 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 2015/16

Auditors from the audit firm of Fedak & Brown, LLP were onsite at the Watermaster offices on March 28, 2016. This was the start of the interim field work for the period of July 1, 2015 through January 31, 2016. The final field work for the period of February 1, 2016 through June 30, 2016 is planned for August 2016, with the Annual Financial and Audit Reports presented to the Watermaster Board at the November 17,

2016 Board meeting. The Annual Financial and Audit Reports for FY 2015/16 will be posted to the Watermaster website in December 2016.

FY 2014/15

Auditors from the audit firm of Fedak & Brown LLP were onsite at the Watermaster offices on August 10 and August 11, 2015. 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 August 18, 2015. On November 19, 2015, the Senior Manager of Fedak & Brown, LLP presented the Annual Financial and Audit Reports to the Watermaster Board. The Annual Financial and Audit Reports for FY 2014/15 were posted to the Watermaster website on November 23, 2015.

FY 2015/16 EXHIBIT "G" NON-AGRICULTURAL POOL SALE OF WATER

Pursuant to Exhibit "G" of the Restated Judgment, members of the Overlying (Non-Agricultural) Pool may annually transfer water to members of the Appropriative Pool through a Watermaster clearinghouse process. Watermaster purchases water from the Overlying (Non-Agricultural) Pool members, which Watermaster then transfers to the members of the Appropriative Pool based on the prescribed process. Members of the Appropriative Pool purchasing water through the process must complete their payments to Watermaster by June 30 of the fiscal year. Watermaster has determined that California Steel Industries, Inc. (CSI), California Speedway Corporation (Auto Club Speedway), and NRG CA South, LP are in compliance with Restated Judgment, Exhibit "G" ¶9(g), authorizing 2015-2016 Exhibit "G" Physical Solution Transfers.

The invoices to the eleven Appropriators who purchased Exhibit "G" water from the Non-Agricultural Pool were issued on March 25, 2016 totaling \$2,540,000. As of June 30, 2016 Watermaster received all of the payments from the Appropriators and those payments had cleared the bank. Watermaster issued payment to California Steel Industries, Inc. (CSI) in the amount of \$1,270,000 (2,500,000 AF x \$508.00 = \$1,270,000); California Speedway Corporation (Auto Club Speedway) in the amount of \$508,000 (1,000,000 AF x \$508.00 = \$508,000); and NRG CA South, LP in the amount of \$762,000 (1,500,000 AF x \$508.00 = \$762,000).

ASSESSMENT INVOICING

CURRENT MONTH – JUNE 2016

The Watermaster Board approved the FY 2015-2016 Assessment Package (Production Year 2014-2015) at the June 23, 2016 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, June 23, 2016. The Assessment invoices were due 30 days from invoice date, with payments received by Watermaster on or before close of business on Monday, July 25, 2016. As in prior years, payments could be made by either check or wire transfer. As of July 25, 2016 all payments had been received and deposited, with no late payments.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

May 2016:

Due to the Safe Yield Reset process this year, and the effects that it had on the Assessment Package, production of the FY 2015-2016 Assessment Package was initially delayed. On November 19, 2015, the Watermaster Board approved the collection of an interim partial assessment which collected fifty percent of last year's (FY 2014-2015) Appropriative Pool Admin and OBMP assessments, including those paid on behalf of the Agricultural Pool, in addition to fifty percent of last year's Recharge Debt and Recharge Improvement assessments.

The Watermaster Board approved the FY 2015-2016 Assessment Package (Production Year 2014-2015) at the June 23, 2016 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, June 23, 2016. The Assessment invoices were due 30 days from invoice date, with payments

received by Watermaster on or before close of business on Monday, July 25, 2016. As in prior years, payments could be made by either check or wire transfer.

This 2nd Assessment invoicing included the standard Assessment amounts per the Assessment Package, along with any Special Assessments and the "Excess Cash Reserve" refund credits. The Appropriative Pool had a Special Assessment of \$75,000 as approved during the budgeting process. The \$75,000 was allocated to the Appropriative Pool members based upon a prorated formula of 50% OSY and 50% Physical Production from 2014-2015. The Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on November 12, 2015. The \$60,000 was allocated to the Non-Agricultural Pool members based upon a prorated formula of Actual Production from 2014-2015. The Excess Cash Reserve Refunds were \$87,128 to the Appropriative Pool members and \$3,182 to the Non-Agricultural Pool members. The Excess Cash Reserve Funds for Recharge Debt Service Payments were \$345,914 to only the Appropriative Pool members. The Excess Cash Reserve Refunds of \$87,128 and \$3,182 were applied as credits on the June 23, 2016 Assessment invoices and allocated based upon last year's percentage of assessments paid. The Excess Cash Reserve Refunds for Recharge Debt Service Payment of \$345,914 (only to the Appropriative Pool members) was based upon the OSY percentages, which is the same formula used as the basis of payments for this category. Finally, the payments made on the initial Assessment invoicing dated November 19, 2015 were credited against the June 23, 2016 invoices in full.

April 2016:

With the Safe Yield Redetermination and Reset court hearing date changed to June 24, 2016, Watermaster will be issuing the FY 2015/16 Assessment Package (Production Year FY 2014/15) during the month of June 2016. If the Assessment Package is approved at the Watermaster Board meeting scheduled for June 23, 2016 the assessment invoices would be emailed to the parties on the same day. Payment would be due to Watermaster 30 days from the invoice date, due no later than July 25, 2016.

February 2016:

As discussed during the FY 2015/16 Mid-Year Review during the February 2016 meetings, if the Safe Yield Redetermination and Reset is resolved and completed during the April 8, 2016 court hearing, the FY 2015/16 Assessment Package (Production Year FY 2014/15) could be completed and presented in the June or July 2016 timeframe. If the Assessment invoices were then issued in July 2016, payment would be due to Watermaster in August 2016. As presented during the FY 2015/16 Mid-Year Review, Watermaster projects the current cash flow could sustain Watermaster until late September 2016.

December 2015:

Due to the Safe Yield Reset process this year, and the effects that it had on the Assessment Package, production of the Assessment Package was delayed. The Assessment Package will not be produced until the Court has considered 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.

On November 19, 2015 the Watermaster Board approved staff's recommendation for collection of an interim partial assessment based upon fifty percent of last year's Appropriative Pool Admin and OBMP assessments, including those paid on behalf of the Agricultural Pool, in addition to fifty percent of last year's Recharge Debt and Recharge Improvement assessments, and to collect fifty percent of last year's Non-Ag Pool Admin and OBMP assessments. The balance, accounting for the interim assessment, would be collected when the Assessment Package is produced, following consideration of the Safe Yield Reset Agreement by the Court. Note that if a Party has an amount due of less than \$500 (including special assessments), collection was deferred until the final assessment invoice later in the fiscal year.

Included as part of the interim assessment invoicing, the Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on November 12, 2015. The \$60,000 was allocated to the Non-Agricultural Pool members based upon the tentative actual production numbers from 2014/15 and will be adjusted once all Water Activity Reports (WARs) have been received.

The Watermaster staff issued and emailed the "interim" Assessment invoices on Thursday, November 19, 2015. The Assessment invoices were due 30 days from invoice date, on or before Monday, December 21, 2015. New for this payment cycle is the ability for parties to pay their invoice either by check or by wire transfer.

All "interim" Assessment invoice payments have been received.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				12/12th (100%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2016				Year-To-Date as of June 30, 2016				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%	157,349.47	157,941.00	-591.53	99.63%	157,349.47	157,941.00	-591.53	99.63%
4110 · Admin Asmnts-Approp Pool	5,304,969.43	0.00	5,304,969.43	100.0%	8,874,750.44	8,887,418.00	-12,667.56	99.86%	8,874,750.44	8,887,418.00	-12,667.56	99.86%
4120 · Admin Asmnts-Non-Agri Pool	157,624.65	0.00	157,624.65	100.0%	309,364.12	296,797.00	12,567.12	104.23%	309,364.12	296,797.00	12,567.12	104.23%
4700 · Non Operating Revenues	7,525.72	5,513.00	2,012.72	136.51%	25,635.79	22,050.00	3,585.79	116.26%	25,635.79	22,050.00	3,585.79	116.26%
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	5,470,119.80	5,513.00	5,464,606.80	99,222.2%	9,367,099.82	9,364,206.00	2,893.82	100.03%	9,367,099.82	9,364,206.00	2,893.82	100.03%
Gross Profit	5,470,119.80	5,513.00	5,464,606.80	99,222.2%	9,367,099.82	9,364,206.00	2,893.82	100.03%	9,367,099.82	9,364,206.00	2,893.82	100.03%
Expense												
6010 · Admin. Salary/Benefit Costs	81,178.22	80,586.00	592.22	100.74%	890,465.44	890,591.00	-125.56	99.99%	890,465.44	890,591.00	-125.56	99.99%
6020 · Office Building Expense	8,787.83	8,690.00	97.83	101.13%	102,831.01	110,381.00	-7,549.99	93.16%	102,831.01	110,381.00	-7,549.99	93.16%
6030 · Office Supplies & Equip.	1,404.45	-270.00	1,674.45	-520.17%	24,744.13	29,660.00	-4,915.87	83.43%	24,744.13	29,660.00	-4,915.87	83.43%
6040 · Postage & Printing Costs	6,782.75	5,753.00	1,029.75	117.9%	53,104.67	60,032.00	-6,927.33	88.46%	53,104.67	60,032.00	-6,927.33	88.46%
6050 · Information Services	8,523.51	9,820.00	-1,296.49	86.8%	126,712.30	131,840.00	-5,127.70	96.11%	126,712.30	131,840.00	-5,127.70	96.11%
6060 · Contract Services	9,767.50	0.00	9,767.50	100.0%	50,662.87	55,600.00	-4,937.13	91.12%	50,662.87	55,600.00	-4,937.13	91.12%
6070 · Watermaster Legal Services	26,984.53	126,646.00	-99,661.47	21.31%	366,663.62	366,950.00	-286.38	99.92%	366,663.62	366,950.00	-286.38	99.92%
6080 · Insurance	1,252.82	1,140.00	112.82	109.9%	27,336.07	27,916.00	-579.93	97.92%	27,336.07	27,916.00	-579.93	97.92%
6110 · Dues and Subscriptions	0.00	-1,800.00	1,800.00	0.0%	19,016.72	19,035.00	-18.28	99.9%	19,016.72	19,035.00	-18.28	99.9%
6140 · WM Admin Expenses	203.35	375.00	-171.65	54.23%	2,091.64	2,700.00	-608.36	77.47%	2,091.64	2,700.00	-608.36	77.47%
6150 · Field Supplies	86.41	0.00	86.41	100.0%	914.52	1,450.00	-535.48	63.07%	914.52	1,450.00	-535.48	63.07%
6170 · Travel & Transportation	1,697.80	2,600.00	-902.20	65.3%	20,879.48	25,320.00	-4,440.52	82.46%	20,879.48	25,320.00	-4,440.52	82.46%
6190 · Training, Conferences, Seminars	2,313.76	6,775.00	-4,461.24	34.15%	27,588.96	27,600.00	-11.04	99.96%	27,588.96	27,600.00	-11.04	99.96%
6200 · Advisory Comm - WM Board	3,072.64	-2,718.00	5,790.64	-113.05%	29,889.25	37,374.00	-7,484.75	79.97%	29,889.25	37,374.00	-7,484.75	79.97%
6300 · Watermaster Board Expenses	11,320.11	-34,399.00	45,719.11	-32.91%	114,431.19	129,544.00	-15,112.81	88.33%	114,431.19	129,544.00	-15,112.81	88.33%
8300 · Appr PI-WM & Pool Admin	6,006.42	-2,737.00	8,743.42	-219.45%	109,503.75	122,069.00	-12,565.25	89.71%	109,503.75	122,069.00	-12,565.25	89.71%
8400 · Agri Pool-WM & Pool Admin	2,548.88	-9,593.00	12,141.88	-26.57%	39,182.46	45,190.00	-6,007.54	86.71%	39,182.46	45,190.00	-6,007.54	86.71%
8467 · Ag Legal & Technical Services	6,572.50	80,083.00	-73,510.50	8.21%	267,435.00	268,000.00	-565.00	99.79%	267,435.00	268,000.00	-565.00	99.79%
8470 · Ag Meeting Attend -Special	1,375.00	5,850.00	-4,475.00	23.5%	25,775.00	26,200.00	-425.00	98.38%	25,775.00	26,200.00	-425.00	98.38%
8471 · Ag Pool Expense	9,059.00	-38,750.00	47,809.00	-23.38%	9,059.00	10,000.00	-941.00	90.59%	9,059.00	10,000.00	-941.00	90.59%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	0.00	400.00	-400.00	0.0%	0.00	400.00	-400.00	0.0%
8500 · Non-Ag PI-WM & Pool Admin	9,190.27	-3,042.00	12,232.27	-302.11%	95,741.24	95,974.00	-232.76	99.76%	95,741.24	95,974.00	-232.76	99.76%
9400 · Depreciation Expense	5,060.79	0.00	5,060.79	100.0%	5,060.79	0.00	5,060.79	100.0%	5,060.79	0.00	5,060.79	100.0%
9500 · Allocated G&A Expenditures	-11,884.19	-33,443.00	21,558.81	35.54%	-202,487.15	-401,307.00	198,819.85	50.46%	-202,487.15	-401,307.00	198,819.85	50.46%
6900 · Optimum Basin Mgmt Plan	61,387.60	186,788.67	-125,401.07	32.87%	1,677,524.40	1,702,437.00	-24,912.60	98.54%	1,677,524.40	1,702,437.00	-24,912.60	98.54%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	10,000.00	-10,000.00	0.0%	0.00	10,000.00	-10,000.00	0.0%
9501 · G&A Expenses Allocated-OBMP	862.98	10,721.33	-9,858.35	8.05%	63,917.57	128,656.00	-64,738.43	49.68%	63,917.57	128,656.00	-64,738.43	49.68%
7101 · Production Monitoring	6,165.76	21,569.50	-15,403.74	28.59%	73,176.28	73,547.00	-370.72	99.5%	73,176.28	73,547.00	-370.72	99.5%
7102 · In-line Meter Installation	12,155.53	5,566.92	6,588.61	218.35%	17,928.34	67,087.00	-49,158.66	26.72%	17,928.34	67,087.00	-49,158.66	26.72%
7103 · Grdwtr Quality Monitoring	16,059.51	1,222.24	14,837.27	1,313.94%	158,943.86	203,342.00	-44,398.14	78.17%	158,943.86	203,342.00	-44,398.14	78.17%
7104 · Gdwtr Level Monitoring	34,273.67	21,443.00	12,830.67	159.84%	246,707.75	247,627.00	-919.25	99.63%	246,707.75	247,627.00	-919.25	99.63%
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	8,399.48	14,035.25	-5,635.77	59.85%	247,822.14	327,291.99	-79,469.85	75.72%	247,822.14	327,291.99	-79,469.85	75.72%

	1/12th (8.33%) of the Total Budget				12/12th (100%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2016				Year-To-Date as of June 30, 2016				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	34,402.17	-64,531.84	98,934.01	-53.31%	298,435.71	307,236.00	-8,800.29	97.14%	298,435.71	307,236.00	-8,800.29	97.14%
7109 · Recharge & Well Monitoring Prog	0.00	1,655.58	-1,655.58	0.0%	15,098.25	19,867.00	-4,768.75	76.0%	15,098.25	19,867.00	-4,768.75	76.0%
7200 · PE2- Comp Recharge Pgm	18,769.84	-37,466.33	56,236.17	-50.1%	645,572.56	1,024,049.86	-378,477.30	63.04%	645,572.56	1,024,049.86	-378,477.30	63.04%
7300 · PE3&5-Water Supply/Desalte	0.00	3,735.00	-3,735.00	0.0%	0.00	45,276.00	-45,276.00	0.0%	0.00	45,276.00	-45,276.00	0.0%
7400 · PE4- Mgmt Plan	16,087.79	51,851.92	-35,764.13	31.03%	335,381.02	622,505.00	-287,123.98	53.88%	335,381.02	622,505.00	-287,123.98	53.88%
7500 · PE6&7-CoopEfforts/SaltMgmt	542.50	6,802.33	-6,259.83	7.98%	26,404.75	92,966.00	-66,561.25	28.4%	26,404.75	92,966.00	-66,561.25	28.4%
7600 · PE8&9-StorageMgmt/Conj Use	0.00	6,377.84	-6,377.84	0.0%	14,589.18	76,909.00	-62,319.82	18.97%	14,589.18	76,909.00	-62,319.82	18.97%
7690 · Recharge Improvement Debt Pymt	895,204.95	563,450.00	331,754.95	158.88%	1,585,708.40	3,932,677.00	-2,346,968.60	40.32%	1,585,708.40	3,932,677.00	-2,346,968.60	40.32%
7700 · Inactive Well Protection Prgm	0.00	41.67	-41.67	0.0%	0.00	500.00	-500.00	0.0%	0.00	500.00	-500.00	0.0%
9502 · G&A Expenses Allocated-Projects	11,021.21	22,720.92	-11,699.71	48.51%	138,569.58	272,651.00	-134,081.42	50.82%	138,569.58	272,651.00	-134,081.42	50.82%
Total Expense	1,306,637.34	1,017,550.00	289,087.34	128.41%	7,752,381.75	11,237,143.85	-3,484,762.10	68.99%	7,752,381.75	11,237,143.85	-3,484,762.10	68.99%
Net Ordinary Income	4,163,482.46	-1,012,037.00	5,175,519.46	-411.4%	1,614,718.07	-1,872,937.85	3,487,655.92	-86.21%	1,614,718.07	-1,872,937.85	3,487,655.92	-86.21%
Other Income												
4210 · Approp Pool-Replenishment	1,051,308.97	0.00	1,051,308.97	100.0%	1,051,308.97	0.00	1,051,308.97	100.0%	1,051,308.97	0.00	1,051,308.97	100.0%
4220 · Non-Ag Pool-Replenishment	19,383.24	0.00	19,383.24	100.0%	19,383.24	0.00	19,383.24	100.0%	19,383.24	0.00	19,383.24	100.0%
4225 · Interest Income	2,086.41	0.00	2,086.41	100.0%	6,284.53	0.00	6,284.53	100.0%	6,284.53	0.00	6,284.53	100.0%
4226 · LAIF Fair Market Value	-137.87	0.00	-137.87	100.0%	-137.87	0.00	-137.87	100.0%	-137.87	0.00	-137.87	100.0%
6600 · Groundwater Sales	0.00	0.00	0.00	0.0%	2,540,000.00	0.00	2,540,000.00	100.0%	2,540,000.00	0.00	2,540,000.00	100.0%
Total Other Income	1,072,640.75	0.00	1,072,640.75	100.0%	3,616,838.87	0.00	3,616,838.87	100.0%	3,616,838.87	0.00	3,616,838.87	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,540,000.00	0.00	2,540,000.00	100.0%	2,540,000.00	0.00	2,540,000.00	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
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.	87,128.00	0.00	87,128.00	100.0%	87,128.00	0.00	87,128.00	100.0%	87,128.00	0.00	87,128.00	100.0%
9997 · Refund-Excess Reserves-NonAg	3,182.00	0.00	3,182.00	100.0%	3,182.00	0.00	3,182.00	100.0%	3,182.00	0.00	3,182.00	100.0%
9998 · Refund-Recharge Debt-Approp.	345,914.00	0.00	345,914.00	100.0%	345,914.00	0.00	345,914.00	100.0%	345,914.00	0.00	345,914.00	100.0%
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	436,224.00	0.00	436,224.00	100.0%	2,976,224.00	0.00	2,976,224.00	100.0%	2,976,224.00	0.00	2,976,224.00	100.0%
Net Other Income	636,416.75	0.00	636,416.75	100.0%	640,614.87	0.00	640,614.87	100.0%	640,614.87	0.00	640,614.87	100.0%
Net Income	4,799,899.21	-1,012,037.00	5,811,936.21	-474.28%	2,255,332.94	-1,872,937.85	4,128,270.79	-120.42%	2,255,332.94	-1,872,937.85	4,128,270.79	-120.42%

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

C. OBMP SEMI-ANNUAL STATUS REPORTS 2014-2 AND 2015-1

I. BUSINESS ITEMS – ROUTINE (Non-Ag Pool)

C. OBMP SEMI-ANNUAL STATUS REPORTS 2014-2 AND 2015-1



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: Semi-Annual Optimum Basin Management Program Status Reports 2014-2 and 2015-1
(Consent Calendar Item I.C.)

SUMMARY

Issue: Watermaster produces the Semi-Annual Optimum Basin Management Program (OBMP) Status Reports. The reports for the period July to December 2014 and January to June 2015 have been drafted.

Recommendation: Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2014-2 and 2015-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

Financial Impact: The costs of preparing the Semi-Annual OBMP Status Report and filing it with the Court are included in the Watermaster budget.

Future Consideration

Appropriative Pool: August 11, 2016 Recommendation to the Advisory Committee

Non-Agricultural Pool: August 11, 2016 Recommendation to the Advisory Committee

Agricultural Pool: August 11, 2016 Recommendation to the Advisory Committee

Advisory Committee: August 18, 2016 Recommendation to the Watermaster Board

Watermaster Board: August 25, 2016 Adopt the Semi-Annual OBMP Status Reports 2014-2 and 2015-1, along with filing a copy with the Court, subject to any necessary non-substantive changes [Discretionary Function]

ACTIONS:

August 11, 2016 – Appropriative Pool –

August 11, 2016 – Non-Agricultural Pool –

August 11, 2016 – Agricultural Pool –

August 18, 2016 – Advisory Committee –

BACKGROUND

Semi-Annual OBMP Status Report 2014-2 covers the period from July to December 2014; Semi-Annual OBMP Status Report 2015-1 covers the period from January to June 2015. The reports describe work conducted, and the current status of the nine Program Elements of the Optimum Basin Management Program during the six-month period.

DISCUSSION

Semi-Annual OBMP Status Reports 2014-2 and 2015-1 have been drafted. Once adopted by the Board, the Semi-Annual OBMP Status Reports will be filed with the Court.

ATTACHMENTS

1. Semi-Annual Optimum Basin Management Program Status Report 2014-2
2. Semi-Annual Optimum Basin Management Program Status Report 2015-1

Optimum Basin Management Program

Staff Status Report 2014-2: July to December 2014



CHINO BASIN WATERMASTER

Optimum Basin Management Program

Highlighted Activities

- As a requirement of Mitigation Measure 4.4-3 from the Peace II Subsequent Environmental Impact Report (SEIR), Watermaster, Inland Empire Utilities Agency (IEUA) and Orange County Water District (OCWD) continued to develop a Prado Basin Habitat Sustainability Program (PBHSP). Included within this program will be the Prado Basin Habitat Sustainability Adaptive Management Plan, the installation of 17 monitoring wells at nine separate sites, and vegetation monitoring. During this reporting period, property acquisition and permitting continued.
- Pursuant to the October 2013 Court Order authorizing Watermaster and IEUA to implement the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU), Watermaster and IEUA have begun implementation. During the reporting period, Watermaster and IEUA continued a process to develop agreements to construct the storm and supplemental water recharge projects listed in Table 8-2c of the 2013 RMPU report, prioritize the construction of these projects relative to the availability of grant funding, and to plan subsequent implementation. Watermaster and IEUA meet monthly to review progress and advance implementation.
- Watermaster and IEUA continued work on the Turner Basins/Guasti Park Recharge Expansion Project in Management Zone (MZ) 2. After completion in 2015, the expansion project is projected to recharge an additional 300 acre-feet of storm runoff annually.
- During the reporting period, approximately 5,235 acre-feet of stormwater, 4,781 acre-feet of recycled water, and no imported water were recharged in the Chino Basin.
- Development and planning continues between the Chino Desalter Authority (CDA) and Watermaster to expand the Chino Desalters to an ultimate production capacity of 40,000 acre-feet per year. Equipping of two wells in the Chino Creek Well Field (CCWF), wells I-20 and I-21, was initiated and the wells are planned to begin producing in 2015. Three additional wells are being planned for construction to provide raw water to the Chino I Desalter; these wells are required to meet the maximum-benefit commitment to produce a total 40,000 acre-feet per year from the combined desalter well fields. The location of two of the wells has been determined, and the location for a third well is still being evaluated. Property acquisition for the two known well sites is in progress.
- Pursuant to the MZ-1 Subsidence Management Plan (MZ-1 Plan), Watermaster's subsidence management plan, if data from existing monitoring efforts in the locations called Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan. During this reporting period, Watermaster prepared an outline for the update to the MZ-1 Plan and a draft Work Plan to Develop the Subsidence Management Plan for the Northwest MZ-1 Area, which was identified as an area of concern in the 2013 Annual Report of the Land Subsidence Committee (LSC).
- Watermaster began its evaluation of the Safe Yield in 2013. During this reporting period, Watermaster staff developed estimates of the Safe Yield based on present and future expected cultural conditions and reported on this work at the July Watermaster process meetings; and presented this information in great detail at a special September 16, 2014 Watermaster Board workshop. Based on the work by Watermaster staff, and discussions following the September 2014 Board workshop and at the Advisory Committee's recommendation, the Watermaster Board advised the parties to enter into a facilitated process to develop an agreement to implement the recalculated Safe Yield.

Important Court Hearings and Orders

- JULY 14, 2014 -
NOTICE OF RULING RE OVERLYING (NON-AGRICULTURAL) POOL COMMITTEE'S MOTION REGARDING AMENDMENT TO THE JUDGMENT RELATING TO QUORUM AND VOTING OF THE NON-AGRICULTURAL (OVERLYING) POOL COMMITTEE
- AUGUST 25, 2014 -
NOTICE OF RULING RE AMENDMENTS TO JUDGMENT AND RULES AND REGULATIONS REGARDING COMPENSATION OF WATERMASTER BOARD MEMBERS
- DECEMBER 12, 2014 -
ORDER ON COURT APPROVAL OF TEMPORARY SUBSTITUTE RATE FOR PHYSICAL SOLUTION TRANSFERS UNDER EXHIBIT "G" TO THE JUDGMENT

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program

Groundwater Level Monitoring

Watermaster initiated a basin-wide groundwater-level monitoring program as part of the implementation of the Optimum Basin Management Program (OBMP). The monitoring program has been refined over time to satisfy the evolving needs of the Watermaster and IEUA, such as new regulatory requirements, and to increase efficiency. The groundwater-level monitoring program supports many Watermaster functions, such as the periodic reassessment of Safe Yield, the monitoring and management of land subsidence, the assessment of hydraulic control, the analysis of desalter pumping impacts at private wells, and the triennial re-computation of ambient water quality that is mandated by the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan). The data are also used to update and re-calibrate Watermaster's computer simulation groundwater flow model, to understand directions of groundwater flow, to compute storage changes, to interpret water quality data, and to identify areas of the basin where recharge and discharge are not in balance.

The current groundwater-level monitoring program is comprised of about 1,000 wells. At about 900 of these wells, water levels are measured by well owners, which include municipal water agencies, the California Department of Toxic Substances Control (DTSC), the Counties, and various private consulting firms. Watermaster collects these water level data at least semi-annually. At the remaining 200 wells, water levels are measured by Watermaster staff using manual methods once per month or by using pressure transducers that record data once every 15 minutes. These wells are mainly Agricultural Pool wells or dedicated monitoring wells located south of the 60 freeway.

Groundwater Quality Monitoring

Watermaster initiated a comprehensive groundwater-quality monitoring program as part of the implementation of the OBMP. The groundwater-quality monitoring program consists of the following four components:

1. An Annual Key-Well Water-Quality Monitoring Program consisting of 110 wells, which are mostly privately-owned agricultural wells in the southern portion of Chino Basin that are otherwise not included in an established sampling program. Twenty of these wells are sampled every year, and the remaining wells are sampled once every three years. The wells sampled annually are for the continuous monitoring of areas of concern associated with the southern edge of the South Archibald Plume, the southern region of the Chino Airport Plume, and the Kaiser Steel Mill Plume, and includes two multi-port MZ-3 monitoring wells.
2. Annual sampling at nine HCMP multi-port monitoring wells strategically placed between the Chino Desalter well fields and the Santa Ana River. Results of the annual sampling are used to analyze the effect of desalter pumping over time on hydraulic control, by comparing water quality of the native groundwater and the Santa Ana River.
3. Quarterly sampling at four near-river wells to characterize the interaction between the Santa Ana River and nearby groundwater. These shallow monitoring wells along the Santa Ana River consist of two former US Geological Survey (USGS) National Water Quality Assessment Program wells (Archibald 1 and Archibald 2), and two wells (Well 9 and Well 11) owned by the Santa Ana River Water Company.
4. A cooperative basin-wide data-collection effort known as the Chino Basin Data Collection program, which relies on municipal producers and other government agencies to supply groundwater-quality data on a cooperative basis. These sources include the Appropriators, DTSC, Regional Water Quality Control Board (RWQCB), USGS, the Counties, and other cooperators.



Water Quality Sampling

All groundwater-quality data are checked by Watermaster staff and uploaded to a centralized database management system that can be accessed online through HydroDaVESM. Groundwater-quality data are used by Watermaster for: the biennial State of the Basin report; the triennial ambient water quality update mandated by the Basin Plan; and the demonstration of hydraulic control—a maximum benefit commitment in the Basin Plan. Data are also used for monitoring nonpoint source groundwater contamination and plumes associated with point source discharges and to assess the overall health of the groundwater basin. Groundwater-quality data are also used in conjunction with numerical models to assist Watermaster and other parties in evaluating proposed groundwater remediation strategies.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

Groundwater Production Monitoring

All active wells (except for minimum user wells) are now metered. Watermaster reads the agricultural production data from the meters on a quarterly basis and enters these data into Watermaster's relational database.

Surface Water Monitoring

Water Quality and Quantity in Recharge Basins. Watermaster and IEUA measure the quantity of storm and supplemental water that enters into recharge basins. Pressure transducers or staff gauges are used to measure water levels during recharge operations. In addition to these quantity measurements, imported water quality data for State Water Project water are obtained from the Metropolitan Water District of Southern California (MWDSC) and recycled water quality data for the RP-1 and RP-4 treatment plant effluents are obtained from IEUA. Combining the measured flow data with the respective water qualities enables the calculation of the blended water quality in each recharge basin, the New Yield to the Chino Basin, and the adequate dilution of recycled water.



Inline Water Flow Meter

Surface Water Monitoring in the Santa Ana River. Watermaster measures selected water quality parameters quarterly at two sites along the Santa Ana River (Santa Ana River at River Road and Santa Ana River at Etiwanda). Along with data collected at four near-river wells, these data are used to characterize the interaction between the Santa Ana River and nearby groundwater.

Hydraulic Control

In January 2004, the RWQCB amended the Basin Plan for the Santa Ana River Basin to incorporate an updated total dissolved solids (TDS) and nitrogen (N) management plan. The Basin Plan amendment incorporated both "antidegradation" and "maximum benefit" objectives for TDS and nitrate-N for the Chino-North and Cucamonga groundwater management zones (GMZs). The application of the "maximum benefit" objectives relies on Watermaster and IEUA's implementation of a specific program of projects and requirements, which are an integral part of the OBMP. On April 15, 2005, the RWQCB adopted resolution R8-2005-0064, thus approving the Surface Water Monitoring Program and Groundwater Monitoring Program in support of maximum benefit commitments in the Chino-North and Cucamonga GMZs.

One of the main maximum-benefit commitments is to achieve and maintain "hydraulic control" of the Chino Basin so that downstream beneficial uses of the Santa Ana River are protected. Hydraulic control is defined by the Basin Plan as the elimination of groundwater discharge from the Chino-North GMZ to the Santa Ana River or its reduction to a *de minimus* level. In October 2011, the RWQCB indicated that groundwater discharge in an amount less than 1,000 acre-feet per year would be considered *de minimus* by the RWQCB.

In 2012, the Basin Plan was amended to remove all references to the specific monitoring locations and sampling frequencies required for groundwater and surface water monitoring, thus allowing the program to be modified over time, with approval of the Executive Officer of the RWQCB. The Basin Plan amendment was approved by the RWQCB on February 12, 2012 and by the State Office of Administrative Law on December 6, 2012. This amendment was adopted based on demonstrations made by Watermaster and the IEUA showing that the surface water monitoring program, as included in the Basin Plan, was not meaningfully adding to the body of evidence required to demonstrate hydraulic control. In the place of specific monitoring requirements, the Basin Plan Amendment required that Watermaster and IEUA submit for approval by the Executive Officer a new surface water monitoring program work plan by February 25, 2012 and a new groundwater monitoring program work plan by December 31, 2013. In February 2012, Watermaster and the IEUA submitted, and the RWQCB approved, a new surface water monitoring program that reduced the 2004 monitoring program from bi-weekly water quality measurements at 17 sites and direct discharge measurements at six sites, to quarterly water quality sampling at two sites. The new work plan including these changes was adopted by the RWQCB in March 2012.

In December 2013, Watermaster and IEUA submitted an updated *Maximum Benefit Monitoring Program Work Plan and Proposed Schedule for Achieving Hydraulic Control* to the RWQCB. The updated Work Plan states that Watermaster and IEUA will recalibrate the Chino Basin groundwater model every five years and use the model to estimate groundwater discharge from Chino-North to the Santa Ana River (i.e. annual underflow past the CCWF) and determine whether hydraulic control has been achieved. The new Work Plan was adopted by the RWQCB in April 2014.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

In January 2014, in a letter to IEUA and Watermaster, the RWQCB confirmed that the model results indicated that hydraulic control would be achieved under the projected range of CCWF pumping. The RWQCB also requested that by May 31, 2014, IEUA and Watermaster submit a plan and schedule to increase desalter production capacity from 32,000 to 40,000 acre-feet per year. IEUA and Watermaster submitted the plan and schedule to the RWQCB on May 30, 2014 to install three new wells—one well location being provisional. In June 2014, the RWQCB accepted the plan, but requested that the final well locations be submitted to the RWQCB by June 30, 2015.

During this reporting period, Watermaster measured 486 manual water levels at 81 private wells throughout the Chino Basin, conducted downloads at about a 100 wells containing pressure transducers, and collected 29 groundwater-quality samples and four surface-water quality samples.

Prado Basin Habitat Sustainability Monitoring Program

A requirement of Mitigation Measure 4.4-3 from the Peace II SEIR is for Watermaster, IEUA and OCWD to develop an Adaptive Management Plan for the PBHSP. The objective of this plan is to ensure that the riparian habitat in Prado Basin is not adversely impacted by drawdown associated with the implementation of the Peace II activities. Sixteen monitoring wells at nine sites will be constructed as part of the monitoring program for the PBHSP. An Adaptive Management Plan will be developed which will describe an initial monitoring program and a process to modify the monitoring program and/or implement mitigation strategies, as necessary. During this reporting period, the PBHSP Committee continued to oversee the property acquisition and permitting for the monitoring wells, the Cone Penetration Testing at the nine well sites, the analysis of test results to assist with monitoring well design, and the preparation of the draft Adaptive Management Plan.

Chino Basin Groundwater Recharge Program

Watermaster, IEUA, the Chino Basin Water Conservation District, and the San Bernardino County Flood Control District jointly sponsor the Chino Basin Groundwater Recharge Program. This is a comprehensive water supply program to enhance water supply reliability and improve the groundwater quality in local drinking water wells throughout the Chino Basin by increasing the recharge of storm water, imported water, and recycled water. The recharge program is regulated under RWQCB Order No. R8-2007-0039 and Monitoring and Reporting Program No. R8-2007-0039.

Recharge Activities. Ongoing recycled water recharge occurred in the Brooks, 8th Street, Turner, Victoria, San Sevaine, Ely, Hickory, RP-3, and Banana Basins this reporting period. Stormwater was recharged at 16 recharge basins across all management zones of the Chino Basin during this reporting period. No imported water was recharged this reporting period.

Monitoring Activities. Watermaster and IEUA collect weekly water quality samples from recharge basins that are actively recharging recycled water and from lysimeters installed within those recharge basins. During this reporting period, approximately 204 recharge basin and lysimeter samples were collected and 28 recycled water samples were collected for alternative monitoring plans that include the application of a correction factor for soil-aquifer treatment determined from each recharge basin's start-up period. Monitoring wells located down-gradient of the recharge basins were sampled quarterly at a minimum; however, some monitoring wells were sampled more frequently during the reporting period for a total of 98 samples.

Reporting. Watermaster and IEUA completed the following required reports concerning the recharge program during the reporting period:

- 2Q-2014 Quarterly Report, submitted to the RWQCB – August 2014
- 3Q-2014 Quarterly Report, submitted to the RWQCB – November 2014



Lower Day Basin

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

Land Surface Monitoring

In response to the occurrence of land subsidence in the City of Chino, the Watermaster prepared and submitted the MZ-1 Plan to the Court for approval and, in November 2007, the Court ordered its implementation (see Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1). The MZ-1 Plan calls for several monitoring and mitigation measures to minimize or abate the future occurrence of land subsidence and ground fissuring in the western Chino Basin. These measures and activities include:

- Continuing the scope and frequency of monitoring within the so-called Managed Area (southwest MZ-1) that was conducted during the period when the MZ-1 Plan was being developed.
- Expanding the monitoring of the aquifer system and land subsidence into other areas of MZ-1 and Chino Basin where the data indicate concern for future subsidence and ground fissuring.
- Monitoring of horizontal strain across the historical zone of ground fissuring.
- Evaluating the potential contribution of groundwater production in northern MZ-1 on conditions in southern MZ-1.
- Conducting additional testing and monitoring to refine the MZ-1 Guidance Criteria.
- Developing alternative pumping plans for the MZ-1 producers that are impacted by the MZ-1 Plan.
- Constructing and testing a lower-cost cable extensometer facility at Ayala Park.
- Evaluating and comparing ground-level surveying and Interferometric Synthetic Aperture Radar (InSAR), and recommending future monitoring protocols for both techniques.
- Conducting an aquifer storage recovery (ASR) feasibility study at a City of Chino Hills production well within the MZ-1 Managed Area (Well 16).
- Providing for recovery of groundwater levels in the MZ-1 Managed Area.

During the reporting period, Watermaster undertook the following activities called for in the MZ-1 Plan:

- The continuation of high-resolution water-level monitoring at wells within the Managed Area and across much of the western portion of Chino Basin. All monitoring equipment is inspected at least quarterly and is repaired and/or replaced as necessary. The data collected were checked and analyzed to assess the functionality of the monitoring equipment and for compliance with MZ-1 Plan.
- The continuation of monitoring and maintenance at the extensometer facilities at the Ayala Park, Chino Creek, and Daniels sites. The Daniels Horizontal Extensometer was repaired following flooding at the site.
- The collection of InSAR data from radar satellites during the reporting period, which will be analyzed for ground motion in early 2015.
- Assisting the City of Chino Hills in required quarterly reporting for its Department of Water Resources grant to support the ASR pilot test.

Program Element 2: Develop and Implement a Comprehensive Recharge Program

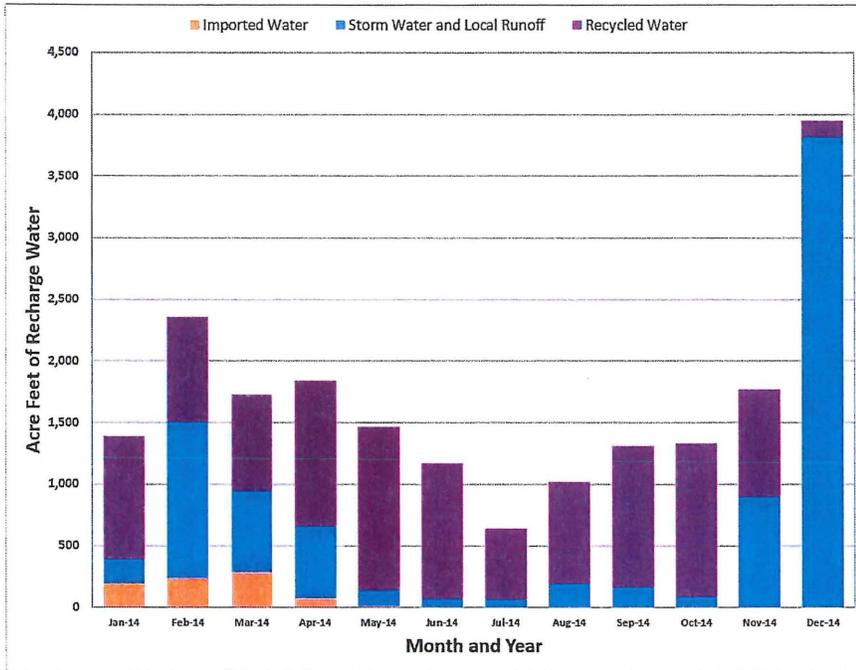
The average stormwater recharge of the Chino Basin Facilities Improvement Program facilities is approximately 13,000 acre-feet per year, the supplemental “wet”¹ water recharge capacity is approximately 60,600 acre-feet per year, and the in-lieu supplemental water recharge capacity ranges from 25,000 to 40,000 acre-feet per year. There is also a demonstrated well injection capacity of 5,600 acre-feet per year. Current total supplemental water recharge capacity ranges from 91,200 to 106,200 acre-feet per year which is greater than projected supplemental water recharge capacity required by Watermaster.

¹The modifier “wet” means actual physical water is being recharged in spreading basins as opposed to the dedication of water from storage or in-lieu recharge.

Optimum Basin Management Program

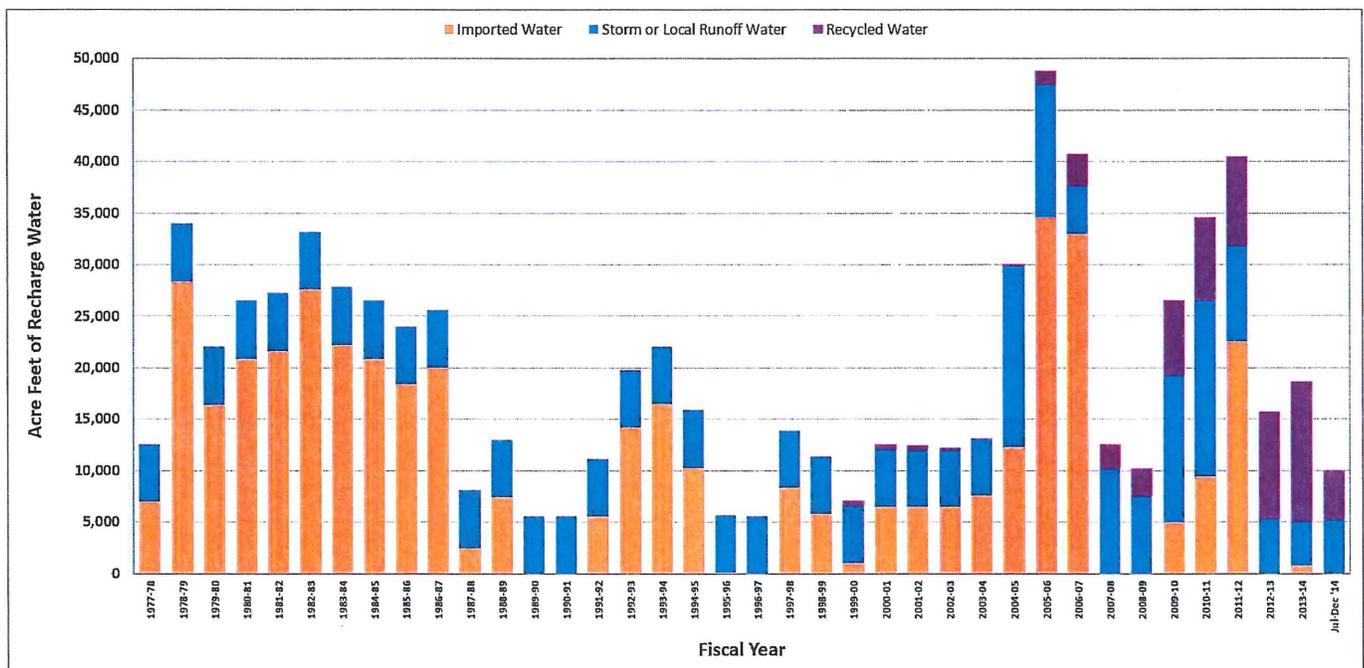
Program Element 2: Develop and Implement a Comprehensive Recharge Program (Continued)

Stormwater recharge during this reporting period was approximately 5,235 acre-feet. Recycled water recharge during this reporting period was approximately 4,781 acre-feet. No imported water was recharged during this reporting period. The IEUA and Watermaster recharge permit was amended in fiscal year 2009/10 to allow for underflow dilution and extended the dilution period from a running 60 months to a running 120 months. The significance of this permit amendment was to reduce the amount of imported and storm waters required for dilution. IEUA projects that dilution requirements will likely be met through 2019/20, even if no imported water were available for dilution.



The total amount of supplemental water recharged in MZ-1 since the Peace II Agreement through June 30, 2014 was approximately 44,446 acre-feet, which is slightly less than the 45,500 acre-feet required by June 30, 2014 (annual requirement of 6,500 acre-feet); the shortfall of 1,054 acre-feet was recharged in MZ-1 during the first half of fiscal year 2014/15. The amount of supplemental water recharged into MZ-1 during the reporting period was approximately 511 acre-feet.

Watermaster and IEUA continued work on the Turner Basins/Guasti Park Recharge Expansion Project in MZ-2. Following completion, anticipated in 2015, the expansion project is projected to recharge an additional 300 acre-feet of storm runoff annually. Watermaster and IEUA meet monthly on the Turner Basins/Guasti Park, Wineville Basin and other projects that are currently in a phase of design and construction.



Optimum Basin Management Program

Program Element 2: Develop and Implement a Comprehensive Recharge Program (Continued)

Pursuant to the October 2013 Court Order authorizing Watermaster and IEUA to implement the 2013 RMPU, Watermaster and IEUA have begun implementation of the 2013 RMPU. During the reporting period, Watermaster and IEUA continued a process to develop agreements to construct the storm and supplemental water recharge projects listed in Table 8-2c of the 2013 RMPU, prioritize the construction of these projects relative to the availability of grant funding, and to plan subsequent implementation. Watermaster and IEUA meet monthly to review progress and advance implementation.

During the reporting period, Watermaster and IEUA continued to develop a series of projects outside of the 2013 RMPU effort that will increase stormwater and supplemental water recharge and have jointly agreed to fund these projects. Watermaster and IEUA staffs meet monthly to implement and monitor the progress of these projects. Watermaster's share of the cost of these projects was included in the budget adopted by Watermaster for fiscal year 2014/15.

Watermaster continued work on the 2013 RMPU and is in the process of finalizing agreements with IEUA on their joint projects. The Recharge Master Plan Update Steering Committee continues to meet quarterly on the progress of implementing the 2013 RMPU Projects.

Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and Program Element 5: Develop and Implement Regional Supplemental Water Program

The Chino I Desalter Expansion and the Chino II Desalter facilities were completed in February 2006. As currently configured, the Chino I Desalter produces about 13,500 acre-feet per year (12.1 million gallons per day [MGD]) of groundwater at 15 wells (I-1 through I-15) that is treated through air stripping (VOC removal), ion exchange (nitrate removal), and/or reverse osmosis (for nitrate and TDS removal). The Chino II Desalter produces about 15,800 acre-feet per year (14.1 MGD) of groundwater at eight wells (II-1 through II-4 and II-6 through II-9) that is treated through ion exchange and/or reverse osmosis.

Development and planning continues between the CDA and Watermaster to expand the production and treatment capacity of the Chino Desalters by about 10,500 acre-feet per year (9.5 MGD). More than \$70 million in grant funds have been secured toward this expansion. The most recent expansion project completed includes the construction of five wells for the new CCWF (wells I-16, I-17, I-18, I-20 and I-21), which were required to meet the hydraulic control commitment associated with maximum benefit, and will provide additional raw water to the Chino I Desalter. Construction of the raw water pipelines from Wells I-16, I-17 and I-18 is complete, and production at wells I-16 and I-17 began in mid-2014. Well I-18 is currently not planned for operation due to high VOC concentrations. A nine-month pilot test for a treatment system for removal of TCE, 1,2,3-trichloropropane, and nitrate is planned through mid-2015. Equipping of wells I-20 and I-21, and subsequently production, is planned to begin in late-2015. Three additional wells are being planned for construction to provide raw water to the Chino I Desalter; these wells are required



Chino II Desalter Facility

to meet the maximum-benefit commitment to produce a total 40,000 acre-feet per year from the combined desalter well fields. This amount was determined in the OBMP Phase I report as the production necessary to maintain hydraulic control. Watermaster and the IEUA coordinated with CDA to develop a plan to achieve the 40,000 acre-feet per year of desalter production and submitted a preliminary plan to the RWQCB on May 30, 2014. The location of two of the wells has been determined, and the location for a third well is still being evaluated. Property acquisition for the two known well sites is in progress.

Optimum Basin Management Program

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1

MZ-1 Management Plan

Because of the historical occurrence of pumping-induced land subsidence and ground fissuring in southwestern Chino Basin (southern MZ-1), the OBMP called for the development and implementation of an Interim Management Plan (IMP) for MZ-1 that would:

- Minimize subsidence and fissuring in the short-term,
- Collect information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring, and
- Formulate a management plan to reduce to tolerable levels or abate future subsidence and fissuring.

From 2001-2005, Watermaster developed, coordinated, and conducted an IMP under the guidance of the MZ-1 Technical Committee. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Plan. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, and an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation.

During this reporting period, Watermaster continued implementation of the MZ-1 Plan. Water levels at the PA-7 piezometer stayed above the Guidance Level during the reporting period, and very little, if any, permanent compaction was recorded at the Ayala Park Extensometer. The ongoing monitoring program called for by the MZ-1 Plan continued to be implemented.

Pursuant to the MZ-1 Plan, Watermaster staff and consultants prepared the final 2013 Annual Report of the LSC. In addition, the MZ-1 Plan states that if data from existing monitoring efforts in the so-called Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan pursuant to the process outlined in Section 3 of the MZ-1 Plan. During this reporting period, Watermaster prepared an outline for the update to the MZ-1 Plan and a draft Work Plan to Develop the Subsidence Management Plan for the Northwest MZ-1 Area.

The LSC met in July, September, October, and December 2014. The following was discussed at these meetings:

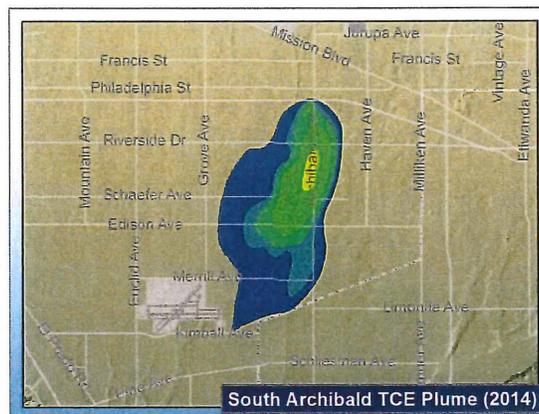
- The 2013 Annual Report of the LSC was reviewed, and was forwarded to the Pools for review.
- Watermaster staff and consultants provided an update on the ongoing monitoring and testing program in the Areas of Subsidence Concern.
- Watermaster staff and consultants provided a draft outline for an update to the current Subsidence Management Plan (MZ-1 Plan) for review by the LSC.
- Watermaster staff and consultants provided a "straw-man" process to develop the subsidence management plan for the Northwest MZ-1 Area.
- Watermaster staff and consultants provided exhibits from the draft work plan to develop the subsidence management plan for the Northwest MZ-1 Area.
- Watermaster approved a budget amendment of \$100,000 to finalize the work plan for the Northwest MZ-1 Area and to update the Chino Basin Subsidence Management Plan.

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management; and Program Element 7: Develop and Implement a Salt Management Program

South Archibald Plume

In July 2005, the RWQCB prepared draft Cleanup and Abatement Orders (CAOs) for seven parties who were tenants on the Ontario International Airport (OIA) with regard to the South Archibald (trichloroethene [TCE]) Plume. The draft CAOs required the parties to “submit a work plan and time schedule to further define the lateral and vertical extent of the TCE and related volatile organic compounds (VOCs) that are discharging, have been discharged, or threaten to be discharged from the site” and to “submit a detailed remedial action plan, including an implementation schedule, to cleanup or abate the effects of the TCE and related VOCs.” Four of the parties (Aerojet, Boeing, General Electric [GE], and Lockheed Martin) voluntarily formed a group (known as ABGL) to work jointly on a remedial investigation. Northrop Grumman declined to participate in the group. The US Air Force, in cooperation with the US Army Corps of Engineers, funded the installation of one of the four clusters of monitoring wells installed by ABGL.



In 2012, an additional draft CAO was issued by the RWQCB jointly to the City of Ontario, the City of Upland, and IEUA for the operation of the treatment plant currently known as RP-1, and associated disposal areas where wastewater from the previously identified PRPs that may have contained TCE was treated and discharged. In part, the draft CAOs require the parties to “supply uninterrupted replacement water service...to all residences south of Riverside Drive that are served by private domestic wells at which TCE has been detected at concentrations at or exceeding 5 µg/L...” and to report this information to the RWQCB. In addition, the parties are to “prepare and submit [a] ...feasibility study” and “prepare, submit and implement the Remedial Action Plan” to mitigate the “effects of the TCE groundwater plume.”

Upon the direction of the RWQCB, sampling at residential taps in the affected area has been conducted approximately every two years (2007-2008, 2009, 2011, 2013-2014). Several parties recently conducted additional sampling at private water supply wells in the area of the plume, and submitted the results of this sampling to the RWQCB in October 2013 and May 2014. With the completion of this work, all wells in the area of the plume have been sampled at least once. Alternative water systems (tanks) have been installed at residences in the area where well water contains TCE at or above 80% of the MCL for TCE. Residents who declined tank system are being provided bottled water. Watermaster also routinely samples for water quality at private wells in the area, and uses data obtained from this monitoring to delineate the plume.

The RWQCB has indicated that many of the potential responsible parties issued Draft CAOs will work together to prepare a remedial action feasibility study. Discussions among those parties are ongoing to resolve details about how to proceed with that work. Many of the parties are also pursuing various grant funding opportunities to develop a remediation strategy that is long-term, regional, and mutually beneficial to the Chino Basin. This includes the existing applications submitted to the United States Bureau of Reclamation.

Chino Airport

The County of San Bernardino, Department of Airports is working under RWQCB CAO No. R8-2008-0064, which requires the County to define the lateral and vertical extent of the plume and prepare a remedial action plan. Beginning in 2007, Tetra Tech, the consultant to the County, conducted several off-site plume characterization studies to delineate the areal and vertical extent of the plume. Since 2003, the County has conducted quarterly monitoring events at their monitoring wells. Conclusions from this monitoring program can be found in reports posted on the RWQCB's GeoTracker website. In November 2014, Tetra Tech submitted the *Semiannual Groundwater Monitoring Report, Winter and Spring 2014, Chino Airport Groundwater Assessment, San Bernardino County, California*.

Watermaster has also collected samples from dedicated monitoring wells and private wells in and around the Chino Airport plume area. Watermaster has also used its calibrated groundwater model to estimate cleanup times and contaminant concentrations in the CCWF. This work will be updated, given new information about the extent of contamination, subsurface hydrogeology, well performance, and the need for habitat sustainability in the Prado Basin.

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management; and

Program Element 7: Develop and Implement a Salt Management Program (Continued)

In October 2013, the RWQCB approved a Work Plan for Tetra Tech to conduct field work for additional characterization of contamination in soil and groundwater associated with the Chino Airport. On September 18, 2014 the results of all the site characterization activities performed to date per the Work Plan were presented to the RWQCB. Following the meeting, an Addendum to the Work Plan was submitted, which outlined the plan to install several multi-port groundwater monitoring wells and perform additional depth-discrete groundwater sampling at the VAP borings. In December 2014, a remedial investigation report was submitted to the RWQCB describing the results of the soil investigation activities performed at the Airport during 2013 and 2014 per the Work Plan. A report describing the results of the groundwater investigations performed in 2014 per the Work Plan, the installation and sampling of all groundwater monitoring wells per the 2014 Work Plan Addendum, and the current plume characterization, is due to the RWQCB by April 30, 2015.

Other Water Quality Issues

Watermaster continues to track monitoring programs and mitigation measures associated with other point sources in the Chino Basin, including: Alumax Aluminum Recycling, the California Institution for Men, Crown Coach, GE Test Cell and Flatiron, Kaiser Steel, Milliken Landfill, Upland Landfill, and the Stringfellow National Priorities List sites.

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program

Groundwater storage is important to the Chino Basin. Watermaster has committed to investigate the technical and management implications of Local Storage Agreements, improve related policies and procedures, and then revisit all pending Local Storage Agreement applications.

The existing Watermaster/IEUA/MWDSC/Three Valleys Municipal Water District (TVMWD) Dry-Year Yield (DYY) program continued during the reporting period. By April 30, 2011, all DYY program construction projects and a full "put" and "take" cycle had been completed, leaving the storage account with a zero balance. During the reporting period no water was stored or withdrawn from storage in the DYY Program.

Safe Yield Redetermination

The Basin's Safe Yield was initially set by the Judgment at 140,000 acre-feet per year. The Safe Yield was based in part on the hydrology of the period 1965 through 1974. Pursuant to the Judgment, the Chino Basin Safe Yield is to be re-determined periodically, but provides that the Safe Yield would not be reexamined for at least ten years from 1978. The Safe Yield has not been reevaluated since the time of the Judgment. Pursuant to the OBMP Implementation Plan and Watermaster's Rules and Regulations, in year 2010/11 and every ten years thereafter, Watermaster is to compute the Safe Yield based in part on the information obtained in the prior ten-year period and reset the Safe Yield for the next ten-year period.

In 2011, Watermaster authorized Watermaster staff to compile the data necessary to recalculate Safe Yield and update its computer model of the Basin and based on the information developed from the data and the model to recalculate the Safe Yield. The model calibration was completed in 2012, and evaluation of the Safe Yield began in 2013. This effort continues. During this reporting period, Watermaster staff developed estimates of the Safe Yield based on present and future expected cultural conditions and reported on this work at the July Watermaster process meetings; and presented this information in great detail at a special September 16, 2014 Watermaster Board workshop. Based on the work by Watermaster staff, and discussions following the September 2014 Board workshop and at the recommendation of the Advisory Committee, the Watermaster Board advised the parties to enter into a facilitated process to develop an agreement to implement the recalculated Safe Yield.

Optimum Basin Management Program

Staff Status Report 2015-1: January to June 2015



CHINO BASIN WATERMASTER

Optimum Basin Management Program

Highlighted Activities

- As a requirement of Mitigation Measure 4.4-3 from the Peace II Subsequent Environmental Impact Report (SEIR), Watermaster, Inland Empire Utilities Agency (IEUA) and Orange County Water District (OCWD) continued to develop a Prado Basin Habitat Sustainability Program (PBHSP). Included within this program is the development of a Prado Basin Habitat Sustainability Adaptive Management Plan, the installation of 16 monitoring wells at nine sites, and vegetative monitoring. During this reporting period, property acquisition, permitting, and site evaluation for biological and anthropological resources was completed and the 16 monitoring wells were designed, constructed and developed. Additionally, a draft report documenting the well construction was prepared.
- Pursuant to the October 2013 Court Order authorizing Watermaster and IEUA to implement the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU), Watermaster and IEUA have begun implementation. During the reporting period, Watermaster and IEUA continued a process to develop agreements to construct the storm and supplemental water recharge projects listed in Table 8-2c of the 2013 RMPU report, prioritize the construction of these projects relative to the availability of grant funding, and to plan subsequent implementation. In April, 2015, the Steering Committee and the IEUA/CBWM Joint Recharge Improvement Projects committee were combined to create the Recharge Investigations and Projects committee (RIPCom). The RIPCom meets monthly on the progress of implementing the 2013 RMPU Projects and other recharge-related projects.
- Watermaster and IEUA completed work on the Turner Basins/Guasti Park Recharge Expansion Project in Management Zone (MZ) 2 in February 2015. The expansion project is projected to recharge an additional 300 acre-feet of storm runoff annually.
- During the reporting period, approximately 2,761 acre-feet of stormwater, 6,059 acre-feet of recycled water, and no imported water were recharged in the Chino Basin.
- Development and planning continues between the Chino Desalter Authority (CDA) and Watermaster to expand the Chino Desalters to an ultimate production capacity of 40,000 acre-feet per year. Equipping of two wells in the Chino Creek Well Field (CCWF), wells I-20 and I-21, was initiated and the wells are planned to begin producing in 2015. Three additional wells are being planned for construction to provide raw water to the Chino I Desalter; these wells are required to meet the maximum-benefit commitment to produce a total 40,000 acre-feet per year from the combined desalter well fields. On June 30, 2015 the IEUA and Watermaster submitted a final plan and schedule for the construction and operation of the three new desalter wells. During this reporting period, construction began on two of the three wells; the location of the third well is still being evaluated.
- Pursuant to the MZ-1 Subsidence Management Plan (MZ-1 Plan), Watermaster's subsidence management plan, if data from existing monitoring efforts in the locations called Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan. During this reporting period, Watermaster updated the MZ-1 Plan, now named to Chino Basin Subsidence Management Plan to incorporate the Work Plan to Develop the Subsidence Management Plan for the Northwest MZ-1 Area.
- Watermaster began its evaluation of the Safe Yield in 2013. Based on work performed by Watermaster staff, and discussions following a September 2014 Board workshop, the Watermaster Board directed the parties to enter into a facilitated process to develop an agreement to implement the recalculated Safe Yield. During this reporting period Watermaster parties met intensively in a facilitated process to develop an agreement regarding the implementation of the recalculated Safe Yield. Key principles of agreement were articulated during this reporting period, and drafting of the agreement continues into the next reporting period.

Important Court Hearings and Orders

(THERE WERE NO HEARINGS OR ORDERS DURING THIS REPORTING PERIOD)

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program

Groundwater Level Monitoring

Watermaster initiated a basin-wide groundwater-level monitoring program as part of the implementation of the Optimum Basin Management Program (OBMP). The monitoring program has been refined over time to satisfy the evolving needs of the Watermaster and IEUA, such as new regulatory requirements, and improved data coverage. The groundwater-level monitoring program supports many Watermaster functions, such as the periodic reassessment of Safe Yield, the monitoring and management of land subsidence, the analysis of desalter pumping impacts at private wells and on riparian habitat, the triennial re-computation of ambient water quality mandated by the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan), and the assessment of hydraulic control—a maximum-benefit commitment in the Basin Plan. The data are also used to update and re-calibrate Watermaster's computer-simulation groundwater-flow model, to understand directions of groundwater flow, to compute storage changes, to interpret water quality data, and to identify areas of the basin where recharge and discharge are not in balance.

The current groundwater-level monitoring program is comprised of about 1,180 wells. At about 950 of these wells, water levels are measured by well owners, which include municipal water agencies, the California Department of Toxic Substances Control (DTSC), the Counties, and various private consulting firms. Watermaster collects these water level data at least semi-annually. At the remaining 230 wells, water levels are measured by Watermaster staff using manual methods once per month or by using pressure transducers that record data once every 15 minutes. These wells are mainly Agricultural Pool wells or dedicated monitoring wells located south of the 60 freeway.



Monitoring Well with a Transducer

Groundwater Quality Monitoring

Watermaster initiated a comprehensive groundwater-quality monitoring program as part of the implementation of the OBMP. The monitoring program has been refined over time to satisfy the evolving needs of the Watermaster and IEUA, such as new regulatory requirements, and improved data coverage. The groundwater-quality monitoring program consists of the following four components:

1. An Annual Key-Well Water-Quality Monitoring Program consisting of about 110 wells, which are mostly privately-owned agricultural wells in the southern portion of Chino Basin that are otherwise not included in an established sampling program. Twenty of these wells are sampled every year, and the remaining wells are sampled once every three years. The wells sampled annually are for the continuous monitoring of areas of concern associated with the southern edge of the South Archibald Plume, the southern region of the Chino Airport Plume, and the Kaiser Steel Mill Plume, and includes two multi-port MZ-3 monitoring wells.
2. Annual sampling at nine HCMP multi-port monitoring wells strategically placed between the Chino Desalter well fields and the Santa Ana River. Results of the annual sampling are used to analyze the effect of desalter pumping over time on hydraulic control, by comparing water quality of the native groundwater and the Santa Ana River.
3. Quarterly sampling at four near-river wells to characterize the interaction between the Santa Ana River and nearby groundwater. These shallow monitoring wells along the Santa Ana River consist of two former US Geological Survey (USGS) National Water Quality Assessment Program wells (Archibald 1 and Archibald 2), and two wells (Well 9 and Well 11) owned by the Santa Ana River Water Company.
4. A cooperative basin-wide data-collection effort known as the Chino Basin Data Collection program, which relies on municipal producers and other government agencies to supply groundwater-quality data on a cooperative basis. These sources include the Chino Basin Appropriators, DTSC, Regional Water Quality Control Board (Regional Board), the USGS, the Counties, and other cooperators.

All groundwater-quality data are checked by Watermaster staff and uploaded to a centralized database management system that can be accessed online through HydroDaVESM. Groundwater-quality data are used by Watermaster for: the biennial State of the Basin report; the triennial ambient water quality update mandated by the Basin Plan; and the demonstration of hydraulic control—a maximum benefit commitment in the Basin Plan. Data are also used for monitoring nonpoint-source groundwater contamination and plumes associated with point-source discharges, and to assess the overall health of the groundwater basin. Groundwater-quality data are also used in conjunction with numerical models to assist Watermaster and other parties in evaluating proposed groundwater remediation strategies.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

Groundwater Production Monitoring

All active wells (except for minimum user wells) are now metered. Watermaster reads the agricultural production data from the meters on a quarterly basis and enters these data into Watermaster's relational database.

Surface Water Monitoring

Water Quality and Quantity in Recharge Basins. Watermaster and IEUA measure the quantity of storm and supplemental water that enters into recharge basins. Pressure transducers or staff gauges are used to measure water levels during recharge operations. In addition to these quantity measurements, imported water quality data for State Water Project water are obtained from the Metropolitan Water District of Southern California (MWDSC) and recycled water quality data for the RP-1 and RP-4 treatment plant effluents are obtained from IEUA. Combining the measured flow data with the respective water qualities enables the calculation of the blended water quality in each recharge basin, the New Yield to the Chino Basin, and the adequate dilution of recycled water.

Surface Water Monitoring in the Santa Ana River. Watermaster measures selected water quality parameters quarterly at two sites along the Santa Ana River (Santa Ana River at River Road and Santa Ana River at Etiwanda). Along with data collected at four near-river wells, these data are used to characterize the interaction between the Santa Ana River and nearby groundwater.

Hydraulic Control

In January 2004, the Regional Board amended the Basin Plan to incorporate an updated total dissolved solids (TDS) and nitrogen (N) management plan. The Basin Plan amendment includes both "antidegradation" and "maximum benefit" objectives for TDS and nitrate-N for the Chino-North and Cucamonga groundwater management zones. The maximum benefit objectives allow for the reuse and recharge of recycled water, and imported water recharge without mitigation; these are an integral part of the OBMP. The application of the maximum-benefit objectives is contingent on Watermaster and the IEUA's implementation of specific projects and requirements termed the maximum-benefit commitments.

One of the main maximum-benefit commitments is to achieve and maintain "hydraulic control" of the Chino Basin so that downstream beneficial uses of the Santa Ana River are protected. Hydraulic control is defined by the Basin Plan as the elimination of groundwater discharge from the Chino-North groundwater management zone (Chino-North) to the Santa Ana River or its reduction to a de minimus level. In October 2011, the Regional Board indicated that groundwater discharge from the Chino-North to the Prado Basin surface water management zone in an amount less than 1,000 acre-feet per year would be considered de minimus by the Regional Board.

Two of the maximum-benefit commitments are to implement Surface Water Monitoring Program and Groundwater Monitoring Program. On April 15, 2005, the Regional Board adopted resolution R8-2005-0064, thus approving a Surface Water Monitoring Program and Groundwater Monitoring Program. These monitoring programs were conducted until 2012, when the Basin Plan was amended to remove all references to the specific monitoring locations and sampling frequencies required for groundwater and surface water monitoring, thus allowing the program to be modified over time, with approval of the Executive Officer of the Regional Board. The Basin Plan amendment was approved by the Regional Board on February 12, 2012 and by the State Office of Administrative Law on December 6, 2012. This amendment was adopted based on demonstrations made by Watermaster and the IEUA showing that the surface water monitoring program, as included in the Basin Plan, was not meaningfully adding to the body of evidence required to demonstrate hydraulic control. In the place of specific monitoring requirements, the Basin Plan required that Watermaster and the IEUA submit for approval by the Executive Officer a new surface water monitoring program work plan by February 25, 2012 and a new groundwater monitoring program work plan by December 31, 2013. In February 2012, Watermaster and the IEUA submitted, and the Regional Board approved, a new surface water monitoring program that reduced the 2005 monitoring program from bi-weekly surface water quality measurements at 17 sites and direct discharge measurements at six sites, to quarterly surface water quality sampling at two sites. The new work plan including these changes was adopted by the Regional Board in March 2012.

In December 2013, Watermaster and the IEUA submitted an updated *Maximum Benefit Monitoring Program Work Plan and Proposed Schedule for Achieving Hydraulic Control* to the Regional Board. The updated Work Plan states that Watermaster and the IEUA will recalibrate the Chino Basin groundwater model every five years and use the model to estimate groundwater discharge from Chino-North to the Santa Ana River (i.e. annual underflow past the CCWF) and determine whether hydraulic control has been achieved. The new Maximum Benefit Monitoring Program Work Plan was adopted by the Regional Board in April 2014.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

In January 2014, in a letter to the IEUA and Watermaster, the Regional Board confirmed that the model results indicated that hydraulic control would be achieved under the projected range of CCWF pumping. The Regional Board also requested that the IEUA and Watermaster submit a plan and schedule to increase desalter production capacity from 32,000 to 40,000 acre-feet per year by May 31, 2014. The IEUA and Watermaster submitted the plan and schedule to the Regional Board on May 30, 2014 to install three new desalter wells—with the location of one well being provisional. On June 30, 2015 the IEUA and Watermaster submitted a final plan and schedule for the construction and operation of the three new desalter wells including the final well locations.

During this reporting period, Watermaster measured 508 manual water levels at 80 private wells throughout the Chino Basin, conducted two quarterly downloads at about a 100 wells containing pressure transducers, and collected 46 groundwater-quality samples, and four surface-water quality samples. This includes groundwater quality sampling and transducer measured water levels at the newly constructed PBHSP monitoring wells. Watermaster and the IEUA submitted the 2014 Maximum Benefit Annual Report to the Regional Board on April 15, 2015.

Prado Basin Habitat Sustainability Monitoring Program

A requirement of Mitigation Measure 4.4-3 from the Peace II SEIR is for Watermaster, IEUA, and OCWD to develop an Adaptive Management Plan for the PBHSP. The objective of this plan is to ensure that the riparian habitat in Prado Basin is not adversely impacted by drawdown associated with the implementation of the Peace II activities. Sixteen monitoring wells at nine sites will be constructed as part of the monitoring program for the PBHSP. An Adaptive Management Plan will be developed which will describe an initial monitoring program and a process to modify the monitoring program and/or implement mitigation strategies, as necessary. During this reporting period, the PBHSP Committee:

- Was responsible for the following work to construct groundwater monitoring facilities adjacent to the Prado Basin riparian habitat:
 - continued property acquisition and permitting for the monitoring wells,
 - monitored the nine monitoring facility sites for biological and anthropological resources before and during well drilling and construction activities,
 - drilled pilot boreholes at nine sites to collect lithology samples from each site,
 - designed 16 monitoring wells based on the results of Cone Penetration Tests (CPTs) previously conducted at the sites, pilot hole drilling, and regional hydrogeologic information,
 - constructed and developed 16 monitoring wells, and
 - prepared the draft report Results of Drilling and Construction of the PBHSP Monitoring Wells to document the methods and results of the CPTs, borehole drilling and well construction and development.
- Reviewed and revised the draft Adaptive Management Plan.



PBHSP PB-4 Well Drilling

Chino Basin Groundwater Recharge Program

Watermaster, IEUA, the Chino Basin Water Conservation District, and the San Bernardino County Flood Control District jointly sponsor the Chino Basin Groundwater Recharge Program. This is a comprehensive water supply program to enhance water supply reliability and improve the groundwater quality in local drinking water wells throughout the Chino Basin by increasing the recharge of storm water, imported water, and recycled water. The recharge program is regulated under RWQCB Order No. R8-2007-0039 and Monitoring and Reporting Program No. R8-2007-0039.

Recharge Activities. Ongoing recycled water recharge occurred in the Brooks, Turner, Victoria, Ely, Hickory, RP-3, and Banana Basins this reporting period. Stormwater was recharged at 15 recharge basins across all management zones of the Chino Basin during this reporting period. No imported water was recharged this reporting period.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

Monitoring Activities. Watermaster and IEUA collect weekly water quality samples from recharge basins that are actively recharging recycled water and from lysimeters installed within those recharge basins. During this reporting period, approximately 157 recharge basin and lysimeter samples were collected and 26 recycled water samples were collected for alternative monitoring plans that include the application of a correction factor for soil-aquifer treatment determined from each recharge basin's start-up period. Monitoring wells located down-gradient of the recharge basins were sampled quarterly at a minimum; however, some monitoring wells were sampled more frequently during the reporting period for a total of 95 samples.

Reporting. Watermaster and IEUA completed the following required reports concerning the recharge program during the reporting period:

- 4Q-2014 Quarterly Report, submitted to the RWQCB – February 2015
- 1Q-2015 Quarterly Report, submitted to the RWQCB – May 2015
- 2014 Annual Report, submitted to the RWQCB – May 2015

Ground-Level Monitoring

In response to the occurrence of land subsidence in the City of Chino, the Watermaster prepared and submitted the MZ-1 Plan to the Court for approval and, in November 2007, the Court ordered its implementation (see Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1). The MZ-1 Plan calls for several monitoring and mitigation measures to minimize or abate the future occurrence of land subsidence and ground fissuring in the western Chino Basin. These measures and activities include:

- Continuing the scope and frequency of monitoring within the so-called Managed Area (southwest MZ-1) that was conducted during the period when the MZ-1 Plan was being developed.
- Expanding the monitoring of the aquifer system and land subsidence into other areas of MZ-1 and Chino Basin where the data indicate concern for future subsidence and ground fissuring.
- Monitoring of horizontal strain across the historical zone of ground fissuring.
- Evaluating the potential contribution of groundwater production in northern MZ-1 on conditions in southern MZ-1.
- Conducting additional testing and monitoring to refine the MZ-1 Guidance Criteria.
- Developing alternative pumping plans for the MZ-1 producers that are impacted by the MZ-1 Plan.
- Constructing and testing a lower-cost cable extensometer facility at Ayala Park.
- Evaluating and comparing ground-level surveying and Interferometric Synthetic Aperture Radar (InSAR), and recommending future monitoring protocols for both techniques.
- Conducting an aquifer storage recovery (ASR) feasibility study at a City of Chino Hills production well within the MZ-1 Managed Area (Well 16).
- Providing for recovery of groundwater levels in the MZ-1 Managed Area.

During the reporting period, Watermaster undertook the following activities called for in the MZ-1 Plan:

- The continuation of high-resolution water-level monitoring at wells within the Managed Area and within the Areas of Subsidence Concern. All monitoring equipment is inspected at least quarterly and is repaired and/or replaced as necessary. The data collected were checked and analyzed to assess the functionality of the monitoring equipment and for compliance with MZ-1 Plan.
- The continuation of monitoring and maintenance at the extensometer facilities at the Ayala Park, Chino Creek, and Daniels sites. Specifically, the aging monitoring equipment and electronics at the Ayala Park Extensometer facility were replaced or refurbished. And, telemetry equipment was installed and activated at the Chino Creek Extensometer facility.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

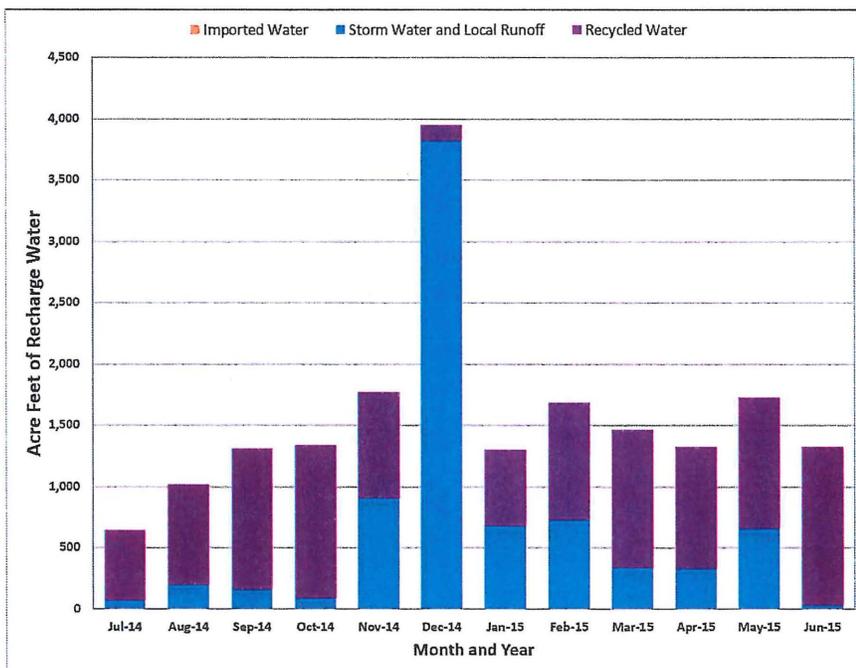
- The collection of InSAR data from radar satellites during the reporting period.
- Assisting the City of Chino Hills with the preparation of the final report for its Department of Water Resources Local Groundwater Assistance grant to support the ASR pilot test.
- The data generated from the Ground-Level Monitoring Program through March 2015 were analyzed. The data, results, and conclusions were incorporated into the draft 2014 Annual Report of the Ground-Level Monitoring Committee.

Program Element 2: Develop and Implement a Comprehensive Recharge Program

The average stormwater recharge of the Chino Basin Facilities Improvement Program facilities is approximately 13,000 acre-feet per year, the supplemental “wet”¹ water recharge capacity is approximately 60,600 acre-feet per year, and the in-lieu supplemental water recharge capacity ranges from 25,000 to 40,000 acre-feet per year. There is also a demonstrated well injection capacity of 5,600 acre-feet per year. Current total supplemental water recharge capacity ranges from 91,200 to 106,200 acre-feet per year which is greater than projected supplemental water recharge capacity required by Watermaster.

Stormwater recharge during this reporting period was approximately 2,761 acre-feet. Recycled water recharge during this reporting period was approximately 6,059 acre-feet. No imported water was recharged during this reporting period. The IEUA and Watermaster recharge permit was amended in fiscal year 2009/10 to allow for underflow dilution and extended the dilution period from a running 60 months to a running 120 months. The significance of this permit amendment was to reduce the amount of imported and storm waters required for dilution. IEUA projects that dilution requirements will likely be met through 2019/20, even if no imported water were available for dilution.

The total amount of supplemental water recharged in MZ-1 since the Peace II Agreement through June 30, 2015 was approximately 45,096 acre-feet, which is almost 7,000 less than the 52,000 acre-feet required by June 30, 2015 (annual requirement of 6,500 acre-feet); the shortfall of 6,904 acre-feet will be recharged in MZ-1 in subsequent years as supplemental water becomes available. The amount of supplemental water recharged into MZ-1 during the reporting period was approximately 548 acre-feet.



Watermaster and IEUA continued work on the Turner Basins/Guasti Park Recharge Expansion Project in MZ-2. The expansion project, projected to recharge an additional 300 acre-feet of storm runoff annually was completed in February, 2015. Watermaster and IEUA meet monthly on the Turner Basins/Guasti Park, Wineville Basin and other projects that are currently in a phase of design and construction.

Pursuant to the October 2013 Court Order authorizing Watermaster and IEUA to implement the 2013 RMPU, Watermaster and IEUA have begun implementation of the 2013 RMPU. During the reporting period, Watermaster and IEUA continued a process to develop agreements to construct the storm and supplemental water recharge projects listed in Table 8-2c of the 2013 RMPU report, and will prioritize the construction of these projects relative to the availability of grant funding, and to plan subsequent implementation. Watermaster and IEUA meet monthly to review progress and advance implementation.

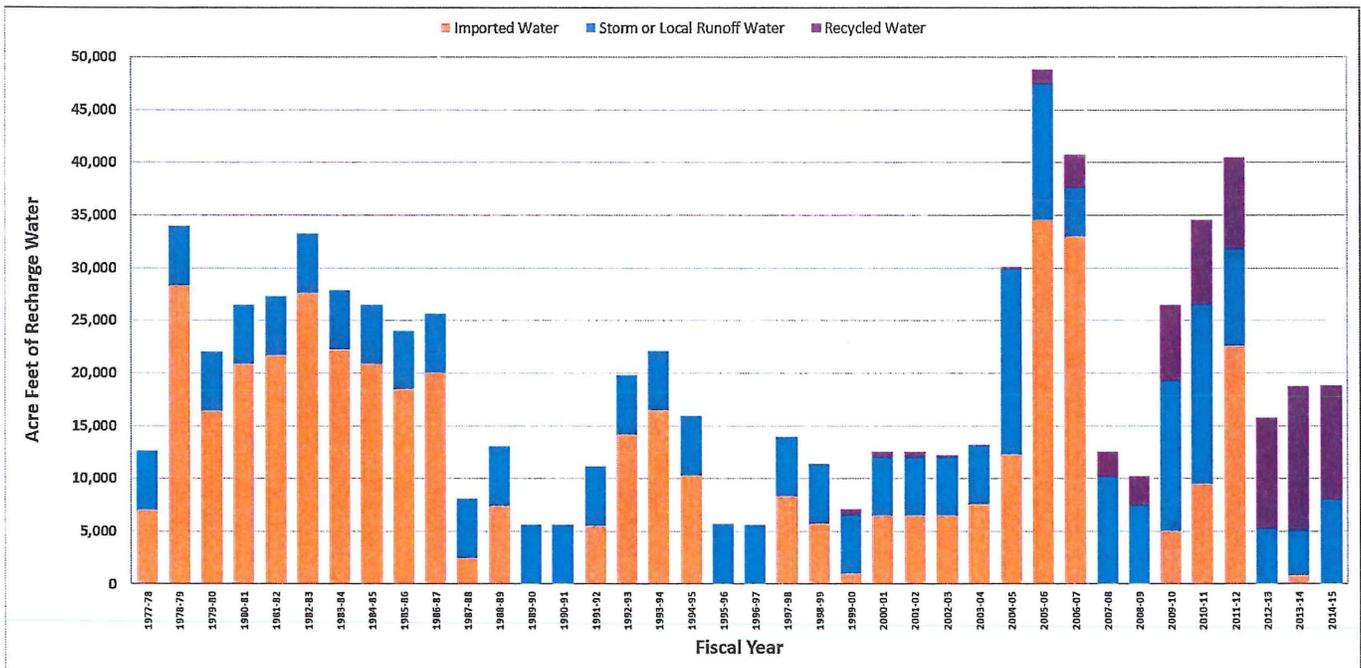
¹ The modifier “wet” means actual physical water is being recharged in spreading basins as opposed to the dedication of water from storage or in-lieu recharge.

Optimum Basin Management Program

Program Element 2: Develop and Implement a Comprehensive Recharge Program (Continued)

During the reporting period, Watermaster and IEUA continued to develop a series of projects outside of the 2013 RMPU effort that will increase stormwater and supplemental water recharge and have jointly agreed to fund these projects. Watermaster and IEUA staff's meet monthly to implement and monitor the progress of these projects. Watermaster's share of the cost of these projects was included in the budget adopted by Watermaster for fiscal 2014/15.

Watermaster continued work on the 2013 RMPU and is in the process of finalizing agreements with IEUA on their joint projects. In April, 2015, the Steering Committee and the IEUA/CBWM Joint Recharge Improvement Projects committee were combined to create the RIP Committee. The RIP Committee meets monthly on the progress of implementing the 2013 RMPU Projects and other recharge-related projects.



Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and Program Element 5: Develop and Implement Regional Supplemental Water Program

The Chino I Desalter Expansion and the Chino II Desalter facilities were completed in February 2006. As currently configured, the Chino I Desalter produces about 13,500 acre-feet per year (12.1 million gallons per day [MGD]) of groundwater at 15 wells (I-1 through I-15) that is treated through air stripping (VOC removal), ion exchange (nitrate removal), and/or reverse osmosis (for nitrate and TDS removal). The Chino II Desalter produces about 15,800 acre-feet per year (14.1 MGD) of groundwater at eight wells (II-1 through II-4 and II-6 through II-9) that is treated through ion exchange and/or reverse osmosis.

Development and planning continues between the CDA and Watermaster to expand the production and treatment capacity of the Chino Desalters by about 10,500 acre-feet per year (9.5 MGD). More than \$70 million in grant funds have been secured toward this expansion. The most recent expansion project completed includes the construction of five wells for the new CCWF (wells I-16, I-17, I-18, I-20 and I-21), which were required to meet the hydraulic control commitment associated with maximum benefit, and will provide additional raw water to the Chino I Desalter. Construction of the raw water pipelines from Wells I-16, I-17 and I-18 is complete, and production at wells I-16 and I-17 began in mid-2014. Well I-18 is currently not planned for operation due to high VOC concentrations. A nine-month pilot test at well I-18 for the treatment of TCE, 1,2,3-trichloropropane, and nitrate is planned through mid-2015. Equipping of wells I-20 and I-21 and subsequent production is planned to begin in late-2015. Three additional wells are being planned for construction to provide raw water to the Chino I Desalter; these wells are required to meet the

Optimum Basin Management Program

Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and

Program Element 5: Develop and Implement Regional Supplemental Water Program (Continued)

maximum-benefit commitment to produce a total 40,000 acre-feet per year from the combined desalter well fields. This amount was determined in the OBMP Phase I report as the production necessary to maintain hydraulic control. Watermaster and the IEUA coordinated with CDA to develop a plan to achieve the 40,000 acre-feet per year of desalter production and submitted a preliminary plan to the Regional Board on May 30, 2014. The plan, which was submitted to the Regional Board on June 30, 2015, includes the construction and operation of three new wells for the Chino II Desalter. During this period, construction began on two of the new wells (II-10 and II-11), and the location of the third well (II-12) is being evaluated.

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1

MZ-1 Management Plan

Because of the historical occurrence of pumping-induced land subsidence and ground fissuring in southwestern Chino Basin (southern MZ-1), the OBMP called for the development and implementation of an Interim Management Plan (IMP) for MZ-1 that would:

- Minimize subsidence and fissuring in the short-term,
- Collect information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring, and
- Formulate a management plan to reduce to tolerable levels or abate future subsidence and fissuring.

From 2001-2005, Watermaster developed, coordinated, and conducted an IMP under the guidance of the MZ-1 Technical Committee. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Plan. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, and an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation.

During this reporting period, Watermaster continued implementation of the MZ-1 Plan. Water levels at the PA-7 piezometer stayed above the Guidance Level during the reporting period, and very little, if any, permanent compaction was recorded at the Ayala Park Extensometer. The ongoing monitoring program called for by the MZ-1 Plan continued to be implemented.

Pursuant to the MZ-1 Plan, Watermaster staff and consultants analyzed the data generated from the Ground-Level Monitoring Program through 2014 and the data, results, and conclusions were incorporated into the 2014 Annual Report of the Ground-Level Monitoring Committee (GLMC).

In addition, the MZ-1 Plan states that if data from existing monitoring efforts in the so-called Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan pursuant to the process outlined in Section 3 of the MZ-1 Plan. During this reporting period, Watermaster prepared a draft of the update to the MZ-1 Plan, which included a name change to the Chino Basin Subsidence Management Plan and a draft Work Plan to Develop the Subsidence Management Plan for the Northwest MZ-1 Area and an appendix.



Land Subsidence Monitoring Equipment

Optimum Basin Management Program

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1 (Continued)

The GLMC met in March, April, May and June 2015. The following was discussed at these meetings:

- The GLMC reviewed and discussed the monitoring results and developed a scope-of-work and budget for the GLMP for fiscal year 2015/16.
- The 2014 Annual Report of the GLMC was reviewed, and was forwarded to the Pools for review.
- The GLMC reviewed and discussed the draft 2015 Chino Basin Subsidence Management Plan, an update to the current Subsidence Management Plan (MZ-1 Plan).
- The GLMC reviewed and discussed the draft of the Work Plan to Prepare a Subsidence Management Plan for the Northwest MZ-1 Area.

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management; and Program Element 7: Develop and Implement a Salt Management Program

South Archibald Plume

In July 2005, the Regional Board prepared draft Cleanup and Abatement Orders (CAOs) for six parties who were tenants on the Ontario Airport with regard to the South Archibald trichloroethene (TCE) Plume. The draft CAOs required the parties to “submit a work plan and time schedule to further define the lateral and vertical extent of the TCE and related volatile organic compounds (VOCs) that are discharging, have been discharged, or threaten to be discharged from the site” and to “submit a detailed remedial action plan, including an implementation schedule, to cleanup or abate the effects of the TCE and related VOCs.” Four of the six parties (Aerojet-General Corporation, The Boeing Company, General Electric, and Lockheed Martin) voluntarily formed a group (known as ABGL) to work jointly on a remedial investigation. Northrop Grumman declined to participate in the group. The US Air Force, in cooperation with the US Army Corps of Engineers, funded the installation of one of the four clusters of monitoring wells installed by the ABGL parties.

In 2008, the Regional Board staff conducted research pertaining to the likely source of the TCE contamination, and identified discharges of wastewater that may have contained TCE to the RP-1 treatment plant and associated disposal areas to be a potential source. The Regional Board identified several industries, including some previously identified tenants of the Ontario Airport property, that likely used TCE solvents before and during the early-1970s, and discharged wastes to the Cities of Ontario and Upland’s sewage systems to the RP-1 treatment plant and disposal areas. In 2012, an additional Draft CAO was issued by the Regional Board jointly to the City of Ontario, City of Upland, and the IEUA as the previous and current operators of the RP-1 treatment plant and disposal area (collectively RP-1 parties). In part, the draft CAOs require the parties to “supply uninterrupted replacement water service...to all residences south of Riverside Drive that are served by private domestic wells at which TCE has been detected at concentrations at or exceeding 5 µg/L...” and to report this information to the Regional Board. In addition, the parties are to “prepare and submit [a] ...feasibility study” and “prepare, submit and implement the Remedial Action Plan” to mitigate the “effects of the TCE groundwater plume.”

Upon the Regional Board’s oversight, sampling at private residential wells and taps has been conducted approximately every two years (2007-2008, 2009, 2011, 2013-2014) by multiple parties in the region where groundwater is potentially contaminated with TCE. As of 2014, all private residences in the area of the plume have been sampled at least once. Alternative water systems (tanks) have been installed at residences in the area where well water contains TCE at or above 80% of the MCL for TCE. Residents who declined tank system are being provided bottled water. Watermaster also routinely samples for water quality at private wells in the area, and uses data obtained from this monitoring to delineate the plume.

The Regional Board has indicated that many of the potential responsible parties issued Draft CAOs will work together to prepare a remedial action feasibility study. Discussions among those parties are ongoing to resolve details about how to proceed with that work. Many of the parties are also pursuing various grant funding opportunities to develop a remediation strategy that is long-term, regional, and mutually beneficial to the Chino Basin.

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management; and

Program Element 7: Develop and Implement a Salt Management Program (Continued)

The IEUA has worked closely with the Cities of Ontario and Upland, and the CDA, to develop a collaborative proposal for the construction and operation of the Chino Basin Desalter well expansion, that is mutually beneficial to meet the requirement of Watermaster and IEUA to maintain hydraulic control, and the goal of other parties to remediate groundwater contamination. On June 17, 2015, the RP-1 parties reached a Joint Facility Development (JFD) agreement with the CDA for implementation of a project designed to remediate the South Archibald Plume by utilizing Chino Basin Desalter wells and facilities. The project includes the construction and operation of three new Chino Basin Desalter wells; two wells directly southeast of the plume, and one in south-eastern region of the plume. On June 30, 2015 the Watermaster and the IEUA submitted the final plan to the Regional Board for the construction and operation of this Chino Basin Desalter well expansion.

Chino Airport

In 1990, the Regional Board issued CAO No. 90-134 to the County of San Bernardino, Department of Airports (County) to address groundwater contamination originating from the Chino Airport. During 1991 to 1992, 310 containers of hazardous waste were removed and 81 soil borings were drilled and sampled on the airport property. During 2003 to 2005, nine onsite monitoring wells were installed and used to collect groundwater quality samples. In 2007, the County conducted its first offsite monitoring effort, and in 2008, the Regional Board issued CAO No. R8-2008-0064, which requires the County to define the lateral and vertical extent of the plume and prepare a remedial action plan. Tetra Tech, the consultant to the County, conducted several off-site plume characterization studies to delineate the areal and vertical extent of the plume, and constructed 33 offsite monitoring wells. The County has conducted quarterly monitoring events at their monitoring wells on and offsite. Conclusions from this monitoring program can be found in reports posted on the Regional Board's GeoTracker website. In April 2015, Tetra Tech submitted the *Semiannual Groundwater Monitoring Report, Summer and Fall 2014, Chino Airport Groundwater Assessment, San Bernardino County, California*.

Watermaster has also collected samples from dedicated monitoring wells and private wells in and around the Chino Airport plume area. Watermaster has also used its calibrated groundwater model to estimate cleanup times and contaminant concentrations in the CCWF. This work will be updated, given new information about the extent of contamination, subsurface hydrogeology, well performance, and the need for habitat sustainability in the Prado Basin.

On April 30, 2015 Tetra Tech and the County submitted a Remedial Investigation Report Addendum describing the results of a comprehensive groundwater investigation that occurred from 2013 through 2014, and the construction of 33 new monitoring wells in 17 locations, to provide additional characterization of groundwater contamination in the northern portion of the plume on the airport property.

Other Water Quality Issues

Watermaster continues to track monitoring programs and mitigation measures associated with other point sources in the Chino Basin, including: Alumax Aluminum Recycling, Alger Manufacturing Facility, the Former Crown Coach Facility, General Electric Test Cell and Flatiron, Former Kaiser Steel Mill, Milliken Landfill, Upland Landfill, and the Stringfellow National Priorities List sites.

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program

Groundwater storage is important to the Chino Basin. Watermaster has committed to investigate the technical and management implications of Local Storage Agreements, improve related policies and procedures, and then revisit all pending Local Storage Agreement applications.

The existing Watermaster/IEUA/MWDSC/Three Valleys Municipal Water District Dry-Year Yield (DYY) program continued during the reporting period. By April 30, 2011, all DYY program construction projects and a full "put" and "take" cycle had been completed, leaving the storage account with a zero balance. During the reporting period no water was stored or withdrawn from storage in the DYY Program.

Optimum Basin Management Program

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program (Continued)

Safe Yield Redetermination

The Basin's Safe Yield was initially set by the Judgment at 140,000 acre-feet per year. The Safe Yield was based in part on the hydrology of the period 1965 through 1974. Pursuant to the Judgment, the Chino Basin Safe Yield is to be re-determined periodically, but provides that the Safe Yield would not be reexamined for at least ten years from 1978. The Safe Yield has not been reevaluated since the time of the Judgment. Pursuant to the OBMP Implementation Plan and Watermaster's Rules and Regulations, in year 2010/11 and every ten years thereafter, Watermaster is to compute the Safe Yield based in part on the information obtained in the prior ten-year period and reset the Safe Yield for the next ten-year period.

In 2011, Watermaster authorized Watermaster staff to compile the data necessary to recalculate Safe Yield and update its computer model of the Basin and based on the information developed from the data and the model to recalculate the Safe Yield. The model calibration was completed in 2012, and evaluation of the Safe Yield began in 2013. During the prior reporting period, the Watermaster Board advised the parties to enter into a facilitated process to develop an agreement to implement the recalculated Safe Yield. During this reporting period Watermaster parties met intensively in a facilitated process to develop an agreement regarding the implementation of the recalculated Safe Yield. Key principles of agreement were articulated during this reporting period, and drafting of the agreement continues into the next reporting period.



Safe Yield Recalculation Meeting

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CHINO BASIN WATERMASTER

- I. CONSENT CALENDAR (App & Ag Pool)**
 - D. WATER TRANSACTION**

- I. BUSINESS ITEMS – ROUTINE (Non-Ag Pool)**
 - D. WATER TRANSACTION**

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 1, 2016

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: April 25, 2016

Date of this notice: August 1, 2016

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

- Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District’s Excess Carryover Account, effective for the Fiscal Year 2015-2016.

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

Appropriative Pool: August 11, 2016

Non-Agricultural Pool: August 11, 2016

Agricultural Pool: August 11, 2016

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: August 1, 2016

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

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

DATE: August 1, 2016
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

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

Issue –

- Notice of Sale or Transfer – The purchase of 500,000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account, effective for the Fiscal Year 2015-2016.

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

- Notice of Sale or Transfer – The purchase of 500,000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account, effective for the Fiscal Year 2015-2016.

Notice of the water transaction identified above was mailed on August 1, 2016 along with the materials submitted by the requestors.

DISCUSSION

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

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

FISCAL YEAR 2015 - 2016

DATE REQUESTED: April 25, 2016

AMOUNT REQUESTED: 500 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>West Valley Water District</u>	<u>Cucamonga Valley Water District</u>
Name of Party	Name of Party
<u>855 W Baseline Road</u>	<u>10440 Ashford Street</u>
Street Address	Street Address
<u>Railto</u> <u>CA</u> <u>92376</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730-2799</u>
City State Zip Code	City State Zip Code
<u>(909) 875-1804</u>	<u>(909) 987-2591</u>
Telephone	Telephone
<u>(909) 875-7284</u>	<u>(909) 476-8032</u>
Facsimile	Facsimile

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Varies

Projected Rate of Recapture

Projected Duration of Recapture

METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Cucamonga Valley Water District Service Area within MZ2

LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):

N/A

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

Static water levels varies from 477' – 538'

MATERIAL PHYSICAL INJURY

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

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

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

N/A

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature
Tom Crowley, General Manager

Seller / Transferor Representative Name (Printed)

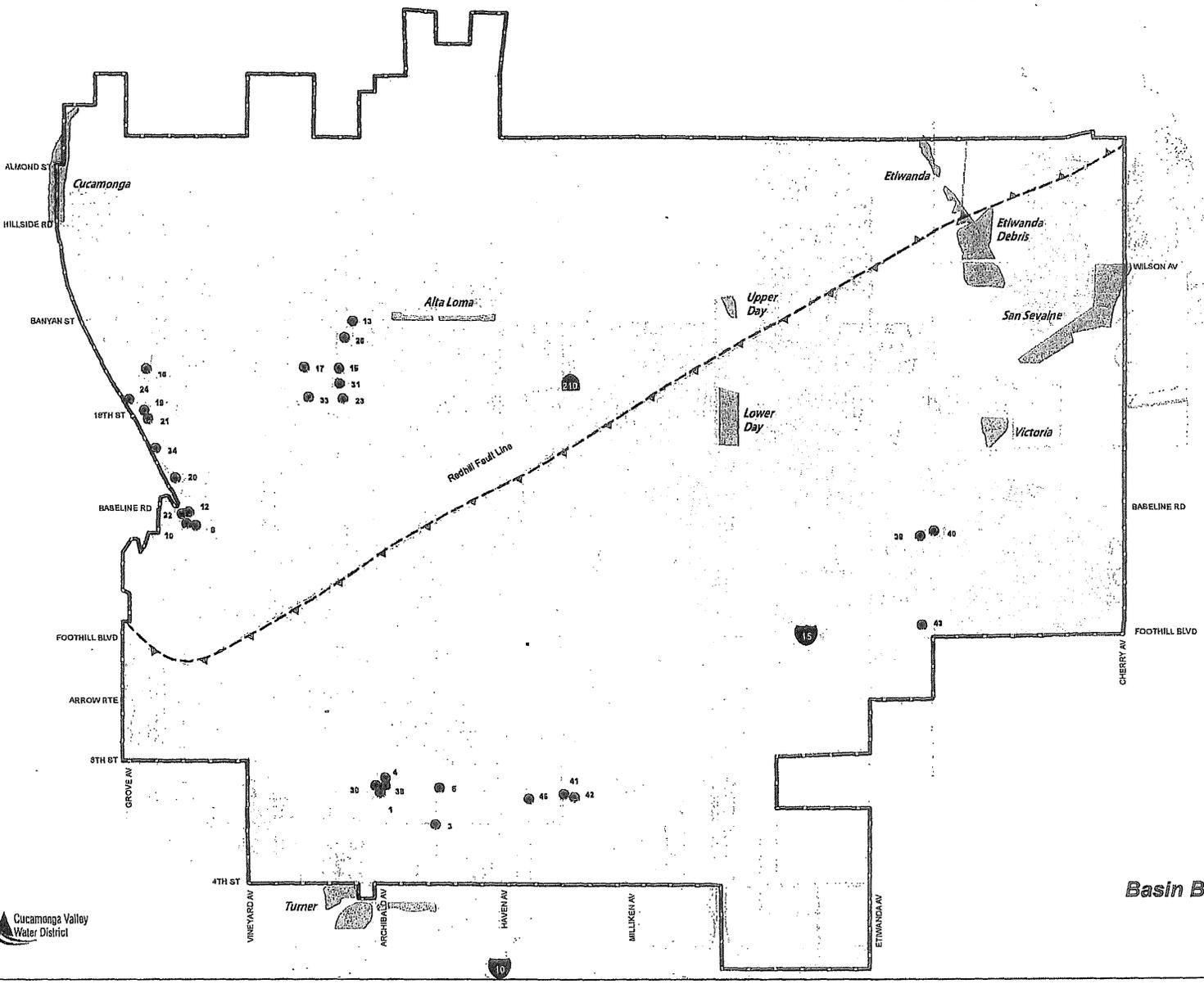


Buyer / Transferee Representative Signature
Martin Zvirbulis, General Manager/CEO

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

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



Legend	
	Redhill Fault
	CVWD Boundary
	Cucamonga Basin
	Chino Basin
	Recharge Basins
	Wells

Basin Boundary & Well Locations



CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. BUDGET TRANSFER FORM T-16-06-01



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 11, 2016
TO: Pool Committee Members
SUBJECT: Budget Transfer Form T-16-06-01 (Business Item II.A.)

SUMMARY

Issue: Approve Budget Transfer Form T-16-06-01 for FY 2015/16.

Recommendation: Recommend Advisory Committee Approval of Budget Transfer Form T-16-06-01 for FY 2015/16 as presented.

Financial Impact: No financial impact. The Budget Transfer Form T-16-06-01 is a reallocation of approved budgeted funds and does not have any financial impact on the total FY 2015/16 amended budget of \$11,237,143.85 which includes \$1,872,937.85 of Carry-Over funding.

Future Consideration

Appropriative Pool: August 11, 2016 - Recommend Advisory Committee approval
Non-Agricultural Pool: August 11, 2016 - Recommend Advisory Committee approval
Agricultural Pool: August 11, 2016 - Recommend Advisory Committee approval
Advisory Committee: August 18, 2016 - Approval
Watermaster Board: August 25, 2016 - Adoption (Advisory Committee approval required)

ACTIONS:

August 11, 2016: Appropriative Pool -
August 11, 2016: Non-Agricultural Pool -
August 11, 2016: Agricultural Pool -
August 18, 2016: Advisory Committee -
August 25, 2016: Watermaster Board -

BACKGROUND

Utilizing the Watermaster's accounting software (Intuit QuickBooks Enterprise Solutions 15.0), on a continuing basis the Watermaster staff reviews the budget vs. actual reports and ensures that adequate budget and funds are maintained. Watermaster also provides monthly financial reports to keep all members apprised of the actual and projected total expenses for the current fiscal year. Watermaster also provides a process for reallocating budget to other expense categories to provide continued funding, or amending the approved budget to ensure the categories are funded properly.

BUDGET TRANSFERS:

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

The Chino Basin Watermaster budget has four main budget categories:

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

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

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

All budget transfers are processed in and recorded in the accounting system.

DISCUSSION

Budget Transfer Form T-16-06-01

The attached Budget Transfer Form T-16-06-01 is provided as documentation to clearly show which general ledger accounts are being reduced and which general ledger accounts are being increased. Budget Transfer Form T-16-06-01 is reallocating existing approved budget dollars between Watermaster accounts as needed. The Budget Transfer Form T-16-06-01 is a "net zero" document, which means the budget reductions of \$327,700 and budget additions of \$327,700 within the general ledger accounts are equal. There is no change to the overall budget as a result of Budget Transfer Form T-16-06-01 and no new funds or assessments are required. The effective date of the Budget Transfer Form T-16-06-01 will be June 30, 2016 and all adjustments will be recorded within the June accounting period.

The general ledger accounts increased by Budget Transfer Form T-16-06-01 were the Brownstein Hyatt Farber Schreck legal costs associated with the Safe Yield Recalculation efforts (6907.42) in the amount of \$33,000; the Brownstein Hyatt Farber Schreck legal costs associated with Personnel Matters (6073) in the amount of \$110,500; Watermaster Staff costs associated with Administration expenses (6011) in the amount of \$10,000; Watermaster Staffing costs associated with Production Monitoring (7101.1) in the amount of \$17,000; Engineering Services costs associated with the OBMP-Safe Yield Recalculation expenses (6906.73) in the amount of \$85,000; Agricultural Pool Legal Services expenses (8467) in the amount of \$63,000; Agricultural Pool Meeting Attendance expenses (8470) in the amount of \$4,000; and Watermaster Staff Training expenses (6193) in the amount of \$5,200; (\$33,000 + \$110,500 + \$10,000 + \$17,000 + \$85,000 + \$63,000 + \$4,000 + \$5,200 = \$327,700).

The budget reductions in the amount of \$327,700 were from the following areas of the FY 2015/16 expense budget: Brownstein Hyatt Farber Schreck overall budget savings within the Pools, Advisory, and Board Meetings categories of \$96,000; Watermaster Staffing salaries budget was reallocated by \$27,000; Watermaster Administrative Membership Dues of \$2,300 and Miscellaneous Office Supplies of \$2,900 were adjusted; Wildermuth Environmental, Inc. overall budget savings of \$144,500; and the Agricultural Pool Special Fund was not fully spent and had \$55,000 to reallocate; ($\$96,000 + \$27,000 + \$2,300 + \$2,900 + \$144,500 + \$55,000 = \$327,700$).

The Approved Amended Budget for FY 2015/16 of \$11,239,143.85 (which includes the additional "Carry Over" funding of \$1,872,937.85) was NOT increased with the Budget Transfer Form T-16-06-01.

SOURCES OF FUNDING:

BHFS Legal Services (Meeting Attendance) of \$96,000

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. With regards to the budget calculated for the BHFS staff for meeting attendance, an assumption of the number of hours and the number of meetings that would be attended on an annual basis was developed. The actual BHFS staff attendance hours and the number of meetings held on behalf of the Appropriative Pool, Non-Agricultural Pool, Agricultural Pool, Advisory Committee and Board meetings was lower than budgeted. As a result, \$96,000 of the BHFS legal services budget specifically provided for meeting attendance was available for reallocation. The Advisory Committee Meeting expenses (6275) had a budget amount of \$6,300 available for redistribution; the Board Meeting expenses (6375) has a budget amount of \$49,200 available for redistribution; the Appropriative Pool Meeting expenses (8375) has a budget amount of \$14,000 available for redistribution; the Agricultural Pool Meeting expenses (8475) has a budget amount of \$14,500 available for redistribution; and the Non-Agricultural Pool Meeting expenses (8575) has a budget amount of \$12,000 available for redistribution; ($\$6,300 + \$49,200 + \$14,000 + \$14,500 + \$12,000 = \$96,000$).

Watermaster Staff Salaries of \$27,000

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. At fiscal year-end, several categories were under budget due to lower than projected activities in those areas. One area was the OBMP section (6901) in the amount of \$10,000 and the other area was the Groundwater Quality Monitoring section (7103.1) in the amount of \$17,000. The total amount of \$27,000 was used to adjust those Watermaster staff salaried accounts that were over budget as of June 30, 2016. The total staffing budget of \$1,554,711 was not increased, just reallocated within the staffing budget individual categories.

Watermaster Administrative Expenses of \$5,200

Watermaster's Administrative expenses for Membership Dues (6111) and Miscellaneous Office Supplies (6031.7) were under budget as of June 30, 2016 by \$2,300 and \$2,900 respectively. These cost savings of \$5,200 were reallocated to the Watermaster Employee Training category (6193), which was over budget and in need of additional funding as of June 30, 2016.

Engineering Services of \$144,500

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 the approved budget at the end of the fiscal year. The final year-end report as of June 30, 2016 shows the total Engineering Services expenses under budget by \$513,365 (\$326,577 + \$186,788 = \$513,365) and of that balance, \$144,500 would be reallocated as part of the Budget Transfer Form T-16-06-01 and \$326,577 would be "Carried-Over" into the FY 2016/17 budget for ongoing Engineering Services which were originally budgeted and projected to be completed in FY 2015/16, but due to delays, will be finalized in the early portion of the next fiscal year.

Table 1
Chino Basin Watermaster: Budget Summary for Engineering Tasks for Fiscal Year 2015/16
As of June 30, 2016

Acct #	Description	Original Budget	Revised Budget	Previously Billed	June Invoices	Total Billed	Carryover to FY 2016/17	Under / (Over) Revised Budget
6906	OBMP Engineering	\$ 455,788	\$ 455,788	\$ 406,215	\$ 72,027	\$ 478,241		\$ (22,453)
6906.1	OBMP - Watermaster Model Applications	279,340	279,340	289,950	7,764	307,714		(28,374)
6906.73	OBMP-Safe Yield Recalc	-	-	95,448	-	95,448		(95,448)
7103.3	GW Quality - Engineering Services	120,516	120,516	84,879	13,098	97,776		22,740
7103.5	GW Quality - Laboratory Services	39,205	39,205	33,529	-	33,529		5,676
7104.3	GW Level - Engineering Services	176,430	176,430	150,206	16,112	166,318		10,112
7104.8	GW Level - Contract Services	10,000	10,000	-	2,672	2,672		7,329
7104.9	GW Level - Capital Services	7,000	7,000	91	11,752	11,842		(4,842)
7107.2	Ground Level - Engineering Services	46,534	56,347	43,650	2,513	46,163		10,184
7107.3	Ground Level- SAR Imagery	85,000	85,000	85,000	-	85,000		-
7107.6	Ground Level- Contract Services	116,289	151,059	101,633	5,886	107,519		43,540
7107.8	Ground Level- Capital Equipment	5,600	5,600	4,198	-	4,198		1,402
7108.3	HCMP - Engineering Services	49,968	49,968	46,341	-	46,341		3,627
7108.4	HCMP - Lab Services	25,081	25,081	23,036	-	23,036		2,045
7108.31	HCMP - Eng. Serv. - PBHSP	117,019	129,146	102,196	23,098	125,295	12,072 (1)	(8,221)
7108.32	HCMP - Adaptive Management Plan	10,176	43,176	64,254	-	64,254	50,000 (2)	(71,078)
7108.41	HCMP - Lab. Serv. - PBHSP	13,110	49,096	34,534	11,304	45,838		3,258
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	90,000	90,000	90,000	-	-		90,000
7109.3	Recharge & Well Monitoring - Engineering Serv.	19,867	19,867	15,098	-	15,098		4,769
7202.2	Comp Recharge - Engineering Services	159,504	159,504	75,796	12,648	88,444		71,060
7303	OBMP - Engineering Services - Desalters	23,384	23,384	-	-	-		23,384
7402	OBMP - Engineering Services - MZ1	84,708	84,708	68,386	9,870	78,256	7,000 (3)	(548)
7402.1	OBMP - Engineering Services - Northwest MZ1	506,255	506,255	243,032	5,718	248,750	257,505 (4)	-
7403	OBMP - Contract Services - MZ1	20,000	20,000	6,100	500	6,600		13,400
7502	OBMP - Engineering Services - WQC	70,840	81,840	25,862	543	26,405		55,435
7602	OBMP - Engineering Services - Storage	64,328	64,328	14,536	-	14,536		49,792
Totals		\$ 2,595,942	\$ 2,732,638	\$ 2,023,769	\$ 195,503	\$ 2,219,273	\$ 326,577	\$ 186,788

Note: Billed includes MWH Laboratory Invoices paid directly by Watermaster.

- (1) Carryover budget to FY2016/17 for vegetation implementation into HDX
- (2) Carryover budget to FY2016/17 to finalize the Adaptive Management Plan and 2015 Report
- (3) Carryover budget to FY2016/17 to finalize the 2015 Report
- (4) Carryover budget to FY2016/17 to complete Northwest MZ1 tasks

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Agricultural Pool Special Fund of \$55,000

The FY 2015/16 budget for the Agricultural Pool Special Fund was funded at \$65,000 and the Middle Santa Ana River Pathogen TMDL Task Force Cost Share was \$9,059 leaving an unused balance of \$55,941 which was available for reallocation.

USES OF FUNDING:

BHFS Legal Services - Personnel Matters of \$110,500

The 12-month annual legal budget for the Personnel Matters category was originally approved at \$80,700 and the BHFS budget anticipated 200 labor hours for consolidated legal staff time with regards to Personnel Matters. Over the past 12 months, Watermaster staff has been reporting that continued expenses relating to the CalPERS determination of the former CEO's salary for retirement calculation purposes might result in the need for a Budget Transfer Form. The Administrative Hearing was held on

April 11-13, 2016 at the Glendale CalPERS Regional Office. A ruling was scheduled for issuance by the Administrative Judge in July 2016. On June 9, 2016 a request by the CalPERS attorney to extend the deadlines for filing the opening and response briefs was submitted to the Administrative Law Judge. On June 13, 2016 the request was granted and the order now states the opening briefs shall be filed and served no later than July 11, 2016. The response briefs shall be filed and served no later than August 8, 2016. As a result of continuing efforts and activity, Budget Transfer Form T-16-06-01 added an additional \$110,500 to this budget category under account (6073) which brings the total budget amount for the year to \$191,200 ($\$80,700 + \$110,500 = \$191,200$).

BHFS Legal Services - Safe Yield Recalculation of \$33,000

The 12-month annual legal budget for the Safe Yield Recalculation and Reset Agreement was originally approved for FY 2015/16 at \$103,300 and the BHFS budget anticipated 230 labor hours for consolidated legal staff time with regards to this budget category. On May 26, 2016 a Budget Amendment Form (A-16-04-01) was approved by the Board in the amount of \$250,000 which increased the budget category for the Safe Yield Recalculation and Reset Agreement efforts to \$353,300. Over the majority of this fiscal year, Watermaster staff has been reporting that continued expenses relating to the Safe Yield Recalculation efforts might result in the need for a Budget Transfer Form. As a result of continuing expenses, Budget Transfer Form T-16-06-01 added an additional \$33,000 to this budget category under account number (6907.42) which brings the total budget amount for the year to \$386,300 ($\$103,300 + \$250,000 + \$33,000 = \$386,300$).

The "Approved" FY 2015/16 Legal Services budget was adopted for the amount of \$933,815. Budget Amendment Form A-16-04-01 in the amount of \$250,000 was approved by Watermaster Board on May 26, 2016. The amount of \$250,000 was funded by the Assessment invoicing issued on June 23, 2016. The "Amended" Legal Services budget was again increased by an additional \$47,500 with Budget Transfer Form T-16-06-01, approved in August 2016, which brought the BHFS Legal Services budget to \$1,231,315.

As of June 30, 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 \$4,126 or 0.3% below the (YTD) budgeted amount of \$1,231,315.

The table below summarizes the Year-To-Date (YTD) Actual Legal Services (BHFS-Brownstein Hyatt Farber Schreck) costs 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 data listed below includes the adjustments provided by the Budget Transfer Form T-16-06-01. The following details are provided:

	Jul '15 - Jun '16 Actual	Jul '15 - Jun '16 Budget	\$ Over Budget	% of Budget	FY 2015/16 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	34,226.21	40,950.00	-6,723.79	83.58%	40,950.00
6072 · BHFS Legal - Annotated Judgment	0.00	40,150.00	-40,150.00	0.0%	40,150.00
6073 · BHFS Legal - Personnel Matters	182,790.62	191,200.00	-8,409.38	95.6%	191,200.00
6074 · BHFS Legal - Interagency Issues	0.00	30,600.00	-30,600.00	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	459.00	28,700.00	-28,241.00	1.6%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	146,107.97	35,350.00	110,757.97	413.32%	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	366,663.62	366,950.00	-286.38	99.92%	366,950.00
6275 · BHFS Legal - Advisory Committee	13,926.17	14,100.00	-173.83	98.77%	14,100.00
6375 · BHFS Legal - Board Meeting	57,105.72	57,365.00	-259.28	99.55%	57,365.00
8375 · BHFS Legal - Appropriative Pool	16,507.21	16,600.00	-92.79	99.44%	16,600.00
8475 · BHFS Legal - Agricultural Pool	15,884.99	16,100.00	-215.01	98.67%	16,100.00
8575 · BHFS Legal - Non-Ag Pool	16,383.11	18,600.00	-2,216.89	88.08%	18,600.00
Total BHFS Legal Services	119,807.20	122,765.00	-2,957.80	97.59%	122,765.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	48,900.00	-48,900.00	0.0%	48,900.00
6907.34 · Santa Ana River Water Rights	5,851.00	25,300.00	-19,449.00	23.13%	25,300.00
6907.36 · Santa Ana River Habitat	964.80	19,700.00	-18,735.20	4.9%	19,700.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	14,350.00	-14,350.00	0.0%	14,350.00
6907.39 · Recharge Master Plan	19,704.28	68,100.00	-48,395.72	28.93%	68,100.00
6907.40 · Storage Agreements	535.50	86,100.00	-85,564.50	0.62%	86,100.00
6907.41 · Prado Basin Habitat Sustainability	11,038.50	14,350.00	-3,311.50	76.92%	14,350.00
6907.42 · Safe Yield Recalculation	643,958.81	386,300.00	257,658.81	166.7%	386,300.00
6907.44 · SGMA Compliance	58,665.05	0.00	58,665.05	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	29,500.00	-29,500.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	740,717.94	741,600.00	-882.06	99.88%	741,600.00
Total Brownstein, Hyatt, Farber, Schreck Costs	1,227,188.76	1,231,315.00	-4,126.24	99.67%	1,231,315.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents; (7) Review application of 85/15 rule; (8) Review transfer documents; (9) Land Subsidence Committee reports/meetings; (10) West Venture background reviews; (11) Review process and criteria for re-appointment of the Watermaster 9 member Board; (12) Review current California issued drought regulations; (13) Review and comment on Waters of the United States rule making; and (14) Miscellaneous legal research on current and pending issues.

Watermaster Staff Salaries of \$27,000

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. At fiscal year-end, several categories were under budget due to lower than projected activities in those areas. One area was the OBMP section (6901) in the amount of \$10,000 and the other area was the Groundwater Quality Monitoring section (7103.1) in the amount of \$17,000. The total amount of \$27,000 (\$10,000 + \$17,000 = \$27,000) was redistributed to adjust the Watermaster Administration section (6011) in the amount of \$10,000 and the Production Monitoring section (7101.1) in the amount of \$17,000 which were over budget as of June 30, 2016. The original approved total staffing budget of \$1,554,711 for FY 2015/16 was not increased, the amounts were just reallocated within the staffing budget to the individual categories that required additional funding.

Engineering Services of \$85,000

When the FY 2015/16 budget was approved on May 28, 2015 by the Watermaster Board, the Engineering Services budget did not include any funding for the OBMP-Safe Yield Recalculation efforts. During the fiscal year, expenses related to the OBMP-Safe Yield Recalculation efforts were recorded under the Engineering budget within the OBMP section. The OBMP section (6906.73) was over budget by approximately \$85,000. The amount of \$85,000 was redistributed into the Safe Yield Recalculation account (6906.73).

Agricultural Pool Legal Services of \$67,000

The Agricultural Pool Administration section (8400's) was over budget in several areas of the budget for FY 2015/16. The Agricultural Pool Legal Services expenses (8467) was over budget by \$63,000 and the Agricultural Pool Meeting Attendance Compensation expenses (8470) was over budget by \$4,000. A redistribution of budget funds in the amount of \$67,000 eliminated the funding issues for these two accounts (\$63,000 + \$4,000 = \$67,000).

Watermaster Employee Training Expenses of \$5,200

Watermaster's Administrative Training expenses within category (6190's) was over budget by approximately \$5,200 and a transfer of funding from several other Administrative accounts in the amount of \$5,200 eliminated the shortfall of funding. Membership Dues (6111) and Miscellaneous Office Supplies (6031.7) were under budget as of June 30, 2016 by \$2,300 and \$2,900 respectively. These cost savings of \$5,200 were reallocated to the Watermaster Employee Training category (6193).

ATTACHMENT

1. Budget Transfer Form T-16-06-01



CHINO BASIN WATERMASTER
BUDGET TRANSFER FORM T-16-06-01

To: **All Parties**

From: Joseph S. Joswiak, CFO Date: August 11, 2016

Describe reason for the transfer between budget categories here: To reallocate a portion of the FY 2015/16 budget amounts which are under budget, and transfer those funds to the budget categories which are over budget at the fiscal year-end closing as of June 30, 2016. The accounts under budget are as follows: BHFS Legal Services budget for Meetings of \$96,000; Watermaster Salaries budget of \$27,000; Miscellaneous Administrative Office Expense budget of \$5,200; WEI Engineering Services budget of \$144,500; and the Ag Pool Special Project budget of \$55,000. The purpose of the budget transfers is to fund the shortfalls in the various expense categories of the FY 2015/16 budget at the close of the fiscal year as of June 30, 2016.

Budgetary account reduction

Line Item Description	Account Number		Amount	
BHFS Legal - Advisory Committee	6275	BHFS	\$ (6,300)	
BHFS Legal - Board Meeting	6375	BHFS	\$ (49,200)	
BHFS Legal - Appropriative Pool	8375	BHFS	\$ (14,000)	
BHFS Legal - Agricultural Pool	8475	BHFS	\$ (14,500)	
BHFS Legal - Non-Agricultural Pool	8575	BHFS	\$ (12,000)	\$ (96,000)
WM Staff Salaries - OBMP	6901	Salaries	\$ (10,000)	
WM Staff - Groundwater Quality Monitoring	7103.1	Salaries	\$ (17,000)	\$ (27,000)
Membership Dues	6111	Admin	\$ (2,300)	
Miscellaneous Office Supplies	6031.7	Admin	\$ (2,900)	\$ (5,200)
Hydraulic Control - Outside Professionals	7108.6	WEI	\$ (90,000)	
Comprehensive Recharge - Engineering Serv.	7202.2	WEI	\$ (54,500)	\$ (144,500)
Ag Pool Special Project Fund	8471	Ag Pool	\$ (55,000)	\$ (55,000)
Total Amount of Budget To Transfer "OUT"			\$ (327,700)	

Budgetary account addition

BHFS Legal - Personnel Matters	6073	BHFS	\$ 96,000	\$ 96,000
WM Staff Salaries - Administration	6011	Salaries	\$ 10,000	
WM Staff - Production Monitoring	7101.1	Salaries	\$ 17,000	\$ 27,000
WM Employee Training	6193	Admin	\$ 5,200	\$ 5,200
Agricultural Pool Legal Services	8467	Ag Pool	\$ 8,000	
Ag Meeting Attendance	8470	Ag Pool	\$ 4,000	
BHFS Legal - Safe Yield Recalculation	6907.42	BHFS	\$ 33,000	
OBMP - Safe Yield Recalculation	6906.73	WEI	\$ 30,500	
BHFS Legal - Personnel Matters	6073	BHFS	\$ 14,500	
OBMP - Safe Yield Recalculation	6906.73	WEI	\$ 54,500	\$ 144,500
Agricultural Pool Legal Services	8467	Ag Pool	\$ 55,000	\$ 55,000
Total Amount of Budget To Transfer "IN"			\$ 327,700	
Net Transfer Amount			\$ -	

Transfer Procedure

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

Finance Use Only

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. PBHSP COST-SHARING AGREEMENT AMENDMENT



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: August 11, 2016
TO: Pool Committee Members
SUBJECT: Prado Basin Habitat Sustainability Program Cost-Sharing Agreement Amendment
(Business Item. II.B)

SUMMARY

Issue: The current Prado Basin Habitat Sustainability Program cost-sharing agreement with IEUA must be amended to increase the cost-sharing amount for program initiation start up expenses from \$600,000 to \$770,000 (\$385,000 each for Watermaster and IEUA), and to identify the cost sharing responsibility for each agency for future year monitoring expenses.

Recommendation: Recommend Advisory Committee approval of the amendment to the Prado Basin Habitat Sustainability Program cost-sharing agreement with IEUA, subject to any necessary non-substantive changes.

Financial Impact: The current year Watermaster Budget, includes the additional \$85,000 for the start up costs, and funds for Watermaster's share of the first year of monitoring and reporting. Future year budgets will include funds for necessary monitoring.

Future Consideration

Appropriative Pool: August 11, 2016 - Recommend Advisory Committee approval
Non-Agricultural Pool: August 11, 2016 - Recommend Advisory Committee approval
Agricultural Pool: August 11, 2016 - Recommend Advisory Committee approval
Advisory Committee: August 18, 2016 - Approval
Watermaster Board: August 25, 2016 - Adoption (Advisory Committee approval required)

ACTIONS:

August 11, 2016: Appropriative Pool –
August 11, 2016: Non-Agricultural Pool –
August 11, 2016: Agricultural Pool –
August 18, 2016: Advisory Committee –
August 25, 2016: Watermaster Board –

BACKGROUND

The Peace II Subsequent Environmental Impact Report (SEIR) was completed and adopted by the IEUA Board on October 6, 2010. Mitigation Measure 4.4-3, from the Peace II SEIR (Attachment 1), requires that a Prado Basin Habitat Sustainability Committee and Program be developed. Watermaster, IEUA, and OCWD staff have been working together to develop a program that will meet the requirements of the mitigation measure. Under this Program, Watermaster and IEUA are committed to perform the following tasks:

- 1) Cone Penetrometer Testing and installation of groundwater level monitoring wells;
- 2) Development of an Adaptive Management Plan;
- 3) Perform on-going vegetation surveys in the Prado Basin; and
- 4) Perform on-going photo-station surveys in the Prado Basin.

The cost sharing agreement (Attachment 2) was originally approved by Watermaster on September 27, 2012 in the amount of \$440,000 (\$220,000 each for Watermaster and IEUA). The amount was amended in August 2013 to \$600,000 (\$300,000 each for Watermaster and IEUA) to reflect a change in the consultant preparing the Adaptive Management Plan (Attachment 3).

DISCUSSION

A consultant was selected through an RFP process to prepare the Adaptive Management Plan, however IEUA and Watermaster believed the project could be most efficiently completed by engaging WEI to complete the plan. In addition, a number of issues associated with the drilling of the monitoring wells (unavailable locations requiring negotiation of new easements, nesting season limitations, etc.), increased the cost of the construction of the 16 wells. The majority of the additional costs were due to extended construction management, additional easement fees, and environmental reporting for the pre- and during construction time period. The associated increase in cost is \$170,000, changing the total amount from \$600,000 to \$770,000. Watermaster is responsible for half of this increase in cost (\$85,000). The startup tasks have been completed at this time. Watermaster and IEUA need to amend the not-to-exceed amount in the cost-sharing agreement to be able to reimburse each other and share the costs as anticipated in the Peace II SEIR mitigation measure.

This second amendment also includes a clarification of the cost sharing among Watermaster and IEUA for the future monitoring expenses. Specifically, the amendment provides the following:

- Watermaster is responsible for groundwater level, groundwater quality, and surface water monitoring;
- Watermaster and IEUA will jointly fund (50/50 share) the costs associated with vegetation monitoring, climate change, report preparation, and overall project management.

The second amendment of the cost-sharing agreement is presented as Attachment 4 to this staff report. It is anticipated that the IEUA Board will approve the same in September 2016.

Through FY 2016/17, Watermaster has budgeted approximately \$85,000 for its share of the additional startup costs; and \$391,080 for the ongoing monitoring costs. Based on the terms of the second amendment to the cost sharing agreement IEUA would reimburse Watermaster \$149,485 for its share of the ongoing monitoring costs. No budget amendment is required as a result of the proposed amendment to the cost sharing agreement.

Future year budgets will include funds to cover the ongoing monitoring costs, which are anticipated to be lower than this first year's costs.

ATTACHMENTS

1. Mitigation Measure 4.4-3, from the Peace II SEIR
2. 2012 Cost Sharing Agreement
3. 2013 First Amendment to the Cost Sharing Agreement
4. 2016 Draft Second Amendment to the Cost Sharing Agreement

Peace II Subsequent EIR – Mitigation Measure 4.4-3

The Chino Basin Stakeholders are committed to ensuring that the Peace II Agreement actions will not significantly adversely impact the Prado Basin riparian habitat. This includes the riparian portions of Chino and Mill Creek's between the terminus of hard lined channels and Prado Basin proper. The available modeling data in the SEIR indicates that Peace II Agreement implementation will not cause significant adverse effects on the Prado Basin riparian habitat. However, the following contingency measure will be implemented to ensure that the Prado Basin riparian habitat will not incur unforeseeable significant adverse effects, due to implementation of Peace II. IEUA, Watermaster, OCWD and individual stakeholders, that choose to participate, will jointly fund and develop an adaptive management program that will include, but not be limited to: monitoring riparian habitat quality and extent; investigating and identifying essential factors to long-term sustainability of Prado Basin riparian habitat; identification of specific parameters that can be monitored to measure potential effects of Peace II Agreement implementation effects on Prado Basin; and identification of water management options to minimize the Peace II Agreement effects on Prado Basin. This adaptive management program will be prepared as a contingency to define available management actions by Prado Basin stakeholders to address unforeseeable significant adverse impacts, as well as to contribute to the long-term sustainability of the Prado Basin riparian habitat. The above effort will be implemented under the supervision of a newly-formed Prado Basin Habitat Sustainability Committee. This Committee will include representatives from all interested parties and will be convened by the Watermaster and IEUA. Annual reports will be prepared and will include recommendations for ongoing monitoring and any adaptive management actions required to mitigate any measured loss or prospective loss of riparian habitat that may be attributable to the Peace II Agreement. Prior to January 1, 2013, the Committee shall identify the performance standard(s) for determining significance of potential Peace II Agreement impacts to Prado Basin Riparian Habitat for implementation by IEUA and Watermaster. As determined by Watermaster and IEUA, significant adverse impacts to riparian habitat that are attributable to the Peace II Agreement will be mitigated.

AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING REIMBURSEMENT OF THE PEACE II SUBSEQUENT ENVIRONMENTAL IMPACT REPORT MITIGATION MEASURE 4.4-3 (PRADO BASIN HABITAT SUSTAINABILITY PROGRAM)

WHEREAS, the Inland Empire Utilities Agency (“IEUA”) and the Chino Basin Watermaster (“Watermaster”) (each individually “Party” and collectively “the Parties”) share common goals and objectives regarding the reasonable and beneficial use of water within the Inland Empire and more specifically the Chino Basin;

WHEREAS, both Parties share responsibility for meeting certain monitoring and reporting requirements detailed in the Basin Plan amendment approved by the Santa Ana Regional Water Quality Control Board (RWQCB) in 2004 (R8-2004-0001, R8-2012-0002);

WHEREAS, both Parties have made commitments to the RWQCB to obtain Maximum Benefit Groundwater Quality Objectives (Quarterly Surface Water Monitoring and Reporting, Annual Hydraulic Control Monitoring Program (HCMP) Monitoring and Reporting);

WHEREAS, the Parties are co-permittees for the Recycled Water Groundwater Recharge Program and share responsibility for meeting certain monitoring and reporting requirements of the RWQCB, Santa Ana Region Order No. R8-2007-0039 (Order) and the Monitoring and Reporting Program (M&RP) No. R8-2007-0039;

WHEREAS, the Peace II Agreement section 2.2 acknowledges that IEUA has been properly designated as the Lead Agency for the purposes of completing the environmental assessment and review of the proposed project;

WHEREAS, the 2008 “Bright Line Agreement” defines the cost sharing arrangement for monitoring programs between IEUA and Watermaster;

WHEREAS, the Peace II Subsequent EIR was completed and adopted by the IEUA Board; and

WHEREAS, mitigation measure 4.4-3, from the Peace II Subsequent EIR, requires Watermaster, IEUA and OCWD to develop a Prado Basin Habitat Sustainability Program.

NOW THEREFORE IT IS AGREED THAT:

1. This agreement is effective May 1, 2012.
2. IEUA shall apply for the Department of Water Resources (DWR) Local Groundwater Assistance (LGA) Grant Program. Any funds received through the LGA Grant Program will be put towards the Prado Basin Habitat Sustainability Program (“Program”).
3. Any remaining costs will be split 50/50 between IEUA and Watermaster. IEUA and Watermaster have each budgeted not-to-exceed amounts of

\$220,000 (for a total of \$440,000) through the end of FY 2013/14, to include, but not be limited to, the following items as listed below.

- a) IEUA shall retain a qualified consultant to develop the Prado Basin Habitat Sustainability Adaptive Management Plan, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
 - b) Watermaster shall retain Wildermuth Environmental, Inc. (WEI) to perform project management tasks related to monitoring well installation, under this Program.
 - c) IEUA shall retain a qualified contractor to construct and install up to 17 monitoring wells at 9 separate sites, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
 - d) IEUA shall retain the United States Bureau of Reclamation (USBR) to perform vegetative monitoring every 3 years, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
4. Consistent with the 2008 Bright Line Agreement Section 1A, Watermaster shall be responsible for conducting and funding all groundwater level measurements from the monitoring wells installed under this Agreement.
 5. Within 45 days of the end of each fiscal year quarter, IEUA and Watermaster shall invoice each other for 50% of actual costs associated with activities identified in Section 3 of this Agreement. All invoices shall reference this Agreement and shall include consultant or contractor invoice documentation.
 6. If there are changes in the Program that cause the total costs to increase above \$220,000 contribution by each party, then both parties shall require approval from their respective Committees and Boards.

Inland Empire Utilities Agency

Chino Basin Watermaster



Thomas A. Love
General Manager



Peter Kavounas
General Manager



AMENDMENT NUMBER: 4600001511-001

AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING REIMBURSEMENT OF THE PEACE II SUBSEQUENT ENVIRONMENTAL IMPACT REPORT MITIGATION MEASURE 4.4.3 (PRADO BASIN HABITAT SUSTAINABILITY PROGRAM)

THIS AMENDMENT NUMBER 1, to Contract Number 4600001511, between the Chino Basin Watermaster and the Inland Empire Utilities Agency shall revise the Agreement as follows:

REVISE SECTION 3, TO READ AS FOLLOWS:

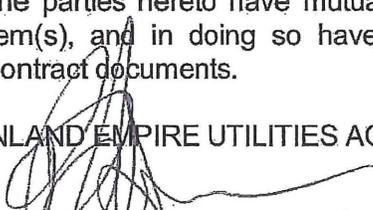
Any remaining costs will be split 50/50 between IEUA and Watermaster. IEUA and Watermaster will each contribute up to a not-to-exceed amounts of \$300,000 (for a total of \$600,000) through the end of FY 2022/23, to include, but not be limited to, the following items.

- a) IEUA shall retain a qualified consultant to develop the Prado Basin Habitat Sustainability Adaptive Management Plan, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- b) Watermaster shall retain Wildermuth Environmental, Inc. (WEI) to perform project management tasks related to monitoring well installations, under this Program.
- c) IEUA shall retain a qualified contractor to construct and install up to 17 monitoring wells at 9 separate sites, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- d) IEUA shall retain the United States Bureau of Reclamation (USBR) to perform vegetative monitoring every 3 years, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.
- e) IEUA shall retain a qualified contractor/consultant to perform monthly or quarterly photo-monitoring, as required by the Peace II Subsequent EIR mitigation measure 4.4-3.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

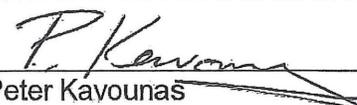
The parties hereto have mutually covenanted and agreed as per the above amendment item(s), and in doing so have caused this document to become incorporated into the Contract documents.

INLAND EMPIRE UTILITIES AGENCY:


P. Joseph Grindstaff
General Manager

8/20/13
(Date)

CHINO BASIN WATERMASTER:


Peter Kavounas
General Manager

8/22/13
(Date)

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IEUA Contract No.: 4600001511-002
Watermaster Contract No.:

AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING REIMBURSEMENT OF THE PEACE II SUBSEQUENT ENVIRONMENTAL IMPACT REPORT MITIGATION MEASURE 4.4.3 (PRADO BASIN HABITAT SUSTAINABILITY PROGRAM)

THIS AMENDMENT NUMBER 2, to Contract Number 4600001511, between the Chino Basin Watermaster (**Watermaster**) and the Inland Empire Utilities Agency (**IEUA**) shall revise the Agreement as follows:

REVISE SECTION 3, TO READ AS FOLLOWS:

Program costs will be shared between the Watermaster and IEUA as indicated below and in Attachments A and B.

- a) Costs that are incurred to establish the Program monitoring and reporting regime (**Start Up Costs**) will be cost-shared between Watermaster and IEUA on a 50/50 basis, subject to the following limitation: Watermaster and IEUA will contribute up to a combined total of \$770,000 in **Start Up Costs**. These **Start Up Costs** are costs associated with tasks that have already completed. Refer to Attachment A and B for additional details on these costs. For the purposes of this agreement, **Start Up Costs** are defined as the costs associated with the following Program activities:
 1. Development of the Adaptive Management Plan (**AMP**); and,
 2. Installation of monitoring wells, including project management, construction, contract labor, environmental and regulatory permitting, acquisition of required easements and licenses, and contingency costs
- b) Program costs that are ongoing (**Ongoing Costs**) will be cost-shared between Watermaster and IEUA, split on a 50/50 basis, subject to the following limitation: in each fiscal year, neither Watermaster nor IEUA shall be obligated to reimburse the other for **Ongoing Costs** that exceed the amount that the reimbursing party has budgeted for **Ongoing Costs** in that fiscal year, except as agreed upon by both parties in writing or as amended during the fiscal year. The first year expense to be cost shared is approximately \$300,000, with projected future years estimated at approximately \$150,000. For the purposes of this agreement, **Ongoing Costs** are defined as the costs associated with the following Program activities:
 1. A Riparian Habitat Monitoring Program, including, but not limited to, the following sub-tasks:
 - i. Design and implement a site-specific vegetation monitoring program with the United States Bureau of Reclamation (**USBR**) and Orange County Water District, pursuant to which USBR will perform site-specific vegetation surveys.
 - ii. Manage and perform custom flight to collect a high-resolution air photo of the Prado Basin Region

- iii. Collect, check and upload historical air photos and vegetation survey data in the Prado Basin region
 - iv. Collect, check, and upload historical Landsat data in the Prado Basin region
 - 2. A Climate Monitoring Program, including, but not limited to, the following sub-task:
 - i. Collect, check, and upload climatic data on an annual basis
 - 3. Preparation of the AMP Annual Report (**Annual Report**), including, but not limited to, the following sub-tasks:
 - i. Water level monitoring, vegetation survey, photo monitoring, landsat data, climate data and analysis of the components.
 - ii. Analyze data and prepare an administrative draft of the Annual Report for Watermaster/IEUA
 - iii. Incorporate Watermaster and IEUA comments and prepare a draft Annual Report for review by the PBHSC
 - iv. Meet with PBHSC to review draft Annual Report
 - v. Incorporate PBHSC comments and finalize the Annual Report
 - 4. Annual license fees for monitoring wells
 - 5. Project management and administration activities associated with the Program undertaken by a Party's consultant, including, but not limited to, the following sub-tasks:
 - i. Ad-Hoc Meetings
 - ii. Preparation of scope and budget for the Program
 - iii. Project administration and financial reporting
 - 6. Other costs required to fulfill the requirements of Peace II Subsequent EIR mitigation measure 4.4-3
- c) Watermaster shall be responsible for the costs associated with the Groundwater Level Monitoring Program, Groundwater Quality Monitoring Program, and Surface Water Monitoring Program.
 - d) Watermaster and IEUA shall each have responsibility for its own administrative costs, excluding the tasks and expenses included under **Set-Up Costs** and **Ongoing Costs**.
 - e) Watermaster and IEUA will meet to review the cost-sharing structure under this agreement and negotiate any necessary adjustments in good faith on at least an annual basis.
 - f) The Peace II SEIR does not explicitly state a duration for the monitoring and mitigation program. It is logical to assume that the program will last until the drawdown impacts, if any, on the riparian habitat from Peace II activities are fully manifested and not predicted to worsen, and that mitigation measures, if any are required, are fully implemented. This is not a perpetual agreement. Upon the termination of the monitoring and any necessary mitigation obligations, the parties may elect to terminate the cost share agreement.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

The parties hereto have mutually covenanted and agreed as per the above amendment item(s), and in doing so have caused this document to become incorporated into the Contract documents.

**INLAND EMPIRE UTILITIES AGENCY:
(*A MUNICIPAL WATER DISTRICT)**

CHINO BASIN WATERMASTER:

P. Joseph Grindstaff (Date)
General Manager

Peter Kavounas (Date)
General Manager

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

C. ADAPTIVE MANAGEMENT PLAN FOR THE PBHSP



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: August 11, 2016
TO: Pool Committee Members
SUBJECT: Adaptive Management Plan for the Prado Basin Habitat Sustainability Program
(Business Item II.C.)

SUMMARY

Issue: The Adaptive Management Plan for the Prado Basin Habitat Sustainability Program needs to be adopted by the Watermaster Board to comply with the monitoring and mitigation requirements of the Peace II Subsequent Environmental Impact Report, and thereby receive the benefits of Hydraulic Control and Basin Re-Operation.

Recommendation: Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the Adaptive Management Plan for the Prado Basin Habitat Sustainability Program, subject to any necessary non-substantive changes.

Financial Impact: The current year Watermaster Budget includes funding for the first year of the monitoring and reporting program pursuant to the Adaptive Management Plan. Future year budgets will include funding for the necessary monitoring.

Future Consideration

Appropriative Pool: August 11, 2016 – recommend Advisory Committee to recommend Board approval
Non-Agricultural Pool: August 11, 2016 - recommend Advisory Committee to recommend Board approval
Agricultural Pool: August 11, 2016 - recommend Advisory Committee to recommend Board approval
Advisory Committee: August 18, 2016 - approval
Watermaster Board: August 25, 2016 - approval [Upon Recommendation of Advisory Committee]

ACTIONS:

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

BACKGROUND

The Prado Flood Control Basin (Prado Basin) is located in the southernmost, downgradient portion of the Chino Groundwater Basin (Chino Basin). Surface-water flow within the middle Santa Ana River (SAR) and its tributaries discharge into and through the Prado Basin behind Prado Dam, the main flood-control facility on the middle SAR. The US Army Corps of Engineers, in coordination with the Orange County Water District (OCWD), regulates releases from Prado Dam for the purposes of flood control and groundwater recharge in Orange County. The major components of discharge within the SAR and its tributaries are: runoff from precipitation, discharge of tertiary-treated effluent from wastewater treatment plants, rising groundwater, discharge of untreated imported water for groundwater recharge, and other dry-weather runoff. The SAR and its tributaries are unlined across the Prado Basin, which allows for groundwater/surface-water interaction. Groundwater in Chino Basin generally flows from the forebay regions in the north towards Prado Basin in the south. Depth to groundwater is relatively shallow in the Prado Basin area, where groundwater losses can occur via evapotranspiration by riparian vegetation and rising-groundwater outflow to the SAR and its tributaries.

The surface-water impoundments behind Prado Dam and the shallow groundwater have created within Prado Basin the largest riparian forest in southern California. The riparian forest provides critical habitat for various threatened and endangered species including the Least Bell's Vireo, Southwestern Willow Flycatcher, Yellow-Billed Cuckoo, and the Santa Ana Sucker.

To further implement the goals and objectives of the Chino Basin Optimum Basin Management Program (OBMP), the Chino Basin Watermaster executed the so-called Peace II Agreement in 2007. The two primary features of the Peace II Agreement are to provide for Re-operation and the attainment of Hydraulic Control of the Chino Basin. Hydraulic Control is defined as the reduction of groundwater discharge from the Chino-North Management Zone to the Santa Ana River to *de minimis* quantities. Hydraulic Control ensures that the water management activities in the Chino-North Management Zone will not impair the beneficial uses designated for water quality of the SAR downstream of Prado Dam. Re-operation means the increase in controlled overdraft of the Chino Basin, as defined in the Judgment, from 200,000 acre-ft over the period of 1978 through 2017 to 600,000 acre-ft through 2030. Both desalter expansion in the southwestern portion of the Chino Basin, and Re-operation (controlled overdraft over the whole of the Chino Basin), are required to achieve Hydraulic Control, which is the primary objective of the Peace II Agreement. Hydraulic Control will be achieved through expansion of the desalter program from its current approximate 30,000 acre feet per year (afy) of groundwater production to 40,000 afy, and additional groundwater extractions throughout the Basin to increase overdraft to 600,000 acre-feet (total cumulative overdraft) through 2030.

One of the potential impacts of the Peace II Agreement activities described above is the lowering of groundwater levels (drawdown) in the Prado Basin area, which may impact the riparian habitat that is dependent upon groundwater. To address the potential drawdown and its impact on the riparian habitat, the monitoring and mitigation requirements in the Peace II Subsequent Environmental Impact Report (SEIR) calls for the development and implementation of an adaptive management program for the Prado Basin habitat:

Biological Resources/Land Use & Planning—Section 4.4-3 of the Peace II SEIR

The Chino Basin Stakeholders are committed to ensuring that the Peace II Agreement actions will not significantly adversely impact the Prado Basin riparian habitat. This includes the riparian portions of Chino and Mill Creek's between the terminus of hard lined channels and Prado Basin proper.

The available modeling data in the SEIR indicates that Peace II Agreement implementation will not cause significant adverse effects on the Prado Basin riparian habitat. However, the following contingency measure will be implemented to ensure that the Prado Basin riparian habitat will not incur unforeseeable significant adverse effects, due to implementation of Peace II. IEUA,

Watermaster, OCWD and individual stakeholders, that choose to participate, will jointly fund and develop an adaptive management program that will include, but not be limited to:

- *monitoring riparian habitat quality and extent;*
- *investigating and identifying essential factors to long-term sustainability of Prado Basin riparian habitat;*
- *identification of specific parameters that can be monitored to measure potential effects of Peace II Agreement implementation effects on Prado Basin; and*
- *identification of water management options to minimize the Peace II Agreement effects on Prado Basin.*

This adaptive management program will be prepared as a contingency to define available management actions by Prado Basin stakeholders to address unforeseeable significant adverse impacts, as well as to contribute to the long-term sustainability of the Prado Basin riparian habitat.

The above effort will be implemented under the supervision of a newly-formed Prado Basin Habitat Sustainability Committee. This Committee will include representatives from all interested parties and will be convened by the Watermaster and IEUA. Annual reports will be prepared and will include recommendations for ongoing monitoring and any adaptive management actions required to mitigate any measured loss or prospective loss of riparian habitat that may be attributable to the Peace II Agreement. As determined by Watermaster and IEUA, significant adverse impacts to riparian habitat that are attributable to the Peace II Agreement will be mitigated.

Pursuant to these monitoring and mitigation requirements of the Peace II SEIR, the Inland Empire Utilities Agency (IEUA) and the Chino Basin Watermaster (Watermaster) convened the Prado Basin Habitat Sustainability Committee (PBHSC) to develop the Prado Basin Habitat Sustainability Program (PBHSP). The PBHSP is an adaptive management program to ensure that the riparian habitat in the Prado Basin will not incur unforeseeable significant adverse effects due to implementation of the Peace II Agreement. The Adaptive Management Plan (AMP) was developed to describe the PBHSP and facilitate its implementation.

IEUA contracted with a consultant to prepare the AMP. The consultant conducted several meetings with staff from IEUA, Watermaster, Watermaster's engineer (Wildermuth Environmental, Inc. [WEI]), and Orange County Water District (OCWD), and prepared a first draft the AMP. Watermaster and IEUA concluded that it would be more cost effective to finalize the draft AMP by utilizing WEI services, and thus asked WEI to complete the work, instead of the original consultant.

IEUA maintains a contact list for PBHSC members, which includes all IEUA member agencies, Watermaster parties, OCWD, Santa Ana Watershed Project Authority, various resource agencies, non-governmental organizations, and other interested stakeholders. The contact lists were used to advertise Committee meetings; IEUA and Watermaster convened four meetings of the PBHSC to receive input and guidance on the development of the AMP:

November 27, 2012 – PBHSP Kick-Off meeting

May 14, 2013 – Chino Basin history and SEIR overview

September 3, 2013 – AMP scoping

April 28, 2016 – Presentation of the draft AMP

On April 4, 2016, a draft AMP was provided to all PBHSC members for review and comment prior to the April 28, 2016 meeting. On April 28, 2016, IEUA and Watermaster convened the public meeting at IEUA headquarters to present the draft AMP and receive feedback. A copy of the PowerPoint presentation that was given at the April 28, 2016 meeting is available at the Watermaster's FTP site:

<http://www.cbwm.org/FTP/Prado%20Basin%20Habitat%20Sustainability%20Program/>

A two-week public-review and comment period on the draft AMP followed the April 28, 2016 meeting. IEUA and Watermaster received and responded to comments from the PBHSC members, and finalized the draft AMP on August 1, 2016 (Attachment 1). The draft AMP is available at the Watermaster's FTP site:

<http://www.cbwm.org/FTP/Prado%20Basin%20Habitat%20Sustainability%20Program/>

Watermaster parties were given updates on the progress of the work on various occasions starting in January 2013, either through Engineer's Reports or General Manager's Reports.

DISCUSSION

The AMP describes a monitoring and reporting program that is designed to ensure that any measured loss or prospective loss of riparian habitat that may be attributable to the Peace II Agreement is mitigated. The AMP is organized into the following sections:

Section 1 – Background and Objectives. This section describes the historical context for the AMP and its objectives.

Section 2 – Monitoring Program for the PBHSP. This section outlines the PBHSP monitoring program, which includes the monitoring of riparian habitat, groundwater, surface water, weather, and climate. Because the PBHSP monitoring program may adjust from year to year, the detailed description of the proposed 2016 monitoring program is included as Appendix A to the AMP.

Section 3 – Predictive Groundwater Modeling. This section describes the needs and methods for predictive groundwater modeling to identify areas (if any) of prospective loss of riparian habitat due to the implementation of the Peace II Agreement.

Section 4 – Annual Reporting. This section describes the process for the annual review and analysis of the data generated from the PBHSP monitoring program and the annual reporting on results, interpretations, and recommendations.

Section 5 – Process to Revise the AMP. This section describes the process to revise the AMP in the future, if necessary.

Section 6 – Mitigation Measures. This section provides a list of potential strategies to mitigate adverse impacts to riparian habitat in Prado Basin in the event that such impacts are documented and attributed to the implementation of the Peace II Agreement. This initial AMP contains no mitigation measures, because no adverse impacts to the riparian habitat have been documented and attributed to the implementation of the Peace II Agreement.

Appendix A – 2016 Monitoring Program for the PBHSP

If adopted and implemented by IEUA and Watermaster, the AMP satisfies the monitoring and mitigation requirements of the Peace II SEIR.

The monitoring program of the AMP is envisioned to adapt and change over time as data are collected, analyzed and reported on in annual reports. IEUA and Watermaster will decide on the appropriate monitoring program annually as part of their annual budgeting process, after considering the recommendations of the PBHSC.

The planned monitoring and reporting program for FY 2016-17 is a comprehensive effort that includes the establishment of a historical baseline for the riparian habitat in Prado Basin that begins prior to the startup of the CDA well fields and ends in 2015-16. The historical baseline for the riparian habitat will be compared against all of the factors that could have affected the riparian habitat, including but not limited to, the history of groundwater levels, surface water discharge, weather, and climate.

A line-item scope of work and cost estimate for the monitoring and reporting program for FY 2016-17 was approved in Watermaster's FY2016/17 annual budget (Attachment 2). The total cost estimate is \$391,080. A Task Order to authorize the performance of the work is pending the adoption of the AMP by the Watermaster.

Watermaster staff and Engineer anticipate that future annual costs for the monitoring and reporting program will be less, primarily because the establishment of the historical baseline for the riparian habitat (a one-time effort) will be completed, and the format of the annual report will be established. The Peace II SEIR does not explicitly state a duration for the monitoring and mitigation program. It is logical to assume that the program will last until the drawdown impacts, if any, on the riparian habitat from Peace II activities are fully manifested and not predicted to worsen, and that mitigation measures, if any are required, are fully implemented.

ATTACHMENTS

1. Adaptive Management Plan for the Prado Basin Habitat Sustainability Program (Draft)
(Click on link below to access):
[http://www.cbwm.org/FTP/Prado%20Basin%20Habitat%20Sustainability%20Program/20160811%20Adaptive%20Manage%20Plan%20for%20PBHSP%20\(Draft\)%20--%20Attachment%201.pdf](http://www.cbwm.org/FTP/Prado%20Basin%20Habitat%20Sustainability%20Program/20160811%20Adaptive%20Manage%20Plan%20for%20PBHSP%20(Draft)%20--%20Attachment%201.pdf)
2. Work Breakdown Structure, Cost Estimate, and Schedule for the PBHSP Monitoring Program FY 2016-17.

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

D. SUPPLEMENTAL WATER RECHARGE PROCEDURE (DISCUSSION 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: August 11, 2016
TO: Pool Committee Members
SUBJECT: Supplemental Water Recharge Procedure (Business Item II.D.)

SUMMARY

Issue: Supplemental water recharge procedure needs to be improved to allow for better coordination with Inland Empire Utilities Agency (IEUA) operations, and to allow Watermaster to collect more robust data to fulfill its obligation to manage recharge in the Chino Basin.

Recommendation: This is a discussion-only item, there is no recommended action at this time.

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

Future Consideration

Appropriative Pool: August 11, 2016 – discussion only
Non-Agricultural Pool: August 11, 2016 - discussion only
Agricultural Pool: August 11, 2016 - discussion only

ACTIONS:

Appropriative Pool: Date –
Non-Agricultural Pool: Date –
Agricultural Pool: Date –

BACKGROUND

The Peace Agreement (Section 5.1) provides that any person may make an application to recharge Supplemental Water in Chino Basin, and Watermaster has the responsibility to ensure that the recharge is consistent with the Judgment, the Optimum Basin Management Plan, and the Peace Agreement; and further, that the recharge does not cause Material Physical Injury to any party to the Judgment. Watermaster Rules and Regulations (Section 7.1) further state, among other provisions, that Watermaster needs to ensure proper accounting of the sources of recharge.

Under the existing process any party that wishes to recharge Supplemental Water submits Form 2, which after staff review, is presented to the Pool and Advisory Committees and then the Board for approval. Form 2 (Attachment 1) requires a party to provide information on water source, method of recharge, water quality and levels in the affected areas.

In the past when an Application for Recharge has been approved, there has been some informal communication with the applicant about the recharge operation and measurement, and some communication with IEUA. There is limited information available to Watermaster to assess the effectiveness of the recharge and to calculate the appropriate credit to be given.

DISCUSSION

While Supplemental Water Recharge in the past has been mostly conducted by IEUA, there are signs that the practice is likely to increase in frequency, and be undertaken by other parties. Recent examples include Vulcan Materials Company, Fontana Water Company, and San Antonio Water Company; more are possible if there are changes in the way water can be transferred among State Water Contractors, and if wet water in excess of annual demands is available. The ongoing development of the Santa Ana Regional Conservation and Conjunctive Use Program (SARCCUP) is yet another indication of rising interest in the possibility of Supplemental Water Recharge.

To help Watermaster meet its obligation to control Supplemental Water Recharge in the Basin, a set of proposed procedures (Attachment 2) have been developed to guide a prospective party. The existing Form 2 would be renamed as Form 2a, and two new forms would be utilized (the proposed forms are shown as Attachment 3).

The procedure is intended to help provide adequate information for an MPI analysis; create a recharge operations plan that can be clearly communicated and coordinated with IEUA operations; establish a measurement system; and collect and report data that is accurate and useful in the calculation of recharge.

The proposed procedure and draft forms are being presented to the Pools for discussion. Staff would like to receive input from parties on this by September 9, 2016. The procedure will be brought back to the Pool and Advisory Committees and the Board for approval in October 2016.

ATTACHMENTS

1. Existing Form 2
2. Proposed Procedure for Supplemental Water Recharge
3. Proposed Forms for Supplemental Water Recharge

APPLICATION FOR RECHARGE

APPLICANT

Name of Party

Date Requested

Date Approved

Street Address

Amount Requested Acre-feet

Amount Approved Acre-feet

City

State

Zip Code

Projected Rate of Recharge

Projected Duration of Recharge

Telephone:

Facsimile:

SOURCE OF SUPPLY

Water from:

- [] State Water Project
[] Colorado River
[] Local Supplemental
[] Recycled Water
[] Other, explain

Source:

METHOD OF RECHARGE

- [] PERCOLATION

Basin Name

Location

- [] INJECTION

Well Number

Location (attach map)

- [] EXCHANGE

Facility Name

Share of Safe Yield

Carry Over Right

Water in Storage

Pumping Capacity (cfs)

WATER QUALITY AND WATER LEVELS

What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

Two horizontal lines for text entry.

MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED Yes [] No []

Applicant

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

Procedure for the Recharge of Supplemental Water by a Person

Introduction

Section 5.1 of the Peace Agreement provides that any Person¹ may make an application to Watermaster to recharge Supplemental Water in the Chino Basin. Sections 7 and 10 of the Watermaster rules and regulations reiterate the conditions of approval and describe the recharge application process, respectively. This document describes the procedure to be used by a Person to recharge Supplemental Water. This procedure includes three main steps:

1. Apply for and obtain Watermaster approval to recharge Supplemental Water;
2. Plan, schedule, coordinate, and execute a Supplemental Water recharge event; and
3. Provide the monitoring and accounting necessary to enable the applicant and Watermaster to determine how much water was actually recharged during a recharge event and to credit the applicant with the recharge.

In Item 1, a Person makes an application to the Watermaster to obtain approval to recharge Supplemental Water. Watermaster Form 2a (formerly Form 2) *Application for Recharge* is used to make an application to Watermaster to recharge Supplemental Water.

After approval is obtained, the Person needs to work with Watermaster and potentially the IEUA to plan, schedule, and coordinate a Supplemental Water recharge event. A Supplemental Water recharge event is a period-specific event where the Person will bring a specified volume of Supplemental Water under their dominion to either the recharge system in the Chino Basin (drainage channels and recharge basins used by Watermaster and the IEUA) or another offline facility under the control of the Person. Watermaster Form 2b *Request to Recharge Supplemental Water by a Person* is used to propose a Supplemental Water recharge event to Watermaster. Watermaster and IEUA staffs need to jointly plan the use of and monitoring of the Person's Supplemental Water recharge event to ensure there are no conflicts in the operation of the facilities with storm and other Supplemental Water recharge activities or maintenance activities and to ensure that there is capacity to receive the Person's Supplemental Water into the recharge facilities. The Person, Watermaster, and the IEUA need to make sure the Person's Supplemental Water is actually diverted into a recharge basin and recharges in the basin: this requires monitoring of the recharge event. Upon receiving Form 2b, Watermaster and IEUA staffs will work with the Person to finalize a recharge plan, to develop a precise schedule to implement it, and to develop a precise coordination plan among specific individuals to complete the recharge event. The recharge event would then occur pursuant to the final recharge plan.

Once the recharge event is completed, the Person, Watermaster, and the IEUA will need to determine how much of Supplemental Water provided by the Person actually recharged. Some of the Person's Supplemental Water may have been lost due to losses at the diversion works into the spreading grounds (e.g. blocked inlet, improperly set gates), losses from evaporation, and losses from spillage (e.g. stormwater displacing Supplemental Water, dewatering for maintenance). Watermaster will utilize the meter information provided by the Person and other data collected by the IEUA and Watermaster to estimate actual Supplemental Water recharge. Form 2c *Report of Supplemental Water Recharge by a*

¹ The terms "Person" and "Supplemental Water" used herein have the same meaning as those used in the Judgment, the Peace Agreements and the Rules and Regulations.

Person is used by the Person to provide information on their measurement of the delivery of Supplemental Water to a recharge system, including information on the meters and the time history of meter readings. This completed form is to be submitted to Watermaster at the completion of the recharge event for Watermaster's use in estimating Supplemental Water recharge.

A step by step procedure is included below for items 1 through 3 above.

1. Apply for and Obtain Watermaster Approval to Recharge Supplemental Water

Any Person seeking to recharge Supplemental Water is required to complete Watermaster Form No. 2a *Application for Recharge*. Form 2a requires the following: the applicant's identification and contact information; summary information on the amount of recharge requested, the rate of recharge, and the projected duration of recharge; the source of water; the method of recharge; groundwater levels and quality in the recharge area; and an affirmative statement by the applicant on whether they know if their proposed recharge will cause potential material physical injury (MPI) to a party or to the basin and if so what mitigation measures the applicant proposes to ensure that the proposed recharge does not cause potential MPI. The procedure to make a recharge application is listed below:

1. Person (applicant) completes Form 2a and submits it to Watermaster.
2. Watermaster staff will review Form 2a for completeness. If the form is determined to be complete, proceed to Step 3; if incomplete, then Watermaster staff will notify the Person and inform them of deficiencies in the application and return the form so that it can be completed and resubmitted to Watermaster. The approximate time to determine that the request form is complete should not exceed five business days.
3. Watermaster staff reviews the completed application and conducts an analysis to determine if the proposed recharge as described in the recharge application will cause potential MPI.
4. If Watermaster staff determines that the proposed recharge will cause potential MPI, Watermaster staff will work with the applicant to develop mitigation measures such that the proposed recharge will not cause MPI.
5. Watermaster will then place the recharge application and MPI assessment on the agenda for subsequent action by the Pool Committees, the Advisory Committee, and the Watermaster Board.

2. Plan, Schedule, Coordinate, and Execute a Supplemental Recharge Event

After Form 2a has been approved and prior to recharging Supplemental Water, a Person must complete and submit Form 2b *Request to Recharge Supplemental Water by a Person* to the Watermaster. Form 2b contains the information necessary to precisely describe the Supplemental Water recharge event desired by the Person. Watermaster and the IEUA will review the submitted form and assess how the recharge event can be executed consistent with the Judgment and the Peace Agreement. The procedure to plan, schedule, coordinate, and execute a Supplemental Water recharge event is listed below:

1. Person will complete a Form 2b Request that can be downloaded from the Watermaster website and submit it to Watermaster.
2. Watermaster staff will review the form for completeness. If the form is determined to be complete, proceed to Step 3; if incomplete, Watermaster staff will notify the Person, inform them of the deficiencies in the form, and return the form such that it can be completed and

PROCEDURE FOR THE RECHARGE OF SUPPLEMENTAL WATER BY A PERSON

resubmitted. The approximate time to determine if the request form is complete should not exceed five business days.

3. Watermaster and IEUA staffs will review the completed form and prepare a Recharge Plan to be used by the Person. The Recharge Plan will describe: the specific recharge facilities that will be used, the precise recharge period (starting date and time and number of days), Supplemental Water delivery rates, the metering practices that will be used to measure the Supplemental Water recharge, and the operations plan and monitoring necessary to accomplish the recharge and account for the water. The IEUA and Watermaster may request other information from the Person other than that was provided in Form 2b. The Person will be expected to pay the cost associated with the use of recharge facilities, including IEUA and Watermaster staff time to monitor the recharge event and compute the actual recharge. These costs will be estimated and included in the Recharge Plan. Watermaster staff will provide the Recharge Plan to the Person for their review and acceptance.
4. The Person will sign onto the Recharge Plan and conduct the recharge event per the Recharge Plan.
5. The Person will provide Watermaster and the IEUA a five-day notice of its intent to commence recharge; the IEUA and Watermaster must concur within 24 hours that recharge can begin at the requested time.
6. The Person will provide Watermaster and the IEUA a 24-hour notice of its intent to commence recharge; Watermaster and the IEUA must concur prior to actual start of recharge operations.
7. To the extent required by the Recharge Plan, the IEUA will adjust gates and other related hydraulic appurtenances to facilitate recharge operations. In no case will the Person's staff be allowed to adjust gates and other related hydraulic appurtenances to facilitate recharge operations, except for when the Person is the owner of the facility to which the Supplemental Water is being delivered.
8. Watermaster and IEUA staffs will monitor recharge operations, as described in the Recharge Plan. The monitoring will include observations and data collection to verify that the water supplied for recharge by the Person has been diverted into the recharge facility and how much of that water actually recharged.
9. During recharge operations, the IEUA or Watermaster, at their discretion, may request the Person to cease recharge operations. This could occur due to an expected stormwater inflow event, unanticipated challenges with the recharge facilities, or some emergency condition. The Person will cease recharge operations when requested by the IEUA or Watermaster. The Person will read their meter when recharge operations cease. Recharge operations can restart with permission from the IEUA or the Watermaster.
10. When recharge operations are completed, the Person will inform Watermaster and the IEUA by email.

If the Person proposes to utilize recharge facilities that are under their exclusive control and its recharge operations will not interfere with the storm and supplemental water recharge activities being conducted by the Watermaster then the process to review the proposed recharge event and conduct a supplemental water recharge event will likely be simpler and less onerous than listed above.

3. Monitoring and Accounting

During the Supplemental Water recharge event, pursuant to the Recharge Plan, the Person and Watermaster and IEUA staffs will be collecting data to enable Watermaster to properly account for the Supplemental Water entering a recharge facility and recharging in that facility. The procedure to obtain monitoring data and conduct an accounting of the Person's recharge from the Supplemental Water recharge event is listed below:

1. After the Supplemental Water recharge event concludes, the Person will complete Watermaster Form 2c *Report of Supplemental Water Recharge by a Person* and submit it to Watermaster. Watermaster Form 2c contains information on the meters and/or other means to estimate the Supplemental Water diverted into a spreading basin and the associated time series of measurements to the Watermaster.
2. Watermaster will conduct a review of the recharge documentation provided by the Person and prepare an estimate of the actual amount of Supplemental Water recharged. Watermaster will provide the Person with its estimate of the actual amount of Supplemental Water recharged for the Person's review and comment.
3. Watermaster will consider the Person's comments on its recharge estimate and use its discretion to finalize the recharge estimate. Watermaster will subsequently use its finalized recharge estimate in its accounting.
4. Watermaster staff will estimate the actual staff time and cost incurred to monitor and compute the Supplemental Water recharged, and will invoice the Person for this amount.

Form 2a Application for Supplemental Water Recharge

Applicant Information and Recharge Request			
Person		Date Requested	
Contact (individual)		Date Approved	
Street Address		Proposed Period of Time Covered by Recharge Application (mm/yyyy to mm/yyyy)	
City			
State			
Zip Code		Requested Total Amount of Recharge Over the Application Period (AF)	
Telephone		Approved Total Amount of Recharge Over the Application Period (AF)	
Fax			
Email			

Source(s) of Supply (check box and provide supporting information)	
<input type="checkbox"/>	State Water Project
<input type="checkbox"/>	Colorado River Aqueduct
<input type="checkbox"/>	Local Supplemental (identify source and attach source water quality characterization)
<input type="checkbox"/>	Recycled Water (identify source and attach source water quality characterization)
<input type="checkbox"/>	Other (identify source and attach source water quality characterization)

Method of Recharge (check box and provide supporting information)	
<input type="checkbox"/>	Surface Spreading
	Recharge Basin Name(s) Expected Period of Recharge (mm/dd to mm/dd) Depth to Water in Recharge Area (ft-bgs) Water Quality in Recharge Area (attach characterization)
<input type="checkbox"/>	Injection
	Well Names and Locations (attach well completion report if not on file with the Watermaster) Expected Period of Recharge (mm/dd to mm/dd) Depth to Water in Recharge Area (ft-bgs) Water Quality in Recharge Area (attach characterization)
<input type="checkbox"/>	In-Lieu Exchange
	Treatment Plant and Turnout Share of Safe Yield (percent and AFY) Carryover Right, if Applicable (AF) Water in Storage (AF) Pumping Capacity (mgd or AFM) Expected Period of Recharge (mm/dd to mm/dd) Depth to Water in Area Impacted by In-Lieu Recharge (ft-bgs) Water Quality in Area Impacted by In-Lieu Recharge (attach characterization)

Form 2a Application for Supplemental Water Recharge

Material Physical Injury

Is the applicant aware of any potential material physical injury to a Party to the Judgment or the Basin that may be caused by the action covered by the Application (Y or N)

If yes what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a Party or the Basin (provide list of mitigation measures and rationale either below or attach one to this application)

by: _____

Applicant

_____ Date

To Be Completed by Watermaster

Date of Approval from Appropriative Pool (mm/dd/yyyy)
Date of Approval from Overlying Non-Ag Pool (mm/dd/yyyy)
Date of Approval from Overlying Ag Pool (mm/dd/yyyy)
Hearing Date (if any) (mm/dd/yyyy)
Date of Approval by Advisory Committee (mm/dd/yyyy)
Date of Approval from Board (mm/dd/yyyy)
Recharge Agreement Number

Form 2b Request to Recharge Supplemental Water by a Person

Requesting Entity:	
Date:	
Date of Watermaster Approval of Recharge Application:	
Source of Supplemental Water:	
Period over which Supplemental Water is proposed to be delivered:	
Volume of Supplemental Water proposed to be recharged in acre-ft:	
Expected rate of delivery of Supplemental water to be recharged (cfs):	
Proposed recharge facilities:	
Proposed conveyance facilities if required to move Supplemental Water to recharge facilities:	
Meter manufacturer, model number and type:	
Measurement unit reported by meter and meter factor to convert direct reads into acre-ft:	
Date meter was installed:	
Date meter was last calibrated:	
Stated accuracy of the meter from the factory or last calibration:	

Narrative description of the proposed recharge event (max 400 characters here or provide information in an attachment):

Narrative description of the proposed metering plan (max 400 characters here or provide information in an attachment):

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for July 2016

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	07/02/2016	07/02/2016	Payroll and Taxes for 06/19/16-07/02/16	Payroll and Taxes for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	20,594.36
				Payroll Taxes for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	8,951.14
				Payroll Checks for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	4,436.74
			ICMA-RC	457(b) Employee Deductions for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	3,639.27
			ICMA-RC	401(a) Employee Deductions for 06/19/16-07/02/16	1012 · Bank of America Gen'l Ckg	1,015.20
TOTAL						<u>38,636.71</u>
Bill Pmt -Check	07/06/2016	ACH 070616	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/02/2016	07/02/2016	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/19/16-07/02/16	2000 · Accounts Payable	5,691.07
TOTAL						<u>5,691.07</u>
Bill Pmt -Check	07/11/2016	19498	ACWA JOINT POWERS INSURANCE AUTHORITY	0419244	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	0422846		Prepayment - August 2016	1409 · Prepaid Life, BAD&D & LTD	133.92
				July 2016	60191 · Life & Disab.Ins Benefits	134.44
TOTAL						<u>268.36</u>
Bill Pmt -Check	07/11/2016	19499	APPLIED COMPUTER TECHNOLOGIES	VOID: 2689	1012 · Bank of America Gen'l Ckg	0.00
TOTAL						<u>0.00</u>
Bill Pmt -Check	07/11/2016	19500	CHARTER COMMUNICATIONS	8245100651455350	1012 · Bank of America Gen'l Ckg	
Bill	07/06/2016	8245100651455350		7/06/16-8/05/16	6053 · Internet Expense	64.99
TOTAL						<u>64.99</u>
Bill Pmt -Check	07/11/2016	19501	CHEF DAVE'S CAFE & CATERING	6168	1012 · Bank of America Gen'l Ckg	
Bill	06/23/2016	6168		Lunch for 6/23/16 Watermaster Board meeting	6312 · Meeting Expenses	456.20
TOTAL						<u>456.20</u>
Bill Pmt -Check	07/11/2016	19502	COMPUTER NETWORK	101178	1012 · Bank of America Gen'l Ckg	
Bill	06/21/2016	101178		CFO laptop repair - keyboard/motherboard	6055 · Computer Hardware	258.00
TOTAL						<u>258.00</u>
Bill Pmt -Check	07/11/2016	19503	CURATALO, JAMES	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/10/2016	6/10 Personnel Comm		6/10/16 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/17/2016	6/17 Mtg w/AG Pool		6/17/16 Meeting w/Agricultural Pool - P. Hofer	6311 · Board Member Compensation	125.00
Bill	06/21/2016	6/21 Agenda Preview		6/21/16 Board agenda preview	6311 · Board Member Compensation	125.00
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	07/11/2016	19504	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

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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	06/09/2016	6/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	07/11/2016	19505	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	6/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	07/11/2016	19506	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/10/2016	6/10 Personnel Comm		6/10/16 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/20/2016	6/20 Admin Mtg		6/20/16 Administrative Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	06/21/2016	6/21 Board Agenda		6/21/16 Board agenda preview	6311 · Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	07/11/2016	19507	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	6/09 Ag Pool Mtg		6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/10/2016	6/10 Personel Comm		6/10/16 Personnel Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/16/2016	6/16 Advisory Comm		6/16/16 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	07/11/2016	19508	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	6/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	07/11/2016	19509	KESSLER ALAIR INSURANCE SERVICES, INC.	640138	1012 · Bank of America Gen'l Ckg	
Bill	06/07/2016	640138		D&O for June 2016	6085 · Business Insurance Package	1,051.07
				D&O for July 2016 - May 2017	1401 · Prepaid Insurance-Pkg	11,736.93
TOTAL						<u>12,788.00</u>
Bill Pmt -Check	07/11/2016	19510	LEVEL 3 COMMUNICATIONS	44695005	1012 · Bank of America Gen'l Ckg	
Bill	06/29/2016	44695005		6/17/16-7/16/16	6053 · Internet Expense	1,087.54
TOTAL						<u>1,087.54</u>
Bill Pmt -Check	07/11/2016	19511	LOS ANGELES NEWS GROUP	900421820	1012 · Bank of America Gen'l Ckg	
Bill	07/06/2016	900421820		52 week subscription	6112 · Subscriptions/Publications	530.11
TOTAL						<u>530.11</u>

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TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/11/2016	19512	PAYCHEX	2016063000	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	2016063000		June 2016	6012 · Payroll Services	307.09
TOTAL						307.09
Bill Pmt -Check	07/11/2016	19513	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	6/09 Ag Pool Mtg		6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/16/2016	6/16 Advisory Comm		6/16/16 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/16/2016	6/16 RIPCom Mtg		6/16/16 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	07/11/2016	19514	PREMIERE GLOBAL SERVICES	21439074	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	21439074		Appropriative Pool agenda call on 6/01	8312 · Meeting Expenses	11.52
				SGMA Compliance call on 6/07	6906.23 · SGMA Reporting Requirements	25.73
				SGMA Compliance call on 6/08	6906.23 · SGMA Reporting Requirements	26.61
				Non-Ag Pool meeting call on 6/09	8512 · Meeting Expense	41.06
				Personnel Committee meeting call on 6/10	6141.3 · Admin Meetings	38.87
				Board agenda preview call on 6/21	6312 · Meeting Expenses	11.90
				Fee - Confidential	6022 · Telephone	49.00
				Fee - General	6022 · Telephone	49.00
				Fee - Service	6022 · Telephone	5.46
TOTAL						259.15
Bill Pmt -Check	07/11/2016	19515	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2016	100000014788791		Annual Unfunded Accrued Liability - Plan 3299	60180 · Employers PERS Expense	3,590.95
Bill	07/01/2016	100000014788798		Annual Unfunded Accrued Liability - Plan 27239	60180 · Employers PERS Expense	91.00
TOTAL						3,681.95
Bill Pmt -Check	07/11/2016	19516	PUMP CHECK	6449	1012 · Bank of America Gen'l Ckg	
Bill	06/13/2016	6449		6449	7102.8 · In-line Meter-Callib & Test	1,800.00
TOTAL						1,800.00
Bill Pmt -Check	07/11/2016	19517	RAUCH COMMUNICATION CONSULTANTS, LLC Jun-1609		1012 · Bank of America Gen'l Ckg	
Bill	06/29/2016	Jun-1609		Work thru May 31, 2016	6061.3 · Rauch	9,202.50
TOTAL						9,202.50
Bill Pmt -Check	07/11/2016	19518	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	06/29/2016	0023230253		Office Water Bottle - June 2016	6031.7 · Other Office Supplies	102.43
TOTAL						102.43
Bill Pmt -Check	07/11/2016	19519	RR FRANCHISING, INC.	24432	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/01/2016	24432		Monthly janitorial service - July 2016	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	07/11/2016	19520	STATE COMPENSATION INSURANCE FUND	1970970-15	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2016	1970970-16		1970970-15	60183 · Worker's Comp Insurance	266.01
TOTAL						266.01
Bill Pmt -Check	07/11/2016	19521	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	7076224530355049		Fuel - June 2016	6175 · Vehicle Fuel	197.80
TOTAL						197.80
Bill Pmt -Check	07/11/2016	19522	UNITED HEALTHCARE	C0040845940	1012 · Bank of America Gen'l Ckg	
Bill	06/29/2016	C0040845940		Dental Insurance Premium - July 2016	60182.2 · Dental & Vision Ins	816.43
TOTAL						816.43
Bill Pmt -Check	07/11/2016	19523	VANDEN HEUVEL, GEOFFREY	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	07/11/2016	19524	VANDEN HEUVEL, ROB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/09/2016	6/09 Ag Pool Mtg		Ag Pool Member Compensation	8411 · Compensation	25.00
				6/09/16 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	06/16/2016	6/16 Advisory Comm		Ag Pool Member Compensation	8411 · Compensation	25.00
				6/16/16 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	07/11/2016	19525	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	001017890001		Vision Insurance Premium - July 2016	60182.2 · Dental & Vision Ins	97.74
TOTAL						97.74
Bill Pmt -Check	07/11/2016	19526	YSI INCORPORATED	649316	1012 · Bank of America Gen'l Ckg	
Bill	06/20/2016	649316		PH Kit Sensor	7103.6 · Grdwtr Qual-Supplies	309.33
TOTAL						309.33
Bill Pmt -Check	07/11/2016	19527	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	07/06/2016	08-k2 213849		Disposal Service - July 2016	6024 · Building Repair & Maintenance	111.57
TOTAL						111.57
Bill Pmt -Check	07/11/2016	19528	STAPLES BUSINESS ADVANTAGE	8039776766	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2016	8039776766		Miscellaneous office supplies	6031.7 · Other Office Supplies	180.05

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							180.05
	Bill Pmt -Check	07/11/2016	19529	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
	Bill	05/31/2016	642536		642536	6907.44 · SGMA Compliance	4,536.00
	Bill	05/31/2016	642537		642537	6907.42 · Safe Yield Recalculation	6,361.20
					Expenses	6907.42 · Safe Yield Recalculation	26.37
	Bill	05/31/2016	642538		642538	6907.41 · Prado Basin Habitat Sustain	1,157.40
	Bill	05/31/2016	642539		642539	6907.39 · Recharge Master Plan	5,050.35
	Bill	05/31/2016	642540		642540	6071 · BHFS Legal - Court Coordination	7,953.75
	Bill	05/31/2016	642541		642541	8575 · BHFS Legal - Non-Ag Pool	1,491.75
	Bill	05/31/2016	642542		642542	8475 · BHFS Legal - Agricultural Pool	1,491.75
	Bill	05/31/2016	642543		642543	8375 · BHFS Legal - Appropriative Pool	1,491.75
	Bill	05/31/2016	642544		642544	6375 · BHFS Legal - Board Meeting	1,577.70
	Bill	05/31/2016	642545		642545	6275 · BHFS Legal - Advisory Committee	915.06
	Bill	05/31/2016	642546		642546	6907.34 · Santa Ana River Water Rights	259.65
	Bill	05/31/2016	642547		Personnel Matters	6073 · BHFS Legal - Personnel Matters	7,187.78
					CalPERS-Alvarez	6073 · BHFS Legal - Personnel Matters	7,700.21
					GM Evaluation	6073 · BHFS Legal - Personnel Matters	5,336.18
					Personnel Matters	6073 · BHFS Legal - Personnel Matters	2,426.19
					Personnel Matters	6073 · BHFS Legal - Personnel Matters	1,207.28
					Expenses	6073 · BHFS Legal - Personnel Matters	2,445.36
P 143	Bill	05/31/2016	642548		642548	6078 · BHFS Legal - Miscellaneous	7,801.20
					Expenses	8375 · BHFS Legal - Appropriative Pool	11.77
					Expenses	8475 · BHFS Legal - Agricultural Pool	11.77
					Expenses	8575 · BHFS Legal - Non-Ag Pool	11.77
TOTAL							66,452.24
	Bill Pmt -Check	07/13/2016	19530	BOWMAN, JIM	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	07/13/2016	19531	CORELOGIC INFORMATION SOLUTIONS	VOID:	1012 · Bank of America Gen'l Ckg	0.00
TOTAL							
	Bill Pmt -Check	07/13/2016	19532	GOLDEN METERS SERVICE	783	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2016	783		783	7102.8 · In-line Meter-Calib & Test	9,800.00
TOTAL							9,800.00
	Bill Pmt -Check	07/13/2016	19533	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	06/09/2016	6/09 Appro Pool Mtg		6/09/16 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/10/2016	6/10 Personnel Comm		6/10/16 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/16/2016	6/16 Advisory Comm		6/16/16 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/21/2016	6/21 Admin Mtg		6/21/16 Administrative meeting w/PK	6311 · Board Member Compensation	125.00
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	07/13/2016	19534	PHILADELPHIA INSURANCE COMPANY	04024832101	1012 · Bank of America Gen'l Ckg	
Bill	06/23/2016	04024832101		General Liability 06/26/16 - 06/30/16	6085 · Business Insurance Package	54.95
				General Liability 07/01/16 - 06/25/17	1405 · Prepaid Ins-Bus Pkg Policy	3,954.05
				Auto Coverage 06/26/16 - 06/30/16	6085 · Business Insurance Package	66.90
				Auto Coverage 07/01/16 - 06/25/17	1405 · Prepaid Ins-Bus Pkg Policy	4,817.14
				Ultimate Cover 06/26/16 - 06/30/16	6085 · Business Insurance Package	35.65
				Ultimate Cover 07/01/16 - 06/25/17	1405 · Prepaid Ins-Bus Pkg Policy	2,564.35
				Errors and Omissions 06/26/16 - 06/30/16	6085 · Business Insurance Package	4.15
				Errors and Omissions 07/01/16 - 06/25/17	1405 · Prepaid Ins-Bus Pkg Policy	295.85
				Umbrella Liability 06/26/16 - 06/30/16	6085 · Business Insurance Package	40.10
				Umbrella Liability 07/01/16 - 06/25/17	1405 · Prepaid Ins-Bus Pkg Policy	2,884.90
TOTAL						14,718.04
Bill Pmt -Check	07/13/2016	19535	STATE COMPENSATION INSURANCE FUND	1970970-16	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2016	197970-16		1970970-16	60183 · Worker's Comp Insurance	910.00
TOTAL						910.00
Bill Pmt -Check	07/13/2016	19536	THOMAS, THOMAS R.	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/08/2016	6/08 Admin Mtg		6/08/16 Administratvie Meeting w/PK	6311 · Board Member Compensation	125.00
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	07/13/2016	19537	VANDEN HEUVEL, GEOFFREY	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	1/14 Ag Pool Mtg		Replace check #19257, lost in the mail	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	07/13/2016	19538	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/23/2016	6/23 Board Mtg		6/23/16 Board Meeting - Galleano attendance	6311 · Board Member Compensation	125.00
TOTAL						125.00
Check	07/15/2016	07/15/2016	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	404.54
TOTAL						404.54

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	07/16/2016	07/16/2016	Payroll and Taxes for 07/03/16-07/16/16	Payroll and Taxes for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	21,138.33
				Payroll Taxes for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	9,188.05
				Payroll Checks for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	4,436.74
			ICMA-RC	457(b) Employee Deductions for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	3,639.27
			ICMA-RC	401(a) Employee Deductions for 07/03/16-07/16/16	1012 · Bank of America Gen'l Ckg	1,048.26
TOTAL						39,450.65
Bill Pmt -Check	07/18/2016	19539	EGOSCUE LAW GROUP	11320	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	11320		Ag Pool Legal Services - June 2016	8467 · Ag Legal & Technical Services	6,572.50
TOTAL						6,572.50
Bill Pmt -Check	07/18/2016	19540	ESRI	93155103	1012 · Bank of America Gen'l Ckg	
Bill	07/13/2016	93155103		ESRI maintenance 8/19/2016 - 8/18/2017	6054 · Computer Software	1,040.00
TOTAL						1,040.00
Bill Pmt -Check	07/18/2016	19541	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	07/14/2016	90948438900509145		Office high-speed fax line	6022 · Telephone	140.82
TOTAL						140.82
Bill Pmt -Check	07/18/2016	19542	INLAND EMPIRE UTILITIES AGENCY	90018421	1012 · Bank of America Gen'l Ckg	
Bill	07/11/2016	90018421		FY 2016/17 Recharge Debt Payment	7690.1 · Recharge Improvement Debt Pymts	465,200.00
TOTAL						465,200.00
Bill Pmt -Check	07/18/2016	19543	MINDSHIFT	0222397	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2016	0222397		IT Managed Services	6052.4 · mindSHIFT Technologies, Inc.	3,770.00
TOTAL						3,770.00
Bill Pmt -Check	07/18/2016	19544	SANTA ANA WATERSHED PROJECT AUTHORIT	9246	1012 · Bank of America Gen'l Ckg	
Bill	07/14/2016	9246		FY 2016/17 Basin Monitoring Prgm. Task Force	6903 · OBMP SAWPA Group	18,415.00
TOTAL						18,415.00
Bill Pmt -Check	07/18/2016	19545	VERIZON WIRELESS	9768149954	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2016	9768149954		9768149954	6022 · Telephone	245.84
TOTAL						245.84
Bill Pmt -Check	07/18/2016	19546	INLAND EMPIRE UTILITIES AGENCY	90018420	1012 · Bank of America Gen'l Ckg	
Bill	07/14/2016	90018420		GW Recharge O&M - FY 2016/17 1st Quarter	7206 · Comp Recharge-O&M	243,510.82
TOTAL						243,510.82

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/18/2016	19547	INLAND EMPIRE UTILITIES AGENCY	1800002839	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	1800002839		Lower Day Improvement Project - Invoice #2	7690.8 · Lower Day Basin RMPU (TO #2)	90,047.47
TOTAL						90,047.47
Bill Pmt -Check	07/18/2016	19548	INLAND EMPIRE UTILITIES AGENCY	1800002838	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	1800002838		San Sevaine Basin Improvement Proj. - Invoice #2	7690.4 · San Sevaine Recharge (TO # 8)	130,198.61
TOTAL						130,198.61
Bill Pmt -Check	07/18/2016	19549	INLAND EMPIRE UTILITIES AGENCY	1800002840	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	1800002840		RMPU Yield Enhancement Project - Invoice #1	7690.15 · RMPU Amend. Yield (TO #1)	102,480.39
TOTAL						102,480.39
Bill Pmt -Check	07/18/2016	19550	INLAND EMPIRE UTILITIES AGENCY	1800002837	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2016	1800002837		East Declcz Basin Project - Invoice #1	7690.16 · East Declcz Basin (TO #1)	109,982.49
TOTAL						109,982.49
Check	07/20/2016	19551	FONTANA WATER COMPANY	FY 2015/16 Assesment Refund	1012 · Bank of America Gen'l Ckg	
Credit Memo	06/23/2016	AP16-37CR		15% Gross Replenishment Assessments	4211 · 15% Gross Assessments	207,408.53
				Cumulative Unmet Replenishmnt Obligation-(CURC 4216 · CURO Adjustment		0.04
				Refund of Excess Reserves-Assessments-Approp. 9996 · Refund-Excess Reserves-Approp.		2,302.93
				Refund of Excess Reserves-Recharge Debt Assess 9998 · Refund-Recharge Debt-Approp.		1.55
				Credit for November 19, 2015 Invoicing of 50%	4111 · Gross Administration	71,602.19
TOTAL						281,315.24
Bill Pmt -Check	07/21/2016	ACH 072116	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/16/2016	07/16/2016	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/03/16-07/16/16	2000 · Accounts Payable	5,871.69
TOTAL						5,871.69
Bill Pmt -Check	07/25/2016	19552	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	XXXX-XXXX-XXXX-9341		Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	17.89
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	253.90
				Send documents to D. Maurizio	6042 · Postage - General	36.31
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	34.74
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	14.97
				Send documents to D. Maurizio	6042 · Postage - General	53.98
				Purchase uniforms for office staff	6154 · Uniforms	85.89
				Place ad for open position w/Brown & Caldwell	6016 · New Employee Search Costs	198.79
				Place ad for open position w/Transittalent.com	6016 · New Employee Search Costs	173.94
				Send documents to D. Maurizio	6042 · Postage - General	28.49
				Purchase IT supplies	6057 · Computer Maintenance	23.84

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	252.57
				PK meeting w/Tom Thomas	6312 · Meeting Expenses	36.08
				PK meeting w/Don Pierro	6909.1 · OBMP Meetings	45.52
				PK expense - CA Water Law & Policy Conf.	6191 · Conferences - General	20.87
				Reg.-Truong/Wilson-Communication Skills 4 Wome	6192 · Seminars - General	157.04
				PK expense - CA Water Law & Policy Conf.	6191 · Conferences - General	66.10
				PK expense - CA Water Law & Policy Conf.	6191 · Conferences - General	11.99
				PK expense - CA Water Law & Policy Conf.	6191 · Conferences - General	37.21
				PK-parking at airport-CA Water Law & Policy Conf.	6191 · Conferences - General	53.67
				PK-hotel-CA Water Law & Policy Conf.	6191 · Conferences - General	645.83
				PK meeting w/Bob Bowcock	6312 · Meeting Expenses	25.74
				Lunch for WEI meeting	6909.1 · OBMP Meetings	118.63
				PK meeting w/Steve Elie	6312 · Meeting Expenses	52.90
				PK meeting w/Bob Kuhn	6312 · Meeting Expenses	28.77
TOTAL						<u>2,475.66</u>
	Bill Pmt -Check	07/25/2016	19553	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg
	Bill	07/14/2016	1394905143		1394905143	60182.1 · Medical Insurance
TOTAL						<u>6,311.47</u>
	Bill Pmt -Check	07/25/2016	19554	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg
	Bill	06/30/2016	L0269690		L0269690	7108.41 · Hydraulic Control - PBHSP
	Bill	06/30/2016	L0270617		L0270617	7108.41 · Hydraulic Control - PBHSP
	Bill	06/30/2016	L0270618		L0270618	7108.41 · Hydraulic Control - PBHSP
	Bill	06/30/2016	L0270328		L0270328	7108.41 · Hydraulic Control - PBHSP
	Bill	06/30/2016	L0270620		L0270620	7108.41 · Hydraulic Control - PBHSP
TOTAL						<u>11,304.00</u>
	Bill Pmt -Check	07/25/2016	19555	JOHN J. SCHATZ		1012 · Bank of America Gen'l Ckg
	Bill	06/30/2016				8367 · Legal Service
TOTAL						<u>2,414.00</u>
	Bill Pmt -Check	07/25/2016	19556	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg
	Bill	07/20/2016	0111802			60194 · Other Employee Insurance
TOTAL						<u>79.70</u>
	Bill Pmt -Check	07/25/2016	19557	STAPLES BUSINESS ADVANTAGE	8040058589	1012 · Bank of America Gen'l Ckg
	Bill	07/09/2016	8040058589			6031.7 · Other Office Supplies
TOTAL						<u>143.46</u>

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	07/25/2016	19558	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	2016215		2016215	6906.31 · OBMP-Pool, Adv. Board Mtgs	5,161.36
Bill	06/30/2016	2016216		2016216	6910.11 · WEI Support-Grant Funding-RMPU	26,218.76
Bill	06/30/2016	2016217		2016217	6906.71 · OBMP-Data Req.-CBWM Staff	2,367.50
				Consulting Services	6906.71 · OBMP-Data Req.-CBWM Staff	6,760.00
Bill	06/30/2016	2016218		2016218	6906.71 · OBMP-Data Req.-CBWM Staff	20,837.15
Bill	06/30/2016	2016219		2016219	6906.72 · OBMP-Data Req.-Non CBWM Staff	8,757.05
Bill	06/30/2016	2016220		2016220	6906 · OBMP Engineering Services	1,925.00
Bill	06/30/2016	2016221		2016221	6906.1 · OBMP-Watermaster Model Update	7,764.00
Bill	06/30/2016	2016222		2016222	7103.3 · Grdwtr Qual-Engineering	13,097.50
Bill	06/30/2016	2016223		2016223	7104.3 · Grdwtr Level-Engineering	30,535.37
Bill	06/30/2016	2016224		2016224	7107.2 · Grd Level-Engineering	2,513.39
				Parsons Brinckerhoff, Inc.	7107.6 · Grd Level-Contract Svcs	5,886.09
Bill	06/30/2016	2016225		2016225	7108.31 · Hydraulic Control - PBHSP	23,098.17
Bill	06/30/2016	2016226		2016226	7202.2 · Engineering Svc	12,647.72
Bill	06/30/2016	2016227		2016227	7402 · PE4-Engineering	9,870.00
				Outside Professional - Michael C. Carpenter	7402 · PE4-Engineering	500.00
Bill	06/30/2016	2016228		2016228	7402.10 · PE4 - Northwest MZ1 Area Proj.	5,717.79
Bill	06/30/2016	2016229		2016229	7502 · PE6&7-Engineering	542.50
Bill	06/30/2016	2016230		2016230	6910.13 · IEUA-San Sevaine Imp. Proj.	2,337.25
P 148 TOTAL						<u>186,536.60</u>
Bill Pmt -Check	07/25/2016	19559	CORELOGIC INFORMATION SOLUTIONS		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2016	81708884		81708884	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81708884	7101.4 · Prod Monitor-Computer	62.50
Bill	06/30/2016	81688580		81688580	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81688580	7101.4 · Prod Monitor-Computer	62.50
TOTAL						<u>250.00</u>
Bill Pmt -Check	07/26/2016	19560	CUCAMONGA VALLEY WATER DISTRICT	Lease due August 1, 2016	1012 · Bank of America Gen'l Ckg	
Bill	07/18/2016			Lease due August 1, 2016	1422 · Prepaid Rent	6,371.16
TOTAL						<u>6,371.16</u>
Bill Pmt -Check	07/26/2016	19561	FEDAK & BROWN LLP	Audit Services	1012 · Bank of America Gen'l Ckg	
Bill	07/25/2016			Progress Billing - July 2016	6062 · Audit Services	1,200.00
TOTAL						<u>1,200.00</u>
Bill Pmt -Check	07/26/2016	19562	GREAT AMERICA LEASING CORP.	19074233	1012 · Bank of America Gen'l Ckg	
Bill	07/25/2016	19074233		Invoice	6043.1 · Ricoh Lease Fee	3,285.30
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	1,098.52

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							4,383.82
	Bill Pmt -Check	07/26/2016	19563	JESKE, KEN'	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2016	6/23 Board Mtg		6/23/16 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	07/26/2016	19564	LEVEL 3 COMMUNICATIONS	45430566	1012 · Bank of America Gen'l Ckg	
	Bill	07/25/2016	45430566		7/17/16 - 8/16/16	6053 · Internet Expense	1,049.56
TOTAL							1,049.56
	Bill Pmt -Check	07/26/2016	19565	MINDSHIFT	0223417	1012 · Bank of America Gen'l Ckg	
	Bill	07/25/2016	0223417		Replacement of UPS system for server room	6055 · Computer Hardware	3,213.60
TOTAL							3,213.60
	Bill Pmt -Check	07/26/2016	19566	PITNEY BOWES CREDIT CORPORATION	3100364847	1012 · Bank of America Gen'l Ckg	
	Bill	07/25/2016	3100364847		Postage meter lease - quarterly	6044 · Postage Meter Lease	402.84
TOTAL							402.84
P 149	Bill Pmt -Check	07/26/2016	19567	R&D PEST SERVICES	0203731	1012 · Bank of America Gen'l Ckg	
TOTAL	Bill	07/25/2016	0203731		Pest control - ant and cockroach prevention	6024 · Building Repair & Maintenance	100.00
TOTAL							100.00
	Bill Pmt -Check	07/26/2016	19568	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
	Bill	07/25/2016	0023230253		Office Water Bottle - July 2016	6031.7 · Other Office Supplies	53.93
TOTAL							53.93
	Bill Pmt -Check	07/26/2016	19569	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
	Bill	07/25/2016	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	623.81
TOTAL							623.81
	Bill Pmt -Check	07/26/2016	19570	STAPLES BUSINESS ADVANTAGE	8040058589	1012 · Bank of America Gen'l Ckg	
	Bill	07/16/2016	8040146821		Miscellaneous office supplies	6031.7 · Other Office Supplies	48.68
TOTAL							48.68
	Bill Pmt -Check	07/26/2016	19571	STATE COMPENSATION INSURANCE FUND	1970970-16	1012 · Bank of America Gen'l Ckg	
	Bill	08/01/2016	1970970-16		Premium for 7/26/16 - 8/26/16	60183 · Worker's Comp Insurance	910.00
TOTAL							910.00
	Bill Pmt -Check	07/26/2016	19572	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2016				60182.4 · Retiree Medical	23.62

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2016

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount	
TOTAL						23.62	
Bill Pmt -Check	07/26/2016	19573	TRUONG, ANNA	Employee Reimbursement	1012 · Bank of America Gen'l Ckg		
Bill	07/25/2016			Reimburse for TA exam materials and costs	6192 · Seminars - General	201.59	
TOTAL						201.59	
Bill Pmt -Check	07/26/2016	19574	UNITED HEALTHCARE	0041114254	1012 · Bank of America Gen'l Ckg		
Bill	07/25/2016	0041114254		Dental Insurance Premium - August 2016	60182.2 · Dental & Vision Ins	755.42	
TOTAL						755.42	
Bill Pmt -Check	07/26/2016	19575	VERIZON WIRELESS	9768627558	1012 · Bank of America Gen'l Ckg		
Bill	07/25/2016	9768627558			7103.7 · Grdwtr Qual-Computer Svc	100.04	
TOTAL						100.04	
Bill Pmt -Check	07/26/2016	19576	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg		
Bill	07/25/2016	001017890001		Vision Insurance Premium - August 2016	60182.2 · Dental & Vision Ins	85.60	
TOTAL						85.60	
P150 TOTAL	Bill Pmt -Check	07/26/2016	19577	STATE COMPENSATION INSURANCE FUND	1970970-15	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2016	1970970-15		1970970-15	60183 · Worker's Comp Insurance	788.36
						788.36	
	General Journal	07/31/2016	07/31/2016	Wage Works FSA Direct Debits - July 2016	Wage Works FSA Direct Debits - July 2016	1012 · Bank of America Gen'l Ckg	
					Wage Works FSA Direct Debits - July 2016	1012 · Bank of America Gen'l Ckg	81.50
					Wage Works FSA Direct Debits - July 2016	1012 · Bank of America Gen'l Ckg	638.75
					Wage Works FSA Direct Debits - July 2016	1012 · Bank of America Gen'l Ckg	638.75
TOTAL						1,359.00	
	Bill Pmt -Check	07/27/2016	19578	APPLIED COMPUTER TECHNOLOGIES	2689	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2016	2689		Database Consulting Services - June 2016	6052.2 · Applied Computer Technol	3,319.00
TOTAL						3,319.00	
	Bill Pmt -Check	07/28/2016	19579	ONTARIO, CITY OF	Fees	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2016	180004		Encroachment permit fees, traffic control fees	7103.3 · Grdwtr Qual-Engineering	298.00
TOTAL						298.00	
					Total Disbursements:	1,907,057.29	

CHINO BASIN WATERMASTER

IV. INFORMATION

2. Recharge Investigations and Projects Committee (RIPCom)

Recharge Investigations and Projects

Committee Meeting

Agenda

When: Thursday, July 21, 2016 @ 9:30 a.m.

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

Topics:

1. Introductions
2. RMPU Financing Plan
 - a) Status updates
3. New/Old Projects consideration
 - a) Open forum for potential new projects
4. IEUA/CBWM joint projects
 - a) Status updates
 - b) Budget updates
5. RMPU Implementation updates
 - a) Sustainability projects
 - b) Contact with sand and gravel companies
 - c) AP New Yield and cost allocation agreement
 - d) Flood Control and water conservation agreement
 - e) Agreement with property owners
 - f) Prepare Preliminary Design/Environmental for Yield Enhancement Projects
 - g) MS4
 - h) Update on discussions with CSI on proposed RMPU improvements at their facility

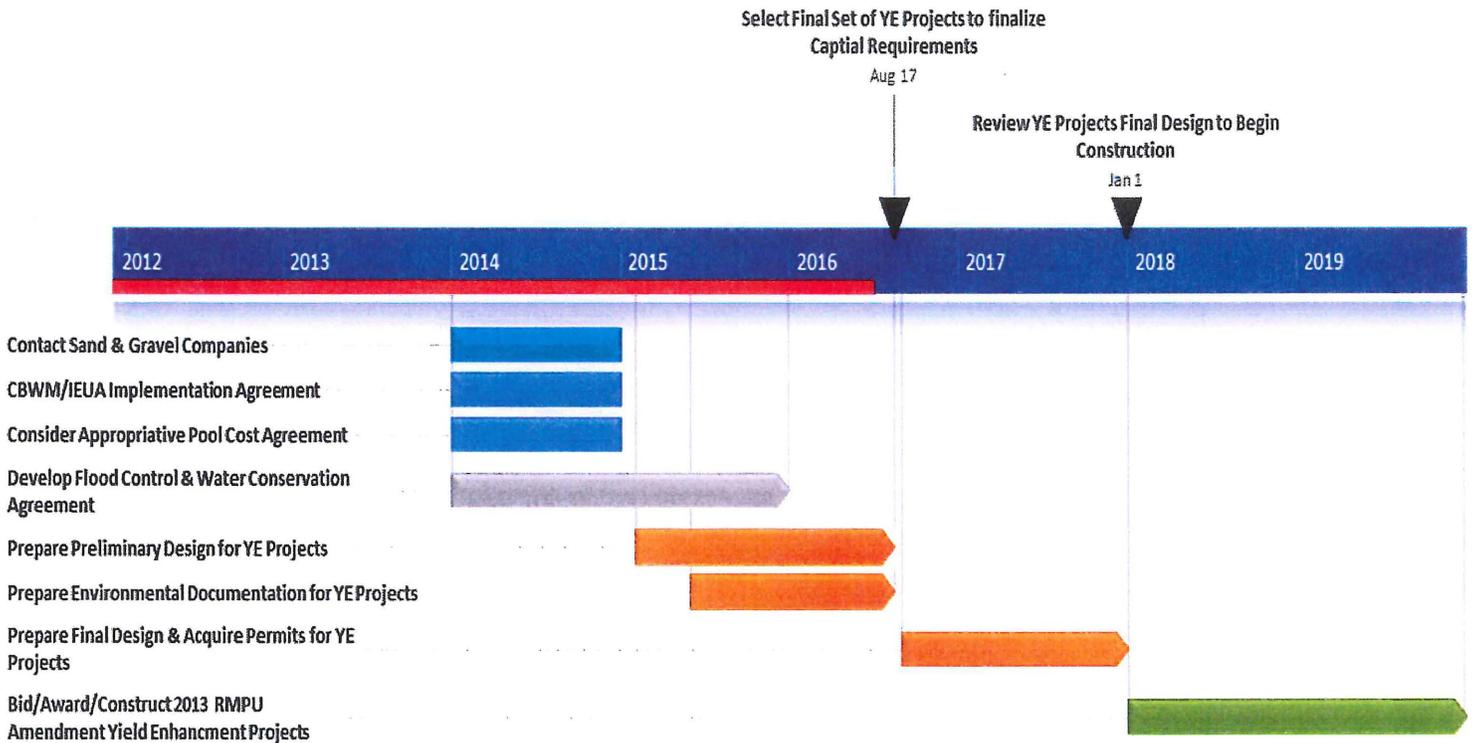
Next Meeting Date: Thursday, August 18, 2016 @ 9:30 A.M.

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2013 Amendment to 2010 RMPU Implementation

Status Report – July 2016

Schedule:



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 are reported as a separate report.

Year 1-2014

Yield Enhancement Projects: Contact Sand and Gravel Companies

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

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

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

Yield Enhancement Projects: Consider AP New Yield Cost Allocation Agreement

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

Yield Enhancement Projects: Develop Flood Control and Water Conservation Agreement

IEUA and Watermaster have met and exchanged correspondence with the San Bernardino County Flood Control District (SBCFCD) to expand the Four Party Agreement to include all facilities necessary for RMPU Implementation. IEUA, Watermaster, and SBCFCD have also met to discuss SBCFCD'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 Chino Basin Water Conservation District (CBWCD) to discuss the CBWCD facilities that are involved in the RMPU Implementation. As of April, 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. The Lower San Sevaire (PID 17) property was sold at auction; status is "ongoing due diligence by potential buyer" until May 2017. IEUA is working with California Steel Industries (CSI) on a wastewater issue and is discussing the potential of using that recharge 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 July 2016, discussions are ongoing.

Years 2 and 3 -2015 and 2016

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 which will be posted on Watermaster's FTP site and also accessible at this link:

[http://www.cbwm.org/FTP/Recharge%20Investigations%20and%20Projects%20Committee%20\(RIPCom\)/Project%20PDRs/](http://www.cbwm.org/FTP/Recharge%20Investigations%20and%20Projects%20Committee%20(RIPCom)/Project%20PDRs/)

As of July 2016, the most recent report posted is for the Lower Day Improvements Project.

Yield Enhancement Projects: Prepare Environmental Documentation for Yield Enhancement Projects

The required environmental documents for the San Sevaine Basin RMPU Project was completed on January 2016, through an IEUA Board adoption of a mitigated negative declaration on the proposed project. The required environmental documents for Lower Day Basin RMPU Project will have a similar find and action. The IEUA Board adopted the findings on April 20, 2016. The remaining RMPU projects will be addressed separately through a programmatic environmental impact report on the proposed planning level projects within the Recharge Master Plan Update document. A report is scheduled to be completed by August 2016.

Financing Plan

The 2013 RMPU Master Plan Update Financing Plan was approved on May 26, 2016 by the Watermaster Board. The plan is posted on Watermaster's FTP site and also accessible at this link:

[http://www.cbwm.org/FTP/Recharge%20Investigations%20and%20Projects%20Committee%20\(RIPCom\)/RMPU%20Agreements/20160512%20Financing%20Plan%20for%20the%202013%20RMPU.pdf](http://www.cbwm.org/FTP/Recharge%20Investigations%20and%20Projects%20Committee%20(RIPCom)/RMPU%20Agreements/20160512%20Financing%20Plan%20for%20the%202013%20RMPU.pdf)

Years 3 and 4-2016 and 2017

Prepare Final Designs and Acquire Necessary Permits for Yield Enhancement

As of July 2016, the Final Designs for the RMPU projects will be completed by the end of 2017. San Sevaine and Lower Day, projects on an accelerated schedule, will complete Final Design by August 2016 and April 2017 respectively.

Years 5 and 6- 2018 and 2019

Construct 2013 RMPU Amendment Yield Enhancement Projects

Construction of the selected RMPU projects after Final Design are anticipated to be complete by the end of 2019.

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

The due date for the second round of requests for Water Quality Management Plan (WQMPs), Design Reports, and As-Built drawings for new projects and projects built between Fiscal Years 2011 and 2013 passed on November 1, 2015. As of July, Watermaster is working with WEI to analyze the data received.

Sustainability Projects:

Effort is underway. JCSD is the lead on this and is working with IEUA, Ontario, MVWD, and FWC to refine sustainability project opportunities. JCSD began receiving water from the City of Ontario in April 2015 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 in exchange for the purchase of an equal quantity of imported water from the WFA plant for use by the City of Ontario. JCSD is also exploring other sources of imported water beyond Metropolitan Water District to diversify its water source portfolio.

The joint Vulcan/ FWC project at the Vulcan Pit anticipated recharge in the Basin in early September 2015, however, due to some logistical issues it was delayed until December 21, 2015. In February 2016, Vulcan/FWC completed its 100 acre-foot recharge project. The exact amount recharged was 100.006 acre feet. Further recharge is not anticipated until the winter of 2017.

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]
Project Name	Project Status	Anticipated (Or Actual) Project 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) ³	Construction	2/14/2017	\$ 227,810	\$ 892,000	\$ -	\$ 892,000	50%	50%	\$ 139,650	\$ 376,175	\$ 421,875	\$ 96,072	\$ 280,103	\$ 96,072	\$ 94,922	\$ 326,953
COMMUNICATION Upgrades (Task No. 3)	Completed	2/12/2016	\$ 1,227,096	\$ 1,245,000	\$ 1,227,096	\$ 1,227,096	50%	50%	\$ 192,850	\$ 517,123	\$ 517,123	\$ 517,123	\$ -	\$ 517,123	\$ 526,075	\$ (8,952)
CB20 Noise Mitigation (CBFIP Phase II Agreement)	Completed	2/17/2016	\$ 158,280	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 79,140	\$ 860	\$ 79,140	\$ 71,794	\$ 8,206
Upper Santa Ana River Habitat Conservation Plan (Task No. 7)	Evaluation	6/30/2017	\$ 84,326	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 42,163	\$ 37,837	\$ 42,163	\$ 24,389	\$ 55,611
East Declz Basin (1st Amendment - Task No. 1)	Canceled	4/7/2016	\$ 112,507	\$ -	\$ 114,000	\$ 3,665,000 *	-	100%	\$ -	\$ -	\$ 114,000	\$ -	\$ -	\$ 112,507	\$ -	\$ 114,000
SUBTOTAL PRE-RMPU PROJECTS	---	---	\$ 1,810,019	\$ 2,457,000	\$ 1,341,096	\$ 6,104,096	---	---	\$ 332,500	\$ 1,053,298	\$ 1,212,998	\$ 734,498	\$ 318,800	\$ 847,005	\$ 717,180	\$ 495,818
RMPU Projects																
San Sevaime Improvements (Task No. 8)	Design	12/28/2017	\$ 512,757	\$ 2,500,000	\$ -	\$ 6,460,000	50%	50%	\$ 1,125,000	\$ 2,667,500	\$ 2,667,500	\$ 211,731	\$ 2,455,769	\$ 211,731	\$ 241,317	\$ 2,426,183
2013 RMPU Amendment Yield Enhancement Projects (Task No. 1)	Pre-Design	10/13/2017	\$ 390,191	\$ 8,122,500	\$ -	\$ 3,825,500 **	7%	93%	\$ -	\$ 250,250	\$ 3,575,250	\$ 25,525	\$ 224,725	\$ 364,666	\$ 102,480	\$ 3,472,770
Lower Day Basin RMPU Improvement Project (Task No. 2)	Pre-Design	7/26/2018	\$ 200,683	\$ 2,480,000	\$ -	\$ 2,480,000	0%	100%	\$ 1,125,000	\$ -	\$ 1,355,000	\$ -	\$ -	\$ 109,647	\$ 186,301	\$ 1,168,699
2013 RMPU Amendment Yield Enhancement Projects Construction	Pending - Note ¹	6/30/2020	\$ -	\$ -	\$ 38,622,500	\$ -	0%	100%	\$ -	\$ -	\$ 38,622,500	\$ -	\$ -	\$ -	\$ -	\$ 38,622,500
2013 RMPU Amendment - Victoria Basin Construction	Pending - Note ²	6/30/2019	\$ -	\$ -	\$ 130,000	\$ -	50%	50%	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 65,000	\$ -	\$ -	\$ 65,000
2013 RMPU Amendment - RP-3 Construction	Pending - Note ²	6/30/2020	\$ -	\$ -	\$ 3,300,000	\$ -	50%	50%	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -	\$ 1,650,000	\$ -	\$ -	\$ 1,650,000
SUBTOTAL RMPU PROJECTS	---	---	\$ 1,103,631	\$ 13,102,500	\$ 42,052,500	\$ 12,765,500	---	---	\$ 2,250,000	\$ 4,632,750	\$ 47,935,250	\$ 237,255	\$ 4,395,495	\$ 686,044	\$ 530,098	\$ 47,405,152
GRAND TOTALS	---	---	\$ 2,913,650	\$ 15,559,500	\$ 43,393,596	\$ 18,869,596	---	---	\$ 2,582,500	\$ 5,686,048	\$ 49,148,248	\$ 971,754	\$ 4,714,294	\$ 1,533,049	\$ 1,247,278	\$ 47,900,970

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. Second Amendment to Task Order No. 1 eliminated the East Declz Project of \$3,665,000 and adds \$114,000 due from CBWM for feasibility study.
 ** 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. Second Amendment to Task Order No. 1 (\$3,825,500 + \$114,000 = \$3,939,500).
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.
³ Watermaster Board approved an additional amount of \$45,700 (50% of the anticipated additional costs of \$91,400) on November 25, 2014 for the Programmable Logic Controller (PLC) replacements at the five Rubber Dam/Basin systems.

Updated: 7/18/2016

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	\$ 94,922	\$ 326,953	\$ -	\$ 326,953	No	\$ -	\$ -	\$ -	\$ -	\$ -
COMMUNICATION Upgrades (7690.62) (Task No. 3)	\$ 547,500	\$ (21,425)	\$ -	\$ 526,075	\$ 526,075	\$ -	\$ -	\$ (8,952)	No	\$ -	\$ -	\$ -	\$ -	\$ -
CB20 Noise Mitigation (7690.5)	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ 71,794	\$ 8,206	\$ -	\$ 8,206	No	\$ -	\$ -	\$ -	\$ -	\$ -
Upper Santa Ana River Habitat Conservation Plan (7690.7) (Task No. 7)	\$ 75,000	\$ 5,000	\$ -	\$ 80,000	\$ 24,389	\$ 55,611	\$ -	\$ 55,611	No	\$ -	\$ -	\$ -	\$ -	\$ -
East Declez Basin (1st Amendment - Task No. 1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ 114,000	\$ -	\$ -	\$ -
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	\$ 717,180	\$ 390,770	\$ 77,256	\$ 381,818	No	\$ -	\$ 114,000	\$ -	\$ -	\$ -
RMPU Projects														
San Sevaine Improvements (7690.4) (Task No. 8)	\$ 475,000	\$ 1,126,900	\$ -	\$ 1,601,900	\$ 241,317	\$ 1,360,583	\$ -	\$ 1,360,583	No	\$ -	\$ 1,065,600	\$ -	\$ -	\$ -
2013 RMPU Amendment Yield Enhancement Projects (7690.15) (Task No. 1)	\$ -	\$ 569,750	\$ -	\$ 569,750	\$ 102,480	\$ 467,270	\$ -	\$ 467,270	Yes	\$ -	\$ 1,550,000	\$ 1,455,500	\$ -	\$ -
Lower Day Basin RMPU Improvement Project (7690.8) (Task No. 2)	\$ 49,000	\$ 140,000	\$ -	\$ 189,000	\$ 186,301	\$ 2,699	\$ -	\$ 2,699	No	\$ -	\$ 140,000	\$ 1,026,000	\$ -	\$ -
2013 RMPU Amendment Yield Enhancement Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 8,300,000	\$ 22,022,500	\$ 8,300,000
Victoria Basin Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 32,500	\$ 32,500	\$ -
RP-3 Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No	\$ -	\$ -	\$ 325,000	\$ 825,000	\$ 500,000
SUBTOTAL RMPU PROJECTS	\$ 524,000	\$ 1,836,650	\$ -	\$ 2,360,650	\$ 530,098	\$ 1,830,552	\$ -	\$ 1,830,552	---	\$ -	\$ 2,755,600	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000
GRAND TOTALS	\$ 1,686,956	\$ 1,858,900	\$ -	\$ 3,545,856	\$ 1,247,278	\$ 2,221,322	\$ 77,256	\$ 2,212,370	---	\$ -	\$ 2,869,600	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000

NOTES:

¹ \$77,256 of the Carry-Over funds could be (1) allocated to other projects; (2) kept in reserve; or (3) refunded to the Appropriators on the next Assessment. Wineville Project of \$35,398; Jurupa Pump Station of \$37,981; and Hickory Basin of \$3,877 = \$77,256.

Updated: 7/18/2016

Non-RMP Ongoing Projects



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**GWR AND RW SCADA UPGRADES
PROJECT NO. EN14047
STATUS UPDATE: JULY 06, 2016**

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	\$227,810

<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	\$450	\$422
Design	02/26/14	01/15/16	Completed	\$192,312	\$186,512
Permits	09/12/14	01/15/16	Completed	\$50	\$42
Bid and Award	01/18/16	04/20/16	Completed	\$4,000	\$3,461
Construction	04/21/16	02/14/17	In Progress	\$413,678	\$37,373
				\$610,490	\$227,810

Grant/Loan Update:

Awarded 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

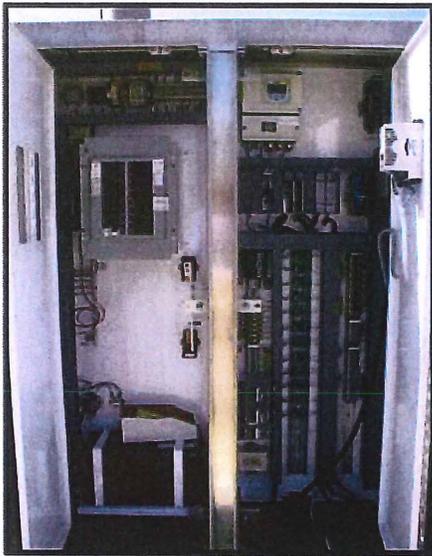
Project Update:

IEUA received the following three public bids for the contract to upgrade the GWR/RW SCADA System:

Bidder’s Name	Bid Amount
Trimax Systems, Inc.	\$250,989
Tesco Controls, Inc.	\$285,000
Southern Contracting Company, Inc.	\$389,900
Engineer’s Estimate	\$399,000

IEUA awarded the construction contract on April 20, 2016. Since then, a pre-construction meeting was held on May 10th to kick-off the construction and the first Programming Workshop was held on June 8. Within the next month, Trimax plans to complete their initial equipment submittal and begin the process of procuring them. Between August and September, the Second Programming Workshop will take place. Equipment installation and programming is scheduled to occur in October 2016. The project is scheduled for completion in February 2017.

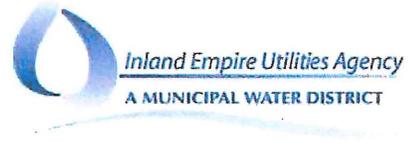
Project Photos:



San Sevaine Turnout control panel



Turner Basin control panel



FINAL UPDATE

**COMMUNICATION UPGRADES
PROJECT NO. EN12019
STATUS UPDATE: JULY 06, 2016**

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 GWR 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:

Project Budget Actual Cost to Date
\$1,245,000 \$1,227,096

<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	02/12/16	Completed	\$1,065,229	\$1,047,325
				<u>\$1,245,000</u>	<u>\$1,227,096</u>

Grant/Loan Update:

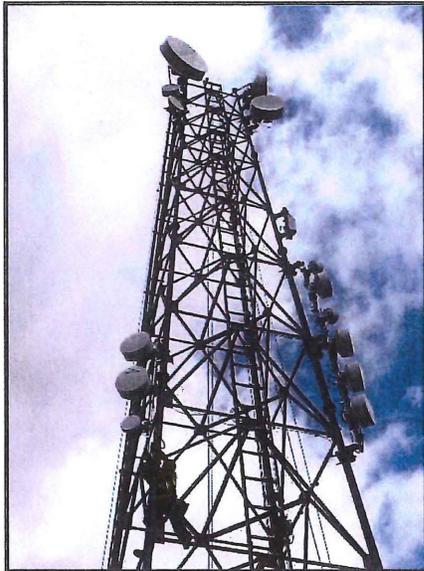
Awarded a \$192,850 grant and a 1% interest 30-year loan at \$1,022,105 from the Clean Water State Revolving Fund loan program, as part of the Proposition 50 grant program, and a Department of Water Resources Proposition 84 grant program through The Santa Ana Project Water Authority.

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

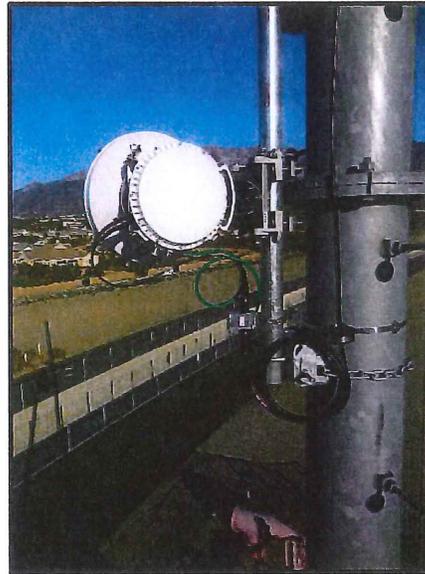
Project Update:

Design/Construction efforts are fully completed. The new equipment is installed and in use. The project is officially closed. All costs were finalized at \$1,227,096. Watermaster paid its full share. No further updates will be provided after this notice.

Project Photos:



6B Tower – New Receiving Dishes



San Sevaine Basin – New Radio Dish



**CB20 NOISE MITIGATION
PROJECT NO. EN14038
STATUS UPDATE: JULY 06, 2016**

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. 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:

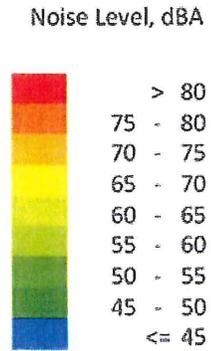
	<u>Project Budget</u>		<u>Actual Cost to Date</u>		
	\$160,000		\$158,280		
<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	09/25/13	01/23/14	Completed	\$200	\$182
Design	01/24/14	11/26/14	Completed	\$29,000	\$28,850
Construction	11/30/14	02/17/16	Completed	\$130,800	\$129,248
				<u>\$160,000</u>	<u>\$158,280</u>

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

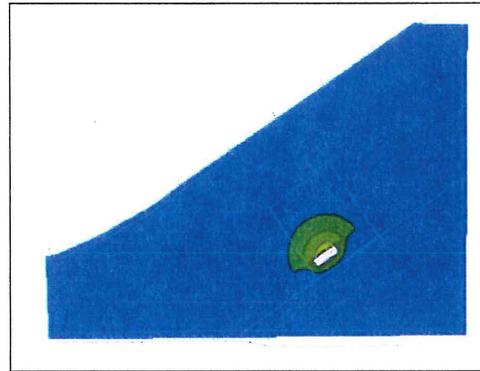
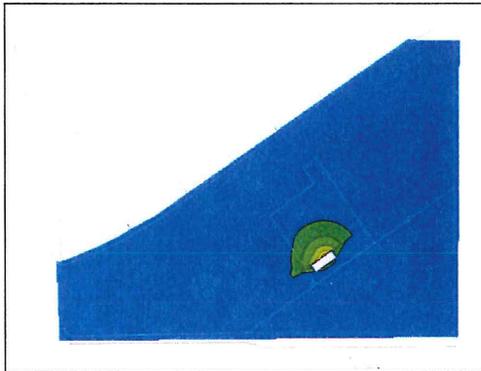
Project Update:

The installation of the sound enclosure is fully completed. The new equipment was tested and confirmed to meet project specifications. The project is closed. The final project cost is \$158,280. Watermaster paid \$71,140. A final Watermaster invoice of \$7,346 is current being processed for release. As soon as the final share is paid, there will be no further status updates.

Results of sound modeling to confirm the proposed enclosure will meet project goal:



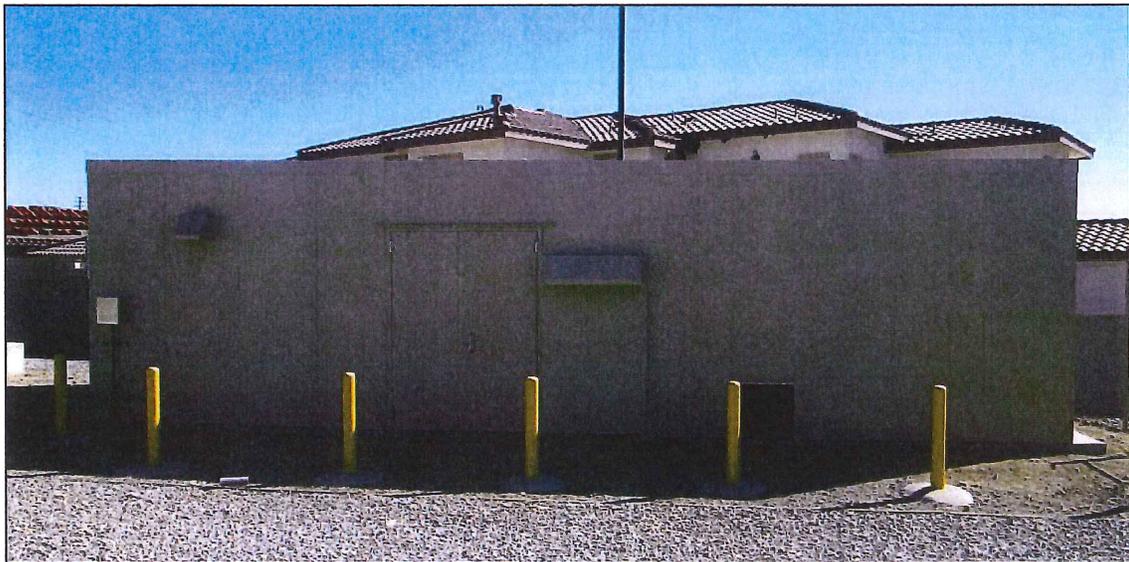
Noise level at 1st level without mitigation



Noise level at 1st level with mitigation

Noise level at 2nd level with mitigation

Project Photo:



Completed installation of sound enclosure (facing south)



**UPPER SANTA ANA RIVER WATERSHED HABITAT CONSERVATION PLAN
PROJECT NO. RW15002
STATUS UPDATE: JULY 06, 2016**

The purpose of the Habitat Conservation Plan (HCP) 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	\$84,326

<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	\$84,326
				<u>\$160,000</u>	<u>\$84,326</u>

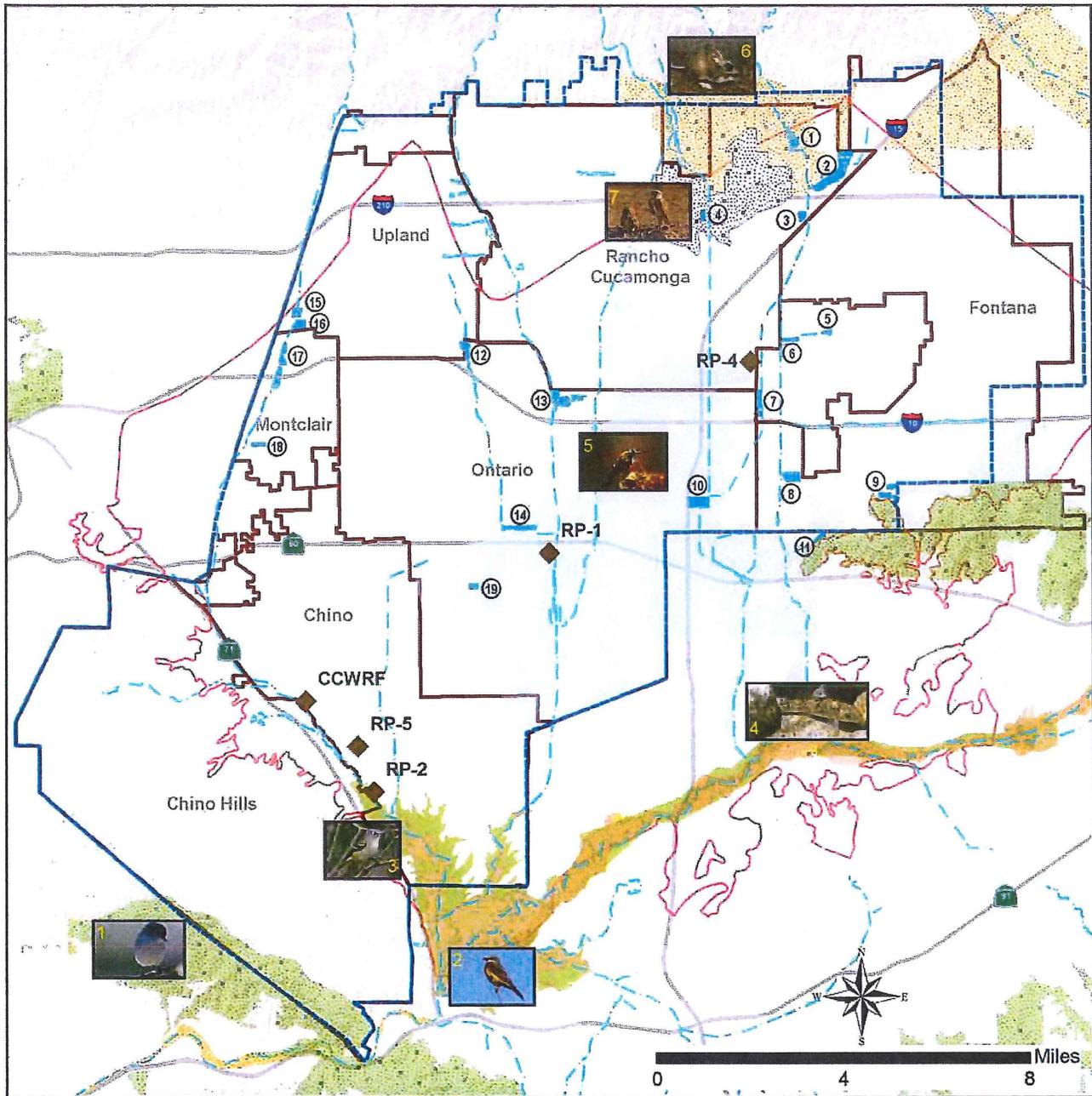
Cost Sharing Document: Task Order No. 7 of the Master Agreement of 2014

Project Update:

The HCP team has completed mapping and GIS data gathering. The hydraulic impact modeling, is in progress. The following table is a part of the list of RMPU projects that will be a part of the study, however, IEUA recently confirmed that all existing recharge basins and RMPU projects will be evaluated under this study as well. This additional work is not expected to impact the total budget.

<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)
					Wineville 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. RW15003.01
STATUS UPDATE: JULY 06, 2016**

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 100cfs 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	\$112,507

<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	-
Pre-Environmental	07/22/15	02/01/16	Completed	\$11,000	2,932
Feasibility Study (PDR)	07/22/15	02/19/16	Completed	\$103,000	\$99,574
Preliminary Design	02/20/16	08/29/16	Canceled	\$511,000	-
Land Acquisition	11/18/15	05/17/16	Canceled	-	\$10,001*
Environmental	02/02/16	08/29/16	Canceled	\$197,000	-
Design	08/30/16	12/29/17	Canceled	\$2,542,000	-
Permits	08/30/16	12/29/17	Canceled	\$275,000	-
				\$3,665,000	\$112,507

*The refundable deposit on the property hold, minus processing fees, has been refunded.

Cost Sharing Documents:

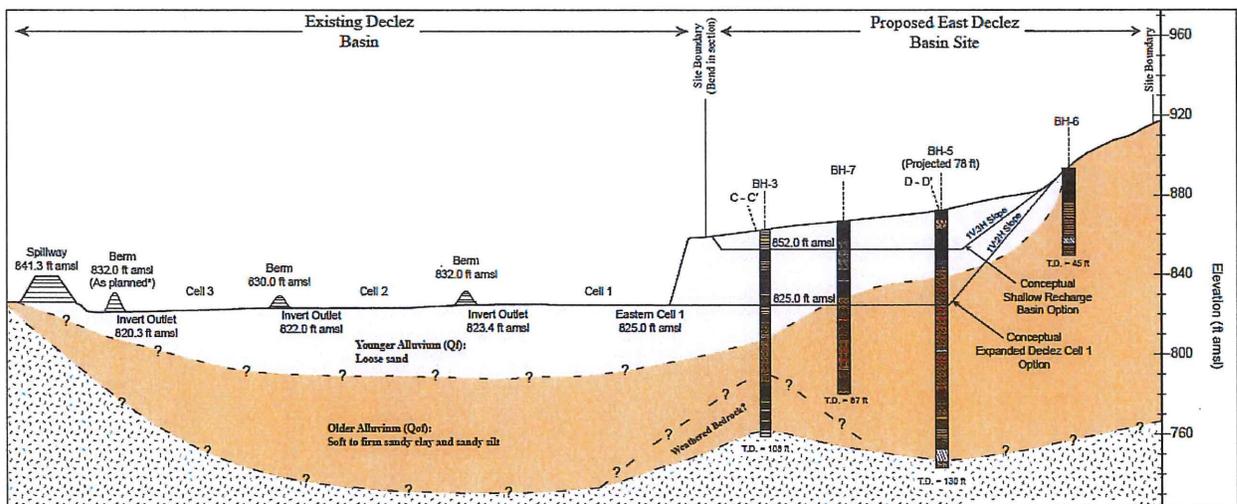
- Task Order No. 1 of the Master Agreement of 2014 (Aug, 2014)
- 1stAmendment Task Order No. 1 of the Master Agreement of 2014 (April, 2015)
- 2nd Amendment Task Order No. 1 of the Master Agreement of 2014 (June, 2016)

Project Update:

On April 7th, 2016 CBWM's Appropriative Pool decided not pursue with the proposed project and terminate the purchase of the East Declez property. All future project tasks were cancelled. All project expenses related to feasibility and preliminary environmental efforts which include labor, consulting contracts, and escrow service fees are finalized at \$112,507. Watermaster is expected to receive a reimbursement invoice in the amount of \$112,457 by mid-July. The final reimbursement for the remaining balance of \$50 will follow after accounting confirms the expense.

Task Order No.1 of the Master Cost Sharing Agreement was amended and executed for the second time in June 2016. This amendment removes the remaining East Declez scope and budget from the agreement, less the cost for the feasibility study and preliminary environmental review.

Project Photo:



Profile of the proposed East Declez with bore hole testing locations

RMPU PROJECTS



Draft Table 8-2c
Updated as of April 18, 2016
Ranked Yield Enhancement Projects - PIDs 25 and 17a Excluded and PID 7 Updated

Project ID	Project	Yield	Recycled Water	Storm Water Recharge Unit Cost to CBWM Parties	Capital Cost to CBWM Parties	Total Annual Cost to CBWM Parties
Recommended MZ3 Projects¹						
18a	CSI Storm Water Basin	81	0	\$ 388	\$ 440,000	\$ 31,612
23a	2013 Proposed RP3 Improvements ² 2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin ²	3,166	2,905	\$ 498	\$ 1,855,000 \$ 17,600,000	\$ 432,014 \$ 1,144,900
27	Decluz Basin	241	0	\$ 1,135	\$ 4,070,000	\$ 273,720
Total MZ3		3,489	2,905	\$ 540	\$ 23,965,000	\$ 1,882,246
Recommended MZ2 Projects³						
11	Victoria Basin ⁴	43	120	\$ 151	\$ 75,000	\$ 6,484
7	San Sevaine Basins ⁵	642	4,100	\$ 389	\$ 3,230,000	\$ 249,895
12	Lower Day Basin (2010 RMPU)	789	0	\$ 242	\$ 2,480,000	\$ 190,482
14	Turner Basin	66	0	\$ 916	\$ 890,000	\$ 60,338
15a	Ely Basin	221	0	\$ 981	\$ 3,200,000	\$ 216,362
Total MZ2		1,760	4,220	\$ 411	\$ 9,875,000	\$ 723,561
Recommended MZ1 Projects						
2	Montclair Basins	248	0	\$ 415	\$ 1,440,000	\$ 102,876
Total MZ1		248	0	\$ 415	\$ 1,440,000	\$ 102,876
Total Recommended Projects		5,497	7,125	\$ 493	\$ 35,280,000	\$ 2,708,683

1. PID 25a (Sierra Basin) was deleted from the recommended project list.
2. PID23a (2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin, and 2013 Proposed RP3 Improvements) was updated to specify the parts of the project shared between IEUA and CBWM. Total Capital Cost of PID 23a is about \$21,300,000.
3. PID 17a (Lower San Sevaine Basin) was deleted from recommended project list.
4. PID 11's total capital cost is about \$150,000.
5. PID 7 (San Sevaine Basins) project cost was updated based on the recently completed preliminary design report. Total capital cost for this project is about \$6,460,000.



**SAN SEVAINE IMPROVEMENTS PROJECT
PROJECT NO. EN13001
STATUS UPDATE: JULY 06, 2016**

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 Sevaire 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 proposed 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			\$512,757	
<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	\$159,833
Environmental Impact	06/26/13	01/20/16	Completed	\$30,000	\$24,218
Design	05/15/15	07/28/16	In Progress	\$400,000	\$303,706
Permits	05/15/13	07/28/16	In Progress	\$25,000	\$25,000
Bid and Award	07/29/16	11/16/16	Not Started	\$5,000	-
Construction	11/17/16	12/28/17	Not Started	\$5,840,000	-
				<hr/>	
				\$6,460,000	\$512,757

Grant/Loan Update:

Awarded a \$750,000 state grant from the Department of Water Resources through the Santa Ana Watershed Project Authority as part of Proposition 84 and a \$375,000 federal grant from the US Bureau of Reclamation.

Cost Sharing Document:

- Task Order No. 8 of the Master Agreement of 2014 (August, 2014)
- 1st Amendment Task Order No. 8 of the Master Agreement of 2014 (April, 2015)

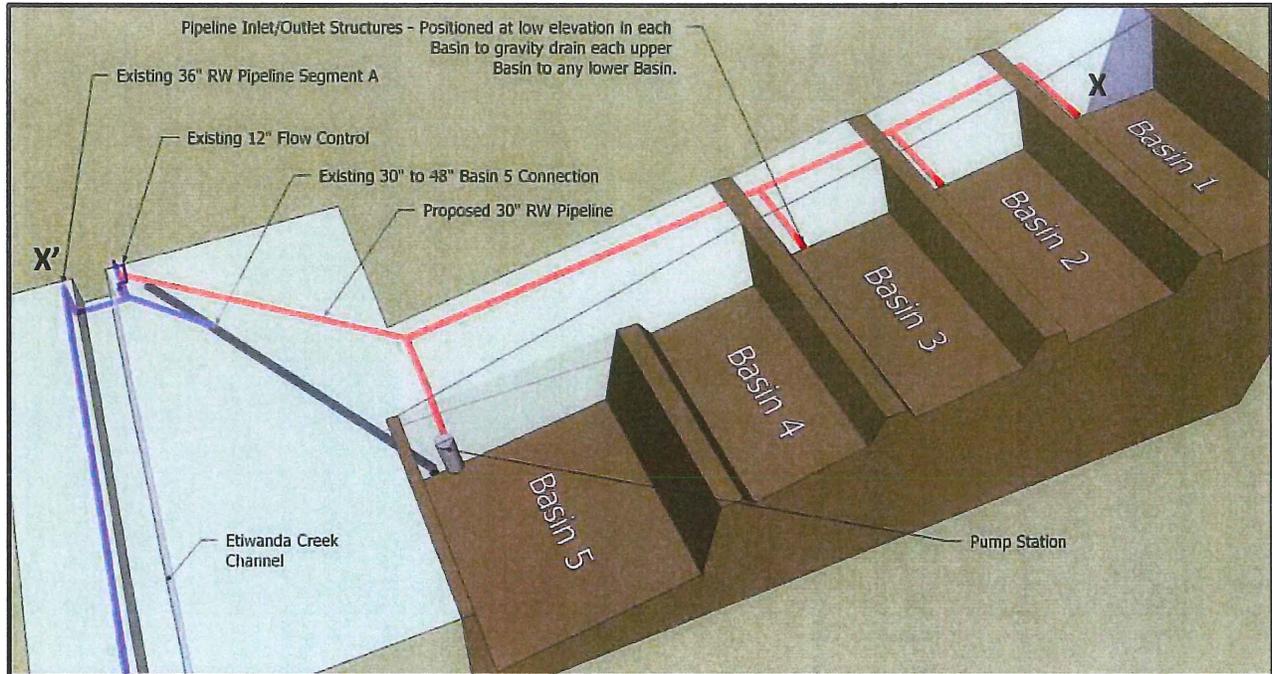
Project Update:

The permitting phase is expected to be extended by 90-100 days to allow for additional efforts to request new certification/agreement with the Fish and Wildlife, Army Corps, and State Water Quality Control Board. The above regulators recently confirmed that existing certifications/agreements are not consistent with the new improvements. Therefore, IEUA is

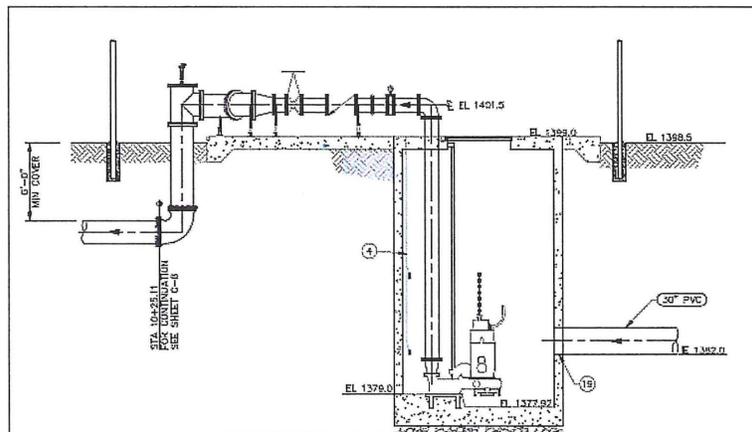
working with Tom Dodson, its environmental consultant, to expedite the application and review process for these needed documents. This extended schedule will delay construction award to Jan-Feb 2017. Staff is reviewing the schedule to see if other project approach can be considered to mitigate the delay.

Currently, Dudek completed the 85% design phase. They are progressing with the final design plans.

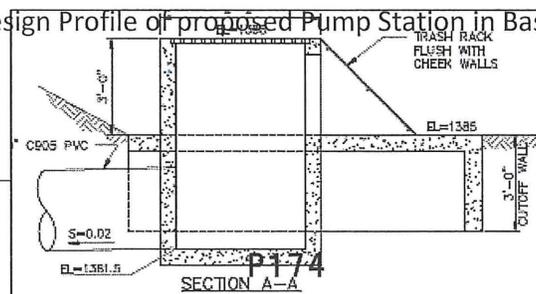
Conceptual Design:



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



Design Profile of proposed Pump Station in Basin 5





2013 RMPU AMENDMENT YIELD ENHANCEMENT PROJECTS
PROJECT NO. RW15003.00
STATUS UPDATE: JULY 06, 2016

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 Sevaine 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:

Soft Cost Phases	Amended Soft Cost*			Actual Cost to Date	
	Start	Finish	Status	Projected Cost	Actual Cost
				\$3,825,500	\$390,191
Project Development	07/01/14	06/17/15	Completed	\$27,000	\$3,476
Preliminary Design	06/25/15	08/19/16	In Progress	\$735,000	\$372,610
Environmental	02/19/15	10/19/16	In Progress	\$325,000	\$14,105
Design	10/20/16	10/13/17	Not Started	\$2,638,500	-
Permits	08/18/16	10/13/17	Not Started	\$100,000	-
				<u>\$3,825,500</u>	<u>\$390,191</u>

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

Grant/Loan Update:

IEUA is preparing to apply for state grants and loans through the SWRCB Prop. 1 Stormwater Grant and the Clean Water SRF Loans. The potential grant and loan amount is near \$14M and \$45M respectively.

Cost Sharing Document:

- Task Order No. 1 of the Master Agreement of 2014 (August, 2014)
- 1st Amendment Task Order No. 1 of the Master Agreement of 2014 (April, 2015)
- 2nd Amendment Task Order No. 1 of the Master Agreement of 2014 (June, 2016)

Project Update:

Stantec is to provide a draft PDR by the mid-July. This draft will be presented at the Watermaster Pools meetings on August 11, 2016 for the purpose of presenting them and discussing the proposed improvements. The goal is to receive comments and concerns on the PDR before the recommendations are finalized for approval.

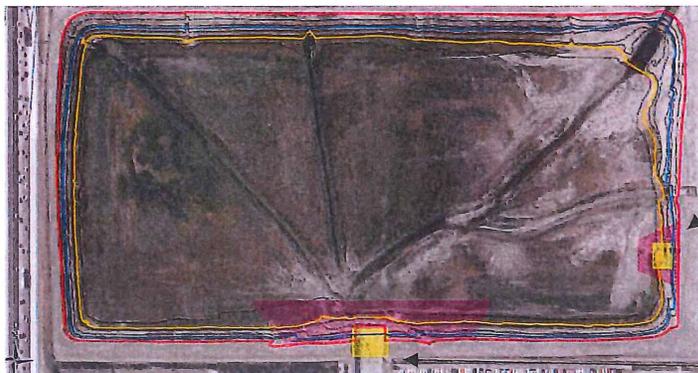
In the meantime, Dodson & Associates is developing a Program Environmental Impact Report for the proposed RMPU projects. The scheduled completion date for draft environmental study is August, 2016.

Project Photos:



Aerial of Victoria Basin

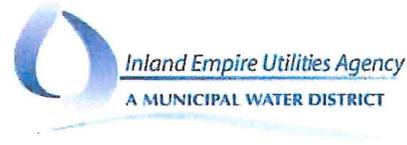
Heighten existing basin outlet structure



Aerial of Wineville Basin

Place a new Pump Station

Heighten existing basin spillway structure



**LOWER DAY RMPU IMPROVEMENTS
PROJECT NO. RW15004
STATUS UPDATE: JULY 06, 2016**

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. Per the 2013 RMPUA, this project proposes to increase in recharge to the basin by 789 acre-feet per year.

Schedule:

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$2,480,000	\$200,683

<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	\$24,790
Pre-Design	12/18/14	10/21/16	In Progress	\$120,000	\$112,580
Environmental Impact	12/17/14	07/20/16	Completed	\$45,000	\$43,313
Permits	12/17/14	04/12/17	In Progress	\$20,000	\$20,000
Design	10/24/16	04/12/17	Not Started	\$183,000	-
Bid and Award	04/13/17	07/19/17	Not Started	8,000	-
Construction	07/20/17	07/26/18	Not Started	\$2,079,000	-
				\$2,480,000	\$200,683

Grant/Loan Update:

Awarded a \$750,000 state grant from the Department of Water Resources through the Santa Ana Watershed Project Authority as part of Proposition 84 and a \$375,000 federal grant from the US Bureau of Reclamation.

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

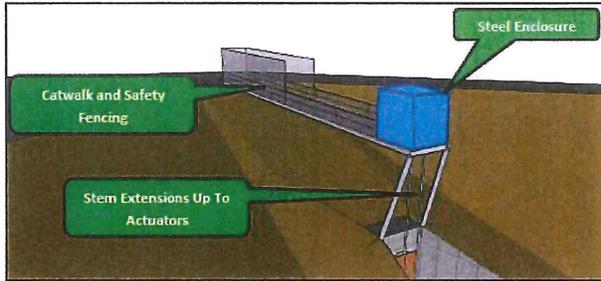
Project Update:

During the past few months, IEUA/CBWM/WEI and Scheevel have been discussing and meeting to address concerns on how the project will impact the Flood Control District's Day Creek Channel diversion into Lower Day Basin. A plan is being proposed to reevaluate past preliminary design alternatives and consider which design option is best to develop a flow model on. There are over six options to do a flow model, but the only alternatives being considered are those that do not have a high construction cost. Staff will review and develop a firm action plan in approaching the modeling effort. The extended effort is expected to increase pre-design and design cost project by an additional \$35,000 due to the added scope and staff support. This cost is currently within available budget, however a total budget amendment may be required if the

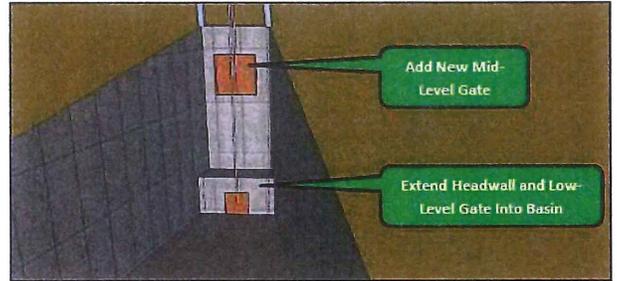
proposed design does not reduce projected construction cost. Staff adjusted the schedule to account for the extended preliminary review. Staff will continue to monitor and report further changes.

On April 20, 2016 IEUA's Board adopted the environmental findings as prepared by Tom Dodson and Associates. This completed all CEQA requirements for the project.

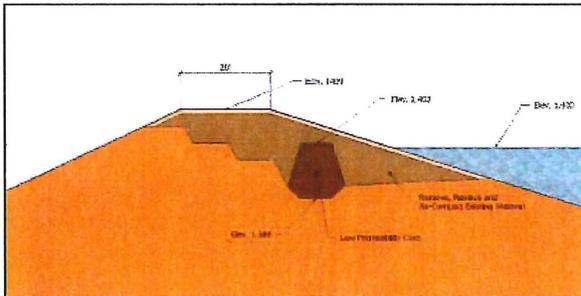
Conceptual Design of the Proposed Improvements:



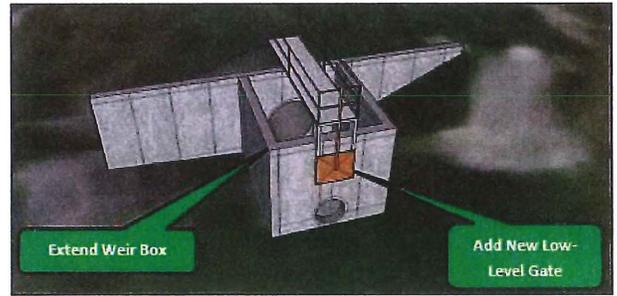
Mid-level Outlet Modifications – Increase Storage to the Lower Basin



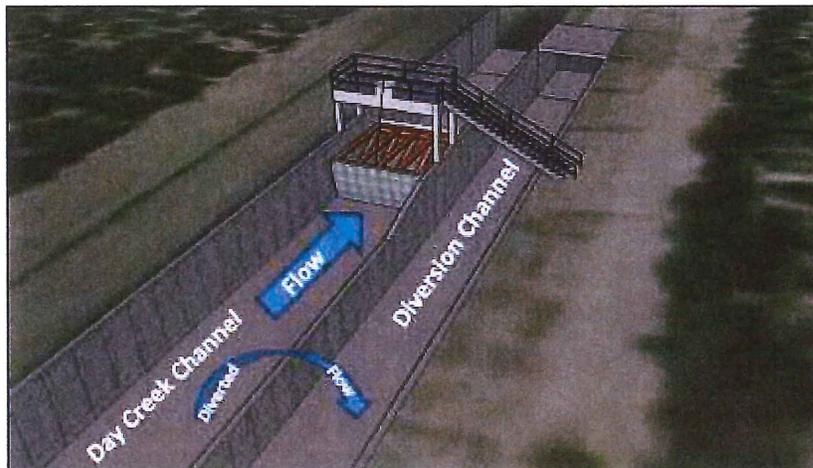
Coating Existing 36" & 72" Outlet Pipes – Maintain Flood Control requirements of immediate dewatering



Reconstruction of Southern Berm – Prevent Seepage



Modifications to Upper Basin Outlet – Increase Storage to the Upper Basin



Proposed Radial Gate Concept – diverts non-flood flows for added groundwater storage