

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, October 26, 2017

11:00 a.m. – Watermaster Board Meeting

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

CHINO BASIN WATERMASTER

Thursday, October 26, 2017

11:00 a.m. – Watermaster Board Meeting

AGENDA

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – October 26, 2017

WITH

*Mr. James Curatalo – Chair
Mr. Robert DiPrimio – Vice-Chair*

**At the Offices of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730**

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Watermaster Board Meeting held September 28, 2017 *(Page 1)*
2. Minutes of the Watermaster Board Special Meeting held October 13, 2017 *(Page 7)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2017 *(Page 9)*
2. Watermaster VISA Check Detail for the month of August 2017 *(Page 23)*
3. Combining Schedule for the Period July 1, 2017 through August 31, 2017 *(Page 27)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 *(Page 31)*
5. Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 *(Page 35)*

C. MASTER SERVICE AGREEMENT BETWEEN ACCENT COMPUTER SOLUTIONS, INC. AND CHINO BASIN WATERMASTER *(Page 51)*

Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

D. PROFESSIONAL SERVICES AGREEMENT BETWEEN APPLIED COMPUTER TECHNOLOGIES AND CHINO BASIN WATERMASTER *(Page 65)*

Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

E. SAN ANTONIO WATER COMPANY APPLICATION FOR RECHARGE FOR WATER YEAR 2017/18 *(Page 83)*

Approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental storage account.

F. CITY OF CHINO HILLS APPLICATION FOR RECHARGE FOR PERIOD AUGUST 2017 THROUGH AUGUST 2025 (Page 99)

Approve the City of Chino Hills Application for Recharge and direct Watermaster staff to account for any recharge into the Chino Basin in the appropriate storage account.

G. CALMAT CO. REQUEST FOR INTERVENTION INTO APPROPRIATIVE POOL (Page 127)

File the request for intervention with the Court.

H. NCL CO., LLC REQUEST FOR INTERVENTION INTO APPROPRIATIVE POOL (Page 141)

File the request for intervention with the Court.

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION (Page 153)

No action is being recommended to the Board at this time.

B. GROUND-LEVEL MONITORING COMMITTEE CHANGE IN ANNUAL REPORTING SCHEDULE (Page 167)

Approve the suggested changes to the Ground-Level Monitoring Committee annual reporting schedule and file with the Court.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. Petitions for Extension of Time (State Water Board Permits 19895 and 20753)

B. ENGINEER REPORT

1. Ground-Level Monitoring Program Implementation
2. Storage Management
3. Other efforts

C. CFO REPORT

None

D. GM REPORT

1. DYY Program Update
2. Preservation of Well Data
3. FY 2017/18 First Interim Organization Performance Report
4. November Meeting Schedule
5. Other

E. INLAND EMPIRE UTILITIES AGENCY REPORT

1. Inland Empire Utilities Agency Proposition 1 Application

IV. INFORMATION

1. Cash Disbursements for September 2017 (Page 169)

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Notices of Appeal from April 28, 2017 Order

VIII. FUTURE MEETINGS AT WATERMASTER

| | | | |
|----------|-----|------------|---------------------------------------|
| 10/26/17 | Thu | 9:00 a.m. | Ground-Level Monitoring Committee |
| 10/26/17 | Thu | 11:00 a.m. | Watermaster Board |
| 11/02/17 | Thu | 10:00 a.m. | Storage Workshop #4 |
| 11/09/17 | Thu | 9:00 a.m. | Appropriative Pool |
| 11/09/17 | Thu | 11:00 a.m. | Non-Agricultural Pool |
| 11/09/17 | Thu | 1:30 p.m. | Agricultural Pool |
| 11/16/17 | Thu | 8:00 a.m. | Appropriative Pool Strategic Planning |
| 11/16/17 | Thu | 9:00 a.m. | Advisory Committee |
| 11/16/17 | Thu | 11:00 a.m. | Watermaster Board* |

*Accelerated by a week due to the Thanksgiving Holiday.

All Watermaster meeting dates can be found on our website at the "View Schedules" button on the Home Page, and also accessible at this link: <http://www.cbwm.org/calendar.pdf>

ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting held on September 28, 2017
2. Watermaster Board Special Meeting held on October 13, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

September 28, 2017

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 28, 2017.

WATERMASTER BOARD MEMBERS PRESENT

James Curatalo, Chair
Robert DiPrimio, Vice-Chair
Bob Kuhn, Secretary/Treasurer
Brian Geye for Bob Bowcock
Geoffrey Vanden Heuvel
Paul Hofer
Kati Parker for Steve Elie
Don Galleano

Cucamonga Valley Water District
Fontana Water Company
Three Valleys Municipal Water District
Auto Club Speedway
Agricultural Pool – Dairy
Agricultural Pool – Crops
Inland Empire Utilities Agency
Western Municipal Water District

WATERMASTER BOARD MEMBERS ABSENT

Steve Elie
Bob Bowcock
Gino L. Filippi

Inland Empire Utilities Agency
Calmat Company (Vulcan Materials Co.)
City of Upland

WATERMASTER STAFF PRESENT

Peter Kavounas
Joseph Joswiak
Edgar Tellez Foster
Anna Truong
Justin Nakano

General Manager
Chief Financial Officer
Senior Environmental Engineer
Executive Services Director/Board Clerk
Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT

Scott Slater
Christopher Guillen
Mark Wildermuth

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

OTHERS PRESENT

Todd Corbin
Bob Feenstra
Eunice Ulloa
Pete Hall
Dave Crosley
Ron Craig
Jeff Pierson
Teri Layton
Curtis Paxton
Darron Poulsen
John Bosler
John Rossi
Rosemary Hoerning
Ryan Shaw
Katie Gienger
Cris Fealy
Andy Campbell
Art Kidman
David De Jesus
Manny Martinez

Jurupa Community Services District
Agricultural Pool – Dairy
City of Chino
State of California – CIM
City of Chino
City of Chino Hills
Agricultural Pool – Crops
San Antonio Water Company
Chino Basin Desalter Authority
City of Pomona
Cucamonga Valley Water District
Western Municipal Water District
City of Upland
Western Municipal Water District
City of Ontario
Fontana Water Company
Inland Empire Utilities Agency
Kidman Law, LLP
Three Valleys Municipal Water District
Monte Vista Water District

John Mendoza
Chris Berch
Braden Yu
Bill Blomquist

Three Valleys Municipal Water District
Inland Empire Utilities Agency
Cucamonga Valley Water District
Indiana University

CALL TO ORDER

Chair Curatalo called the Watermaster Board meeting to order at 11:00 a.m.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

(0:00:56) Chair Curatalo and Vice-Chair DiPrimio recognized Mr. Kavounas for his five years of service as the General Manager of Chino Basin Watermaster. Mr. Kavounas was presented with a five-year service plaque and thanked the Board for the privilege of serving the Watermaster.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Watermaster Board Special Meeting held July 24, 2017
- 2. Minutes of the Watermaster Board Meeting held July 27, 2017

B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of June 2017
- 2. Watermaster VISA Check Detail for the month of June 2017
- 3. Combining Schedule for the Period July 1, 2016 through June 30, 2017
- 4. Treasurer's Report of Financial Affairs for the Period June 1, 2017 through June 30, 2017
- 5. Budget vs. Actual Report for the Period July 1, 2016 through June 30, 2017
- 6. Cash Disbursements for the month of July 2017
- 7. Watermaster VISA Check Detail for the month of July 2017
- 8. Combining Schedule for the Period July 1, 2017 through July 31, 2017
- 9. Treasurer's Report of Financial Affairs for the Period July 1, 2017 through July 31, 2017
- 10. Budget vs. Actual Report for the Period July 1, 2017 through July 31, 2017

C. PROFESSIONAL PUBLIC OUTREACH SERVICES AGREEMENT BETWEEN RAUCH COMMUNICATION CONSULTANTS INC. AND CBWM

Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

D. OBMP SEMI-ANNUAL STATUS REPORTS 2016-2 AND 2017-1

Adopt the Semi-Annual OBMP Status Report 2016-2 and 2017-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

E. FONTANA WATER COMPANY APPLICATION FOR RECHARGE

Approve Fontana Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage.

F. WATER TRANSACTIONS

Approve the proposed transactions:

- 1. The purchase of 119.844 acre-feet of water from the City of Upland by Golden State Water Company, effective for FY 2016/2017. This purchase is made from the City of Upland's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Date of application: May 24, 2017.

2. The purchase of 138.156 acre-feet of water from West End Consolidated Water Company by Golden State Water Company, effective for FY 2016/2017. This purchase is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: May 24, 2017.
3. The purchase of 1,474.258 acre-feet of water from West End Consolidated Water Company by the City of Upland, effective for FY 2016/2017. This purchase is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: May 24, 2017.
4. The purchase of 6,000.000 acre-feet of water from the City of Upland by Fontana Water Company, effective for FY 2016/2017. This purchase is made from the City of Upland's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Date of application: June 14, 2017.
5. The permanent transfer of 18.789 acre-feet from Angelica Corporation to 9W Halo Western OpCo L.P. This transfer is contingent on 9W Halo Western OpCo L.P.'s successful intervention into the Overlying (Non-Agricultural) Pool. Date of application: July 6, 2017.

G. FIRST AMENDMENT TO THE MASTER RECHARGE FACILITIES FINANCING AGREEMENT

Approve and authorize the General Manager to execute the amendment on behalf of Watermaster.

H. SCADA INSTALLATION, MONITORING AND REIMBURSEMENT LETTER AGREEMENT BETWEEN WATERMASTER AND MONTE VISTA WATER DISTRICT

Approve the proposed SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster and MVWD and authorize the General Manager to execute the agreement on behalf of Watermaster.

(0:04:18)

Motion by Mr. Bob Kuhn, seconded by Vice-Chair DiPrimio, and by unanimous vote.

Moved to approve the Consent Calendar as presented

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION

Adhere to the Advisory Committee's recommendation to delay establishing a methodology for allocating Desalter Replenishment Obligation among parties.

(0:04:41) Mr. Kavounas gave a report. A discussion ensued.

(0:10:49)

Motion by Mr. Geoffrey Vanden Heuvel, seconded by Mr. Bob Kuhn, and by unanimous vote.

Moved to follow the Advisory Committee's recommendation to defer action on Business Item II.A. and bring the item back to the October 2017 Board Meeting.

B. EVAPORATIVE LOSSES TO SUPPLEMENTAL WATER RECHARGE IN CHINO BASIN

Adopt the amendment of the Rules and Regulations by adding section 7.2(d) to account for evaporative losses to all supplemental water delivered to Recharge Basins at a rate of 1.5% during the Rainy Season (November through March) and 4.2% during the Dry Season (April through October) beginning on October 1, 2017. Further, that evaporative losses be re-evaluated on a periodic basis as more data becomes available.

(0:11:14) Mr. Kavounas gave a report, and introduced Mr. Wildermuth to give a presentation. A discussion ensued.

(0:16:21) Motion introduced by Mr. Vanden Heuvel. Additional discussion ensued.

(0:20:52) Vote Taken

Motion by Mr. Geoffrey Vanden Heuvel, seconded by Ms. Kati Parker, and by unanimous vote.

Moved to approve Business Item II.B. as presented.

C. 2016 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING COMMITTEE

Approve the 2016 Annual Report of the Ground-Level Monitoring Committee, along with filing a copy with the Court.

(0:21:08) Mr. Malone gave a presentation. A discussion ensued.

(0:26:26)

Motion by Mr. Geoffrey Vanden Heuvel, seconded by Mr. Paul Hofer, and by unanimous vote.

Moved to approve Business Item II.C. as presented.

(0:26:44) Mr. Kavounas announced that the 2016 report will likely be the last report compiled by calendar year; future reports will be completed by fiscal year.

D. MASTER AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING THE MANAGEMENT OF COLLABORATIVE PROJECTS

Approve the proposed Master Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects and authorize the General Manager to execute the agreement on behalf of Watermaster.

(0:27:46) Mr. Kavounas gave a report.

(0:28:36)

Motion by Mr. Don Galleano, seconded by Mr. Bob Kuhn, and by unanimous vote.

Moved to approve Business Item II.D. as presented.

E. TASK ORDER NO. 1 UNDER THE MASTER AGREEMENT REGARDING THE MANAGEMENT OF COLLABORATIVE PROJECTS (SALINITY MANAGEMENT)

Approve Task Order No. 1 (Salinity Management) and authorize the General Manager to execute the agreement on behalf of Watermaster.

(0:28:53) Mr. Kavounas gave a report, and introduced Mr. Wildermuth to give a presentation. A discussion ensued.

(0:37:39) Motion introduced by Mr. Kuhn. Additional discussion ensued.

(0:41:43) Vote Taken

Motion by Mr. Bob Kuhn, seconded by Mr. Paul Hofer, and by unanimous vote.

Moved to approve Business Item II.E. as presented.

F. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-06-01)

Adopt Budget Transfer Form T-17-06-01 for FY 2016/17 as presented.

(0:41:59) Mr. Joswiak gave a report.

(0:42:48)

Motion by Mr. Don Galleano, seconded by Vice-Chair DiPrimio, and by unanimous vote.

Moved to approve Business Item II.F. as presented.

III. REPORTS/UDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. Hearing on Motion to Confirm Stay Pending Appeal

(0:43:11) Mr. Slater gave a report. A discussion ensued.

B. ENGINEER REPORT

1. Storage Workshop
2. Other Efforts

(0:51:10) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Status of FY 2016/17 Audit Report

(1:01:51) Mr. Joswiak gave a report.

D. GM REPORT

1. Pump to Waste Reporting
2. DYY Program Update
3. Santa Ana River Update
4. Other

(1:02:38) Mr. Kavounas gave a report on Item III.D.1. A discussion ensued.

(1:03:15) Mr. Kavounas introduced Mr. Campbell of IEUA to give an update on Dry Year Yield deliveries. A discussion ensued.

(1:20:28) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3. A discussion ensued.

(1:23:14) Mr. Kavounas gave a recap on the Storage Management process, and announced that the next Storage Workshop contemplated for October 5, 2017 may be moved to November 2, 2017. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for August 2017

V. BOARD MEMBER COMMENTS

(1:25:40) Ms. Parker announced that the new General Manager for Inland Empire Utilities Agency, Ms. Halla Razak, will start on December 1, 2017.

(1:27:42) Mr. Galleano announced that Mr. Rich Haller is the new General Manager for Santa Ana Watershed Project Authority.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Curatalo called for a confidential session at 12:28 p.m. to discuss the Notices of Appeal from April 28, 2017 Order. Confidential session concluded at 1:50 p.m. with no reportable action.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board meeting at 1:51 p.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD SPECIAL MEETING

October 13, 2017

The Watermaster Board special meeting was held at the offices of Chino Basin Watermaster on October 13, 2017.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

| | |
|-------------------------------|----------------------------------------|
| James Curatalo, Chair | Cucamonga Valley Water District |
| Bob Kuhn, Secretary/Treasurer | Three Valleys Municipal Water District |
| Bob Bowcock | Calmat Company (Vulcan Materials Co.) |
| Steve Elie | Inland Empire Utilities Agency |
| Geoffrey Vanden Heuvel | Agricultural Pool – Dairy |
| Paul Hofer | Agricultural Pool – Crops |
| Gino L. Filippi | City of Upland |
| Don Galleano | Western Municipal Water District |

WATERMASTER BOARD MEMBER ABSENT

| | |
|-----------------------------|-----------------------|
| Robert DiPrimio, Vice-Chair | Fontana Water Company |
|-----------------------------|-----------------------|

WATERMASTER STAFF PRESENT AT WATERMASTER

| | |
|---------------------|-----------------------------------------|
| Peter Kavounas | General Manager |
| Edgar Tellez Foster | Senior Environmental Engineer |
| Anna Truong | Executive Services Director/Board Clerk |

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

| | |
|--------------|--------------------------------------|
| Scott Slater | Brownstein Hyatt Farber Schreck, LLP |
| Brad Herrema | Brownstein Hyatt Farber Schreck, LLP |

OTHERS PRESENT AT WATERMASTER

| | |
|----------------|----------------------------------------|
| Todd Corbin | Jurupa Community Services District |
| David De Jesus | Three Valleys Municipal Water District |
| Teri Layton | San Antonio Water Company |
| Brian Geye | Auto Club Speedway |

PLEDGE OF ALLEGIANCE

CALL TO ORDER

Chair Curatalo called the special Board meeting to order at 10:33 a.m.

PUBLIC COMMENTS

None

AGENDA - ADDITIONS/REORDER

None

I. CONFIDENTIAL SESSION - POSSIBLE ACTION

The Board went into confidential session to discuss Notices of Appeal from April 28, 2017 Order. Confidential session concluded at 11:21 a.m. Mr. Slater stated that there was no reportable action.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board special meeting at 11:21 a.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2017
2. Watermaster VISA Check Detail for the month of August 2017
3. Combining Schedule for the Period July 1, 2017 through August 31, 2017
4. Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (August 31, 2017)

SUMMARY

Issue: Record of Cash Disbursements for the month of August 31, 2017.

Recommendation: Receive and file Cash Disbursements for August 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2017/18 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved
Non-Agricultural Pool – October 12, 2017: Moved unanimously to receive and file, without approval
Agricultural Pool – October 12, 2017: Unanimously approved
Advisory Committee – October 19, 2017: Unanimously approved
Watermaster Board – October 26, 2017:

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of August 2017 were \$1,641,774.65.

The most significant expenditures during the month were to Inland Empire Utilities Agency in the amounts of \$37,979.42, \$19,261.77, \$1,032,633.00, \$35,758.80, and \$12,615.05 (check number 20287 dated August 3, 2017, check number 20298 dated August 3, 2017, check number 20300 dated August 9, 2017, check number 20301 dated August 9, 2017, and check number 20319 dated August 24, 2017); Wildermuth Environmental, Inc. in the amount of \$195,697.75 (check number 20341 dated August 31, 2017); and Brownstein Hyatt Farber Schreck in the amount of \$93,898.46 (check number 20340 dated August 31, 2017).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------|-----------------------------------------------|---------------------------------------------------|--------------------------------------|-------------|
| Bill Pmt -Check | 08/03/2017 | 20270 | CHINO CHAMPION NEWSPAPER | 8043 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2017 | 8043 | | Subscription-Chino Champion newspaper-1 yr. | 6112 · Subscriptions/Publications | 35.00 |
| TOTAL | | | | | | 35.00 |
| Bill Pmt -Check | 08/03/2017 | 20271 | LEVEL 3 COMMUNICATIONS | 58095369 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 58095369 | | 7/17/17-8/16/17 | 6053 · Internet Expense | 1,047.26 |
| TOTAL | | | | | | 1,047.26 |
| Bill Pmt -Check | 08/03/2017 | 20272 | OFFICE DEPOT | 944446269001 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/19/2017 | 944446269001 | | 4-drawer lateral filing cabinet for Acctg. Office | 6036 · Minor Office Furniture | 524.08 |
| TOTAL | | | | | | 524.08 |
| Bill Pmt -Check | 08/03/2017 | 20273 | R&D PEST SERVICES | 0216838 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 0216838 | | Pest and insect control-inside and outside | 6024 · Building Repair & Maintenance | 100.00 |
| TOTAL | | | | | | 100.00 |
| Bill Pmt -Check | 08/03/2017 | 20274 | RAUCH COMMUNICATION CONSULTANTS, LLC Jul-1710 | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2017 | Jul-1710 | | AR39 - July 2017 | 6061.3 · Rauch | 262.50 |
| TOTAL | | | | | | 262.50 |
| Bill Pmt -Check | 08/03/2017 | 20275 | READY REFRESH BY NESTLE | 0023230253 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2017 | 0023230253 | | Office Water Bottle - July 2017 | 6031.7 · Other Office Supplies | 50.29 |
| TOTAL | | | | | | 50.29 |
| Bill Pmt -Check | 08/03/2017 | 20276 | RR FRANCHISING, INC. | 42585 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 42585 | | Carpet cleaning on 6/24/17 | 6024 · Building Repair & Maintenance | 600.00 |
| TOTAL | | | | | | 600.00 |
| Bill Pmt -Check | 08/03/2017 | 20277 | STANDARD INSURANCE CO. | Policy # 00-649299-0009 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/26/2017 | 006492990009 | | Policy # 00-649299-0009 | 60191 · Life & Disab.Ins Benefits | 765.80 |
| TOTAL | | | | | | 765.80 |
| Bill Pmt -Check | 08/03/2017 | 20278 | UNITED HEALTHCARE | 0043939228 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2017 | 0043939228 | | Dental Insurance Premium - August 2017 | 60182.2 · Dental & Vision Ins | 749.75 |
| TOTAL | | | | | | 749.75 |
| Bill Pmt -Check | 08/03/2017 | 20279 | VERIZON WIRELESS | 9789170437 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/20/2017 | 9789170437 | | Acct #642073270-00001 | 7103.7 · Grdwtr Qual-Computer Svc | 100.04 |
| TOTAL | | | | | | 100.04 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------------|-------------------------------|----------------------------------------------------|-----------------------------------|-----------------|
| Bill Pmt -Check | 08/03/2017 | 20280 | VISION SERVICE PLAN | 00-101789-0001 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/25/2017 | 001017890001 | | Vision Insurance Premium - August 2017 | 60182.2 · Dental & Vision Ins | 88.20 |
| TOTAL | | | | | | <u>88.20</u> |
| Bill Pmt -Check | 08/03/2017 | 20281 | APPLIED COMPUTER TECHNOLOGIES | 2894 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/30/2017 | 2894 | | Database Consulting - July 2017 | 6052.2 · Applied Computer Technol | 4,064.20 |
| TOTAL | | | | | | <u>4,064.20</u> |
| Bill Pmt -Check | 08/03/2017 | 20282 | BOWCOCK, ROBERT | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>250.00</u> |
| Bill Pmt -Check | 08/03/2017 | 20283 | CURATALO, JAMES | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 6/30 Admin Mtg | | 6/30/17 Administrative Meeting w/GM | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/14/2017 | 7/14 Admin Mtg | | 7/14/17 Administrative Meeting w/GM | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/17/2017 | 7/17 Admin Mtg | | 7/17/17 Administrative mtg-April 28th court order | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/18/2017 | 7/18 Admin Mtg | | 7/18/17 Adiministrative mtg-April 28th court order | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/20/2017 | 7/20 Admin Mtg | | 7/20/17 Administrative mtg-April 28th court order | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/25/2017 | 7/25 Board Agenda | | 7/25/17 Board agenda preview | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/26/2017 | 7/26 Admin Mtg | | 7/26/17 Administrative meeting w/GM | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>1,125.00</u> |
| Bill Pmt -Check | 08/03/2017 | 20284 | DI PRIMIO, ROBERT | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/25/2017 | 7/25 Board Agenda | | 7/25/17 Board agenda preview meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Meeting | | 7/27/17 Board meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>375.00</u> |
| Bill Pmt -Check | 08/03/2017 | 20285 | ELIE, STEVEN | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | <u>250.00</u> |
| Bill Pmt -Check | 08/03/2017 | 20286 | FILIPPI, GINO | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board meeting | 6311 · Board Member Compensation | 125.00 |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-------------------------------------|---------------------------------------------|---------------------------------------|-------------|
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 08/03/2017 | 20287 | INLAND EMPIRE UTILITIES AGENCY | 1800003312 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/26/2017 | 1800003312 | | Lower Day Improvement Projects Invoice #4 | 7690.8 · Lower Day Basin RMPU (TO #2) | 37,979.42 |
| TOTAL | | | | | | 37,979.42 |
| Bill Pmt -Check | 08/03/2017 | 20288 | KUHN, BOB | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/13/2017 | 7/13 Appro Pool Mtg | | 7/13/17 Appropriative Pool Meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/14/2017 | 7/14 Admin Mtg | | 7/14/17 Administrative meeting w/GM | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/20/2017 | 7/20 Adivsory Comm | | 7/20/17 Advisory Committee Meeitng | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board Meeitng | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/25/2017 | 7/25 Executive Comm | | 7/25/17 Executive Committee conference call | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/26/2017 | 7/26 Admin Mtg | | 7/26/17 Administrative meeting w/GM | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 875.00 |
| Bill Pmt -Check | 08/03/2017 | 20289 | LOEB & LOEB LLP | 1727996 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 1727996 | | Non-Ag Pool Legal Services - June 2017 | 8567 · Non-Ag Legal Service | 3,001.50 |
| TOTAL | | | | | | 3,001.50 |
| Bill Pmt -Check | 08/03/2017 | 20290 | PIERSON, JEFFREY | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/13/2017 | 7/13 Ag Pool Mtg | | 7/13/17 Ag Pool meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 07/20/2017 | 7/20 Advisory Comm | | 7/20/17 Advisory Committee meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 500.00 |
| Bill Pmt -Check | 08/03/2017 | 20291 | PIETERSMA, RONALD | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/13/2017 | 7/13 Ag Pool Mtg | | 7/13/17 Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | 7/13/17 Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/03/2017 | 20292 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/02/2017 | 1394905143 | | Annual Unfunded Accrued Liability | 60180 · Employers PERS Expense | 4,348.52 |
| TOTAL | | | | | | 4,348.52 |
| Bill Pmt -Check | 08/03/2017 | 20293 | PURCHASE POWER | 8000-9090-0016-8851 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/30/2017 | 8000909000168851 | | Postage refill and ink cartridges | 6042 · Postage - General | 709.23 |
| TOTAL | | | | | | 709.23 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------------|-----------------------------------------|-------------------------------------------------|----------------------------------------|--------------|
| Bill Pmt -Check | 08/03/2017 | 20294 | RR FRANCHISING, INC. | 42877 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/01/2017 | 42877 | | Monthly janitorial service - August 2017 | 6024 · Building Repair & Maintenance | 740.00 |
| TOTAL | | | | | | 740.00 |
| Bill Pmt -Check | 08/03/2017 | 20295 | STATE COMPENSATION INSURANCE FUND | 1970970-17 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/02/2017 | 1970970-17 | | Monthly premium 7/26/17-8/26/17 | 60183 · Worker's Comp Insurance | 520.50 |
| TOTAL | | | | | | 520.50 |
| Bill Pmt -Check | 08/03/2017 | 20296 | WESTERN MUNICIPAL WATER DISTRICT | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 7/24 Special Board | | 7/24/17 Special Board Mtg - Galleano attendance | 6311 · Board Member Compensation | 125.00 |
| Bill | 07/27/2017 | 7/27 Board Mtg | | 7/27/17 Board Meeting - Galleano attendance | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 08/03/2017 | 20297 | YUKON DISPOSAL SERVICE | 08-K2 213849 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/02/2017 | 08-k2 213849 | | Disposal Service - August 2017 | 6024 · Building Repair & Maintenance | 117.14 |
| TOTAL | | | | | | 117.14 |
| Bill Pmt -Check | 08/03/2017 | 20298 | INLAND EMPIRE UTILITIES AGENCY | 1800003308 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/24/2017 | 1800003308 | | San Sevaine Basin Improv. Proj. - Invoice #6 | 7690.4 · San Sevaine Recharge (TO # 8) | 19,261.77 |
| TOTAL | | | | | | 19,261.77 |
| Bill Pmt -Check | 08/03/2017 | 20299 | STATE COMPENSATION INSURANCE FUND | 1970970-16 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 1970970-16 | | Final Premium statement 6/26/16-6/26/17 | 60183 · Worker's Comp Insurance | 1,571.27 |
| TOTAL | | | | | | 1,571.27 |
| Bill Pmt -Check | 08/04/2017 | ACH 080417 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 07/29/2017 | 07/29/2017 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 07/16/17-07/29/17 | 2000 · Accounts Payable | 6,739.16 |
| TOTAL | | | | | | 6,739.16 |
| Bill Pmt -Check | 08/09/2017 | 20300 | INLAND EMPIRE UTILITIES AGENCY | 90020560 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 90020560 | | Replenishment water: 1,550.50 AF @ \$666 | 5011 · Replenishment Water | 1,032,633.00 |
| TOTAL | | | | | | 1,032,633.00 |
| Bill Pmt -Check | 08/09/2017 | 20301 | INLAND EMPIRE UTILITIES AGENCY | 90020559 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 06/30/2017 | 90020559 | | Replenishment water: 60.20 AF @ \$594 | 5011 · Replenishment Water | 35,758.80 |
| TOTAL | | | | | | 35,758.80 |
| General Journal | 08/12/2017 | 17/08/06 | Payroll and Taxes for 07/30/17-08/12/17 | Payroll and Taxes for 07/30/17-08/12/17 | 1012 · Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 07/30/17-08/12/17 | 1012 · Bank of America Gen'l Ckg | 24,661.55 |
| | | | | Payroll Taxes for 07/30/17-08/12/17 | 1012 · Bank of America Gen'l Ckg | 8,654.08 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|---------------------|------------|------------------|---------------------------------------|--------------------------------------------------|----------------------------------------|-------------|
| | | | ICMA-RC | 457(b) Employee Deductions for 07/30/17-08/12/17 | 1012 · Bank of America Gen'l Ckg | 4,410.56 |
| | | | ICMA-RC | 401(a) Employee Deductions for 07/30/17-08/12/17 | 1012 · Bank of America Gen'l Ckg | 1,276.75 |
| TOTAL | | | | | | 39,002.94 |
| Bill Pmt -Check | 08/15/2017 | 20302 | ACWA JOINT POWERS INSURANCE AUTHORITY | 0499665 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/08/2017 | 0499665 | | Prepayment - September 2017 | 1409 · Prepaid Life, BAD&D & LTD | 134.43 |
| | | | | August 2017 | 60191 · Life & Disab.Ins Benefits | 153.16 |
| TOTAL | | | | | | 287.59 |
| Bill Pmt -Check | 08/15/2017 | 20303 | CHEF DAVE'S CAFE & CATERING | 6835 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/27/2017 | 6835 | | Lunch for 7/27/17 Watermaster Board meeting | 6312 · Meeting Expenses | 602.00 |
| TOTAL | | | | | | 602.00 |
| Bill Pmt -Check | 08/15/2017 | 20304 | CORELOGIC INFORMATION SOLUTIONS | 80825481 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 81825481 | | 80825481 | 7103.7 · Grdwtr Qual-Computer Svc | 62.50 |
| | | | | 80825481 | 7101.4 · Prod Monitor-Computer | 62.50 |
| TOTAL | | | | | | 125.00 |
| P15 Bill Pmt -Check | 08/15/2017 | 20305 | DE HAAN, HENRY | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/13/2017 | 7/13 Ag Pool Mtg | | 7/13/17 Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | 7/13/17 Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/15/2017 | 20306 | MINDSHIFT | 0251361 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/01/2017 | 0251361 | | IT Managed Services | 6052.4 · mindSHIFT-Managed Services | 3,770.00 |
| | | | | Backup & Recovery | 6052.5 · mindSHIFT-Data Backup/Storage | 792.00 |
| TOTAL | | | | | | 4,562.00 |
| Bill Pmt -Check | 08/15/2017 | 20307 | PAYCHEX | 2017072700 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 2017072700 | | July 2017 | 6012 · Payroll Services | 319.77 |
| TOTAL | | | | | | 319.77 |
| Bill Pmt -Check | 08/15/2017 | 20308 | PREMIERE GLOBAL SERVICES | 24109795 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 24109795 | | Groundwater use-San Bernardino Cnty-call on 6/27 | 6909.1 · OBMP Meetings | 10.03 |
| | | | | DYY call on 6/29 | 6909.1 · OBMP Meetings | 14.21 |
| | | | | Non-Ag Pool meeting call on 7/13 | 8512 · Meeting Expense | 25.29 |
| | | | | Fee - General | 6022 · Telephone | 49.00 |
| | | | | Fee - Confidential | 6022 · Telephone | 49.00 |
| | | | | Pool agenda prep call on 7/05 | 8312 · Meeting Expenses | 3.97 |
| | | | | Pool agenda prep call on 7/05 | 8412 · Meeting Expenses | 3.97 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------------|-------------------------------------|---------------------------------------------|----------------------------------|-------------|
| | | | | Pool agenda prep call on 7/05 | 8512 · Meeting Expense | 3.97 |
| | | | | WM coordination call on 7/10 | 6909.1 · OBMP Meetings | 11.61 |
| | | | | Pool meeting pre-check call on 7/12 | 8312 · Meeting Expenses | 5.38 |
| | | | | Pool meeting pre-check call on 7/12 | 8412 · Meeting Expenses | 5.37 |
| | | | | Pool meeting pre-check call on 7/12 | 8512 · Meeting Expense | 5.37 |
| | | | | WM coordination call on 7/17 | 6909.1 · OBMP Meetings | 14.93 |
| | | | | WM coordination call on 7/17 | 6909.1 · OBMP Meetings | 8.97 |
| | | | | Special Board meeting call on 7/24 | 6312 · Meeting Expenses | 37.54 |
| | | | | Special Board meeting call on 7/24 | 6312 · Meeting Expenses | 6.09 |
| | | | | Special Board meeting call on 7/24 | 6312 · Meeting Expenses | 6.09 |
| | | | | Special Board meeting pre call on 7/24 | 6312 · Meeting Expenses | 9.15 |
| | | | | Special Board meeting call on 7/24 | 6312 · Meeting Expenses | 7.28 |
| | | | | Board agenda call on 7/25 | 6312 · Meeting Expenses | 6.07 |
| | | | | Board agenda call on 7/25 | 6312 · Meeting Expenses | 11.73 |
| | | | | Service Fee | 6022 · Telephone | 6.96 |
| TOTAL | | | | | | 301.98 |
| Bill Pmt -Check | 08/15/2017 | 20309 | TELLEZ-FOSTER, EDGAR | Mileage Reimbursement | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/08/2017 | | | Reimburse-8/03/17 Groundwater Sharing conf. | 6191 · Conferences - General | 282.81 |
| TOTAL | | | | | | 282.81 |
| Bill Pmt -Check | 08/15/2017 | 20310 | UNION 76 | 7076-2245-3035-5049 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 7076224530355049 | | Fuel charges - July 2017 | 6175 · Vehicle Fuel | 264.08 |
| TOTAL | | | | | | 264.08 |
| Check | 08/15/2017 | 08/15/2017 | Service Charge | Service Charge | 1012 · Bank of America Gen'l Ckg | |
| | | | | Service Charge | 6039.1 · Banking Service Charges | 399.56 |
| TOTAL | | | | | | 399.56 |
| Bill Pmt -Check | 08/18/2017 | ACH 081817 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 08/12/2017 | 08/12/2017 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 07/30/17-08/12/17 | 2000 · Accounts Payable | 6,739.16 |
| TOTAL | | | | | | 6,739.16 |
| Bill Pmt -Check | 08/24/2017 | 20311 | CALPERS | 1394905143 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/14/2017 | 1394905143 | | Medical Insurance Premium - September 2017 | 60182.1 · Medical Insurance | 8,174.35 |
| TOTAL | | | | | | 8,174.35 |
| Bill Pmt -Check | 08/24/2017 | 20312 | CUCAMONGA VALLEY WATER DISTRICT | Office Lease | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/16/2017 | | | Office lease due September 1, 2017 | 1422 · Prepaid Rent | 6,447.61 |
| TOTAL | | | | | | 6,447.61 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|------------------------|------------|-------------------|--------------------------------|--------------------------------------------|--------------------------------------|-------------|
| Bill Pmt -Check | 08/24/2017 | 20313 | EUROFINS EATON ANALYTICAL | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/19/2017 | L0336708 | | L0336708 | 7108.4 · Hydraulic Control-Lab Svcs | 440.00 |
| Bill | 07/19/2017 | L0338486 | | L0338488 | 7108.4 · Hydraulic Control-Lab Svcs | 1,592.00 |
| TOTAL | | | | | | 2,032.00 |
| Bill Pmt -Check | 08/24/2017 | 20314 | FIRST LEGAL NETWORK LLC | 40011230 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 40011230 | | Filings on 7/06/17, 7/07/17 | 6061.5 · Court Filing Services | 166.88 |
| TOTAL | | | | | | 166.88 |
| Bill Pmt -Check | 08/24/2017 | 20315 | FRONTIER COMMUNICATIONS | 909-484-3890-050914-5 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/10/2017 | 90948438900503145 | | Office fax and telephone line | 6022 · Telephone | 142.05 |
| TOTAL | | | | | | 142.05 |
| Bill Pmt -Check | 08/24/2017 | 20316 | GRAINGER | 9520633091 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/02/2017 | 9520633091 | | Chemical buffer solution for water quality | 7103.6 · Grdwtr Qual-Supplies | 136.80 |
| TOTAL | | | | | | 136.80 |
| P17 Bill Pmt -Check | 08/24/2017 | 20317 | GREAT AMERICA LEASING CORP. | 21150282 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/16/2017 | 21150282 | | Invoice for August 2017 | 6043.1 · Ricoh Lease Fee | 2,553.68 |
| TOTAL | | | | | | 2,553.68 |
| Bill Pmt -Check | 08/24/2017 | 20318 | HUITSING, JOHN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/13/2017 | 7/13 Ag Pool Mtg | | 7/13/17 Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | 7/13/17 Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 08/24/2017 | 20319 | INLAND EMPIRE UTILITIES AGENCY | 1800003330 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/03/2017 | 1800003330 | | GWR SCADA upgrades - Project Invoice #7 | 7690.61 · GWR SCADA Upgrades (TO #4) | 12,615.05 |
| TOTAL | | | | | | 12,615.05 |
| Bill Pmt -Check | 08/24/2017 | 20320 | LOEB & LOEB LLP | 1731028 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 1731028 | | Non-Ag Pool Legal Services - July 2017 | 8567 · Non-Ag Legal Service | 4,306.50 |
| TOTAL | | | | | | 4,306.50 |
| Bill Pmt -Check | 08/24/2017 | 20321 | OFFICE DEPOT | 9497085888001 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/03/2017 | 9497085888001 | | Miscellaneous office supplies | 6031.7 · Other Office Supplies | 185.48 |
| TOTAL | | | | | | 185.48 |
| Bill Pmt -Check | 08/24/2017 | 20322 | PETTY CASH | 2667-2680 | 1012 · Bank of America Gen'l Ckg | |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------|-------------|
| Bill | 08/15/2017 | 2667-2680 | | Parking-PK to RWQCB-Supplies for 6/23 Tour | 6909.1 · OBMP Meetings | 24.52 |
| | | | | Lunch for staff before 6/20 Storage Workshop | 7604 · PE8&9-Supplies | 85.08 |
| | | | | Lunch & supplies for various meetings | 6141.3 · Admin Meetings | 155.99 |
| | | | | Supplies, dry cleaning for office tablecloths | 6031.7 · Other Office Supplies | 45.58 |
| | | | | Delivery tip for 7/13 Appropriative Pool lunch | 8312 · Meeting Expenses | 4.96 |
| | | | | Mileage reimbursement to AT for SAWPA mtg | 6173 · Airfare/Mileage | 24.52 |
| TOTAL | | | | | | 340.65 |
| Bill Pmt -Check | 08/24/2017 | 20323 | RAUCH COMMUNICATION CONSULTANTS, LLC Aug-1702 | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | Aug-1702 | | AR39 - July 2017 | 6061.3 · Rauch | 668.75 |
| TOTAL | | | | | | 668.75 |
| Bill Pmt -Check | 08/24/2017 | 20324 | STAULA, MARY L | Retiree Medical | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | | | Retiree Medical | 60182.4 · Retiree Medical | 22.24 |
| TOTAL | | | | | | 22.24 |
| Bill Pmt -Check | 08/24/2017 | 20325 | VERIZON WIRELESS | 9790410188 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/15/2017 | 9790410188 | | Acct #470810953-00001 | 6022 · Telephone | 452.06 |
| TOTAL | | | | | | 452.06 |
| Bill Pmt -Check | 08/25/2017 | 20326 | EGOSCUE LAW GROUP | 11668 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 11668 | | Ag Pool Legal Services - July 2017 | 8467 · Ag Legal & Technical Services | 46,050.00 |
| TOTAL | | | | | | 46,050.00 |
| Bill Pmt -Check | 08/25/2017 | 20327 | YSI INCORPORATED | 698817 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/09/2017 | 698817 | | Cond Calibrator Solution | 7103.6 · Grdwtr Qual-Supplies | 170.84 |
| TOTAL | | | | | | 170.84 |
| General Journal | 08/26/2017 | 08/26/2017 | Payroll and Taxes for 08/13/17-08/26/17 | Payroll and Taxes for 08/13/17-08/26/17 | 1012 · Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 08/13/17-08/26/17 | 1012 · Bank of America Gen'l Ckg | 32,196.29 |
| | | | | Payroll Taxes for 08/13/17-08/26/17 | 1012 · Bank of America Gen'l Ckg | 11,633.41 |
| | | | ICMA-RC | 457(b) Employee Deductions for 08/13/17-08/26/17 | 1012 · Bank of America Gen'l Ckg | 4,410.56 |
| | | | ICMA-RC | 401(a) Employee Deductions for 08/13/17-08/26/17 | 1012 · Bank of America Gen'l Ckg | 1,276.75 |
| TOTAL | | | | | | 49,517.01 |
| Bill Pmt -Check | 08/29/2017 | 20328 | LEGAL SHIELD | 0111802 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | 0111802 | | Employee deductions - August 2017 | 60194 · Other Employee Insurance | 79.70 |
| TOTAL | | | | | | 79.70 |
| Bill Pmt -Check | 08/29/2017 | 20329 | LEVEL 3 COMMUNICATIONS | 59416228 | 1012 · Bank of America Gen'l Ckg | |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|---------------------|------------|---------------------|-------------------------------------|-------------------------------------------------|-----------------------------------|-------------|
| Bill | 08/23/2017 | 59416228 | | 8/17/17-9/16/17 | 6053 · Internet Expense | 1,047.25 |
| TOTAL | | | | | | 1,047.25 |
| Bill Pmt -Check | 08/29/2017 | 20330 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | 100000015044228 | | Fees for GASB-68 Reports & Schedules | 60180 · Employers PERS Expense | 700.00 |
| TOTAL | | | | | | 700.00 |
| Bill Pmt -Check | 08/29/2017 | 20331 | STANDARD INSURANCE CO. | Policy # 00-649299-0009 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | 006492990009 | | Policy # 00-649299-0009 | 60191 · Life & Disab.Ins Benefits | 765.80 |
| TOTAL | | | | | | 765.80 |
| Bill Pmt -Check | 08/29/2017 | 20332 | STAPLES BUSINESS ADVANTAGE | 8045924947 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/12/2017 | 8045924947 | | Replacement shredder | 6031.7 · Other Office Supplies | 215.49 |
| TOTAL | | | | | | 215.49 |
| Bill Pmt -Check | 08/29/2017 | 20333 | UNITED HEALTHCARE | 0044206059 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | 0044206059 | | Dental Insurance - September 2017 | 60182.2 · Dental & Vision Ins | 749.75 |
| TOTAL | | | | | | 749.75 |
| P19 Bill Pmt -Check | 08/29/2017 | 20334 | INLAND EMPIRE UTILITIES AGENCY | September 7, 2017 Leadership Breakfast | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | | | Registration-Sept. 7, 2017 Leadership Breakfast | 6192 · Seminars - General | 80.00 |
| TOTAL | | | | | | 80.00 |
| Bill Pmt -Check | 08/29/2017 | 20335 | VERIZON WIRELESS | 9790919216 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | 9790919216 | | Acct #642073270-00001 | 7103.7 · Grdwtr Qual-Computer Svc | 100.10 |
| TOTAL | | | | | | 100.10 |
| Bill Pmt -Check | 08/29/2017 | 20336 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | XXXX-XXXX-XXXX-9341 | | Registration-Joswiak-CalPERS Educational Forum | 6191 · Conferences - General | 337.86 |
| | | | | Lunch for 7/13/17 Appropriative Pool meeting | 8312 · Meeting Expenses | 64.67 |
| | | | | Software for CFO desktop | 6054 · Computer Software | 25.24 |
| | | | | Send Board packages to Board members | 6042 · Postage - General | 203.21 |
| | | | | Purchase miscellaneous office supplies | 6031.7 · Other Office Supplies | 381.14 |
| | | | | PK mtg w/Chris Berch | 8312 · Meeting Expenses | 17.59 |
| | | | | Lunch for staff | 6141.3 · Admin Meetings | 42.06 |
| | | | | New logo version set up fee | 6154 · Uniforms | 43.44 |
| | | | | Lunch for staff before Ag mtg | 8412 · Meeting Expenses | 76.13 |
| | | | | PK mtg w/B. Kuhn, J. Curatalo | 6312 · Meeting Expenses | 49.38 |
| | | | | Reg.-PK-ACWA 2017 Fall Conf. and Exhibition | 6191 · Conferences - General | 674.74 |
| | | | | Parking for Pk mtg w/J. Rossi | 8312 · Meeting Expenses | 6.76 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------|---------------------------------|-------------------------------------------------|------------------------------------------|-------------|
| | | | | Cost for 7/19/17 Vistage meeting | 6191 · Conferences - General | 933.78 |
| | | | | PK mtg w/B. DiPrimio | 6312 · Meeting Expenses | 28.76 |
| | | | | PK mtg w/B. Kuhn, J. Curatalo | 6312 · Meeting Expenses | 51.47 |
| | | | | Lunch for OBMP Update meeting | 6909.1 · OBMP Meetings | 90.11 |
| | | | | Purchase shirts for Board | 6313 · Board Member Expenses | 451.43 |
| | | | | PK mtg w/S. Elie | 6312 · Meeting Expenses | 43.97 |
| TOTAL | | | | | | 3,521.74 |
| Bill Pmt -Check | 08/29/2017 | 20337 | READY REFRESH BY NESTLE | 0023230253 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 0023230253 | | Office Water Bottle - August 2017 | 6031.7 · Other Office Supplies | 62.84 |
| TOTAL | | | | | | 62.84 |
| Bill Pmt -Check | 08/29/2017 | 20338 | TELLEZ-FOSTER, EDGAR | Mileage/Toll Reimbursement | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/23/2017 | | | Mileage/toll reimbursement for various meetings | 6173 · Airfare/Mileage | 407.50 |
| TOTAL | | | | | | 407.50 |
| Bill Pmt -Check | 08/29/2017 | 20339 | VISION SERVICE PLAN | 00-101789-0001 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/25/2017 | 001017890001 | | Vision Insurance Premium - September 2017 | 60182.2 · Dental & Vision Ins | 88.20 |
| TOTAL | | | | | | 88.20 |
| Bill Pmt -Check | 08/31/2017 | 20340 | BROWNSTEIN HYATT FARBER SCHRECK | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | 689603 | | 689603 | 6907.44 · SGMA Compliance | 2,162.70 |
| Bill | 07/31/2017 | 689604 | | 689604 | 6907.42 · Safe Yield Recalculation | 38,203.20 |
| | | | | Research - Lexis | 6907.42 · Safe Yield Recalculation | 156.32 |
| | | | | Filing Fee | 6907.42 · Safe Yield Recalculation | 10.50 |
| Bill | 07/31/2017 | 689605 | | 689605 | 6907.41 · Prado Basin Habitat Sustain | 2,436.75 |
| Bill | 07/31/2017 | 689606 | | 689606 | 6907.40 · Storage Agreements | 2,625.30 |
| Bill | 07/31/2017 | 689607 | | 689607 | 6907.39 · Recharge Master Plan | 26.55 |
| Bill | 07/31/2017 | 689608 | | 689608 | 6907.38 · Reg. Water Quality Cntrl Board | 580.05 |
| Bill | 07/31/2017 | 689609 | | 689609 | 6072 · BHFS Legal - Rules & Regs | 1,085.40 |
| Bill | 07/31/2017 | 689610 | | 689610 | 6071 · BHFS Legal - Court Coordination | 447.30 |
| Bill | 07/31/2017 | 689611 | | 689611 | 8575 · BHFS Legal - Non-Ag Pool | 2,399.40 |
| | | | | Mileage/Parking Expense | 8575 · BHFS Legal - Non-Ag Pool | 20.32 |
| Bill | 07/31/2017 | 689612 | | 689612 | 8475 · BHFS Legal - Agricultural Pool | 2,399.40 |
| | | | | Mileage/Parking Expenses | 8475 · BHFS Legal - Agricultural Pool | 20.34 |
| Bill | 07/31/2017 | 689613 | | 689613 | 8375 · BHFS Legal - Appropriative Pool | 2,399.40 |
| | | | | Mileage/Parking Expenses | 8375 · BHFS Legal - Appropriative Pool | 20.37 |
| Bill | 07/31/2017 | 689614 | | 689614 | 6375 · BHFS Legal - Board Meeting | 7,308.90 |
| | | | | Ground Trasportation | 6375 · BHFS Legal - Board Meeting | 45.97 |
| | | | | Lodging | 6375 · BHFS Legal - Board Meeting | 225.00 |

TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|--------------|------------------------|-------------------|-------------------|---------------------------------------------------|---------------------------------------------------|-----------------------------------------|
| | | | | Mileage/Parking Expenses | 6375 · BHFS Legal - Board Meeting | 18.01 |
| Bill | 07/31/2017 | 689615 | | 689615 | 6275 · BHFS Legal - Advisory Committee | 994.50 |
| Bill | 07/31/2017 | 689616 | | 689616 | 6907.36 · Santa Ana River Habitat | 2,612.25 |
| Bill | 07/31/2017 | 689618 | | Personnel | 6073 · BHFS Legal - Personnel Matters | 81.00 |
| Bill | 07/31/2017 | 689619 | | 689619 | 6078 · BHFS Legal - Miscellaneous | 23,619.59 |
| | | | | Angelica BK | 6078 · BHFS Legal - Miscellaneous | 635.18 |
| | | | | NRG BK | 6078 · BHFS Legal - Miscellaneous | 1,446.98 |
| | | | | Pomona Extensometer | 6078 · BHFS Legal - Miscellaneous | 1,260.90 |
| | | | | Research - Lexis | 6078 · BHFS Legal - Miscellaneous | 20.05 |
| | | | | Ground Transportation | 6078 · BHFS Legal - Miscellaneous | 352.27 |
| | | | | Ground Transportation | 6375 · BHFS Legal - Board Meeting | 150.00 |
| | | | | Mileage/Parking Expenses | 6078 · BHFS Legal - Miscellaneous | 53.07 |
| | | | | Research | 6078 · BHFS Legal - Miscellaneous | 30.49 |
| | | | | Miscellaneous | 6078 · BHFS Legal - Miscellaneous | 51.00 |
| TOTAL | | | | | | 93,898.46 |
| | | | | | | |
| | Bill Pmt -Check | 08/31/2017 | 20341 | WILDERMUTH ENVIRONMENTAL INC | 1012 · Bank of America Gen'l Ckg | |
| | Bill | 07/31/2017 | 2017224 | 2017224 | 6906.31 · OBMP-Pool, Adv. Board Mtgs | 8,555.21 |
| | Bill | 07/31/2017 | 2017225 | 2017225 | 6906.32 · OBMP-Other General Meetings | 7,034.22 |
| | Bill | 07/31/2017 | 2017226 | 2017226 | 6906.74 · OBMP-Mat'l Phy. Injury Requests | 1,989.00 |
| | Bill | 07/31/2017 | 2017227 | 2017227 | 6906.71 · OBMP-Data Req.-CBWM Staff | 6,565.00 |
| | Bill | 07/31/2017 | 2017228 | 2017228 | 6906.71 · OBMP-Data Req.-CBWM Staff | 8,452.60 |
| | Bill | 07/31/2017 | 2017229 | 2017229 | 6906.22 · Water Rights Compliance Rprting | 1,224.15 |
| | Bill | 07/31/2017 | 2017230 | 2017230 | 6906 · OBMP Engineering Services | 1,267.20 |
| | Bill | 07/31/2017 | 2017231 | 2017231 | 6906.9 · OBMP-2018 RMPU Master Update | 18,560.00 |
| | Bill | 07/31/2017 | 2017232 | 2017232 | 6906.81 · Prepare 38th/39th Annual Rpts | 498.00 |
| | Bill | 07/31/2017 | 2017233 | 2017233 | 7103.3 · Grdwtr Qual-Engineering | 10,925.68 |
| | Bill | 07/31/2017 | 2017234 | 2017234 | 7104.3 · Grdwtr Level-Engineering | 12,608.91 |
| | Bill | 07/31/2017 | 2017235 | 2017235 | 7107.2 · Grd Level-Engineering | 3,382.58 |
| | | | | WSP USA, Inc. | 7107.6 · Grd Level-Contract Svcs | 14,295.88 |
| | Bill | 07/31/2017 | 2017236 | 2017236 | 7108.31 · Hydraulic Control - PBHSP | 7,634.50 |
| | Bill | 07/31/2017 | 2017237 | 2017237 | 7202.2 · Engineering Svc | 14,432.24 |
| | Bill | 07/31/2017 | 2017238 | 2017238 | 7402 · PE4-Engineering | 28,637.68 |
| | Bill | 07/31/2017 | 2017239 | 2017239 | 7402.10 · PE4 - Northwest MZ1 Area Proj. | 3,148.50 |
| | Bill | 07/31/2017 | 2017240 | 2017240 | 7502 · PE6&7-Engineering | 11,418.60 |
| | Bill | 07/31/2017 | 2017241 | 2017241 | 7510 · PE6&7-IEUA Salinity Mgmt. Plan | 10,850.30 |
| | Bill | 07/31/2017 | 2017242 | 2017242 | 7602 · PE8&9-Engineering | 24,217.50 |
| TOTAL | | | | | | 195,697.75 |
| | | | | | | |
| | General Journal | 08/31/2017 | 08/31/2017 | Wage Works FSA Direct Debits - August 2017 | Wage Works FSA Direct Debits - August 2017 | 1012 · Bank of America Gen'l Ckg |

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-------|------|-----|------|--------------------------------------------|----------------------------------|----------------------------|
| | | | | Wage Works FSA Direct Debits - August 2017 | 1012 - Bank of America Gen'l Ckg | 696.15 |
| | | | | Wage Works FSA Direct Debits - August 2017 | 1012 - Bank of America Gen'l Ckg | 696.15 |
| | | | | Wage Works FSA Direct Debits - August 2017 | 1012 - Bank of America Gen'l Ckg | 81.50 |
| TOTAL | | | | | | <u>1,473.80</u> |
| | | | | | Total Disbursements: | <u><u>1,641,774.65</u></u> |

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (August 31, 2017)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of August 31, 2017.

Recommendation: Receive and file VISA Check Detail Report for August 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2017/18 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved

Non-Agricultural Pool – October 12, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – October 12, 2017: Unanimously approved

Advisory Committee – October 19, 2017: Unanimously approved

Watermaster Board – October 26, 2017:

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 disbursements during the month of August 2017 were \$3,521.74. The payment was processed in the amount of \$3,521.74 (by check number 20336 dated August 29, 2017). The monthly charges for August 2017 of \$3,521.74 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 August 2017

| Type | Num | Date | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-----------------|------------------------------------------------|----------------------------------|------------------------|
| Bill Pmt -Check | 08/29/2017 | 20336 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 07/31/2017 | XXXX-XXXX-XXXX-9341 | | Registration-Joswiak-CalPERS Educational Forum | 6191 · Conferences - General | 337.86 |
| | | | | Lunch for 7/13/17 Appropriative Pool meeting | 8312 · Meeting Expenses | 64.67 |
| | | | | Software for CFO desktop | 6054 · Computer Software | 25.24 |
| | | | | Send Board packages to Board members | 6042 · Postage - General | 203.21 |
| | | | | Purchase miscellaneous office supplies | 6031.7 · Other Office Supplies | 381.14 |
| | | | | PK mtg w/Chris Berch | 8312 · Meeting Expenses | 17.59 |
| | | | | Lunch for staff | 6141.3 · Admin Meetings | 42.06 |
| | | | | New logo version set up fee | 6154 · Uniforms | 43.44 |
| | | | | Lunch for staff before Ag mtg | 8412 · Meeting Expenses | 76.13 |
| | | | | PK mtg w/B. Kuhn, J. Curatalo | 6312 · Meeting Expenses | 49.38 |
| | | | | Reg.-PK-ACWA 2017 Fall Conf. and Exhibition | 6191 · Conferences - General | 674.74 |
| | | | | Parking for Pk mtg w/J. Rossi | 8312 · Meeting Expenses | 6.76 |
| | | | | Cost for 7/19/17 Vistage meeting | 6191 · Conferences - General | 933.78 |
| | | | | PK mtg w/B. DiPrimio | 6312 · Meeting Expenses | 28.76 |
| | | | | PK mtg w/B. Kuhn, J. Curatalo | 6312 · Meeting Expenses | 51.47 |
| | | | | Lunch for OBMP Update meeting | 6909.1 · OBMP Meetings | 90.11 |
| | | | | Purchase shirts for Board | 6313 · Board Member Expenses | 451.43 |
| | | | | PK mtg w/S. Elie | 6312 · Meeting Expenses | 43.97 |
| | | | | Total Disbursements: | | <u>3,521.74</u> |

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 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: October 26, 2017

TO: Board Members

SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through August 31, 2017 - Financial Report B3 (August 31, 2017)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through August 31, 2017.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through August 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2017/18 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved

Non-Agricultural Pool – October 12, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – October 12, 2017: Unanimously approved

Advisory Committee – October 19, 2017: Unanimously approved

Watermaster Board – October 26, 2017:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2017 through August 31, 2017 is provided to keep all members apprised of the FY 2017/18 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 18.0, 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, 2017 THROUGH AUGUST 31, 2017

Financial Report - B3

| | WATERMASTER ADMINISTRATION | OPTIMUM BASIN MANAGEMENT | POOL ADMINISTRATION & SPECIAL PROJECTS | | | GROUNDWATER REPLENISHMENT | LAIF VALUE ADJ. | GASB 68 BEG. NET POSITION | GRAND TOTALS | AMENDED BUDGET 2017-2018 |
|---------------------------------------------------|-------------------------------|--------------------------------|----------------------------------------|-------------------|------------------|------------------------------|--------------------|---------------------------------|--------------------|--------------------------------|
| | | | APPROPRIATIVE POOL | AG POOL | NON-AG POOL | | | | | |
| Administrative Revenues: | | | | | | | | | | |
| Administrative Assessments | | | - | | - | | | | - | 11,607,166 |
| Interest Revenue | | | - | - | - | | | | - | 39,906 |
| Mutual Agency Project Revenue | 193,622 | | | | | | | | 193,622 | 191,626 |
| Miscellaneous Income | 11 | | | | | | | | 11 | 0 |
| Total Revenues | 193,633 | - | - | - | - | - | - | - | 193,633 | 11,838,698 |
| Administrative & Project Expenditures: | | | | | | | | | | |
| Watermaster Administration | 310,077 | | | | | | | | 310,077 | 1,339,393 |
| Watermaster Board-Advisory Committee | 20,691 | | | | | | | | 20,691 | 219,454 |
| Ag Pool Misc. Expense - Ag Fund | | | | 57 | | | | | 57 | 400 |
| Pool Administration | | | 25,788 | 87,327 | 16,911 | | | | 130,026 | 619,252 |
| Optimum Basin Mgmt Administration | | 223,699 | | | | | | | 223,699 | 1,374,142 |
| OBMP Project Costs | | 650,680 | | | | | | | 650,680 | 5,198,168 |
| Debt Service | | 515,375 | | | | | | | 515,375 | 515,375 |
| Basin Recharge Improvements | | 141,525 | | | | | | | 141,525 | 6,692,293 |
| Total Administrative/OBMP Expenses | 330,768 | 1,531,279 | 25,788 | 87,327 | 16,911 | - | - | - | 1,992,129 | 15,958,477 |
| Net Administrative/OBMP Expenses | (137,136) | (1,531,279) | | | | | | | | |
| Allocate Net Admin Expenses To Pools | 137,136 | | 103,195 | 30,035 | 3,906 | | | | - | |
| Allocate Net OBMP Expenses To Pools | | 874,379 | 657,973 | 191,502 | 24,904 | | | | - | |
| Allocate Debt Service to App Pool | | 515,375 | 515,375 | | | | | | - | |
| Allocate Basin Recharge to App Pool | | 141,525 | 141,525 | | | | | | - | |
| Agricultural Expense Transfer* | | | 308,864 | (308,864) | | | | | - | |
| Total Expenses | | | 1,752,719 | 57 | 45,721 | - | - | - | 1,992,129 | 15,958,477 |
| Net Administrative Income | | | (1,752,719) | (57) | (45,721) | - | - | - | (1,798,497) | (4,119,779) |
| Other Income/(Expense) | | | | | | | | | | |
| Replenishment Water Assessments | | | | | | - | | | - | 0 |
| Desalter Replenishment Obligation | | | | | | - | | | - | 0 |
| Non-Ag Stored Water Purchases | | | | | | - | | | - | 0 |
| Exhibit "G" Non-Ag Pool Water | | | - | | | - | | | - | 0 |
| Interest Revenue | | | | | | - | | | - | 0 |
| MWD Water Purchases | | | | | | - | | | - | 0 |
| Non-Ag Stored Water Purchases | | | | | | - | | | - | 0 |
| Exhibit "G" Non-Ag Pool Water | | | - | | | - | | | - | 0 |
| MWD Water Purchases | | | | | | - | | | - | 0 |
| Groundwater Replenishment | | | | | | - | | | - | 0 |
| LAIF - Fair Market Value Adjustment | | | | | | | - | | - | 0 |
| Other Post-Employment Benefits (OPEB) | | | | | | | | | - | 0 |
| Refund-Excess Reserves | | | | | | | | | - | 0 |
| Refund-Recharge Debt | | | | | | | | | - | 0 |
| Funding To/(From) Reserves | | | | | | | | | - | 0 |
| Net Other Income/(Expense) | | | - | - | - | - | - | - | - | 0 |
| Net Transfers To/(From) Reserves | | (1,798,497) | (1,752,719) | (57) | (45,721) | - | - | - | (1,798,497) | (4,119,779) |
| Net Assets, July 1, 2017 | | | 9,038,790 | 486,234 | 45,146 | (102,141) | (11,905) | (740,195) | 8,715,929 | |
| Net Assets, End of Period | | | 7,286,071 | 486,177 | (575) | (102,141) | (11,905) | (740,195) | 6,917,433 | 6,917,433 |
| 15/16 Assessable Production | | | 89,906.000 | 26,167.031 | 3,402.908 | | | | 119,475.939 | |
| 15/16 Production Percentages | | | 75.250% | 21.902% | 2.848% | | | | 100.000% | |

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

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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: October 26, 2017

TO: Board Members

SUBJECT: Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 - Financial Report B4 (August 31, 2017)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of August 1, 2017 through August 31, 2017.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2017/18 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved

Non-Agricultural Pool – October 12, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – October 12, 2017: Unanimously approved

Advisory Committee – October 19, 2017: Unanimously approved

Watermaster Board – October 26, 2017:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST); cash on deposit in trust with the County of San Bernardino as a result of the Cooperation and Reimbursement Agreement between Chino Basin Watermaster and County of San Bernardino dated May 25, 2017; and cash 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 18.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

ATTACHMENTS

1. Financial Report - B4

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
AUGUST 1, 2017 THROUGH AUGUST 31, 2017**

Financial Report - B4

DEPOSITORIES:

| | | | | |
|-------------------------------------------|------------------|----|---------|-----------------------|
| Cash on Hand - Petty Cash | | | \$ | 500 |
| Bank of America | | | | |
| Governmental Checking-Demand Deposits | | \$ | 158,698 | |
| Zero Balance Account - Payroll | | \$ | - | 158,698 |
| Trust Account - County of San Bernardino | | | | 15,000 |
| Local Agency Investment Fund - Sacramento | | | | 8,655,833 |
| TOTAL CASH IN BANKS AND ON HAND | 8/31/2017 | | | \$ 8,830,031 |
| TOTAL CASH IN BANKS AND ON HAND | 7/31/2017 | | | 10,137,849 |
| PERIOD INCREASE (DECREASE) | | | | \$ (1,307,819) |

CHANGE IN CASH POSITION DUE TO:

| | | | | |
|------------------------------------------------------------|--|--|----|-----------------------|
| Decrease/(Increase) in Assets: | | | \$ | 324,388 |
| Accounts Receivable | | | | 9,163 |
| Assessments Receivable | | | | (15,103) |
| Prepaid Expenses, Deposits & Other Current Assets | | | | (1,035,123) |
| (Decrease)/Increase in Liabilities: | | | | 18,868 |
| Accounts Payable | | | | 2,198 |
| Accrued Payroll, Payroll Taxes & Other Current Liabilities | | | | (612,210) |
| Long Term Liabilities | | | | |
| Transfer to/(from) Reserves | | | | |
| PERIOD INCREASE (DECREASE) | | | | \$ (1,307,819) |

SUMMARY OF FINANCIAL TRANSACTIONS:

| | Petty Cash | Govt'I Checking Demand | Zero Balance Account Payroll | Trust Account County of San Bernardino | Local Agency Investment Funds | Totals |
|--------------------------------------|---------------|---------------------------|------------------------------------|----------------------------------------------|----------------------------------|-----------------------|
| Balances as of 7/31/2017 | \$ 500 | \$ 66,516 | \$ - | \$ 15,000 | \$ 10,055,833 | \$ 10,137,849 |
| Deposits | - | 1,733,956 | - | - | - | 1,733,956 |
| Transfers | - | (125,719) | (98,993) | - | (1,400,000) | (1,624,712) |
| Withdrawals/Checks | - | (1,516,056) | 98,993 | - | - | (1,417,063) |
| Balances as of 8/31/2017 | \$ 500 | \$ 158,698 | \$ - | \$ 15,000 | \$ 8,655,833 | \$ 8,830,031 |
| PERIOD INCREASE OR (DECREASE) | \$ - | \$ 92,181 | \$ - | \$ - | \$ (1,400,000) | \$ (1,307,819) |

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
AUGUST 1, 2017 THROUGH AUGUST 31, 2017**

INVESTMENT TRANSACTIONS

| Effective Date | Transaction | Depository | Activity | Redeemed | Days to Maturity | Interest Rate(*) | Maturity Yield |
|--------------------------------------|-------------|------------|-----------------------|------------|------------------|------------------|----------------|
| 8/10/2017 | Withdrawal | | \$ (1,400,000) | | | | |
| TOTAL INVESTMENT TRANSACTIONS | | | \$ (1,400,000) | \$0 | | | |

* The earnings rate for L.A.I.F. is a daily variable rate; 0.92% was the effective yield rate at the Quarter ended June 30, 2017.

**INVESTMENT STATUS
August 31, 2017**

| <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 | \$ 8,655,833 | | | |
| TOTAL INVESTMENTS | \$ 8,655,833 | | | |

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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: October 26, 2017
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 -
Financial Report B5 (August 31, 2017)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2017 through August 31, 2017.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2017/18 "Amended" Watermaster Budget.

Future Consideration

Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved
Non-Agricultural Pool – October 12, 2017: Moved unanimously to receive and file, without approval
Agricultural Pool – October 12, 2017: Unanimously approved
Advisory Committee – October 19, 2017: Unanimously approved
Watermaster Board – October 26, 2017:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2017 through August 31, 2017 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 18.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

DISCUSSION

CURRENT MONTH – AUGUST 2017

Year-To-Date (YTD) for the two months ending August 31, 2017, all but four categories were at or below the projected budget. The categories over budget were (1) Administration Salary/Benefits expenses (6010's) which were over budget by \$9,210 or 5.4% as a result of increased staff time and activities in the administrative functions. Please note that the overage is only in the administrative section, not with the entire consolidated staffing budget; (2) Watermaster Legal Services expenses (6070's) over budget by \$19,927 or 60.9% as a result of miscellaneous legal matters as detailed in the BHFS section; (3) Appropriative Pool Administrative expenses (8300's) over budget by \$2,336 or 10.0% as a result of increased legal services performed by the Appropriative Pool legal counsel during the months of July 2017 through August 2017; and (4) Agricultural Pool Legal Services (8467's) over budget by \$34,446 or 100.8% as a result of increased legal services performed during the months of July 2017 through August 2017. For the majority of the expense categories within the Watermaster budget for FY 2017/18, the individual line-item budgets are divided into 12-monthly amounts and allocated accordingly. As the fiscal year progresses, these categories listed above might level out over time and be within the budget levels.

Overall, the Watermaster (YTD) Actual Expenses were \$4,258,085 or 68.1% below the (YTD) Budgeted Expenses of \$6,250,214.

There were no Pool, Advisory or Board meetings scheduled for the month of August 2017.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

During the month of July 2017, the "Carry Over" funding was calculated. The Total "Carry Over" funding amount of \$4,119,779.24 has been posted to the general ledger accounts. The total amount of \$4,119,779.24 consisted of \$3,926,672.24 from Capital Improvement Projects and \$193,107 from Engineering Services. More detailed information is provided regarding this issue under the "Carry Over" Funding section.

The Amended Budget for FY 2017/18 is \$15,958,477.24 which includes \$4,119,779.24 for the prior years "Carry Over" funding. The Original Approved budget for FY 2017/18 of \$11,838,698 was approved by the Watermaster Board on May 25, 2017 ($\$11,838,698 + \$4,119,779.24 = \$15,958,477.24$).

SALARIES EXPENSE

CURRENT MONTH – AUGUST 2017

As of August 31, 2017, the total (YTD) Watermaster salary expenses were \$10,646 or 3.6% below the (YTD) budgeted amount of \$294,941. The overall staffing budget was developed with a staffing level of ten Full-Time Equivalents (FTE's), and staffing is currently at nine Full-Time Equivalents (FTE's). The position of Water Resources Associate remains vacant and could be recruited for in the future as the work demands increase.

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 2017/18 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which of the projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. Currently, the allocations are tracking within budget.

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of August 31, 2017. 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 '17 - Aug '17 Actual | Jul '17 - Aug '17 Budget | \$ Over Budget | % of Budget | FY 2017/18 Annual Budget |
|--------------------------------------------------|-----------------------------|-----------------------------|-------------------|----------------|-----------------------------|
| WM Salary Expense | | | | | |
| 6011 · WM Staff Salaries | 165,562.59 | 163,537.00 | 2,025.59 | 101.24% | 966,354.00 |
| 6011.1 · WM Staff Salaries - Overtime | 1,400.89 | 0.00 | 1,400.89 | 100.0% | 0.00 |
| 6011.4 · 457(f) NQDC Plan | 4,361.27 | 3,951.00 | 410.27 | 110.38% | 23,710.00 |
| 6015 · Miscellaneous Payments | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6017 · Temporary Services | 0.00 | 3,500.00 | -3,500.00 | 0.0% | 21,000.00 |
| 6201 · Advisory Committee - WM Staff Salaries | 2,580.25 | 4,181.00 | -1,600.75 | 61.71% | 24,708.00 |
| 6301 · Watermaster Board - WM Staff Salaries | 3,900.95 | 6,408.00 | -2,507.05 | 60.88% | 37,863.00 |
| 8301 · Appropriative Pool - WM Staff Salaries | 6,303.16 | 5,727.00 | 576.16 | 110.06% | 33,842.00 |
| 8401 · Agricultural Pool - WM Staff Salaries | 2,678.29 | 5,053.00 | -2,374.71 | 53.0% | 29,853.00 |
| 8501 · Non-Agricultural Pool - WM Staff Salaries | 2,580.93 | 3,309.00 | -728.07 | 78.0% | 19,557.00 |
| 6901 · OBMP - WM Staff Salaries | 13,469.05 | 15,542.00 | -2,072.95 | 86.66% | 91,832.00 |
| 7101.1 · Production Monitor - WM Staff Salaries | 7,704.78 | 9,138.00 | -1,433.22 | 84.32% | 53,992.00 |
| 7102.1 · In-line Meter - WM Staff Salaries | 0.00 | 1,725.00 | -1,725.00 | 0.0% | 10,197.00 |
| 7103.1 · Grdwater Quality - WM Staff Salaries | 4,145.71 | 9,405.00 | -5,259.29 | 44.08% | 55,574.00 |
| 7104.1 · Grdwater Level - WM Staff Salaries | 10,077.78 | 6,772.00 | 3,305.78 | 148.82% | 40,022.00 |
| 7107.1 · GrdLevel Monitoring - WM Staff Salaries | 253.33 | 0.00 | 253.33 | 100.0% | 0.00 |
| 7108.1 · Hydraulic Control - WM Staff Salaries | 0.00 | 568.00 | -568.00 | 0.0% | 3,356.00 |
| 7108.11 · Prado Basin - WM Staff Salaries | 588.51 | 1,053.00 | -464.49 | 55.89% | 6,219.00 |
| 7201 · Comp Recharge - WM Staff Salaries | 10,688.63 | 16,073.00 | -5,384.37 | 66.5% | 94,978.00 |
| 7301 · PE3&5 - WM Staff Salaries | 0.00 | 2,710.00 | -2,710.00 | 0.0% | 16,017.00 |
| 7401 · PE4 - WM Staff Salaries | 0.00 | 1,650.00 | -1,650.00 | 0.0% | 9,747.00 |
| 7501 · PE6&7 - WM Staff Salaries | 1,247.98 | 806.00 | 441.98 | 154.84% | 4,759.00 |
| 7501.1 · PE 6&7 - WM Staff Salaries (Plume) | 0.00 | 903.00 | -903.00 | 0.0% | 5,338.00 |
| 7601 · PE8&9 - WM Staff Salaries | 2,431.03 | 8,064.00 | -5,632.97 | 30.15% | 47,656.00 |
| Subtotal WM Staff Costs | 239,975.13 | 270,075.00 | -30,099.87 | 88.86% | 1,596,574.00 |
| 60185 · Vacation | 30,719.47 | 12,082.00 | 18,637.47 | 254.26% | 72,497.00 |
| 60186 · Sick Leave | 3,464.19 | 8,523.00 | -5,058.81 | 40.65% | 51,138.00 |
| 60187 · Holidays | 10,136.04 | 4,261.00 | 5,875.04 | 237.88% | 51,138.00 |
| Subtotal WM Paid Leaves | 44,319.70 | 24,866.00 | 19,453.70 | 178.23% | 174,773.00 |
| Total WM Salary Costs | 284,294.83 | 294,941.00 | -10,646.17 | 96.39% | 1,771,347.00 |

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – AUGUST 2017

As of August 31, 2017, 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 \$19,877 or 12.0% below the (YTD) budgeted amount of \$165,025.

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 2017/18. 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 was adopted for the original amount of \$964,783.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of August 31, 2017, was \$19,927 or 60.9% above the budgeted amount of \$32,708. 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 \$6,429 or 93.5%; Rules and Regulations (6072) under budget by \$3,688 or 72.9%; Personnel Matter (6073) under budget by \$4,919 or 98.4%; Interagency Issues (6074) under budget by \$5,100 or 100.0%; and Party Status Maintenance (6077) under budget by \$4,782 or 100.0%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Miscellaneous Category expenses (6078) over budget by \$44,844 or 761.2%. Please see Note 1 on the following page for a more detailed explanation of the miscellaneous types of expenses.

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, 6375.1, 8375, 8475 and 8575). The legal service costs associated with the Board Workshop(s) are also included as part of this group. Overall, this category of legal expenses as of August 31, 2017 was \$16,509 or 50.4% below the budgeted amount of \$32,740. 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. The Watermaster parties agreed that during the month of August 2017, the three Pools, the Advisory Committee and the Watermaster Board meetings would not be held, adding additional 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 August 31, 2017 the category of OBMP legal expenses were \$23,295 or 23.4% below the budgeted amount of \$99,577. The majority of expenses within this OBMP category were under budget (YTD), however, the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$39,567 or 343.1%.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of August 31, 2017 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 '17 - Aug '17 Actual | Jul '17 - Aug '17 Budget | \$ Over Budget | % of Budget | FY 2017/18 Annual Budget |
|-------------------------------------------------------|-----------------------------|-----------------------------|-------------------|----------------|-----------------------------|
| 6070 · Watermaster Legal Services | | | | | |
| 6071 · BHFS Legal - Court Coordination | 447.30 | 6,876.00 | -6,428.70 | 6.51% | 41,250.00 |
| 6072 · BHFS Legal - Rules & Regulations | 1,371.15 | 5,059.00 | -3,687.85 | 27.1% | 15,175.00 |
| 6073 · BHFS Legal - Personnel Matters | 81.00 | 5,000.00 | -4,919.00 | 1.62% | 25,000.00 |
| 6074 · BHFS Legal - Interagency Issues | 0.00 | 5,100.00 | -5,100.00 | 0.0% | 30,600.00 |
| 6076 · BHFS Legal - Storage Issues | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6077 · BHFS Legal - Party Status Maintenance | 0.00 | 4,782.00 | -4,782.00 | 0.0% | 28,700.00 |
| 6078 · BHFS Legal - Miscellaneous (Note 1) | 50,735.47 | 5,891.00 | 44,844.47 | 861.24% | 35,350.00 |
| Total 6070 · Watermaster Legal Services | 52,634.92 | 32,708.00 | 19,926.92 | 160.92% | 176,075.00 |
| | | | | | |
| 6275 · BHFS Legal - Advisory Committee | 1,147.50 | 3,400.00 | -2,252.50 | 33.75% | 18,700.00 |
| 6375 · BHFS Legal - Board Meeting | 7,824.36 | 14,040.00 | -6,215.64 | 55.73% | 77,220.00 |
| 6375.1 · BHFS Legal - Board Workshop(s) | 0.00 | 0.00 | 0.00 | 0.0% | 11,163.00 |
| 8375 · BHFS Legal - Appropriative Pool | 2,419.77 | 5,100.00 | -2,680.23 | 47.45% | 28,050.00 |
| 8475 · BHFS Legal - Agricultural Pool | 2,419.74 | 5,100.00 | -2,680.26 | 47.45% | 28,050.00 |
| 8575 · BHFS Legal - Non-Ag Pool | 2,419.72 | 5,100.00 | -2,680.28 | 47.45% | 28,050.00 |
| Total BHFS Legal Services | 16,231.09 | 32,740.00 | -16,508.91 | 49.58% | 191,233.00 |
| | | | | | |
| 6907.3 · WM Legal Counsel | | | | | |
| 6907.31 · Archibald South Plume | 0.00 | 4,083.00 | -4,083.00 | 0.0% | 24,500.00 |
| 6907.32 · Chino Airport Plume | 0.00 | 4,083.00 | -4,083.00 | 0.0% | 24,500.00 |
| 6907.33 · Desalter/Hydraulic Control | 0.00 | 3,587.00 | -3,587.00 | 0.0% | 21,525.00 |
| 6907.34 · Santa Ana River Water Rights | 670.20 | 4,367.00 | -3,696.80 | 15.35% | 26,200.00 |
| 6907.36 · Santa Ana River Habitat | 2,803.50 | 11,550.00 | -8,746.50 | 24.27% | 69,300.00 |
| 6907.38 · Reg. Water Quality Cntrl Board | 2,035.35 | 2,391.00 | -355.65 | 85.13% | 14,350.00 |
| 6907.39 · Recharge Master Plan | 512.10 | 14,400.00 | -13,887.90 | 3.56% | 86,400.00 |
| 6907.40 · Storage Agreements | 13,171.60 | 28,933.00 | -15,761.40 | 45.52% | 173,600.00 |
| 6907.41 · Prado Basin Habitat Sustainability | 2,436.75 | 2,533.00 | -96.25 | 96.2% | 15,200.00 |
| 6907.42 · Safe Yield Recalculation | 51,099.74 | 11,533.00 | 39,566.74 | 443.07% | 69,200.00 |
| 6907.44 · SGMA Compliance | 3,553.20 | 7,200.00 | -3,646.80 | 49.35% | 43,200.00 |
| 6907.90 · WM Legal Counsel - Unanticipated | 0.00 | 4,917.00 | -4,917.00 | 0.0% | 29,500.00 |
| Total 6907 · WM Legal Counsel | 76,282.44 | 99,577.00 | -23,294.56 | 76.61% | 597,475.00 |
| | | | | | |
| Total Brownstein, Hyatt, Farber, Schreck Costs | 145,148.45 | 165,025.00 | -19,876.55 | 87.96% | 964,783.00 |

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 and contracts; (7) Review transfer documents; (8) Ground-Level Monitoring Committee reports/meetings; (9) Review process and criteria for SGMA reporting; (10) MWW SCADA Agreement and installation; (11) Angelica Corporation Bankruptcy matter; (12) NRG/GENON Bankruptcy matter; (13) Pomona extensometer project, CEQA review and compliance; (14) Desalter Replenishment obligations, assessment methodologies, and ongoing issues; (15) Master Cost Sharing Agreement with IEUA; (16) Estimation and adoption of an evaporative loss policy for Recharge; and (17) Miscellaneous legal research on current and pending issues.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – AUGUST 2017

Reviewing in total the OBMP Engineering Services and Legal Costs (consolidating the four categories of OBMP Watermaster Staff and SAWPA, OBMP Engineering Services, OBMP Legal Costs, and OBMP Other Expenses) for the two months ending August 31, 2017, the actual expenses of \$217,113 were below the budgeted amount of \$227,804 by \$10,691 or 4.7%. For a detailed discussion, the following is provided.

For August 31, 2017, the accounts 6901-6903 (Optimum Basin Mgmt. Program) section was below the Year-To-Date (YTD) budget by \$14,327 or 51.5%. 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 as budgeted. As a result, Watermaster staff allocated less actual time to the OBMP project as budgeted, which resulted in an under budget variance of \$2,073 or 13.3%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2017/18 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,254 but actual expenses have not yet been received or booked and resulted in an under budget variance of \$12,254 or 100.0% as of August 31, 2017.

For August 31, 2017, the accounts 6906 (Optimum Basin Mgmt. Program Engineering Services) section was above the Year-To-Date (YTD) budget by \$28,846 or 29.4%. For FY 2017/18, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized and for the month of August, there were no expenses charged to the OBMP-Safe Yield Redetermination and Reset account. The majority of expenses within this OBMP category were under budget (YTD), however, the accounts which were over budget were as follows: the OBMP-Watermaster Model Update expenses (6906.1) which were over budget by \$2,744 or 27.8%; the Water Rights Compliance Reporting expenses (6906.22) which were over budget by \$5,205 or 122.3%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$4,261 or 70.3%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$3,831 or 21.0%; the OBMP-Material Physical Injury Request expenses (6906.74) which were over budget by \$3,809 or 32.6%; Preparation of the 40th Annual Report expenses (6906.81) which were over budget by \$326 or 5.7%; and the OBMP-2018 RMPU Master Update expenses (6906.90) which were over budget by \$28,786 or 265.7%.

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 \$39,567 while some other line item activities were below the budget by \$62,862. Above the budget line items was the Safe Yield Redetermination and Reset expenses of \$39,567. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$4,083; the Chino Airport Plume of \$4,083; the Desalter/Hydraulic Control of \$3,587; the Santa Ana River Water Rights expenses of \$3,697; the Santa Ana River Habitat expenses of \$8,747; the Regional Water Quality Control Board of \$356; the Recharge Master Plan of \$13,888; Storage Agreements of \$15,761; the Prado Basin Habitat Sustainability of \$96; the SGMA Compliance of \$3,647; and the WM Unanticipated legal expenses of \$4,917. For the two months ended August 31, 2017, the overall cumulative (YTD) budget was \$99,577 and the actual (BHFS) legal expenses totaled \$76,282 which resulted in an under budget variance of \$23,295 or 23.4%.

The OBMP Other Expenses (6909's) were below the budget for the month. These expenses are typically conference calls, meeting expenses, supplies, annual inspection fees, and other miscellaneous type expenses. As of August 31, 2017 this category of expenses was \$1,915 or 85.1% below the budgeted amount of \$2,250.

The WEI Support for IEUA expenses are categorized within the category (6910's). The individual general ledger accounts are as follows: IRP Groundwater Modeling-WEI expenses (6910.10); As Needed Support for Obtaining Grant Funding of RMPU Projects expenses (6910.11); Preparation of a Compliance Demonstration for Stormwater Recharge expenses (6910.12); Ground Water Velocity Field for the San Sevaime Improvement Project expenses (6910.13); Truing-Up the 2013 RMPU Estimates expenses (6910.14); WEI Support-HCP Modeling expenses (6910.15); and RMPU-MPI Analysis expenses (6910.20). These expenses are billed directly to IEUA on the following month once the payment has been issued to Wildermuth Environmental, Inc. per the agreement. As of August 31, 2017 this category of expenses was fully invoiced in the amount of \$0 to IEUA.

Overall, the Optimum Basin Management Program (OBMP) category was \$217,113 compared to a (YTD) budget of \$227,804 for an under budget of \$10,691 or 4.7% as of August 31, 2017.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of August 31, 2017 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 '17 - Aug '17 Actual | Jul '17 - Aug '17 Budget | \$ Over Budget | % of Budget | FY 2017/18 Annual Budget |
|-------------------------------------------------|-----------------------------|-----------------------------|-------------------|----------------|-----------------------------|
| 6900 · Optimum Basin Mgmt Plan | | | | | |
| 6901 · WM Staff Salaries | 13,469.05 | 15,542.00 | -2,072.95 | 86.66% | 91,832.00 |
| 6903 · OBMP SAWPA Group | 0.00 | 12,254.00 | -12,254.00 | 0.0% | 12,254.00 |
| Total 6901-6903 · OBMP WM Staff/SAWPA | 13,469.05 | 27,796.00 | -14,326.95 | 48.46% | 104,086.00 |
| 6906 · OBMP Engineering Services | | | | | |
| 6906.1 · OBMP - Watermaster Model Update | 12,604.50 | 9,861.00 | 2,743.50 | 127.82% | 59,164.00 |
| 6906.21 · State of the Basin Report | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.22 · Water Rights Compliance Reporting | 9,460.25 | 4,255.00 | 5,205.25 | 222.33% | 25,528.00 |
| 6906.23 · SGMA Reporting Requirements | 0.00 | 4,066.00 | -4,066.00 | 0.0% | 24,392.00 |
| 6906.24 · Compliance - SB88 and SWRCB | 0.00 | 1,169.00 | -1,169.00 | 0.0% | 7,012.00 |
| 6906.25 · Initial Assessment - Section 4.5-SYRA | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.31 · OBMP - Pool, Advisory, Board Mtgs. | 8,555.21 | 16,159.00 | -7,603.79 | 52.94% | 96,950.00 |
| 6906.32 · OBMP - Other General Meetings | 10,323.95 | 6,063.00 | 4,260.95 | 170.28% | 36,381.00 |
| 6906.71 · OBMP - Data Requests - CBWM Staff | 22,070.60 | 18,240.00 | 3,830.60 | 121.0% | 109,440.00 |
| 6906.72 · OBMP - Data Requests - Non CBWM | 195.00 | 5,292.00 | -5,097.00 | 3.69% | 31,752.00 |
| 6906.73 · OBMP - Safe Yield Recalculation | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.74 · OBMP - Mat'l Phy. Injury Requests | 15,475.75 | 11,667.00 | 3,808.75 | 132.65% | 70,000.00 |
| 6906.75 · OBMP - Recharge Master Plan | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.81 · Prepare 40th Annual Report | 6,041.30 | 5,715.00 | 326.30 | 105.71% | 20,000.00 |
| 6906.82 · Support for Assessment Package | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.90 · OBMP - 2018 RMPU Master Update | 39,619.00 | 10,833.00 | 28,786.00 | 365.73% | 65,000.00 |
| 6906 · OBMP Engineering Services - Other | 2,681.20 | 4,861.00 | -2,179.80 | 55.16% | 29,164.00 |
| Total 6906 · OBMP Engineering Services | 127,026.76 | 98,181.00 | 28,845.76 | 129.38% | 574,783.00 |
| 6907 · OBMP Legal Fees | | | | | |
| 6907.3 · WM Legal Counsel | | | | | |
| 6907.31 · Archibald South Plume | 0.00 | 4,083.00 | -4,083.00 | 0.0% | 24,500.00 |
| 6907.32 · Chino Airport Plume | 0.00 | 4,083.00 | -4,083.00 | 0.0% | 24,500.00 |
| 6907.33 · Desalter/Hydraulic Control | 0.00 | 3,587.00 | -3,587.00 | 0.0% | 21,525.00 |
| 6907.34 · Santa Ana River Water Rights | 670.20 | 4,367.00 | -3,696.80 | 15.35% | 26,200.00 |
| 6907.36 · Santa Ana River Habitat | 2,803.50 | 11,550.00 | -8,746.50 | 24.27% | 69,300.00 |
| 6907.38 · Reg. Water Quality Cntrl Board | 2,035.35 | 2,391.00 | -355.65 | 85.13% | 14,350.00 |
| 6907.39 · Recharge Master Plan | 512.10 | 14,400.00 | -13,887.90 | 3.56% | 86,400.00 |
| 6907.40 · Storage Agreements | 13,171.60 | 28,933.00 | -15,761.40 | 45.52% | 173,600.00 |
| 6907.41 · Prado Basin Habitat Sustainability | 2,436.75 | 2,533.00 | -96.25 | 96.2% | 15,200.00 |
| 6907.42 · Safe Yield Recalculation | 51,099.74 | 11,533.00 | 39,566.74 | 443.07% | 69,200.00 |
| 6907.44 · SGMA Compliance | 3,553.20 | 7,200.00 | -3,646.80 | 49.35% | 43,200.00 |
| 6907.90 · WM Legal Counsel - Unanticipated | 0.00 | 4,917.00 | -4,917.00 | 0.0% | 29,500.00 |
| Total 6907 · WM Legal Counsel | 76,282.44 | 99,577.00 | -23,294.56 | 76.61% | 597,475.00 |
| Total 6907 · OBMP Legal Fees | 76,282.44 | 99,577.00 | -23,294.56 | 76.61% | 597,475.00 |
| 6909 · OBMP Other Expenses | | | | | |
| 6909.1 · OBMP Meetings | 335.11 | 250.00 | 85.11 | 134.04% | 1,500.00 |
| 6909.3 · Other OBMP Expenses | 0.00 | 333.00 | -333.00 | 0.0% | 2,000.00 |
| 6909.6 · OBMP Expenses - Miscellaneous | 0.00 | 1,667.00 | -1,667.00 | 0.0% | 10,000.00 |
| Total 6909 · OBMP Other Expenses | 335.11 | 2,250.00 | -1,914.89 | 14.89% | 13,500.00 |
| 6910 · WEI Support for IEUA | | | | | |
| 6910.10 · IRP Groundwater Modeling - WEI | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.11 · WEI Support-Grant Funding-RMPU | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.12 · WEI Support-Stormwater Recharge | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.13 · IEUA-San Sevaine Improvement Project | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.14 · Truing-Up 2013 RMPU Estimates | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.15 · WEI Support-HCP Modeling | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.20 · RMPU-MPI Analysis | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6910.50 · WEI Support for IEUA-Billings | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| Total 6910 · WEI Support for IEUA | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| Total 6900 · Optimum Basin Mgmt Plan | 217,113.36 | 227,804.00 | -10,690.64 | 95.31% | 1,289,844.00 |

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

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

CURRENT MONTH – AUGUST 2017

As of August 31, 2017, the total (YTD) Engineering Services expenses were \$419,167 or 48.2% below the (YTD) budget amount of \$869,844. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of August 31, 2017.

Wildermuth Environmental, Inc. provides Watermaster an Estimated Cost at Completion (ECAC) report each quarter. The purpose of this ECAC report is to update Watermaster on whether or not the Engineering Services budget will be above or below budget at the end of the fiscal year. If the Engineering Services budget is expected to be above budget at fiscal year-end, a Budget Amendment or Budget Transfer Form would need to be approved to ensure funding. The first quarter ECAC report (for the months July 2017 - September 2017) is scheduled to be produced by Wildermuth Environmental, Inc. and distributed to Watermaster during the month of October 2017.

The table listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget as of August 31, 2017. 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 '17 - Aug '17 | Jul '17 - Aug '17 | \$ Over Budget | % of Budget | FY 2017/18 |
|--------------------------------------------------|-------------------|-------------------|--------------------|---------------|-----------------------|
| | Actual | Budget | | | Annual Budget |
| 6906 · OBMP Engineering Services - Other | 2,681.20 | 4,861.00 | -2,179.80 | 55.16% | 29,164.00 |
| 6906.1 · OBMP - Watermaster Model Update | 12,604.50 | 9,861.00 | 2,743.50 | 127.82% | 59,164.00 |
| 6906.21 · State of the Basin Report | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.22 · Water Rights Compliance Reporting | 9,460.25 | 4,255.00 | 5,205.25 | 222.33% | 25,528.00 |
| 6906.23 · SGMA Reporting Requirements | 0.00 | 4,066.00 | -4,066.00 | 0.0% | 24,392.00 |
| 6906.24 · Compliance - SB88 and SWRCB | 0.00 | 1,169.00 | -1,169.00 | 0.0% | 7,012.00 |
| 6906.25 · Initial Assessment - Section 4.5-SYRA | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 6906.31 · OBMP - Pool, Advisory, Board Mtgs. | 8,555.21 | 16,159.00 | -7,603.79 | 52.94% | 96,950.00 |
| 6906.32 · OBMP - Other General Meetings | 10,323.95 | 6,063.00 | 4,260.95 | 170.28% | 36,381.00 |
| 6906.71 · OBMP - Data Requests - CBWM Staff | 22,070.60 | 18,240.00 | 3,830.60 | 121.0% | 109,440.00 |
| 6906.72 · OBMP - Data Requests - Non CBWM | 195.00 | 5,292.00 | -5,097.00 | 3.69% | 31,752.00 |
| 6906.74 · OBMP - Mat'l Physical Injury Requests | 15,475.75 | 11,667.00 | 3,808.75 | 132.65% | 70,000.00 |
| 6906.81 · Prepare 40th Annual Report | 6,041.30 | 5,715.00 | 326.30 | 105.71% | 20,000.00 |
| 6906.90 · OBMP - 2018 RMPU Master Update | 39,619.00 | 10,833.00 | 28,786.00 | 365.73% | 65,000.00 |
| 7103.3 · Grdwtr Qual-Engineering | 33,075.90 | 25,433.00 | 7,642.90 | 130.05% | 128,595.00 |
| 7103.5 · Grdwtr Qual-Lab Svcs | 14,256.00 | 16,369.00 | -2,113.00 | 87.09% | 49,109.00 |
| 7104.3 · Grdwtr Level-Engineering | 27,258.02 | 34,309.00 | -7,050.98 | 79.45% | 205,859.00 |
| 7104.8 · Grdwtr Level-Contracted Services | 0.00 | 1,667.00 | -1,667.00 | 0.0% | 10,000.00 |
| 7104.9 · Grdwtr Level-Capital Equipment | 0.00 | 1,333.00 | -1,333.00 | 0.0% | 8,000.00 |
| 7107.2 · Grd Level-Engineering | 7,414.91 | 29,145.00 | -21,730.09 | 25.44% | 71,356.00 |
| 7107.3 · Grd Level-SAR Imagery | 0.00 | 21,652.00 | -21,652.00 | 0.0% | 86,608.00 |
| 7107.6 · Grd Level-Contract Svcs | 14,295.88 | 48,255.00 | -33,959.12 | 29.63% | 168,552.00 |
| 7107.8 · Grd Level-Capital Equipment | 0.00 | 583.00 | -583.00 | 0.0% | 3,500.00 |
| 7108.3 · Hydraulic Control-Engineering | 0.00 | 3,300.00 | -3,300.00 | 0.0% | 19,800.00 |
| 7108.31 · Hydraulic Control-PBHSP | 19,782.46 | 26,359.00 | -6,576.54 | 75.05% | 128,159.00 |
| 7108.32 · Hydraulic Control-Adaptive Mgmt Plan | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 |
| 7108.4 · Hydraulic Control-Lab Svcs | 2,032.00 | 4,011.00 | -1,979.00 | 50.66% | 24,064.00 |
| 7108.41 · Hydraulic Control-PBHSP | 0.00 | 3,083.00 | -3,083.00 | 0.0% | 18,500.00 |
| 7108.6 · Hydraulic Control-Outside Professionals | 0.00 | 833.00 | -833.00 | 0.0% | 5,000.00 |
| 7109.3 · Recharge & Well - Engineering | 902.30 | 3,897.00 | -2,994.70 | 0.0% | 23,377.00 |
| 7202.2 · Comp Recharge-Engineering Services | 32,191.34 | 26,996.00 | 5,195.34 | 119.25% | 161,976.00 |
| 7303 · PE3&5-Engineering - Other | 0.00 | 1,607.00 | -1,607.00 | 0.0% | 9,640.00 |
| 7402 · PE4-Engineering | 34,782.43 | 17,215.00 | 17,567.43 | 202.05% | 103,290.00 |
| 7402.10 · PE4-MZ1 Pomona Project | 30,148.25 | 396,764.00 | -366,615.75 | 7.6% | 1,669,543.00 |
| 7403 · PE4-Contract Svcs | 0.00 | 3,333.00 | -3,333.00 | 0.0% | 20,000.00 |
| 7502 · PE6&7-Engineering | 23,960.40 | 19,186.00 | 4,774.40 | 124.89% | 79,113.00 |
| 7510 · PE6&7-IEUA Salinity Mgmt. Plan | 13,037.20 | 20,966.00 | -7,928.80 | 62.18% | 125,806.00 |
| 7602 · PE8&9-Engineering | 70,513.23 | 65,367.00 | 5,146.23 | 107.87% | 182,207.00 |
| Total Engineering Services Costs | 450,677.08 | 869,844.00 | -419,166.92 | 51.81% | 3,876,837.00 * |

* Wildermuth and Subcontractor Engineering Budget of \$3,683,730 plus Carryover Funds from FY 2016/17 of \$193,107 = \$3,876,837
Carryover Funds from FY 2016/17 of \$193,107 = \$20,702 (7107.2); \$24,196 (7107.6); \$6,000 (7108.31); and \$142,209 (7402.10)

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

The breakdown of the total Task Order amount of \$3,683,730 includes direct labor costs for Wildermuth Environmental, Inc. (55.9%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (44.1%).

The approved "Original" Engineering Services budget of \$3,683,730 was increased by "Carry Over" funding in the amount of \$193,107 to the "Amended" amount of \$3,876,837 for FY 2017/18 as provided in the Engineering Services Task Order. 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 2017/18 timeframe or future years. The Carry-Over amount of \$193,107 from FY 2016/17 to the FY 2017/18 budget are provided in detail as follows:

1. 7107.2 Ground-Level – Engineering Services of \$20,702. This budget was for work to identify and install a new horizontal extensometer in the Managed Area. This work was not performed in FY

2016/17 because the GLMC did not recommend the installation of a horizontal extensometer as of yet, and may not recommend the installation in FY 2017/18. The budget is recommended to be carried over because the GLMC may recommend the use of this budget in FY 2017/18 to install additional benchmark monuments across the historical fissure zone for monitoring of ground motion via traditional leveling surveys and electronic distance measurements.

2. 7107.6 Ground-Level – Contract Services of \$24,196. This budget was for Outside Professional services to assist with identifying and installing a new horizontal extensometer in the Managed Area. This work was not performed in FY 2016/17 because the GLMC did not recommend the installation of a horizontal extensometer as of yet, and may not recommend the installation in FY 2017/18. The budget is recommended to be carried over because the GLMC may recommend the use of this budget in FY 2017/18 to install additional benchmark monuments across the historical fissure zone for monitoring of ground motion via traditional leveling surveys and electronic distance measurements.
3. 7108.31 HCMP – Engineering Services for \$6,000. This carryover budget is for finalizing the 2016 Annual Report of the PBHSC, including responding to comments from the state and federal Fish and Wildlife departments.
4. 7402.1 OBMP Engineering Services Northwest MZ-1 for \$142,209. This carryover budget is for work not performed in FY 2016/17 including: (i) finalizing the Categorical Exemption for the Pomona Extensometer to comply with CEQA; (ii) support for preparation of the bid package for selection of the drilling contractor; (iii) support for the bid and contractor selection; (iv) updating the SCADA systems for MVWD and City of Pomona to collect high-resolution production and water-level data; and (v) finalizing the reports on the hydrogeology of the Northwest MZ-1 Area and the modeling of subsidence management alternatives. All of this work will be completed in FY 2017/18.

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

Ongoing Costs

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 expenses (FY 2016/17) to be cost shared is approximately \$300,000, with projected future years (FY 2017/18 and forward) estimated at approximately \$150,000. For the purposes of the 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:
 - a. 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.
 - b. Manage and perform custom flight to collect a high resolution air photo of the Prado Basin Region.
 - c. Collect, check, and upload historical air photos and vegetation survey data in the Prado Basin region.
 - d. 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:
 - a. 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:
 - a. Water level monitoring, vegetation survey, photo monitoring, landsat data, climate data and analysis of the components.

- b. Analyze data and prepare an administrative draft of the Annual Report for Watermaster/IEUA.
 - c. Incorporate the Watermaster and IEUA comments and prepare a draft Annual Report for review by the PBHSC.
 - d. Meet with PBHSC to review draft Annual Report.
 - e. 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:
- a. Ad-Hoc Meetings
 - b. Preparation of scope and budget for the Program
 - c. Project administration and financial reporting
6. Other costs required to fulfill the requirements of Peace II Subsequent EIR mitigation measure 4.4-3.

Watermaster shall be responsible for the costs associated with the Groundwater Level Monitoring Program, Groundwater Quality Monitoring Program, and Surface Water Monitoring Program.

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.

Watermaster and IEUA will meet to review the cost-sharing structure under this agreement and negotiate necessary adjustments in good faith on at least an annual basis.

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 predicated to worsen, and that mitigation measures, if any are required, are fully implemented. This is not a perpetual agreement. Upon termination of the monitoring and any necessary mitigation obligations, the parties may elect to terminate the cost share agreement.

| | Wildermuth Environmental, Inc. | 50% Billing "TO" IEUA | 50% Billing "FROM" IEUA | Costs For Watermaster |
|-----------------------|--------------------------------------|-----------------------------|-------------------------------|--------------------------|
| Jul. 2017 - Aug. 2017 | \$ 8,491.70 | \$ (4,245.85) | \$ - | \$ 4,245.85 |
| Totals | \$ 8,491.70 | \$ (4,245.85) | \$ - | \$ 4,245.85 |
| | 7108.31 | 7108.31 | 7108.31 | |
| Maximum Costs | \$ 150,000.00 | \$ 75,000.00 | \$ 75,000.00 | \$ 75,000.00 |

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

Start-up Costs

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 was to ensure that the Prado Basin riparian habitat was not impacted by Hydraulic Control. The basic program tasks were to convene a committee that would 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 was 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 Watermaster Board. The increase from \$220,000 to \$300,000 was to reflect a change in the consultant preparing the Adaptive Management Plan. On August 25, 2016, the cost sharing agreement between IEUA and Watermaster was increased

from \$300,000 to \$385,000 ($\$770,000 \times 50\% = \$385,000$) with the approval of the Watermaster Board. 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 was \$170,000, changing the total amount from \$600,000 to \$770,000.

The agreement was a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$385,000 for each party. Included in that cost was 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 had been applied for to offset the cost of this program; however, the Grants were not approved.

The information listed below is provided for the period of May 1, 2012 through June 30, 2017.

| | Actual |
|--------------------------------------|------------------------|
| | (Program Costs) |
| Adaptive Management Plan (AMP) - RBF | \$ 123,030.00 |
| Monitoring Wells | \$ 166,326.66 |
| WEI - Field Service | \$ 326,119.00 |
| Tom Dodson - Initial Enviro | \$ 13,500.00 |
| ESA - Enviro Reporting | \$ 39,328.79 |
| Easements and Fees | \$ 65,465.06 |
| IEUA - Contract CM labor | \$ 11,409.00 |
| USBR Vegetation Survey | \$ 20,000.00 |
| Annual Permit Fees | \$ 2,469.44 |
| Grand Total | \$ 767,647.95 |
| 50/50 Share | \$ 383,823.98 |
| Amount Paid by IEUA | \$ 383,823.98 |
| Amount Paid by CBWM | \$ 383,823.98 |
| Grand Total Paid | \$ 767,647.95 |

OTHER INCOME AND EXPENSE

Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin with The Metropolitan Water District of Southern California, the FY 2017/18 annual administrative fee invoice was issued on July 6, 2017 in the amount of \$163,621.82 under invoice number DYY 17-01. Payment in the amount of \$163,621.82 was received and deposited on August 7, 2017.

The three contributions of \$10,000 each (totaling \$30,000) to update the Blomquist Report were invoiced in July 2017 and all three payments have been received from Three Valleys Municipal Water District, Western Municipal Water District, and Inland Empire Utilities Agency.

There were no other significant items to report within the category of Other Income and Expenses for the month ending August 31, 2017.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

“CARRY OVER” FUNDING

BACKGROUND OF “CARRY OVER” FUNDING

Once the FY 2016/17 period as of June 30, 2017 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 2017/18 budget. The Total "Carry Over" funding amount of \$4,119,779.24 was posted to the accounts as of July 1, 2017. The total amount of \$4,119,779.24 consisted of \$3,926,672.24 from Capital Improvement Projects and \$193,107 from Engineering Services.

CURRENT MONTH – AUGUST 2017

As of August 31, 2017, the total (YTD) amount remaining of the "Carried Over" funding is \$3,920,395.98 (\$4,119,779.24 - \$199,383.26 = \$3,920,395.98).

The following details are provided:

"Carried Over" Expenses At June 30, 2017

| | | | <u>GL Account</u> | | |
|--------------------------------------------------|------------------------|---|----------------------|------------|------|
| Ground Level - Engineering Services | \$ 20,702.00 | A | 7107.2 ² | FY 2016/17 | ENG |
| Ground Level - Contract Services | \$ 24,196.00 | B | 7107.6 ³ | FY 2016/17 | ENG |
| Hydraulic Control Engineering - PBHSP | \$ 6,000.00 | C | 7108.31 ⁴ | FY 2016/17 | ENG |
| PE4 - Northwest MZ-1 Area Project | \$ 142,209.00 | D | 7402.1 ⁵ | FY 2016/17 | ENG |
| Jurupa Pumping Station (TO #5) | \$ 37,981.33 | E | 7209.1 ¹ | FY 2013/14 | PROJ |
| Wineville Basin Proof of Concept (TO #6) | \$ 35,397.53 | F | 7209.2 ¹ | FY 2013/14 | PROJ |
| RMPU Amendment (TO #1) | \$ 1,205,263.30 | G | 7690.15 | FY 2016/17 | PROJ |
| East Declaz Basin (TO #1) | \$ 1,171.33 | H | 7690.16 ¹ | FY 2016/17 | PROJ |
| Hickory Basin Recharge Improvement Project | \$ 3,877.00 | I | 7690.3 ¹ | FY 2013/14 | PROJ |
| San Sevaine Recharge Improvement Project (TO #8) | \$ 125,851.95 | J | 7690.4 | FY 2014/15 | PROJ |
| San Sevaine Recharge Improvement Project (TO #8) | \$ 1,126,900.00 | J | 7690.4 | FY 2015/16 | PROJ |
| San Sevaine Recharge Improvement Project (TO #8) | \$ 1,065,600.00 | J | 7690.4 | FY 2016/17 | PROJ |
| CB20 Turnout Noise Abatement Project | \$ 859.80 | K | 7690.5 ¹ | FY 2013/14 | PROJ |
| GWR SCADA Upgrades (TO #4) | \$ 134,615.86 | L | 7690.61 | FY 2014/15 | PROJ |
| GWR SCADA Upgrades (TO #4) | \$ 38,675.00 | L | 7690.61 | FY 2015/16 | PROJ |
| Upper Santa Ana River HCP (TO #7) | \$ 32,836.88 | M | 7690.7 | FY 2014/15 | PROJ |
| Upper Santa Ana River HCP (TO #7) | \$ 5,000.00 | M | 7690.7 | FY 2015/16 | PROJ |
| Lower Day Basin RMPU (TO #2) | \$ 112,642.26 | N | 7690.8 | FY 2016/17 | PROJ |
| Total Balance, June 30, 2017 | \$ 4,119,779.24 | | | | |

"Carried Over" Balance, July 1, 2017 \$ 4,119,779.24

Less: (Invoices Received To Date FY 2017/18)

| | | | | | |
|--------------------------------------------------|----------------|---|----------------------|------------|------|
| Ground Level - Engineering Services | \$ (7,414.91) | A | 7107.2 ² | FY 2016/17 | ENG |
| Ground Level - Contract Services | \$ (14,295.88) | B | 7107.6 ³ | FY 2016/17 | ENG |
| Hydraulic Control Engineering - PBHSP | \$ (6,000.00) | C | 7108.31 ⁴ | FY 2016/17 | ENG |
| PE4 - Northwest MZ-1 Area Project | \$ (30,148.25) | D | 7402.1 ⁵ | FY 2016/17 | ENG |
| RMPU Amendment (TO #1) | \$ (71,667.98) | G | 7690.15 | FY 2016/17 | PROJ |
| San Sevaine Recharge Improvement Project (TO #8) | \$ (19,261.77) | J | 7690.4 | FY 2014/15 | PROJ |
| GWR SCADA Upgrades (TO #4) | \$ (12,615.05) | L | 7690.61 | FY 2014/15 | PROJ |
| Lower Day Basin RMPU (TO #2) | \$ (37,979.42) | N | 7690.8 | FY 2016/17 | PROJ |

Updated Balance as of August 31, 2017 **\$ 3,920,395.98**

¹ Project completed and funds are available for reallocation to another project, distribution to Appropriative Pool, or maintain as extra funding

² Work to identify and install a new horizontal extensometer in the Managed Area

³ Outside Professional services to assist with identifying and installing a new horizontal extensometer in the Managed Area

⁴ Finalizing the 2016 Annual Report of the PBHSC, including responding to comments from the state/federal Fish and Wildlife departments

⁵ For work not performed in FY 2016/17 related to the Northwest MZ-1 horizontal extensometer

ENGINEERING SERVICES:

Unspent funds related to ongoing projects and associated activities from the Engineering Services budget from FY 2016/17 in several accounts totaling \$193,107 were "Carried Over" into the current FY 2017/18 budget. These funds were from the Ground Level - Engineering Services [A] in the amount of \$20,702 in account (7107.2); Ground Level - Contract Services [B] in the amount of \$24,196 in account (7107.6); Hydraulic Control-Engineering - PBHSP [C] in the amount of \$6,000 in account (7108.31); and PE4-Northwest MZ-1 Area Project [D] in the amount of \$142,209 in account (7402.10).

COMPLETED PROJECTS WITH FUNDING AVAILABLE:

Several projects were completed during FY 2016/17 or in prior years 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 [E] in the amount of \$37,981.33 (account 7209.1); Wineville Basin Proof of Concept [F] in the amount of \$35,397.53 (account 7209.2); East Declez Basin [H] in the amount of \$1,171.33 (account 7690.16); Hickory Basin Recharge Improvement Project [I] in the amount of \$3,877.00 (account 7690.3); and CB20 Turnout Noise Abatement Project [K] in the amount of \$859.80 (account 7690.5). The total amount available is \$79,286.99 ($\$37,981.33 + \$35,397.53 + \$1,171.33 + \$3,877.00 + \$859.80 = \$79,286.99$).

ONGOING RECHARGE IMPROVEMENT PROJECTS:

The RMPU Amendment-Task Order #1 [G] has a remaining budget from FY 2016/17 of \$1,205,263.30 in account (7690.15); the San Sevaine Recharge Improvement Project-Task Order #8 [J] has a remaining funded budget balance of \$2,318,351.95 in account (7690.4); the GWR SCADA Upgrades-Task Order #4 [L] has a remaining funded budget balance of \$173,290.86 in account (7690.61); the Upper Santa Ana River HCP-Task Order #7 [M] has a remaining funded balance of \$37,836.88 in account (7690.7); and the Lower Day Basin RMPU-Task Order #2 [N] has a remaining funded budget balance of \$112,642.26 in account (7690.8). The total funded budget for these combined projects is \$3,847,385.25.

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, 2018, any remaining balances of the FY 2017/18 and prior years funding (if any), along with any new FY 2017/18 expenses, will then be "Carried Over" into the FY 2018/19 budget.

AUDIT FIELD WORK

FY 2016/17:

The auditors from the audit firm of Fedak & Brown LLP were onsite at the Watermaster offices on April 5, 2017 through April 6, 2017. This was the start of the interim field work for the period of July 1, 2016 through February 28, 2017. The final field work for the period of March 1, 2017 through June 30, 2017 was completed during August 14, 2017 through August 16, 2017. The Annual Financial and Audit Reports are scheduled for presentation to the Watermaster Board by Fedak & Brown LLP at the October 26, 2017 Board meeting. The Annual Financial and Audit Reports for FY 2016/17 are anticipated to be posted to the Watermaster website no later than November 15, 2017.

ASSESSMENT INVOICING

CURRENT MONTH – AUGUST 2017

To date, all assessment invoice payments have been received and no other Assessment activity for the month to report.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

ATTACHMENTS

1. Financial Report - B5

| | 1/12th (8.33%) of the Total Budget | | | | 2/12th (16.67%) of the Total Budget | | | | 100% of the Total Budget | | | |
|----------------------------------------|------------------------------------|-------------|----------------|---------------|-------------------------------------|-------------------|-----------------|----------------|-------------------------------------|----------------------|-----------------|----------------|
| | For The Month of August 2017 | | | | Year-To-Date as of August 31, 2017 | | | | Fiscal Year End as of June 30, 2018 | | | |
| | Actual | Budget | \$ Over(Under) | % of Budget | Actual | Budget | \$ Over(Under) | % of Budget | Projected | Budget | \$ Over(Under) | % of Budget |
| Income | | | | | | | | | | | | |
| 4010 · Local Agency Subsidies | 0.00 | 0.00 | 0.00 | 0.0% | 193,621.82 | 191,626.00 | 1,995.82 | 101.04% | 193,621.82 | 191,626.00 | 1,995.82 | 101.04% |
| 4110 · Admin Asmnts-Approp Pool | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 11,279,242.00 | 11,279,242.00 | 0.00 | 100.0% |
| 4120 · Admin Asmnts-Non-Agri Pool | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 327,924.00 | 327,924.00 | 0.00 | 100.0% |
| 4700 · Non Operating Revenues | 3.56 | 0.00 | 3.56 | 100.0% | 10.76 | 0.00 | 10.76 | 100.0% | 39,906.00 | 39,906.00 | 0.00 | 100.0% |
| 4900 · Miscellaneous Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Income | 3.56 | 0.00 | 3.56 | 100.0% | 193,632.58 | 191,626.00 | 2,006.58 | 101.05% | 11,840,693.82 | 11,838,698.00 | 1,995.82 | 100.02% |
| Gross Profit | 3.56 | 0.00 | 3.56 | 100.0% | 193,632.58 | 191,626.00 | 2,006.58 | 101.05% | 11,840,693.82 | 11,838,698.00 | 1,995.82 | 100.02% |
| Expense | | | | | | | | | | | | |
| 6010 · Admin. Salary/Benefit Costs | 107,541.10 | 89,586.00 | 17,955.10 | 120.04% | 180,946.94 | 171,737.00 | 9,209.94 | 105.36% | 1,022,564.00 | 1,022,564.00 | 0.00 | 100.0% |
| 6020 · Office Building Expense | 8,288.42 | 8,931.00 | -642.58 | 92.81% | 16,678.16 | 17,767.00 | -1,088.84 | 93.87% | 112,914.00 | 112,914.00 | 0.00 | 100.0% |
| 6030 · Office Supplies & Equip. | 1,250.92 | 2,000.00 | -749.08 | 62.55% | 2,698.26 | 4,500.00 | -1,801.74 | 59.96% | 26,500.00 | 26,500.00 | 0.00 | 100.0% |
| 6040 · Postage & Printing Costs | 3,050.92 | 3,054.00 | -3.08 | 99.9% | 6,524.35 | 6,581.00 | -56.65 | 99.14% | 50,193.00 | 50,193.00 | 0.00 | 100.0% |
| 6050 · Information Services | 10,049.22 | 12,396.00 | -2,346.78 | 81.07% | 20,982.62 | 24,562.00 | -3,579.38 | 85.43% | 142,912.00 | 142,912.00 | 0.00 | 100.0% |
| 6060 · Contract Services | 7,792.04 | 8,300.00 | -507.96 | 93.88% | 16,390.17 | 17,100.00 | -709.83 | 95.85% | 60,000.00 | 60,000.00 | 0.00 | 100.0% |
| 6070 · Watermaster Legal Services | 23,551.69 | 13,854.00 | 9,697.69 | 170.0% | 52,634.92 | 32,708.00 | 19,926.92 | 160.92% | 176,075.00 | 176,075.00 | 0.00 | 100.0% |
| 6080 · Insurance | 0.00 | 0.00 | 0.00 | 0.0% | 26,412.35 | 29,768.00 | -3,355.65 | 88.73% | 29,768.00 | 29,768.00 | 0.00 | 100.0% |
| 6110 · Dues and Subscriptions | 608.34 | 480.00 | 128.34 | 126.74% | 9,633.22 | 9,730.00 | -96.78 | 99.01% | 23,385.00 | 23,385.00 | 0.00 | 100.0% |
| 6140 · WM Admin Expenses | 157.25 | 0.00 | 157.25 | 100.0% | 200.82 | 350.00 | -149.18 | 57.38% | 2,350.00 | 2,350.00 | 0.00 | 100.0% |
| 6150 · Field Supplies | -10.78 | 200.00 | -210.78 | -5.39% | 34.22 | 400.00 | -365.78 | 8.56% | 1,450.00 | 1,450.00 | 0.00 | 100.0% |
| 6170 · Travel & Transportation | 1,690.13 | 1,325.00 | 365.13 | 127.56% | 2,954.21 | 3,250.00 | -295.79 | 90.9% | 57,469.00 | 57,469.00 | 0.00 | 100.0% |
| 6190 · Training, Conferences, Seminars | 1,897.95 | 2,464.00 | -566.05 | 77.03% | 5,126.45 | 6,278.00 | -1,151.55 | 81.66% | 37,428.00 | 37,428.00 | 0.00 | 100.0% |
| 6200 · Advisory Comm - WM Board | 438.83 | 4,011.00 | -3,572.17 | 10.94% | 3,757.35 | 7,706.00 | -3,948.65 | 48.76% | 43,908.00 | 43,908.00 | 0.00 | 100.0% |
| 6300 · Watermaster Board Expenses | 872.32 | 13,244.00 | -12,371.68 | 6.59% | 16,933.76 | 26,273.00 | -9,339.24 | 64.45% | 175,546.00 | 175,546.00 | 0.00 | 100.0% |
| 8300 · Appr PI-WM & Pool Admin | 18,375.50 | 11,794.00 | 6,581.50 | 155.8% | 25,787.99 | 23,452.00 | 2,335.99 | 109.96% | 137,642.00 | 137,642.00 | 0.00 | 100.0% |
| 8400 · Agri Pool-WM & Pool Admin | 810.75 | 5,491.00 | -4,680.25 | 14.77% | 5,286.24 | 10,678.00 | -5,391.76 | 49.51% | 60,903.00 | 60,903.00 | 0.00 | 100.0% |
| 8467 · Ag Legal & Technical Services | 22,562.50 | 17,083.00 | 5,479.50 | 132.08% | 68,612.50 | 34,167.00 | 34,445.50 | 200.82% | 205,000.00 | 205,000.00 | 0.00 | 100.0% |
| 8470 · Ag Meeting Attend -Special | 1,475.00 | 1,850.00 | -375.00 | 79.73% | 2,275.00 | 3,700.00 | -1,425.00 | 61.49% | 22,200.00 | 22,200.00 | 0.00 | 100.0% |
| 8471 · Ag Pool Expense | 11,153.00 | 0.00 | 11,153.00 | 100.0% | 11,153.00 | 21,250.00 | -10,097.00 | 52.49% | 85,000.00 | 85,000.00 | 0.00 | 100.0% |
| 8485 · Ag Pool - Misc. Exp. - Ag Fund | 57.02 | 100.00 | -42.98 | 57.02% | 57.02 | 100.00 | -42.98 | 57.02% | 400.00 | 400.00 | 0.00 | 100.0% |
| 8500 · Non-Ag PI-WM & Pool Admin | 8,347.56 | 9,355.00 | -1,007.44 | 89.23% | 16,910.78 | 18,559.00 | -1,648.22 | 91.12% | 108,507.00 | 108,507.00 | 0.00 | 100.0% |
| 9400 · Depreciation Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9500 · Allocated G&A Expenditures | -18,818.76 | -33,635.00 | 14,816.24 | 55.95% | -31,139.66 | -67,269.00 | 36,129.34 | 46.29% | -403,615.00 | -403,615.00 | 0.00 | 100.0% |
| 6900 · Optimum Basin Mgmt Plan | 106,698.22 | 108,128.00 | -1,429.78 | 98.68% | 217,113.36 | 227,804.00 | -10,690.64 | 95.31% | 1,289,844.00 | 1,289,844.00 | 0.00 | 100.0% |
| 9501 · G&A Expenses Allocated-OBMP | 4,087.64 | 7,025.00 | -2,937.36 | 58.19% | 6,585.56 | 14,049.00 | -7,463.44 | 46.88% | 84,298.00 | 84,298.00 | 0.00 | 100.0% |
| 7101 · Production Monitoring | 3,687.37 | 4,838.00 | -1,150.63 | 76.22% | 7,829.78 | 9,263.00 | -1,433.22 | 84.53% | 54,742.00 | 54,742.00 | 0.00 | 100.0% |
| 7102 · In-line Meter Installation | 0.00 | 3,668.00 | -3,668.00 | 0.0% | 0.00 | 9,858.00 | -9,858.00 | 0.0% | 68,072.00 | 68,072.00 | 0.00 | 100.0% |
| 7103 · Grdwtr Quality Monitoring | 40,092.85 | 26,326.00 | 13,766.85 | 152.29% | 52,110.39 | 52,226.00 | -115.61 | 99.78% | 239,388.00 | 239,388.00 | 0.00 | 100.0% |
| 7104 · Gdwtr Level Monitoring | 19,281.83 | 23,175.00 | -3,893.17 | 83.2% | 37,335.80 | 46,039.00 | -8,703.20 | 81.1% | 275,631.00 | 275,631.00 | 0.00 | 100.0% |
| 7105 · Sur Wtr Qual Monitoring | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 7107 · Ground Level Monitoring | 4,116.77 | 16,676.00 | -12,559.23 | 24.69% | 21,964.12 | 99,901.00 | -77,936.88 | 21.99% | 331,612.00 | 331,612.00 | 0.00 | 100.0% |
| 7108 · Hydraulic Control Monitoring | 428.60 | 16,641.00 | -16,212.40 | 2.58% | 22,402.97 | 39,207.00 | -16,804.03 | 57.14% | 205,098.00 | 205,098.00 | 0.00 | 100.0% |

| | 1/12th (8.33%) of the Total Budget | | | | 2/12th (16.67%) of the Total Budget | | | | 100% of the Total Budget | | | |
|----------------------------------------|------------------------------------|--------------------|-------------------|---------------|-------------------------------------|----------------------|----------------------|---------------|-------------------------------------|----------------------|-----------------|---------------|
| | For The Month of August 2017 | | | | Year-To-Date as of August 31, 2017 | | | | Fiscal Year End as of June 30, 2018 | | | |
| | Actual | Budget | \$ Over(Under) | % of Budget | Actual | Budget | \$ Over(Under) | % of Budget | Projected | Budget | \$ Over(Under) | % of Budget |
| 7109 · Recharge & Well Monitoring Prog | 902.30 | 1,948.00 | -1,045.70 | 46.32% | 902.30 | 3,897.00 | -2,994.70 | 23.15% | 23,377.00 | 23,377.00 | 0.00 | 100.0% |
| 7200 · PE2- Comp Recharge Pgm | 25,145.36 | 22,692.00 | 2,453.36 | 110.81% | 307,287.69 | 382,438.86 | -75,151.17 | 80.35% | 1,397,464.86 | 1,397,464.86 | 0.00 | 100.0% |
| 7300 · PE3&5-Water Supply/Desalte | 0.00 | 2,803.00 | -2,803.00 | 0.0% | 0.00 | 5,484.00 | -5,484.00 | 0.0% | 32,657.00 | 32,657.00 | 0.00 | 100.0% |
| 7400 · PE4- Mgmt Plan | 33,144.50 | 138,623.00 | -105,478.50 | 23.91% | 64,930.68 | 419,379.00 | -354,448.32 | 15.48% | 1,805,080.00 | 1,805,080.00 | 0.00 | 100.0% |
| 7500 · PE6&7-CoopEfforts/SaltMgmt | 15,742.06 | 17,970.00 | -2,227.94 | 87.6% | 38,245.58 | 41,861.00 | -3,615.42 | 91.36% | 215,016.00 | 215,016.00 | 0.00 | 100.0% |
| 7600 · PE8&9-StorageMgmt/Conj Use | 48,731.22 | 44,429.00 | 4,302.22 | 109.68% | 73,116.56 | 73,490.00 | -373.44 | 99.49% | 230,213.00 | 230,213.00 | 0.00 | 100.0% |
| 7690 · Recharge Improvement Debt Pymt | 84,283.03 | 0.00 | 84,283.03 | 100.0% | 656,899.72 | 4,368,668.38 | -3,711,768.66 | 15.04% | 7,207,668.38 | 7,207,668.38 | 0.00 | 100.0% |
| 7700 · Inactive Well Protection Prgm | 0.00 | 42.00 | -42.00 | 0.0% | 0.00 | 83.00 | -83.00 | 0.0% | 500.00 | 500.00 | 0.00 | 100.0% |
| 9502 · G&A Expenses Allocated-Projects | 14,731.12 | 26,610.00 | -11,878.88 | 55.36% | 24,554.10 | 53,219.00 | -28,664.90 | 46.14% | 319,317.00 | 319,317.00 | 0.00 | 100.0% |
| Total Expense | 612,213.79 | 633,477.00 | -21,263.21 | 96.64% | 1,992,129.28 | 6,250,214.24 | -4,258,084.96 | 31.87% | 15,958,477.24 | 15,958,477.24 | 0.00 | 100.0% |
| Net Ordinary Income | -612,210.23 | -633,477.00 | 21,266.77 | 96.64% | -1,798,496.70 | -6,058,588.24 | 4,260,091.54 | 29.69% | -4,117,783.42 | -4,119,779.24 | 1,995.82 | 99.95% |
| Other Income | | | | | | | | | | | | |
| 4210 · Approp Pool-Replenishment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4220 · Non-Ag Pool-Replenishment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4225 · Interest Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4226 · LAIF Fair Market Value | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4600 · Groundwater Sales | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Other Expense | | | | | | | | | | | | |
| 5010 · Groundwater Replenishment | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5100 · Other Water Purchases | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9200 · Interest Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9251 · Other Post Employment Benefits | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9996 · Refund-Excess Reserves-Approp. | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9997 · Refund-Excess Reserves-NonAg | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9998 · Refund-Recharge Debt-Approp. | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 9999 · To/(From) Reserves | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Other Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Net Income | -612,210.23 | -633,477.00 | 21,266.77 | 96.64% | -1,798,496.70 | -6,058,588.24 | 4,260,091.54 | 29.69% | -4,117,783.42 | -4,119,779.24 | 1,995.82 | 99.95% |

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. MASTER SERVICE AGREEMENT BETWEEN ACCENT COMPUTER SOLUTIONS, INC. AND CHINO BASIN WATERMASTER



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: Master Service Agreement Between Accent Computer Solutions, Inc. and Chino Basin Watermaster (Consent Calendar Item I.C.)

SUMMARY

Issue: Watermaster intends to enter into a Master Service Agreement with Accent Computer Solutions, Inc. and replace the existing IT managed services provider.

Recommendation: Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

Financial Impact: The FY 2017/18 budget (which includes account number 6052.2 in the amount of \$45,240; account number 6052.5 in the amount of \$10,800; and account number 6052.6 in the amount of \$1,920) was approved by the Board on May 25, 2017. The Master Services Agreement expense of \$46,596 has been funded within the FY 2017/18 budget.

Future Consideration

Watermaster Board - October 26, 2017: Approve and authorize the General Manager to execute the contract on behalf of Watermaster [Normal Course of Business]

ACTIONS:

Watermaster Board – October 26, 2017:

BACKGROUND

Historically, from 1997 through 2015, Watermaster hired an IT consultant (Park Place Computer Solutions, Inc.) who performed the routine maintenance, software updates, servicing, installation and repair of the IT systems, networks, servers, laptops, desktops, printers and other peripherals. During 2015, Watermaster decided to transition from a small one-person consulting company to a larger organization with more depth of staff for the IT managed services. This company is known as mindSHIFT Technologies (a Ricoh company). The IT services contract with mindSHIFT Technologies was initially effective on January 22, 2016, and renewed for an additional 1-year period as of January 22, 2017. The exiting services contract for IT managed services with mindSHIFT Technologies will automatically renew on January 22, 2018 unless a 30-day written notice is provided.

DISCUSSION

Because Watermaster is the repository for all of the data related to the judgment, there is an overwhelming reliance on the computer systems, electronic storage capacity, overall system reliability, and the ability to store and retrieve data. While initially the relationship with mindSHIFT Technologies was very positive, several organizational changes (including a significant staff layoff in November 2016) has resulted in a noticeable decrease of service levels with mindSHIFT. With the existing contract coming up for renewal in the next few months, Watermaster staff began researching local IT managed service providers as an alternative.

Accent Computer Solutions, Inc. is an IT managed service provider, located in Rancho Cucamonga. They have approximately 50 employees and have been in business since 1987. The core IT services are very similar to the services provided by mindSHIFT. Accent Computer Solutions, Inc. provides centralized services, network administration, technology consulting, technology upgrades, and reactive support services. For the majority of the Watermaster system related issues or technical problems, the IT service provider can connect to the problem server, desktop, or laptop remotely and perform any needed adjustments or corrections without coming to the Watermaster offices. What Accent Computer Solutions, Inc. can provide, in addition to the remote services, is fast and reliable onsite response when systems are down or a same-day on-site visit by a tech is required.

The existing cost per month for mindSHIFT is \$3,770 and the cost for Accent Computer Solutions, Inc. is \$3,883, an increase of \$113 per month. The ongoing monthly cost could be reduced in the future by eliminating or consolidating a number of existing servers within the server room.

The transition plan would be to sign a contract with Accent Computer Solutions in October 2016. The time estimate for the full systems transition from one vendor to another is approximately 60 days. The transition project would take place during the months of November and December 2017, with final transition of service provider to Accent Computer Solutions, Inc. in January, 2018.

Per the terms and conditions of the mindSHIFT contract, a 30-day written notice is required to terminate services. Watermaster plans to provide such written notice well in advance of the 30-day notice.

ATTACHMENTS

1. Master Service Agreement
2. ALL IT 24/7 Services Program



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Master Service Agreement for Protech IT Services After Hours Agreement

September 27, 2017

Peter Kavounas
Chino Basin Watermaster
9641 San Bernardino Rd.
Rancho Cucamonga, CA 91730

PKavounas@cbwm.org





Accent Computer Solutions, Inc. Service Agreement

This Accent Computer Solutions, Inc. Agreement ("Agreement") is made 27 September 2017 by and between Chino Basin Watermaster (CLIENT/Account) located at 9641 San Bernardino Rd., Rancho Cucamonga CA 91730 and ACCENT COMPUTER SOLUTIONS, INC., located at 8438 Red Oak Street, Rancho Cucamonga, CA 91730.

WHEREAS, ACCENT COMPUTER SOLUTIONS, INC. is a provider of Network Support Services, Security and Networking solutions;

WHEREAS, CLIENT desires to contract with ACCENT COMPUTER SOLUTIONS, INC. for the provision of the ACCENT COMPUTER SOLUTIONS, INC. Monitoring Services Solutions;

NOW THEREFORE, for and in consideration of the premises contained herein and good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

PERIOD OF SERVICE

This Agreement shall be effective as of the date of this Agreement, execution by CLIENT unless sooner terminated in accordance with the terms hereof, and shall be for an initial term of **twelve months**. CLIENT and ACCENT COMPUTER SOLUTIONS, INC. reserve the right to review this agreement quarterly.

CONTINUANCE / AUTOMATIC RENEWAL

This Agreement shall renew automatically at the end of the prior Agreement term for a period of **twelve months** unless ACCENT COMPUTER SOLUTIONS, INC. or the CLIENT affirmatively terminates it in accordance with the conditions set forth in this Agreement.

EQUIPMENT COVERED

ACCENT COMPUTER SOLUTIONS, INC. reserves the right to renegotiate rates/agreement price if significant additions of locations, hardware, software, hardware support requirements, and/or services are required that were not included in the original proposal/agreement with a **30-day** notice.

PURCHASE PRICE AND PAYMENT TIMING

CLIENT is purchasing ACCENT COMPUTER SOLUTIONS, INC. Program Services under this Agreement for the purchase price outlined in the appropriate one page program description.. Said purchase price shall be paid in monthly installments with the first installment due upon execution of this agreement. Each payment thereafter shall be due the first day of each calendar month. Services provided hereunder shall be assessed against this Account as provided herein.

CHARGES FOR SERVICE

a) Services shall be charged against the Account in accordance with the terms and conditions as outlined in the Protech IT Services attachment (separately approved)

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b) ACCENT COMPUTER SOLUTIONS, INC. reserves the right to refuse or suspend service under this Agreement in the event CLIENT has failed to pay any invoice within (30) days of said invoice date, whether it be an invoice for services provided under this Agreement or any other agreement between the parties.

CONDITIONS OF SERVICE

ACCENT COMPUTER SOLUTIONS, INC. shall not be responsible to CLIENT for loss of use of the Network or for any other liabilities arising from alterations, additions, adjustments or repairs which have been made to the Network other than by authorized representatives of ACCENT COMPUTER SOLUTIONS, INC.

ACCENT COMPUTER SOLUTIONS, INC. reserves the right to suspend or terminate this Agreement if in its sole discretion; conditions at the service site pose a health or safety threat to any ACCENT COMPUTER SOLUTIONS, INC. representative.

This Agreement Type is All IT After Hours

| Time of Service | Rates |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Business Hours</p> <p>Monday – Friday 6:00am – 6:00pm (Help Desk)</p> <p>All rates apply only to out of scope services which are separately approved by client management.</p> | <p>Remote: \$145 / hour</p> <p>Onsite: \$145/hour Level 3 Engineer</p> <p>Specialty Services \$175/hr (programming, advanced Cisco, advanced network services)</p> |
| <p>After Hours</p> <p>Monday – Friday 6:00pm – 11:00pm (On-Site)</p> <p>Saturday - 9:00am – 5:00pm</p> | <p>Applied only to special circumstances approved by Client Management</p> |
| <p>Overnight</p> <p>Monday – Friday 11:00pm – 8:00am</p> <p>Saturday 5:00pm – Monday 8:00am</p> | <p>Applied only to special circumstances approved by Client Management</p> |
| <p>Holidays</p> | <p>Billed at 2 times normal rate</p> |

Holidays Observed and Service Support Hours

| Holiday | Date | Service Support Hours |
|------------------------------------------------------|--------------------------------------|------------------------|
| New Years Day | January 1 | Emergency Service only |
| Memorial Day | last Monday in May | |
| Independence Day | July 4 th | |
| Labor Day | 1 st Monday in September | |
| Thanksgiving Day & Day After Thanksgiving | fourth Thursday & Friday in November | |
| Christmas Day | December 25 th | |

CLIENT RESPONSIBILITIES

- a) CLIENT shall provide access to office locations, data closets and data servers should after hours support is requested/required.
- b) CLIENT agrees that it will inform ACCENT COMPUTER SOLUTIONS, INC. of any modification, installation, or service performed on the Network by individuals not employed by ACCENT COMPUTER SOLUTIONS, INC. in order to assist ACCENT COMPUTER SOLUTIONS, INC. in providing an efficient and effective support response.
- c) CLIENT will designate a managerial level representative to authorize all out of scope Services. It is the CLIENT's responsibility to inform ACCENT COMPUTER SOLUTIONS, INC. of any changes made to this representation as soon as possible in advance.

SERVICE LIMITATIONS

In addition to other limitations and conditions set forth in this Agreement, the following service and support limitations are expressed:

Cost of consumables, replacement parts, hardware, software, network upgrades and associated services are outside the scope of this agreement. ACCENT COMPUTER SOLUTIONS, INC. will provide consultative specification, sourcing guidance and/or Time and Material/Project offerings.

Manufacturer warranty parts and labor/services are outside the scope of this agreement. Should Manufacturer technical support be required, the cases will be billed to the customer (e.g., Microsoft, HP, Cisco, Dell, etc – with clients approval.)

Periodic reboots for such devices as firewalls, routers, and servers are required to apply/activate critical update patches and configuration changes. ACCENT COMPUTER SOLUTIONS, INC.'s support services within this agreement are predicated upon the CLIENT'S support and commitment to providing time/scheduling for network device reboots with its staff and/or users support.



Virus mitigation within the scope of this agreement is predicated on CLIENT satisfying recommended backup schemes and having appropriate Anti-Virus Software with current updates if not provided by ACSI.

WARRANTIES AND DISCLAIMERS

Accent Computer Solutions, Inc. makes and the CLIENT receives no warranty, express or implied, and all warranties of merchantability and fitness for a particular purpose are expressly excluded. In no event shall Accent Computer Solutions, Inc. or any of its Directors, Employees or Other Representatives be for any incidental, indirect, or consequential damages of any kind including, without limitations, those resulting from loss of data, income, profit, and on any theory of liability, arising out of or in connection with the services or use thereof even if it has been advised or has knowledge of the possibility of such damages. Accent Computer provides a money back guarantee on services.

INDEMNIFICATION

CLIENT hereby agrees to indemnify and defend at its sole expense: Accent Computer Solutions, Inc., its employees, agents, representatives, directors and shareholders, from and against any and all claims arising out of or based upon CLIENT'S use of all services, software or hardware provided or serviced hereunder, including, but not limited to, claims based on software licensing violations, copyright infringement, trademark infringement and patent infringement. In addition, CLIENT agrees to pay any judgment and costs associated with such claim.

OPT-OUT/TERMINATION

ACCENT COMPUTER SOLUTIONS, INC. and/or CLIENT shall have the right to terminate this Agreement under any of the following conditions:

- If one of the parties shall be declared insolvent or bankrupt.
- If a petition is filed in any court and not dismissed in ninety days to declare one of the parties bankrupt and/or for a reorganization under the Bankruptcy Law or any similar statute
- If a Trustee in Bankruptcy or a Receiver or similar entity is appointed for one of the parties
- If the CLIENT does not pay ACCENT COMPUTER SOLUTIONS, INC. within thirty days from receipt of ACCENT COMPUTER SOLUTIONS, INC.'s invoice and/or otherwise materially breaches this Agreement.
- If ACCENT COMPUTER SOLUTIONS, INC. fails to perform its obligations under this Agreement and such failure continues for a period of thirty days after written notice of the default, the CLIENT shall have the right to terminate this Agreement.
- Either party may terminate this Agreement upon ninety days (90) written notice.

Upon termination, all hardware and software installed by ACCENT COMPUTER SOLUTIONS, INC. that was required to conduct network support services are the property of ACCENT COMPUTER SOLUTIONS, INC. and will be surrendered and returned to ACCENT COMPUTER SOLUTIONS, INC. at end of the agreement.

ALL INFORMATION CONTAINED WITHIN THIS DOCUMENT IS CONFIDENTIAL



REMEDIES

In the event CLIENT terminates this Agreement for any reason other than a breach of the terms herein, CLIENT shall be entitled to a refund of any monies extended in advance of the month or part thereof for which services by ACCENT COMPUTER SOLUTIONS, INC. were last performed.

INDEPENDENT ENGAGEMENT / NON-HIRE

Because employees are one of our most valuable assets, policy and professional ethics require that our employees not seek employment with, or be offered employment by any CLIENT during the course of engagement and for a period of 1-year thereafter. Your signature on this document confirms your organization's agreement to adhere to this professional standard of conduct.

CLIENT acknowledges that ACCENT COMPUTER SOLUTIONS, INC. is involved in a highly strategic and competitive business. CLIENT further acknowledges that CLIENT would gain substantial benefit and that ACCENT COMPUTER SOLUTIONS, INC. would be deprived of such benefit, if CLIENT were to directly hire any personnel employed by ACCENT COMPUTER SOLUTIONS, INC. Except as otherwise provided by law, CLIENT shall not, without the prior written consent of ACCENT COMPUTER SOLUTIONS, INC. solicit the employment of ACCENT COMPUTER SOLUTIONS, INC. personnel during the term of this Agreement and for a period of one (1) year following expiration of this Agreement.

CLIENT agrees that ACCENT COMPUTER SOLUTIONS, INC. damages resulting from breach by CLIENT of this provision would be impracticable and that it would be extremely difficult to ascertain the actual amount of damages. Therefore, in the event CLIENT violates this provision, CLIENT shall immediately pay ACCENT COMPUTER SOLUTIONS, INC. an amount equal to 50% of employee's total annual compensation, as liquidated damages and ACCENT COMPUTER SOLUTIONS, INC. shall have the option to terminate this Agreement without further notice or liability to CLIENT. The amount of the liquidated damages reflected herein is not intended as a penalty and is reasonably calculated based upon the projected costs ACCENT COMPUTER SOLUTIONS, INC. would incur to identify, recruit, hire and train suitable replacements for such personnel.

CONFIDENTIALITY

This Confidentiality, Privacy and Compliance portion of this Agreement is in addition to other terms and conditions set forth in any and all contracts currently existing or hereafter created between CLIENT and ACCENT COMPUTER SOLUTIONS, INC. This agreement shall under no circumstances be deemed to alter any such contract except as specifically provided below.

Accent Computer Solutions, Inc. acknowledges that in the course of providing services to said CLIENT, ACCENT COMPUTER SOLUTIONS, INC. may learn from CLIENT certain non-public personal and otherwise confidential information relating to said CLIENT, including its customers, consumers or employees. ACCENT COMPUTER SOLUTIONS, INC. shall regard any and all information it receives which in any way relates or pertains to said CLIENT, including its customers, consumers or employees as confidential.

ACCENT COMPUTER SOLUTIONS, INC. shall take commercially reasonable steps to not disclose, reveal, copy, sell, transfer, assign, or distribute any part or parts of such information in any form, to any person or entity, or permit any of its employees, agents, or representatives to do so for any purpose other than purposes which serve CLIENT or as expressly and specifically permitted in writing by said CLIENT or as required by applicable law.

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Said CLIENT acknowledges that it also has responsibility to keep records and information of its business, customers, consumers, and employees, confidential.

Said CLIENT also acknowledges that all information and services, consulting techniques, proposals, and documents disclosed by ACCENT COMPUTER SOLUTIONS, INC. or which comes to its attention during the course of business and provided under this agreement constitute valuable assets of, and confidential and/or proprietary to ACCENT COMPUTER SOLUTIONS, INC.

This provision shall survive termination of this Agreement and any other agreements between CLIENT & ACCENT COMPUTER SOLUTIONS, INC.

INSURANCE COVERAGE

ACCENT COMPUTER SOLUTIONS, INC. shall maintain at its sole expense commercial general liability insurance for personal injury and property damage for a general aggregate of \$1,000,000; worker's compensation insurance as required by law; and hired and non-owned automobile liability insurance for the combined single limit of \$1,000,000. At CLIENT's request, ACCENT COMPUTER SOLUTIONS, INC. further agrees to furnish CLIENT with certificates, including renewal certificates, evidencing such coverage within thirty (30) days of commencing performance under this Agreement, at every renewal and at other times as may be reasonably requested by CLIENT.

GENERAL PROVISIONS

a) Sole Agreement: This Agreement constitutes the entire and only understanding and agreement between the parties hereto with respect to the subject matter hereof and, except as expressly set forth herein, maybe amended only by a writing signed by each of the parties hereto.

b) Severability: If a court of competent jurisdiction determines that any terms or provision of this Agreement is invalid or unenforceable, such determination shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement, which shall continue to be given full force and effect.

c) Captions: The captions of the paragraphs of this Agreement are for convenience only and shall not affect in any way the meaning or interpretation of this Agreement or any of the provisions hereof.

d) Binding Effect: This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their heirs, legal representatives, personal representatives, administrators, successors, and permitted assigns, as the case may be.

e) Waiver: Any failure of either party to comply with any obligation, covenant, agreement, or condition herein may be expressly waived, but only if such waiver is in writing and signed by the other parties. Any such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or conditions shall not operate as a waiver of and/or set precedence with respect to any subsequent and/or other failure.

f) Governing Law: Notwithstanding the place where this Agreement may be executed by any party, this Agreement, the rights and obligations of the parties, and any claims and disputes relating hereto shall be subject to and governed by the laws of the State of California as applied to agreements among California residents to be entered into and performed entirely within the State of California, and such laws shall govern all aspects of this Agreement. The parties agree to submit to the personal jurisdiction and venue of the state and federal courts in the State of California, in the Judicial Circuit where Accent Computer Solutions, Inc. has its principal office, for resolution of all disputes and causes of action

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arising out of this Agreement, and the parties hereby waive all questions of personal jurisdiction and venue of such courts, including, without limitation, the claim or defense therein that such courts constitute an inconvenient forum.

g) Assignment: This Agreement and the rights and duties hereunder shall not be assignable by either party hereto except upon written consent of the other.

h) Force Majeure: Accent Computer Solutions, Inc. shall not be liable for any problems due to external causes beyond its control including, but not limited to, terrorist acts, natural catastrophe, fire, flood, or other acts of God, and/or power failure, virus propagation, improper shut down of the Network and related Network Systems/Services.

i) Attorneys' Fees. In any action between the parties to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover all expenses, including reasonable attorneys' fees.

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

CLIENT INFORMATION

Rancho Cucamonga 9641 San Bernardino Rd. This agreement covers the following CLIENT locations:

| Site Number | Address | Phone | Contact |
|-------------|----------------------------------------------------|-------|----------------|
| 1 | 9641 San Bernardino Rd., Rancho Cucamonga CA 91730 | | Peter Kavounas |
| 2 | Support Sites | | |
| 3 | | | |
| 4 | | | |

DEVICES SUPPORTED BY THIS AGREEMENT

The following devices are tentative. Once the initial discovery of devices has been performed a detailed listing will be provided and considered covered by this agreement:

| Device | Type |
|------------------|------|
| ALL IT Agreement | |
| | |
| | |
| | |
| | |

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ASSUMPTIONS AND CONDITIONS

- No hardware or software products are included in this agreement. Technology advancements, projects and significant upgrades will be proposed and approved by management. Two new computer rollouts per month are included in All IT agreements. Additional computer rollouts will be billed \$350/each or scoped as a project.
- All Hardware/software manufactures warranties \$1,000 or less will be automatically renewed on the client's behalf, unless the client opts-out of such service.
- One cabling drop is included in All IT Agreements. The drop must be in an office area with ceiling grid and no longer than 100 feet. This includes cable, jacks, and technician labor.
- Telephone System general support is included in All In Agreements. If the system is Toshiba, Accent will provide all of the support at no additional charge (new technology will be scoped and approved). Triage will be offered at no charge for all other systems and Accent will manage the 3rd party supplier of the services (the 3rd party will bill Accent or the Client approved by client management).
- Pricing in this agreement does not include overtime. Overtime will be billed at 1.5 times the contracted hourly rate for extended days. Special projects requiring overtime will be billed at 1.5 times the contracted hourly rate. Significant overtime requirements must be approved by Chino Basin Watermaster management. (Unless after hours agreement approved)
- Pricing in this agreement may change monthly for the Protech Managed Backup. (If selected) The Protech Managed Backup is billed for actual average amount of compressed data being backed up each month at the rates defined in the "Program Components" section of this agreement.
- Added Users, Servers, or Workstations will automatically increase the monthly fee (per agreement type). Special Notes. Additional users will not increase this agreement. Reduction in monthly fee may be obtained by reducing complexity in the network environment.
- Access to office locations, data closets and data servers is required if after hours support is requested/required. (Keys and codes will be necessary)
- Manufacturer technical support cases will be billed to the customer (e.g., Microsoft, Sage, HP, Cisco, Dell, etc.)
- Significant network projects or complexities may require additional monthly support to be added to the agreement. These issues will be brought before the Chino Basin Watermaster management for options and review (e.g., intrusion detection, spam attack, virus attack, severe power outages, acts of vandalism, complete system upgrades, theft...etc.).



- Support procedures should be in place to determine area of responsibility (e.g., Line of Business Applications, timeclocks, cell phones, copiers, etc.)
- Hourly services and support outside of this agreement will be provided as required as usual and may require a separate agreement and scope of work approved by client management.
- Virus mitigation within the scope of this agreement is predicated on CLIENT satisfying recommended backup schemes and having appropriate Anti-Virus Software with current updates.
- Critical services and/or products recommended that affect the stability of the customer's infrastructure but not approved will result in billable charges should a failure create a need for engineering services. (specific to All-IT Agreements)
- Programming and software development are not included in this agreement.
- See Terms and Conditions for specialty service rates (e.g., Cisco Services, Accounting Software, VoIP, Security, Cabling, Wireless installation and implementation of projects).
- Operating System and application patch management is necessary in the Information Technology arena. Sometimes these tasks result in system downtime. Accent Computer Solutions, Inc. cannot be held responsible for the issues related to the Manufacturer supplied procedure.
- Emergency Services or additional support services will be provided at normal contract rates (e.g., fire, disaster, disaster recovery, Acts of God, and temperature of equipment).
- All Protech programs include 24/7 data collection of monitored devices. It is understood that management of the alerts is performed between the hours of 6 a.m. and 6 p.m. Pacific Standard Time (PST). There are several options available should you decide you would like technical alert management during the hours between 6 p.m. and 6 a.m. Pacific Standard Time (PST).

ACCEPTANCE

| | |
|---------------------------------|-------------------------|
| Accent Computer Solutions, Inc. | Chino Basin Watermaster |
| Signature: | Signature: |
| Printed Name: | Printed Name: |
| Title: | Title: |
| Date: | Date: |



ALL IT 24/7 Services Program

Flat Fee IT Service – Proactive Services, Reactive Services, On-Site Services, Remote Services

| Centralized Services | Network Administration | Technology Consulting | Technology Upgrades | Reactive Support Services |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>UNLIMITED:</p> <ul style="list-style-type: none"> Microsoft Patch Management Antivirus Solution Virus Activity Monitoring Workstation Maintenance Spam Filtering Solution Priority Downtime Response Automated Hardware & Software Inventory Performance Reporting CPU Utilization, Memory & Drive Space Windows System Service Availability Monitoring Event Log Monitoring Monitoring and Maintenance of Exchange Domain User Account Admin Backup Management & Administration Firewall Management | <p>UNLIMITED:</p> <ul style="list-style-type: none"> Dedicated Network Administrator Scheduled On-site Maintenance Technology Checklist Best Practices Centralized Service Report Review Proactive Automation and Management Root Cause Investigation | <p>UNLIMITED:</p> <ul style="list-style-type: none"> Dedicated Virtual Chief Information Officer (vCIO) Technology Planning and Guidance Regular IT Business Reviews Project Management Vendor Management IT Huddles IT Status Updates | <p>UNLIMITED:</p> <ul style="list-style-type: none"> Dedicated Technology Architect Technology Infrastructure Design Project Management & Coordination <p>Priced Per Project:</p> <ul style="list-style-type: none"> Infrastructure Upgrades Technology Rollouts & Implementation | <p>UNLIMITED:</p> <ul style="list-style-type: none"> Remote Support On-Site Support Problem Isolation & Resolution “How To” Questions Crash Support Customer Portal 24x7 Available IT Technical Support ISP Management and Support PBX/VoIP Telephone System Triage Support |
| INFRASTRUCTURE | STRATEGY | | SUPPORT | |

Pricing based on the following equipment list provided by client: 14 Servers, 15 Workstations, 1 Router, 3 Switches, 1 Firewall, 20 ShoreTel Phones, 9 Users. Price will NOT increase with additional users added. Price may DECREASE as network consolidation and simplification is performed

Total Monthly **\$3,883** Onboarding / Setup Fee (One Time) **\$ 3,883**

I agree to the terms and conditions as stated in the Master Service Agreement.

Company Name: _____

Contact Name: _____ Title: _____

Address: _____ City: _____

State: _____ Zip Code: _____ Phone #: _____

Fax #: _____ Email Address: _____

Date: _____ Authorized Signature: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**D. PROFESSIONAL SERVICES AGREEMENT BETWEEN APPLIED
COMPUTER TECHNOLOGIES AND CHINO BASIN WATERMASTER**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: Professional Services Agreement Between Applied Computer Technologies and Chino Basin Watermaster (Consent Calendar Item I.D.)

SUMMARY

Issue: Watermaster intends to enter into a professional services agreement with Applied Computer Technologies to provide continuing software development and database administrator services. Applied Computer Technologies has been providing services to Watermaster since 2001.

Recommendation: Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

Financial Impact: The FY 2017/18 budget (which includes account number 6052.2 in the amount of \$42,000) was approved by the Board on May 25, 2017. The contract expense of \$42,000 has been funded within the FY 2017/18 budget.

Future Consideration

Watermaster Board - October 26, 2017: Approve and authorize the General Manager to execute the contract on behalf of Watermaster [Normal Course of Business]

ACTIONS:

Appropriative Pool – October 12, 2017: Unanimously approved to recommend to Advisory Committee to recommend to the Watermaster Board to approve

Non-Agricultural Pool – October 12, 2017: Unanimously approved recommendation as presented and directed the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate

Agricultural Pool – October 12, 2017: Unanimously approved to recommend to Advisory Committee to recommend to the Watermaster Board to approve

Advisory Committee – October 19, 2017: Unanimously approved to recommend to Watermaster Board to approve

Watermaster Board – October 26, 2017:

BACKGROUND

In the normal course of business, Chino Basin Watermaster (Watermaster) maintains many databases. The following is a listing of those databases and their functions:

1. Administration Database
 - a. Records of all documents we have in storage in the Annex.
 - b. Records of all Motions and Resolutions.
 - c. Generates annual mailing labels.
2. Assessment Package Database
 - a. Creates the annual Assessment Package.
 - b. Linked to Production Database.
 - c. Tracks Water Transactions, transfers, purchases, etc.
3. Production Database
 - a. Tracks production from all parties.
 - b. Contains records of parties and their contact information.
 - c. Tracks Assignments, Voluntary Agreements, and other transfers.
 - d. Records of wells, their owners and users, and the meters.
 - e. Generates quarterly/annual production request forms.
4. Tasks Database
 - a. Used as the basis for the SharePoint's Task and Obligations.
5. Time Keeping Database
 - a. Tracks employees' work, vacation, sick, and comp hours.
 - b. Generates Timesheets for payroll.
 - c. Calculates accrual worksheets by employee.
6. Human Resource Database
 - a. HR related employee information.
 - b. Job descriptions.
7. Recharge Database
 - a. Tracks all recharge by basin and source.
 - b. Generates monthly reports for meetings.

Watermaster does not currently have an employee on staff with the special qualifications and talents needed to maintain and develop the number of databases used at Watermaster. Watermaster utilizes specialized consultants when needed to fill in the operational needs since Watermaster intentionally employs a small number of full time employees. As a result, Watermaster utilizes the services of Applied Computer Technologies for software development and database administrator services. Applied Computer Technologies provides specialized services such as application development and support, application interface development, SQL database administration, SharePoint programming and support, SSRS report development, system interface development, and other technologies as needed.

Watermaster has utilized the services of Applied Computer Technologies since 2001 and plans to continue the working relationship.

DISCUSSION

During the annual budget development cycle, Watermaster staff works with Applied Computer Technologies to review the ongoing services required, along with developing the upcoming budget and ensure proper funding of the database administration services is included. In the past, an informal arrangement regarding the cost and scope of work for services was reviewed by Watermaster, however,

a formal contract for services has never been executed. Beginning with the FY 2017/18, Watermaster plans to enter into a formal professional services agreement with Applied Computer Technologies (Attachment 1). Entering into a contract for each fiscal year will help memorialize the description of responsibilities, cost, and schedule, as well as provide legal protection should disputes arise. Additionally, it will aid in clearly identifying this annual budgeted cost.

The software development and SQL database administrator services scope of work for July 1, 2017 to June 30, 2018 are shown in the Scope of Work (Addendum A) - (Attachment 2). As reported above, the budget of \$42,000 for the estimated costs for the FY 2017/18 ongoing services have been included in the approved FY 2017/18 budget.

ATTACHMENTS

1. Professional Services Agreement
2. Scope of Work (Addendum A)

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CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement ("Agreement") is entered into by and between the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, California 91730 (the "Watermaster"), and Applied Computer Technologies ("Consultant"), located at 39252 Winchester Road, Suite 107-209, Murrieta, California 92563, effective as of the 26th day of October, 2017 (the "Effective Date").

1. Term of Agreement. This Agreement will terminate June 30, 2018 (as set forth in Addendum A) or prior to that time in accordance with Section 5 of this Agreement. (The period during which this Agreement is in effect, including any extensions agreed upon by the parties, is referred to as the "Term.")

2. Services. The Watermaster and Consultant agree that, during the Term, Consultant will provide the services set forth in the Scope of Work, attached as Addendum A to this Agreement, as it may be modified from time to time in writing. Consultant must provide regular written progress reports to the Watermaster, no less frequently than monthly, and maintain regular contact with the Watermaster for project clarification, guidance and issue resolution. Consultant may from time to time be required to perform other duties that are reasonably related to Consultant's expertise and skills. Collectively, these are referred to as the "Services." Consultant will coordinate with Peter Kavounas as Consultant's Watermaster contact (the "Watermaster Contact").

3. Compensation and Terms of Payment.
 - a. Cost of Services. In compensation for the Services, the Watermaster will pay Consultant an amount equal to the actual time worked as detailed in billing to the Watermaster, at an hourly rate of \$125.00 per hour, payable in accordance with the schedule set forth in Addendum A upon completion of the designated milestones. Consultant must submit an estimated budget of the total cost to the Watermaster for approval with respect to each project prior to initiation of the Services. Consultant also must provide reports on performance and costs incurred against the approved budget on a monthly basis. The Watermaster will be responsible for paying up to the approved budget amount only, as that may be modified from time to time in a writing signed by both parties.
 - i. Billing Increments. Time will be billed in fifteen (15) minute intervals. Consultant will invoice time such that intervals of time worked that are less than fifteen (15) minutes are combined with other time worked, so the Watermaster is not billed for more than actual time worked by Consultant (provided that any partial intervals of time on the last invoice will be paid as if the full 15-minute interval had been worked).

 - ii. Billable Time. Consultant will not bill the Watermaster for any travel time, provided that if the Watermaster requests that Consultant travel to a location more than fifty (50) miles from its Rancho Cucamonga location, reasonable travel time to and from such location will be compensable. To the extent work performed is primarily for the Watermaster's benefit, Consultant will bill the Watermaster for work performed at the Watermaster's facilities, work performed via telephone (including conferences with Watermaster staff and third parties, and communications with customers, vendors), and preparation of required Watermaster paperwork and documentation. Consultant will not bill the Watermaster for administrative time of Consultant, including but not limited to

preparing invoices for submission to Client; communications with the Watermaster regarding billing issues, scheduling and the like; negotiating with the Watermaster; completing IRS Form W-9; communications with Consultant's own insurance carrier(s); time spent maintaining the license(s) and certification(s) of Consultant and its agents; etc.

- b. Expenses. Consultant will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs, insurance, mileage and overhead, except as otherwise expressly agreed in writing by the Watermaster in advance with respect to particular expenses in Addendum A.
- c. Method of Payment.
 - i. Consultant must submit monthly invoices that include an accurate and detailed summary of the Services performed and the billable hours worked, itemization of any pre-approved costs incurred in accordance with Section 3(b), and documentation and receipts acceptable to the Watermaster supporting any such costs.
 - ii. The Watermaster Contact will verify the Services and costs detailed on the invoice and will confirm that the Services described therein have been satisfactorily completed and that appropriate documentation has been provided.
 - iii. The Watermaster will make a reasonable effort to pay undisputed invoiced amounts within thirty (30) calendar days. The Watermaster will communicate with Consultant regarding any disputed amounts or amounts as to which inadequate documentation has been provided by Consultant.
 - iv. The Watermaster reserves the right to withhold payment for Services that are not completed as scheduled, are completed unsatisfactorily, are behind schedule or are otherwise performed in an inadequate or untimely fashion, as determined by the Watermaster, with such payments to be released and paid to Consultant promptly when the Services are determined by the Watermaster to be satisfactory.

4. Affirmation of Independent Contractor Status.

- a. Independent Contractor. The Watermaster and Consultant each expressly understand, agree and intend that Consultant is an independent contractor in the performance of each and every part of this Agreement, and is solely responsible for all costs and expenses arising in connection with the performance of its duties, except as expressly set forth herein. All Services are to be performed solely at the risk of Consultant, and Consultant agrees to take all precautions necessary for the proper performance thereof. Consultant is solely responsible for any and all claims, liabilities or damages or debts of any type whatsoever that may arise on account of the activities of Consultant and its agents. Consultant has and retains control of, and supervision over, the performance of its obligations hereunder, including scheduling and day-to-day control over the performance of the Services, and except as expressly provided herein, the Watermaster will have no right to exercise any control whatsoever over the activities or operations of Consultant. Notwithstanding the foregoing, however, Consultant may not subcontract all or any portion of the performance of the Services, or assign performance of the Services to any individual(s), without the express prior written approval of the Watermaster.

- b. Other Engagements. Nothing in this Agreement will be construed as limiting in any manner Consultant's ability to procure other engagements consistent with its obligations to the Watermaster hereunder, including its post-Term obligations.
 - c. Taxes and Related Matters. Consultant will be solely responsible for all tax and other government-imposed responsibilities relating to the performance of the Services, including but not limited to payment of all applicable federal, state, local and social security taxes, unemployment insurance, workers' compensation and self-employment or other business taxes and licensing fees. Consultant will be solely responsible for payment of all compensation owed to its agents with respect to the Services, including all applicable federal, state and local employment taxes, and will make deductions for all taxes and withholdings required by law. No federal, state or local taxes of any kind will be withheld or paid by the Watermaster on Consultant's behalf or on behalf of any employee or agent of Consultant. Consultant acknowledges that the compensation paid pursuant to this Agreement will not be considered "wages" for purposes of the Federal Insurance Contributions Act ("FICA"), unemployment or other taxes. The Watermaster will issue Consultant an IRS Form 1099 with respect to payments made under this Agreement. Consultant will be responsible for performing all payroll and record-keeping functions required by law. The compensation provided hereunder is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as it may be amended from time to time ("Section 409A"). No provision of this Agreement may be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from Consultant to the Watermaster.
 - d. No Employee Benefits from the Watermaster. As an independent contractor, neither Consultant nor its employees or agents will be eligible for benefits from the Watermaster or any related entity, including but not limited to workers' compensation, unemployment insurance, health, dental, vision, life or disability insurance, paid holidays, sick leave, vacation or other paid time off, pension or 401(k) plans, educational assistance, expense reimbursement, or any other employee benefit that may be offered now or in the future.
 - e. No Third-Party Beneficiaries. This Agreement is between the Watermaster and Consultant, and creates no individual rights for any employees or agents of Consultant. No employee or agent of Consultant will be deemed to be a third-party beneficiary hereunder, nor will any employee or agent of Consultant be deemed to have any employment or contractual relationship with the Watermaster as a result of this Agreement or his, her or its performance of services for Consultant. The Parties acknowledge that all individuals performing Services on behalf of Consultant are solely the employees and/or agents of Consultant. The Watermaster will not be responsible for payments due and owing to any subcontractors, employees or agents of Consultant; provided, however, that in the event Consultant fails timely to pay its subcontractors or agents, if the Watermaster deems it appropriate to make payments directly to any such subcontractors or agents on behalf of Consultant, notwithstanding that it has no legal obligation to do so, Consultant will reimburse the Watermaster therefor.
5. Termination of Agreement. This Agreement will expire at the end of the Term, unless earlier terminated as follows:
- a. Termination upon Written Notice. Either Party may terminate this Agreement during the Term by providing the other Party with thirty (30) days' written notice of such

termination. The Watermaster may, in its sole discretion, provide compensation in lieu of all or a portion of the notice period, regardless of who initiates the termination, prorating the fees as appropriate. Payment in lieu of notice will be calculated by averaging the fees received during the prior three (3) month period and pro-rating as appropriate.

- b. Termination for Cause by the Watermaster. The Watermaster may terminate this Agreement immediately for "Cause." Cause includes, but is not be limited to, the following, as determined in the Watermaster's sole discretion: (i) failure of Consultant to comply in any material respect with this Agreement, the Confidentiality Agreement (as defined below), or any applicable Watermaster policy or procedure, including but not limited to the Watermaster's policy against harassment; (ii) serious personal or professional misconduct by Consultant or its agents (including, but not limited to, dishonesty, fraud, misappropriation, criminal activity or gross or willful neglect of duty); (iii) breach of Consultant's duties to the Watermaster (including but not limited to theft or misuse of Watermaster property) by Consultant or its agents; (iv) conduct that threatens public health or safety, or threatens to do immediate or substantial harm to the Watermaster's Business (as defined below), including potentially subjecting the Watermaster to civil or criminal liability; (v) falsification by Consultant or its agents of any business-related document, including invoices, or the making of any materially false or misleading statement by Consultant or its agents to or in connection with the Watermaster; (vi) failure or refusal of Consultant or its agents to submit to legally-permissible drug screening, testing and/or medical examinations; or (vii) the professional license(s), and/or qualifications of Consultant or its agents deemed necessary by the Watermaster to perform the Services are not maintained or renewed, or are revoked or suspended by an authorized regulatory agency, or an investigation that could have an adverse impact on the Watermaster is commenced with respect to Consultant and/or its agents by an authorized regulatory agency. The Watermaster's exercise of its right to terminate for Cause will be without prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement or the Confidentiality Agreement. In the event of termination for Cause by the Watermaster, the only compensation due to Consultant will be payment up to the date of termination (*i.e.*, a prorated portion of the undisputed consulting fees) and outstanding reimbursable expenses, less appropriate offsets and any applicable penalty. In the event the Watermaster terminates this Agreement for Cause, it will be entitled to recover a penalty from Consultant in the amount of thirty (30) days' compensation, which penalty may be deducted from and offset against outstanding compensation due to Consultant.
- c. Penalty for Failure to Provide Notice. In the event either Party fails to provide notice of termination as required under this Agreement, the other Party will be entitled to recover a penalty in the amount of the compensation that would have been due for the length of the notice period that was not provided. By way of example, if Consultant failed to provide any notice, the Watermaster would be entitled to recover a penalty from Consultant in the amount of thirty (30) days' compensation. The penalty amount will be calculated by averaging the fees received during the prior three (3) month period and pro-rating as appropriate.

6. Obligations of Consultant.

- a. Best Abilities; Good Workmanship. Consultant will proceed with diligence and the Services will be performed in accordance with the highest professional workmanship, service and ethical standards in the field and to the satisfaction of the Watermaster. If Consultant's workmanship does not conform to these standards and the

Watermaster so notifies Consultant, Consultant agrees immediately to take all action necessary to remedy the nonconformance. Any costs incurred by Consultant to correct such nonconformance will be at Consultant's sole expense. To the extent Consultant fails to correct such nonconformance to the Watermaster's satisfaction, or the Watermaster deems Consultant incapable of correcting such nonconformance to the Watermaster's satisfaction, the Watermaster may elect to have a third party (including a subcontractor of Consultant) correct such nonconformance at Consultant's sole expense.

- b. Compliance with Law and Policies. Consultant will comply with all applicable federal, state and local laws, rules and regulations applicable to it and its agents, including but not limited to the Occupational Safety and Health Act ("OSHA"), non-discrimination laws and wage and hour requirements (including those related to classification of employees and payment of minimum wage and overtime), in the performance of the Services. Consultant will comply with the Watermaster's Code of Ethics as it may be amended from time to time, except to the extent that the Code of Ethics is inconsistent with this Agreement or with local law, rules and/or regulations. Consultant also agrees to comply with other Watermaster policies that may be applicable to it, including but not limited to the Watermaster's policies against harassment and discrimination.
- c. Compliance with Code of Ethics and Related Watermaster Policies. Consultant will comply with the Watermaster's Code of Ethics as it may be amended from time to time, except to the extent that the Code of Ethics is inconsistent with this Agreement or with local law, rules and/or regulations. Consultants also agrees to comply with other Watermaster policies that may be applicable to it, including but not limited to the Watermaster's policies against harassment and discrimination,
- d. Qualifications. Consultant and its agents understand that the Watermaster may elect to conduct background screening and drug screening with respect to Consultant's agents, and that satisfactory completion of the same is a material condition of this Agreement. In addition, during the Term, Consultant will continuously maintain in good standing the qualifications set forth on Addendum A and will cause its agents to do the same. Consultant and its agents must keep all licensure/certification records fully up to date with the Watermaster, including promptly reporting to the Watermaster any revocation, suspensions, restrictions, censures or investigations.
- e. Equipment; Use of Watermaster Technology. In general, Consultant will be responsible for providing its own supplies, equipment and work location(s). However, to facilitate performance of the Services, Consultant and/or its agents may be provided with certain equipment by the Watermaster. In addition, to facilitate performance of the Services and communications with Watermaster representatives, agents and customers, and to ensure appropriate security levels, confidentiality and privacy protection and document retention procedures, Consultant and/or its agents may be provided with (i) a Watermaster email address, (ii) access to the Watermaster's computer system, data, files and/or premises, and (iii) access authority and login information with respect to select Watermaster accounts. To the extent Consultant and/or its agents are provided with a Watermaster email address, the applicable signature block must be approved by the Watermaster and must clearly indicate Consultant's status with respect to the Watermaster. Consultant and its agents will be subject to applicable Watermaster policies relating to usage of Watermaster equipment and systems.

- f. Insurance. The Watermaster is not obligated to procure liability or other insurance on behalf of Consultant or its employees and agents, provided that, in the event the Watermaster does elect to procure any such insurance, Consultant and its agents will assist the Watermaster in doing so by submitting to examinations and signing such applications and other instruments as may be required by the insurance carriers to which application is made for such insurance. Procurement of all appropriate insurance coverage for Consultant and/or its employees and agents is the sole responsibility of Consultant. Promptly upon request, Consultant will provide the Watermaster with certificates of insurance evidencing coverage for workers' compensation, unemployment insurance, Comprehensive General Liability insurance, and motor vehicle insurance, to include provisions for property damage, personal injury and automobile liability, to the extent applicable to Consultant. Such insurance must be in amounts satisfactory to the Watermaster and may not be reduced or canceled without the Watermaster's written approval of such reduction or cancellation. Any insurance maintained by Consultant and/or its agents will be primary insurance to the full approved limits of liability and, should the Watermaster have other valid insurance, the Watermaster insurance will be excess insurance only. The Watermaster, however, is not required to, and will not, include Consultant or its agents as additional insureds under any policy the Watermaster maintains on its own behalf, unless otherwise required by applicable law or the terms of the Watermaster's existing insurance policies.
- g. Non-Contravention; No Improper Use of Materials. Neither Consultant nor its agents have entered into, or will enter into, any agreements inconsistent with this Agreement. Consultant certifies that neither it nor its agents will utilize or disclose any confidential, trade secret or proprietary information of any prior employer or other individual or entity in connection with this Agreement or the performance of the Services, and they will not bring any such information onto the Watermaster's premises or introduce such information onto the Watermaster's equipment or systems.
- h. No Conflict of Interest. Consultant confirms that its and its agents undertaking the Services contemplated hereunder will not pose any actual or present any perceived conflict of interest. Consultant agrees that neither it nor its agents will, during the Term, perform any services for, or enter into an engagement with, any other individual or entity that poses an actual conflict, or that may pose a perceived conflict, with the Watermaster's Business without the Watermaster's prior written approval. For purposes of this Agreement, the "Watermaster's Business" is to manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment.
- i. Non-Disparagement. Consultant agrees that, during the Term and thereafter, neither it nor its agents will, directly or indirectly, take any action or make any statements, written or verbal, including statements on social media sites, that defame, disparage or in any way criticize the personal or business reputation, practices or conduct of the Watermaster or its officers, directors, employees, or other consultants. Consultant further agrees that neither it nor its agents will engage in any conduct, directly or indirectly, that may be detrimental to the Watermaster's mission, reputation, practices or conduct, including but not limited to failing timely to provide payment to Consultant's employees, agents and subcontractors.
- j. Confidential Information. In connection with the performance of the Services, Consultant and its agents will have access to Confidential Information that has been

developed by, created by or provided to the Watermaster (including without limitation, information created or developed by Consultant and its agents) that has commercial value to the Watermaster's Business, and is not generally known to the public or others, or is otherwise required to be kept confidential by the Watermaster.

- i. "Confidential Information" includes any information (whether in paper or electronic form, or contained in Consultant's memory, or otherwise stored or recorded) that is not generally known and relates to the Watermaster's Business, if such information has been expressly or implicitly protected by the Watermaster from unrestricted use by persons not associated with the Watermaster. Confidential Information includes, but is not limited to, information contained in or relating to the manner and details of the Watermaster's operation, organization and management; passwords; concepts; programs; trade secrets; product designs; innovations; source codes and documentation; software; data; protocols; best practices; testing and diagnostic methods; plans; processes and techniques; treatment methodologies; program data; projects; patient names, addresses and other data; patient schedules, treatment methods, plans, notes and therapies; the identities and contact information of, and details regarding Watermaster's relationship with, actual and prospective distributors, contractors and vendors; fees and charges to the Watermaster's clients; pricing data and related information; marketing methods, plans or proposals; prospective patient lists and related information; applicant and employee personnel information; pricing information; financial information; and legal and business strategies and plans, as well as any other information marked "confidential," "proprietary," "secret" or the like.] Confidential Information also includes information of the Watermaster's affiliates, customers, vendors, consultants, referral sources, contractors, partners, shareholders, investors, employees and other third parties that was disclosed or entrusted to the Watermaster or to Consultant in the course of business with the expectation of confidentiality.
- ii. Consultant agrees that, unless authorized in writing by the Watermaster's General Manager, neither Consultant nor its agents will, directly or indirectly, disclose or use any Confidential Information for their own benefit or for the benefit of any other individual or entity, either during the Term or thereafter.
- iii. If, during the Term or at any time thereafter, Consultant or its agents receives a request to disclose any Confidential Information, whether under the terms of a subpoena, court order, or other governmental order or otherwise, Consultant or its agents will notify the Watermaster immediately of the details of the request, including providing a copy thereof, and will consult with the Watermaster on the advisability of taking legally available steps to resist or narrow such request. If disclosure of such Confidential Information is required to prevent Consultant and/or its agents from being held in contempt or subject to other penalty, Consultant or its agents will furnish only such portion of the Confidential Information as, in the written opinion of legal counsel satisfactory to the Watermaster, Consultant or its agents is legally compelled to disclose, and Consultant and its agents will use their best efforts to assist the Watermaster in obtaining an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

- k. Ownership, Return of Property and Duties upon Termination. All Confidential Information, reports, recommendations, documents, drawings, plans, presentations, specifications, technical data, databases, charts, files, actual and prospective donor information, fundraising plans and other information developed by or provided to Consultant and/or its agents in connection with Consultant's affiliation with the Watermaster are and will remain the property of the Watermaster. Upon termination of this Agreement for any reason, or at such earlier time as the Watermaster may request, Consultant and its agents will immediately (i) discontinue any use of the name, logo, trademarks, or slogans of the Watermaster; (ii) discontinue all representations or statements from which it might be inferred that any continuing relationship exists between Consultant and/or its agents and the Watermaster; (iii) provide to the Watermaster reproducible copies (including electronic versions if available, in native format and with all supporting materials such as fonts, graphics and attachments) of all work product prepared or modified by Consultant and/or its agents and not previously provided to the Watermaster, whether completed or not; (iv) return to the Watermaster all tangible and intangible property, documents, information, and products of the Watermaster, in whatever form or format, including originals and all copies of documents, drawings, computer printouts, notes, memoranda, specifications, hard drives, flash drives, disks or storage media of any kind, including all copies, summaries and compilations thereof, in the possession, custody or control of Consultant and/or its agents; (v) promptly and permanently delete any Confidential Information stored in the internal and/or personal email account(s), computer(s), electronic devices, voicemails, storage media and cloud-based storage (including but not limited to external hard drives, flash drives, and discs) of Consultant and/or its agents, and certify the same to the Watermaster; and (vi) provide the Watermaster with any and all passwords, source codes, security codes, administrative access information and/or other information in the possession of Consultant and/or its agents necessary to enable the Watermaster to get the benefit of the Services.
- l. Cooperation. During the Term and thereafter, Consultant and its agents will fully cooperate in the investigation by the Watermaster of any issues, and the defense of any claims by, against or otherwise involving the Watermaster that might arise that could involve Consultant and/or its agents or information within their knowledge, regardless of whether Consultant and/or its agents personally are named in the action, without additional compensation for such cooperation other than reimbursement of reasonable costs related to such cooperation.
7. No Authority to Bind the Watermaster. Neither Consultant nor its agents have any authority, right or ability to bind or commit the Watermaster in any way or incur any debts or liabilities in the name of or on behalf of the Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of the Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Consultant and its agents agree not to advertise, promote or represent to any third party that Consultant or its agents are the employees or agents of the Watermaster. Consultant and its agents may represent only that the Parties have an independent contractor relationship pursuant to which Consultant has accepted an opportunity to provide Consultant's customary services to the Watermaster. Consultant and its agents will refrain from using the Watermaster's name in any advertisement, promotion, business card, website, or similar manner without the Watermaster's prior written consent. Consultant and its agents will not add to, delete from or modify any documentation or forms provided by the Watermaster, except with the prior written consent of the Watermaster.
8. Indemnification; Limitation on Liability.

- a. By Consultant. Consultant agrees to indemnify, defend (with counsel selected by the Watermaster) and hold harmless the Watermaster and its affiliates, successors, agents, employees, insurers, officers and directors (the "Watermaster Indemnified Parties") from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including but not limited to attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from or on account of: (i) any claim, demand, and/or determination that the Watermaster is the employer (whether sole, joint and/or common law) of any employee or agent provided by Consultant and any claims brought under employment laws by Consultant's agents or employees, including but not limited to claims for discrimination, workers' compensation, unemployment or unpaid compensation or benefits; (ii) any claim, demand or charge based upon acts or omissions of Consultant or its agents in relation to the Services; (iii) any claim for negligence or misconduct against any of the Watermaster Indemnified Parties in connection with the engagement of Consultant and/or arising under or relating to this Agreement, including without limitation any unauthorized effort by Consultant or its agents to bind the Watermaster with respect to third parties or the failure of Consultant or its agents to comply with their obligations under this Agreement; (iv) any claim for injuries or deaths to any person or for damage to or destruction of property resulting from any act or omission of Consultant or its agents arising under or relating to this Agreement, including but not limited to any motor vehicle accident; (v) any misappropriation, misuse or theft of Confidential Information, unfair competition, breach of contract, or other acts or omissions of Consultant or its agents that harm or damage (or threaten to harm or damage) any of the Watermaster Indemnified Parties or their business, goodwill or reputation; and (vi) any claim that any Invention (as defined in the Confidentiality Agreement) infringes or violates any third party's patent, copyright, trade secret or any other intellectual property or proprietary right. Such obligations will not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity that would otherwise exist as to a Watermaster Indemnified Party, and do not limit the Watermaster's rights under any applicable law to seek additional relief. The indemnification obligations of Consultant under this Paragraph will not be subject to any limitation on amount or type of damages, compensation or benefits payable by or for the Watermaster under workers' compensation laws, unemployment statutes, disability or other employee benefit acts, any applicable insurance policy, or any other federal, state or local law or regulation.
- b. By the Watermaster. The Watermaster agrees to defend, indemnify and hold Consultant and its officers, directors, employees and agents harmless from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including but not limited to attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from (i) the Watermaster's gross negligence or willful misconduct relating to its performance under this Agreement, and (ii) claims brought against Consultant by a third party as a result of Consultant's activities as authorized by the Watermaster and/or Consultant's activities that are within the course and scope of this Agreement, in each case only to the extent that such losses, costs, claims, demands, judgments or liability are not due in whole or in part to the negligence or wrongful act(s) of Consultant and/or its agents. The Watermaster may, at its option, elect to provide a defense in lieu of indemnifying Consultant for attorneys' fees and related defense costs, subject to applicable conflict of interest considerations. In any proceeding in which defense and/or indemnification will be sought by Consultant, Consultant must give prompt

written notice of such proceeding to the Watermaster. As a condition to receiving indemnification, Consultant also must promptly cooperate with all reasonable requests by the Watermaster in connection with the defense of such proceeding. The right to indemnification of Consultant does not apply to (i) any proceeding initiated by Consultant or its agents against the Watermaster or any other person or entity, including counterclaims, unless the Watermaster has expressly agreed in writing to waive this provision with respect to the proceeding at issue, (ii) any proceeding initiated by the Watermaster against Consultant and/or its agents, (iii) any Proceeding alleging or involving conduct by Consultant and/or its agents that the Watermaster in its sole discretion determines was outside the course and scope of the Services, was in breach of this Agreement, constituted gross misconduct or was a violation of applicable law or the ethical duties of Consultant and/or its agents, or (iv) any situation in which indemnification of Consultant and/or its agents is not authorized or permitted pursuant to the Watermaster's Bylaws or applicable law.

- c. Limitation on the Watermaster's Liability. The Watermaster will not be liable to Consultant or its agents for any incidental, indirect, special, consequential, punitive or reliance damages of any nature whatsoever, regardless of the foreseeability thereof (including, but not limited to, any claim for loss of services, lost profits or lost revenues) arising under or related to this Agreement, whether based on breach of contract, tort, breach of warranty, negligence or any other theory of liability in law or in equity. Notwithstanding anything to the contrary in this Agreement, the Watermaster's entire liability, and Consultant's ability to recover damages, at law or in equity, with respect to any and/or all claims, damages, losses, costs or causes of action arising from or related to this Agreement (other than any action for payment of the Services and invoices related thereto) may not exceed the aggregate dollar amount paid by the Watermaster to Consultant under this Agreement.

9. General Provisions.

- a. Entire Agreement. This Agreement, along with other documents incorporated herein, constitutes the entire agreement between the Watermaster and Consultant relating to the subject matter hereof and supersedes all prior oral and written understandings, communications and agreements relating to such subject matter, whether verbal or written, implied or otherwise. In the event of a conflict between any provisions appearing in any other writing and in this Agreement, the provisions of this Agreement will be controlling.
- b. Assignment. This Agreement is not assignable by Consultant, and any purported transfer or assignment is void. This Agreement, or the Watermaster's interest in this Agreement, may be assigned and transferred by the Watermaster, temporarily or permanently, whether expressly, by operation of law or otherwise, and Consultant agrees to perform the Services for the benefit of any such assignee.
- c. Nonexclusive Nature of Agreement. This Agreement does not grant Consultant and/or its agents an exclusive privilege or right to supply Services to the Watermaster. Other than as expressly set forth in this Agreement, the Watermaster makes no representations or warranties as to a minimum or maximum procurement of Services hereunder. Nothing in this Agreement will be construed as limiting in any manner the ability of Consultant or its agents to procure other engagements consistent with their obligations to the Watermaster hereunder, including the post-Term obligations.

- d. Use of Name, Likeness and Biography. The Watermaster will have the right (but not the obligation) to make public announcements concerning the affiliation of Consultant and its agents with the Watermaster. The Watermaster will have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of Consultant and its agents to advertise, publicize and promote the business of the Watermaster.
- e. Amendments; Waiver. This Agreement may not be amended except by a writing executed by all of the Parties hereto. No waiver by either Party of a right or remedy hereunder will be deemed to be a waiver of any other right or remedy or of any subsequent right or remedy of the same kind.
- f. Provisions Subject to Applicable Law; Modification; Severability. All provisions of this Agreement will be applicable only to the extent that they do not violate any applicable law. If any term, provision or condition of this Agreement is held to be invalid, illegal, or unenforceable by any court or arbitrator of competent jurisdiction, as to such jurisdiction that provision will be limited ("blue-penciled") to the minimum extent necessary so this Agreement will otherwise remain enforceable in full force and effect. To the extent such provision cannot be so modified, the offending provision will, as to such jurisdiction, be deemed severable from the remainder of this Agreement.
- g. Notices. All notices, consents, waivers, and other communications under this Agreement will be deemed to have been duly given when (i) delivered by hand; (ii) when received by the addressee, if sent by registered mail (return receipt requested), a nationally recognized overnight delivery service (signature requested) or electronic mail, in each case to the addresses or mail addresses set forth below (or to such other addresses as either Party may designate upon written notice):

If to Consultant:

Susan M. Knowlton
39252 Winchester Road, Suite 107-209
Murrieta, California 92563
Email: sueknowlton@abetcorporation.com

If

to

Watermaster:

Peter Kavounas
9641 San Bernardino Road
Rancho Cucamonga, California 91730
Email: PKavounas@cbwm.org

With a copy to:

Brownstein Hyatt Farber Schreck, LLP
21 E. Carrillo Street
Santa Barbara, California 93101-2782
Attention: Scott Slater
Email:

sslater@bhfs.com

- h. Construction. The Section headings throughout this Agreement are for convenience and reference only, and the words contained therein in no way will be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Agreement. The word "including" will mean "including but not limited to." The

word "agents" includes employees, contractors and other representatives. Both Parties participated in the drafting of this Agreement, and each had the opportunity to consult with counsel of their own choosing in connection therewith. The rule that ambiguities in an agreement will be construed against the drafter does not apply to this Agreement.

- i. Force Majeure. Each Party's obligations hereunder will be suspended during the duration of events beyond that Party's reasonable control (including but not limited to labor strikes, lockouts, enactment of laws or regulations, civil unrest, and acts of God), provided such Party makes reasonable efforts to perform and resumes performance at the earliest opportunity. If Consultant suspends the Services for a period in excess of five (5) calendar/business days, the Watermaster may elect to terminate this Agreement immediately thereafter by providing written notice thereof, notwithstanding anything to the contrary in Section 5 of this Agreement .

- j. Governing Law and Forum. This Agreement is entered into and will be governed by and construed and enforced in accordance with the laws of the State of California. Any action brought to enforce any right or obligation under this Agreement will be subject to the exclusive jurisdiction of the courts of the State of California. The Parties irrevocably consent to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding. The prevailing Party in any action related to this Agreement, including the breach or enforcement hereof, will be entitled to recover its costs and reasonable attorneys' fees and expenses.

- k. Legal and Equitable Remedies. Because Consultant's services are personal and unique, and because Consultant and its agents will have access to and become acquainted with the Confidential Information (as defined in the Confidentiality Agreement), the Watermaster will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond, without prejudice to any other rights and remedies that the Watermaster may have for a breach of this Agreement, and Consultant and its agents waive the claim or defense that the Watermaster has an adequate remedy at law.

- l. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original but both of which taken together will constitute but one and the same instrument.

Consultant

Watermaster

By: _____
Its: _____
Email: _____

By: _____
Its: _____
Email: _____

Date: _____

Date: _____

ADDENDUM A

Applied Computer Technologies

A DIVISION OF ABET CORPORATION
BUSINESS SOLUTIONS PROVIDER

September 29, 2017

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

SUBJECT: Software Development and SQL Database Administrator Services
Scope of Work for July 1, 2017 to June 30, 2018

Dear Mr. Joswiak,

I am pleased to offer continuing software development and database administrator services for Chino Basin Watermaster (CBWM) for the 2017-2018 fiscal year. The ongoing services to be provided include the following:

- Application Development and Support
- Application Interface Development
- SQL Database Administration
- SharePoint Programming and Support
- SSRS Report Development
- System Interface Development
- Other technologies as needed

The exact work to be performed will be identified in coordination with and directed by CBWM staff. These services will continue to be provided one day per week with one day per month onsite at Watermaster's offices in Rancho Cucamonga. Onsite visits will include 120 miles billed at IRS approved reimbursement rates. The hourly consulting rate for fiscal year 2017-2018 is \$125 per hour.

If you have additional questions, please do not hesitate to contact me at 951-265-0433 or by email to sueknowlton@abetcorporation.com

Thank you.



Susan M. Knowlton
President, Applied Computer Technologies

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**E. SAN ANTONIO WATER COMPANY APPLICATION FOR RECHARGE
FOR WATER YEAR 2017/18**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: San Antonio Water Company Application for Recharge for Water Year 2017/18
(Consent Calendar Item I.E.)

SUMMARY

Issue: On August 3, 2017, San Antonio Water Company submitted an Application for Recharge for up to 2,000,000 acre-feet to be recharged into basins along the San Antonio Channel.

Recommendation: Approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental storage account.

Financial Impact: None

Future Consideration

Watermaster Board – October 26, 2017: Approval [Within WM Duties and Powers]

ACTIONS:

Appropriative Pool – September 14, 2017: Unanimously recommended Advisory Committee to approve
Non-Agricultural Pool – September 14, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate
Agricultural Pool – September 14, 2017: Unanimously recommended Advisory Committee to approve
Advisory Committee – October 19, 2017: Unanimously recommended Board to approve
Watermaster Board – October 26, 2017:

BACKGROUND

The Court approved the Peace Agreement, the OBMP 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 (MPI), Watermaster must approve the application. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption that the proposed activities 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). San Antonio Water Company (SAWCo) regularly submits an Application for Recharge for their water coming from the San Antonio Creek.

DISCUSSION

On August 3, 2017, SAWCo submitted an Application for Recharge for up to 2,000 acre-feet from October 2017 to September 2018. The Application states that the method of recharge is surface spreading into Basins aligned with the San Antonio Creek system (Attachment 1), and identifies the source of water to be San Antonio Creek water. Attached to the Application are water quality results from an April sampling event to aid in the MPI analysis (Attachment 2).

If and when approved, SAWCo intends to recharge the water into the Basin to offset over-production during the 2017/18 fiscal year. This recharge, consistent with that of other Parties that have submitted Applications for Recharge and have Local Storage Agreements, will be placed in its Local Supplemental Storage account and will be tracked by Watermaster staff. Per the Peace II Agreement, losses will be applied to all water placed into a Local Supplemental Storage Account in a manner consistent with all other water held in storage. Currently, Watermaster is currently evaluating the impact of evaporative losses within the recharge basins. Water delivered by way of surface spreading may be subject to evaporative losses in the future. The total volume held in local storage accounts is pending a future determination, and the recommendation as written is intended to be consistent with prior recharge and storage application recommendations.

Should the water not be used in the fiscal year for over-production, the water will be placed into SAWCo's Local Supplemental storage account. An Application to Recapture Water in Storage will need to be submitted prior to recapture. If the method and location of recapture from storage is to exchange with other groundwater producers in the Basin, when such an exchange is proposed, San Antonio Water Company and the transacting Party will need to submit the appropriate water transfer forms, which includes the recapture plan.

Wildermuth Environmental, Inc. (WEI) completed a MPI analysis on August 24, 2017 declaring no negative impacts to the Basin from this recharge event (Attachment 3). Staff has reviewed and recommends approval of the Application for Recharge as presented.

Once approved, SAWCo must complete Form 2b *Request to Recharge Supplemental Water by a Person* to Watermaster. Form 2b will be used by Watermaster staff to coordinate with SAWCo and the Inland Empire Utilities Agency (IEUA) to develop a Recharge Operations Plan. During the Recharge event, Watermaster and IEUA will collect data to ensure the water is accounted for. Upon completion of the recharge event, SAWCo will be required to submit Form 2c *Report of Supplemental Water Recharge by a Person* to Watermaster for final review and accounting.

There is no financial impact to Watermaster associated with the approval of the Recharge Application.

ATTACHMENTS

1. SAWCo Recharge Application Dated August 03, 2017
2. Clinical Laboratory of San Bernardino, Inc. Water Quality results
3. August 24, 2017 Letter from WEI to Watermaster: *Analysis of Material Physical Injury for the San Antonio Water Company (SAWCo) Recharge Application, Submitted to the Chino Basin Watermaster on August 3, 2017*

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FOR PAGINATION

Form 2a - Application for Supplemental Water Recharge

| Applicant Information and Recharge Request | | | |
|--------------------------------------------|---------------------------|------------------------------------------------------------------------------|---------------------|
| Person | San Antonio Water Company | Date Requested | 08/03/2017 |
| Contact (individual) | Teri Layton | Date Approved | |
| Street Address | 139 N. Euclid Avenue | Proposed Period of Time Covered by Recharge Application (mm/yyyy to mm/yyyy) | 10/2017 to 9/1/2018 |
| City | Upland | | |
| State | CA | | |
| Zip Code | 91786 | Requested Total Amount of Recharge Over the Application Period (AF) | 2,000 |
| Telephone | (909)982-4107 | Approved Total Amount of Recharge Over the Application Period (AF) | |
| Fax | (909)920-3047 | | |
| Email | tlayton@sawaterco.com | | |

| Source(s) of Supply (check box and provide supporting information) | |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | State Water Project |
| <input type="checkbox"/> | Colorado River Aqueduct |
| <input checked="" type="checkbox"/> | Local Supplemental (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |
| <input type="checkbox"/> | Recycled Water (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |
| <input type="checkbox"/> | Other (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |

| Method of Recharge (check box and provide supporting information) | |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <input checked="" 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 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>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? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>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 rational either below or attach one to this application)</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |

BY: *Seri Layton*
Applicant

August 4, 2017
Date

| To Be Completed by Watermaster |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Is the Person a Party to the Judgment that has:</p> <p> Previously contributed to the implementation of the OBMP? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p> Is in compliance with their continuing covenants under the Peace Agreement? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p> (If answer to previous question is NO)</p> <p> Paid or delivered to Watermaster "financial equivalent" consideration to offset the past performance prior to the OBMP implementation? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p> Promised continued future compliance with Watermaster Rules and Regulations? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>Date of Approval from Appropriative Pool (mm/dd/yyyy) _____</p> <p>Date of Approval from Overlying Non-Ag Pool (mm/dd/yyyy) _____</p> <p>Date of Approval from Overlying Ag Pool (mm/dd/yyyy) _____</p> <p>Hearing Date (if any) (mm/dd/yyyy) _____</p> <p>Date of Approval by Advisory Committee (mm/dd/yyyy) _____</p> <p>Date of Approval from Board (mm/dd/yyyy) _____</p> <p>Recharge Agreement Number _____</p> |

Clinical Laboratory of San Bernardino, Inc.
Celebrating 50 Years of Analytical Service 1967-2017



San Antonio Water Co.
 139 N Euclid Ave
 Upland CA, 91786

Project: Routine
 Sub Project:
 Project Manager: Charles Moorrees

Work Order: 17D0825
 Received: 04/11/17 16:05
 Reported: 04/26/17

V-Screen (Surface Water)

17D0825-01 (Water)

Sample Date: 04/11/17 10:30

Sampler: Not Listed

| Analyte | Method | Result | Rep. Limit | MCL | Units | Prepared | Analyzed | Batch | Qualifier |
|-------------------------------------------|------------|--------|------------|------|----------|----------|----------|---------|-----------|
| Field Analyses | | | | | | | | | |
| pH (Field) | Field | 8.1 | | | pH Units | 04/11/17 | 04/11/17 | 1715061 | |
| Temperature (Field) | Field | 50 | | | °F | 04/11/17 | 04/11/17 | 1715061 | |
| General Chemical Analyses | | | | | | | | | |
| Alkalinity, Total (as CaCO ₃) | SM 2320 B | 150 | 5.0 | | mg/L | 04/24/17 | 04/24/17 | 1715011 | |
| Bicarbonate (HCO ₃) | SM 2320 B | 190 | 5.0 | | mg/L | 04/24/17 | 04/24/17 | 1715011 | |
| Carbonate (CO ₃) | SM 2320B | ND | 5.0 | | mg/L | 04/24/17 | 04/24/17 | 1715011 | |
| Chloride (Cl) | EPA 300.0 | 1.5 | 1.0 | 500 | mg/L | 04/14/17 | 04/14/17 | 1715146 | |
| Specific Conductance (E.C.) | SM 2510B | 330 | 2.0 | 1600 | umhos/cm | 04/24/17 | 04/24/17 | 1715011 | |
| Fluoride (F) | EPA 300.0 | 0.29 | 0.10 | 2 | mg/L | 04/11/17 | 04/12/17 | 1715039 | |
| Hydroxide (OH) | SM 2320B | ND | 5.0 | | mg/L | 04/24/17 | 04/24/17 | 1715011 | |
| MBAS (LAS Mole. Wt 340.0) | SM 5540C | ND | 0.10 | 0.5 | mg/L | 04/12/17 | 04/12/17 | 1715079 | |
| Nitrate as N (NO ₃ -N) | EPA 300.0 | ND | 0.40 | 10 | mg/L | 04/11/17 | 04/12/17 | 1715039 | |
| pH (Lab) | SM 4500HB | 7.8 | | | pH Units | 04/11/17 | 04/11/17 | 1715011 | |
| Sulfate (SO ₄) | EPA 300.0 | 18 | 0.50 | 500 | mg/L | 04/11/17 | 04/12/17 | 1715039 | |
| Total Filterable Residue/TDS | SM 2540C | 230 | 5.0 | 1000 | mg/L | 04/18/17 | 04/21/17 | 1716051 | |
| Metals | | | | | | | | | |
| Boron (B) | EPA 200.7 | ND | 100 | | ug/L | 04/20/17 | 04/21/17 | 1716142 | |
| Calcium (Ca) | EPA 200.7 | 49 | 1.0 | | mg/L | 04/19/17 | 04/19/17 | 1716078 | |
| Copper (Cu) | EPA 200.7 | ND | 50 | 1000 | ug/L | 04/20/17 | 04/21/17 | 1716142 | |
| Iron (Fe) | EPA 200.7 | 100 | 100 | 300 | ug/L | 04/20/17 | 04/21/17 | 1716142 | |
| Magnesium (Mg) | EPA 200.7 | 7.8 | 1.0 | | mg/L | 04/19/17 | 04/19/17 | 1716078 | |
| Manganese (Mn) | EPA 200.7 | ND | 20 | 50 | ug/L | 04/20/17 | 04/21/17 | 1716142 | |
| Potassium (K) | EPA 200.7 | 1.7 | 1.0 | | mg/L | 04/19/17 | 04/19/17 | 1716078 | |
| Sodium (Na) | EPA 200.7 | 4.8 | 1.0 | | mg/L | 04/19/17 | 04/19/17 | 1716078 | |
| Zinc (Zn) | EPA 200.7 | ND | 50 | 5000 | ug/L | 04/20/17 | 04/21/17 | 1716142 | |
| Anion / Cation Balance | | | | | | | | | |
| Hardness, Total (as CaCO ₃) | Calculated | 160 | | | mg/L | 04/19/17 | 04/19/17 | [CALC] | |
| Total Anions | Calculated | 3.55 | | | meq/L | 04/19/17 | 04/24/17 | [CALC] | |
| Total Cations | Calculated | 3.34 | | | meq/L | 04/19/17 | 04/19/17 | [CALC] | |
| % difference | Calculated | 5.9 | | | | 04/19/17 | 04/24/17 | [CALC] | |

pH (Lab) was analyzed ASAP but received and analyzed past the 15 minute hold time.

ND Analyte NOT DETECTED at or above the reporting limit

Bob Glaubig
 Laboratory Director

3/10/12

17D0825

| Client | | San Antonio Water Co | Destination Laboratory | | | | | | | | | | Analysis Requested | | | | | Turn Around Time (TAT) | | | | | | |
|-----------------|----------|-------------------------------|----------------------------------------|--------|-------------|------------------------|---------|-------|--------|------|-----|------|--------------------|-----------------------|-------------------|-----------------------|------------------------|------------------------|-------------------|-----------------------|------|----|--|--|
| Address: | | 139 North Euclid Avenue | [X] Clinical Grand Terrace / ELAP 1088 | | | | | | | | | | Field: pH | Field Temperature (F) | Chlorine residual | Notification Required | Coliform (P/A Coliort) | | Plate Count (HPC) | Field Temperature (F) | Temp | pH | | |
| | | Upland, CA 91786 | [] Clinical Lompoc / ELAP 1678 | | | | | | | | | | | | | | | | | | | | | |
| Client Contact: | | | [] Other: | | | | | | | | | | | | | | | | | | | | | |
| Phone / Fax | | 909-982-4107 / 909 982-3192 | | | | | | | | | | | | | | | | | | | | | | |
| System No.: | | 3610085 | | | | | | | | | | | | | | | | | | | | | | |
| Project: | | | | | | | | | | | | | | | | | | | | | | | | |
| Sampled By: | | Tommy (), Chad (), Jeff () | | | | | | | | | | | | | | | | | | | | | | |
| Comments: | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Time | Sample Identification | Container ID | Matrix | Sample Type | No. of Preserved Cont. | | | | | | | | | | | | Total Containers | | | | | | |
| | | | | | | Unpreserved | Na2S2O3 | NH4Cl | C6H8O6 | HNO3 | HCl | NaOH | Na2SO3 | ZnCl2H6O4 | ChlorAC | | | | | | | | | |
| 4/11/17 | 10:30 AM | V-Screens (Surface Water) | | | 1-W | | | | | | | | | | | 2 | | X | 50° | 8.1 | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |
| | | | | | 1-W | | | | | | | | | | | | | X | | | | | | |

Matrix: DW - Drinking Water GW - Ground Water SW - Surface Water W - Water WW - Wastewater SWR - Stormwater Runoff S - Sludge O - Other

Use for Bacteria Samples / Sample Type: 1-Routine 2-Repeat 3-Replacement 4-Special D-Distribution W-Well TAT:(10) Ten Day(5) Five Day Rush(2) Two Day Rush

| Relinquished By (Sign) | Print Name / Company | Date / Time | Received By (Sign) | Print Name / Company |
|------------------------|-------------------------------|------------------|---------------------|----------------------|
| <i>Jeff Barker</i> | JEFF BARKER SAN ANTONIO WATER | 4/11/17 12:30 PM | | |
| <i>Michael Slom</i> | MIKE S / CC5B | 4/11/17 2:14 | <i>Michael Slom</i> | MIKE S / CC5B |
| | | 4/11/17 4:05 | <i>[Signature]</i> | |

(Lab Use Only) Lompoc Lab Receipt Temp.: _____ °C

Shipped Via: [] Fed Ex [] Golden State Overnight [] UPS [] OnTrac [] USPS [] Other _____

Condition: [] On Wet Ice [] On Blu Ice [] Intact [] Custody Seals Samples / COC Checked By: _____ Work Order Logged By: _____

Receipt Comments: _____ Clinical Lab Receipt Temp.: 8.5 °C

p90



August 24, 2017

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

Subject: Analysis of Material Physical Injury for the San Antonio Water Company (SAWC) Recharge Application, Submitted to the Chino Basin Watermaster on August 3, 2017

Dear Mr. Kavounas:

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of the SAWC's August 3, 2017 recharge application. This MPI analysis was completed pursuant to the Watermaster Rules and Regulations and the Peace Agreement. Specifically, Article 10 of the Watermaster Rules and Regulations (paragraph 10.10) requires that:

"[...] Watermaster prepare a written summary and analysis (which will include an analysis of the potential for material physical injury) of the Application and provide the Parties with a copy of the written summary and advanced notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications."

Per the Peace Agreement, material physical injury is defined as:

"[...] material injury that is attributable to Recharge, Transfer, storage and recovery, management, movement or Production of water or implementation of the OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence, increases in pump lift and adverse impacts associated with rising groundwater" (Peace Agreement, page 8).

The MPI analysis presented herein is based on our professional experience and judgment in the Chino Basin, including the collection and analysis of monitoring data, past evaluation of Chino Basin storage programs, groundwater modeling of various groundwater management alternatives in the Chino Basin, and prior MPI analyses.

SAWC's Recharge Application of August 3, 2017

The SAWC proposes to recharge up to 2,000 acre-feet (af) of San Antonio Creek water into the Chino Basin during the period of October 2017 through June 2018. The SAWC proposes to divert San Antonio Creek water through its existing non-potable system and subsequently discharge it to the concrete-lined reach of San Antonio Creek located downstream of the Pomona Valley Protective Association (PVPA) diversion facilities and upstream of the College Heights and Upland Basins. The SAWC proposes to recharge the subject water in the College Heights Basins, Upland Basin, Montclair Basins 1-4, and Brooks Basin. Diversion into the Montclair Basins will occur through the existing San Antonio Creek diversion into Montclair Basin 1 and subsequently routed downstream through the outlet of Basin 1 to Basin 2 and then, if necessary, to Basins 3 and 4. Diversions into the College Heights Basins, Upland Basin, and Brooks Basin would occur through the existing San Antonio Creek diversions into these basins. The SAWC would need to coordinate their proposed diversions for recharge with the Inland Empire Utilities Agency (IEUA), Chino Basin Water Conservation District, and Watermaster to ensure that their water is diverted as proposed and accounted for and to ensure that SAWC recharge activities do not interfere with other recharge operations. The proposed recharge will contribute to the Watermaster obligation to recharge 6,500 AFY of supplemental water in MZ1.

The SAWC did not submit a recapture plan in its August 3, 2017 recharge application.

In March 2017, the SAWC applied to recharge up to 1,500 af of San Antonio Creek water into the Chino Basin over a four-month period, using the same recharge facilities referenced in the August 2017 application. The MPI analysis for the March recharge application indicated that there would be no MPI for the recharge and storage of San Antonio Creek water as proposed, but it did not opine on the recovery of the stored water because no recovery plan was provided. The Watermaster Board approved the recharge application in May 2017.

The scope of this analysis is to determine if the recharge as proposed in the SAWC's August 3, 2017 application has the potential to cause MPI.

Analysis of August 3, 2017 Recharge Application Based on Prior MPI Analyses

For the SAWC's March 2017 recharge application, WEI determined the potential for MPI by evaluating the impacts of the recharge on the following:

- Groundwater Level Impacts (liquefaction, land subsidence, and increases in pump lift)
- Balance of Recharge and Discharge in Every Area and Subarea
- Total Dissolved Solids and Nitrate Concentrations of the Recharge Water
- Water Quality Impacts on Other Pumpers

Conditions proximate to the area of planned recharge have not changed significantly since WEI determined that there would be no potential MPI for the proposed recharge in the SAWC's March 2017 application. A summary of the conclusions from the March 2017 analysis and a discussion of the validity of the conclusions for the recharge proposed in the August 2017 recharge application is provided below.

Groundwater Level Impacts (liquefaction, land subsidence, and increases in pump lift)

The proposed project will produce a localized increase in groundwater levels in the vicinity of the recharge basins where the recharge occurs, followed by a return to the groundwater levels that would occur had the water not been recharged. The depth to groundwater beneath the basins proposed for recharge presently ranges from about 310 feet below ground surface (bgs) to about 680 ft bgs. There will be no adverse liquefaction or land subsidence impacts from the groundwater level changes caused by the recharge and storage proposed by the SAWC. There may be some diminishing of the current land subsidence in the recharge area if the stored water resulting from the proposed recharge is recovered outside of the Northwest Management Zone 1 subsidence management area (Northwest MZ1 area).

The planned recharge area in SAWC's August 2017 application is identical to its March 2017 application, and the location of future recovery remains unknown. A review of recent groundwater level data indicates that groundwater levels have not changed significantly in the area proximate to the recharge. The expected groundwater level impact from the proposed recharge is identical to the expected impact from the March 2017 MPI analysis. There will be no adverse impacts from groundwater level changes from the proposed recharge.

Balance of Recharge and Discharge in Every Area and Subarea

Analysis of SAWC's March 2017 recharge application concluded that if the proposed recharge is produced in the Northwest MZ1 area, where the recharge is proposed, there will likely be no imbalance in recharge and discharge attributable to the proposed recharge. If the recharged water is recovered outside of the Northwest MZ1 area, there will be an imbalance in recharge and discharge attributable to the proposed recharge, resulting in higher groundwater levels and greater groundwater storage in the Northwest MZ1 area, both of which will benefit the area. There will be a decline in groundwater levels in the area where the groundwater is recovered.

As previously noted, the planned location for recharge in the SAWC's August 2017 application is identical to its March 2017 application, and like the March 2017 application, the location of future recovery remains unknown. The basin response described above, regarding the balance of recharge and discharge for the proposed recharge, is identical to that reached in the MPI analysis of the March recharge application: there will be no adverse impacts on the balance of recharge and discharge from the proposed recharge. Watermaster should conduct an MPI review when the SAWC submits a recovery plan.

Total Dissolved Solids and Nitrate Concentration of the Recharge Water

Analysis of the SAWC’s March 2017 recharge application concluded that the proposed recharge project would not: encroach on the Chino Basin’s current assimilative capacity for TDS,¹ degrade current ambient TDS and nitrate concentrations, or negatively impact the ability of Watermaster and the IEUA to comply with their regulatory obligations in the Regional Water Quality Control Plan for the Santa Ana River Watershed (Basin Plan). In fact, the proposed recharge was determined to be helpful in complying with the Basin Plan.

The source of the supplemental water is San Antonio Creek water for both the March 2017 and the August 2017 recharge applications. The SAWC provided a water quality analysis of San Antonio Creek water sample taken on April 11, 2017. WEI supplemented these findings with the San Antonio Creek water quality data available from the City of Pomona’s recent Water Quality Reports, which indicate that the TDS and nitrate concentrations vary and average about 224 mg/L and non-detect (nd), respectively, for the period of 2012 through 2016. These averages are consistent with the SAWC’s April 11, 2017 water quality sample analysis, which had TDS and nitrate concentrations of 230 mg/L and non-detect, respectively. The table below shows the groundwater-quality objectives and current ambient concentration for the Chino-North GMZ; the five-year volume-weighted concentrations of recycled water, imported water, and stormwater recharge in Chino Basin; and the TDS and nitrate concentration statistics for the proposed recharge water.

Comparison of TDS and Nitrate Concentrations in the Proposed Recharge Water to Applicable Regulatory Limits in the Basin Plan (all units in mg/L)

| Constituent (1) | Chino-North GMZ Basin Plan Objective (2) | Chino-North GMZ Ambient Concentration ² (3) | Assimilative Capacity (4) | Total Five-Year, Volume-Weighted Concentration ³ (5) | Proposed Recharge Water ⁴ | | |
|------------------------|-------------------------------------------------|---------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|--------------------------------------|----------------|--------------------|
| | | | | | Min (6) | Max (7) | Average (8) |
| TDS | 420 | 350 | 70 | 345 | 200 | 260 | 224 |
| Nitrate - N | 5 | 10 | -5 | 2.8 | nd | nd | nd |

¹ There is no assimilative capacity for nitrate since the ambient nitrate concentration exceeds the objective. The SAWC cannot recharge water with nitrate concentrations that exceeds the 5 mg/L objective.

² Calculated from the Recomputation of Ambient Water Quality in the Santa Ana Watershed for the Period 1993 to 2012 (WEI, 2014).

³ Average through December 2016

⁴ Based on the 2013 through 2017 City of Pomona Consumer Confidence Reports, covering water quality testing performed from 2012 through 2016. nd = non-detect.

These results are similar to the characterization of San Antonio Creek water quality presented in the analysis of the March 2017 recharge application. And the conclusions for this MPI analysis are the same as those for the March 2017 recharge application. There will be no adverse TDS or nitrate concentration impacts from the proposed recharge.

Water Quality Impacts on Other Pumpers

Analysis of the SAWC's March 2017 application concluded that the recharge would not have a significant impact on the movement of existing plumes in the basins and that there would be no adverse water quality impacts on other pumpers in the Chino Basin. The 2,000 af of recharge over eight months proposed in the August 2017 application is similar to the 1,500 af of recharge over four months proposed in the March 2017 application, and the proposed recharge locations are identical. There will be no adverse water quality impacts on other pumpers from the proposed recharge.

Conclusion and Recommendations

There will be no MPI due to the SAWC's proposed recharge as described in its August 3, 2017 recharge application. A no-MPI determination cannot be made regarding the recovery of the recharged water until a recovery plan is provided to Watermaster for MPI review. The scope of the MPI analysis for the recovery plan should consider the recovery of all water recharged and stored by the SAWC.

Pursuant to Watermaster's Supplemental Water Recharge Procedures, the SAWC is required to submit a Form 2b "Request to Recharge Supplemental Water by a Person" prior to beginning a recharge event. This will allow for coordination with Watermaster and the IEUA to develop a Recharge Plan for proper execution, ensuring that the SAWC will receive credit for the recharged water.

Watermaster should require the SAWC to obtain one water quality sample of the San Antonio Creek water diverted for recharge. Table 1 (attached) contains the recommended water quality constituents. This water quality data is necessary to demonstrate compliance with the IEUA-Watermaster maximum benefit commitments related to recharge. These data will be used for regulatory reporting, as required in the IEUA-Watermaster recharge permit, and for other groundwater management purposes.

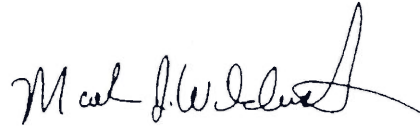
Please contact Mark Wildermuth or me if you have any questions or concerns regarding this MPI analysis.

Very truly yours,

Wildermuth Environmental, Inc.



Garrett Rapp, PE
Staff Engineer



Mark Wildermuth, PE
President, Principal Engineer

Attachments: Table 1

Draft

**Table 1
Water Quality Constituents Recommended
to be Sampled by the SAWC**

| Chemical Parameter |
|--------------------------------------------------------------|
| Alkalinity in CaCO ₃ units |
| Ammonia Nitrogen |
| Bicarbonate as HCO ₃ <i>Calculated</i> |
| Boron Total ICAP |
| Calcium Total ICAP |
| Carbonate as CO ₃ <i>Calculated</i> |
| Chloride |
| Flouride |
| Hydroxide as OH <i>Calculated</i> |
| Kjeldahl Nitrogen |
| Magnesium Total ICAP |
| Nitrate as Nitrogen by IC |
| Nitrate as NO ₃ <i>Calculated</i> |
| Nitrite as Nitrogen by IC |
| Organic Nitrogen <i>Calculated</i> |
| PH (H3=past HT not compliant) |
| Potassium Total ICAP |
| Sodium Total ICAP |
| Specific Conductance, 25 C |
| Sulfate |
| Silica |
| Total Dissolved Solids (TDS) |
| Total Hardness as CaCO ₃ by ICP <i>Calculated</i> |
| Total Organic Carbon |
| Turbidity |



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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**F. CITY OF CHINO HILLS APPLICATION FOR RECHARGE FOR PERIOD
AUGUST 2017 THROUGH AUGUST 2025**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: City of Chino Hills Application for Recharge for Period August 2017 through August 2025 (Consent Calendar Item I.F.)

SUMMARY

Issue: On June 2, 2017, The City of Chino Hills submitted an Application for Recharge for up to a total of 4,800 acre-feet of State Project Water to be recharged by injection through their ASR wells until August 2025.

Recommendation: Approve the City of Chino Hills Application for Recharge and direct Watermaster staff to account for any recharge into the Chino Basin in the appropriate storage account.

Financial Impact: There is no income statement impact associated with this approval. Supplemental water recharged with this application may be used toward the completion of a pilot testing program which, upon successful completion, will result in Watermaster reimbursing \$29,258.99 to the City of Chino Hills. The expense of \$29,258.99 was previously recorded in FY 2016/17 and funding was also assessed in previous years as part of a cost sharing agreement between Chino Basin Watermaster and the City of Chino Hills. Upon payment of \$29,258.99 the Watermaster cash balance would be reduced along with the reduction in the offsetting liability.

Future Consideration

Watermaster Board – October 26, 2017: Approval [Within WM Duties and Powers]

ACTIONS:

Appropriative Pool – September 14, 2017: Unanimously recommended Advisory Committee to approve

Non-Agricultural Pool – September 14, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate

Agricultural Pool – September 14, 2017: Unanimously recommended Advisory Committee to approve

Advisory Committee – October 19, 2017: Unanimously recommended Board to approve

Watermaster Board – October 26, 2017:

BACKGROUND

The Court approved the Peace Agreement, the OBMP Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered the Chino Basin Watermaster (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 (MPI), Watermaster must approve the application. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption that most of the proposed activities do not result in MPI to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

In June 2017, the City of Chino Hills (Chino Hills) submitted an Application for Recharge (Attachment 1). The Application identified the maximum quantity of recharge to be 4,800 acre-feet from 2017 to 2025.

DISCUSSION

Currently, Chino Hills does not have a permit with the Regional Water Quality Control Board (RWQCB) to inject water into the Chino Basin and therefore must be in compliance before any recharge event can begin. Approval of the Recharge Application and the findings of the MPI will assist Chino Hills in the permitting process.

Once approved and fully permitted, Chino Hills will have the ability to inject State Project Water into the Chino Basin to add to their own Local Supplemental Storage Account, or, participate in the Dry Year Yield (DYY) Program. If Chino Hills intends to recharge into their Local Supplemental Storage Account, they must complete Form 2b *Request to Recharge Supplemental Water by a Person* to Watermaster. During the Recharge event, Watermaster will collect data to ensure the water is accounted for. Upon completion of the recharge event, Chino Hills will be required to submit Form 2c *Report of Supplemental Water Recharge by a Person* to Watermaster for final review and accounting.

Prior to recapture, an Application to Recapture Water in Storage will need to be submitted. If the method and location of recapture from storage is to exchange with other groundwater producers in the Basin, when such an exchange is proposed, Chino Hills and the transacting Party will need to submit the appropriate water transfer forms, which includes the recapture plan. Per the Peace II Agreement and achievement of Hydraulic Control, losses will be applied to all water placed into a Local Supplemental storage account in a manner consistent to all other water held in storage.

Should Chino Hills choose to use the ASR wells as part of the DYY Program, they will be subject to the terms and agreements of the DYY with Metropolitan Water District (MWD), in which Watermaster will account for the recharge in MWD's Storage and Recovery account.

Wildermuth Environmental, Inc. (WEI) completed a MPI analysis on September 5, 2017 declaring no negative impacts to the Basin from the recharge (Attachment 3). Staff has reviewed and recommends approval of the Application for Recharge as presented.

There is no financial impact to Watermaster associated with the approval of this application. All expenses have been recorded in previous fiscal years along with the funding through prior assessments. However, it is important to note that the Chino Hills ASR wells were built as part of a pilot project which was cost shared with Watermaster and Chino Hills (Attachment 2). Watermaster has made a commitment to fund \$368,058 of this project and previously collected the funds of \$164,500 during the assessment process in FY 2011/12, \$161,903 in FY 2012/13, and \$41,655 in FY 2013/14 ($\$164,500 + \$161,903 + \$41,655 = \$368,058$). The remaining \$29,258.99 of Watermaster's cost share, which has already been assessed in previous years, will be paid to Chino Hills upon completion of the project. The payment of \$29,258.99

would reduce the overall cash balance on the balance sheet along with the offsetting reduction in liabilities.

ATTACHMENTS

1. The City of Chino Hills Recharge Application Dated June 2, 2017
2. Cost Sharing Agreement Between Chino Basin Watermaster and the City of Chino Hills Regarding the Chino Hills ASR Pilot Project.
3. September 5, 2017 Letter from WEI to Watermaster: *Analysis of Material Physical Injury for the Chino Hills Recharge Application, Submitted to the Chino Basin Watermaster on June 30, 2017*

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Form 2a - Application for Supplemental Water Recharge

| Applicant Information and Recharge Request | | | |
|--------------------------------------------|-----------------------------------|------------------------------------|------------------|
| Person | City of Chino Hills | Date Requested | 06/30/2017 |
| Contact (individual) | Mark Wiley, Water & Sewer Manager | Date Approved | |
| Street Address | 14000 City Center Drive | Proposed Period of Time Covered by | 08/2017 -08/2025 |
| City | Chino Hills | Recharge Application (mm/yyyy to | |
| State | CA | mm/yyyy) | |
| Zip Code | 91709 | Requested Total Amount of Recharge | Maximum of 4,800 |
| Telephone | 909-364-2854 | Over the Application Period (AF) | |
| Fax | | Approved Total Amount of Recharge | |
| Email | mwiley@chinohills.org | Over the Application Period (AF) | |

| Source(s) of Supply (check box and provide supporting information) | |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | State Water Project |
| <input type="checkbox"/> | Colorado River Aqueduct |
| <input type="checkbox"/> | Local Supplemental (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |
| <input type="checkbox"/> | Recycled Water (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |
| <input type="checkbox"/> | Other (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) |

| 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 checked="" type="checkbox"/> | Injection |
| | Well Names and Locations (attach well completion report if not on file with the Watermaster) City Well 16 |
| | Expected Period of Recharge (mm/dd to mm/dd) 08/2017 -08/2025 |
| | Depth to Water in Recharge Area (ft-bgs) 137 |
| | Water Quality in Recharge Area (attach characterization) Submitted |
| <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?

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 or the Basin (provide list of mitigation measures and rationale either below or attach one to this application)

BY:  _____
Applicant

June 30, 2017 _____
Date

To Be Completed by Watermaster

Is the Person a Party to the Judgment that has:

Previously contributed to the implementation of the OBMP?

YES NO

Is in compliance with their continuing covenants under the Peace Agreement?

YES NO

(If answer to previous question is NO)

Paid or delivered to Watermaster "financial equivalent" consideration to offset the past performance prior to the OBMP implementation?

YES NO

Promised continued future compliance with Watermaster Rules and Regulations?

YES NO

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 _____



City of Chino Hills

June 27, 2017



14000 City Center Drive
Chino Hills, CA 91709
(909) 364-2600
www.chinohills.org

Chino Basin Watermaster
Attn: Joseph S. Joswiak, MBA, Chief Financial Officer
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

RE: Establish Framework for Implementation & Funding - Chino Hills Aquifer Storage and Recovery Pilot Project

Mr. Joswiak, MBA,

At their regular meeting held June 27, 2017, the City Council of the City of Chino Hills authorized execution of the Chino Hills Aquifer Storage and Recovery Pilot Project Agreement No. A2017-153 between the Chino Basin Watermaster and the City of Chino Hills.

Enclosed are two executed original agreements. Upon execution by the Chino Basin Watermaster, please return one original agreement to me for our files.

Should you have any questions regarding this matter, you may contact Management Analyst II Cheryl Yeamans at (909) 364-2807.

Sincerely,

A handwritten signature in blue ink that reads "Lynnae Sisemore". The signature is fluid and cursive.

Lynnae Sisemore, CMC
Assistant City Clerk

Enclosures

cc: Cheryl Yeamans
Public Works Management Analyst II

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**AGREEMENT BETWEEN CHINO BASIN WATERMASTER
AND CITY OF CHINO HILLS
REGARDING THE CHINO HILLS ASR PILOT PROJECT**

This Cost Sharing Agreement (“Agreement”) is entered into as of June 27, 2017, by and between the CHINO BASIN WATERMASTER (“Watermaster”) and the CITY OF CHINO HILLS (“Chino Hills”) (each a “Party” and collectively, the “Parties”) for the purposes of establishing a framework for the implementation and funding of the Chino Hills Aquifer Storage and Recovery Pilot Project (“ASR Project”).

RECITALS

A. Watermaster is an agent of the Court and serves as the Court’s special master in order to administer and enforce the provisions of the Chino Basin Watermaster Judgment, San Bernardino County Superior Court Case No. RCV RS51010 (formerly Case No. SCV 164327);

B. Chino Hills is a municipal corporation and general law city organized and existing under the laws of the State of California;

C. Pursuant to its November 15, 2007 Order on Motion for Approval of Watermaster’s Long Term Plan for the Management of Subsidence, the Watermaster Court approved the Long Term Plan for the Management of Subsidence (“Long Term Plan”). The Long Term Plan describes an injection feasibility study at a production well within Management Zone 1 (“MZ-1”). The objective of this test is to help determine if aquifer injection is a viable tool to manage subsidence within MZ-1 while maximizing the use of existing infrastructure (i.e. wells);

D. In preparing the 2010 Recharge Master Plan Update and the 2013 Amendment to the 2010 Recharge Master Plan Update (Collectively, the “RMPU”), Watermaster considered whether existing groundwater production facilities owned or controlled by producers within MZ1 could be used in connection with an aquifer storage and recovery project so as to further enhance recharge in specific locations and to otherwise meet the objectives of the RMPU;

E. Watermaster’s approved budget for fiscal year 2008-2009 included a task item for an ASR pilot test at Chino Hills’ Well CH-16. The ASR Project is that pilot test. Watermaster has included this budget item in its annual budgets each fiscal year since;

F. The primary objective of the ASR Project is to determine the feasibility of using an existing well within an area prone to land subsidence for aquifer storage and recovery and the management of land subsidence and ground fissuring;

G. On behalf of Chino Hills, Watermaster submitted an AB303 grant application to help fund the ASR Project. This application was approved in the amount of \$250,000. Chino Hills entered into a contract with Department of Water Resources ("DWR") on December 30, 2008 in order to make use of these funds and all such funds have been appropriated and expended; and

H. Chino Hills has begun to implement the ASR Project pursuant to its agreement with DWR ("DWR Grant Agreement") and its amendments, and shall ensure completion of the ASR Project and compliance with all DWR terms. In March 2014, Amendment 3 to the DWR Grant Agreement was approved. Amendment 3 revised the scope of work, budget, schedule, and some of the terms of the DWR Grant Agreement. The ASR Project scope of work was revised to include two phases. Phase 1 includes tasks that will be completed under the DWR Grant Agreement and funded through the DWR Grant Agreement and in, part, by Watermaster and Chino Hills; Phase 2 will include additional tasks necessary to complete the project, but which are not subject to this Cost Sharing Agreement. Chino Hills expects to expend approximately \$500,000 on Phase 2 of the DWR Project.

AGREEMENT TERMS

1. PURPOSE

Through this Agreement, the Parties wish to clarify the respective responsibilities of each Party for the purpose of the implementation and funding of Phase 1 of the ASR Project. Much of this work has already been completed, and thus this agreement reflects the understanding between the Parties of each Party's responsibility for funding and paying remaining invoices.

2. SCOPE

This Agreement establishes a cost sharing arrangement for the tasks composing Phase 1 of the ASR Project, as the Phase 1 tasks are defined in the Scope of Work included in that document referenced above as "Amendment 3" to the DWR Grant Agreement 4600008330 dated March 20, 2014, attached as Exhibit A and incorporated by reference into this Agreement ("Scope of Work").

3. WATERMASTER RESPONSIBILITIES

a. Watermaster will fund the Phase 1 tasks in an amount not to exceed the \$368,058. Watermaster shall not fund any activities not described in the Scope of Work as Phase 1 tasks, including, but not limited to, the purchase of water to be used for aquifer recharge in the ASR Project.

b. For any Phase 1 work performed by Wildermuth Environmental, Inc. ("WEI"), which administered the ASR Project on behalf of Watermaster, Watermaster will pay the invoices for such work from the money budgeted in the Watermaster budget to fund the Scope of Work. The remaining total to be paid to WEI shall not exceed \$101,412.13. Watermaster will provide Chino Hills with copies of the WEI invoices for submission to DWR within thirty (30) days of the execution of this Agreement.

c. Watermaster will assist Chino Hills in the preparation of status reports required under the DWR Grant Agreement, and such assistance shall be funded as a part of the work plan.

d. Schedule of Payment.

i. Within thirty (30) days of execution of this agreement, Watermaster shall reimburse the City for expenditures of \$155,256.85 made to vendors, on invoices that the City has already submitted to Watermaster.

ii. Within thirty (30) days of the execution of this Agreement, Watermaster shall also pay three 2014 invoices submitted by Geoscience to Watermaster in the total amount of \$15,952.00 directly to Geoscience.

iii. Within thirty (30) days of completion of the Scope of Work, Watermaster shall reimburse City an additional \$29,285.99 for payment of invoices to contractors on the Scope of Work.

iv. These payments set forth in this Article 3 are obligations of Watermaster and shall survive the termination of this Agreement pursuant to Section 6 below.

4. CHINO HILLS RESPONSIBILITIES

a. Chino Hills shall lead all aspects of ASR Project administration (i.e., invoicing, grant funds, grant administration, sub-contractors, *etc.*) except for the work done by WEI and the payment of invoices submitted by Geoscience in 2014 totaling \$15,952.00.

b. Chino Hills has submitted invoices for qualifying work to DWR for reimbursement pursuant to the terms the DWR Grant Agreement and been paid the full \$250,000 under the DWR Grant.

c. For any work performed by Chino Hills or its consultants that qualifies for reimbursement by Watermaster, Chino Hills has already or will submit invoices for such work to Watermaster for reimbursement.

5. BUDGET AND COST ALLOCATION

a. **Total Financial Contribution.** Amendment 3 of the DWR Grant Agreement modified the anticipated project costs for Phase 1 of the ASR Project. The ASR Project shall be funded according to the following allocations:

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Total funding from DWR Grant Agreement | \$250,000 |
| Maximum Watermaster contribution, including \$167,563.16 already paid and \$ 184,542.84 pending payments to City of Chino Hills and \$15,952 pending payments to Geoscience | \$368,058 |
| Expected Chino Hills total contribution | \$46,306.20 |
| Expected total ASR Project Costs, Phase 1 | \$664,364.20 |

Chino Hills is responsible for any additional costs associated with the ASR Project, including tasks in Phase 1 and Phase 2 described in this Agreement in the Recitals, at section "H".

b. **Project Expenditures.** The Parties agree that the following project contributions have been paid or will be paid as follows:

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| DWR Invoices | \$250,000.00 |
| Watermaster Contributions: includes \$184,542.84 pending payments to the City and \$15,952 pending payments to Geoscience | \$368,058.00 |
| Chino Hills Contribution: this reflects \$75,592.19 currently expended, less the \$29,285.99 reimbursement from Watermaster withheld until completion of the Scope of Work | \$46,306.20 |
| Total Expenditures | \$664,364.20 |

6. TERM

a. **Term.** This agreement shall remain in effect from June 27, 2017 ("Effective Date") through completion of the ASR Project, unless terminated pursuant to Section 6.2, below.

b. **Termination.** This Agreement shall be mutually terminable at any time by majority vote of either Party's governing body, within each Party's sole discretion. Termination shall not relieve the terminating party from its obligations accruing prior to termination, including the payment of monies due for work performed prior to the date of termination and project settlements costs thereof, which shall all be paid after receipt of an invoice as provided in Article 3, above. The parties agree that the responsibilities of Watermaster to pay invoices to Chino Hills and Geoscience set forth in Article 3 of this Agreement above accrue upon execution of

this Agreement, so termination shall not relieve Watermaster of its duty to pay such obligations.

7. INDEMNITY

7.1 Chino Hills shall indemnify Watermaster against and hold Watermaster harmless from any and all claims, suits, losses, damages, and liability for damages of every name, kind and description, including attorneys' fees and other costs of defense incurred, brought for, or on account of, injuries to or death of any person, including, but not limited to, workers, the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with Chino Hills' activities pursuant to this Agreement. The provisions of this Section 7 shall survive termination of this Agreement.

7.2 Watermaster shall indemnify Chino Hills against and hold Chino Hills harmless from any and all claims, suits, losses, damages, and liability for damages of every name, kind and description, including attorneys' fees and other costs of defense incurred, brought for, or on account of, injuries to or death of any person, including, but not limited to, workers, the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with Watermaster's activities pursuant to this Agreement. The provisions of this Section 7 shall survive termination of this Agreement.

8. GENERAL PROVISIONS

a. **Notices.** Any notice under this Agreement shall be deemed sufficient if given by one Party to the other in writing and: delivered in person; transmitted by electronic mail or facsimile (with acknowledgement of receipt provided by the receiving Party); or, by mailing the same by United States mail (postage prepaid, registered or certified, return receipt requested) or by Federal Express or other similar overnight delivery service, to the Party to whom the notice is directed at the address of such Party as follows:

| | |
|----------------------------|-------------------------|
| Chino Basin Watermaster: | City: |
| Chino Basin Watermaster | City of Chino Hills |
| Attn: General Manager | Attn: City Manager |
| 9641 San Bernardino Road | 14000 City Center Drive |
| Rancho Cucamonga, CA 91730 | Chino Hills, CA 91709 |

Any communication given by mail shall be deemed delivered two (2) business days after such mailing date, and any written communication given by overnight delivery service shall be deemed delivered one (1) business day after the dispatch date. Either Party may change its address by giving the other Party notice of its new address.

b. **Assignability.** The Parties may not assign all or any part of this Agreement without advance written consent of each Party's governing board.

c. **Waiver.** No waiver by any Party of any of the provisions shall be effective unless explicitly stated in writing and executed by the Party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representations, warranties, covenants, or agreements contained in this Agreement, and in any documents delivered or to be delivered pursuant to this Agreement. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

d. **Headings.** The section headings contained in this Agreement are for convenience and reference only and shall not affect the meaning or interpretation of this Agreement.

e. **Severability.** If any term, provision, covenant or condition of this Agreement shall be or become illegal, null, void or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, and shall not be affected, impaired or invalidated. The term, provision, covenant or condition that is so invalidated, voided or held to be unenforceable, shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives set forth in this Agreement.

f. **Governing Law.** This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of California. This Agreement shall be specifically enforceable in the Court maintaining jurisdiction over the case Chino Basin Municipal Water District v. City of Chino, San Bernardino Superior Court Case No. RCV 51010.

g. **Parties in Interest.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action against any party to this Agreement.

h. **Attorney Fees.** In any dispute under this agreement between the Parties, each Party shall bear its own legal costs and expenses.

i. **Good Faith.** The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Agreement and to execute such further instruments or documents as are necessary or

appropriate to effectuate all of the terms and conditions of this Agreement.

j. **Construction.** The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against either Party, as each Party has participated in the drafting of this document and had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.

k. **Entire Agreement.** This Agreement contains the entire understanding and agreement of the Parties with respect to the implementation and funding of the ASR Project, and supersedes all prior agreements and understandings, oral and written, between the Parties concerning the subject matter of this agreement. There have been no binding promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature, except as stated in this Agreement. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver or estoppels.

l. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF CHINO HILLS

CHINO BASIN WATERMASTER

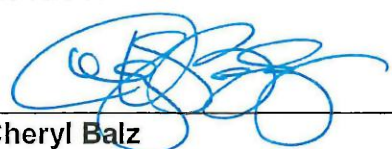


Ray Marquez
Mayor



(Signature)

ATTEST:



Cheryl Balz
City Clerk

GENERAL MANAGER


(Title)



Cheryl Balz
City Clerk

(Signature)

APPROVED AS TO FORM:



Mark D. Hensley
City Attorney

(Title)



September 5, 2017

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

Subject: Analysis of Material Physical Injury for the Chino Hills Recharge Application, Submitted to the Chino Basin Watermaster on June 30, 2017

Dear Mr. Kavounas:

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of Chino Hills' June 30, 2017 recharge application. This MPI analysis has been completed pursuant to the Watermaster Rules and Regulations and the Peace Agreement. Specifically, Article 10 of the Watermaster Rules and Regulations (paragraph 10.10) requires that:

"[...] Watermaster prepare a written summary and analysis (which will include an analysis of the potential for material physical injury) of the Application and provide the Parties with a copy of the written summary and advanced notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications."

Per the Peace Agreement, material physical injury is defined as:

"[...] material injury that is attributable to Recharge, Transfer, storage and recovery, management, movement or Production of water or implementation of the OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence, increases in pump lift and adverse impacts associated with rising groundwater" (Peace Agreement, page 8).

The MPI analysis presented herein is based on our professional experience and judgment in the Chino Basin, including the collection and analysis of monitoring data, past evaluations of Chino Basin storage programs, groundwater modeling of various groundwater management alternatives in the Chino Basin, and prior MPI analyses.

Chino Hills' Recharge Application of June 30, 2017

Chino Hills proposes to recharge up to 4,800 acre-feet (af) of State Water Project (SWP) water into the Chino Basin at a rate of approximately 600 af/ year (afy). Prior to injection, the SWP water will be treated at the Agua de Lejos Treatment Plant, owned by the Water Facilities Authority (WFA). Chino Hills plans to use well No. 16 (CH-16) to inject the treated SWP water. CH-16 has not been used for production since 2000 and was converted to an ASR well in 2014.

CH-16 is located at the intersection of Schaefer and Ramona Avenues in the City of Chino. Figure 1 shows the location of CH-16, the locations of historical ground fissuring, the approximate location of the Riley Barrier east of CH-16, the locations of nearby production and monitoring wells, and September 2016 groundwater elevation contours and directional flow vectors. Groundwater moves from northwest to southeast in the vicinity of CH-16.

In 2003, the Dry-Year Yield Program (DYYP)¹ was developed jointly by Watermaster, the Inland Empire Utilities Agency (IEUA), and the Metropolitan Water District of Southern California (MWDSC). The DYYP is a 100,000 af groundwater storage and recovery program where supplemental water is stored in the Chino Basin during years of surplus supplemental water and extracted in years when the availability of supplemental water is limited. Supplemental water recharge to “put” water into the DYYP storage account occurs through in-lieu means, wet-water recharge at spreading grounds, and injection at ASR wells owned by Monte Vista Water District (MVWD).

In 2008, Watermaster, the IEUA, and the MWDSC investigated expanding the maximum storage of the DYYP program to 150,000 af. The expanded program would include the use of ASR wells in the City of Chino, City of Chino Hills, Cucamonga Valley Water District, and MVWD service areas. The IEUA completed an Initial Study² (IS) for the DYYP Expansion project and ultimately adopted a Mitigated Negative Declaration (MND). The project description for the DYYP Expansion project included one Chino Hills ASR well: well No 19 (CH-19). The MPI analysis³ that was developed to support the IS assumed that Chino Hills would inject up to 1,823 afy in CH-19 during a put period. This analysis concluded that some MPI related to storage losses, groundwater level changes, and plume migration would result from the DYYP Expansion project, but these impacts could be mitigated.

¹ WEI. *Chino Basin Dry-Year Yield Program Modeling Report*. Prepared for Watermaster and the IEUA under a subcontract agreement with Black & Veatch Corp., July 2003.

² Tom Dodson and Associates. *Initial Study for Chino Groundwater Basin Dry-Year Yield Program Expansion*. Prepared for the IEUA and responsible parties, November 2008.

³ WEI. *Analysis of Material Physical Injury from the Proposed Expansion of the Dry-Year Yield Program*. Prepared for the Chino Basin Watermaster, December 2008.

In 2014, Chino Hills determined the use CH-16 was more preferable for ASR than CH-19. The City prepared an addendum⁴ to the MND to cover this proposed change. This Addendum included a professional opinion on potential groundwater impacts from switching ASR from CH-19 to CH-16.⁵ For the following reasons, the professional opinion concluded that the differences in groundwater impacts from switching wells would be insignificant:

- CH-16 is located approximately 5,960 feet west of CH-19; both are within areas that exhibit similar hydrogeologic characteristics.
- Both wells are located within the MZ-1 managed area for subsidence.
- CH-16 is located farther from downgradient contaminant plumes.
- Both wells are primarily screened within the lower alluvial aquifer system.

New information has become available since the original MPI analysis of ASR in the Chino Hills service area. These more recent investigations provide a more detailed characterization of the hydrologic conditions in the project area, and an updated groundwater model⁶ was developed to more accurately simulate the potential impacts of future operations. Based on this new information, a new MPI analysis of the proposed recharge at CH-16 was completed. The results of the updated analysis are discussed below.

Groundwater Level Impacts (liquefaction, land subsidence, and increases in pump lift)

CH-16 is screened in the confined deep aquifer system. In the vicinity of CH-16, the deep aquifer system ranges from about 250 to 1,250 feet below ground surface (bgs);⁷ the shallow aquifer system overlies the deep aquifer system. The deep aquifer system is characterized by confined groundwater conditions and lower permeability within its sand and gravel units. The proposed project will produce a localized increase in the groundwater level in the deep aquifer system, followed by a return to the groundwater level that would occur had the water not been recharged. Based on historical data, variations in piezometric levels in the deep aquifer system have only a slight impact on groundwater levels in the shallow aquifer system. Variations in the deep aquifer system, ranging from 180 to 350 feet, have corresponding variations in the shallow aquifer system, ranging from only about 10 to 20 feet.⁸ Increases in piezometric levels in the deep

⁴ Tom Dodson and Associates. *Addendum to the Mitigated Negative Declaration for the Dry-Year Yield Program Expansion Project*. Prepared for the City of Chino Hills, March 2014.

⁵ Geoscience *Statement of Professional Opinion Regarding Changes to Chino Basin Hydrology from Utilizing Well CH-16 for Aquifer Storage and Recovery (ASR)*, submitted to the City of Chino Hills Engineering Department on February 20, 2014.

⁶ WEI. *2013 Chino Basin Groundwater Model Update and Recalculation of Safe Yield Pursuant to the Peace Agreement*. Prepared for the Chino Basin Watermaster, October 2015.

⁷ Ibid. See Appendix A.

⁸ See Figure 2-1 in the *Management Zone 1 Interim Monitoring Program MZ-1 Summary Report* (WEI, February 2006).

aquifer system caused by the proposed recharge are not likely to significantly affect groundwater levels in the shallow aquifer.

Groundwater levels at CH-16 have not been measured since 2014. The depth-to-water at Chino Hills' well No. 7C, which is completed in the deep aquifer system and about 1,600 feet south of CH-16, ranged from 160 to 170 feet bgs in July 2017. Provided that Chino Hills conducts injection at CH-16 such that the piezometric level in CH-16 remains below 50 feet bgs, there will be no liquefaction impact due to the mounding of the shallow groundwater system.⁹

The Riley Barrier, which exists approximately 1.4 miles east of CH-16, is a groundwater barrier in the deep aquifer system. Its approximate location is shown on Figure 1.¹⁰ This barrier will restrict the area of influence of the proposed recharge in the deep aquifer system to the west side of the barrier.

CH-16 lies within an area that is managed for land subsidence (hereafter, the Managed Area). The Managed Wells shown on Figure 1, including CH-16, are all screened primarily in the deep aquifer system and are subject to the Guidance Criteria established by the Ground-Level Monitoring Committee.¹¹ These Guidance Criteria were developed to minimize the potential for land subsidence and fissuring in the Managed Area. Groundwater production at the Managed Wells is voluntarily managed such that the measured piezometric elevation in the PA-7 piezometer does not fall below the Guidance Level of 400 feet above mean sea level. No new land subsidence will occur from the proposed recharge project as it will not contribute to lowering the piezometric level below the Guidance Level. There will be no adverse impacts from changes in groundwater levels from the proposed recharge.

Balance of Recharge and Discharge in Every Area and Subarea

Chino Hills has not provided a recapture plan, so an assessment of the balance of recharge and discharge cannot be precisely made. If the proposed recharge is produced from CH-16 or other Managed Wells in the Managed Area, there will likely be no imbalance and no adverse impacts.

⁹ Fife, Donald et al. *Geologic Hazards in Southwestern San Bernardino County, California*. California Division of Mines and Geology, 1976.

¹⁰ More details about the Riley Barrier can be found in the *Management Zone 1 Interim Monitoring Program MZ-1 Summary Report* (WEI, February 2006).

¹¹ Chino Basin Watermaster. *Chino Basin Subsidence Management Plan*. July 23, 2015.

Total Dissolved Solids and Nitrate Concentration of the Recharge Water

In the Regional Water Quality Control Plan for the Santa Ana River Watershed (Basin Plan), the total dissolved solids (TDS) and nitrate (as nitrogen) concentration objectives for the Chino-North Groundwater Management Zone (GMZ) are 420 milligrams per liter (mg/L) and 5 mg/L, respectively. The proposed recharge will occur in the Chino-North GMZ. Pursuant to the Basin Plan and the Watermaster-IEUA recharge permit, Watermaster and the IEUA are required to manage recharge in the Chino Basin such that the five-year volume-weighted average TDS and nitrate concentrations of the combined recycled, imported, and storm water recharged from all recharge basins does not exceed the Basin Plan objectives for the Chino-North GMZ. Chino Hills did not provide a complete characterization of WFA water quality in its June 30, 2017 recharge application. WEI reviewed recent Water Quality Reports from the WFA, which indicate that the TDS and nitrate concentrations vary, averaging about 322 mg/L and 0.7 mg/L, respectively, for 2013 through 2016. The table below shows the groundwater-quality objectives and current ambient concentrations for the Chino-North GMZ; the five-year volume-weighted concentration of recycled water, imported water, and stormwater recharge in the Chino Basin; and TDS and nitrate concentration statistics for the water proposed for recharge.

Comparison of TDS and Nitrate Concentrations in the Proposed Recharge Water to Applicable Regulatory Limits in the Basin Plan (all units in mg/L)

| Constituent | Chino-North GMZ Basin Plan Objective | Chino-North GMZ Ambient Concentration ¹² | Assimilative Capacity | Five-Year, Volume-Weighted Concentration of Recharge in the Chino Basin ¹³ | Proposed Recharge Water ¹⁴ | | |
|-------------|--------------------------------------|-----------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------|---------------------------------------|-----|---------|
| | | | | | Min | Max | Average |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| TDS | 420 | 350 | 70 | 345 | 270 | 370 | 322 |
| Nitrate - N | 5 | 10 | -5 | 2.8 | nd | 5.0 | 0.7 |

The current ambient TDS and nitrate concentrations in the Chino-North GMZ are 350 mg/L and 10 mg/L, respectively; therefore, the proposed recharge project will not: encroach into the current assimilative capacity for TDS,¹⁵ degrade current ambient TDS

¹² WEI. *Recomputation of Ambient Water Quality in the Santa Ana Watershed for the Period 1993 to 2012*. Prepared for the Santa Ana Watershed Project Authority Basin Plan Monitoring Program Task Force, 2014.

¹³ Average through December 2016.

¹⁴ Based on the 2013 through 2016 WFA Water Quality Reports, covering water quality testing performed from 2013 through 2016. nd = non-detect.

¹⁵ There is no assimilative capacity for nitrate since the ambient nitrate concentration exceeds the objective. Chino Hills cannot recharge water with nitrate concentrations exceeding the 5 mg/L objective.

and nitrate concentrations, or negatively impact the ability of Watermaster and the IEUA to comply with their regulatory obligations in the Basin Plan. In fact, the proposed recharge will be helpful in complying with the Basin Plan. There will be no adverse TDS or nitrate concentration impacts caused by the proposed recharge.

Water Quality Impacts on Other Pumpers

The TDS and nitrate concentrations in the proposed recharge are lower than their ambient concentrations, which is a benefit to the parties. The proposed recharge of 600 afy in the application is not unusually large, and it will not create a significant change in the direction and/or speed of groundwater flow in the area. The Riley barrier will limit these impacts on the solvent plumes east of the barrier. And, Chino Hills is the only party producing groundwater in the deep aquifer system that could be impacted.

Groundwater quality data for wells within and near the area of the proposed recharge were reviewed for constituents monitored pursuant to Title 22 of the California Code of Regulations to identify constituents of concern. Review of this data indicated arsenic, 1,2,3-Trichloropropane (1,2,3-TCP), and nitrate concentrations in excess of their respective maximum contaminant levels (MCLs).¹⁶ Figures 2, 3, and 4 characterize the spatial distribution of arsenic, 1,2,3-TCP, and nitrate concentrations in groundwater, respectively, in the wells near and downgradient of CH-16. These figures show the maximum constituent concentration measurement at each well in the past five years (fiscal years 2013 through 2017). The indicated concentration value at wells without measurements in the past five years is the maximum concentration in the past ten years; wells without measurements within the past ten years were not included in these figures. Arsenic concentrations exceeding the MCL are found in wells screened primarily in the deep aquifer system. 1,2,3-TCP concentrations exceeding the MCL are found in wells screened in both the deep and the shallow aquifer systems. Nitrate concentrations exceeding the MCL are primarily found in wells screened in the shallow aquifer system.

In addition to TDS and nitrate, WEI reviewed the WFA's Water Quality Reports to determine the expected range of arsenic and 1,2,3-TCP in the proposed recharge water. Arsenic concentrations range from nd to 4 µg/L, averaging about 1 µg/L for 2013 through 2016. No information was available for 1,2,3-TCP in WFA's water quality reports.

The recent adoption of an MCL for 1,2,3-TCP has necessitated additional groundwater treatment in this area. Chino Hills staff has indicated that they plan to install granular activated carbon (GAC) filters on the wellheads of their production wells.¹⁷ Future production plans are uncertain until these filters come online, so it is undetermined where the recharge water will likely be captured. The proposed recharge will not exacerbate existing water quality problems at downgradient wells. There will be no

¹⁶ A primary MCL of 0.005 micrograms per liter (µg/L) for 1,2,3-TCP was adopted by the State Water Resources Control Board in July 2017.

¹⁷ Conversation with Mark Wiley of the City of Chino Hills, July 20, 2017.

adverse water quality impacts on other pumpers from the proposed recharge.

Conclusion and Recommendations

There will be no MPI resulting from Chino Hills' proposed recharge, as described in its June 30, 2017 recharge application. A "no-MPI" determination cannot be made regarding the recovery of the recharge until a recovery plan is provided to Watermaster for MPI review.

The piezometric levels at CH-16 should be monitored pursuant to the methods and Guidance Criteria recommended by the Ground-Level Monitoring Committee. Watermaster should require Chino Hills to monitor the amount of water recharged by month and to provide a Title 22 drinking water quality analysis annually for the SWP water that is recharged.¹⁸ These data should be provided to Watermaster in electronic format and in a timely manner. These data are required for Watermaster accounting, the regulatory reporting required in the Watermaster-IEUA recharge permit, and other groundwater management purposes. And, prior to initiating recharge, Chino Hills should provide Watermaster the time history of 1,2,3-TCP concentrations in WFA water.

Please call us if you have any questions or concerns regarding this MPI analysis.

Very truly yours,

Wildermuth Environmental, Inc.



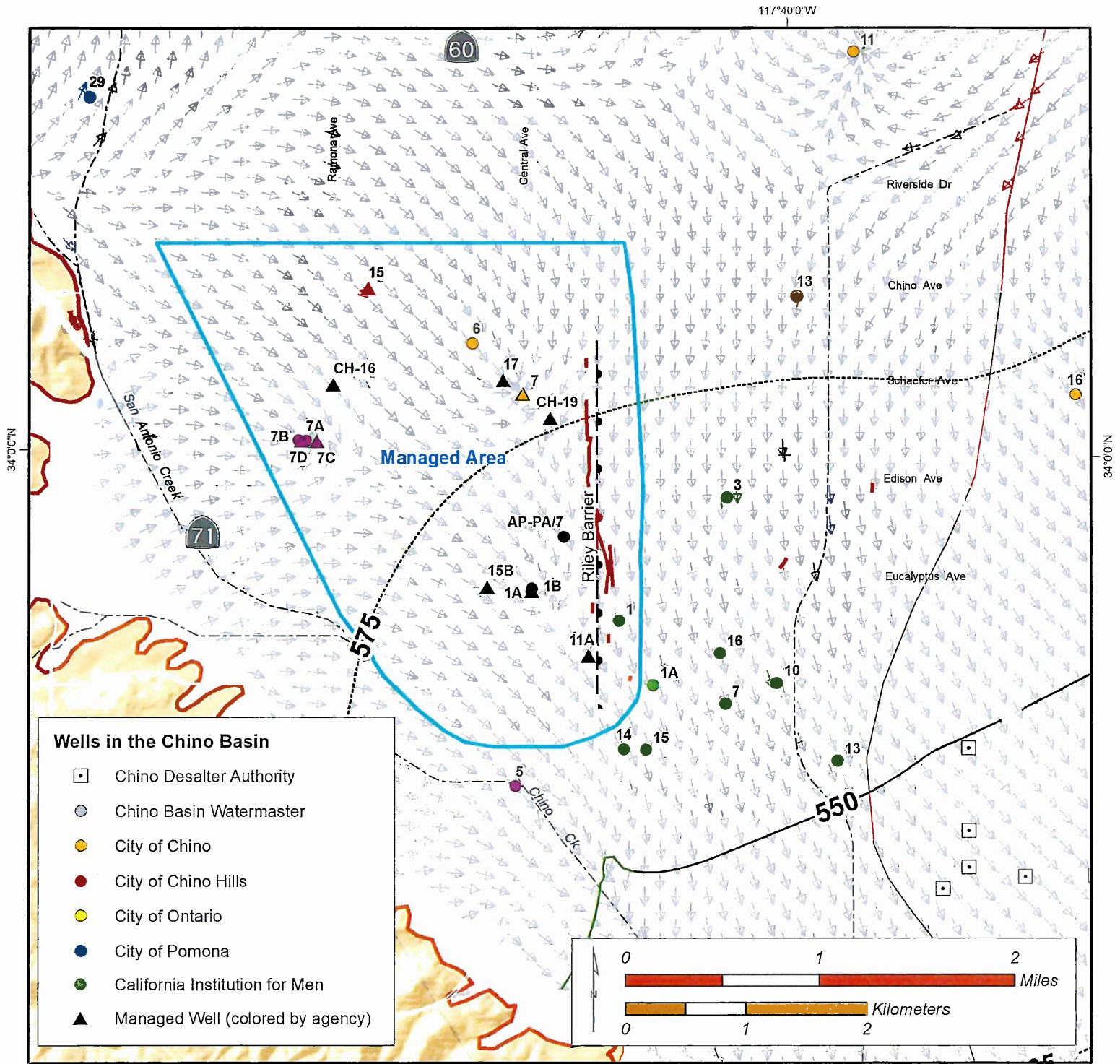
Garrett Rapp, PE
Staff Engineer



Mark Wildermuth, PE
President, Principal Engineer

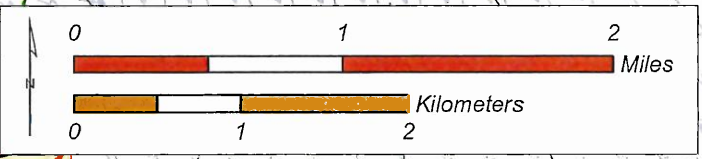
Attachments: Figures 1 through 4

¹⁸ Routine Title 22 analysis provided to the DDW pursuant to WFA monitoring requirements would be sufficient.



Wells in the Chino Basin

- Chino Desalter Authority
- Chino Basin Watermaster
- City of Chino
- City of Chino Hills
- City of Ontario
- City of Pomona
- California Institution for Men
- ▲ Managed Well (colored by agency)



550 Groundwater-Elevation Contours for Fall 2016 (feet above mean sea level)
525 Contours represent groundwater elevations based on a model projection for Fall 2016.

Groundwater-Flow Direction for Fall 2016
 Arrows represent groundwater-flow direction based on a model projection for Fall 2016.

- ▲— Riley Barrier
- Ground Fissures
- Streams and Flood Control Channels



OBMP Management Zones

- Geology**
- Water-Bearing Sediments
 - Quaternary Alluvium
 - Consolidated Bedrock
 - Undifferentiated Pre-Tertiary to Early Pleistocene Igneous, Metamorphic, and Sedimentary Rocks



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 Date: 20170828
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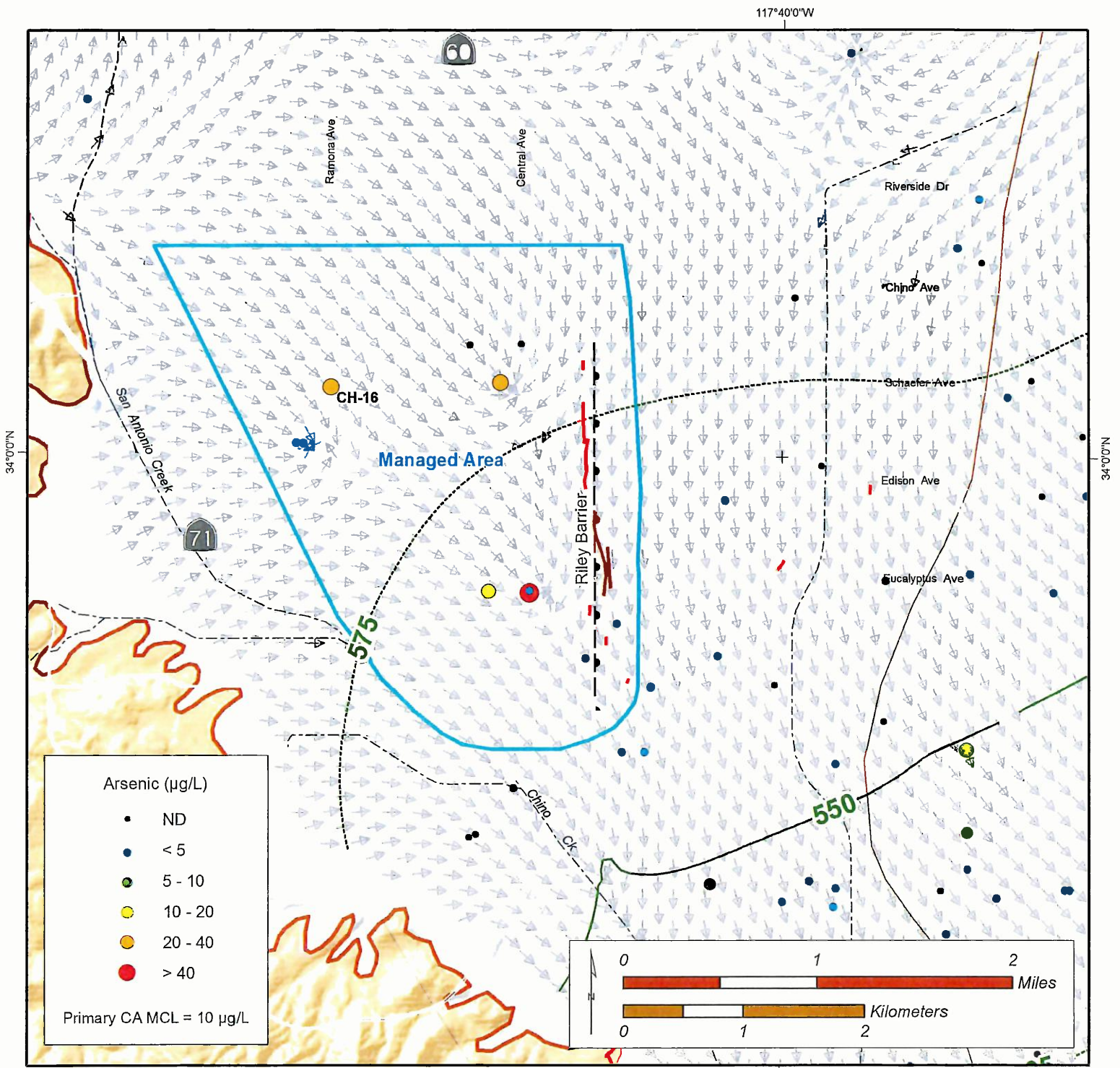
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MPI Analysis of Chino Hills' June 30, 2017 Recharge Application P122

Proximate Area to Chino Hills Well No. 16

Figure 1



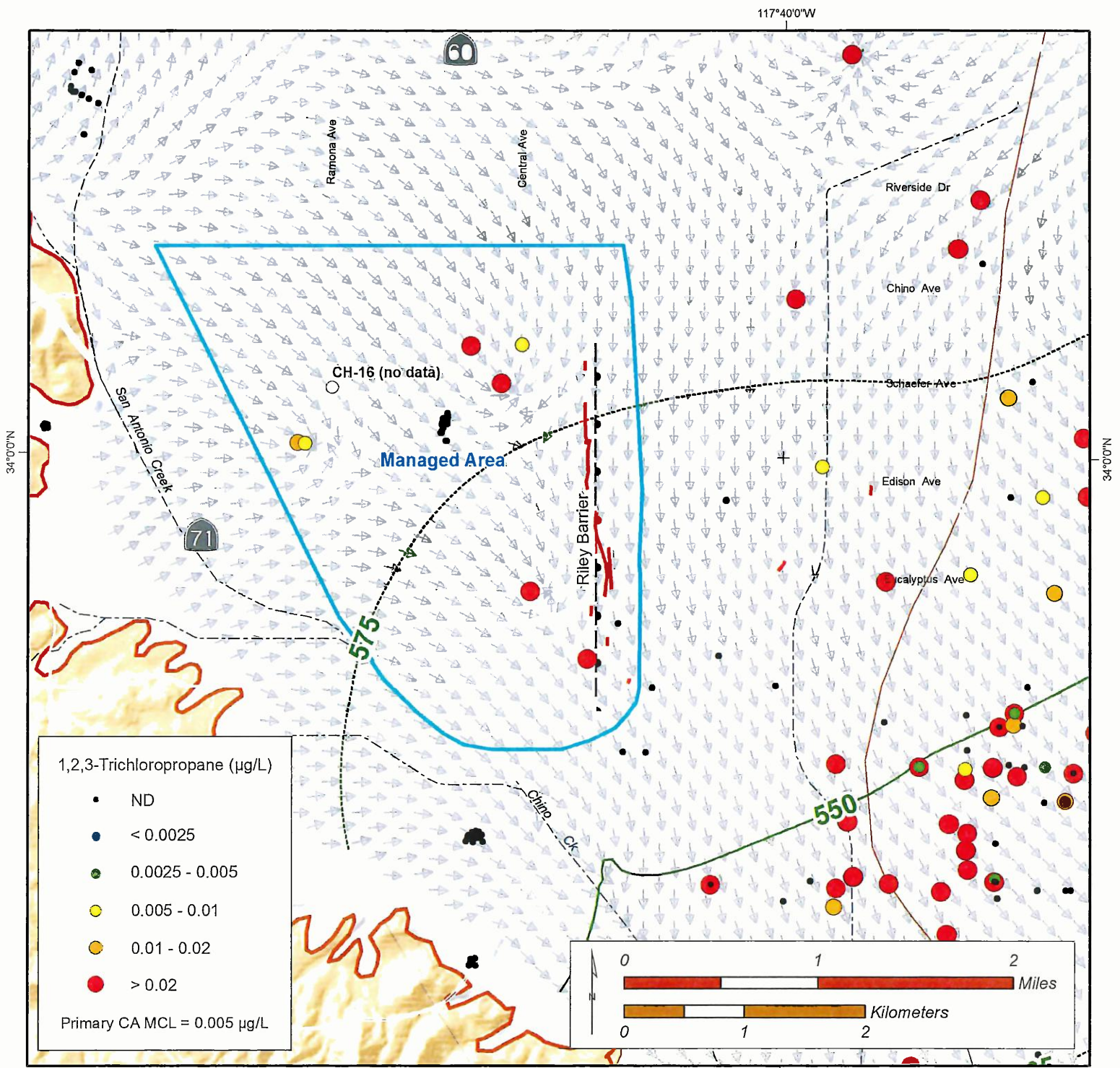
550 Groundwater-Elevation Contours for Fall 2016 (feet above mean sea level)
525 Contours represent groundwater elevations based on a model projection for Fall 2016.

Groundwater-Flow Direction for Fall 2016
 Arrows represent groundwater-flow direction based on a model projection for Fall 2016.



- Riley Barrier
- Ground Fissures
- Streams and Flood Control Channels
- OBMP Management Zones

- 117°40'0"W
- Geology**
- Water-Bearing Sediments
 - Quaternary Alluvium
 - Consolidated Bedrock
 - Undifferentiated Pre-Tertiary to Early Pleistocene Igneous, Metamorphic, and Sedimentary Rocks



550 Groundwater-Elevation Contours for Fall 2016
(feet above mean sea level)
525 Contours represent groundwater elevations based on a model projection for Fall 2016.

Groundwater-Flow Direction for Fall 2016
Arrows represent groundwater-flow direction based on a model projection for Fall 2016.



- Riley Barrier
- Ground Fissures
- Streams and Flood Control Channels
- OBMP Management Zones

- 117°40'0"W
- Geology**
- Water-Bearing Sediments
 - Quaternary Alluvium
 - Consolidated Bedrock
 - Undifferentiated Pre-Tertiary to Early Pleistocene Igneous, Metamorphic, and Sedimentary Rocks



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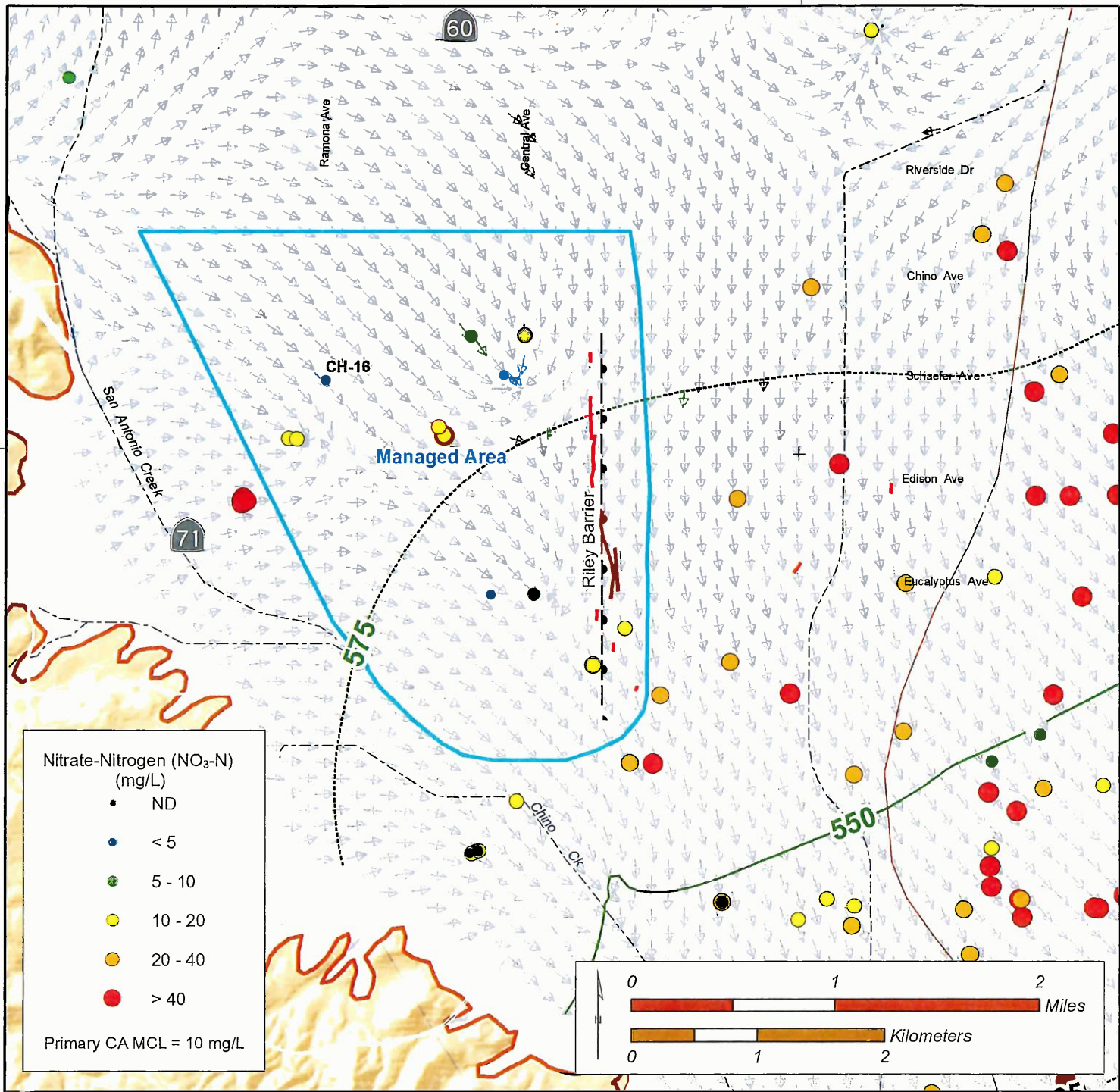
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MPI Analysis of Chino Hills'
June 30, 2017 Recharge Application
P124



1,2,3-TCP in Groundwater
Maximum Concentration (Fiscal Years 2013-2017)

Figure 3



550 Groundwater-Elevation Contours for Fall 2016 (feet above mean sea level)
 Contours represent groundwater elevations based on a model projection for Fall 2016.

525

Groundwater-Flow Direction for Fall 2016
 Arrows represent groundwater-flow direction based on a model projection for Fall 2016.

Riley Barrier

Ground Fissures

Streams and Flood Control Channels

OBMP Management Zones

117°40'0"W

Geology

Water-Bearing Sediments

- Quaternary Alluvium

Consolidated Bedrock

- Undifferentiated Pre-Tertiary to Early Pleistocene Igneous, Metamorphic, and Sedimentary Rocks

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**G. CALMAT CO. REQUEST FOR INTERVENTION INTO
APPROPRIATIVE POOL**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: CalMat Co. Request for Intervention into Appropriative Pool (Consent Calendar Item I.G.)

SUMMARY

Issue: On August 14, 2017, Watermaster received a request for intervention into the Appropriative Pool from CalMat Co.

Recommendation: File the request for intervention with the Court.

Financial Impact: None.

Future Consideration

Watermaster Board: October 26, 2017: Recommend to Court

ACTIONS:

Non-Agricultural Pool – September 14, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate

Agricultural Pool – September 14, 2017: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to recommend to the Court to approve the request for intervention

Appropriative Pool: October 12, 2017: Unanimously voted to consider the request during the October 19, 2017 Advisory Committee meeting, after requesting further information from the applicant

Advisory Committee: October 19, 2017: Passed by majority 79.080% volume vote in favor of recommending Watermaster to recommend to Court

BACKGROUND

By letter dated August 14, 2017 (Attachment 1) CalMat Co. (CalMat) requested to intervene in the Appropriative Pool. CalMat is a division of Vulcan Materials Co., an existing party to the Judgment, and a member of the Non-Agricultural Pool with no current entitlement to Safe Yield. CalMat is also a shareholder in San Antonio Water Company¹ ("SAWCo"). SAWCo and CalMat previously submitted Consolidated Forms 3, 4 & 5 (Application for Sale or Transfer of Right to Produce Water from Storage, Application or Amendment to Application to Recapture Water in Storage, and Application to Transfer Annual Production Right or Safe Yield – Attachment 2), requesting the transfer of 4.375 acre feet of water to CalMat, pursuant to which, CalMat might obtain a share of SAWCo water by pumping through its own well. By letter of October 4, 2017, SAWCo indicated that it was withdrawing the transfer (Attachment 3). CalMat has indicated that it still wishes, at a future date, to obtain water through a transfer from SAWCo.

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

Watermaster's practice has been to accept intervention requests informally by way of a letter and then process the request through the Pool Committees, Advisory Committee and Board. After this internal process, the request for intervention is filed with the Court for approval with Watermaster's recommendation as to its disposition.

The Restated Judgment provides that Parties changing the character of their use or new parties intervening into the Restated Judgment will be assigned to the proper Pool by the order of the Court authorizing such intervention. (Restated Judgment, ¶ 43.) It further provides that a producer is assigned to the Appropriative Pool if it is an owner of appropriative rights. (Restated Judgment, ¶ 43(c).)

The Appropriative Pool Pooling Plan, Exhibit "H" to the Restated Judgment, describes the membership of the Appropriative Pool as including "Any city, district or other public entity and public utility – either regulated under Public Utilities Commission jurisdiction, or exempt therefrom as a non-profit mutual water company (other than those assigned to the Overlying (Agricultural) Pool)." (Restated Judgment, Ex. "H", § 1.) Since the time of the Judgment's entrance, at least three non-purveyor entities have previously intervened and been assigned by the Court – consistent with Watermaster's recommendation – to the Appropriative Pool: Arrowhead Mountain Springs Water Company in 1993, Nicholson Trust in 2001 or 2002 and Niagara Bottling, LLC in 2003, and each of these entities remains a member of the Appropriative Pool. Relevant in this case, neither Arrowhead nor Niagara own any Appropriative Rights, and the Nicholson Trust was the recipient of a portion of the former rights of Fontana Union Water Company.

DISCUSSION

CalMat requested intervention into the Appropriative Pool for the purpose of accepting the transfer of 4.375 acre feet of water from SAWCo, pursuant to SAWCo's appropriative right, in order to receive water pursuant to its rights as a SAWCo shareholder. CalMat intends to exercise this appropriative right – or any others which it may be assigned - as a member of the Appropriative Pool, separate and apart from any water it might produce pursuant to an Overlying Right as a member of the Non-Agricultural Pool.

¹ San Antonio Water Company (SAWCo) is an original Appropriative Pool Party to the Judgment entered in *Chino Basin Municipal Water District v. City of Chino, et al.*, San Bernardino Superior Court No. RVCRS 51010 (formerly 164327), on January 27, 1978. As a member of the Appropriative Pool, San Antonio Water Company currently owns water rights comprising 1,506.888 acre feet of Safe Yield.

To the extent it does not produce this water, CalMat would require a Storage agreement with Watermaster. The transfer from SAWCo to CalMat was the subject of a separate item on the September 14, 2017 Pool meeting agenda – it was approved by both the Overlying Pool Committees and deferred by the Appropriative Pool.

Although CalMat is a Party to the Judgment and a member of the Overlying (Non-Ag) Pool, for purposes of the potential exercise of an Appropriative Right it would be considered a Non-Appropriative Pool Party Assignee of Appropriative Rights, or, alternatively, could be considered to be newly proposing to Produce water pursuant to an Appropriative Right. (See Restated Judgment, ¶ 60.) While CalMat may not be proposing to make a new end use pursuant to use of an Appropriative Right, by use of an Appropriative Right, it would be changing the character of the water right pursuant to which it makes such end use. (See Restated Judgment, ¶ 43.)

CalMat seeks intervention to exercise Appropriative Rights. Watermaster staff interprets the language of the Appropriative Pooling Plan (Exhibit H, § 1) referenced above as a description of the members of the Pool at the time of the Judgment, and not a limit to membership in the Pool to water purveyors. Further, given the prior intervention of non-purveyor entities, such as Arrowhead, Niagara, and the Nicholson Trust, into the Appropriative Pool for similar purposes, Watermaster staff believes intervention by CalMat into the Appropriative Pool to be appropriate in this instance. On this basis, Watermaster staff recommends the approval of the request for intervention.

ATTACHMENTS

1. August 14, 2017 Letter from Kevin Sage RE Intervention into Chino Basin Watermaster
2. Consolidated Forms 3, 4, and 5
3. Letter from SAWCo dated October 4, 2017 withdrawing the 4.375 AF water transfer

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Date: August 14, 2017

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

Subject: Intervention into Chino Basin Watermaster

Dear Mr. Kavounas:

I, or the company I represent (see below), request intervention into the Chino Basin Watermaster Judgment. I/we request that the Watermaster attorneys process the Intervention paperwork through the Court.

Number of wells: 1

Permission is granted to obtain drilling logs from: Yes

Location(s) of wells (including addresses, parcel numbers, and landmarks): _____

4711 Huntington Drive, Claremont, California 91763 (existing CalMat well)

Type of usage (Irrigation, Dairy, Domestic, etc.):

Industrial

Property Owner (Well Owner) Information:

Name: Ca Mat Co.

Address: 405 North Indian Hill Boulevard, Claremont, California 91711

Phone: (909) 621-1266 Email: _____

Property Occupant (Well User) Information (if different from Owner):

Name: CalMat Co.

Address: 405 North Indian Hill Boulevard, Claremont, California 91711

Phone: (909) 621-1266 Email: _____

Representative Handling Intervention:

Name: Kevin Sage Title: Resource Manager

Address: 405 North Indian Hill Boulevard, Claremont, CA 91711

Phone: (909) 621-1266 Email: ksage@irmwater.com

Sincerely,

Signed:  Print name: Kevin Sage

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Consolidated Forms 3, 4 & 5

**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 2017 - 2018

DATE REQUESTED: August 14, 2017

AMOUNT REQUESTED: 4.375 Acre-Feet

| TRANSFER FROM (SELLER / TRANSFEROR): | TRANSFER TO (BUYER / TRANSFEREE): |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <u>San Antonio Water Company</u> Name of Party | <u>Vulcan Materials Company</u> Name of Party |
| <u>139 North Euclid Avenue</u> Street Address | <u>405 North Indian Hill Boulevard</u> Street Address |
| <u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code | <u>Claremont</u> <u>CA</u> <u>91711</u> City State Zip Code |
| <u>(909) 982-4107</u> Telephone | <u>(909) 621-1266</u> Telephone |
| Facsimile | <u>(909) 621-1196</u> 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 Transfer unused entitlement

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. Excess Carryover Account

WATER IS TO BE TRANSFERRED TO:

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

Consolidated Forms 3, 4 & 5 cont.

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: | |
| Projected Rate of Recapture _____ | Projected Duration of Recapture _____ |
| METHOD OF RECAPTURE (e.g. pumping, exchange, etc.): _____ | |
| PLACE OF USE OF WATER TO BE RECAPTURED: _____ | |
| LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES): _____ | |

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?

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

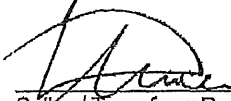
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

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

Charles Moorrees

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Kevin Sage

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

September 8, 2017

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.

TRANSFER OF WATER

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).

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **August 14, 2017**

Date of this notice: **September 8, 2017**

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

- Notice of Sale or Transfer – The purchase of 4.375 acre-feet of water from San Antonio Water Company by Calmat Company (Vulcan Materials). This purchase is made from San Antonio Water Company’s Excess Carryover Account. Calmat Company (Vulcan Materials) is utilizing this transaction to produce its San Antonio Water Company shares. This transfer is contingent on Calmat Company (Vulcan Materials) successful intervention in to the Appropriative Pool.

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

Appropriative Pool: September 14, 2017

Non-Agricultural Pool: September 14, 2017

Agricultural Pool: September 14, 2017

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, as *Contests* must be submitted a minimum of fourteen (14) days prior to the Advisory Committee’s consideration of an *Application*, 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



San Antonio Water Company

Incorporated October 25, 1882

Serving the original Ontario Colony lands

October 4, 2017

Mr. Bob Bowcock
Calmat Company
405 North Indian Hill Boulevard
Claremont, CA 91711

Re: Chino Basin Water Transfer 4.375AF

Please be advised that the San Antonio Water Company hereby withdraws the subject transfer of 4.375 AF to Calmat dated August 14, 2017.

A handwritten signature in black ink, appearing to read "Charles Moorrees", is written over a horizontal line.

Charles Moorrees
General Manager
/cm

Cc: PKavounas/CBWM
TCorbin/Chair CB Appropriate Pool
SAWCo Board
TMcPeters/Legal Counsel

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**H. NCL CO., LLC REQUEST FOR INTERVENTION INTO
APPROPRIATIVE POOL**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: NCL Co. LLC Request for Intervention into Appropriative Pool
(Consent Calendar Item I.H.)

SUMMARY

Issue: On August 14, 2017, Watermaster received a request for intervention into the Appropriative Pool from NCL Co. LLC.

Recommendation: File the request for intervention with the Court.

Financial Impact: None.

Future Consideration

Watermaster Board: October 26, 2017: Recommend to Court

ACTIONS:

Non-Agricultural Pool – September 14, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate

Agricultural Pool – September 14, 2017: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to recommend to the Court to approve the request for intervention

Appropriative Pool: October 12, 2017: Unanimously voted to consider the request during the October 19, 2017 Advisory Committee meeting, after requesting further information from the applicant

Advisory Committee: October 19, 2017: Passed by majority 79.080% volume vote in favor of recommending Watermaster to recommend to Court

BACKGROUND

By letter dated August 14, 2017 (Attachment 1) NCL Co. LLC (NCL) – not a party to the Judgment – requested to intervene in the Appropriative Pool for the purpose of accepting future transfers of water from CalMat Co. (CalMat). CalMat has also requested to intervene in the Appropriative Pool (see Consent Calendar I.D. of this October 12, 2017 agenda).

Simultaneously with the proposed SAWCo and CalMat transfer (see Consent Calendar I.D., CalMat and NCL Co. LLC (NCL) have submitted Consolidated Forms 3, 4 & 5 (Application for Sale or Transfer of Right to Produce Water from Storage, Application or Amendment to Application to Recapture Water in Storage, and Application to Transfer Annual Production Right or Safe Yield – Attachment 2) to transfer 4.00 acre feet of the appropriative right CalMat would receive from SAWCo to NCL. This proposed transfer was deferred by the Appropriative Pool, and unanimously approved by the Overlying (Non-Agricultural) Pool and the Overlying (Agricultural) Pool during the September 2017 Pool Committee meetings.

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

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

The Restated Judgment provides that Parties changing the character of their use or new parties intervening into the Restated Judgment will be assigned to the proper Pool by the order of the Court authorizing such intervention. (Restated Judgment, ¶ 43.) It further provides that a producer is assigned to the Appropriative Pool if it is an owner of appropriative rights. (Restated Judgment, ¶ 43(c).)

The Appropriative Pool Pooling Plan, Exhibit “H” to the Restated Judgment, describes the membership of the Appropriative Pool as including “Any city, district or other public entity and public utility – either regulated under Public Utilities Commission jurisdiction, or exempt therefrom as a non-profit mutual water company (other than those assigned to the Overlying (Agricultural) Pool).” (Restated Judgment, Ex. “H”, § 1.) Since the time of the Judgment's entrance, at least three non-purveyor entities have previously intervened and been assigned by the Court – consistent with Watermaster's recommendation – to the Appropriative Pool: Arrowhead Mountain Springs Water Company in 1993, Nicholson Trust in 2001 or 2002 and Niagara Bottling, LLC in 2003, and each of these entities remains a member of the Appropriative Pool. Relevant in this case, neither Arrowhead nor Niagara own any Appropriative Rights, and the Nicholson Trust was the recipient of a portion of the former rights of Fontana Union Water Company.

DISCUSSION

NCL has requested intervention into the Appropriative Pool for the purpose of accepting future transfers of water from CalMat. NCL intends to be a member of the Appropriative Pool, and, to the extent it does not produce water it receives from transfers from CalMat, would require a Storage agreement with Watermaster.

NCL seeks intervention to receive and exercise Appropriative Rights. Watermaster staff interprets the language of the Appropriative Pooling Plan (Exhibit H, § 1) referenced above as a description of the members of the Pool at the time of the Judgment, and not a limit to membership in the Pool to water

purveyors. Further, given the prior intervention of non-purveyor entities, such as Arrowhead, Niagara, and the Nicholson Trust, into the Appropriative Pool for similar purposes, Watermaster staff believes intervention by NCL into the Appropriative Pool to be appropriate in this instance. On this basis, Watermaster staff recommends the approval of the request for intervention.

ATTACHMENTS

1. August 14, 2017 Letter from Robert Bowcock RE Intervention into Chino Basin Watermaster
2. Consolidated Forms 3, 4, and 5

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Date: August 14, 2017

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

Subject: Intervention into Chino Basin Watermaster

Dear Mr. Kavounas:

I, or the company I represent (see below), request intervention into the Chino Basin Watermaster Judgment. I/we request that the Watermaster attorneys process the Intervention paperwork through the Court.

Number of wells: 1

Permission is granted to obtain drilling logs from: Yes

Location(s) of wells (including addresses, parcel numbers, and landmarks):
4711 Huntington Drive, Claremont, California 91763 (existing Calmat well)

Type of usage (Irrigation, Dairy, Domestic, etc.):

Industrial

Property Owner (Well Owner) Information:

Name: CalMat Co.

Address: 405 North Indian Hill Boulevard, Claremont, California 91711

Phone: (909) 621-1266 Email: _____

Property Occupant (Well User) Information (if different from Owner):

Name: NCL Co, LLC

Address: 405 North Indian Hill Boulevard, Claremont, California 91711

Phone: (909) 621-1266 Email: _____

Representative Handling Intervention:

Name: Robert Bowcock Title: Resource Manager

Address: 405 North Indian Hill Boulevard, Claremont, CA 91711

Phone: (909) 621-1266 Email: bbowcock@imwater.com

Sincerely,

Signed:



Print name: Robert Bowcock

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Consolidated Forms 3, 4 & 5

**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 2017 - 2018

DATE REQUESTED: August 14, 2017

AMOUNT REQUESTED: 4 Acre-Feet

| TRANSFER FROM (SELLER / TRANSFEROR): | TRANSFER TO (BUYER / TRANSFEREE): |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| <u>CalMat Co.</u> Name of Party | <u>NCL Co, LLC</u> Name of Party |
| <u>405 North INdian Hill Boulevard</u> Street Address | <u>405 North Indian Hill Boulevard</u> Street Address |
| <u>Claremont</u> <u>CA</u> <u>91711</u> City State Zip Code | <u>Claremont</u> <u>CA</u> <u>91711</u> City State Zip Code |
| <u>(909) 621-1266</u> Telephone | <u>(909) 621-1266</u> Telephone |
| <u>(909) 621-1266</u> Facsimile | <u>(909) 621-1196</u> 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 Local Supplemental

WATER IS TO BE TRANSFERRED TO:

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

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: | |
| _____ | _____ |
| Projected Rate of Recapture | Projected Duration of Recapture |
| METHOD OF RECAPTURE (e.g. pumping, exchange, etc.): | |
| _____ | |
| PLACE OF USE OF WATER TO BE RECAPTURED: | |
| _____ | |
| LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES): | |
| _____ | |

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?

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?

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

Kevin Sage

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Robert Bowcock

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

September 8, 2017

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.

TRANSFER OF WATER

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).

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **August 14, 2017**

Date of this notice: **September 8, 2017**

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

- Notice of Sale or Transfer – The transfer of 4.000 acre-feet of water from Calmat Company (Vulcan Materials to NCL Company, LLC. This transfer is made from Calmat Company (Vulcan Materials) Local Supplemental Storage Account. This transfer is contingent on NCL Company, LLC.'s successful intervention into the Appropriative Pool.

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

Appropriative Pool: September 14, 2017

Non-Agricultural Pool: September 14, 2017

Agricultural Pool: September 14, 2017

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

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017

TO: Board Members

SUBJECT: Desalter Replenishment Obligation Allocation (Business Item II.A.)

SUMMARY

Issue: A resolution is required for the Chino Basin Watermaster to levy Desalter Replenishment assessments according to a methodology that is agreed to by the Peace II parties.

Recommendation: No action is being recommended to the Board at this time.

Financial Impact: Collection of the assessments creates the funds that are used for buying replenishment water toward any unmet Desalter Replenishment Obligation.

Future Consideration

Watermaster Board – October 26, 2017: Approval [Function related to administration of the Pool Committees]

ACTIONS:

Appropriative Pool – May 11, 2017: No action

Non-Agricultural Pool – May 11, 2017: No Action

Agricultural Pool – May 11, 2017: No Action

Advisory Committee – May 18, 2017: No Action

Watermaster Board – May 25, 2017: No Action

Appropriative Pool – June 8, 2017: Discussion only

Appropriative Pool – July 13, 2017: Advice given (Confidential Session)

Advisory Committee – July 20, 2017: Recommend Board approval of Resolution 2017-05

Watermaster Board – July 27, 2017: Request the Advisory Committee to reconsider the Desalter Replenishment Obligation allocation methodology; continue the item to the September 2017 meeting of the Board

Advisory Committee – August 3, 2017: Refer the item to individual Pools for further consideration, in light of the new information presented in the staff letter, and during the July 27, 2017 Board meeting

Non-Agricultural Pool – August 30, 2017: Offered advice

Appropriative Pool – September 14, 2017: No action

Non-Agricultural Pool – September 14, 2017: No action

Agricultural Pool – September 14, 2017: Offered advice

Advisory Committee – September 21, 2017: Offered advice

Watermaster Board – September 28, 2017: No action; continue the item to the October 2017 meeting of the Board

Appropriative Pool – October 12, 2017: Unanimously voted to request that, in light of progress in ongoing negotiations among the Pool, the Advisory Committee and Watermaster Board defer taking action on the item

Non-Agricultural Pool – October 12, 2017: No action

Agricultural Pool – October 12, 2017: No action

Advisory Committee – October 19, 2017: No action

BACKGROUND

Watermaster asked for the Pool Committees' advice and assistance on the methodology by which to allocate Desalter Replenishment Obligation (DRO) among the parties. The request was made in May 2017 following the Court's April 28, 2017 Order, which resulted in approximately 28,000 ac-ft of DRO for Production Year 2013/14.

The subsequent appeal from the Order has left the amount of the DRO to be assessed uncertain; however, the need for clear methodology for future assessments remains. Since the DRO stems from the Peace II Agreement, the lack of unanimity among the parties as to the methodology to be applied would require the Court's determination as to the proper method of assessment. During its July 27, 2017 meeting the Watermaster Board referred the matter back to the Advisory Committee to re-consider the proposed methodology in light of additional information as to Staff's interpretation of the Peace II language, and continued its discussion until the September 2017 meeting. By way of background information, the July 27, 2017 Staff Letter is attached (Attachment 1).

The Advisory Committee held a Special Meeting on August 3, 2017 and referred the matter back to the individual Pool Committees.

The Overlying (Non-Agricultural) Pool Committee transmitted a letter with its recommendation to Watermaster dated August 30, 2017 (Attachment 2) and asked that the letter be distributed to all Pool Committees. During its September 14, 2017 meeting the Overlying (Agricultural) Pool adopted a recommendation shown as Attachment 3. The Appropriative Pool also met and discussed the item without reaching any explicit advice or recommendation.

During its September 21, 2017 meeting the Advisory Committee unanimously requested the Board not to act on the matter, giving more time for the Appropriative Pool to reach a unified recommendation. The recommendation was in part based on comments made by the Appropriative Pool Chair, Mr. Todd Corbin, who stated among other things that the Pool is diligently working toward resolution of a number of items including the Desalter Replenishment Obligation allocation methodology, and that the Pool realizes a decision cannot be postponed indefinitely.

The Watermaster Board discussed the item during its September 28, 2017 meeting and took no action, other than to request the matter be brought back to the Board for consideration during the October 26, 2017 meeting.

The Appropriative Pool discussed the item during its October 12, 2017 meeting. The Pool voted unanimously to recommend to the Advisory Committee and the Watermaster Board to defer action in light of progress in the negotiations among Pool members. The Advisory Committee took no further action on this item during its October 19, 2017 meeting.

ATTACHMENTS

1. July 27, 2017 Staff Letter
2. Overlying (Non-Agricultural) Pool Committee letter dated August 30, 2017
3. Overlying (Agricultural) Pool Committee action

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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: July 27, 2017
TO: Watermaster Board Members
SUBJECT: Resolution 2017-05 to Levy Desalter Replenishment Assessments for Fiscal Year 2013/2014 (Based on Production Year 2013/14) (Business Item II.C.)

SUMMARY

Issue: A resolution is required for the Chino Basin Watermaster to levy Desalter Replenishment assessments for Fiscal Year 2013/14. The Advisory Committee has recommended, by 81.99% vote, adoption of a replenishment obligation allocation methodology that is different than staff's interpretation of the Peace II Agreement, based upon contemporaneous usage and custom and practice of the parties in the years following its adoption.

Recommendation: While the Board may approve the Advisory Committee recommendation and forward it to the Court for confirmation, Staff recommends instead that the Board request the Advisory Committee to reconsider the Desalter Replenishment Obligation allocation methodology that is to be used in Resolution 2017-05 in light of the common practice of Watermaster and the consistent, contemporaneous and subsequent usage of the similar language followed by Court confirmation of the adopted interpretation.

Financial Impact: Collection of the assessments creates the funds that are used for buying replenishment water for unmet Desalter Replenishment Obligation through Production Year 2013/14. Deferring adoption until the next Board meeting and allowing the Advisory Committee to reconsider does not have a direct financial consequence.

Future Consideration

Watermaster Board – July 27, 2017: Refer to Advisory Committee for reconsideration

ACTIONS:

Appropriative Pool – May 11, 2017: No action
Non-Agricultural Pool – May 11, 2017: No Action
Agricultural Pool – May 11, 2017: No Action
Advisory Committee – May 18, 2017: No Action
Watermaster Board – May 25, 2017: No Action
Appropriative Pool – June 8, 2017: Discussion only
Appropriative Pool – July 13, 2017: Advice given (Confidential Session)
Advisory Committee – July 20, 2017: Recommend Board approval of Resolution 2017-05

BACKGROUND

A. Legal Issue

At issue is the meaning of Peace II Agreement §6.2(b)(ii) that provides in relevant part:

“A Replenishment Assessment against the Appropriative Pool, pro-rata based on each Producer’s combined share of Operating Safe Yield and the previous year’s actual production.”

The Peace II Agreement is controlling on Watermaster under the Peace II Agreement. In short the question is whether “actual production” means “assessable” or “physical production”?

B. Procedural Posture

Watermaster is endowed with powers to levy and collect administrative, special project, and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Restated Judgment. Pursuant to the Restated Judgment, each party has thirty days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55(c) of the Restated Judgment.

Through Production Year 2013/14, there is an unmet Desalter Replenishment Obligation of 27,940 acre-feet that has not been levied due to the pending Safe Yield Reset disposition from the Court. After the Court’s disposition on April 28, 2017, which does not mandate any changes to the approved Assessment Package for Production Year 2013/14, Watermaster is required to levy assessments for unmet Desalter Replenishment Obligation through that year.

The total Desalter Replenishment Obligation that needs to be assessed has been calculated based on the approved Assessment Package (approved November 25, 2014). Parties will have the opportunity to utilize water purchased pre-emptively for replenishment, or transfer water from their Storage Accounts to meet their Desalter Replenishment Obligation. Parties also have the option to pay Watermaster to purchase water on their behalf to meet the obligation.

At the time Resolution 2017-05 is approved by the Watermaster Board, supplemental Water Activity Reports will be issued to determine each party’s preference on how to meet the obligation. Subsequently, if necessary, invoices will be mailed and assessments will be due 30 days later. Watermaster has invited the Pools and Advisory Committee to offer any advice on the matter, as this is the first time Desalter Replenishment is being levied pursuant to the Peace II Agreement.

Desalter Replenishment Obligation and other aspects of the approved Production Years 2014/15 and 2015/16 Assessment Packages need to be re-evaluated in light of the April 28, 2017 Court Order rejecting the Safe Yield Reset Agreement in its entirety and the ongoing appeals. The Safe Yield Reset Agreement did not raise or resolve this issue and the Court’s April 28, 2017 Order provides no direction as to how this Obligation might be resolved, leaving it to Watermaster to apply the Court Approved Management Agreements and applicable governance documents.

It is possible for the parties to the Peace Agreement to arrive at a formula different than as provided in the Peace II Agreement but only with unanimous consent of the Parties to the Peace II Agreement or a Court Order authorizing the activity in consideration of the Peace II Agreement. However, absent a unanimous consent, Watermaster has agreed and been directed to assess costs in accordance with the Peace Agreements.

On May 11, 2017 the Appropriative Pool, the Overlying (Non-Agricultural) Pool and the Overlying (Agricultural) Pool were presented with the resolution to offer advice to Watermaster on the applicable method. The Appropriative Pool recommended a citation be added to the Resolution; and also requested through June 30, 2017 to gather more information about the distribution of the obligation to each party. The

Overlying (Non-Agricultural) Pool offered no advice. The Overlying (Agricultural) Pool cautioned that the [then] current contest of Appropriative Pool's Excess Carry Over Storage Agreement Applications might interfere with the possibility of using water in storage accounts for meeting Desalter Replenishment Obligation as mentioned in Resolution 2017-05.

On May 18, 2017 the Advisory Committee was presented with the resolution to offer advice to Watermaster on resolution of this question. The City of Ontario suggested moving forward with the assessment of Desalter Replenishment Obligation sooner rather than later to be in compliance with the new court order implementation. On May 22, 2017 the Watermaster Board was presented with this resolution for discussion only and no action was taken.

This item was again presented to back to the Appropriative Pool on June 8, 2017, and references to relevant documents were added to facilitate discussion among Appropriative Pool members. On June 8, 2017 the Appropriative and Agricultural Pools signed a tolling agreement removing constraints on the use of stored Excess Carry Over water toward replenishment of the unmet Desalter Replenishment Obligation.

Resolution 2017-05 (Attachment 1) has been updated to incorporate a citation as suggested by the Appropriative Pool. The Appropriative Pool at its July 13, 2017 meeting reported out of Confidential Session that the Pool voted and passed by majority vote for Watermaster to move forward with the levying of Desalter Replenishment assessments for Fiscal Year 2013/2014 using the 50/50 formula based on half of Operating Safe Yield, and half of Physical Production. The Cities of Chino and Ontario voted against. The Appropriative Pool transmitted a letter dated July 20, 2017, to Watermaster affirming its preference (Attachment 2).

During its July 20, 2017 meeting the Advisory Committee approved the allocation as approved by the majority of the Appropriative Pool, with a passing vote of 81.993%.

DISCUSSION

Exhibit A to Resolution 2017-05 indicates the allocation of the entire replenishment obligation to the Appropriative Pool parties according to the methodology approved by the Advisory Committee on July 20, 2017, that is calculating each party's share of the obligation based 50% on each party's share of the Operating Safe Yield, and 50% on each party's physical production portion of the total physical production. In any year, a party's physical production may be different than its assessable production.

Principles of Contractual Interpretation

Under California law, the fundamental aim of contractual interpretation is to give effect to the mutual intention of the parties. (*Powerine Oil Co., Inc. v. Superior Court* (2005) 37 Cal.4th 377, 390 [internal citations and quotations omitted]; *County of San Diego v. Ace Prop. & Cas. Ins. Co.* (2005) 37 Cal.4th 406, 415.) California takes a "realistic approach" to interpretation where courts seek to enforce the parties' actual understanding. (*Scott v. Pacific Gas & Electric Co.* (1995) 11 Cal.4th 454, 463.) Courts consider the objective manifestations of the parties' intent, including the words used in the agreement, as well as extrinsic evidence of the circumstances under which the parties negotiated or entered into the contract; the object, nature and subject matter of the contract; and the subsequent conduct of the parties. (*People v. Shelton* (2006) 37 Cal.4th 759, 767.) When interpreting contracts, courts consider all the rules of interpretation and give each its proper weight in order to arrive at the true effect of the agreement. (*City of Manhattan Beach, supra*, 13 Cal.4th at 238.)

California's rules of contract interpretation are stated in the Civil Code, and include:

- Contracts must be interpreted to give effect to the mutual intention of the parties as it existed at the time of contracting, so far as the same is ascertainable and lawful. (Civ. Code § 1636.)

- In interpreting written contracts, the intention of the parties is to be determined from the writing alone, if possible. (Civ. Code § 1639; *Falkowski v. Imation Corp.* (2005) 132 Cal.App.4th 499, 506 [“in the first instance, contractual interpretation turns on what was intended by what was said – not what a party intended to say.”])
- A contract should be interpreted in such a way as to give force and effect to every provision, with each clause helping to interpret the others, and interpretations that render part of the contract surplusage, inoperative or meaningless should be avoided. (Civ. Code §1641; *Boghos v. Certain Underwriters at Lloyd’s of London* (2005) 36 Cal.4th 495, 503.)
- A contract should be interpreted in a manner that will make it lawful, operative, definite, reasonable, and capable of being carried into effect. (Civ. Code §1643.; *Khavarian Enters., Inc. v. Commline, Inc.* (2013) 216 Cal.App.4th 310, 318 [If two constructions are possible, the interpretation that renders the contract valid and effective should be adopted].)
- Words in a contract are to be understood in their ordinary and popular sense, rather than according to their strict legal meaning; unless used by the parties in a technical sense, or unless a special meaning is given to them by usage, in which case the latter must be followed. (Civ. Code § 1644.)
- A contract will be interpreted in light of the circumstances under which it was made, and the matter to which it relates. (Civ. Code § 1647.) This means courts may consider all the facts, circumstances and conditions surrounding the execution of the contract when interpreting the contractual language. (*Falkowski, supra*, 132 Cal.App.4th at 506.)
- If a term is ambiguous, the Court will interpret it in the sense in which the party promising performance believed that the party to which performance was promised understood it. (Civ. Code § 1649.)

While the “parol evidence rule” prohibits the introduction of any extrinsic evidence, either oral or written, *to vary or supplement* the terms of an “integrated written instrument” – a complete and exclusive statement of the parties’ agreement (*Casa Herrera, Inc. v. Beydoun* (2004) 32 Cal.4th 336, 343-44; *FPI Dev., Inc. v. Nakashima* (1991) 231 Cal.App.3d 367, 388.), it does not, however, prohibit the introduction of extrinsic evidence *to explain the meaning* of a contract. (*Id.* at 344.)

Courts may also consider the parties’ course of conduct – both at the time of contracting and thereafter – to interpret the contract. (*Employers Reinsurance Co. v. Superior Court* (2008) 161 Cal.App.4th 906, 922 [“...when the parties perform under a contract, without objection or dispute, they are fulfilling their understanding of the terms of the contract. This is true regardless of the actual language of the contract, as long as the parties’ interpretation is reasonable.”].)

In the instant case, the formula for allocation of the parties’ respective Desalter replenishment obligations is addressed in the Peace II Agreement, Section 6.2(b)(ii). As there are differing interpretations as to the meaning of the term “actual production”: does it mean physical or assessable production - Watermaster staff has examined the following: (i) Watermaster’s general accounting principles; (ii) contemporaneous usage and (iii) subsequent usage by Watermaster and the parties.

Based upon these considerations, Staff’s opinion is that the proper interpretation is to construe actual production as meaning assessable production and not physical production. That is, application of the Peace II language of Section 6.2(b)(ii) should base each party’s obligation based 50% on each party’s share of the Operating Safe Yield, and 50% on each party’s assessable production portion of the total assessable production.

CONTEMPORANEOUS CONSTRUCTION AND REFERENCES RELEVANT TO INTERPRETATION OF PEACE II SECTION 6.2(b)(ii)

A. General Assessments and Cost Allocation.

First, independent research has not disclosed a single instance in which Watermaster has assessed any cost or charge on the basis of “physical production” unless that was expressly stated and requested by the Appropriate Pool. This suggests that if the parties truly intended to use a new characterization or

methodology "physical production" that is different from any other assessment Watermaster has ever levied, the language would have clearly stated it.

B. Contemporaneous Use

- Appropriative Pool Meeting June, 2007 – Minutes of Discussion and Approval of Amended Volume Vote

"Move to approve the adoption of the revised volume vote to include half of the **vote based on operating safe yield and half of the vote based on the prior year's assessable production**. Each volume vote will be valid until a subsequent volume vote is adopted, as presented"

C. Subsequent Course of Dealings

- Groundwater Production by an Replenishment for Desalters - Peace II Article VI, 6.2 (b) (ii)

"A **replenishment assessment against the Appropriative Pool, pro-rata based on each Producer's combined total share of Operating Safe Yield and the previous year's actual production**. Desalter Production is excluded from this calculation. (...)"

- Desalter Replenishment Post-Peace II Measures- Resolution 2010-04 – Exhibit "D"

"In summary, that formula divides the **residual Replenishment obligation among the members of the Appropriative Pool on the basis of 50% Base Annual Production Right and 50% actual Production**. The actual language of Section 6.2(b)(ii) reads slightly different, but it is not inconsistent. This formula is used elsewhere in the Peace II Agreement and it is commonly understood by the Parties to the Judgment and Watermaster to apply in the manner described in this paragraph and this Exhibit."

D. Other instances of "50/50" and "pro rata" apportionment

- Plan Regarding Disposition of Water Purchased from Non-Agricultural Pool Pursuant to the Peace II Purchase and Sale Agreement; and Assessment Package 2008-2009 – Pool 3 Water Production Summary

"2) A Special Assessment will be levied by Watermaster on the Appropriative Pool in an amount necessary to fund the purchase of water. **This assessment shall be levied according to a 50/50 split between shares of Operating Safe Yield and the previous year's production. The previous year's production shall be calculated as the average of columns 2L and 2J from the Pool 3 Water Production Summary in the 2008-2009 Watermaster Assessment Package**. The assessment allocation used for the first installment of the purchase price shall also be used for the subsequent three installments". It is noted that the above-referenced columns refer to assessable production.

- Restated Judgment- Exhibit "G" ¶ 9 (b)

"(b) Except as they may be limited by paragraph 9(e) below, each member of the Appropriative Pool will have, in their discretion, a right to purchase its pro-rata share of the supply made available from the Overlying (Non-Agricultural) Pool at the price established in 9(d) below. **Each Appropriative Pool member's pro-rata share of the available supply will be based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party;**" it should be noted that this has been consistently interpreted as 50% based on share of Operating Safe Yield and 50% based on share of assessable production as a portion of the total assessable production.

- Appropriative Pool Meeting March 21 and April 12, 2012 Staff Letter – Special Assessment of The Appropriative Pool Only in the Amount of \$70,000 for Legal Services

“At a special meeting on March 21, 2012, the Appropriative Pool directed Watermaster staff to prepare an item for the Pool’s consideration at the next upcoming Appropriative Pool meeting regarding a Special Assessment of \$70,000.”

“The attached worksheet (Exhibit A) provides **the individual breakdown of the \$70,000 amount by the Appropriative Pool Members based upon an allocation of 50% 2008/2009 “Averaged” Production and Exchanges and 50% Based on Operating Safe Yield (OSY)**. This method and formula is consistent with the previous Special Assessment for Legal Services of \$100,000 billed on March 18, 2010.” It should be noted that the formula requested by the Appropriative Pool specifically in this instance was based on assessable production.

- March 12, 2015 Appropriative Pool Meeting (Confidential Session)
“The Pool took action to increase its Legal Services budget to \$140,000 and that the cost sharing associated with the entire budget would be based on 50% physical production and 50% operating Safe Yield.”

NO PREJUDICE

No prejudice will arise to any party or the Basin while enabling the Advisory Committee to consider the general practice, contemporaneous construction and subsequent course of dealing pertinent to this provision. Moreover, given that the Peace II Agreement includes a formulaic direction of this cost allocation, it is highly likely that this or the Advisory Committee’s interpretation will ultimately require court confirmation unless the parties to the Judgment are in unanimous agreement. The record should be made as clear as possible for consideration by the Court.

ATTACHMENTS

- 1 Resolution 2017-05: A resolution of the Chino Basin Watermaster levying Desalter Replenishment assessments for Production Year 2013/2014
- 2 Appropriative Pool letter dated July 20, 2017

Non-Agricultural Pool

Chair: Brian Geye

Vice-Chair: Bob Bowcock

Chino Basin Watermaster

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org



August 30 , 2017

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

Non-Agricultural Pool Action Regarding Desalter Replenishment Assessment

Dear Mr. Kavounas,

On August 30 , 2017, the Non-Agricultural Pool Committee reported out of confidential session the following action:

The Non-Agricultural Pool Committee opposes the inclusion of Non-Agricultural Pool water as a component of "actual production" for the purpose of calculating the Replenishment Assessment for Fiscal Year 2013/14 pursuant to Section 6.2(b)(ii) of the Peace II Agreement. The Committee requests that, going forward, any Replenishment Assessment pursuant to Section 6.2(b)(ii) which is presented for consideration by the Pool Committees, the Advisory Committee or the Watermaster Board include detailed calculations of each component, and the basis therefor, so that the parties can understand the basis for the assessment and the calculation. The Chair is authorized to request that Watermaster staff include a report on this matter in the September meeting agenda packages for the Pool Committees, the Advisory Committee and the Watermaster Board.

Please include this letter in the September meeting agenda packages for the Pool Committees, the Advisory Committee and the Watermaster Board, along with other supporting documents for consideration of Resolution 2017-05.

Regards,

Brian Geye, Chair
 Non-Agricultural Pool Committee

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9/14/17 Ag Pool Closed Session Reportable Action

By motion of Vice Chair Jeff Pierson, with a second by Bob Page and passed by unanimous vote of the Committee, the Agricultural Pool offers the following advice:

Regarding Business Item II. A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION--Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties,

It is the advice of the Ag Pool that it is clear that this obligation is entirely borne by the Appropriative Pool. The obligation to cover desalter replenishment has been in existence and part of the Judgement and Peace Agreements and therefore the law of the Basin for some time. The Ag Pool supports the staff recommendation that the proper interpretation is to construe actual production as meaning assessable production and not physical production.

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. GROUND-LEVEL MONITORING COMMITTEE CHANGE IN ANNUAL REPORTING SCHEDULE



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2017
TO: Board Members
SUBJECT: Ground Level Monitoring Committee Changes to Annual Reporting Schedule
(Business Item II.B.)

SUMMARY

Issue: The Ground Level Monitoring Committee (GLMC) is recommending a change to its Court approved annual reporting schedule to better coincide with seasonal fluctuations in groundwater levels and to provide enough time for review of the annual reports.

Recommendation: Approve the suggested changes to the Ground Level Monitoring Committee annual reporting schedule and file with the Court.

Financial Impact:

The proposed schedule will require Watermaster to purchase one additional InSAR scene for March 2018 in FY 2017/18; the additional expense will be covered from reserves through a budget transfer. The increase in current fiscal year's expense is only a change in timing of image acquisitions and does not represent an increase in the long-term expense for the Ground Level Monitoring Program.

Future Consideration

Watermaster Board – October 26, 2017: Approval [Within WM Duties and Powers]

ACTIONS:

October 12, 2017 – Appropriative Pool: No Action
October 12, 2017 – Non-Agricultural Pool: No Action
October 12, 2017 – Agricultural Pool: No Action
October 19, 2017 – Advisory Committee: Unanimously supported the change
October 26, 2017 – Watermaster Board:

BACKGROUND

Watermaster prepares and files an annual report of the GLMC (formerly the Land Subsidence Committee) that describes the GLMC's activities and recommendations in each calendar year. The draft annual report goes through extensive review by the Watermaster Engineer, Watermaster staff and counsel, and by the GLMC before it is recommended for Watermaster approval by the GLMC. In 2007, the Court directed Watermaster to proceed with its MZ-1 Subsidence Management Plan (the "Long Term Plan"), and ordered Watermaster to timely file annual reports with the Court, with the expectation that they would be filed by September 1st of each year.

Watermaster's 2015 Subsidence Management Plan provided that during the first quarter of each calendar year, Watermaster staff and the Watermaster engineer will analyze the data generated by the Ground Level Monitoring Program during the prior calendar year and prepare a draft Annual Report, with the reports being approved through the Watermaster Pool process by the end of each fiscal year and then submitted to the Court."

This item was presented to the three Pool Committees at its October 12, 2017 meetings, no concerns were raised and the three Pools expressed their support of the proposed changes.

This item was presented to the Advisory Committee on October 19, 2017, no concerns were raised and the Committee expressed its unanimous support of the proposed changes.

DISCUSSION

Hydraulic heads in the aquifer system fluctuate annually under the seasonal stresses of pumping and recharge. Hydraulic heads typically rise to a peak in the spring. It is appropriate to perform the repeated annual analysis of land subsidence data consistent with the springtime peak in hydraulic heads. Therefore, the GLMC has recommended that data collection for the annual report should end in March of each year, as opposed to the current practice of ending in December. For this technical reason, and to provide sufficient review time, the Ground Level Monitoring Committee recommends that the due date for submittal of the annual report to the Court be shifted from June 30 to November 30.

To transition from the present annual report schedule to the proposed schedule, the next annual report would cover an 18-month period (January 2017-June 2018), and subsequent annual reports would cover a fiscal year (July-June) timeframe. As this differs from the Court's expectation in its direction as to the implementation of the Long-Term Plan, Watermaster would have to request the Court's concurrence in the proposed new schedule.

The proposed schedule will require Watermaster to purchase one additional InSAR scene for March 2018 in FY 2017/18. In the conduct of the monitoring program InSAR images are currently budgeted to be purchased on a calendar year basis; for the Fiscal Year 2017/18 there is budget to purchase InSAR images in calendar year 2017 only. For the adjustment of the reporting schedule Watermaster will need to purchase during Fiscal Year 2017/2018 an additional image in 2018, one that would have otherwise been purchased in FY 2018/19, in advance. While this is an increase in the current Fiscal Year's expense, it does not represent an increase in the long-term expense for the Ground Level Monitoring Program.

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for September 2017

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2017

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|--------------------|-----------------------------------------|--------------------------------------------------|----------------------------------------|-------------|
| Bill Pmt -Check | 09/05/2017 | ACH 090517 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 - Bank of America Gen'l Ckg | |
| General Journal | 08/26/2017 | 08/26/2017 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 08/13/17-08/26/17 | 2000 - Accounts Payable | 6,739.16 |
| TOTAL | | | | | | 6,739.16 |
| General Journal | 09/09/2017 | 09/09/2017 | Payroll and Taxes for 08/27/17-09/09/17 | Payroll and Taxes for 08/27/17-09/09/17 | 1012 - Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 08/27/17-09/09/17 | 1012 - Bank of America Gen'l Ckg | 25,500.55 |
| | | | | Payroll Taxes for 08/27/17-09/09/17 | 1012 - Bank of America Gen'l Ckg | 9,243.46 |
| | | | ICMA-RC | 457(b) Employee Deductions for 08/27/17-09/09/17 | 1012 - Bank of America Gen'l Ckg | 4,410.56 |
| | | | ICMA-RC | 401(a) Employee Deductions for 08/27/17-09/09/17 | 1012 - Bank of America Gen'l Ckg | 1,276.75 |
| TOTAL | | | | | | 40,431.32 |
| Bill Pmt -Check | 09/11/2017 | 20342 | APPLIED COMPUTER TECHNOLOGIES | 2913 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 2913 | | Database Consulting - August 2017 | 6052.2 - Applied Computer Technol | 4,314.20 |
| TOTAL | | | | | | 4,314.20 |
| Bill Pmt -Check | 09/11/2017 | 20343 | FEENSTRA, BOB | Ag Pool Fund Expenses | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | | | Reimburse meeting expenses-Ag Pool Fund | 8485 - Ag Pool - Misc. Expense-Ag Fund | 57.02 |
| TOTAL | | | | | | 57.02 |
| Bill Pmt -Check | 09/11/2017 | 20344 | GEYE, BRIAN | Board Member Compensation | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/30/2017 | 8/30 Storage Wkshp | | 8/30/17 Storage Workshop | 6311 - Board Member Compensation | 125.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/11/2017 | 20345 | INLAND EMPIRE UTILITIES AGENCY | 1800003394 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 1800003394 | | RMPU Yield Enhancement Projects Inv# 5 | 7690.15 - RMPU Amend. Yield (TO #1) | 71,667.98 |
| TOTAL | | | | | | 71,667.98 |
| Bill Pmt -Check | 09/11/2017 | 20346 | PURCHASE POWER | 8000-9090-0016-8851 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 80009090000168851 | | Postage refill | 6042 - Postage - General | 500.00 |
| TOTAL | | | | | | 500.00 |
| Bill Pmt -Check | 09/11/2017 | 20347 | STATE COMPENSATION INSURANCE FUND | 1970970-17 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 09/01/2017 | 1970970-17 | | Monthly premium 8/26/17-9/26/17 | 60183 - Worker's Comp Insurance | 520.50 |
| TOTAL | | | | | | 520.50 |
| Bill Pmt -Check | 09/11/2017 | 20348 | VISTAGE WORLDWIDE, INC. | SOPINV00000588121 | 1012 - Bank of America Gen'l Ckg | |
| Bill | 08/20/2017 | SOPINV00000588121 | | Membership dues for Oct. 2017 - Sept. 2018 | 1433 - Prepaid Membership Dues | 16,482.00 |
| TOTAL | | | | | | 16,482.00 |

6169

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2017

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|--------------------------------------|---------------------------------------------|-----------------------------------------------------------------------|------------------|
| Bill Pmt -Check | 09/11/2017 | 20349 | WESTERN MUNICIPAL WATER DISTRICT | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/30/2017 | 8/30 Storage Wkshp | | 8/30/17 Storage Workshop | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/11/2017 | 20350 | YUKON DISPOSAL SERVICE | 08-K2 213849 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/01/2017 | 08-k2 213849 | | Disposal Service - September 2017 | 6024 · Building Repair & Maintenance | 117.14 |
| TOTAL | | | | | | 117.14 |
| Bill Pmt -Check | 09/14/2017 | 20351 | ACWA JOINT POWERS INSURANCE AUTHORIT | 0499665 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/12/2017 | 0505415 | | Prepayment - October 2017 September 2017 | 1409 · Prepaid Life, BAD&D & LTD 60191 · Life & Disab.Ins Benefits | 146.27 144.62 |
| TOTAL | | | | | | 290.89 |
| Bill Pmt -Check | 09/14/2017 | 20352 | CLEAN TECH SERVICES | 7679 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/07/2017 | 7679 | | Window cleaning for office windows | 6024 · Building Repair & Maintenance | 284.00 |
| TOTAL | | | | | | 284.00 |
| Bill Pmt -Check | 09/14/2017 | 20353 | COMPUTER NETWORK | 102905 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/05/2017 | 102905 | | SSD for GM's desktop | 6055 · Computer Hardware | 264.00 |
| TOTAL | | | | | | 264.00 |
| Bill Pmt -Check | 09/14/2017 | 20354 | CORELOGIC INFORMATION SOLUTIONS | 81829026 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 81829026 | | 81829026 81829026 | 7103.7 · Grdwtr Qual-Computer Svc 7101.4 · Prod Monitor-Computer | 62.50 62.50 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/14/2017 | 20355 | CURATALO, JAMES | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/14/2017 | 8/14 Admin Mtg | | 8/14/17 Admin Meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/14/2017 | 20356 | DE BOOM, NATHAN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/28/2017 | 8/28 Special Ag | | 8/28/17 Special Ag Pool meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/14/2017 | 20357 | FEDAK & BROWN LLP | Audit Progress | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | | | August 2017 | 6062 · Audit Services | 3,680.00 |
| TOTAL | | | | | | 3,680.00 |
| Bill Pmt -Check | 09/14/2017 | 20358 | HUITSING, JOHN | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/28/2017 | 8/28 Special Ag Mtg | | 8/28/17 Special Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2017

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|----------------------|--------------------------|-------------------------------------------------|-----------------------------------|-------------|
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/14/2017 | 20359 | KUHN, BOB | Board Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/16/2017 | 8/16 Admin Mtg | | 8/16/17 Admin meeting | 6311 · Board Member Compensation | 125.00 |
| Bill | 08/28/2017 | 8/28 Admin Mtg | | 8/28/17 Admin meeting | 6311 · Board Member Compensation | 125.00 |
| TOTAL | | | | | | 250.00 |
| Bill Pmt -Check | 09/14/2017 | 20360 | LOEB & LOEB LLP | 1734651 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 1734651 | | Non-Ag Pool Legal Services - August 2017 | 8567 · Non-Ag Legal Service | 7,569.00 |
| TOTAL | | | | | | 7,569.00 |
| Bill Pmt -Check | 09/14/2017 | 20361 | MINDSHIFT | 0254110 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/01/2017 | 0254110 | | IT Managed Services | 6052.4 · IT Managed Services | 3,770.00 |
| | | | | Backup & Recovery | 6052.5 · IT Data Backup/Storage | 792.00 |
| TOTAL | | | | | | 4,562.00 |
| Bill Pmt -Check | 09/14/2017 | 20362 | PAYCHEX | 2017083100 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 2017083100 | | August 2017 | 6012 · Payroll Services | 466.51 |
| TOTAL | | | | | | 466.51 |
| Bill Pmt -Check | 09/14/2017 | 20363 | PIERSON, JEFFREY | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/03/2017 | 8/03 Special Advis | | 8/03/17 Special Advisory Committee Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/28/2017 | 8/28 Special Ag Pool | | 8/28/17 Special Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/30/2017 | 8/30 Storage Wkshp | | 8/30/17 Storage Workshop | 8470 · Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 375.00 |
| Bill Pmt -Check | 09/14/2017 | 20364 | PIETERSMA, RONALD | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/28/2017 | 8/28 Ag Pool Mtg | | 8/28/17 Special Ag Pool Meeting | 8411 · Compensation | 25.00 |
| | | | | 8/28/17 Special Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 100.00 |
| TOTAL | | | | | | 125.00 |
| Bill Pmt -Check | 09/14/2017 | 20365 | PREMIERE GLOBAL SERVICES | 24294407 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 24294407 | | DRO Assessment call on 8/01 | 6909.1 · OBMP Meetings | 20.10 |
| | | | | AR report coordination call on 8/02 | 6909.1 · OBMP Meetings | 6.06 |
| | | | | Advisory Committee Special Meeting call on 8/03 | 6212 · Meeting Expense | 29.60 |
| | | | | AR report coordination call on 8/10 | 6909.1 · OBMP Meetings | 6.10 |
| | | | | Evaporative Loss call on 8/24 | 6909.1 · OBMP Meetings | 13.17 |
| | | | | Fee - General | 6022 · Telephone | 49.00 |
| | | | | Fee - Confidential | 6022 · Telephone | 49.00 |
| | | | | DYY call on 7/31 | 6909.1 · OBMP Meetings | 6.11 |

TOTAL 71

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2017

For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|------------------|-------------------------------------|------------------------------------------|----------------------------------------|-------------|
| | | | | Storage discussion call on 8/25 | 6909.1 · OBMP Meetings | 12.40 |
| | | | | Service fee | 6022 · Telephone | 3.56 |
| TOTAL | | | | | | 195.10 |
| Bill Pmt -Check | 09/14/2017 | 20366 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/08/2017 | 1394905143 | | Annual Unfunded Accrued Liability | 60180 · Employers PERS Expense | 4,348.52 |
| TOTAL | | | | | | 4,348.52 |
| Bill Pmt -Check | 09/14/2017 | 20367 | RR FRANCHISING, INC. | 44310 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/01/2017 | 44310 | | Janitorial Service - September 2017 | 6024 · Building Repair & Maintenance | 740.00 |
| TOTAL | | | | | | 740.00 |
| Bill Pmt -Check | 09/14/2017 | 20368 | STAPLES BUSINESS ADVANTAGE | 8046271160 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/02/2017 | 8046271160 | | Copy paper | 6031.1 · Copy Paper | 66.55 |
| TOTAL | | | | | | 66.55 |
| Bill Pmt -Check | 09/14/2017 | 20369 | UNION 76 | 7076-2245-3035-5049 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 7076224530355049 | | Vehicle Fuel - August 2017 | 6175 · Vehicle Fuel | 57.91 |
| TOTAL | | | | | | 57.91 |
| Bill Pmt -Check | 09/14/2017 | 20370 | VERIZON WIRELESS | 9792158507 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/12/2017 | 9792158507 | | Acct #470810953-00001 | 6022 · Telephone | 413.06 |
| TOTAL | | | | | | 413.06 |
| Bill Pmt -Check | 09/15/2017 | ACH 091517 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 09/09/2017 | 09/09/2017 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 08/27/17-09/09/17 | 2000 · Accounts Payable | 6,739.16 |
| TOTAL | | | | | | 6,739.16 |
| Bill Pmt -Check | 09/19/2017 | 20371 | BROWNSTEIN HYATT FARBER SCHRECK | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 691560 | | NRG BK | 6078 · BHFS Legal - Miscellaneous | 1,004.63 |
| | | | | Angelica BK | 6078 · BHFS Legal - Miscellaneous | 1,206.67 |
| | | | | Desalter Repelnishment Assessment | 6078 · BHFS Legal - Miscellaneous | 803.25 |
| | | | | OBMP | 6078 · BHFS Legal - Miscellaneous | 4,344.30 |
| | | | | IEUA Cost Sharing Agreement | 6078 · BHFS Legal - Miscellaneous | 2,963.70 |
| | | | | 691560 | 6078 · BHFS Legal - Miscellaneous | 12,869.55 |
| | | | | Research - Lexis | 6078 · BHFS Legal - Miscellaneous | 37.74 |
| | | | | Mileage/Parking Expenses | 6078 · BHFS Legal - Miscellaneous | 36.10 |
| Bill | 08/31/2017 | 691561 | | 691561 | 6907.34 · Santa Ana River Water Rights | 659.70 |
| Bill | 08/31/2017 | 691562 | | 691562 | 6907.36 · Santa Ana River Habitat | 191.25 |
| Bill | 08/31/2017 | 691563 | | 691563 | 6275 · BHFS Legal - Advisory Committee | 153.00 |

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

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|------------------------|-------------------|---------------------|----------------------------------------|----------------------------------------------|------------------------------------------|------------------|
| Bill | 08/31/2017 | 691564 | | 691564 | 6375 · BHFS Legal - Board Meeting | 76.50 |
| Bill | 08/31/2017 | 691565 | | 691565 | 6072 · BHFS Legal - Rules & Regs | 285.75 |
| Bill | 08/31/2017 | 691566 | | 691566 | 6907.38 · Reg. Water Quality Cntrl Board | 1,455.30 |
| Bill | 08/31/2017 | 691567 | | 691567 | 6907.39 · Recharge Master Plan | 485.55 |
| Bill | 08/31/2017 | 691568 | | 691568 | 6907.40 · Storage Agreements | 10,510.20 |
| | | | | Mileage/Parking Expense | 6907.40 · Storage Agreements | 36.10 |
| Bill | 08/31/2017 | 691569 | | 691569 | 6907.42 · Safe Yield Recalculation | 12,726.00 |
| | | | | Filing Fee | 6907.34 · Santa Ana River Water Rights | 10.50 |
| | | | | Research | 6907.42 · Safe Yield Recalculation | 3.72 |
| Bill | 08/31/2017 | 691570 | | 691570 | 6907.44 · SGMA Compliance | 1,390.50 |
| TOTAL | | | | | | 51,250.01 |
| Bill Pmt -Check | 09/26/2017 | 20372 | BANK OF AMERICA | XXXX-XXXX-XXXX-9341 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | XXXX-XXXX-XXXX-9341 | | Purchase battery backup | 6055 · Computer Hardware | 45.78 |
| | | | | Purchase power supply for GM laptop (2) | 6055 · Computer Hardware | 57.98 |
| | | | | Purchase software for GIS desktop | 6054 · Computer Software | 22.01 |
| | | | | Purchase miscellaneous office supplies | 6031.7 · Other Office Supplies | 236.89 |
| | | | | Renew notary for A. Truong | 6111 · Membership Dues | 458.34 |
| | | | | Purchase stamp and ink | 6031.7 · Other Office Supplies | 14.52 |
| | | | | Purchase back support pillow | 6031.7 · Other Office Supplies | 16.99 |
| | | | | Membership for C. Gregory in IAAP | 6111 · Membership Dues | 150.00 |
| | | | | Lunch for staff for online seminar/training | 6192 · Seminars - General | 66.39 |
| | | | | Lunch for pre-storage workshop meeting | 7604 · PE8&9-Supplies | 86.53 |
| | | | | Purchase 5 water bottles | 6031.7 · Other Office Supplies | 73.20 |
| | | | | Reg.-ETF attend 10/6/17 ACWA Region Event | 6191 · Conferences - General | 65.00 |
| | | | | Reg.-PK attend 10/6/17 ACWA Region Event | 6191 · Conferences - General | 65.00 |
| | | | | Lunch for OBMP update meeting | 6909.1 · OBMP Meetings | 93.35 |
| TOTAL | | | | | | 1,451.98 |
| Bill Pmt -Check | 09/26/2017 | 20373 | BLUERIDGE SOFTWARE, INC. | 9549 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/15/2017 | 9549 | | Annual support/maintenance 10/25/17-10/24/18 | 6054 · Computer Software | 629.82 |
| TOTAL | | | | | | 629.82 |
| Bill Pmt -Check | 09/26/2017 | 20374 | CALPERS | 1394905143 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/14/2017 | 1394905143 | | 1394905143 | 60182.1 · Medical Insurance | 8,174.35 |
| TOTAL | | | | | | 8,174.35 |
| Bill Pmt -Check | 09/26/2017 | 20375 | CUCAMONGA VALLEY WATER DISTRICT | Rent Expense | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/19/2017 | | | Office lease due October 1, 2017 | 1422 · Prepaid Rent | 6,608.80 |
| TOTAL | | | | | | 6,608.80 |

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Cash Disbursements For The Month of
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For Informational Purposes Only

| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|---------------------|-----------------------------|-------------------------------------------------|--------------------------------------|-------------|
| Bill Pmt -Check | 09/26/2017 | 20376 | EGOSCUE LAW GROUP | 11713 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 11713 | | Ag Pool Legal Services - August 2017 | 8467 · Ag Legal & Technical Services | 22,562.50 |
| TOTAL | | | | | | 22,562.50 |
| Bill Pmt -Check | 09/26/2017 | 20377 | EUROFINS EATON ANALYTICAL | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/08/2017 | L0341130 | | L0341130 | 7103.5 · Grdwtr Qual-Lab Svcs | 1,256.00 |
| Bill | 08/08/2017 | L0341590 | | L0341590 | 7103.5 · Grdwtr Qual-Lab Svcs | 3,140.00 |
| Bill | 08/08/2017 | L0343035 | | L0343035 | 7103.5 · Grdwtr Qual-Lab Svcs | 1,884.00 |
| Bill | 08/08/2017 | L0342449 | | L0342449 | 7103.5 · Grdwtr Qual-Lab Svcs | 3,140.00 |
| Bill | 08/08/2017 | L0343520 | | L0343520 | 7103.5 · Grdwtr Qual-Lab Svcs | 2,104.00 |
| Bill | 08/08/2017 | L0343519 | | L0343519 | 7103.5 · Grdwtr Qual-Lab Svcs | 1,884.00 |
| Bill | 08/23/2017 | L0345675 | | L0345675 | 7103.5 · Grdwtr Qual-Lab Svcs | 848.00 |
| TOTAL | | | | | | 14,256.00 |
| Bill Pmt -Check | 09/26/2017 | 20378 | FEENSTRA, BOB | Ag Pool Member Compensation | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/28/2017 | 8/28 Special Ag Mtg | | 8/28/17 Special Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/30/2017 | 8/30 Storage Wkshp | | 8/30/17 Storage Workshop | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/30/2017 | 8/30 S. Burton Mtg | | 8/30/17 Mtg. w/Burton & Gienger-City of Ontario | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/31/2017 | 7/13 Ag Pool Mtg | | 7/13/17 Ag Pool Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/31/2017 | 7/20 Advisory Comm | | 7/20/17 Advisory Committee meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| Bill | 08/31/2017 | 7/27 Board Mtg | | 7/27/17 Board Meeting | 8470 · Ag Meeting Attend -Special | 125.00 |
| TOTAL | | | | | | 750.00 |
| Bill Pmt -Check | 09/26/2017 | 20379 | FIRST LEGAL NETWORK LLC | 40011765 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 40011765 | | Filings on 8/11/17, 8/16/17 | 6061.5 · Court Filing Services | 212.04 |
| TOTAL | | | | | | 212.04 |
| Bill Pmt -Check | 09/26/2017 | 20380 | FRONTIER COMMUNICATIONS | 909-484-3890-050914-5 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/18/2017 | 90948438880509145 | | Office fax lines | 6022 · Telephone | 141.45 |
| TOTAL | | | | | | 141.45 |
| Bill Pmt -Check | 09/26/2017 | 20381 | GRAINGER | 954995506 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/07/2017 | 9549495506 | | Miscellaneous supplies | 7103.6 · Grdwtr Qual-Supplies | 99.93 |
| TOTAL | | | | | | 99.93 |
| Bill Pmt -Check | 09/26/2017 | 20382 | GREAT AMERICA LEASING CORP. | 21315096 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/15/2017 | 21315096 | | Invoice for September 2017 | 6043.1 · Ricoh Lease Fee | 2,553.68 |
| TOTAL | | | | | | 2,553.68 |

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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------|------------|----------------|---------------------------------------|--------------------------------------------|--------------------------------------|-------------|
| Bill Pmt -Check | 09/26/2017 | 20383 | INLAND EMPIRE UTILITIES AGENCY | 90020825 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 10/01/2017 | 90020825 | | GW Recharge O&M Costs - 2nd Quarter | 7206 · Comp Recharge-O&M | 264,407.72 |
| TOTAL | | | | | | 264,407.72 |
| Bill Pmt -Check | 09/26/2017 | 20384 | LEGAL SHIELD | 0111802 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/15/2017 | 0111802 | | Employee deductions - September 2017 | 60194 · Other Employee Insurance | 79.70 |
| TOTAL | | | | | | 79.70 |
| Bill Pmt -Check | 09/26/2017 | 20385 | McMASTER-CARR SUPPLY CO | 46219719 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/18/2017 | 46219719 | | GW quality supplies | 7103.6 · Grdwtr Qual-Supplies | 29.80 |
| TOTAL | | | | | | 29.80 |
| Bill Pmt -Check | 09/26/2017 | 20386 | PLUMBING WHOLESALE OUTLET | S100202479.001 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/18/2017 | S100202479.001 | | WQ supplies | 7103.6 · Grdwtr Qual-Supplies | 103.82 |
| TOTAL | | | | | | 103.82 |
| Bill Pmt -Check | 09/26/2017 | 20387 | R&D PEST SERVICES | 0219320 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/18/2017 | 0219320 | | Pest control - inside and out | 6024 · Building Repair & Maintenance | 100.00 |
| TOTAL | | | | | | 100.00 |
| Bill Pmt -Check | 09/26/2017 | 20388 | RAUCH COMMUNICATION CONSULTANTS, LLC | Sept-1701 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | Sept-1701 | | AR39 - August 2017 | 6061.3 · Rauch | 3,900.00 |
| TOTAL | | | | | | 3,900.00 |
| Bill Pmt -Check | 09/26/2017 | 20389 | SANTA ANA WATERSHED PROJECT AUTHORITY | 9292 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/08/2017 | 9292 | | FY 2017-18 Santa Ana River TMDL Task Force | 8471 · Ag Pool Expense | 11,153.00 |
| TOTAL | | | | | | 11,153.00 |
| Bill Pmt -Check | 09/26/2017 | 20390 | SOCIETY FOR HUMAN RESOURCE MANAGEMENT | 9007062525 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/18/2017 | 9007062525 | | Membership-Joswiak 12/01/17-11/30/18 | 6111 · Membership Dues | 199.00 |
| TOTAL | | | | | | 199.00 |
| Bill Pmt -Check | 09/26/2017 | 20391 | STAULA, MARY L | Retiree Medical | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/30/2017 | | | Retiree Medical | 60182.4 · Retiree Medical | 22.24 |
| TOTAL | | | | | | 22.24 |
| Bill Pmt -Check | 09/26/2017 | 20392 | UNITED HEALTHCARE | 0044386300 | 1012 · Bank of America Gen'l Ckg | |
| Bill | 09/13/2017 | 0044386300 | | Dental Insurance Premium - October 2017 | 60182.2 · Dental & Vision Ins | 749.75 |
| TOTAL | | | | | | 749.75 |

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| Type | Date | Num | Name | Memo | Account | Paid Amount |
|-----------------------------|------------|------------|-----------------------------------------|--------------------------------------------------|-------------------------------------------|-------------------|
| Bill Pmt -Check | 09/26/2017 | 20393 | WILDERMUTH ENVIRONMENTAL INC | | 1012 · Bank of America Gen'l Ckg | |
| Bill | 08/31/2017 | 2017243 | | 2017243 | 6906.32 · OBMP-Other General Meetings | 3,289.73 |
| Bill | 08/31/2017 | 2017244 | | 2017244 | 6906.74 · OBMP-Mat'l Phy. Injury Requests | 13,486.75 |
| Bill | 08/31/2017 | 2017245 | | 2017245 | 6906.71 · OBMP-Data Req.-CBWM Staff | 1,599.50 |
| Bill | 08/31/2017 | 2017246 | | 2017246 | 6906.71 · OBMP-Data Req.-CBWM Staff | 5,453.50 |
| Bill | 08/31/2017 | 2017247 | | 2017247 | 6906.72 · OBMP-Data Req.-Non CBWM Staff | 195.00 |
| Bill | 08/31/2017 | 2017248 | | 2017248 | 6906.22 · Water Rights Compliance Rprting | 8,236.10 |
| Bill | 08/31/2017 | 2017249 | | 2017249 | 6906 · OBMP Engineering Services | 1,414.00 |
| Bill | 08/31/2017 | 2017250 | | 2017250 | 6906.1 · OBMP-Watermaster Model Update | 12,604.50 |
| Bill | 08/31/2017 | 2017251 | | 2017251 | 6906.9 · OBMP-2018 RMPU Master Update | 21,059.00 |
| Bill | 08/31/2017 | 2017252 | | 2017252 | 6906.81 · Prepare Annual Reports | 5,543.30 |
| Bill | 08/31/2017 | 2017253 | | 2017253 | 7103.3 · Grdwtr Qual-Engineering | 22,150.22 |
| Bill | 08/31/2017 | 2017254 | | 2017254 | 7104.3 · Grdwtr Level-Engineering | 14,649.11 |
| Bill | 08/31/2017 | 2017255 | | 2017255 | 7107.2 · Grd Level-Engineering | 4,032.33 |
| Bill | 08/31/2017 | 2017256 | | 2017256 | 7108.31 · Hydraulic Control - PBHSP | 857.20 |
| Bill | 08/31/2017 | 2017257 | | 2017257 | 7109.3 · Recharge & Well - Engineering | 902.30 |
| Bill | 08/31/2017 | 2017258 | | 2017258 | 7202.2 · Engineering Svc | 17,759.10 |
| Bill | 08/31/2017 | 2017259 | | 2017259 | 7402 · PE4-Engineering | 6,144.75 |
| Bill | 08/31/2017 | 2017260 | | 2017260 | 7402.10 · PE4 - Northwest MZ1 Area Proj. | 26,999.75 |
| Bill | 08/31/2017 | 2017261 | | 2017261 | 7502 · PE6&7-Engineering | 12,541.80 |
| Bill | 08/31/2017 | 2017262 | | 2017262 | 7510 · PE6&7-IEUA Salinity Mgmt. Plan | 2,186.90 |
| Bill | 08/31/2017 | 2017263 | | 2017263 | 7602 · PE8&9-Engineering | 46,295.73 |
| TOTAL | | | | | | 227,400.57 |
| General Journal | 09/29/2017 | 09/29/2017 | Payroll and Taxes for 09/10/17-09/23/17 | Payroll and Taxes for 09/10/17-09/23/17 | 1012 · Bank of America Gen'l Ckg | |
| | | | | Direct Deposits for 09/10/17-09/23/17 | 1012 · Bank of America Gen'l Ckg | 23,247.38 |
| | | | | Payroll Taxes for 09/10/17-09/23/17 | 1012 · Bank of America Gen'l Ckg | 7,893.02 |
| | | | ICMA-RC | 457(b) Employee Deductions for 09/10/17-09/23/17 | 1012 · Bank of America Gen'l Ckg | 4,410.56 |
| | | | ICMA-RC | 401(a) Employee Deductions for 09/10/17-09/23/17 | 1012 · Bank of America Gen'l Ckg | 1,276.75 |
| TOTAL | | | | | | 36,827.71 |
| Bill Pmt -Check | 09/29/2017 | ACH 092917 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | Payor #3493 | 1012 · Bank of America Gen'l Ckg | |
| General Journal | 09/29/2017 | 09/29/2017 | PUBLIC EMPLOYEES' RETIREMENT SYSTEM | CalPERS Retirement for 09/10/17-09/23/17 | 2000 · Accounts Payable | 6,739.16 |
| TOTAL | | | | | | 6,739.16 |
| Total Disbursements: | | | | | | 832,409.05 |

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