

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, July 13, 2017

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

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

CHINO BASIN WATERMASTER

Thursday, July 13, 2017

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

POOL AGENDAS

**CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

9:00 a.m. – July 13, 2017

WITH

Mr. Todd Corbin, Chair

Mr. Justin Scott-Coe, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held June 8, 2017 *(Page 1)*
2. Minutes of the Appropriative Pool Special Meeting held June 29, 2017 *(Page 21)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017 *(Page 35)*
2. Watermaster VISA Check Detail for the month of May 2017 *(Page 49)*
3. Combining Schedule for the Period July 1, 2016 through May 31, 2017 *(Page 53)*
4. Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 31, 2017 *(Page 57)*
5. Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017 *(Page 61)*

C. WATER TRANSACTIONS

Provide advice and assistance to the Watermaster Board on 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. *(Page 87)*
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. *(Page 95)*

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. *(Page 103)*
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. *(Page 111)*
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. *(Page 119)*

D. FONTANA WATER COMPANY APPLICATION FOR RECHARGE *(Page 127)*

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.

E. 9W HALO WESTERN OPCO L.P. OVERLYING (NON-AGRICULTURAL) POOL INTERVENTION REQUEST *(Page 145)*

Recommend Advisory Committee approval of the filing of request for Intervention.

II. BUSINESS ITEMS

A. 2016 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE

(Page 157)

Offer advice and assistance.

B. DESALTER REPLENISHMENT ASSESSMENTS FOR PRODUCTION YEAR 2013/14 (BASED ON ASSESSMENT PACKAGE FOR PRODUCTION YEAR 2013/14)

(Page 163)

Offer advice and assistance.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Agricultural Pool Contests
2. Notices of Appeal from April 28, 2017 Order
3. Rules and Regulations Update

B. ENGINEER REPORT

1. Prado Basin Tour
2. Ground-Level Monitoring Committee Revised Annual Report Schedule
3. 2016 State of the Basin Report
4. Storage Management Workshop
5. Evaporative Losses

C. CFO REPORT

1. Exhibit "G" Transactions
2. Appropriative Pool Legal Expense Budget

D. GM REPORT

1. Storage Agreements
2. SGMA Update
3. DYY Program Update
4. Other

IV. INFORMATION

1. Cash Disbursements for June 2017 *(Page 171)*
2. Recharge Investigations and Projects Committee (RIPCom) *(Page 181)*
3. Ground-Level Monitoring Status Report (Quarterly) *(Page 201)*
4. South Archibald and Chino Airport Plumes Status Report (Quarterly) *(Page 207)*
5. RMPU Status Report (Quarterly) *(Page 217)*
6. Santa Ana River Watershed Status Report (Quarterly) *(Page 221)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Appropriative Pool Strategic Planning Discussion
2. Desalter Replenishment Obligation Formula Resolution
3. Agricultural Pool Tolling Agreement – Storage Management Plan Development Process
4. Budget Amendment – AP Legal Expenses

VIII. FUTURE MEETINGS AT WATERMASTER

7/13/17	Thu	9:00 a.m.	Appropriative Pool
7/13/17	Thu	11:00 a.m.	Non-Agricultural Pool
7/13/17	Thu	1:30 p.m.	Agricultural Pool
7/20/17	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
7/20/17	Thu	9:00 a.m.	Advisory Committee
7/27/17	Thu	8:30 a.m.	Ground-Level Monitoring Committee
7/27/17	Thu	11:00 a.m.	Watermaster Board

NOTE: There will be no standing meetings held at Watermaster in August 2017.

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>

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

11:00 a.m. – July 13, 2017

WITH

Mr. Brian Geye, Chair

Mr. Bob Bowcock, Vice-Chair

(800) 930-9525 PASS CODE: 917924

Call can be taken at

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

AGENDA

CALL TO ORDER

ROLL CALL

AGENDA – ADDITIONS/REORDER

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held June 8, 2017 *(Page 23)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017 *(Page 35)*
2. Watermaster VISA Check Detail for the month of May 2017 *(Page 49)*
3. Combining Schedule for the Period July 1, 2016 through May 31, 2017 *(Page 53)*
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Provide advice and assistance to the Watermaster Board on the proposed transactions:

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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. *(Page 103)*

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. *(Page 111)*
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D. FONTANA WATER COMPANY APPLICATION FOR RECHARGE *(Page 127)*

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.

E. 9W HALO WESTERN OPCO L.P. OVERLYING (NON-AGRICULTURAL) POOL INTERVENTION REQUEST *(Page 145)*

Recommend Advisory Committee approval of the filing of request for Intervention.

II. BUSINESS ITEMS

A. 2016 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE *(Page 157)*

Offer advice and assistance.

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

1. Any proposed transfer of Safe Yield by a Member.
 - Angelica Textile (Southern Service Company) bankruptcy proceeding
 - NRG California South bankruptcy proceeding
2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.
 - New Praxair representative, David LeValley, effective July 1, 2017. Email address is David_LeValley@praxair.com

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Agricultural Pool Contests
2. Notices of Appeal from April 28, 2017 Order
3. Rules and Regulations Update

B. ENGINEER REPORT

1. Prado Basin Tour
2. Ground-Level Monitoring Committee Revised Annual Report Schedule
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C. CFO REPORT

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2. Appropriative Pool Legal Expense Budget

D. GM REPORT

1. Desalter Replenishment Assessments For Production Year 2013/14
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V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

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1. Storage Agreements

VIII. FUTURE MEETINGS AT WATERMASTER

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**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – July 13, 2017

WITH

Mr. Bob Feenstra, Chair

Mr. Jeff Pierson, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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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.

E. 9W HALO WESTERN OPCO L.P. OVERLYING (NON-AGRICULTURAL) POOL INTERVENTION REQUEST *(Page 145)*

Recommend Advisory Committee approval of the filing of request for Intervention.

II. BUSINESS ITEMS

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Offer advice and assistance.

B. OLD BUSINESS

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V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

7/13/17	Thu	9:00 a.m.	Appropriative Pool
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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on June 8, 2017
2. Appropriative Pool Special Meeting held on June 29, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

June 8, 2017

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on June 8, 2017.

APPROPRIATIVE POOL MEMBERS PRESENT

Todd Corbin, Chair
Justin Scott-Coe, Vice-Chair
Jo Lynne Russo-Pereyra for Marty Zvirbulis
Van Jew
Charles Moorrees for Teri Layton
Seth Zielke
Darron Poulsen
Rosemary Hoerning
Cris Fealy
Bob Page
Dave Crosley
Katie Gienger for Scott Burton

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

WATERMASTER BOARD MEMBER PRESENT

Bob Kuhn

Three Valleys Municipal Water District

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

Brad Herrema
Mark Wildermuth
Andy Malone

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

OTHERS PRESENT

Braden Yu
John Bosler
Sheri Rojo
Eric Tarango
Raul Garibay
John Schatz

Cucamonga Valley Water District
Cucamonga Valley Water District
Basin Creek Consulting
Fontana Water Company
City of Pomona
John J. Schatz, Attorney at Law

CALL TO ORDER

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

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held May 11, 2017

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2017
2. Watermaster VISA Check Detail for the month of April 2017
3. Combining Schedule for the Period July 1, 2016 through April 30, 2017
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5. Budget vs. Actual Report for the Period July 1, 2016 through April 30, 2017

C. COST-SHARING AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CITY OF CHINO HILLS REGARDING THE CHINO HILLS ASR PILOT PROJECT

Recommend that the Advisory Committee approve the Cost Sharing Agreement Between Chino Basin Watermaster and City of Chino Hills Regarding the Chino Hills ASR Pilot Project and authorize the General Manager to sign the agreement on behalf of Watermaster.

D. WATER TRANSACTIONS

1. The purchase of 180.000 acre-feet of water from the San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
2. The purchase of 162.000 acre-feet of water from the San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
3. The purchase of 558.000 acre-feet of water from the San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
4. The purchase of 4,000.000 acre-feet of water from the City of Pomona by Cucamonga Valley Water District. This purchase is made from the City of Pomona's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
5. The purchase of 4,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
6. The purchase of 3,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017

(0:00:35)

Motion by Mr. Darron Poulsen, seconded by Ms. Katie Gienger, and by unanimous vote.

Moved to approve Consent Calendar as presented.

II. BUSINESS ITEMS**A. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-05-01)**

Recommend Advisory Committee Approval of Budget Transfer Form T-17-05-01 for FY 2016/17 as presented.

(0:00:59) Mr. Joswiak gave a report. A discussion ensued.

(0:03:25)

Motion by Ms. Jo Lynne Russo-Pereyra, seconded by Ms. Rosemary Hoerning, and by unanimous vote.

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

B. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-05-01)

Recommend Advisory Committee approve the Budget Amendment Form A-17-05-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the Safe Yield Redetermination and Reset, along with other Agricultural Pool matters, as presented.

(0:03:46) Mr. Joswiak gave a report. A discussion ensued.

(0:06:23)

*Motion by Ms. Jo Lynne Russo-Pereyra, seconded by Mr. Darron Poulsen, and by unanimous vote
Moved to approve Business Item II.B. as presented.*

Abstention by Dave Crosley – City of Chino

C. RESOLUTION TO LEVY DESALTER REPLENISHMENT ASSESSMENTS FOR PRODUCTION YEAR 2013/14 (BASED ON ASSESSMENT PACKAGE FOR PRODUCTION YEAR 2013/14) (DISCUSSION ONLY)

(0:06:58) Chair Corbin introduced Business Item II.C.

(0:08:03) Mr. Kavounas gave a report. A discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Overlying (Agricultural) Pool Committee's Contests
2. Rules and Regulations Update
3. Outline Of Annual Report Presentation To Judge

(0:21:19) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. 2016 Annual Report of the Prado Basin Habitat Sustainability Committee
2. Other Technical Support

(0:32:22) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Exhibit "G" Transactions

(0:39:40) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. Storage Agreements
2. Storage Workshop #2
3. SGMA Update
4. CSI Basin Improvement Project
5. DYY Program Update
6. Other

(0:41:58) Mr. Kavounas gave reports on Items III.D.1. and III.D.2. A discussion ensued.

(0:47:49) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3. A discussion ensued.

(0:52:58) Mr. Kavounas introduced Mr. Nakano to give a report on Item III.D.4. Mr. Nakano gave a report and recommended that a recommendation on the project be made by July 2017 to ensure the design process is efficient. The Item will be brought back to the Appropriative Pool in July.

(0:53:59) Mr. Kavounas gave reports on Items III.D.5. A discussion ensued.

(0:59:40) Mr. Kavounas gave an update on the Ambient Water Quality Study; he also announced that Watermaster will not be holding any standing meetings in the month of August 2017, and that if parties need assistance scheduling any other meetings, staff is happy to assist.

IV. INFORMATION

- 1. Cash Disbursements for May 2017
- 2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

(1:05:04) Mr. Scott-Coe commented on the LAFCO draft report. Within the LAFCO report is information provided by the University of California, Santa Cruz, regarding groundwater management issues involving adjudicated basins. The report included information that may not be fully accurate. Mr. Scott-Coe mentioned that his agency would be submitting comments and asked that if anyone had comments, to provide them to him before the comment deadline of June 14, 2017. A discussion ensued.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Corbin called for a confidential session at 10:10 a.m. to discuss the Appropriative Pool Strategic Planning. Confidential session concluded at 11:48 a.m. with the following reportable action:

(1:08:44)

- 1. The Pool approved by majority vote, the Tolling Agreement between the Appropriative Pool and Agricultural Pool as presented.

No Votes

- Dave Crosley – City of Chino
- Katie Gienger for Scott Burton – City of Ontario

Subsequent to the June 8, 2017 Appropriative Pool meeting the Cities of Chino and Ontario provided letters as to their opposition. The letters and Tolling Agreement are attached to these minutes.

ADJOURNMENT

Chair Corbin adjourned the Appropriative Pool meeting at 11:50 a.m.

Secretary: _____

Approved: _____

Attachments:

- 1. Tolling Agreement
- 2. 20170614 Letter from David G. Crosley, City of Chino, RE Tolling Agreement
- 3. 20170614 Letter from Scott Burton, City of Ontario, RE Tolling Agreement

AGREEMENT

This Tolling Agreement (Agreement) is entered into by and between the Overlying (Agricultural) Pool Committee (“Agricultural Pool”) and the Appropriative Pool Committee and its members (“Appropriative Pool”).¹ The entities entering into this Agreement are each an individual “Party” and collectively the “Parties” to this Agreement.

WHEREAS, the Chino Groundwater Basin (“Chino Basin”) has been adjudicated and is managed pursuant to the Chino Basin Judgment (“Judgment”) and Court Approved Management Agreements; and

WHEREAS, the Agricultural Pool consists of the State of California and all overlying producers within the Pool who produce water; and

WHEREAS, the Appropriative Pool consists of owners of appropriative rights in the Chino Basin; and

WHEREAS, on February 3, 2017, Watermaster noticed an Appropriative Pool Application for Excess Carryover Water Local Storage Agreements (the “February Application”); and

WHEREAS, on May 4, 2017, Watermaster noticed Applications for Sale or Transfer of Water (the “May Applications”); and

WHEREAS, on May 3, 2017, the Agricultural Pool filed a Contest to the February Application; and

WHEREAS, on May 17, 2017, the Agricultural Pool filed a Contest to the May Applications; and

WHEREAS, the Parties agree to work together for the benefit of the entire Chino Basin.

NOW, THEREFORE, the Parties agree that it is in the Parties’ mutual interest to enter into this Agreement.

¹ Members of the Appropriative Pool have authorized execution of this Agreement on their behalf acting collectively through the Appropriative Pool pursuant to Committee voting procedures set forth in the Appropriative Pool Committee Pooling Plan (Judgment, Exhibit H). Such authorization does not assign, confer or abrogate the rights or exercise of rights of individual members of the Appropriative Pool.

1. The "Effective Date" of this Agreement shall be the last date it is executed by a Party.
2. The Term of this Agreement shall run from the Effective Date to July 1, 2018, unless otherwise terminated or extended by written agreement by the Parties pursuant to paragraph 15, below.
3. The Appropriative Pool shall hold in reserve 130,000 AF of stored water that will not be produced for the term of the Agreement, except if in the event that the member of the Appropriative Pool has made a finding pursuant to Water Code Section 350 that the ordinary demands and requirements of its customers cannot be satisfied by its other supplies such that, without access to this water, it would have insufficient supplies for human consumption, sanitation, and fire protection. Any challenge to such a determination under Water Code Section 350 is not subject to this tolling agreement.
4. The Parties agree to have the Agricultural Pool's May 3, 2017 and May 17, 2017 Contests consolidated for hearing (collectively, Contests).
5. For the term of this Agreement, the Agricultural Pool and its members agree to toll the Contests and not to oppose any Appropriative Pool member's applications for storage agreements or transfers of stored water.
6. The Appropriative Pool waives completion of the Contests hearing and related actions within 180 days as otherwise required by Watermaster Regulations Section 10.25(g) during the Term of this Agreement. The Parties and Parties members' rights and remedies arising under the Contests are fully reserved and tolled without prejudice during the Term.
7. Beginning in July 2017, an open and transparent storage management planning process shall be initiated to identify and improve, if necessary, existing storage management practices. The storage management planning process shall include additional technical review and study of the effects of extraction of the entirety of water held and likely to accumulate in storage accounts. The planning process will include both the Agricultural Pool and the Appropriative Pool members, and may include Watermaster staff and the members of the Non-Agricultural Pool.

8. The Appropriative Pool shall provide to the Agricultural Pool a proposed outline to serve as the basis for the beginning of a storage management planning process by July 1, 2017.
9. The Appropriative Pool acknowledges that funding has been budgeted for work necessary for the storage management planning process.
10. The Parties shall not introduce amendments to the Rules and Regulations section on Storage (Article VIII Storage) during the term of the Agreement.
11. The signatories to this Agreement are duly authorized to execute and bind on behalf of the Parties.
12. The laws and courts of the State of California shall govern and control the interpretation and enforcement of this Agreement.
13. This Agreement contains all the terms and conditions agreed upon by the Parties relating to the matters covered herein and supersedes any and all prior and contemporaneous agreements, negotiations, correspondence, understandings, and/or communications between the Parties to this Agreement, whether oral or written, respecting the matters covered herein.
14. If any provision of this Agreement is held to be illegal or invalid by any court of competent jurisdiction, then such provision shall be severed and deleted, and neither such provision nor its severance and deletion shall affect the validity of the remaining provisions.
15. No agreement to modify, amend, extend, supersede, terminate, or discharge this Agreement, or any portion thereof, is valid or enforceable unless it is in writing and signed by all Parties to this Agreement.

OVERLYING (AGRICULTURAL) POOL
COMMITTEE


Robert Feenstra, Chair *6-08-17*

APPROPRIATIVE POOL
COMMITTEE


Todd Corbin, Chair

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EUNICE M. ULLOA
Mayor

TOM HAUGHEY
Mayor Pro Tem



GLENN DUNCAN
EARL C. ELROD
GARY GEORGE
Council Members

MATTHEW C. BALLANTYNE
City Manager

CITY of CHINO

June 14, 2017

Board of Directors
Advisory Committee
Pool Committees
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Subject: Tolling Agreement

On Thursday, June 8, 2017, the Appropriative Pool Committee, in a closed session discussion, considered a proposed tolling agreement between the Overlying Agricultural Pool and the Appropriative Pool. The verbal report out of the closed session provided by Appropriative Pool Counsel John Schatz, indicated that the Appropriative Pool Committee, by majority vote (the cities of Chino and Ontario opposed) approved the proposed tolling agreement, and that the cities of Chino and Ontario, who did not support the agreement, would provide for the record, correspondence describing their respective positions.

The City of Chino does not approve the tolling agreement and does not provide authorization to the Appropriative Pool Committee to enter into a tolling agreement with respect to the Agricultural Pool's Contests pertaining to applications for Excess Carry-Over Local Storage, or for Sale or Transfer transactions involving Excess Carry-Over, on Chino's behalf.

The Appropriative Pool lacks the authority to waive the rights of Appropriators, such as Chino, to the Watermaster's and Agricultural Pool's obligation to process the Agricultural Pool's "Contests" (assuming the Contests are valid) within the specified 180 day period according to Watermaster rules. Also, the Appropriative Pool lacks the authority to agree to a requirement for the Appropriative Pool to hold 130,000 acre-feet of stored water in-reserve that would not be produced for the term of the tolling agreement. And, Appropriators have a priority right to store their Excess Carry-Over, with an expectation that they may also have access to it, once stored.

Additionally, the City of Chino objects to the Agricultural Pool's Contests because the Contests lack merit, as outlined in the City's May 24, 2017 letter addressed to the Watermaster Board of Directors (copy attached).

Respectfully,

David G. Crosley, P.E.
Water & Environmental Manager

Attachment: Chino May 24, 2017 letter to Watermaster Board Members

Cc: Peter Kavounas, Chino Basin Watermaster General Manager

Anna Truong, Chino Basin Watermaster Board Clerk

Todd Corbin, Appropriative Pool Committee Chairperson

Bob Feenstra, Agricultural Pool Committee Chairperson

Matthew C. Ballantyne, City Manager

Chino City Council



LAW OFFICES OF
GUTIERREZ, FIERRO & ERICKSON
A PROFESSIONAL CORPORATION
12616 CENTRAL AVENUE
EL CENTRAL REAL PLAZA
CHINO, CALIFORNIA 91710

May 24, 2017

James V. Curatalo, Jr., *Chair*
Robert DiPrimio, *Vice-Chair*
Bob Kuhn
Robert Bowcock
Steve Ellie
Gino Filippi
Donald D. Galleano
Paul Hofer
Geoffrey Vanden Heuvel

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

Re: Agricultural Pool "Contest" to Watermaster's Storage Agreement with City of Chino

Dear President and Board Members

The City of Chino hereby objects to the Agricultural Pool's attempted Contest to the proposed storage agreement between Watermaster and the City of Chino.

The City of Chino requests the Watermaster Board to reject the attempted Contest by the Agricultural Pool without any further proceeding based on the grounds set forth in this letter.

The City of Chino also requests that Watermaster Board members Paul Hofer and Geoffrey Vanden Heuvel be recused from ruling on this objection, because they are conflicted due to their membership in the Agricultural Pool and their representation of the Agricultural Pool on the Watermaster Board. In fact, a prior proposal to limit production of water held in storage by the appropriators was advanced by Board Member Vanden Heuvel. His rationale is central to the attempted Contest. His rationale constitutes a bias in ruling on this objection to the Agricultural Pool's attempted Contest.

BACKGROUND

Every year, Watermaster approves an Assessment Package, which confirms the amount of each Party's excess Carry-Over and Supplemental Water in the basin.

On November 17, 2016, the Watermaster Board approved the requests of the appropriators to store 279,757.153 AF of excess Carry-Over Water and 144,012.166 AF of Supplemental Water in the 2016-2017 Assessment Package. The Agricultural Pool unanimously approved the same Assessment Package on November 10, 2016.

On February 3, 2017, Watermaster gave notice that it would consider applications for Local Storage Agreements from members of the Appropriative Pool and the Overlying Non-Agricultural Pool to store excess Carry-Over Water and Supplemental Water in the amounts shown in the Assessment Package approved on November 17, 2016, which are detailed above. The Notice reminded the Parties that Watermaster must find that there is "*no material physical injury*" and approve the storage agreements in the absence of contrary evidence that overcomes the rebuttable presumption in Section 5.2(b)(v) of the Peace Agreement. The Notice also stated that Watermaster staff was unaware of any evidence that the storage agreements would cause material physical injury and that it would go before the Watermaster Board on March 23, 2017.

Watermaster's Notice was accompanied by a Staff Report entitled "Summary and Analysis of Proposed Local Storage Agreements" dated February 3, 2017 and the Application of the Non-Agricultural and Appropriative Pool Parties with Stored Water Accounts dated February 1, 2017. The Staff Report recommended the approval of the storage agreements. The Staff Report stated that Watermaster had consistently tracked water in storage accounts and recognized the stored water in the annual Assessment Packages. The Staff Report also stated that Watermaster had prepared standard storage agreements for each type of account and that "*the agreements would cover the amount of water that each account holder had in each account, shown in the latest approved annual Assessment Package.*"

On February 9, 2017, a proposed amendment to the standard storage agreement was presented to the three pools. The Watermaster Staff Report for the pool meetings acknowledged that the pools, Advisory Committee and Watermaster Board have directed Watermaster staff to process applications for storage in the absence of storage agreements and to continue to track the water held in storage "*as if there were a valid storage agreement*" until such time as the matter of storage agreements could be uniformly resolved. It recommended the approval of the revised storage agreement - Form 8. At its pool meeting, the Agricultural Pool voted not to approve the storage agreements of the Parties "until there is sufficient feedback from the Court and quantifiable information regarding the Safe Yield reset."

On May 3, 2017, the Agricultural Pool submitted an attempted Contest to the storage agreements of the Parties in reliance on Watermaster Rule 10.13. The Agricultural Pool describes the scope of its Contest as follows:

The Ag Pool contests the application for Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016. [Page 2].

Substantively, the Agricultural Pool has not presented evidence that overcomes the presumption that the approval of the storage agreements will not result in Material Physical Injury to a Party to the Judgment or the Basin contained in Section 5.2(b)(v) of the Peace Agreement. Instead, the Agricultural Pool shifts its burden to present evidence onto Watermaster as follows:

Watermaster has not determined whether the allocation and use of storage of the proposed Local Storage Agreements for Excess Carryover by Members of the Appropriative Pool are in excess of safe storage capacity requiring that mitigation be defined and resources committed to mitigation prior to allocation and use. Because a Safe Storage Management Plan or other appropriate mitigation has not been established, in light of evidence from Watermaster's Engineer, including modeling and other technical documents, the proposed Local Storage Agreements present a Material Physical Injury to the Chino Basin requiring a plan for mitigation.

Clearly, the Agricultural Pool does not show Material Physical Injury to the Basin and faults Watermaster for failing to determine that the water in storage accounts exceeds the safe storage capacity of the basin. The Agricultural Pool's argument is not evidence and it does not show injury to the Basin. If the Agricultural Pool claims that the Safe Storage Capacity of 600,000 AF will be exceeded, the Agricultural Pool fails to offer evidence of that fact.

The Agricultural Pool also argues that the approval of the appropriators' Excess Carry-Over Water is procedurally flawed – despite the Agricultural Pool's prior approvals of the storage of that water. Furthermore, the alleged flaw is not the standard. The standard is Material Physical Injury and the Agricultural Pool is estopped from challenging the appropriator's storage rights, because it voted to approve the Assessment Packages and failed to challenge them in court.

The Agricultural Pool contests the storage agreements and seeks their denial until a mitigation plan is developed. The Agricultural Pool “puts the cart before the horse” by requesting denial of the agreements before producing evidence that Material Physical Injury to the Basin will result.

THE AGRICULTURAL POOL'S ATTEMPTED CONTEST MUST BE REJECTED

The attempted Contest must be rejected on the following grounds:

1. The Agricultural Pool Does Not Have the Right to Contest the Storage Agreements

The Agricultural Pool is not permitted to bring a Contest that challenges the appropriators' right to store their excess Carry-Over Water under Article X of the Watermaster Rules, because the Agricultural Pool is not a Party to the Judgment.

Watermaster Rule 10.6 confirms the appropriators' right to store their un-Produced Carry-Over Water and requires appropriators to request Watermaster's approval of a storage agreement. Watermaster Rule 10.13 permits a Party to the Judgment to contest an appropriator's application to store its Excess Carry-Over Water; but the procedure is not available to the Agricultural Pool.

The Agricultural Pool cannot contest the Storage Agreement between Watermaster and an

appropriator such as the City of Chino, because the Agricultural Pool is not a Party to the Judgment. The Agricultural Pool was not a Party to the Judgment but a creation of the Judgment. Paragraph 38(a) of the Judgment gives the pools, *"the power and responsibility for developing policy recommendations for administration of its particular pool."* Paragraph 43 of the Judgment establishes the pools *"for Watermaster administration of, and for the allocation of responsibility for, and payment of, costs of replenishment water and other aspects of the Physical Solution."*

"Exhibit H" of the Judgment gives an appropriator the right to store its unproduced water and to execute a storage agreement with Watermaster. "Exhibit I" of the Judgment tasks the Agricultural Pool with providing funds for replenishment of any production in excess of its share of the Safe Yield. Neither Exhibit authorizes the Agricultural Pool to challenge, and thereby limit, the appropriators' right to store their unproduced water.

Indeed, no part of Judgment makes the pools Parties nor authorizes the pools to challenge the right of the appropriators to store their unproduced water

Similarly, Paragraph 5.2(b)(vi) of the Peace Agreement permits a Party to the Judgment to object to a Local Storage Agreement; but it does not permit a pool to object to such an agreement.

For these reasons, the Agricultural Pool's "contest" to the proposed storage agreement between Watermaster and the appropriators such as the City of Chino must be rejected at the outset.

2. The Agricultural Pool Waived its Right to Judicial Review of the Appropriator's Storage Rights Recognized by the Annual Assessment Packages

For years, appropriators with excess carry-over water have requested to store their unproduced water. Then, the pools including the Agricultural Pool have consented to each of those requests. Thereafter, the Watermaster Board has granted those requests in approving the annual Assessment Packages.

On November 17, 2016, the Watermaster Board approved the requests of the appropriators to store 279,757.153 AF of excess Carry-Over Water and 144,012.166 AF of Supplemental Water in the 2016-2017 Assessment Package. [Pages 3A, 4A]. The minutes of that Watermaster Board Meeting show that the Assessment Package was approved by all Board Members present including the Agricultural Pool's representative Geoffrey Vanden Heuvel. The staff report for the Assessment Package indicates that the Assessment Package had been approved by the pools including the unanimous approval of the Agricultural Pool on November 10, 2016.

Now, the Agricultural Pool seeks to challenge the proposed Storage Agreements between Watermaster and the appropriators, which would confirm the prior approval of the appropriators' storage of their excess Carry-Over Water and Supplemental Water by the Watermaster Board on November 17, 2016.

In effect, the Agricultural Pool's attempted Contest is asking the Watermaster Board to reconsider what it approved six months ago. The Agricultural Pool cannot do so, because it voted to approve the storage and waived its right under Paragraph 31 of the Judgment by failing

to bring a judicial challenge to Watermaster's November 17, 2016 approval of the appropriators' storage rights.

Under Paragraph 31, a pool has the right to seek judicial review of an action or decision of the Watermaster by filing a motion within 90 days of a Watermaster action or decision. However, the Agricultural Pool did not file a motion that challenged the Watermaster's approval of the appropriators' storage rights contained in the 2016/2017 Assessment Package or other such prior approvals. It cannot revive that right by filing an attempted Contest.

Although Watermaster delayed in providing storage agreements to the appropriators to execute, Watermaster performed its function under Rule 8.1(e) to "*keep an accounting of Carry-Over Water in connection with said Carry-Over Rights.*" Watermaster performed it by adopting Assessment Packages annually, which contain the accounting for the excess Carry-Over Water of the appropriators.

The fact that Watermaster had not provided storage agreements for the appropriators to execute until now is immaterial, because Watermaster performed its required accounting function and approved the amounts of appropriators' Excess Carry-Over and Supplemental Water in the annual Assessment Packages. In addition, Watermaster's delay in providing storage agreements to the appropriators precludes the argument that the appropriators have not executed such agreements. The reality is that the appropriators provided information about their unproduced water to Watermaster and Watermaster accounted for it in the annual Assessment Packages. This reality is substantial performance.

3. The Agricultural Pool Cannot Seek to Withdraw Approval of Water in Storage Accounts

The Agricultural Pool's attempted Contest seeks to withdraw the approval of the Excess Carry-Over Water in the Appropriators' storage accounts contained in the Assessment Packages. However, the Agricultural Pool does not seek to withdraw the approval of the Appropriators' obligation to pay the Agricultural Pool's assessments contained in the Assessment Packages. The Agricultural Pool cannot have it both ways.

In addition, the Agricultural Pool would undo the results of a collaborative process that proceeds from the Judgment and results in certainty about the rights of the Parties to their fair share of the Safe Yield and the obligations of the Parties to pay Watermaster assessments.

The Agricultural Pool asks Watermaster to undo the allocations of the Appropriators' right to their fair share of the Safe Yield that were made as long as a decade ago, if not longer. These are allocations that have been studied and approved by the Watermaster Board, the Advisory Committee and the three pools. These are allocations upon which the appropriators have relied to plan their future water needs and, in some cases their revenues. Furthermore, these allocations have been approved without objection and without a finding of Material Physical Injury since the approval of the Peace Agreement in 2000.

The Agricultural Pool cannot be permitted to cancel the Excess Carry-Over Water in the Appropriators' storage accounts and retain the benefit of the Appropriators' payments of the Agricultural Pool's Watermaster assessments.

4. The Agricultural Pool Does Not Show Material Physical Injury

As stated in the Background, the Agricultural Pool fails to meet its burden of producing evidence that Material Physical Injury to the basin will result from the approval of the storage agreements – particularly where all of the Excess Carry-Over Water in the Appropriators' storage accounts has been approved in the Assessment Packages without any evidence of Material Physical Injury.

The Agricultural Pool's attempted Contest submits arguments – not evidence.

Here is what it argues:

1. Under the caption "Modeling Evidence of the Impact of Storage on the Basin and Material Physical Injury" at pages 5 and 6, there are assertions of varying amounts of over-drafts between 1978 and 2010 and projections of further over-drafts through 2045. However, the support for these assertions is not reflected in the attachments. There is also an assertion that portions of the past over-drafts were unexpected or unauthorized. However, the meaning of those terms is not provided and no evidence is provided about whether the past over-drafts were authorized by Watermaster. There is an assertion that the over-drafts will result in drops in water levels but no evidence about the nexus between the two is provided. Finally, there is no statement or evidence that the alleged drop in water levels constitutes a Material Physical Injury. To the contrary, at the September 16, 2014 Board Workshop, WEI produced a handout stating that "*Lowering the water table alone may not be adverse or undesirable*" on page 6 of the handout.
2. Under the caption "Watermaster Board September 16, 2014 Workshop" at page 6, Mark Wildermuth allegedly stated that recharge was greater than the Safe Yield until the mid-1990's and that recharge was less than the Safe Yield thereafter. There is reference to a chart for the Workshop that shows the recharge between 2001 and 2013 was less than the Safe Yield in the amount of 184,000 AF. There is also an allegation that some of the 184,000 AF amount was placed into storage without showing the exact amount and how that amount was determined. It ends by criticizing Watermaster for failing to address the impacts of storage, yet those impacts are not identified. Finally, it does not show how such unidentified impacts constitute Material Physical Injury.
3. Under the caption "Wildermuth's Safe Storage Memorandum" at page 6, it refers to Attachment F to the 2015 Safe Yield Reset Agreement that was rejected by the Court. The essence of the reference is merely that water recharged to the Basin between 2000 and 2014 was less than the Safe Yield amount of 140,000 AF. However, the reference is not evidence that the disparity does not constitute Material Physical Injury. Furthermore, the allocations of the Safe Yield in this period were authorized by the Judgment and the various Assessment Package approvals; and such legal allocations do not constitute Material Physical Injury.
4. Under the caption "Wildermuth's 2013 Chino Basin Groundwater Model Update" at pages 7 and 8, it repeats a similar disparity between the water actually recharged to the basin between 2001 and 2011 and the Safe Yield of 140,000 AFY allocated under the Judgment and approved in the Assessment Packages. It then states that 107,232 AF of Safe Yield was allocated without a corresponding amount of recharge; but it does not present evidence about the portion of that amount, if any, that was placed in storage. As shown above, such

allocations of the Safe Yield were authorized by the Judgment and the various Assessment Package approvals; and such legal allocations do not constitute Material Physical Injury. It then refers to a statement from the WEI "Final Report" that water levels may decline after 2030 but fails to equate those to Material Physical Injury. The Agricultural Pool contends that WEI stated that Material Physical Injury will result but WEI does not make that statement.

5. Under the caption "Insufficiency of Storage Applications Staff Report and Support" at page 8, it criticizes Watermaster Staff for not providing evidence of Material Physical Injury. It misses the point. The burden of producing evidence of Material Physical Injury resulting from the approval of the storage agreements is on the Agricultural Pool. It ends by arguing that (a) an unspecified amount of water in storage is "not representative of physical water" which apparently means that there is no corresponding recharge for such stored water, (b) the recovery of such stored water "will result in a relative water level decline" and (c) such declines in water levels will result in Material Physical Injury. However, the Agricultural Pool fails to provide evidence about the exact amount of the water in storage that lacks a corresponding amount of recharge, the amount and location of the water level declines and the nature of the Material Physical Injury. Furthermore, the Agricultural Pool ignores the fact that allocations of the Safe Yield to storage were authorized by the Judgment and the various Assessment Package approvals and that those legal allocations do not constitute Material Physical Injury.
6. Under the caption "SYRA and Storage Management" at page 8, it again shifts its burden to Watermaster to evaluate the impact of the production of stored water allegedly not having a corresponding amount of recharge. Thus, it acknowledges that the evidence about that impact, if any, does not exist. Nevertheless, it argues that the storage agreements should not be approved.

While the Agricultural Pool alludes to evidence of Material Physical Injury, it clearly fails to produce it and acknowledges that it does not exist by its request that Watermaster develop such evidence. Watermaster Rule 10.14(e) permits the Watermaster Board to "*reject the Contest and deny the request for hearing*" if it finds that the attempted Contest fails to specify a Material Physical Injury.

The Agricultural Pool's attempted Contest lacks merit, because it has failed to meet its burden of producing evidence of Material Physical Injury. In fact, the Agricultural Pool agrees with the Watermaster Staff that such evidence does not exist. Its attempted Contest should be rejected and no hearing should be held.

THE WATERMASTER BOARD CANNOT PROCEED WITH THE CONTEST

Because the attempted Contest to the storage agreements includes all of the water in the storage accounts of the Appropriators allocated in the 2016/2017 Assessment Package that were approved by the Watermaster Board on the November 16, 2016, the Watermaster Board is collaterally estopped from reconsidering those allocations. It is a fact that those allocations have been approved by the Watermaster Board. It also is a fact that those allocations have not been judicially challenged in the prescribed time.

Therefore, Watermaster may not legally cancel those allocations of water in the appropriators' storage accounts. Furthermore, the reconsideration of those allocations would open further challenges to other approvals in the Assessment Package. This is not a recipe for stability, predictability and integrity expected from the Watermaster Board.

BOARD MEMBERS HOFER AND VANDEN HUEVEL MUST BE RECUSED

The attempted Contest is filed by the Agricultural Pool that is represented on the Watermaster Board by Paul Hofer and Geoffrey Vanden Huevel. Since these gentlemen are active members of the Agricultural Pool, they are inseparably wedded to the position asserted by the Agricultural Pool in the attempted Contest. Further, Mr. Vanden Huevel's prior advocacy for a limit on the production of water held in storage by the Appropriators clearly creates a bias in favor of the attempted Contest and against this Objection.

In the attempted Contest, the Agricultural Pool seeks to cancel the water previously allocated to the Appropriator's storage accounts by advocating that the Watermaster Board refuse to approve the proposed storage agreements between Watermaster and the Appropriators.

The bias of Watermaster Board Members Paul Hofer and Geoffrey Vanden Huevel is too clear; and it cannot be ignored.

For the reasons set forth in this letter, the City of Chino requests the Watermaster Board to reject the attempted Contest of the Agricultural Pool and also requests the Watermaster Board to approve the proposed storage agreements between Watermaster and the City of Chino.

Respectfully submitted



Jimmy L. Gutierrez
Counsel to the City of Chino

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CITY OF



ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON
MAYOR

DEBRA DORST-PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
RUBEN VALENCIA
COUNCIL MEMBERS

June 14, 2017

AL C. BOLING
CITY MANAGER

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT BURTON
UTILITIES GENERAL MANAGER

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

Re: Tolling Agreement between Agricultural and Appropriative Pools

Dear Peter,

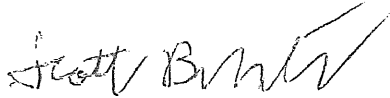
During the June 8, 2017, Appropriative Pool meeting a Tolling Agreement (Agreement) impacting storage applications, agreements and transfers was reported as "approved" out of closed session. The City of Ontario (Ontario) has concerns with both the content of the Agreement and the process by which it was reportedly approved. The purpose of this letter is to communicate these concerns and formally notify Watermaster that Ontario did not approve the Agreement and is not a party to the Agreement. In doing so, it is also important to state that Ontario believes that an open and transparent process to review storage management is appropriate for protection of the Basin. Moreover, Ontario is generally agreeable to the stay of the contests challenging storage agreements for and transfer of Excess Carry Over water.

The intent of the Tolling Agreement is to allow storage agreements (and other water transactions) by parties of the Appropriative Pool to be conditionally approved by Watermaster and the corresponding contests by the Agricultural Pool to be deferred while working toward a resolution to any dispute as part of the Storage Management Plan. However, Ontario has concerns with utilizing the Agreement to achieve these goals, some of which are explained herein. Ontario did not authorize the Appropriative Pool Chair to bind Ontario when the closed session vote took place. Such a commitment by Ontario requires City Council approval. Ontario believes such Pool Committee action is outside its authority to administer its Pool. Moreover, the Agreement establishes a storage restriction of 130,000 acre-feet, not limited to stored Excess Carry Over water, without explanation as to how that provision is to be implemented. Thus, it potentially infringes on the rights afforded under Supplemental Storage agreements and the Judgment. The rights of an individual Party, found in the Judgment and subsequent Court Orders, cannot be impaired by a majority vote of the Pool Committee. Watermaster is being asked to implement the

Agreement in the face of these objections, without following the procedures of paragraph 38 of the Judgment. In any case, it is questionable whether the Agreement offers Watermaster, and other parties to the Agreement, enough clarity to implement its provisions without dispute in light of the concerns registered herein and other ambiguities of the Agreement.

Ontario is looking forward to the development of a Storage Management Plan as part of ensuring a reliable long-term water supply including Chino Basin Groundwater. This is critically important to the existing Ontario community along with the substantial economic expansion it anticipates long into the future. As part of the Storage Management Plan, Ontario looks forward to examining the technical merits of and addressing, as appropriate, storage concerns raised by Watermaster during the Safe Yield Reset process and reinitiated by the Agricultural Pool in response to recent storage agreement applications.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Burton". The signature is fluid and cursive, with a prominent flourish at the end.

Scott Burton, P.E.

Utilities General Manager

c: Todd Corbin, Appropriative Pool Chair
Bob Feenstra, Agricultural Pool Chair

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL – SPECIAL MEETING

June 29, 2017

The Appropriative Pool special meeting was held at the offices of Chino Basin Watermaster and via conference call using the Chino Basin Watermaster conference call on June 29, 2017.

APPROPRIATIVE POOL MEMBERS PRESENT AT WATERMASTER

Justin Scott-Coe, Vice-Chair	Monte Vista Water District
Dave Crosley	City of Chino
John Bosler for Marty Zvirbulis	Cucamonga Valley Water District
Darron Poulsen	City of Pomona
Eric Tarango for Cris Fealy	Fontana Water Company
Amanda Coker	City of Chino
Katie Gienger for Scott Burton	City of Ontario
Van Jew	Monte Vista Irrigation Company

APPROPRIATIVE POOL MEMBERS PRESENT ON CALL

Todd Corbin, Chair	Jurupa Community Services District
Ron Craig	City of Chino Hills

OTHERS PRESENT AT WATERMASTER

Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Jimmy Gutierrez	Law Office of Jimmy Gutierrez

OTHERS PRESENT ON CALL

Braden Yu	Cucamonga Valley Water District
John Schatz	John J. Schatz, Attorney at Law

CALL TO ORDER

Chair Corbin called the Appropriative Pool special meeting to order at 11:00 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONFIDENTIAL SESSION - POSSIBLE ACTION

The Pool went into confidential session to discuss the Tolling Agreement. Confidential session concluded at 12:00 p.m. with the following reportable action:

The Pool approved a storage management outline pursuant to the Appropriative Pool and Non-Agricultural Pool tolling agreement with authorization to transmit to the Agricultural Pool.

ADJOURNMENT

Chair Corbin adjourned the Appropriative Pool special meeting at 12:00 p.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM ROUTINE

A. MINUTES

1. Non-Agricultural Pool Meeting held on June 8, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

June 8, 2017

The Non-Agricultural Pool meeting was held at the offices of Chino Basin Watermaster and via conference call using the Chino Basin Watermaster conference call number on June 8, 2017.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Ramsey Haddad	California Steel Industries (CSI)
Tom O'Neill	Ontario City Non-Agricultural

WATERMASTER STAFF PRESENT AT WATERMASTER

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Senior Environmental Engineer
Anna Truong	Executive Services Director/Board Clerk
Justin Nakano	Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Loeb & Loeb, LLP
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OTHERS PRESENT ON CALL

Ken Jeske	California Steel Industries (CSI)
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CALL TO ORDER

Chair Geye called the Non-Agricultural Pool meeting to order at 11:02 a.m.

ROLL CALL

Ms. Truong conducted the roll call.

AGENDA – ADDITIONS/REORDER

None

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held May 11, 2017

(0:02:10)

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

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

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2017
2. Watermaster VISA Check Detail for the month of April 2017
3. Combining Schedule for the Period July 1, 2016 through April 30, 2017
4. Treasurer's Report of Financial Affairs for the Period April 1, 2017 through April 30, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through April 30, 2017

(0:02:37)

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

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

C. COST-SHARING AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CITY OF CHINO HILLS REGARDING THE CHINO HILLS ASR PILOT PROJECT

Recommend that the Advisory Committee approve the Cost Sharing Agreement Between Chino Basin Watermaster and City of Chino Hills Regarding the Chino Hills ASR Pilot Project and authorize the General Manager to sign the agreement on behalf of Watermaster.

(0:03:06)

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

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

D. WATER TRANSACTIONS

1. The purchase of 180.000 acre-feet of water from the San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
2. The purchase of 162.000 acre-feet of water from the San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
3. The purchase of 558.000 acre-feet of water from the San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
4. The purchase of 4,000.000 acre-feet of water from the City of Pomona by Cucamonga Valley Water District. This purchase is made from the City of Pomona's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
5. The purchase of 4,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
6. The purchase of 3,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017

(0:03:37)

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

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

II. BUSINESS ITEMS

A. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-05-01)

Recommend Advisory Committee Approval of Budget Transfer Form T-17-05-01 for FY 2016/17 as presented.

(0:04:05) Mr. Joswiak gave a report. A discussion ensued.

(0:06:15)

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

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

B. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-05-01)

Recommend Advisory Committee approve the Budget Amendment Form A-17-05-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the Safe Yield Redetermination and Reset, along with other Agricultural Pool matters, as presented.

(0:06:55) Mr. Joswiak gave a report. A discussion ensued.

(0:08:22)

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

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

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

1. Any proposed transfer of Safe Yield by a Member.
 - Angelica Textile (Southern Service Company) June 14, 2017 Hearing date for sale of water rights through bankruptcy proceeding.
2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.
 - Praxair representative, Roger Han's emails are being returned undeliverable; no response from alternate representative, Jose Galindo.

(0:08:51) Mr. Herrema gave a report on Business Item II.C.1. A discussion ensued.

(0:10:38) Ms. Truong gave a report on Business Item II.C.4., indicating that Praxair has a new representative who will be starting on July 1, 2017. A discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Overlying (Agricultural) Pool Committee's Contests
2. Rules and Regulations Update
3. Outline Of Annual Report Presentation To Judge

(0:12:10) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. 2016 Annual Report of the Prado Basin Habitat Sustainability Committee
2. Other Technical Support

(0:18:34) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Exhibit "G" Transactions

(0:23:22) Mr. Joswiak gave a report.

D. GM REPORT

1. Storage Agreements
2. Storage Workshop #2
3. SGMA Update
4. CSI Basin Improvement Project
5. DYY Program Update
6. Resolution To Levy Desalter Replenishment Assessments For Production Year 2013/14
7. Other

(0:24:09) Mr. Kavounas gave a report on Items III.D.1 and III.D.2. A discussion ensued.

(0:28:27) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3.

(0:30:29) Mr. Kavounas introduced Mr. Nakano to give a report on Item III.D.4. A discussion ensued.

(0:32:27) Mr. Kavounas gave reports on Items III.D.5., III.D.6. He also added a report on the Ambient Water Quality Study update, and announced that Watermaster will go dark in August 2017, with no standing meetings, and that if parties need assistance scheduling any other meetings, staff is happy to assist. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for May 2017
2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

(0:41:48) Mr. Bowcock introduced Dr. Phillip Snyder, PhD Hydrogeologist from Switzerland.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 11:45 a.m. to discuss Storage Applications and Storage Agreements. Confidential session concluded at 12:15 p.m. with no reportable action.

(0:43:02) The Pool requested that the Storage Agreements be available for review before the next Pool meeting in July 2017. A discussion ensued.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:16 p.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on June 8, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

June 8, 2017

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on June 8, 2017.

AGRICULTURAL POOL MEMBERS PRESENT

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Lawrence Dimock	State of California – CIM
Carol Boyd	State of California – CIM
Bob Page	County of San Bernardino
Pete Hall	State of California – CIM
Nathan deBoom	Dairy
John Huitsing	Dairy
Henry DeHaan	Dairy
Ronald Pietersma	Dairy

WATERMASTER BOARD MEMBERS PRESENT

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Senior Environmental Engineer
Anna Truong	Executive Services Director/Board Clerk
Justin Nakano	Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT

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

OTHERS PRESENT

Betsy Hunter-Binns	Milk Producers Council
Richard Rees	AMEC
Diana Frederick	State of California – DOC
Todd Poston	State of California – CDCR
Tracy Egoscue	Egoscue Law Group

CALL TO ORDER

Chair Feenstra called the Agricultural Pool meeting to order at 1:34 p.m.

(0:00:08) Chair Feenstra introduced Ms. Betsy Hunter-Binns, the Assistant General Manager of the Milk Producers Council, and Mr. Todd Poston from the State of California.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held on May 11, 2017

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2017
2. Watermaster VISA Check Detail for the month of April 2017
3. Combining Schedule for the Period July 1, 2016 through April 30, 2017
4. Treasurer's Report of Financial Affairs for the Period April 1, 2017 through April 30, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through April 30, 2017

C. COST-SHARING AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CITY OF CHINO HILLS REGARDING THE CHINO HILLS ASR PILOT PROJECT

Recommend that the Advisory Committee approve the Cost Sharing Agreement Between Chino Basin Watermaster and City of Chino Hills Regarding the Chino Hills ASR Pilot Project and authorize the General Manager to sign the agreement on behalf of Watermaster.

D. WATER TRANSACTIONS

1. The purchase of 180.000 acre-feet of water from the San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
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5. The purchase of 4,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
6. The purchase of 3,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017

(0:01:33)

Motion by Vice-Chair Jeff Pierson, seconded by Mr. Pete Hall, and by unanimous vote

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-05-01)

Recommend Advisory Committee Approval of Budget Transfer Form T-17-05-01 for FY 2016/17 as presented.

(0:02:35) Mr. Joswiak gave a report. A discussion ensued.

(0:04:55)

Motion by Ms. Carol Boyd, seconded by Vice-Chair Jeff Pierson, and by unanimous vote

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

B. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-05-01)

Recommend Advisory Committee approve the Budget Amendment Form A-17-05-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the Safe Yield Redetermination and Reset, along with other Agricultural Pool matters, as presented.

(0:05:14) Mr. Joswiak gave a report. A discussion ensued.

(0:06:24) Motion introduced. Additional discussion ensued.

(0:10:16) *Vote Taken*

Motion by Mr. Nathan deBoom, seconded by Mr. Henry DeHaan, and by unanimous vote

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

C. OLD BUSINESS

1. Ambient Water Quality Study

(0:11:01) Mr. Tellez Foster gave a report. A discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Overlying (Agricultural) Pool Committee's Contests
2. Rules and Regulations Update
3. Outline Of Annual Report Presentation To Judge

(0:13:49) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. 2016 Annual Report of the Prado Basin Habitat Sustainability Committee
2. Other Technical Support

(0:19:55) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Exhibit "G" Transactions

(0:27:19) Mr. Joswiak gave a report.

D. GM REPORT

1. Storage Agreements
2. Storage Workshop #2
3. SGMA Update
4. CSI Basin Improvement Project
5. DYY Program Update
6. Resolution To Levy Desalter Replenishment Assessments For Production Year 2013/14
7. Other

(0:28:29) Mr. Kavounas gave reports on Items III.D.1. and III.D.2. A discussion ensued.

(0:31:10) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3.

(0:32:46) Mr. Kavounas introduced Mr. Nakano to give a report on Item III.D.4. A discussion ensued.

(0:37:33) Mr. Kavounas gave reports on Items III.D.5. and III.D.6. He also announced that Watermaster will go dark in August 2017, with no standing meetings, and that if parties need assistance scheduling any other meetings, staff is happy to assist. A discussion ensued.

(0:46:14) Mr. Vanden Heuvel joined the meeting.

IV. INFORMATION

1. Cash Disbursements for May 2017
2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments

(0:47:14) Chair Feenstra commented that Mr. Hofer is a Director at the Inland Empire Utilities Agency, and thanked him for his service on the Agricultural Pool.

(0:48:52) Mr. Pierson thanked the Messrs. Hofer and Vanden Heuvel for their service as Watermaster Board members on behalf of the Agricultural Pool. A discussion ensued.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Feenstra called for a confidential session at 2:25 p.m. to discuss Pool business. Confidential session concluded at 3:34 p.m. with the following reportable action:

(0:51:18) Ms. Egoscue provided the following reportable action:

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. Ronald Pietersma, and by unanimous vote
Moved to approve the Tolling Agreement as described below.*

The Pool approved the Tolling Agreement which tolled the Agricultural Pool's contests, the need for a storage management planning process that begins in July 2017 and ideally concludes by July 2018, and a reserve of 130,000 AF of storage held during the development of the storage management plan.

Ms. Egoscue stated that the Appropriative Pool also approved the Tolling Agreement at its meeting earlier today. She also stated that Chair Feenstra requested the Tolling Agreement be made publicly available and also distributed to the Advisory Committee.

ADJOURNMENT

Chair Feenstra adjourned the Agricultural Pool meeting at 3:35 p.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017
2. Watermaster VISA Check Detail for the month of May 2017
3. Combining Schedule for the Period July 1, 2016 through May 31, 2017
4. Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017
2. Watermaster VISA Check Detail for the month of May 2017
3. Combining Schedule for the Period July 1, 2016 through May 31, 2017
4. Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 13, 2017
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (May 31, 2017)

SUMMARY

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

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

Financial Impact: Funds disbursed were included in the FY 2016/17 "Amended" Watermaster Budget.

Future Consideration

Appropriative Pool – July 13, 2017: Receive and File
Non-Agricultural Pool – July 13, 2017: Receive and File
Agricultural Pool – July 13, 2017: Receive and File
Advisory Committee – July 20, 2017: Receive and File
Watermaster Board – July 27, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 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 May 2017 were \$849,713.63.

The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amounts of \$326,366.39 and \$158,909.76 (check number 20087 dated May 2, 2017 and check number 20146 dated May 24, 2017); Brownstein Hyatt Farber Schreck in the amount of \$114,047.70 (check number 20086 dated May 2, 2017; and Inland Empire Utilities Agency in the amount of \$48,914.76 (check number 20132 dated May 16, 2017).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/02/2017	20086	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2017	676322		676322	6907.44 · SGMA Compliance	7,250.40
				Expenses	6907.44 · SGMA Compliance	45.29
Bill	03/31/2017	676323		676323	6907.42 · Safe Yield Recalculation	48,361.95
				Expenses	6907.42 · Safe Yield Recalculation	150.00
Bill	03/31/2017	676324		676324	6907.41 · Prado Basin Habitat Sustain	3,023.10
				Expenses	6907.41 · Prado Basin Habitat Sustain	53.10
Bill	03/31/2017	676325		676325	6907.40 · Storage Agreements	16,507.80
				Expenses	6907.40 · Storage Agreements	16.84
Bill	03/31/2017	676326		676326	6907.39 · Recharge Master Plan	6,007.95
Bill	03/31/2017	676327		676327	6907.38 · Reg. Water Quality Cntrl Board	267.75
Bill	03/31/2017	676328		676328	6072 · BHFS Legal - Rules & Regs	153.00
Bill	03/31/2017	676329		676329	6071 · BHFS Legal - Court Coordination	774.45
Bill	03/31/2017	676330		676330	8575 · BHFS Legal - Non-Ag Pool	841.50
Bill	03/31/2017	676331		676331	8475 · BHFS Legal - Agricultural Pool	344.25
Bill	03/31/2017	676332		676332	8375 · BHFS Legal - Appropriative Pool	1,606.50
				Expenses	8375 · BHFS Legal - Appropriative Pool	34.98
Bill	03/31/2017	676333		676333	6375 · BHFS Legal - Board Meeting	6,483.60
				Expenses	6375 · BHFS Legal - Board Meeting	225.00
Bill	03/31/2017	676334		676334	6275 · BHFS Legal - Advisory Committee	841.50
Bill	03/31/2017	676335		676335	6907.36 · Santa Ana River Habitat	537.75
Bill	03/31/2017	676337		Alvarez-CalPERS	6073 · BHFS Legal - Personnel Matters	76.50
				GM Evaluation	6073 · BHFS Legal - Personnel Matters	263.25
Bill	03/31/2017	676338		676338	6078 · BHFS Legal - Miscellaneous	17,811.00
				676338	6907.44 · SGMA Compliance	76.50
				Expenses	8375 · BHFS Legal - Appropriative Pool	11.66
				Expenses	8475 · BHFS Legal - Agricultural Pool	11.66
				Expenses	8575 · BHFS Legal - Non-Ag Pool	11.66
				Expenses	6078 · BHFS Legal - Miscellaneous	69.96
Bill	03/31/2017	676336		676336	6907.34 · Santa Ana River Water Rights	2,188.80
TOTAL						114,047.70
Bill Pmt -Check	05/02/2017	20087	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2017	2017078		2017078	6906.31 · OBMP-Pool, Adv. Board Mtgs	9,176.69
Bill	03/31/2017	2017079		2017079	6906.32 · OBMP-Other General Meetings	5,032.78
Bill	03/31/2017	2017080		2017080	6906.74 · OBMP-Mat'l Phy. Injury Requests	5,642.55
Bill	03/31/2017	2017081		2017081	6906.71 · OBMP-Data Req.-CBWM Staff	3,746.90
Bill	03/31/2017	2017082		2017082	6906.71 · OBMP-Data Req.-CBWM Staff	4,813.14
Bill	03/31/2017	2017083		2017083	6906.72 · OBMP-Data Req.-Non CBWM Staff	1,896.00
Bill	03/31/2017	2017084		2017084	6906.23 · SGMA Reporting Requirements	1,460.70

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/31/2017	2017085		2017085	6906 · OBMP Engineering Services	8,886.10
Bill	03/31/2017	2017086		2017086	6906.1 · OBMP-Watermaster Model Update	47,477.00
Bill	03/31/2017	2017087		2017087	6906.24 · Compliance-SB88 and SWRCB	4,640.45
Bill	03/31/2017	2017088		2017088	6906.81 · Prepare 38th/39th Annual Rpts	7,203.60
Bill	03/31/2017	2017089		2017089	6906.21 · State of the Basin Report	387.40
Bill	03/31/2017	2017090		20107090	7103.3 · Grdwtr Qual-Engineering	9,635.27
Bill	03/31/2017	2017091		2017091	7104.3 · Grdwtr Level-Engineering	8,961.35
Bill	03/31/2017	2017092		Neva Ridge	7107.3 · Grd Level-SAR Imagery	56,000.00
				20107092	7107.2 · Grd Level-Engineering	148.50
Bill	03/31/2017	2017093		Parsons Brinkerhoff, Inc.	7107.6 · Grd Level-Contract Svcs	24,424.70
				20107093	7107.2 · Grd Level-Engineering	4,802.49
Bill	03/31/2017	2017094		2017094	7108.3 · Hydraulic Control-Engineering	12,034.65
Bill	03/31/2017	2017095		2017095	7108.31 · Hydraulic Control - PBHSP	63,278.41
Bill	03/31/2017	2017096		2017096	7202.2 · Engineering Svc	5,809.80
Bill	03/31/2017	2017097		2017097	7402 · PE4-Engineering	18,782.31
Bill	03/31/2017	2017098		2017098	7402.10 · PE4 - Northwest MZ1 Area Proj.	12,385.05
Bill	03/31/2017	2017099		2017099	7502 · PE6&7-Engineering	1,787.50
Bill	03/31/2017	2017100		2017100	7602 · PE8&9-Engineering	2,340.25
Bill	03/31/2017	2017101		2017101	7625 · Storage-OBMP PEIR-50/50 Split	759.00
Bill	03/31/2017	2017102		100% CBWM	7108.31 · Hydraulic Control - PBHSP	4,853.80
						<u>326,366.39</u>
P 38						
TOTAL						
Bill Pmt -Check	05/04/2017	20088	APPLIED COMPUTER TECHNOLOGIES	2798	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2017	2798		Database Consulting - April 2017	6052.2 · Applied Computer Technol	3,312.20
						<u>3,312.20</u>
TOTAL						
Bill Pmt -Check	05/04/2017	20089	EGOSCUE LAW GROUP	11561	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2017	11561		Ag Pool Legal Services - March 2017	8467 · Ag Legal & Technical Services	24,200.00
						<u>24,200.00</u>
TOTAL						
Bill Pmt -Check	05/04/2017	20090	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/20/2017	4/20 Advisory Comm		4/20/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/26/2017	4/26 Special Ag Pool		4/26/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
						<u>500.00</u>
TOTAL						
Bill Pmt -Check	05/04/2017	20091	GREAT AMERICA LEASING CORP.	20501786	1012 · Bank of America Gen'l Ckg	
Bill	04/19/2017	20501786		Invoice for April 2017	6043.1 · Ricoh Lease Fee	2,553.68
						<u>2,553.68</u>
TOTAL						

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/04/2017	20092	JOHN J. SCHATZ	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2017			February 2017	8367 · Legal Service	10,026.00
				March 2017	8367 · Legal Service	8,094.00
TOTAL						<u>18,120.00</u>
Bill Pmt -Check	05/04/2017	20093	LEVEL 3 COMMUNICATIONS	54327163	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2017	54327163		4/17/17-5/16/17	6053 · Internet Expense	1,047.80
TOTAL						<u>1,047.80</u>
Bill Pmt -Check	05/04/2017	20094	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2017	0023230253		Office Water Bottle - April 2017	6031.7 · Other Office Supplies	59.28
TOTAL						<u>59.28</u>
Bill Pmt -Check	05/04/2017	20095	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2017	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	727.79
TOTAL						<u>727.79</u>
P39 Bill Pmt -Check	05/04/2017	20096	STAPLES BUSINESS ADVANTAGE	80441036513	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2017	8044103613		Copy paper	6031.1 · Copy Paper	54.88
				Toner	6031.7 · Other Office Supplies	408.19
TOTAL						<u>463.07</u>
Bill Pmt -Check	05/04/2017	20097	TELLEZ-FOSTER, EDGAR	MILEAGE REIMBURSEMENT	1012 · Bank of America Gen'l Ckg	
Bill	04/27/2017			Mileage reimbursements to various meetings	6173 · Airfare/Mileage	134.29
TOTAL						<u>134.29</u>
Bill Pmt -Check	05/04/2017	20098	VERIZON WIRELESS	9783841410	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2017	9783841410		Acct #648073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.04
TOTAL						<u>100.04</u>
Bill Pmt -Check	05/04/2017	20099	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2017	001017890001		Viision Insurance - May 2017	60182.2 · Dental & Vision Ins	85.60
TOTAL						<u>85.60</u>
General Journal	05/06/2017	05/06/2017	Payroll and Taxes for 04/23/17-05/06/17	Payroll and Taxes for 04/23/17-05/06/17	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 04/23/17-05/06/17	1012 · Bank of America Gen'l Ckg	25,458.47
				Payroll Taxes for 04/23/17-05/06/17	1012 · Bank of America Gen'l Ckg	9,370.94
			ICMA-RC	457(f) Employee Deductions for 04/23/17-05/06/17	1012 · Bank of America Gen'l Ckg	4,399.88
			ICMA-RC	401(a) Employee Deductions for 04/23/17-05/06/17	1012 · Bank of America Gen'l Ckg	1,235.97

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Cash Disbursements For The Month of
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TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
							40,465.26
	Bill Pmt -Check	05/08/2017	20100	ACWA JOINT POWERS INSURANCE AUTHORITY	0481842	1012 - Bank of America Gen'l Ckg	
	Bill	05/04/2017	0481842		Prepayment - June 2017	1409 - Prepaid Life, BAD&D & LTD	139.76
					May 2017	60191 - Life & Disab. Ins Benefits	139.76
TOTAL							279.52
	Bill Pmt -Check	05/08/2017	20101	CASTRO, LINDY	4/28/17 Hearing Transcript	1012 - Bank of America Gen'l Ckg	
	Bill	04/28/2017	4/28/17 Hearing		4/28/17 Hearing Transcript	6046 - Legal Publications/Services	330.00
TOTAL							330.00
	Bill Pmt -Check	05/08/2017	20102	CURATALO, JAMES	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
	Bill	04/04/2017	4/04 Special Board		4/04/17 Special Board Meeting	6311 - Board Member Compensation	125.00
	Bill	04/14/2017	4/14 Mtg w/Auditor		4/14/17 Fraud Interview with Auditor	6311 - Board Member Compensation	125.00
	Bill	04/25/2017	4/25 Agenda Preview		4/25/17 Board Agenda Preview Meeting	6311 - Board Member Compensation	125.00
	Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL							500.00
P40	Bill Pmt -Check	05/08/2017	20103	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
	Bill	04/05/2017	4/05 Special Ag Mtg		4/05/17 Special Ag Pool Meeting	8411 - Compensation	25.00
					4/05/17 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
	Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8411 - Compensation	25.00
					4/13/17 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
	Bill	04/26/2017	4/26 Special Ag Mtg		4/26/17 Special Ag Pool Meeting	8411 - Compensation	25.00
					4/26/17 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL							375.00
	Bill Pmt -Check	05/08/2017	20104	DE HAAN, HENRY	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
	Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8411 - Compensation	25.00
					4/05/17 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
	Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8411 - Compensation	25.00
					4/13/17 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL							250.00
	Bill Pmt -Check	05/08/2017	20105	DI PRIMIO, ROBERT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
	Bill	04/04/2017	4/04 Special Board		4/04/17 Special Board Meeting	6311 - Board Member Compensation	125.00
	Bill	04/20/2017	4/20 Orientation		4/20/17 Board Member Orientation	6311 - Board Member Compensation	125.00
	Bill	04/21/2017	4/21 Special Board		4/21/17 Special Board Meeting	6311 - Board Member Compensation	125.00
	Bill	04/25/2017	4/25 Agenda Preview		4/25/17 Board Agenda Preview Meeting	6311 - Board Member Compensation	125.00
TOTAL							500.00

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Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/08/2017	20106	FEDAK & BROWN LLP	Progress Billing - Audit Services	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2017	April 2017		April 2017	6062 · Audit Services	3,200.00
TOTAL						3,200.00
Bill Pmt -Check	05/08/2017	20107	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/14/2017	4/14 Board Conf Call		4/14/17 Board Conference Call	6311 · Board Member Compensation	125.00
Bill	04/21/2017	4/21 Budget Wkshp		4/21/17 Budget Workshop	6311 · Board Member Compensation	125.00
Bill	04/25/2017	4/25 Board Conf Call		4/25/17 Board Conference Call	6311 · Board Member Compensation	125.00
Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	05/08/2017	20108	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2017	4/25 Budget Wkshp		4/25/17 Budget Workshop	6311 · Board Member Compensation	125.00
Bill	04/27/2017	4/27 Board Mtg		10/27/16 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/28/2017	2/23 Rules Workshop		2/23/17 Rules Workshop	6311 · Board Member Compensation	125.00
Bill	04/28/2017	3/16 Board Conf Call		3/16/17 Board Conference Call	6311 · Board Member Compensation	125.00
Bill	04/28/2017	4/28 Hearing		4/28/17 Court Hearing	6311 · Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	05/08/2017	20109	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8411 · Compensation	25.00
Bill	04/13/2017	4/13 Ag Pool Mtg		4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8411 · Compensation	25.00
Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/26/2017	4/26 Special Ag Mtg		4/26/17 Special Ag Pool Meeting	8411 · Compensation	25.00
Bill	04/26/2017	4/26 Special Ag Mtg		4/26/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	05/08/2017	20110	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/04/2017	4/04 Special Board		4/04/17 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/13/2017	4/13 Appro Pool Mtg		4/13/17 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/20/2017	4/20 Advisory Comm		4/20/17 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/21/2017	4/21 Special Board		4/21/17 Special Board Conference Call	6311 · Board Member Compensation	125.00
Bill	04/28/2017	4/28 Court Hearing		4/28/17 Court Hearing	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	05/08/2017	20111	LOEB & LOEB LLP	1713584	1012 · Bank of America Gen'l Ckg	
Bill	04/26/2017	1713584		Non-Ag Pool Legal Services - March 2017	8567 · Non-Ag Legal Service	7,569.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						7,569.00
Bill Pmt -Check	05/08/2017	20112	MINDSHIFT	0245295	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2017	0245295		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	05/08/2017	20113	PAYCHEX	2017042700	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2017	2017042700		April 2017	6012 · Payroll Services	307.94
TOTAL						307.94
Bill Pmt -Check	05/08/2017	20114	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/20/2017	4/20 Advisory Comm		4/20/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/20/2017	4/20 RIPCom Mtg		4/20/17 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/21/2017	4/21 Special Board		4/21/17 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/26/2017	4/26 Special Ag Pool		4/26/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/28/2017	4/28 Court Hearing		4/28/17 Court Hearing	8470 · Ag Meeting Attend -Special	125.00
TOTAL						1,000.00
Bill Pmt -Check	05/08/2017	20115	PITNEY BOWES CREDIT CORPORATION	3101215649	1012 · Bank of America Gen'l Ckg	
Bill	05/04/2017	3101215649		Postage meter property tax	6044 · Postage Meter Lease	6.93
TOTAL						6.93
Bill Pmt -Check	05/08/2017	20116	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2017	1394905143		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	3,590.95
TOTAL						3,590.95
Bill Pmt -Check	05/08/2017	20117	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	04/13/2017	8000909000168851		Postage refill	6042 · Postage - General	500.00
TOTAL						500.00
Bill Pmt -Check	05/08/2017	20118	RR FRANCHISING, INC.	38661	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2017	38661		Monthly janitorial service - May 2017	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	05/08/2017	20119	SOLINST CANADA LTD.	12801264	1012 · Bank of America Gen'l Ckg	
Bill	04/21/2017	12801264		Water level equipment	7104.9 · Grdwtr Level-Capital Equip	5,448.71

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						5,448.71
Bill Pmt -Check	05/08/2017	20120	STATE COMPENSATION INSURANCE FUND	1970970-16	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2017	1970970-16		Premium for 4/26/17-5/26/17	60183 · Worker's Comp Insurance	910.00
TOTAL						910.00
Bill Pmt -Check	05/08/2017	20121	SWIFT, JOSH	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	05/08/2017	20122	TRUONG, ANNA	Conference Expenses	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2017			Reimburse for mileage	6173 · Airfare/Mileage	42.16
				Seminar expenses	6191 · Conferences - General	130.19
TOTAL						172.35
Bill Pmt -Check	05/08/2017	20123	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2017	7076224530355049		Fuel - April 2017	6175 · Vehicle Fuel	328.24
TOTAL						328.24
P43 Bill Pmt -Check	05/08/2017	20124	YOO, FRANK	Conference Expenses	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2017			Reimbursement for mileage to seminar	6173 · Airfare/Mileage	76.29
TOTAL						76.29
Bill Pmt -Check	05/08/2017	20125	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2017	08-k2 213849		Disposal Service - May 2017	6024 · Building Repair & Maintenance	111.57
TOTAL						111.57
Bill Pmt -Check	05/11/2017	ACH 051117	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/06/2017	05/06/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/23/17-05/06/17	2000 · Accounts Payable	1,480.43
TOTAL						1,480.43
Check	05/15/2017	05/15/2017	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	407.89
TOTAL						407.89
Bill Pmt -Check	05/16/2017	20126	WILDERMUTH ENVIRONMENTAL INC	VOID:	1012 · Bank of America Gen'l Ckg	0.00
TOTAL						
Bill Pmt -Check	05/16/2017	20127	CORELOGIC INFORMATION SOLUTIONS	81797816	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	81797816		81797816	7103.7 · Grdwtr Qual-Computer Svc	62.50

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Type	Date	Num	Name	Memo	Account	Paid Amount
				81797816	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	05/16/2017	20128	CUCAMONGA VALLEY WATER DISTRICT		1012 · Bank of America Gen'l Ckg	
Bill	05/16/2017			Office lease due June1, 2017	1422 · Prepaid Rent	6,447.61
TOTAL						6,447.61
Bill Pmt -Check	05/16/2017	20129	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	05/02/2017	L0319554		L0319554	7108.4 · Hydraulic Control-Lab Svcs	440.00
Bill	05/03/2017	L0319648		L0319648	7103.5 · Grdwtr Qual-Lab Svcs	628.00
Bill	05/04/2017	L0319786		L0319786	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
TOTAL						2,660.00
Bill Pmt -Check	05/16/2017	20130	FIRST LEGAL NETWORK LLC		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	40009704		40009704 Filings on 4/4, 4/7, 4/18, 4/27 and 4/28	6061.5 · Court Filing Services	1,241.45
TOTAL						1,241.45
Bill Pmt -Check	05/16/2017	20131	FRONTIER COMMUNICATIONS		1012 · Bank of America Gen'l Ckg	
Bill	05/16/2017	90948438900509145		909-484-3890-050914-5 Office fax and main line	6022 · Telephone	139.40
TOTAL						139.40
Bill Pmt -Check	05/16/2017	20132	INLAND EMPIRE UTILITIES AGENCY		1012 · Bank of America Gen'l Ckg	
Bill	05/16/2017	1800003193		1800003193 San Sevaine Basin Improvements Project #5	7690.4 · San Sevaine Recharge (TO # 8)	48,914.76
TOTAL						48,914.76
Bill Pmt -Check	05/16/2017	20133	LEGAL SHIELD		1012 · Bank of America Gen'l Ckg	
Bill	05/16/2017	0111802		0111802 Employee deductions - May 2017	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	05/16/2017	20134	PIETERSMA, RONALD		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	1/12 Ag Pool Mtg		Ag Pool Member Compensation 1/12/17 Ag Pool Meeting	8411 · Compensation	25.00
				1/12/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/30/2017	2/09 Ag Pool Mtg		2/09/17 Ag Pool Meeting	8411 · Compensation	25.00
				2/09/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/30/2017	3/08 Special Ag Mtg		3/08/17 Special Ag Pool Meeting	8411 · Compensation	25.00
				3/08/17 Speical Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	05/16/2017	20135	PREMIERE GLOBAL SERVICES		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	23495642		23495642 GLMP call on 4/11	6909.1 · OBMP Meetings	28.05

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Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
				Non-Ag Pool meeting call on 4/13	8512 · Meeting Expense	6.10
				Non-Ag Pool meeting call on 4/13	8512 · Meeting Expense	23.28
				AWQ Study Coordination call on 4/18	6909.1 · OBMP Meetings	9.43
				39th AR review call on 4/18	6909.1 · OBMP Meetings	6.10
				Budget Workshop prep call on 4/25	6909.1 · OBMP Meetings	6.12
				SY Coordination call on 4/25	6078.11 · Safe Yield Recalculation	16.84
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				CA Water Policy Conference Panel call on 3/28	6909.1 · OBMP Meetings	11.00
				SGMA Annual Report call on 3/30	6906.23 · SGMA Reporting Requirements	6.11
				WM Coordination call on 4/03	6909.1 · OBMP Meetings	11.41
				Pools agenda prep call on 4/04	8312 · Meeting Expenses	2.65
				Pools agenda prep call on 4/04	8412 · Meeting Expenses	2.65
				Pools agenda prep call on 4/04	8512 · Meeting Expense	2.65
				Board confidential session call on 4/04	6312 · Meeting Expenses	6.12
				WM Coordination call on 4/12	6909.1 · OBMP Meetings	12.95
				Pool meetings check call on 4/12	8312 · Meeting Expenses	4.35
				Pool meetings check call on 4/12	8412 · Meeting Expenses	4.35
				Pool meetings check call on 4/12	8512 · Meeting Expense	4.36
				GRP Annual Report call on 4/17	6909.1 · OBMP Meetings	6.10
				WM Coordination call on 4/17	6909.1 · OBMP Meetings	19.41
				Board agenda prep call on 4/18	6312 · Meeting Expenses	8.07
				Prep for Board confidential session call on 4/21	6312 · Meeting Expenses	7.49
				Board confidential session call on 4/21	6312 · Meeting Expenses	25.26
				Budget Workshop prep call on 4/24	6909.1 · OBMP Meetings	6.92
				Board meeting preview call on 4/25	6312 · Meeting Expenses	10.42
				SY Coordination call on 4/25	6078.11 · Safe Yield Recalculation	6.97
				SY Coordination call on 4/25	6078.11 · Safe Yield Recalculation	6.10
				Service Fee	6022 · Telephone	9.42
				SY Coordination call on 4/26	6078.11 · Safe Yield Recalculation	6.10
TOTAL						374.78
Bill Pmt -Check	05/16/2017	20136	R&D PEST SERVICES	0214610	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2017	0214610		Pest control-inside and outside office	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	05/16/2017	20137	RON SHELLEY'S AUTOMOTIVE		1012 · Bank of America Gen'l Ckg	
Bill	05/09/2017	9548		Service for F-150	6177 · Vehicle Repairs & Maintenance	89.43
Bill	05/12/2017	9568		Service for Expedition	6177 · Vehicle Repairs & Maintenance	146.00
TOTAL						235.43

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/16/2017	20138	STATE OF CA - DEPT OF CONSUMER AFFAIRS	44017	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2017	44017		Renew CE Certificate for P. Kavounas	6111 · Membership Dues	172.50
TOTAL						172.50
Bill Pmt -Check	05/16/2017	20139	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017			Retiree Medical	60182.4 · Retiree Medical	22.24
TOTAL						22.24
Bill Pmt -Check	05/16/2017	20140	VERIZON WIRELESS	9785118416	1012 · Bank of America Gen'l Ckg	
Bill	05/16/2017	9785118416		Acct #470810953-00001	6022 · Telephone	336.94
TOTAL						336.94
Bill Pmt -Check	05/19/2017	20141	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2017			Travel Expense Reimbursement	6191 · Conferences - General	65.76
TOTAL						65.76
General Journal	05/20/2017	05/20/2017	Payroll and Taxes for 05-07/17-05/20/17	Payroll and Taxes for 05-07/17-05/20/17	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05-07/17-05/20/17	1012 · Bank of America Gen'l Ckg	24,062.59
				Payroll Taxes for 05-07/17-05/20/17	1012 · Bank of America Gen'l Ckg	8,489.01
			ICMA-RC	457(f) Employee Deductions for 05-07/17-05/20/17	1012 · Bank of America Gen'l Ckg	4,411.29
			ICMA-RC	401(a) Employee Deductions for 05-07/17-05/20/17	1012 · Bank of America Gen'l Ckg	1,243.57
TOTAL						38,206.46
Bill Pmt -Check	05/23/2017	20142	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	XXXX-XXXX-XXXX-9341		Purchase Office 365 for GM computer	6054 · Computer Software	99.00
				Purchase uniforms for staff	6154 · Uniforms	602.06
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	375.49
				Renew SonicWall Gateway Security Suite	6054 · Computer Software	845.75
				Supplies for staff meeting	6141.3 · Admin Meetings	42.10
				Hotel-PK-attend the CA Water Policy Conference	6191 · Conferences - General	416.98
				Daily parking charges-PK-CA Water Policy Conf.	6191 · Conferences - General	28.00
				PK meeting w/C. Berch, IEUA	8312 · Meeting Expenses	25.48
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	34.41
				Lunch for staff/legal counsel-pre-Ag Pool meeting	8412 · Meeting Expenses	78.61
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	8.99
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	20.19
				Purchase copy paper	6031.1 · Copy Paper	187.50
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	13.95
				Air fare-PK-attend the GW Law Conference	6173 · Airfare/Mileage	503.96

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
				Hotel-PK-attend the CA Water Policy Conference	6191 · Conferences - General	206.26
				Hotel-PK-attend the ACWA 2017 Spring Conf.	6191 · Conferences - General	179.75
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	81.93
				Lunch for staff/legal counsel-pre-court hearing mtg.	6909.1 · OBMP Meetings	18.18
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	28.10
				PK meeting w/S. Burton, D. Poulsen	8312 · Meeting Expenses	87.29
				Registration-Truong for 4/19/17 Audioconference	6192 · Seminars - General	236.00
				Purchase copy paper	6031.1 · Copy Paper	206.81
TOTAL						4,326.79
Bill Pmt -Check	05/23/2017	20143	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	05/17/2017	1394905143		1394905143	60182.1 · Medical Insurance	8,172.69
TOTAL						8,172.69
Bill Pmt -Check	05/23/2017	20144	GREAT AMERICA LEASING CORP.	20661151	1012 · Bank of America Gen'l Ckg	
Bill	05/17/2017	20661151		Invoice for May 2017	6043.1 · Ricoh Lease Fee	2,553.68
TOTAL						2,553.68
P47	05/23/2017	20145	UNITED HEALTHCARE	0043501626	1012 · Bank of America Gen'l Ckg	
Bill	05/17/2017	0043501626		Dental Insurance Premium - June 2017	60182.2 · Dental & Vision Ins	749.75
TOTAL						749.75
Bill Pmt -Check	05/24/2017	20146	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	2017114		2017114	6906.31 · OBMP-Pool, Adv. Board Mtgs	7,874.30
Bill	04/30/2017	2017115		2017115	6906.32 · OBMP-Other General Meetings	7,773.66
Bill	04/30/2017	2017116		2017116	6906.74 · OBMP-Mat'l Phy. Injury Requests	2,173.35
Bill	04/30/2017	2017117		2017117	6906.71 · OBMP-Data Req.-CBWM Staff	3,315.10
Bill	04/30/2017	2017118		2017118	6906.71 · OBMP-Data Req.-CBWM Staff	5,107.34
Bill	04/30/2017	2017119		2017119	6906.72 · OBMP-Data Req.-Non CBWM Staff	6,613.10
Bill	04/30/2017	2017120		2017120	6906 · OBMP Engineering Services	2,397.50
Bill	04/30/2017	2017121		2017121	6906.81 · Prepare 38th/39th Annual Rpts	3,779.45
Bill	04/30/2017	2017122		2017122	6906.21 · State of the Basin Report	19,174.84
Bill	04/30/2017	2017123		2017123	7103.3 · Grdwtr Qual-Engineering	6,683.61
Bill	04/30/2017	2017124		2017124	7104.3 · Grdwtr Level-Engineering	7,904.03
Bill	04/30/2017	2017125		2017125	7107.2 · Grd Level-Engineering	612.14
Bill	04/30/2017	2017126		2017126	7108.3 · Hydraulic Control-Engineering	576.39
Bill	04/30/2017	2017127		2017127	7108.3 · Hydraulic Control-Engineering	999.46
Bill	04/30/2017	2017128		2017128	7108.3 · Hydraulic Control-Engineering	4,034.20
Bill	04/30/2017	2017129		2017129	7108.31 · Hydraulic Control - PBHSP	42,987.95
Bill	04/30/2017	2017130		2017130	7109.3 · Recharge & Well - Engineering	2,635.20

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/30/2017	2017131			7202.2 · Engineering Svc	3,656.67
Bill	04/30/2017	2017132			7402 · PE4-Engineering	12,345.63
Bill	04/30/2017	2017133			7402.10 · PE4 - Northwest MZ1 Area Proj.	13,193.70
Bill	04/30/2017	2017134			7502 · PE6&7-Engineering	1,801.60
Bill	04/30/2017	2017135		100% CBWM	7108.31 · Hydraulic Control - PBHSP	1,710.00
Bill	04/30/2017	2017144			6910.15 · WEI Support-HCP Modeling	1,560.54
TOTAL						158,909.76
Bill Pmt -Check	05/25/2017	ACH 052517	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/20/2017	05/20/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/07/17-05/20/17	2000 · Accounts Payable	6,301.26
TOTAL						6,301.26
General Journal	05/31/2017	05/31/2017	Wage Works FSA Direct Debits - May 2017	Wage Works FSA Direct Debits - May 2017	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - May 2017	1012 · Bank of America Gen'l Ckg	638.75
				Wage Works FSA Direct Debits - May 2017	1012 · Bank of America Gen'l Ckg	638.75
				Wage Works FSA Direct Debits - May 2017	1012 · Bank of America Gen'l Ckg	638.75
				Wage Works FSA Direct Debits - May 2017	1012 · Bank of America Gen'l Ckg	81.50
TOTAL						1,997.75
					Total Disbursements:	849,713.63

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 13, 2017
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (May 31, 2017)

SUMMARY

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

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

Financial Impact: Funds disbursed were included in the FY 2016/17 "Amended" Watermaster Budget.

Future Consideration

Appropriative Pool – July 13, 2017: Receive and File
Non-Agricultural Pool – July 13, 2017: Receive and File
Agricultural Pool – July 13, 2017: Receive and File
Advisory Committee – July 20, 2017: Receive and File
Watermaster Board – July 27, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 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 May 2017 were \$4,326.79. The payment was processed in the amount of \$4,326.79 (by check number 20142 dated May 23, 2017). The monthly charges for May 2017 of \$4,326.79 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
VISA Check Detail Report
May 2017

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Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/23/2017	20142	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	XXXX-XXXX-XXXX-9341		Purchase Office 365 for GM computer	6054 · Computer Software	99.00
				Purchase uniforms for staff	6154 · Uniforms	602.06
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	375.49
				Renew SonicWall Gateway Security Suite	6054 · Computer Software	845.75
				Supplies for staff meeting	6141.3 · Admin Meetings	42.10
				Hotel-PK-attend the CA Water Policy Conference	6191 · Conferences - General	416.98
				Daily parking charges-PK-CA Water Policy Conf.	6191 · Conferences - General	28.00
				PK meeting w/C. Berch, IEUA	8312 · Meeting Expenses	25.48
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	34.41
				Lunch for staff/legal counsel-pre-Ag Pool meeting	8412 · Meeting Expenses	78.61
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	8.99
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	20.19
				Purchase copy paper	6031.1 · Copy Paper	187.50
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	13.95
				Air fare-PK-attend the GW Law Conference	6173 · Airfare/Mileage	503.96
				Hotel-PK-attend the CA Water Policy Conference	6191 · Conferences - General	206.26
				Hotel-PK-attend the ACWA 2017 Spring Conf.	6191 · Conferences - General	179.75
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	81.93
				Lunch for staff/legal counsel-pre-court hearing mtg.	6909.1 · OBMP Meetings	18.18
				Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	28.10
				PK meeting w/S. Burton, D. Poulsen	8312 · Meeting Expenses	87.29
				Registration-Truong for 4/19/17 Audioconference	6192 · Seminars - General	236.00
				Purchase copy paper	6031.1 · Copy Paper	206.81
				Total Disbursements:		4,326.79

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 13, 2017
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2016 through May 31, 2017 - Financial Report B3 (May 31, 2017)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2016 through May 31, 2017.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2016 through May 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2016/17 "Amended" Watermaster Budget.

Future Consideration

Appropriative Pool – July 13, 2017: Receive and File
Non-Agricultural Pool – July 13, 2017: Receive and File
Agricultural Pool – July 13, 2017: Receive and File
Advisory Committee – July 20, 2017: Receive and File
Watermaster Board – July 27, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 2017:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2016 through May 31, 2017 is provided to keep all members apprised of the FY 2016/17 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 17.0, 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, 2016 THROUGH MAY 31, 2017

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WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER REPLENISHMENT	LAIF VALUE ADJ.	GASB 68 BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2016-2017
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL					
Administrative Revenues:									
Administrative Assessments		10,059,406		255,682				10,315,088	10,339,656
Interest Revenue		45,673	2,491	543				48,708	19,890
Mutual Agency Project Revenue	159,631							159,631	158,923
Miscellaneous Income								-	0
Total Revenues	159,631	10,105,079	2,491	256,226	-	-	-	10,523,427	10,518,469
Administrative & Project Expenditures:									
Watermaster Administration	1,466,627							1,466,627	1,361,992
Watermaster Board-Advisory Committee	176,307							176,307	202,053
Ag Pool Misc. Expense - Ag Fund			546					546	400
Pool Administration		124,548	332,587	88,224				545,359	694,293
Optimum Basin Mgmt Administration	1,566,530							1,566,530	1,752,519
OBMP Project Costs	2,708,723							2,708,723	3,811,606
Debt Service	386,803							386,803	465,200
Basin Recharge Improvements	713,582							713,582	5,060,744
Total Administrative/OBMP Expenses	1,642,934	5,375,638	124,548	332,587	-	-	-	7,564,477	13,348,806
Net Administrative/OBMP Expenses	(1,483,303)	(5,375,638)							
Allocate Net Admin Expenses To Pools	<u>1,483,303</u>		1,116,190	324,866	42,247			-	
Allocate Net OBMP Expenses To Pools		4,275,253	3,217,141	936,345	121,768			-	
Allocate Debt Service to App Pool		386,803	386,803					-	
Allocate Basin Recharge to App Pool		<u>713,582</u>	713,582					-	
Agricultural Expense Transfer*		1,593,797	(1,593,797)					-	
Total Expenses		7,152,061	546	252,239	-	-	-	7,564,477	13,348,806
Net Administrative Income		2,953,018	1,945	3,986	-	-	-	2,958,950	(2,830,337)
Other Income/(Expense)									
Replenishment Water Assessments					858,227			858,227	0
Desalter Replenishment Obligation					116,635			116,635	0
Non-Ag Stored Water Purchases								-	0
Exhibit "G" Non-Ag Pool Water		570,000						570,000	0
Interest Revenue					7,759			7,759	0
MWD Water Purchases								-	0
Non-Ag Stored Water Purchases								-	0
Exhibit "G" Non-Ag Pool Water		(570,000)						(570,000)	0
MWD Water Purchases								-	0
Groundwater Replenishment					(2,479,480)			(2,479,480)	0
LAIF - Fair Market Value Adjustment								-	0
Other Post-Employment Benefits (OPEB)								-	0
Refund-Excess Reserves		(31,189)		(3,509)				(34,698)	0
Refund-Recharge Debt		(155,824)						(155,824)	0
SB 222 Funds Used		(153,744)		(4,507)				(158,251)	0
Funding To/(From) Reserves								-	(200,000)
Net Other Income/(Expense)		(340,757)	-	(8,016)	(1,496,860)	-	-	(1,845,633)	(200,000)
Net Transfers To/(From) Reserves	1,113,317	2,612,261	1,945	(4,030)	(1,496,860)	-	-	1,113,317	(2,630,337)
	(0)								
Net Assets, July 1, 2016		7,493,337	483,176	79,969	2,465,056	3,308	(740,195)	9,784,651	
Net Assets, End of Period		10,105,598	485,121	75,939	968,197	3,308	(740,195)	10,897,968	10,897,968
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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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 13, 2017

TO: Pool Committee Members

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

SUMMARY

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

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

Financial Impact: Funds disbursed were included in the FY 2016/17 "Amended" Watermaster Budget.

Future Consideration

Appropriative Pool – July 13, 2017: Receive and File

Non-Agricultural Pool – July 13, 2017: Receive and File

Agricultural Pool – July 13, 2017: Receive and File

Advisory Committee – July 20, 2017: Receive and File

Watermaster Board – July 27, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – July 13, 2017:

Non-Agricultural Pool – July 13, 2017:

Agricultural Pool – July 13, 2017:

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 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 17.0, 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
MAY 1, 2017 THROUGH MAY 31, 2017**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	432,304		
Zero Balance Account - Payroll	\$	-		432,304
Trust Account - County of San Bernardino				15,000
Local Agency Investment Fund - Sacramento				12,434,651
TOTAL CASH IN BANKS AND ON HAND		5/31/2017		\$ 12,882,455
TOTAL CASH IN BANKS AND ON HAND		4/30/2017		13,717,168
PERIOD INCREASE (DECREASE)				\$ (834,714)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$	(16,439)
Assessments Receivable				-
Prepaid Expenses, Deposits & Other Current Assets				(10,398)
(Decrease)/Increase in Liabilities: Accounts Payable				(283,268)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				36,405
Long Term Liabilities				1,594
Transfer to/(from) Reserves				(562,607)
PERIOD INCREASE (DECREASE)				\$ (834,714)

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SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Trust Account County of San Bernardino	Local Agency Investment Funds	Totals
Balances as of 4/30/2017	\$ 500	\$ 82,017	\$ -	\$ -	\$ 13,634,651	\$ 13,717,168
Deposits	-	1,200,000	-	15,000	-	1,215,000
Transfers	-	(88,859)	(67,381)	-	(1,200,000)	(1,356,240)
Withdrawals/Checks	-	(760,855)	67,381	-	-	(693,474)
Balances as of 5/31/2017	\$ 500	\$ 432,304	\$ -	\$ 15,000	\$ 12,434,651	\$ 12,882,455
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 350,286	\$ -	\$ 15,000	\$ (1,200,000)	\$ (834,714)

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

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
5/2/2017	Withdrawal		\$ (700,000)				
5/17/2017	Withdrawal		\$ (500,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (1,200,000)	\$0			

* The earnings rate for L.A.I.F. is a daily variable rate; 0.78% was the effective yield rate at the Quarter ended March 31, 2017.

**INVESTMENT STATUS
May 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	\$ 12,434,651			
TOTAL INVESTMENTS	\$ 12,434,651			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 13, 2017
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017 -
Financial Report B5 (May 31, 2017)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2016 through May 31, 2017.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017 as presented.

Financial Impact: Funds disbursed were included in the FY 2016/17 "Amended" Watermaster Budget.

Future Consideration

Appropriative Pool – July 13, 2017: Receive and File
Non-Agricultural Pool – July 13, 2017: Receive and File
Agricultural Pool – July 13, 2017: Receive and File
Advisory Committee – July 20, 2017: Receive and File
Watermaster Board – July 27, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 2017:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2016 through May 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 17.0, 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 – MAY 2017

Year-To-Date (YTD) for the eleven months ending May 31, 2017, all but one category was at or below the projected budget. The category over budget was the Watermaster Legal Services expenses (6070's) which was over budget by \$63,061 or 24.1% as a result of the Personnel Matters regarding the CalPERS Administrative Hearing for Mr. Alvarez and increased miscellaneous legal expenses.

Budget Transfer Form T-17-05-01 in the amount of \$94,500 was approved by the Watermaster Board on June 22, 2017. The general ledger account that was increased by an additional \$65,000 was the Agricultural Pool Legal Services expenses (account 8467), while the offsetting decrease in budget of \$65,000 was for the Agricultural Pool Special Project Fund (account 8471). The remaining increase budget adjustment of \$29,500 was in the area of Contract Services (6060's) with the decrease in budget of \$29,500 coming from numerous Administrative expense categories.

Budget Amendment Form A-17-05-01 in the amount of \$100,000 was approved by the Watermaster Board on June 22, 2017. The amount of \$100,000 increased the Agricultural Pool Legal Services budget from \$270,000 to \$370,000 as a result of the ongoing additional costs related to the Safe Yield Redetermination and Reset efforts, along with other Agricultural Pool related legal activities. The additional funding of \$100,000 came from the Administrative Reserve Fund, which after the deduction of \$100,000 had a balance remaining of \$18,878.

With the addition of the \$100,000 from Budget Amendment Form A-17-05-01, the Approved "Amended" Budget for FY 2016/17 was increased from \$13,248,806.45 to \$13,348,806.45 (which includes the additional "Carry Over" funding of \$2,630,337.45).

The Watermaster budget for FY 2016/17 is divided into 12-monthly amounts and allocated accordingly for almost all budget line items. As the fiscal year progresses, these categories might level out over time and be within the budget levels. If not, then Watermaster staff will recommend a Budget Transfer Form or Budget Amendment Form for approval prior to the June 30, 2017 financial closing.

Overall, the Watermaster (YTD) Actual Expenses were \$5,274,217 or 41.1% below the (YTD) Budgeted Expenses of \$12,838,694.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

April 2017:

A Budget Transfer Form T-17-05-01 in the amount of \$94,500 is being presented for approval during the June 2017 meetings. The Budget Transfer Form T-17-05-01 is a zero-based document, which means the reductions and additions within the general ledger accounts are equal. The general ledger account that was increased by an additional \$65,000 was the Agricultural Pool Legal Services expenses (account 8467), while the offsetting decrease in budget of \$65,000 was for the Agricultural Pool Special Project Fund (account 8471). The remaining increase budget adjustment of \$29,500 was in the area of Contract Services (6060's) with the decrease in budget of \$29,500 coming from numerous Administrative expense categories. Overall, the Approved "Amended" Budget for FY 2016/17 of \$13,248,806.45 (which includes

the additional "Carry Over" funding of \$2,630,337.45) was NOT increased. For more information on Budget Transfer Form T-17-05-01, please see Business Item II.A.

Budget Amendment Form A-17-05-01 in the amount of \$100,000 is being presented for approval during the June 2017 meetings. The amount of \$100,000 is proposed to increase the Agricultural Pool Legal Services budget from \$270,000 to \$370,000 as a result of the ongoing additional costs related to the Safe Yield Redetermination and Reset efforts, along with other Agricultural Pool related legal activities. The additional funding of \$100,000 would come from the Administrative Reserve Fund which currently has an available balance of \$118,878. The Administrative Reserve Fund for FY 2016/17 was originally established with the amount of \$193,878 and reduced by \$75,000 when Budget Amendment Form A-17-04-01 was approved by the Watermaster Board on May 25, 2017. At the close of the fiscal year-end on June 30, 2017, any unused portion/remaining funds of the Budget Amendment A-17-05-01 could be reallocated to other Administrative budget areas, used to help fund the FY 2017/18 Administrative Reserve Fund, or refunded as excess cash to the Appropriative and Non-Agricultural Pools in November 2017 when the Assessment Package is approved. For more information on Budget Amendment Form A-17-05-01, please see Business Item II.B.

March 2017:

A Budget Amendment Form (A-17-04-01) in the amount of \$100,000 is being presented for approval during the May 2017 meetings. The amount of \$100,000 is proposed to increase the Brownstein Hyatt Farber Schreck budget from \$871,426 to \$971,426 as a result of the unanticipated costs resulting from the Alvarez CalPERS Hearing and the ongoing additional costs related to the Safe Yield Redetermination and Reset efforts. Please be reminded that during the FY 2016/17 budget workshop discussions, the recommendation was to reduce the overall BHFS legal budget by \$109,689 to the current budgeted amount of \$871,426. Please see Budget Amendment Form (A-17-04-01) in the Business Item section of the packet for more information.

August 2016:

The Amended Budget for FY 2016/17 is \$13,123,806.45 which includes \$2,630,337.45 for the prior years "Carry Over" funding. The Original Approved budget for FY 2016/17 of \$10,493,469 was approved by the Watermaster Board on May 26, 2016 ($\$10,493,469 + \$2,630,337.45 = \$13,123,806.45$).

July 2016:

During the month of July 2016, the "Carry Over" funding was calculated. The Total "Carry Over" funding amount of \$2,630,337.45 has been posted to the general ledger accounts. The total amount of \$2,630,337.45 consisted of \$2,264,522.96 from Capital Improvement Projects, \$326,577 from Engineering Services, \$29,285.99 from Chino Hills ASR, and \$9,951.50 from the Administrative section for the ongoing completion of the 37th Annual Report for Fiscal Year 2013/14 and the 38th Annual Report for Fiscal Year 2014/15. More detailed information is provided regarding this issue under the "Carry Over" Funding section.

SALARIES EXPENSE

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) Watermaster salary expenses were \$61,541 or 4.0% below the (YTD) budgeted amount of \$1,538,804. The overall staffing budget was developed with a staffing level of ten Full-Time Equivalent (FTE's), and staffing is currently at nine Full-Time Equivalent (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 2016/17 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 May 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 '16 - May '17 Actual	Jul '16 - May '17 Budget	\$ Over Budget	% of Budget	FY 2016/17 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	864,335.63	840,626.00	23,709.63	102.82%	918,331.00
6011.1 · WM Staff Salaries - Overtime	14,149.78	0.00	14,149.78	100.0%	0.00
6011.4 · 457(f) NQDC Plan	22,387.43	19,067.00	3,320.43	117.42%	20,800.00
6015 · Miscellaneous Payments	60,188.76	0.00	60,188.76	100.0%	0.00
6017 · Temporary Services	0.00	19,250.00	-19,250.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	19,985.25	21,163.00	-1,177.75	94.44%	23,119.00
6301 · Watermaster Board - WM Staff Salaries	31,532.55	32,543.00	-1,010.45	96.9%	35,551.00
8301 · Appropriative Pool - WM Staff Salaries	43,082.36	29,260.00	13,822.36	147.24%	31,965.00
8401 · Agricultural Pool - WM Staff Salaries	19,269.40	25,746.00	-6,476.60	74.84%	28,126.00
8501 · Non-Agricultural Pool - WM Staff Salaries	15,334.22	16,662.00	-1,327.78	92.03%	18,202.00
6901 · OBMP - WM Staff Salaries	53,583.27	45,835.00	7,748.27	116.91%	50,114.00
7101.1 · Production Monitor - WM Staff Salaries	52,312.91	73,839.00	-21,526.09	70.85%	80,622.00
7102.1 · In-line Meter - WM Staff Salaries	764.23	8,595.00	-7,830.77	8.89%	9,389.00
7103.1 · Grdwater Quality - WM Staff Salaries	30,440.13	80,167.00	-49,726.87	37.97%	87,527.00
7104.1 · Grdwater Level - WM Staff Salaries	53,183.41	33,868.00	19,315.41	157.03%	36,999.00
7108.1 · Hydraulic Control - WM Staff Salaries	411.68	2,888.00	-2,476.32	14.26%	3,155.00
7108.11 · Prado Basin - WM Staff Salaries	3,645.50	5,434.00	-1,788.50	67.09%	5,936.00
7201 · Comp Recharge - WM Staff Salaries	61,128.50	53,534.00	7,594.50	114.19%	58,533.00
7301 · PE3&5 - WM Staff Salaries	407.89	14,181.00	-13,773.11	2.88%	15,492.00
7401 · PE4 - WM Staff Salaries	0.00	8,627.00	-8,627.00	0.0%	9,425.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	4,553.00	-4,553.00	0.0%	4,974.00
7501 · PE6&7 - WM Staff Salaries	982.50	4,117.00	-3,134.50	23.86%	4,498.00
7601 · PE8&9 - WM Staff Salaries	7,761.87	42,190.00	-34,428.13	18.4%	46,090.00
Subtotal WM Staff Costs	1,354,887.27	1,382,145.00	-27,257.73	98.03%	1,509,848.00
60185 · Vacation	51,940.57	63,352.00	-11,411.43	81.99%	69,111.00
60186 · Sick Leave	20,801.52	44,625.00	-23,823.48	46.61%	48,682.00
60187 · Holidays	49,633.70	48,682.00	951.70	101.96%	48,682.00
Subtotal WM Paid Leaves	122,375.79	156,659.00	-34,283.21	78.12%	166,475.00
Total WM Salary Costs	1,477,263.06	1,538,804.00	-61,540.94	96.0%	1,676,323.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

November 2016:

The Sr. Environmental Engineer started his career with Watermaster on Tuesday, November 8, 2016. For more background information on the current Watermaster staff, please see the profile material provided on the Watermaster website: http://www.cbwm.org/org_staff.htm

September 2016:

The ongoing search for the new Water Resources Professional continued with the understanding that Watermaster is a small organization, and very important to ensure that the new team member not only have the right skills and abilities to succeed, but also critical to ensure the employee has the right

personality, cultural fit, and understands the unique challenges of working within a small organization. Watermaster conducted three interviews for the Water Resources Professional during October 11, 2016 and October 20, 2016. The General Manager has issued an offer letter and the offer letter has been accepted by one of the candidates. The offer is contingent upon clearing a criminal and civil background investigation, educational verification, verification of employment eligibility in the United States, as well as successfully passing a pre-employment physical examination and drug screening. These verifications are currently ongoing and expected to be completed by October 31, 2016. The new employee is scheduled to start with Watermaster on Tuesday, November 8, 2016.

With the new hire, the staffing level will increase from eight to nine FTE's. As mentioned above, the Watermaster FY 2016/17 staffing budget was developed and approved with ten FTE's.

August 2016:

Watermaster is currently in the process of filling one vacant position. Watermaster started the recruitment process for the Water Resources Professional position on March 16, 2016. After several candidates completed the interview process during the month of May, it was determined that a new recruitment process should begin. An updated recruitment advertisement was submitted to Brown & Caldwell and Water District Jobs on June 27, 2016. A group of new candidates were selected and scheduled for interviews between August 22, 2016 and September 1, 2016. Because Watermaster is a small organization, it is very important to ensure that the new team member not only has the right skills and abilities to succeed, it is also critical to ensure the employee has the right personality, cultural fit, and understands the challenges of working within a small organization. While some of the candidates had the experience and qualifications for the job description, the culture and personality fit was not a good match for Watermaster. As a result, the recruitment advertisement was resubmitted to Brown & Caldwell and Water District Jobs on September 19, 2016. Watermaster is reviewing all resumes as they are received for consideration. It is anticipated that the recruitment process could take an additional 45-60 days to complete the selection process, background verification, and hire the Water Resources professional.

July 2016:

Watermaster is currently in the process of filling one vacant position. Watermaster started the recruitment process for the Water Resources Professional position on March 16, 2016. After several candidates completed the interview process during the month of May, it was determined that a new recruitment process should begin. An updated recruitment advertisement was submitted to Brown & Caldwell and Water District Jobs on June 27, 2016. A group of new candidates have been selected and scheduled for interviews between August 22, 2016 and September 1, 2016. It is anticipated that the recruitment process could take an additional 30-45 days to complete the selection process, background verification, and hire the Water Resources professional.

LEGAL SERVICES

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – MAY 2017

As of May 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 \$55,120 or 6.1% above the (YTD) budgeted amount of \$901,288.

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 2016/17. 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 \$871,426. The "Amended" budget was adjusted to \$971,426 when the Watermaster Board adopted the Budget Amendment Form A-17-04-01 in the amount of \$100,000 on May 25, 2017.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of May 31, 2017, was \$63,161 or 24.1% above the budgeted amount of \$261,903. 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 \$26,791 or 71.4%; Rules and Regulations (6072) under budget by \$16,518 or 59.8%; Personnel Matters (6073) under budget by \$1,085 or 1.0%; Interagency Issues (6074) under budget by \$28,050 or 100.0%; and Party Status Maintenance (6077) under budget by \$26,308 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 \$161,914 or 499.77%.

Personnel Matters: As reported during the previous monthly meetings, Watermaster's legal counsel filed an appeal with CalPERS regarding CalPERS original determination (from February 2013) which rejected the base salary of the former CEO, Desi Alvarez, with regards to his retirement pension benefit. There have been several filings of appeal and we are awaiting CalPERS determination. On December 9, 2013 CalPERS notified the attorneys of record that the CalPERS Legal Office received the case on November 22, 2013 and we would be notified when the case has been assigned to an attorney who will represent CalPERS regarding the appeal. On February 27, 2014 the case was assigned to Wesley E. Kennedy, Senior Staff Attorney for CalPERS. On July 17, 2014 a document request from CalPERS was received by Watermaster related to the pending case. On August 22, 2014 the specific documents were provided to CalPERS. On September 9, 2014 Watermaster received the Notice of Hearing from CalPERS and the hearing has been scheduled for March 11-13, 2015 at the Glendale CalPERS Regional office. On October 1, 2014 Watermaster received from CalPERS a discovery request for Case No. 2013-1113. On December 31, 2014 Brownstein Hyatt Farber Schreck provided the information to Mr. Kennedy of CalPERS as requested on October 1, 2014. On January 16, 2015 a Prehearing conference along with a Settlement conference was conducted in Los Angeles. On March 2, 2015 a Motion to Continue was granted and the new Administrative Hearing (OAH Case No. 2014080757) was scheduled for November 16-18, 2015 at the Glendale CalPERS Regional Office. On September 28, 2015 the attorney for Mr. Alvarez (Mr. Jensen), at the suggestion of Mr. Kennedy, requested a short continuance of the OAH hearing because CalPERS has scheduled a full Board hearing on the claims of one of Mr. Jensen's clients for January 14, 2016 which is right in the middle of the three-day hearing scheduled for Mr. Alvarez's case. On October 9, 2015, an Order Granting Continuance; Notice of New Hearing Dates was provided by the State of California, Department of General Services, Office of Administrative Hearings. The administrative hearing was rescheduled for January 4-6, 2016 at the Glendale CalPERS Regional Office. On October 14, 2015 a Notice of Case Reassignment was received from the CalPERS providing notice that OAH Case No. 2014080757 has been reassigned from attorney Wesley Kennedy to Preet Kaur, Staff Attorney. On November 20, 2015, a Request for Continuance was issued from CalPERS to reschedule the hearing to either the period of April 4 through April 6, 2016 or April 11 through April 15, 2016. On December 11, 2015, an Order Granting Continuance; Notice of New Hearing Dates was issued from the State of California, Department of General Services, Office of Administrative Hearings to reschedule the hearing to April 11-13, 2016. The Administrative Hearing was held on April 11-13, 2016 at the Glendale CalPERS Regional Office. A ruling was scheduled for issuance by the Administrative Judge in July 2016. On June 9, 2016 a request by the CalPERS attorney to extend the deadlines for filing the opening and response briefs was submitted to the Administrative Law Judge. On June 13, 2016 the request was granted and the order now states the opening briefs shall be filed and served no later than July 11, 2016. The response briefs were filed and served no later than August 8, 2016. On September 7, 2016 the Administrative Law Judge issued his proposed decision. The proposed decision by Judge Sawyer was as follows:

1. Concluded that Mr. Alvarez's Watermaster salary did not meet the requirements of a "publicly available pay schedule"
2. Concluded that Mr. Alvarez was employed and should receive service credit for his full year at Watermaster

On November 16, 2016, the CalPERS Board of Administration decided not to adopt the Administrative Law Judge's proposed decision in the Alvarez matter and instead set the matter for a Board hearing. This was pursuant to the recommendation of Board counsel, and there was no discussion as to the

rationale nor any comments from Board members. For context, however, this was the only proposed ALJ decision out of the 30 on the Board's agenda that was set for hearing rather than adopted as proposed.

The Board considered 1) whether Mr. Alvarez's salary was pursuant to a "publicly available pay schedule," 2) whether a portion of Mr. Alvarez's salary constituted severance pay, and 3) whether that severance pay was "PERSible."

The hearing was scheduled for the Board of Administration's regular meeting on December 21, 2016 at 9:00 a.m. Pursuant to CalPERS rules, the respondents were collectively allowed a 10-minute oral argument and 5-minute rebuttal, and Watermaster and Alvarez would need to share this time. Counsel had an opportunity to submit a brief written argument along the lines of what was previously submitted for the last Board of Administration meeting. This document was due Friday, December 9, 2016.

During the Board of Administration meeting on December 21, 2016 the CalPERS Board ruled 1) Mr. Alvarez's salary was not pursuant to a "publicly available pay schedule," 2) a portion of Mr. Alvarez's salary did constitute severance pay, and 3) that severance pay was not "PERSible."

Mr. Alvarez had until February 16, 2017 to decide whether or not to file a writ petition appealing the CALPERS' decision. No writ was filed.

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 May 31, 2017 was \$26,158 or 15.0% below the budgeted amount of \$174,863. 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 December 2016, 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 above the budget for the month. As of May 31, 2017 the category of OBMP legal expenses were \$18,116 or 3.9% above the budgeted amount of \$464,522. The majority of expenses within this OBMP category were under budget (YTD), however, the Santa Ana River Habitat legal expenses (6907.36) were over budget by \$21,639 or 100.0%; the Storage Agreement legal expenses (6907.40) were over budget by \$4,674 or 4.7%; the Prado Basin Habitat Sustainability legal expenses (6907.41) were over budget by \$5,142 or 39.1%; and the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$152,933 or 174.1%.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of May 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:

	<u>Jul '16 - May '17</u> <u>Actual</u>	<u>Jul '16 - May '17</u> <u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>FY 2016/17</u> <u>Annual Budget</u>
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	10,746.79	37,538.00	-26,791.21	28.63%	40,950.00
6072 · BHFS Legal - Rules & Regulations	11,085.06	27,603.00	-16,517.94	40.16%	30,113.00
6073 · BHFS Legal - Personnel Matters	108,914.96	110,000.00	-1,085.04	99.01%	110,000.00
6074 · BHFS Legal - Interagency Issues	0.00	28,050.00	-28,050.00	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	26,308.00	-26,308.00	0.0%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	194,317.58	32,404.00	161,913.58	599.67%	35,350.00
Total 6070 · Watermaster Legal Services	325,064.39	261,903.00	63,161.39	124.12%	275,713.00
6275 · BHFS Legal - Advisory Committee	13,844.29	17,000.00	-3,155.71	81.44%	18,700.00
6375 · BHFS Legal - Board Meeting	58,925.56	70,200.00	-11,274.44	83.94%	77,220.00
6375.1 · BHFS Legal - Board Workshop(s)	23,108.76	11,163.00	11,945.76	207.01%	11,163.00
8375 · BHFS Legal - Appropriative Pool	18,021.37	25,500.00	-7,478.63	70.67%	28,050.00
8475 · BHFS Legal - Agricultural Pool	18,208.54	25,500.00	-7,291.46	71.41%	28,050.00
8575 · BHFS Legal - Non-Ag Pool	16,596.65	25,500.00	-8,903.35	65.09%	28,050.00
Total BHFS Legal Services	148,705.17	174,863.00	-26,157.83	85.04%	191,233.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	996.30	22,458.00	-21,461.70	4.44%	24,500.00
6907.32 · Chino Airport Plume	498.15	22,458.00	-21,959.85	2.22%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	26,308.00	-26,308.00	0.0%	28,700.00
6907.34 · Santa Ana River Water Rights	10,284.60	23,192.00	-12,907.40	44.35%	25,300.00
6907.36 · Santa Ana River Habitat	21,639.10	0.00	21,639.10	100.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	1,415.25	13,154.00	-11,738.75	10.76%	14,350.00
6907.39 · Recharge Master Plan	30,180.15	51,700.00	-21,519.85	58.38%	56,400.00
6907.40 · Storage Agreements	103,839.38	99,165.00	4,674.38	104.71%	108,180.00
6907.41 · Prado Basin Habitat Sustainability	18,296.45	13,154.00	5,142.45	139.09%	14,350.00
6907.42 · Safe Yield Recalculation	240,815.84	87,883.00	152,932.84	274.02%	93,600.00
6907.44 · SGMA Compliance	54,673.05	78,008.00	-23,334.95	70.09%	85,100.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	27,042.00	-27,042.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
Total Brownstein, Hyatt, Farber, Schreck Costs	956,407.83	901,288.00	55,119.83	106.12%	971,426.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, replenishment obligations, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents; (7) Review transfer documents; (8) Ground-Level Monitoring Committee reports/meetings; (9) Review process and criteria for SGMA reporting; (10) Review current California issued drought regulations; (11) Review and comment on Waters of the United States rule making; (12) Review and draft documents for basin boundary regulations; (13) September 13, 2016 Workshop on Watermaster committees and Board roles; (14) Chino Basin water bank discussions; (15) MVWD SCADA Agreement; (16) Angelica Corporation Bankruptcy matter; (17) Agricultural Pool Contest; and (18) Miscellaneous legal research on current and pending issues.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

April 2017:

A Budget Amendment Form A-17-04-01 in the amount of \$100,000 was approved by the Watermaster Board on May 25, 2017. The amount of \$100,000 was to increase the Brownstein Hyatt Farber Schreck budget from \$871,426 to \$971,426 as a result of the unanticipated costs resulting from the Alvarez CalPERS Hearing and the ongoing additional costs related to the Safe Yield Redetermination and Reset efforts. Please be reminded that during the FY 2016/17 budget workshop discussions, the recommendation was to reduce the overall BHFS legal budget by \$109,689 to the former budgeted amount of \$871,426.

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – MAY 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 eleven months ending May 31, 2017, the actual expenses of \$1,533,190 were below the budgeted amount of \$1,542,403 by \$9,213 or 0.6%. For a detailed discussion, the following is provided.

For May 31, 2017, the accounts 6901-6903 (Optimum Basin Mgmt Program) section was above the Year-To-Date (YTD) budget by \$12,663 or 21.3%. Watermaster utilizes an in-house database time and attendance system to record and document staff's actual hours worked and also allocates those hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent more time on specific OBMP related areas and less time on other related tasks. As a result, Watermaster staff allocated more actual time to the OBMP project as budgeted, which resulted in an over budget variance of \$7,748 or 16.9%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2016/17 Basin Monitoring Program Task Force Contribution which was budgeted at \$13,500 but actual expenses were billed at \$18,415 which was above the budget by \$4,915 or 36.4% as of May 31, 2017.

For May 31, 2017, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$33,405 or 3.3%. For FY 2016/17, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized and for the month of May, 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 \$122,694 or 75.9%; State of the Basin Report expenses (6906.21) were over budget by \$15,302 or 16.7%; the OBMP-Pool, Advisory, Board Meeting Engineering Services expenses (6906.31) which were over budget by \$10,795 or 12.3%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$53,541 or 162.0%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$82,752 or 99.0%; the OBMP-Data Requests-Non Watermaster Staff expenses (6906.72) which were over budget by \$13,999 or 48.7%; the Preparation of the 38th/39th Annual Reports which were over budget by \$15,578 or 28.5%; and the OBMP Engineering Services-Other expenses (6906) which were over budget by \$3,029 or 11.6%.

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 \$184,388 while some other line item activities were below the budget by \$166,272. Above the budget line items were the Santa Ana River Habitat expenses of \$21,639; the Storage Agreement expenses of \$4,674; Prado Basin Habitat Sustainability expenses of \$5,142; and the Safe Yield Redetermination and Reset expenses of \$152,933. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$21,462; the Chino Airport Plume of \$21,960; the Desalter/Hydraulic Control of \$26,308; the Santa Ana River Water Rights expenses of \$12,907; the Regional Water Quality Control Board of \$11,739; the Recharge Master Plan of \$21,520; the SGMA Compliance of \$23,335; and the WM Unanticipated legal expenses of \$27,042. For the eleven months ended May 31, 2017, the overall cumulative (YTD) budget was \$464,522 and the actual (BHFS) legal expenses totaled \$482,638 which resulted in an over budget variance of \$18,116 or 3.9%.

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 May 31, 2017 this category of expenses was \$6,587 or 52.5% below the budgeted amount of \$12,542.

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

Sevaine 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 May 31, 2017 this category of expenses was fully invoiced in the amount of \$208,391 to IEUA.

Overall, the Optimum Basin Management Program (OBMP) category was \$1,533,190 compared to a (YTD) budget of \$1,542,403 for an over budget of \$9,213 or 0.6% as of May 31, 2017.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of May 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 '16 - May '17 Actual	Jul '16 - May '17 Budget	\$ Over Budget	% of Budget	FY 2016/17 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	53,583.27	45,835.00	7,748.27	116.91%	50,114.00
6903 · OBMP SAWPA Group	18,415.00	13,500.00	4,915.00	136.41%	13,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	71,998.27	59,335.00	12,663.27	121.34%	63,614.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	284,449.00	161,755.00	122,694.00	175.85%	176,460.00
6906.21 · State of the Basin Report	106,968.94	91,667.00	15,301.94	116.69%	100,000.00
6906.22 · Water Rights Compliance Reporting	10,599.60	23,199.00	-12,599.40	45.69%	25,308.00
6906.23 · SGMA Reporting Requirements	24,073.69	25,703.00	-1,629.31	93.66%	28,040.00
6906.24 · Compliance - SB88 and SWRCB	37,783.86	68,750.00	-30,966.14	54.96%	75,000.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	195,928.00	-195,928.00	0.0%	213,740.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	98,899.01	88,104.00	10,795.01	112.25%	96,114.00
6906.32 · OBMP - Other General Meetings	86,582.10	33,041.00	53,541.10	262.04%	36,045.00
6906.71 · OBMP - Data Requests - CBWM Staff	166,312.06	83,560.00	82,752.06	199.03%	91,156.00
6906.72 · OBMP - Data Requests - Non CBWM	42,735.45	28,736.00	13,999.45	148.72%	31,348.00
6906.73 · OBMP - Safe Yield Recalculation	0.00	0.00	0.00	0.0%	0.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	14,694.05	64,167.00	-49,472.95	22.9%	70,000.00
6906.75 · OBMP - Recharge Master Plan	0.00	0.00	0.00	0.0%	0.00
6906.81 · Prepare 38th/39th Annual Reports	70,292.18	54,714.00	15,578.18	128.47%	59,688.00
6906.82 · Support for Assessment Package	0.00	60,500.00	-60,500.00	0.0%	66,000.00
6906 · OBMP Engineering Services - Other	29,208.60	26,180.00	3,028.60	111.57%	28,560.00
Total 6906 · OBMP Engineering Services	972,598.54	1,006,004.00	-33,405.46	96.68%	1,097,459.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	996.30	22,458.00	-21,461.70	4.44%	24,500.00
6907.32 · Chino Airport Plume	498.15	22,458.00	-21,959.85	2.22%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	26,308.00	-26,308.00	0.0%	28,700.00
6907.34 · Santa Ana River Water Rights	10,284.60	23,192.00	-12,907.40	44.35%	25,300.00
6907.36 · Santa Ana River Habitat	21,639.10	0.00	21,639.10	100.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	1,415.25	13,154.00	-11,738.75	10.76%	14,350.00
6907.39 · Recharge Master Plan	30,180.15	51,700.00	-21,519.85	58.38%	56,400.00
6907.40 · Storage Agreements	103,839.38	99,165.00	4,674.38	104.71%	108,180.00
6907.41 · Prado Basin Habitat Sustainability	18,296.45	13,154.00	5,142.45	139.09%	14,350.00
6907.42 · Safe Yield Recalculation	240,815.84	87,883.00	152,932.84	274.02%	93,600.00
6907.44 · SGMA Compliance	54,673.05	78,008.00	-23,334.95	70.09%	85,100.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	27,042.00	-27,042.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
Total 6907 · OBMP Legal Fees	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	2,188.36	1,375.00	813.36	159.15%	1,500.00
6909.3 · Other OBMP Expenses	1,697.00	2,000.00	-303.00	84.85%	2,000.00
6909.6 · OBMP Expenses - Miscellaneous	2,070.00	9,167.00	-7,097.00	22.58%	10,000.00
Total 6909 · OBMP Other Expenses	5,955.36	12,542.00	-6,586.64	47.48%	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	5,002.23	0.00	5,002.23	100.0%	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	792.00	0.00	792.00	100.0%	0.00
6910.14 · Truing-Up 2013 RMPU Estimates	85,058.70	0.00	85,058.70	100.0%	0.00
6910.15 · WEI Support-HCP Modeling	17,999.14	0.00	17,999.14	100.0%	0.00
6910.20 · RMPU-MPI Analysis	99,539.03	0.00	99,539.03	100.0%	0.00
6910.50 · WEI Support for IEUA-Billings	-208,391.10	0.00	-208,391.10	100.0%	0.00
Total 6910 · WEI Support for IEUA	0.00	0.00	0.00	0.0%	0.00
Total 6900 · Optimum Basin Mgmt Plan	1,533,190.44	1,542,403.00	-9,212.56	99.4%	1,679,053.00

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

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) Engineering Services expenses were \$499,144 or 17.6% below the (YTD) budget amount of \$2,828,125. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of May 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 last ECAC report as of March 31, 2017 showed a possible under budget variance of approximately \$146,630 at fiscal year-end as of June 30, 2017.

The fourth ECAC report is scheduled to be issued in mid-August 2017 for the period July 2016 through June 2017.

Watermaster does not plan to present any Budget Transfers or Budget Amendments at this time.

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 May 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 '16 - May '17	Jul '16 - May '17	\$ Over Budget	% of Budget	FY 2016/17
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	29,208.60	26,180.00	3,028.60	111.57%	28,560.00
6906.1 · OBMP - Watermaster Model Update	284,449.00	161,755.00	122,694.00	175.85%	176,460.00
6906.21 · State of the Basin Report	106,968.94	91,667.00	15,301.94	116.69%	100,000.00
6906.22 · Water Rights Compliance Reporting	10,599.60	23,199.00	-12,599.40	45.69%	25,308.00
6906.23 · SGMA Reporting Requirements	24,073.69	25,703.00	-1,629.31	93.66%	28,040.00
6906.24 · Compliance - SB88 and SWRCB	37,783.86	68,750.00	-30,966.14	54.96%	75,000.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	195,928.00	-195,928.00	0.0%	213,740.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	98,899.01	88,104.00	10,795.01	112.25%	96,114.00
6906.32 · OBMP - Other General Meetings	86,582.10	33,041.00	53,541.10	262.04%	36,045.00
6906.71 · OBMP - Data Requests - CBWM Staff	166,312.06	83,560.00	82,752.06	199.03%	91,156.00
6906.72 · OBMP - Data Requests - Non CBWM	42,735.45	28,736.00	13,999.45	148.72%	31,348.00
6906.74 · OBMP - Mat'l Physical Injury Requests	14,694.05	64,167.00	-49,472.95	22.9%	70,000.00
6906.81 · Prepare 38th/39th Annual Reports	70,292.18	54,714.00	15,578.18	128.47%	59,688.00
6906.82 · Support for Assessment Package	0.00	60,500.00	-60,500.00	0.0%	66,000.00
7103.3 · Grdwtr Qual-Engineering	96,482.47	118,759.00	-22,276.53	81.24%	129,555.00
7103.5 · Grdwtr Qual-Lab Svcs	45,620.06	39,205.00	6,415.06	116.36%	39,205.00
7104.3 · Grdwtr Level-Engineering	129,428.61	176,611.00	-47,182.39	73.29%	192,667.00
7104.8 · Grdwtr Level-Contracted Services	0.00	9,167.00	-9,167.00	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	5,448.71	6,417.00	-968.29	84.91%	7,000.00
7107.2 · Grd Level-Engineering	38,240.01	48,162.00	-9,921.99	79.4%	52,540.00
7107.3 · Grd Level-SAR Imagery	85,000.00	63,750.00	21,250.00	133.33%	85,000.00
7107.6 · Grd Level-Contract Svcs	35,292.75	91,847.00	-56,554.25	38.43%	100,197.00
7107.8 · Grd Level-Capital Equipment	0.00	3,208.00	-3,208.00	0.0%	3,500.00
7108.3 · Hydraulic Control-Engineering	36,823.98	52,807.00	-15,983.02	69.73%	57,607.00
7108.31 · Hydraulic Control-PBHSP	412,473.51	265,864.00	146,609.51	155.15%	288,936.00
7108.32 · Hydraulic Control-Adaptive Mgmt Plan	0.00	50,000.00	-50,000.00	0.0%	50,000.00
7108.4 · Hydraulic Control-Lab Svcs	8,528.00	22,991.00	-14,463.00	37.09%	25,081.00
7108.41 · Hydraulic Control-PBHSP	31,620.00	45,115.00	-13,495.00	70.09%	49,216.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	59,583.00	-59,583.00	0.0%	65,000.00
7109.3 · Recharge & Well - Engineering	9,477.80	21,375.00	-11,897.20	0.0%	23,318.00
7202.2 · Comp Recharge-Engineering Services	79,775.23	147,598.00	-67,822.77	54.05%	161,016.00
7303 · PE3&5-Engineering - Other	0.00	8,690.00	-8,690.00	0.0%	9,480.00
7402 · PE4-Engineering	113,236.38	81,444.00	31,792.38	139.04%	88,212.00
7402.10 · PE4-MZ1 Pomona Project	205,063.89	353,387.00	-148,323.11	58.03%	362,104.00
7403 · PE4-Contract Svcs	0.00	55,000.00	-55,000.00	0.0%	60,000.00
7502 · PE6&7-Engineering	12,805.90	39,820.00	-27,014.10	32.16%	43,440.00
7602 · PE8&9-Engineering	11,064.69	61,321.00	-50,256.31	18.04%	66,896.00
Total Engineering Services Costs	2,328,980.53	2,828,125.00	-499,144.47	82.35%	3,067,429.00 *

* Wildermuth and Subcontractor Engineering Budget of \$2,740,852 plus Carryover Funds from FY 2015/16 of \$326,577 = \$3,067,429
Carryover Funds from FY 2015/16 of \$326,577 = \$12,072 (7108.31); \$50,000 (7108.32); \$7,000 (7402); and \$257,505 (7402.10)

PREVIOUSLY REPORTED ACTIONS (Descending Order)

March 2017:

The third ECAC report for the current fiscal year has been provided for the period ending March 31, 2017 and shows a projected under budget at fiscal year-end June 30, 2017 of \$366,630. Be advised that approximately \$220,000 of the under budget amount of \$366,630 will be reduced once IEUA completes the final invoicing for Watermaster's portion of the PBHSP. The majority of the budget underage is projected in the categories of expenses in OBMP Engineering (6906's); Hydraulic Control-Engineering Services-PBHSP (7108.31); Comprehensive Recharge-Engineering Services (7202.2); and OBMP-Engineering Services-Storage (7602). There are also some activities that are projected to be over budget at fiscal year-end. To see the complete July 1, 2016 through March 31, 2017 ECAC report, click on the following link:

<http://www.cbwm.org/FTP/ECAC%20Reports/2016-17%203rd%20Quarter%20Review%20and%20ECAC-010117%20to%20033117.pdf>

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of March 31, 2017

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Billed Oct-16	Billed Nov-16	Billed Dec-16	Billed Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 76,132	\$ 80,675	\$ 56,609	\$ 65,834	\$ 34,589	\$ 32,474	\$ 54,808
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	26,993	27,727	31,932	60,907
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	8,185	7,918	6,503
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	2,980	2,022	-	-	-	-	-
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	644	149	-	-	-	-	-
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	48,210	17,017	15,520	4,312	-	-
6910.15	IEUA - WLAM Update - 2013 RMPU Facilities	-	-	-	-	-	-	-	-	-
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	2,192	34,432	24,156	21,250	17,509	-
7103.3	GW Quality - Engineering Services	129,555	129,555	16,738	14,493	14,423	3,217	5,558	8,416	6,831
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,346	10,623	6,968	846	3,380	5,697	-
7104.3	GW Level - Engineering Services	192,667	192,667	8,788	23,979	10,748	7,503	16,170	8,484	12,922
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,767	455	122	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,880	1,440	4,289	2,525	3,334	4,988
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	68,245	68,245	-	-	-	-	-	-	10,868
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	229	-	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	-	-	2,223
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - PBHSP	276,884	288,936	-	30,350	20,175	25,000	5,153	6,351	38,263
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,991	6,966	4,429	5,833	19,081	10,690
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	11,304	-	-	11,304	-
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	-	-	128
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,080	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,889	7,199	3,298	10,324	6,356	760	10,490
7303	OBMP - Engineering Services - Desalters	9,480	9,480	-	-	-	-	-	-	-
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,782	1,739	510	2,021	6,199
7402.1	OBMP - Engineering Services - Northwest MZ1	104,599	362,104	11,553	27,005	24,485	53,179	23,497	11,433	13,437
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,298	1,170	601	469
7602	OBMP - Engineering Services - Storage	66,896	66,896	-	1,579	5,374	1,518	-	-	263
7625	IEUA - Storage Program - Addendum to OBMP P	-	-	-	-	-	-	-	-	1,937
Totals		\$ 2,740,852	\$ 3,067,429	\$ 159,413	\$ 320,927	\$ 289,387	\$ 267,604	\$ 168,979	\$ 167,436	\$ 260,048

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2016-17CBWM_Invoice_Summary_ISBM_20170410-Projection Summary



Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of March 31, 2017

Acct #	Description	Billed Feb-17	Billed Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 41,588	\$ 52,499	\$ 42,167	\$ 33,571	\$ 20,071	\$ 599,017	\$ 599,017	\$ 221,982	60%	73%
6906.1	OBMP - Watermaster Model Applications	52,349	47,477	-	-	-	284,449	284,449	(107,989)	181%	161%
6906.21	State of the Basin Report	880	387	25,200	50,000	50,000	149,073	149,073	(49,073)	24%	149%
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	-	-	-	5,002	2,501	(2,501)	n/a	n/a
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	-	-	-	792	396	(396)	n/a	n/a
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	-	-	85,059	42,530	(42,530)	n/a	n/a
6910.15	IEUA - WLAM Update - 2013 RMPU Facilities	-	-	-	18,500	-	18,500	9,250	(9,250)	n/a	n/a
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	-	-	89,539	49,770	(49,770)	n/a	n/a
7103.3	GW Quality - Engineering Services	7,019	9,635	6,700	6,450	14,600	114,079	114,079	15,476	67%	88%
7103.5	GW Quality - Laboratory Services	-	-	900	-	-	29,762	29,762	9,443	74%	76%
7104.3	GW Level - Engineering Services	10,487	8,961	15,885	17,485	18,165	159,399	159,399	33,268	56%	63%
7104.8	GW Level - Contract Services	-	-	-	-	-	-	-	10,000	0%	0%
7104.9	GW Level - Capital Services	527	-	-	6,000	-	10,576	10,576	(3,576)	65%	151%
7107.2	Ground Level - Engineering Services	5,856	4,951	6,096	5,671	24,044	69,765	69,765	14,727	40%	83%
7107.3	Ground Level - SAR Imagery	-	56,000	-	-	-	85,000	85,000	-	100%	100%
7107.6	Ground Level - Contract Services	-	24,425	17,500	12,500	23,596	88,889	88,889	(20,644)	52%	130%
7107.8	Ground Level - Capital Equipment	-	-	200	200	200	829	829	2,671	7%	24%
7108.3	HCMP - Engineering Services	1,805	12,085	6,555	850	-	37,843	37,843	19,964	52%	65%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	21,936	3,145	79%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	48,027	68,132	44,255	22,800	14,650	323,158	157,161	131,775	84%	54%
7108.32	HCMP - Adaptive Management Plan	262	-	-	-	-	54,262	54,262	(4,262)	108%	108%
7108.41	HCMP - Lab. Serv. - PBHSP	-	11,524	-	-	11,524	45,656	45,656	3,560	69%	93%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	4,296	-	-	-	-	44,424	44,424	20,577	68%	68%
7109.3	Recharge & Well Monitoring - Engineering Serv.	1,721	-	3,000	3,000	3,000	14,973	14,973	8,345	26%	64%
7202.2	Comp Recharge - Engineering Services	11,379	5,810	6,000	8,500	6,000	94,004	94,004	67,012	45%	56%
7303	OBMP - Engineering Services - Desalters	-	-	790	790	790	2,370	2,370	7,110	0%	25%
7402	OBMP - Engineering Services - MZ1	10,571	18,605	16,875	17,058	16,772	136,564	136,564	(18,352)	73%	116%
7402.1	OBMP - Engineering Services - Northwest MZ1	11,819	12,395	23,400	24,400	111,271	347,862	347,862	14,242	52%	96%
7403	OBMP - Contract Services - MZ1	-	-	-	-	-	500	500	29,500	2%	2%
7502	OBMP - Engineering Services - WQC	-	1,788	2,500	4,000	6,000	23,504	23,504	19,936	25%	54%
7602	OBMP - Engineering Services - Storage	-	2,340	2,340	-	-	13,405	13,405	53,491	17%	20%
7625	IEUA - Storage Program - Addendum to OBMP P	19,805	759	-	-	-	22,501	11,250	(11,250)	n/a	n/a
Totals		\$ 228,411	\$ 337,714	\$ 222,197	\$ 231,775	\$ 326,703	\$ 2,962,493	\$ 2,700,799	\$ 366,630	72%	97%

Note: Billed includes MAH Laboratory invoices paid directly by Watermaster.

5/4/2017--11:31 AM
2016-17CBWM_Invoice_Summary_ISBM_20170410-Projection Summary



The fourth ECAC report is scheduled to be issued in mid-August 2017 for the period July 2016 through June 2017.

December 2016:

The second ECAC report for the current fiscal year has been provided for the period ending December 31, 2016 and shows a projected under budget at fiscal year-end June 30, 2017 of \$180,130. The majority of the budget underage is projected in OBMP Engineering (6906's) and OBMP-Engineering Services-MZ1 (7402). There are also some activities that are projected to be over budget at fiscal year-end. To see the complete July 1, 2016 through December 31, 2016 ECAC report, click on the following link:

<http://www.cbwm.org/FTP/ECAC%20Reports/2016-17%202nd%20Quarter%20Review%20and%20ECAC-070116%20to%20123116.pdf>

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of December 31, 2016

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Billed Oct-16	Billed Nov-16	Billed Dec-16	Projected Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 76,132	\$ 80,675	\$ 86,609	\$ 85,834	\$ 34,589	\$ 32,474	\$ 60,371
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	26,993	27,727	31,932	30,000
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	8,165	7,918	9,000
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	2,980	2,022	-	-	-	-	500
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	644	149	-	-	-	-	-
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	48,210	17,017	15,520	4,312	-	-
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	2,192	34,432	24,156	21,250	17,509	-
7103.3	GW Quality - Engineering Services	129,555	129,555	16,738	14,463	14,423	3,217	5,558	8,416	4,700
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,346	10,623	6,968	848	3,380	5,697	-
7104.3	GW Level - Engineering Services	192,667	192,667	8,788	23,979	10,748	7,503	16,170	8,484	18,085
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,767	455	122	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,890	1,440	4,289	2,525	3,334	11,893
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	68,245	68,245	-	-	-	-	-	-	43,077
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	229	-	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	-	-	3,564
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - P.BHSP	276,864	288,936	-	30,360	20,176	25,000	5,153	6,351	59,300
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,961	6,968	4,429	5,833	19,081	5,550
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	11,304	-	-	11,304	-
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	-	-	8,000
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,080	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,889	7,199	3,298	10,324	6,356	760	10,368
7303	OBMP - Engineering Services - Dessalters	9,480	9,480	-	-	-	-	-	-	-
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,762	1,739	510	2,021	11,000
7402.1	OBMP - Engineering Services - Northwest MZ1	104,599	362,104	11,553	27,005	24,465	53,179	23,497	11,433	36,250
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,298	1,170	601	2,000
7602	OBMP - Engineering Services - Storage	66,696	66,696	-	1,579	5,374	1,516	-	-	30,000
Totals		\$ 2,740,852	\$ 3,067,429	\$ 159,413	\$ 320,927	\$ 289,367	\$ 267,504	\$ 168,979	\$ 167,436	\$ 362,690

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of December 31, 2016

Acct #	Description	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 61,071	\$ 49,171	\$ 38,904	\$ 30,471	\$ 27,971	\$ 614,273	\$ 614,273	\$ 206,728	42%	75%
6906.1	OBMP - Watermaster Model Applications	20,000	-	-	-	-	173,716	173,716	2,744	70%	98%
6906.21	State of the Basin Report	20,000	25,000	30,000	25,000	24,230	149,333	149,333	(49,333)	16%	149%
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPJU Projects	-	-	-	-	-	5,502	2,751	(2,751)	n/a	n/a
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	-	-	-	782	396	(396)	n/a	n/a
6910.14	IEUA - Truing-Up 2013 RMPJU Recharge Estimates	-	-	-	-	-	65,059	42,530	(42,530)	n/a	n/a
6910.2	IEUA - MPI Analysis for RMPJU	-	-	-	-	-	99,539	49,770	(49,770)	n/a	n/a
7103.3	GW Quality - Engineering Services	15,850	14,000	5,000	-	14,000	116,394	116,394	13,161	49%	90%
7103.5	GW Quality - Laboratory Services	826	-	-	-	-	29,688	29,688	9,517	74%	76%
7104.3	GW Level - Engineering Services	16,853	11,903	17,603	17,103	13,698	170,920	170,920	21,747	39%	89%
7104.8	GW Level - Contract Services	-	-	-	10,000	-	10,000	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	3,500	7,549	7,549	(549)	98%	108%
7107.2	Ground Level - Engineering Services	4,666	16,236	6,993	1,466	23,468	83,779	83,779	713	23%	99%
7107.3	Ground Level - SAR Imagery	-	56,000	-	-	-	85,000	85,000	-	14%	100%
7107.6	Ground Level - Contract Services	21,572	-	1,700	300	1,596	68,245	68,245	0	0%	100%
7107.8	Ground Level - Capital Equipment	-	-	1,000	-	-	1,229	1,229	2,271	7%	35%
7108.3	HCMP - Engineering Services	12,330	18,100	10,615	830	-	59,814	59,814	(2,207)	25%	104%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	21,936	3,145	71%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	45,100	35,400	23,200	15,100	18,527	263,658	263,658	5,278	30%	98%
7108.32	HCMP - Adaptive Management Plan	-	-	-	-	-	48,839	48,839	1,161	67%	98%
7108.41	HCMP - Lab. Serv. - PBHSP	-	12,304	-	-	-	47,216	47,216	2,000	46%	98%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	-	-	-	-	-	48,000	48,000	17,000	62%	74%
7109.3	Recharge & Well Monitoring - E Engineering Serv.	3,000	-	-	9,000	3,000	19,252	19,252	4,067	18%	83%
7202.2	Comp Recharge - E Engineering Services	17,555	15,055	15,055	17,555	15,055	136,470	136,470	24,546	28%	85%
7303	OBMP - Engineering Services - Desalters	1,000	1,000	1,000	1,000	1,000	5,000	5,000	4,480	0%	53%
7402	OBMP - Engineering Services - MZ1	18,600	23,000	7,750	12,568	19,100	142,490	142,490	(24,278)	43%	121%
7402.1	OBMP - Engineering Services - Northwest MZ1	26,731	26,750	65,390	17,000	17,591	342,863	342,863	19,241	42%	95%
7403	OBMP - Contract Services - MZ1	18,371	-	10,000	-	-	28,871	28,871	1,129	2%	96%
7502	OBMP - Engineering Services - WQC	3,620	3,620	3,620	3,620	3,620	28,848	28,848	14,592	20%	66%
7602	OBMP - Engineering Services - Storage	30,000	-	-	-	-	68,471	68,471	(1,575)	13%	102%
Totals		\$ 339,145	\$ 307,539	\$ 240,063	\$ 161,003	\$ 198,659	\$ 2,982,745	\$ 2,887,299	\$ 180,130	46%	97%

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

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2016-17CBWM_Invoice_Summary_ISBM_20170105--Projection Summary



Watermaster does not plan to present any Budget Transfers or Budget Amendments at this time.

The third ECAC report is scheduled to be issued in mid-May 2017 for the period July 2016 through March 2017.

November 2016:

The first ECAC report for the current fiscal year has been provided for the period ending September 30, 2016 and shows a projected over budget at fiscal year-end June 30, 2017 of \$35,859. The majority of the budget overage is projected in OBMP Engineering (6906's) and OBMP-Engineering Services-MZ1 (7402). There are also some activities that are projected to be under budget at fiscal year-end. To see the complete July 1, 2016 through September 30, 2016 ECAC report, click on the following link:

<http://www.cbwm.org/FTP/ECAC%20Reports/2016-17%201st%20Quarter%20Review%20and%20ECAC-070116%20to%20093016.pdf>

Watermaster does not plan to present any Budget Transfers or Budget Amendments at this time.

The second ECAC report is scheduled to be issued in mid-February 2017 for the period July 2016 through December 2016.

October 2016:

Wildermuth Environmental, Inc. provides Watermaster an Estimated Cost at Completion (ECAC) report each quarter. The purpose of this ECAC report is to update Watermaster on whether or not the Engineering Services budget will be above or below budget at the end of the fiscal year. If the Engineering Services budget is expected to be above budget at fiscal year-end, a Budget Amendment or Budget Transfer Form would need to be approved to ensure funding.

The first ECAC report for the current fiscal year has been provided for the period ending September 30, 2016 and shows a projected over budget at fiscal year-end June 30, 2017 of \$35,859. The majority of the budget overage is projected in OBMP Engineering (6906's) and OBMP-Engineering Services-MZ1 (7402). There are also some activities that are projected to be under budget at fiscal year-end. Watermaster does not plan to present any Budget Transfers or Budget Amendments at this time.

The second ECAC report is scheduled to be issued in mid-February 2017 for the period July 2016 through December 2016.

**Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of September 30, 2016**

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Projected Oct-16	Projected Nov-16	Projected Dec-16	Projected Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 79,112	\$ 84,690	\$ 91,041	\$ 89,694	\$ 75,571	\$ 43,233	\$ 66,071
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	27,000	14,050	14,050	14,050
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	12,000	8,000	20,000
7103.3	GW Quality - Engineering Services	129,555	129,555	16,736	14,493	14,423	2,871	4,350	9,500	10,803
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,346	10,623	6,968	849	7,500	8,500	3,420
7104.3	GW Level - Engineering Services	192,667	192,667	8,786	23,979	10,748	7,555	19,185	16,385	18,785
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,800	5	-	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,880	1,440	4,160	2,500	10,700	13,293
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	68,245	68,245	-	-	-	-	202	15,300	30,300
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	-	2,000	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	200	100	3,674
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - PBHSP	276,864	288,936	-	30,350	20,176	24,700	23,550	45,056	41,755
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,981	6,966	4,500	18,650	14,956	-
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	-	11,304	-	12,304	-
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	6,600	-	-
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,700	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,889	7,199	3,298	9,898	12,208	12,208	16,114
7303	OBMP - Engineering Services - Desalters	9,480	9,480	-	-	-	250	1,150	1,150	1,150
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,782	1,600	9,600	9,600	600
7402.1	OBMP - Engineering Services - Northwest MZ1	104,599	362,104	11,553	27,005	24,485	53,303	44,000	40,750	40,250
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	15,000	9,500	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,500	3,620	3,620	3,620
7602	OBMP - Engineering Services - Storage	66,896	66,896	-	1,579	5,374	1,500	7,305	7,305	7,305
Totals		\$ 2,740,852	\$ 3,067,429	\$ 158,769	\$ 272,569	\$ 272,370	\$ 251,090	\$ 279,947	\$ 284,218	\$ 318,422



Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2016/17
As of September 30, 2016

Acct #	Description	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 62,162	\$ 65,531	\$ 66,171	\$ 67,771	\$ 64,171	\$ 877,419	\$ (56,420)	31%	107%
6906.1	OBMP - Watermaster Model Applications	14,050	14,050	14,050	14,050	14,050	176,460	-	21%	100%
6906.21	State of the Basin Report	20,000	20,000	20,000	-	-	100,000	-	0%	100%
7103.3	GW Quality - Engineering Services	18,200	12,110	4,386	-	15,000	122,874	6,681	35%	95%
7103.5	GW Quality - Laboratory Services	-	-	-	-	-	39,205	-	48%	100%
7104.3	GW Level - Engineering Services	17,353	13,603	19,853	17,603	15,260	189,100	3,567	23%	98%
7104.8	GW Level - Contract Services	-	-	-	10,000	-	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	5,200	8,712	(1,712)	24%	124%
7107.2	Ground Level - Engineering Services	4,700	20,148	16,793	1,500	1,500	84,224	268	11%	100%
7107.3	Ground Level - SAR Imagery	-	56,000	-	-	-	65,000	-	0%	100%
7107.6	Ground Level - Contract Services	300	19,949	300	300	1,596	68,245	-	0%	100%
7107.8	Ground Level - Capital Equipment	-	1,000	-	-	-	3,000	500	0%	86%
7108.3	HCMP - Engineering Services	12,190	14,990	11,813	730	1,026	59,098	(1,491)	20%	103%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	3,145	62%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	31,030	30,086	12,713	13,441	14,602	287,459	1,477	17%	99%
7108.32	HCMP - Adaptive Management Plan	-	-	-	-	-	52,052	(2,052)	28%	104%
7108.41	HCMP - Lab. Serv. - PBHSP	-	12,304	-	-	12,304	48,216	1,000	23%	98%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	-	-	-	-	-	46,600	18,400	62%	72%
7109.3	Recharge & Well Monitoring - Engineering Serv.	3,200	-	-	9,000	5,118	22,189	1,129	9%	95%
7202.2	Comp Recharge - Engineering Services	16,114	16,114	16,114	16,114	16,114	159,386	1,630	18%	99%
7303	OBMP - Engineering Services - Desalters	1,150	1,150	1,150	1,150	1,150	9,450	30	0%	100%
7402	OBMP - Engineering Services - M.Z1	13,000	23,000	7,750	12,558	19,100	143,021	(24,809)	39%	121%
7402.1	OBMP - Engineering Services - Northwest MZ1	20,750	23,790	39,750	14,000	15,591	355,227	6,877	17%	98%
7403	OBMP - Contract Services - MZ1	-	-	5,000	-	-	30,000	-	2%	100%
7502	OBMP - Engineering Services - WQC	3,620	3,620	3,620	5,000	3,620	37,519	5,921	6%	86%
7602	OBMP - Engineering Services - Storage	7,305	7,305	7,305	7,305	7,305	66,896	(0)	10%	100%
Totals		\$ 245,124	\$ 374,750	\$ 250,800	\$ 190,522	\$ 212,708	\$ 3,103,288	\$ (35,859)	80%	101%

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

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2016-17CBWM_Invoice_Summary_ISBM_20161016-Projection Summary



July 2016:

The approved "Original" Engineering Services budget of \$2,740,852 was increased by "Carry Over" funding in the amount of \$326,577 to the "Amended" amount of \$3,067,429 for FY 2016/17 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 2016/17 timeframe or future years. The Carry-Over amount of \$326,577 from FY 2015/16 to the FY 2016/17 budget are provided in detail as follows:

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

performed in sequential phases. Some of the early phases of the work have been delayed for various reasons (e.g. delays in initiation of the monitoring program because of difficulties in coordination with well owners). These delays push some of the work that was expected to be completed in FY 2015/16 to FY 2016/17, including subtasks associated with setup and initiation of the monitoring program, siting of extensometers, modeling, and reporting.

The breakdown of the total Task Order amount of \$2,740,852 includes direct labor costs for Wildermuth Environmental, Inc. (82.6%) along with other direct charges such as equipment rental, laboratory fees, travel costs, reproduction costs, and outside professional services (17.4%).

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure is to ensure that the Prado Basin riparian habitat will not be impacted by Hydraulic Control. The basic program tasks are to convene a committee that will develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there is a cost sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. The cost sharing agreement between IEUA and Watermaster was increased from \$220,000 to \$300,000 effective August 22, 2013 with the approval of the 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 x 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.

This is 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 is hiring a consultant to develop the adaptive management plan, WEI performing the project management tasks related to the monitoring well installation, hiring a contractor to construct and install up to seventeen monitoring wells at nine separate sites, and United States Bureau of Reclamation performing vegetation monitoring every three years. Grants have been applied for to offset the cost of this program; however, the Grants were not approved.

The process of invoicing IEUA for their 50% portion of the (WEI) invoices will be completed by Watermaster staff at the end of every quarter. The information listed below is provided for the period of May 1, 2012 through May 31, 2017:

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster	Watermaster Staff "Hours"	Watermaster Staff "Costs"
May 2012 - Jun. 2012	\$ -	\$ (5,571.88)	\$ -	\$ (5,571.88)	4.00	\$ 411.38
Jul. 2012 - Jun. 2013	\$ 120,945.28	\$ (60,472.65)	\$ 6,275.92	\$ 66,748.55	73.00	\$ 7,837.27
Jul. 2013 - Jun. 2014	\$ 21,722.09	\$ (10,861.05)	\$ 474.09	\$ 11,335.13	56.00	\$ 5,719.30
Jul. 2014 - Jun. 2015	\$ 196,888.44	\$ (99,069.23)	\$ -	\$ 97,819.21	9.00	\$ 1,141.63
Jul. 2015 - Jun. 2016	\$ -	\$ -	\$ -	\$ -	30.00	\$ 3,587.65
Jul. 2016 - May 2017	\$ -	\$ -	\$ 214,014.48	\$ 214,014.48	26.00	\$ 3,645.50
Totals	\$ 339,555.81	\$ (175,974.81)	\$ 220,764.49	\$ 384,345.49	198.00	\$ 22,342.73
	7108.7	7108.71, 7108.72	7108.75			7108.11

OTHER INCOME AND EXPENSE

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

December 2016:

The interest earned on the Chino Basin Watermaster deposits with the Local Agency Investment Fund (LAIF) for the quarter ending December 31, 2016 of \$15,179.19 was recorded during the month of December, 2016.

During the month of December, 2016, Chino Basin Watermaster received an invoice from IEUA in the amount of \$2,471,040.00 for the purchase of 4,160.000 AF of untreated water. The purchase consisted of Cumulative Unmet Replenishment Obligation (CURO) purchases of 3,988.661 AF; Desalter Replenishment Obligation (DRO) purchases of 168.004 AF; with an excess balance of 3.335 AF being carried by Watermaster. The total purchase of 4,160.000 AF at an AF cost of \$594 (4,160.000 AF X \$594 = \$2,471,040.00). The amount of \$2,471,040.00 has been recorded to Groundwater Replenishment expense (5010).

July 2016:

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 2016/17 annual administrative fee invoice was issued on July 31, 2016 in the amount of \$159,631.04 under invoice number DYY 16-01.

"CARRY OVER" FUNDING

BACKGROUND OF "CARRY OVER" FUNDING

Once the FY 2015/16 period as of June 30, 2016 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 2016/17 budget. The Total "Carry Over" funding amount of \$2,630,337.45 was posted to the accounts as of July 1, 2016. The total amount of \$2,630,337.45 consisted of \$2,264,522.96 from Capital Improvement Projects; \$326,577.00 from Engineering Services; \$29,285.99 from the Chino Hills ASR Project; and \$9,951.50 from the Administration budget for completion of the Annual Reports.

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) amount remaining of the "Carried Over" funding is \$1,757,799.13 (\$2,630,337.45 - \$872,538.32 = \$1,757,799.13).

The following details are provided:

"Carried Over" Expenses At June 30, 2016

			GL Account		
Printing - Annual Report	\$ 5,000.00	A	6045	FY 2015/16	ADM
Rauch Communication Consultants - Annual Report	\$ 4,951.50	B	6061.3	FY 2015/16	ADM
Chino Hills ASR Project	\$ 29,285.99	C	7107.62	FY 2013/14	ASR
Hydraulic Control Engineering - PBHSP	\$ 12,072.00	D	7108.31 ¹	FY 2015/16	ENG
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ 50,000.00	E	7108.32 ²	FY 2015/16	ENG
PE4 - Engineering Services	\$ 7,000.00	F	7402 ³	FY 2015/16	ENG
PE4 - Northwest MZ-1 Area Project	\$ 257,505.00	G	7402.1 ⁴	FY 2015/16	ENG
Jurupa Pumping Station (TO #5)	\$ 37,981.33	H	7209.1 ⁵	FY 2013/14	PROJ
Wineville Basin Proof of Concept (TO #6)	\$ 35,397.53	I	7209.2 ⁵	FY 2013/14	PROJ
Hickory Basin Recharge Improvement Project	\$ 3,877.00	J	7690.3 ⁵	FY 2013/14	PROJ
RMPU Amendment (TO #1)	\$ 467,269.61	K	7690.15	FY 2015/16	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 58,683.31	L	7690.4	FY 2013/14	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 175,000.00	L	7690.4	FY 2014/15	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ 1,126,900.00	L	7690.4	FY 2015/16	PROJ
CB20 Turnout Noise Abatement Project	\$ 859.80	M	7690.5 ⁵	FY 2013/14	PROJ
GWR SCADA Upgrades (TO #4)	\$ 279,343.47	N	7690.61	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$ 38,675.00	N	7690.61	FY 2015/16	PROJ
Upper Santa Ana River HCP (TO #7)	\$ 32,836.88	O	7690.7	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	\$ 5,000.00	O	7690.7	FY 2015/16	PROJ
Lower Day Basin RMPU (TO #2)	\$ 2,699.03	P	7690.8	FY 2014/15	PROJ
Total Balance, June 30, 2016	\$ 2,630,337.45				

"Carried Over" Balance, July 1, 2016 \$ 2,630,337.45

Less: (Invoices Received To Date FY 2016/17)

Printing - Annual Report	\$ (5,000.00)	A	6045	FY 2015/16	ADM
Rauch Communication Consultants - Annual Report	\$ (4,951.50)	B	6061.3	FY 2015/16	ADM
Hydraulic Control Engineering - PBHSP	\$ (12,072.00)	D	7108.31 ¹	FY 2015/16	ENG
Hydraulic Control Monitoring - Adaptive Mgmt Plan	\$ (11,694.00)	E	7108.32 ²	FY 2015/16	ENG
PE4 - Engineering Services	\$ (7,000.00)	F	7402 ³	FY 2015/16	ENG
PE4 - Northwest MZ-1 Area Project	\$ (205,063.89)	G	7402.1 ⁴	FY 2015/16	ENG
RMPU Amendment (TO #1)	\$ (467,269.61)	K	7690.15	FY 2015/16	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ (107,831.36)	L	7690.4	FY 2013/14	PROJ
GWR SCADA Upgrades (TO #4)	\$ (48,956.93)	N	7690.61	FY 2014/15	PROJ
Lower Day Basin RMPU (TO #2)	\$ (2,699.03)	P	7690.8	FY 2014/15	PROJ
Updated Balance as of May 31, 2017	\$ 1,757,799.13				

¹Preparation of a vegetation monitoring database in HydroDaVE pursuant to the Adaptive Management Plan for the PBHSP

²Preparation of the Final PBHSP Adaptive Management Plan and the 2016 PBHSP Annual Report

³Finalization of the 2016 Annual Report of the Ground-Level Monitoring Committee

⁴ Carryover budget for three separate subtasks to develop a Subsidence Management Plan for the Northwest MZ-1 Area

⁵ Project completed and funds are available for reallocation to another project, distribution to Appropriative Pool, or maintain as extra funding

ANNUAL REPORTS:

Unspent funds of \$9,951.50 related to the ongoing Annual Reports for development, production, and printing from the Administrative budget from FY 2015/16 from two accounts were "Carried Over" into the current FY 2016/17 budget. These funds were from the Printing-Annual Report [A] in the amount of

\$5,000 in account (6045); and Rauch Communication Consultants-Annual Report [B] in the amount of \$4,951.50 in account (6061.3).

CHINO HILLS ASR:

The ongoing Chino Hills ASR Project [C] continues into FY 2016/17 and previous years funding of \$29,285.99 has been carried over into account (7107.62).

ENGINEERING SERVICES:

Unspent funds related to ongoing projects and associated activities from the Engineering Services budget from FY 2015/16 in several accounts totaling \$326,577 were "Carried Over" into the current FY 2016/17 budget. These funds were from the Hydraulic Control Monitoring-Engineering-PBHSP [D] in the amount of \$12,072 in account (7108.31); Hydraulic Control Monitoring-Adaptive Management Plan [E] in the amount of \$50,000 in account (7108.32); PE4-Engineering Services [F] in the amount of \$7,000 in account (7402); and PE4-Northwest MZ-1 Area Project [G] in the amount of \$257,505 in account (7402.10).

COMPLETED PROJECTS WITH FUNDING AVAILABLE:

Several projects were completed during FY 2014/15 and have remaining funds available to be either (1) transferred to other project(s) that need additional funding, (2) keep amounts on reserve for future Capital Improvement Projects, or (3) refunded back to the Appropriative Pool when the Assessment package is invoiced. The funding amounts available are as follows: Jurupa Pumping Station [H] in the amount of \$37,981.33 (account 7209.1); Wineville Basin Proof of Concept [I] in the amount of \$35,397.53 (account 7209.2); and Hickory Basin Recharge Improvement Project [J] in the amount of \$3,877.00 (account 7690.3). One project was completed during FY 2015/16 and has funds available. This project is the CB20 Turnout Noise Abatement Project [M] in the amount of \$859.80 (account 7690.5). The total amount available is \$78,115.66 (\$37,981.33 + \$35,397.53 + \$3,877.00 + \$859.80 = \$78,115.66).

ONGOING RECHARGE IMPROVEMENT PROJECTS:

The RMPU Amendment-Task Order #1 [K] has a remaining budget from FY 2015/16 of \$467,269.61 in account (7690.15); the San Sevaine Recharge Improvement Project-Task Order #8 [L] has a remaining funded budget balance of \$1,360,583.31 in account (7690.4); the CB 20 Turnout project has a remaining funded budget balance of \$80,000 in account (7690.5); the GWR SCADA Upgrades-Task Order #4 [N] has a remaining funded budget balance of \$318,018.47 in account (7690.61); the Upper Santa Ana River HCP-Task Order #7 [O] has a remaining funded balance of \$37,836.88 in account (7690.7); and the Lower Day Basin RMPU-Task Order #2 [P] has a remaining funded budget balance of \$2,699.03 in account (7690.8). The total funded budget for these combined projects is \$1,609,700.

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, 2017, any remaining balances of the FY 2016/17 and prior years funding (if any), along with any new FY 2016/17 expenses, will then be "Carried Over" into the FY 2017/18 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 is scheduled for August 2017, with the Annual Financial and Audit Reports presented to the Watermaster Board by Fedak & Brown LLP at the November 16, 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 December 15, 2017.

FY 2015/16:

The auditors from the audit firm of Fedak & Brown, LLP were onsite at the Watermaster offices on March 28, 2016. This was the start of the interim field work for the period of July 1, 2015 through February 28,

2016. The final field work for the period of February 1, 2016 through June 30, 2016 was completed during August 16, 2016 and August 17, 2016. The Annual Financial and Audit Reports were presented to the Watermaster Board by Chris Brown from Fedak & Brown LLP at the November 17, 2016 Board meeting. The Annual Financial and Audit Reports for FY 2015/16 were posted to the Watermaster website on November 22, 2016.

FY 2016/17 EXHIBIT "G" NON-AGRICULTURAL POOL SALE OF WATER

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

The invoices to the four Appropriators who purchased Exhibit "G" water from the Non-Agricultural Pool were issued on March 23, 2017 totaling \$570,000. As of June 30, 2017 all of the payments from the four Appropriators had been received by Watermaster and cleared the bank. Watermaster issued the payment to NRG CA South, LP in the amount of \$570,000 (1,000.000 AF x \$570.00 = \$570,000) as of June 30, 2017.

ASSESSMENT INVOICING

CURRENT MONTH – MAY 2017

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

December 2016:

The Watermaster Board approved the FY 2016-2017 Assessment Package (Production Year 2015-2016) at the November 17, 2016 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, November 17, 2016. The Assessment invoices were due 30 days from invoice date, with all payments to be received by Watermaster on or before the close of business at 5:00pm on Monday, December 19, 2016. As in prior years, payments could be made by either check or wire transfer. As of December 19, 2016, all but one payment had been received. The late payment was received on December 20, 2016 with the late fee for one day being invoiced. The late fee was received on January 3, 2017.

November 2016:

The Watermaster Board approved the FY 2016-2017 Assessment Package (Production Year 2015-2016) at the November 17, 2016 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, November 17, 2016. The Assessment invoices were due 30 days from invoice date, with all payments to be received by Watermaster on or before the close of business at 5:00pm on Monday, December 19, 2016. As in prior years, payments could be made by either check or wire transfer. As of December 19, 2016, all but one payment had been received. The late payment was received on December 20, 2016 with the late fee for one day being invoiced.

October 2016:

The Watermaster Board approved the FY 2016-2017 Assessment Package (Production Year 2015-2016) at the November 17, 2016 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, November 17, 2016. The Assessment invoices are due 30 days from invoice date, with all

payments to be received by Watermaster on or before the close of business Monday, December 19, 2016. As in prior years, payments can be made by either check or wire transfer.

This year's Assessment invoicing included the standard Assessment amounts per the Assessment Package, along with any Special Assessments and the "Excess Cash Reserve" refund credits. The Appropriative Pool had a Special Assessment of \$50,000 as approved during the budgeting process. The \$50,000 was allocated to the Appropriative Pool members based upon a prorated formula of 50% Operating Safe Yield (OSY) and 50% physical production numbers from FY 2015/16.

The Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on April 14, 2016. The \$60,000 was allocated to the Non-Agricultural Pool members based upon the actual production numbers from 2015/16.

The Excess Cash Reserve refunds totaled \$31,189 to the Appropriative Pool members and \$3,509 to the Non-Agricultural Pool members, based upon the pro rata share of FY 2015/16 payments. The Excess Cash Reserve-Recharge Debt Payment refund of \$155,824 was refunded to the Appropriative Pool members based upon the pro rata share of FY 2015/16 Recharge Debt Assessments paid. The refunds were applied as credits on the Assessment invoices and allocated based upon last year's percentage of assessments paid.

September 2016:

The Assessment Year 2016-2017 Package (Production Year 2015-2016) is scheduled for presentation to the Pools at the November 10, 2016 meetings; and approval by the Advisory Committee and adoption by the Watermaster Board at the November 17, 2016 meetings.

No Assessment activity for the month to report.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				11/12th (91.67%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2017				Year-To-Date as of May 31, 2017				Fiscal Year End as of June 30, 2017			
	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%	159,631.04	158,923.00	708.04	100.45%	159,631.04	158,923.00	708.04	100.45%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	10,059,406.05	10,027,660.00	31,746.05	100.32%	10,084,406.05	10,027,660.00	56,746.05	100.57%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	255,682.35	311,996.00	-56,313.65	81.95%	255,682.35	311,996.00	-56,313.65	81.95%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	48,707.52	14,918.00	33,789.52	326.5%	72,709.00	19,890.00	52,819.00	365.56%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Income	0.00	0.00	0.00	0.0%	10,523,426.96	10,513,497.00	9,929.96	100.09%	10,572,428.44	10,518,469.00	53,959.44	100.51%
Gross Profit	0.00	0.00	0.00	0.0%	10,523,426.96	10,513,497.00	9,929.96	100.09%	10,572,428.44	10,518,469.00	53,959.44	100.51%
Expense												
6010 · Admin. Salary/Benefit Costs	81,738.11	81,538.00	200.11	100.25%	879,465.75	889,518.00	-10,052.25	98.87%	967,118.16	971,056.00	-3,937.84	99.59%
6020 · Office Building Expense	8,254.21	1,767.00	6,487.21	467.13%	91,614.55	95,139.00	-3,524.45	96.3%	104,089.92	104,356.00	-266.08	99.75%
6030 · Office Supplies & Equip.	1,809.08	-2,580.00	4,389.08	-70.12%	20,308.05	22,620.00	-2,311.95	89.78%	24,838.40	25,040.00	-201.60	99.2%
6040 · Postage & Printing Costs	3,060.61	536.00	2,524.61	571.01%	49,053.34	53,066.00	-4,012.66	92.44%	58,605.78	58,852.00	-246.22	99.58%
6050 · Information Services	9,674.00	8,341.00	1,333.00	115.98%	128,117.85	129,751.00	-1,633.15	98.74%	139,003.16	140,092.00	-1,088.84	99.22%
6060 · Contract Services	0.00	29,500.00	-29,500.00	0.0%	56,256.94	60,451.50	-4,194.56	93.06%	60,415.49	60,451.50	-36.01	99.94%
6070 · Watermaster Legal Services	58,297.05	13,810.00	44,487.05	422.14%	324,964.39	261,903.00	63,061.39	124.08%	324,964.39	275,713.00	49,251.39	117.86%
6080 · Insurance	1,051.07	0.00	1,051.07	100.0%	27,304.29	31,962.00	-4,657.71	85.43%	28,753.22	31,962.00	-3,208.78	89.96%
6110 · Dues and Subscriptions	172.50	300.00	-127.50	57.5%	21,169.78	21,354.00	-184.22	99.14%	20,997.28	21,354.00	-356.72	98.33%
6140 · WM Admin Expenses	29.07	75.00	-45.93	38.76%	1,061.35	1,975.00	-913.65	53.74%	1,770.24	2,200.00	-429.76	80.47%
6150 · Field Supplies	19.15	100.00	-80.85	19.15%	1,016.03	1,450.00	-433.97	70.07%	1,289.64	1,450.00	-160.36	88.94%
6170 · Travel & Transportation	2,919.93	-3,325.00	6,244.93	-87.82%	16,040.48	18,165.00	-2,124.52	88.3%	18,957.84	19,870.00	-912.16	95.41%
6190 · Training, Conferences, Seminars	1,878.40	-5,450.00	7,328.40	-34.47%	21,636.15	25,050.00	-3,413.85	86.37%	27,968.52	28,100.00	-131.48	99.53%
6200 · Advisory Comm - WM Board	6,153.93	3,739.00	2,414.93	164.59%	33,829.54	39,080.00	-5,250.46	86.57%	38,813.90	42,819.00	-4,005.10	90.65%
6300 · Watermaster Board Expenses	17,552.25	12,969.00	4,583.25	135.34%	142,477.44	146,264.00	-3,786.56	97.41%	154,702.80	159,234.00	-4,531.20	97.15%
8300 · Appr PI-WM & Pool Admin	24,312.04	9,485.00	14,827.04	256.32%	124,548.02	126,281.00	-1,732.98	98.63%	128,925.26	135,765.00	-6,839.74	94.96%
8400 · Agri Pool-WM & Pool Admin	6,991.76	5,180.00	1,811.76	134.98%	45,421.72	53,996.00	-8,574.28	84.12%	53,999.62	59,176.00	-5,176.38	91.25%
8467 · Ag Legal & Technical Services	47,137.50	182,083.00	-134,945.50	25.89%	268,465.00	352,917.00	-84,452.00	76.07%	318,465.00	370,000.00	-51,535.00	86.07%
8470 · Ag Meeting Attend -Special	1,525.00	1,850.00	-325.00	82.43%	18,700.00	20,350.00	-1,650.00	91.89%	19,650.00	22,200.00	-2,550.00	88.51%
8471 · Ag Pool Expense	0.00	-65,000.00	65,000.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	545.98	400.00	145.98	136.5%	545.98	400.00	145.98	136.5%
8500 · Non-Ag PI-WM & Pool Admin	10,259.08	9,165.00	1,094.08	111.94%	88,224.24	97,987.00	-9,762.76	90.04%	102,512.78	107,152.00	-4,639.22	95.67%
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	-16,680.76	-31,542.00	14,861.24	52.88%	-171,381.63	-346,963.00	175,581.37	49.4%	-249,234.24	-378,505.00	129,270.76	65.85%
6900 · Optimum Basin Mgmt Plan	141,344.06	136,649.00	4,695.06	103.44%	1,533,190.44	1,542,403.00	-9,212.56	99.4%	1,641,936.16	1,679,053.00	-37,116.84	97.79%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9501 · G&A Expenses Allocated-OBMP	2,883.25	6,122.00	-3,238.75	47.1%	33,339.53	67,344.00	-34,004.47	49.51%	45,006.52	73,466.00	-28,459.48	61.26%
7101 · Production Monitoring	6,600.94	6,847.00	-246.06	96.41%	53,000.41	74,526.00	-21,525.59	71.12%	75,623.34	81,372.00	-5,748.66	92.94%
7102 · In-line Meter Installation	0.00	5,617.00	-5,617.00	0.0%	764.23	61,647.00	-60,882.77	1.24%	51,528.46	67,264.00	-15,735.54	76.61%
7103 · Grdwtr Quality Monitoring	5,243.38	18,664.00	-13,420.62	28.09%	175,722.00	243,733.00	-68,011.00	72.1%	262,161.36	262,397.00	-235.64	99.91%
7104 · Gdwtr Level Monitoring	13,633.85	21,582.00	-7,948.15	63.17%	188,705.41	236,833.00	-48,127.59	79.68%	244,426.50	258,416.00	-13,989.50	94.59%
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	3,444.85	13,020.00	-9,575.15	26.46%	189,944.56	236,252.99	-46,308.43	80.4%	246,264.56	270,522.99	-24,258.43	91.03%

P85

	1/12th (8.33%) of the Total Budget				11/12th (91.67%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2017				Year-To-Date as of May 31, 2017				Fiscal Year End as of June 30, 2017			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	31,413.35	40,250.00	-8,836.65	78.05%	493,502.67	504,682.00	-11,179.33	97.79%	544,645.00	544,831.00	-286.00	99.95%
7109 · Recharge & Well Monitoring Prog	869.70	1,943.00	-1,073.30	44.76%	9,477.80	21,375.00	-11,897.20	44.34%	16,003.00	23,318.00	-7,315.00	68.63%
7200 · PE2- Comp Recharge Pgm	9,321.03	18,584.00	-9,262.97	50.16%	1,096,494.73	1,258,800.86	-162,306.13	87.11%	1,239,660.26	1,277,384.86	-37,724.60	97.05%
7300 · PE3&5-Water Supply/Desalte	132.06	2,684.00	-2,551.94	4.92%	407.89	29,288.00	-28,880.11	1.39%	15,157.20	31,972.00	-16,814.80	47.41%
7400 · PE4- Mgmt Plan	17,435.00	21,490.00	-4,055.00	81.13%	318,300.27	500,750.00	-182,449.73	63.57%	490,139.04	522,241.00	-32,101.96	93.85%
7500 · PE6&7-CoopEfforts/SaltMgmt	825.30	4,421.00	-3,595.70	18.67%	13,788.40	48,490.00	-34,701.60	28.44%	42,496.00	52,912.00	-10,416.00	80.31%
7600 · PE8&9-StorageMgmt/Conj Use	594.22	9,504.00	-8,909.78	6.25%	30,572.52	103,832.00	-73,259.48	29.44%	103,132.36	113,336.00	-10,203.64	91.0%
7690 · Recharge Improvement Debt Pymt	48,914.76	0.00	48,914.76	100.0%	1,100,385.19	5,525,944.10	-4,425,558.91	19.91%	4,009,734.86	5,525,944.10	-1,516,209.24	72.56%
7700 · Inactive Well Protection Prgm	0.00	42.00	-42.00	0.0%	0.00	458.00	-458.00	0.0%	250.00	500.00	-250.00	50.0%
9502 · G&A Expenses Allocated-Projects	13,797.51	25,420.00	-11,622.49	54.28%	138,042.10	279,619.00	-141,576.90	49.37%	204,227.72	305,039.00	-100,811.28	66.95%
Total Expense	562,607.24	585,380.00	-22,772.76	96.11%	7,564,477.41	12,838,694.45	-5,274,217.04	58.92%	11,579,545.48	13,348,806.45	-1,769,260.97	86.75%
Net Ordinary Income	-562,607.24	-585,380.00	22,772.76	96.11%	2,958,949.55	-2,325,197.45	5,284,147.00	-127.26%	-1,007,117.04	-2,830,337.45	1,823,220.41	35.58%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	959,063.76	0.00	959,063.76	100.0%	959,063.76	0.00	959,063.76	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	15,798.22	0.00	15,798.22	100.0%	15,798.22	0.00	15,798.22	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	7,758.72	0.00	7,758.72	100.0%	12,024.22	0.00	12,024.22	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	570,000.00	0.00	570,000.00	100.0%	570,000.00	0.00	570,000.00	100.0%
Total Other Income	0.00	0.00	0.00	0.0%	1,552,620.70	0.00	1,552,620.70	100.0%	1,556,886.20	0.00	1,556,886.20	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	2,479,480.40	0.00	2,479,480.40	100.0%	2,479,480.40	0.00	2,479,480.40	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	570,000.00	0.00	570,000.00	100.0%	570,000.00	0.00	570,000.00	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9251 · Other Post Employment Benefits	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	31,189.00	0.00	31,189.00	100.0%	31,189.00	0.00	31,189.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	3,509.00	0.00	3,509.00	100.0%	3,509.00	0.00	3,509.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	155,824.00	0.00	155,824.00	100.0%	155,824.00	0.00	155,824.00	100.0%
9999 · To/(From) Reserves	0.00	-100,000.00	100,000.00	0.0%	158,251.00	-200,000.00	358,251.00	-79.13%	158,251.00	-200,000.00	358,251.00	-79.13%
Total Other Expense	0.00	-100,000.00	100,000.00	0.0%	3,398,253.40	-200,000.00	3,598,253.40	-1,699.13%	3,398,253.40	-200,000.00	3,598,253.40	-1,699.13%
Net Other Income	0.00	100,000.00	-100,000.00	0.0%	-1,845,632.70	200,000.00	-2,045,632.70	-922.82%	-1,841,367.20	200,000.00	-2,041,367.20	-920.68%
Net Income	-562,607.24	-485,380.00	-77,227.24	115.91%	1,113,316.85	-2,125,197.45	3,238,514.30	-52.39%	-2,848,484.24	-2,630,337.45	-218,146.79	108.29%

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

CHINO BASIN WATERMASTER

- I. CONSENT CALENDAR (App and Ag Pool)
 - C. WATER TRANSACTIONS

- I. BUSINESS ITEM ROUTINE (Non-Ag Pool)
 - C. WATER TRANSACTIONS



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 13, 2017
TO: Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.1)

SUMMARY

Issue: Notice of Sale or Transfer – 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.

Recommendation: Provide advice and assistance to the Watermaster Board on the proposed transaction.

Financial Impact: May reduce assessments under the 85/15 rule

Future Consideration

Appropriative Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Non-Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Advisory Committee – September 21, 2017: Recommend to Watermaster Board to approve
Watermaster Board – September 28, 2017: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 2017:

BACKGROUND

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

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

The date of this application is May 24, 2017. Notice of the transaction was transmitted electronically and mailed on July 7, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

ATTACHMENTS

1. Consolidated Forms 3, 4 & 5
2. Notice Forms

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

Martin Thouvenell
Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Eva Tang / Sr. VP-Finance & CFO
Buyer / Transferee Representative Name (Printed)


Denise Kruger Sr VP - Regulated Utilities

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:

July 7, 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: **May 24, 2017**

Date of this notice: **July 7, 2017**

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

- Notice of Sale or Transfer – 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.

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

Appropriative Pool:	July 13, 2017
Non-Agricultural Pool:	July 13, 2017
Agricultural Pool:	July 13, 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



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 13, 2017
TO: Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.2)

SUMMARY

Issue: Notice of Sale or Transfer – 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. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

Recommendation: Provide advice and assistance to the Watermaster Board on the proposed transaction.

Financial Impact: None

Future Consideration

Appropriative Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Non-Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Advisory Committee – September 21, 2017: Recommend to Watermaster Board to approve
Watermaster Board – September 28, 2017: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 2017:

BACKGROUND

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

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

The date of this application is May 24, 2017. Notice of the transaction was transmitted electronically and mailed on July 7, 2017, along with the materials submitted by the requestors.

The 85/15 rule does not apply for this water transaction because Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

DISCUSSION

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

ATTACHMENTS

1. Consolidated Forms 3, 4 & 5
2. Notice Forms

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 2016 - 2017

DATE REQUESTED: May 24, 2017

AMOUNT REQUESTED: 138.156 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>West End Consolidated Water Company</u>	<u>Golden State Water Company</u>
Name of Party	Name of Party
<u>1370 N. Benson Avenue</u>	<u>630 E. Foothill Blvd</u>
Street Address	Street Address
<u>Upland</u> <u>CA</u> <u>91786</u>	<u>San Dimas</u> <u>CA</u> <u>91733</u>
City State Zip Code	City State Zip Code
<u>(909)291-2931</u>	<u>(909) 394-3600</u>
Telephone	Telephone
<u>(909)291-2974</u>	
Facsimile	Facsimile

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

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

Rosemary Hoerning

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Eva Tang / Sr. VP-Finance & CFO

Buyer / Transferee Representative Name (Printed)



Denise Kruger / Sr VP - Regulated Utilities

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: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

July 7, 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: **May 24, 2017**

Date of this notice: **July 7, 2017**

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

- Notice of Sale or Transfer – 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. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: July 13, 2017

Non-Agricultural Pool: July 13, 2017

Agricultural Pool: July 13, 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



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 13, 2017
TO: Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.3)

SUMMARY

Issue: Notice of Sale or Transfer – 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. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

Recommendation: Provide advice and assistance to the Watermaster Board on the proposed transaction.

Financial Impact: None

Future Consideration

Appropriative Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Non-Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Advisory Committee – September 21, 2017: Recommend to Watermaster Board to approve
Watermaster Board – September 28, 2017: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 2017:

BACKGROUND

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

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

The date of this application is May 24, 2017. Notice of the transaction was transmitted electronically and mailed on July 7, 2017, along with the materials submitted by the requestors.

The 85/15 rule does not apply for this water transaction because the City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

DISCUSSION

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

ATTACHMENTS

1. Consolidated Forms 3, 4 & 5
2. Notice Forms

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 2016 - 2017

DATE REQUESTED: May 24, 2017

AMOUNT REQUESTED: 1474.258 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>West End Consolidated Water Company</u> Name of Party	<u>City of Upland</u> Name of Party
<u>460 N. Euclid Avenue</u> Street Address	<u>460 N. Euclid Avenue</u> Street Address
<u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code	<u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code
<u>(909)291-2931</u> Telephone	<u>(909)931-4102</u> Telephone
<u>(909)291-2974</u> Facsimile	<u>909-931-4301</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 undelivered 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

WATER IS TO BE TRANSFERRED TO:

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

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

Is the Buyer an 85/15 Party? Yes No

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

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:

NITRATE ~ 56 ppm & DBCP ~ 0.35 ppb

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

Static Water Level - 550 to 610 bgs

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

Rosemary Hoerning

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Martin Thovenell

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:

July 7, 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: **May 24, 2017**

Date of this notice: **July 7, 2017**

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

- Notice of Sale or Transfer – 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. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: July 13, 2017

Non-Agricultural Pool: July 13, 2017

Agricultural Pool: July 13, 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



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 13, 2017
TO: Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.4)

SUMMARY

Issue: Notice of Sale or Transfer – 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.

Recommendation: Provide advice and assistance to the Watermaster Board on the proposed transaction.

Financial Impact: May reduce assessments under the 85/15 rule

Future Consideration

Appropriative Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Non-Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Advisory Committee – September 21, 2017: Recommend to Watermaster Board to approve
Watermaster Board – September 28, 2017: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 2017:

BACKGROUND

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

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

The date of this application is June 14, 2017. Notice of the transaction was transmitted electronically and mailed on July 7, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

ATTACHMENTS

1. Consolidated Forms 3, 4 & 5
2. Notice Forms

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 2016 - 2017

DATE REQUESTED: June 14, 2017

AMOUNT REQUESTED: 6,000.0 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>City of Upland</u> Name of Party	<u>Fontana Water Company</u> Name of Party
<u>460 N. Euclid Avenue</u> Street Address	<u>15966 Arrow Route</u> Street Address
<u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code	<u>Fontana</u> <u>CA</u> <u>92335</u> City State Zip Code
<u>(909)931-4102</u> Telephone	<u>(909) 822-2201</u> Telephone
<u>(909)931-4301</u> Facsimile	<u>(909) 823-5046</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 Annual Production Right / Operating Safe Yield first, then any additional from excess carry over storage

WATER IS TO BE TRANSFERRED TO:

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

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

Is the Buyer an 85/15 Party? Yes No

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Varies _____ 2016-2017 _____
 Projected Rate of Recapture Projected Duration of Recapture

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

Pumping _____

PLACE OF USE OF WATER TO BE RECAPTURED:

Chino Basin Management Zone 3 _____

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

N/A _____

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Of the wells routinely pumped, treatment is used for high perchlorate and nitrate levels in various areas.

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

Static water levels ranging from 314 feet bgs to 699 feet bgs as of December 2016.

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

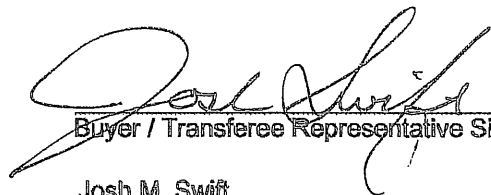
Yes No



 Seller / Transferor Representative Signature

Martin Thouvenell

 Seller / Transferor Representative Name (Printed)



 Buyer / Transferee Representative Signature

Josh M. Swift

 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:

July 7, 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: **June 14, 2017**

Date of this notice: **July 7, 2017**

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

- Notice of Sale or Transfer – 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.

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

Appropriative Pool:	July 13, 2017
Non-Agricultural Pool:	July 13, 2017
Agricultural Pool:	July 13, 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



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: July 13, 2017
TO: Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.5)

SUMMARY

Issue: Notice of Sale or Transfer – Angelica Corporation is requesting the permanent transfer of 18.789 acre-feet of Non-Agricultural Pool rights 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.

Recommendation: Provide advice and assistance to the Watermaster Board on the proposed transaction.

Financial Impact: None

Future Consideration

Appropriative Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Non-Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Agricultural Pool – July 13, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve
Advisory Committee – September 21, 2017: Recommend to Watermaster Board to approve
Watermaster Board – September 28, 2017: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 2017:

BACKGROUND

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

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

The date of this application is May 24, 2017. Notice of the transaction was transmitted electronically and mailed on July 7, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

ATTACHMENTS

1. Consolidated Forms 3, 4 & 5
2. Notice Forms

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: July 6, 2017AMOUNT REQUESTED: 18.789 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>Angelica Corporation</u> Name of Party	<u>9W Halo Western OpCo L.P.</u> Name of Party
<u>1105 Lakewood Parkway, Suite 210</u> Street Address	<u>1105 Lakewood Parkway, Suite 210</u> Street Address
<u>Alpharetta</u> <u>GA</u> <u>30009</u> City State Zip Code	<u>Alpharetta</u> <u>GA</u> <u>30009</u> City State Zip Code
<u>(678) 823-4100</u> Telephone	<u>(678) 823-4100</u> Telephone
<u>(678) 823-4165</u> Facsimile	<u>(678) 823-4165</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 of 18,789 AF of Non-Agricultural Pool rights to purchaser of Angelica Corporation assets

WATER IS TO BE TRANSFERRED FROM:

- Annual Production Right (Appropriate Pool) or Operating Safe Yield (Non-Agricultural Pool)
 Storage
 Annual Production Right / Operating Safe Yield first, then any additional from Storage
 Other, explain Permanent transfer of 18,789 AF of Non-Agricultural Pool rights

WATER IS TO BE TRANSFERRED TO:

- Annual Production Right / Operating Safe Yield (common)
 Storage (rare)
 Other, explain Permanent transfer of 18,789 AF of Non-Agricultural Pool rights

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?

N/A

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

[Handwritten Signature]
Seller/Transferor Representative Signature

[Handwritten Signature]
Buyer/Transferee Representative Signature

[Handwritten Signature]
Watermaster Representative Signature

[Handwritten Signature]
Buyer/Transferee Representative Signature

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:

July 7, 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: **July 6, 2017**

Date of this notice: **July 7, 2017**

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

- Notice of Sale or Transfer – Angelica Corporation is requesting the permanent transfer of 18.789 acre-feet of Non-Agricultural Pool rights 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.

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

Appropriative Pool:	July 13, 2017
Non-Agricultural Pool:	July 13, 2017
Agricultural Pool:	July 13, 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

I. CONSENT CALENDAR (App and Ag Pool)

D. FONTANA WATER COMPANY APPLICATION FOR RECHARGE

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

D. FONTANA WATER COMPANY APPLICATION FOR RECHARGE



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 13, 2017

TO: Pool Committee Members

SUBJECT: Fontana Water Company Application for Recharge (Consent Calendar Item I.D.)

SUMMARY

Issue: On July 6, 2017, Fontana Water Company submitted an Application for Recharge for up to 300 acre-feet to be recharged into the Vulcan Basin through September 2018.

Recommendation: 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.

Financial Impact: None

Future Consideration

Appropriative Pool – July 13, 2017: Recommend Advisory Committee to recommend Watermaster Board approval
Non-Agricultural Pool – July 13, 2017: Recommend Advisory Committee to recommend Watermaster Board approval
Agricultural Pool – July 13, 2017: Recommend Advisory Committee to recommend Watermaster Board approval
Advisory Committee – September 21, 2017: Recommend Board approval
Watermaster Board – September 28, 2017: Approval [Within WM Duties and Powers]

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – September 21, 2017:
Watermaster Board – September 28, 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, 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 Material Physical Injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

In April 2015, Fontana Water Company was granted an Application for Recharge of 50 acre feet by the Watermaster Board, given that the recharge take place in a 1-acre foot area within the Vulcan Basin. Wildermuth Environmental Inc. (WEI) recommended that there should be no subsequent regular use of the entire Basin for recharge of storm and supplemental waters until a comprehensive investigation of the potential for arsenic degradation of groundwater be completed.

DISCUSSION

On July 6, 2017, Fontana Water Company submitted an Application for Recharge for up to 300 acre-feet. The Application states that the method of recharge is percolation into the Vulcan Basin (Attachment 1). The Application identifies the source of water to be treated Lytle Creek Surface Water. Attached to the Application is a Certificate of Analysis for the water quality (Attachment 2). This recharge event is being proposed only in the 1 acre area that was previously used; use of the entire site for broader recharge would still be contingent on a full scale evaluation.

If and when approved, Fontana Water Company intends to recharge the water into the Vulcan 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. 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 storage. 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, Fontana Water Company and the other Party will need to submit appropriate water transfer forms, which include the recapture plan.

WEI performed a Material Physical Injury analysis of the Application for Recharge. WEI prepared a letter, dated July 7, 2017, which states that there will be no MPI due to the FWC proposed recharge as described in their revised July 6, 2017 recharge application (Attachment 3). WEI did make recommendations which were: 1) The berm system used to constrain the recharge area be improved such that it will not fail due to seepage pressures or overtopping during the recharge test. The berm system failed during the 2015 recharge test. 2) Require the recharge water be conveyed from the source to the test recharge area in a closed system to ensure that the recharge water does not contact soil outside of the test recharge area. 3) Watermaster's Engineer is concerned that continuous use of the site for recharge events, even small ones, could lead to material physical injury. As such, future use of the Vulcan Basin will require MPI analyses, until a recharge feasibility analysis of the entire site is performed.

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

ATTACHMENTS

1. FWC Recharge Application
2. Weck Laboratories, Inc Certificate of Analysis, Title 22 Monitoring Report
3. July 7, 2017 letter from WEI to Watermaster: "Analysis of Material Physical Injury for the Fontana Water Company (FWC) Recharge Application, as submitted to the Chino Basin Watermaster on July6, 2017 and revised on July 7, 2017"

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Form 2a - Application for Supplemental Water Recharge

Applicant Information and Recharge Request			
Person	Fontana Water Company (FWC)	Date Requested	7/6/17
Contact (individual)	Cris Fealy	Date Approved	
Street Address	15966 Arrow Route	Proposed Period of Time Covered by	09/2017 to 09/2018
City	Fontana Water Comapny	Recharge Application (mm/yyyy to mm/yyyy)	
State	CA	Requested Total Amount of Recharge	up to 300
Zip Code	92335	Over the Application Period (AF)	
Telephone	909-822-2201	Approved Total Amount of Recharge	
Fax	909-823-5046	Over the Application Period (AF)	
Email	cifealy@fontanawater.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) Treated Lytle Creek Water from Sandhill Treatment Plant (F14)
<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) Vulcan Basin
	Expected Period of Recharge (mm/dd to mm/dd) Varies
	Depth to Water in Recharge Area (ft-bgs) Unknown
	Water Quality in Recharge Area (attach characterization) Treated to Potable Standards.
<input type="checkbox"/>	Injection
	Well Names and Locations (attach well completion report if not on file with the Watermaster)
	Expected Period of Recharge (mm/dd to mm/dd)
	Depth to Water in Recharge Area (ft-bgs)
	Water Quality in Recharge Area (attach characterization)
<input type="checkbox"/>	In-Lieu Exchange
	Treatment Plant and Turnout
	Share of Safe Yield (percent and AFY)
	Carryover Right, if Applicable (AF)
	Water in Storage (AF)
	Pumping Capacity (mgd or AFM)
	Expected Period of Recharge (mm/dd to mm/dd)
	Depth to Water in Area Impacted by In-Lieu Recharge (ft-bgs)
	Water Quality in Area Impacted by In-Lieu Recharge (attach characterization)

Form 2a - Application for Supplemental Water Recharge

Material Physical Injury

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

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)

Fontana Water Company will utilize only the previously approved 1-acre recharge area to continue testing.

BY:


Applicant

7/7/14
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 _____



Certificate of Analysis

FINAL REPORT

Work Orders: 7B01071

Report Date: 3/06/2017

Project: Title 22 Monitoring

Received Date: 2/1/2017

Turnaround Time: Normal

Phones: (909) 201-7331

Fax: (626) 582-1571

Attn: John Catone

P.O. #:

Client: San Gabriel Valley Water Company - Fontana
P. O. Box 6010
El Monte, CA 91734

Billing Code:

Dear John Catone :

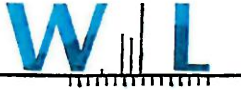
Enclosed are the results of analyses for samples received 2/1/2017 with the Chain-of-Custody document. The samples were received in good condition, at 2.3 °C and on ice. All analysis met the method criteria except as noted in the case narrative or in the report with data qualifiers.

Sample Results

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: Various Total Anions	Batch ID: [CALC]	Instr: [CALC]		Prepared: 02/05/17 08:00		Analyst: jan	
	3.9		0.23	meq/l	1	02/08/17 19:19	
Total Cations	3.4		0.038	meq/l	1	02/06/17 13:13	
Total hardness as CaCO ₃	130		0.66	mg/l	1	02/06/17 13:13	
Method: AWWA Aggressive Index	Batch ID: W7B0890	Instr: inst		Prepared: 02/14/17 11:08		Analyst: jck	
	12.2			N/A	1	02/14/17 13:59	
Method: EPA 140.1 Threshold Odor Number	Batch ID: W7B0086	Instr: inst		Prepared: 02/01/17 18:09		Analyst: ymt	
	1.0		1.0	T.O.N.	1	02/01/17 19:00	
Method: EPA 1613B 2,3,7,8-TCDD (Dioxin)	Batch ID: W7B0196	Instr: GCMS15		Prepared: 02/03/17 09:24		Analyst: EFC	
	ND		5.00	pg/l	1	02/22/17 15:07	
Method: EPA 180.1 Turbidity	Batch ID: W7B0180	Instr: TURB01		Prepared: 02/02/17 21:37		Analyst: dmn	
	ND		0.10	NTU	1	02/02/17 23:12	
Method: EPA 200.7 Boron, Total	Batch ID: W7B0211	Instr: ICP02		Prepared: 02/05/17 08:00		Analyst: JCK	
	42		10	ug/l	1	02/06/17 13:13	
Calcium, Total	38.4		0.100	mg/l	1	02/06/17 13:13	
Iron, Total	ND		10	ug/l	1	02/06/17 13:13	
Magnesium, Total	7.69		0.100	mg/l	1	02/06/17 13:13	
Potassium, Total	2.2		0.10	mg/l	1	02/06/17 13:13	
Sodium, Total	18		0.50	mg/l	1	02/06/17 13:13	
Method: EPA 200.8 Aluminum, Total	Batch ID: W7B0486	Instr: Elan		Prepared: 02/08/17 09:48		Analyst: jck	
	28		5.0	ug/l	1	02/23/17 17:52	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

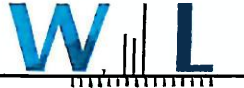
Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 200.8 (Continued)	Batch ID: W7B0486	Instr: Elan				Prepared: 02/08/17 09:48	Analyst: jck
Antimony, Total	ND		0.50	ug/l	1	02/21/17 14:28	
Arsenic, Total	0.48		0.40	ug/l	1	02/24/17 12:51	
Barium, Total	22		0.50	ug/l	1	02/21/17 14:28	
Beryllium, Total	ND		0.10	ug/l	1	02/21/17 14:28	
Cadmium, Total	ND		0.10	ug/l	1	02/21/17 14:28	
Chromium, Total	ND		0.20	ug/l	1	02/24/17 12:51	
Copper, Total	0.84		0.50	ug/l	1	02/21/17 14:28	
Lead, Total	ND		0.20	ug/l	1	02/21/17 14:28	
Manganese, Total	0.35		0.20	ug/l	1	02/23/17 17:52	
Nickel, Total	1.2		0.80	ug/l	1	02/21/17 14:28	
Selenium, Total	ND		0.40	ug/l	1	02/24/17 12:51	
Silver, Total	ND		0.20	ug/l	1	02/21/17 14:28	
Thallium, Total	ND		0.20	ug/l	1	02/21/17 14:28	
Zinc, Total	ND		5.0	ug/l	1	02/21/17 14:28	
Method: EPA 218.6	Batch ID: W7B0733	Instr: LC13				Prepared: 02/14/17 06:44	Analyst: big
Chromium 6+	0.27		0.020	ug/l	1	02/14/17 11:59	
Method: EPA 245.1	Batch ID: W7B0214	Instr: Cetac				Prepared: 02/03/17 12:12	Analyst: apa
Mercury, Total	ND		0.050	ug/l	1	02/07/17 14:45	
Method: EPA 300.0	Batch ID: W7B0005	Instr: LC12				Prepared: 02/01/17 08:33	Analyst: jan
Chloride, Total	25		0.50	mg/l	1	02/01/17 11:48	
Fluoride, Total	0.28		0.10	mg/l	1	02/01/17 11:48	
Sulfate as SO4	25		0.50	mg/l	1	02/01/17 11:48	
Method: EPA 314.0	Batch ID: W7B0863	Instr: LC08_Channel1				Prepared: 02/13/17 20:13	Analyst: big
Perchlorate	ND		2.0	ug/l	1	02/14/17 14:28	
Method: EPA 335.4	Batch ID: W7B0946	Instr: AA01				Prepared: 02/14/17 20:31	Analyst: nat
Cyanide, Total	ND		5.0	ug/l	1	02/15/17 00:00	
Method: EPA 353.2	Batch ID: W7B0116	Instr: Inst				Prepared: 02/02/17 09:42	Analyst: ajk
Nitrate as N	0.78		0.10	mg/l	1	02/02/17 14:35	
Nitrite as N	ND		100	ug/l	1	02/02/17 19:48	
NO2+NO3 as N	780		100	ug/l	1	02/02/17 14:35	
Method: EPA 504.1	Batch ID: W7B0529	Instr: GC03				Prepared: 02/08/17 15:24	Analyst: cam
1,2-Dibromo-3-chloropropane	ND		0.010	ug/l	1	02/08/17 22:37	
1,2-Dibromoethane (EDB)	ND		0.020	ug/l	1	02/08/17 22:37	
Method: EPA 508	Batch ID: W7B0194	Instr: GC07				Prepared: 02/06/17 09:17	Analyst: rmr
4,4'-DDD	ND		0.010	ug/l	1	02/15/17 06:42	
4,4'-DDE	ND		0.010	ug/l	1	02/15/17 06:42	
4,4'-DDT	ND		0.010	ug/l	1	02/15/17 06:42	
Aldrin	ND		0.010	ug/l	1	02/15/17 06:42	
alpha-BHC	ND		0.010	ug/l	1	02/15/17 06:42	
Aroclor 1016	ND		0.10	ug/l	1	02/15/17 06:42	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 508 (Continued)	Batch ID: W7B0194	Instr: GC07		Prepared: 02/06/17 09:17		Analyst: rnr	
Aroclor 1221	ND		0.10	ug/l	1	02/15/17 06:42	
Aroclor 1232	ND		0.10	ug/l	1	02/15/17 06:42	
Aroclor 1242	ND		0.10	ug/l	1	02/15/17 06:42	
Aroclor 1248	ND		0.10	ug/l	1	02/15/17 06:42	
Aroclor 1254	ND		0.10	ug/l	1	02/15/17 06:42	
Aroclor 1260	ND		0.10	ug/l	1	02/15/17 06:42	
beta-BHC	ND		0.010	ug/l	1	02/15/17 06:42	
Chlordane (tech)	ND		0.10	ug/l	1	02/15/17 06:42	
Chlorothalonil	ND		0.050	ug/l	1	02/15/17 06:42	
delta-BHC	ND		0.010	ug/l	1	02/15/17 06:42	
Dieldrin	ND		0.010	ug/l	1	02/15/17 06:42	
Endosulfan I	ND		0.010	ug/l	1	02/15/17 06:42	
Endosulfan II	ND		0.010	ug/l	1	02/15/17 06:42	
Endosulfan sulfate	ND		0.010	ug/l	1	02/15/17 06:42	
Endrin	ND		0.010	ug/l	1	02/15/17 06:42	
Endrin aldehyde	ND		0.010	ug/l	1	02/15/17 06:42	
gamma-BHC (Lindane)	ND		0.010	ug/l	1	02/15/17 06:42	
Heptachlor	ND		0.010	ug/l	1	02/15/17 06:42	
Heptachlor epoxide	ND		0.010	ug/l	1	02/15/17 06:42	
Hexachlorobenzene	ND		0.050	ug/l	1	02/15/17 06:42	
Hexachlorocyclopentadiene	ND		0.050	ug/l	1	02/15/17 06:42	
Methoxychlor	ND		0.010	ug/l	1	02/15/17 06:42	
PCBs, Total	ND		0.50	ug/l	1	02/15/17 06:42	
Propachlor	ND		0.050	ug/l	1	02/15/17 06:42	
Toxaphene	ND		1.0	ug/l	1	02/15/17 06:42	
Trifluralin	ND		0.010	ug/l	1	02/15/17 06:42	
<i>Surrogate(s)</i>							
Decachlorobiphenyl	82%		70-130	Conc: 0.0817		02/15/17 06:42	
Tetrachloro-meta-xylene	86%		70-130	Conc: 0.0864		02/15/17 06:42	
Method: EPA 515.3	Batch ID: W7B0186	Instr: GC08		Prepared: 02/03/17 08:27		Analyst: rnr	
2,4,5-T	ND		0.20	ug/l	1	02/07/17 19:27	
2,4,5-TP (Silvex)	ND		0.20	ug/l	1	02/07/17 19:27	
2,4-D	ND		0.40	ug/l	1	02/07/17 19:27	
2,4-DB	ND		2.0	ug/l	1	02/07/17 19:27	
3,5-Dichlorobenzoic acid	ND		1.0	ug/l	1	02/07/17 19:27	
Acifluorfen	ND		0.40	ug/l	1	02/07/17 19:27	
Bentazon	ND		2.0	ug/l	1	02/07/17 19:27	
Dalapon	ND		0.40	ug/l	1	02/07/17 19:27	
DCPA	ND		0.10	ug/l	1	02/07/17 19:27	
Dicamba	ND		0.60	ug/l	1	02/07/17 19:27	

Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 515.3 (Continued)		Batch ID: W7B0186		Instr: GC08		Prepared: 02/03/17 08:27	
Dichloroprop	ND		0.30	ug/l	1	02/07/17 19:27	Analyst: rmr
Dinoseb	ND		0.40	ug/l	1	02/07/17 19:27	
Pentachlorophenol	ND		0.20	ug/l	1	02/07/17 19:27	
Picloram	ND		0.60	ug/l	1	02/07/17 19:27	
<i>Surrogates</i>							
2,4-DCAA	105%		70-130	Conc: 10.5		02/07/17 19:27	
Method: EPA 524.2		Batch ID: W7B0298		Instr: GCMS14		Prepared: 02/06/17 07:08	
1,1,1,2-Tetrachloroethane	ND	0.10	0.50	ug/l	1	02/06/17 16:28	Analyst: rdt
1,1,1-Trichloroethane	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
1,1,1,2,2-Tetrachloroethane	ND	0.20	0.50	ug/l	1	02/06/17 16:28	
1,1,2-Trichloroethane	ND	0.19	0.50	ug/l	1	02/06/17 16:28	
1,1-Dichloroethane	ND	0.12	0.50	ug/l	1	02/06/17 16:28	
1,1-Dichloroethene	ND	0.16	0.50	ug/l	1	02/06/17 16:28	
1,1-Dichloropropene	ND	0.14	0.50	ug/l	1	02/06/17 16:28	
1,2,3-Trichlorobenzene	ND	0.19	0.50	ug/l	1	02/06/17 16:28	
1,2,3-Trichloropropane	ND	0.22	0.50	ug/l	1	02/06/17 16:28	
1,2,4-Trichlorobenzene	ND	0.17	0.50	ug/l	1	02/06/17 16:28	
1,2,4-Trimethylbenzene	ND	0.20	0.50	ug/l	1	02/06/17 16:28	
1,2-Dichloroethane	ND	0.12	0.50	ug/l	1	02/06/17 16:28	
1,2-Dichloropropane	ND	0.13	0.50	ug/l	1	02/06/17 16:28	
1,3,5-Trimethylbenzene	ND	0.17	0.50	ug/l	1	02/06/17 16:28	
1,3-Dichloropropane	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
1,3-Dichloropropene, Total	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
2,2-Dichloropropane	ND	0.17	0.50	ug/l	1	02/06/17 16:28	
2-Butanone	ND	0.72	5.0	ug/l	1	02/06/17 16:28	
2-Chloroethyl vinyl ether	ND	0.61	1.0	ug/l	1	02/06/17 16:28	
2-Chlorotoluene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
2-Hexanone	ND	1.2	5.0	ug/l	1	02/06/17 16:28	
4-Chlorotoluene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
4-Methyl-2-pentanone	ND	0.56	5.0	ug/l	1	02/06/17 16:28	
Benzene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
Bromobenzene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
Bromochloromethane	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
Bromodichloromethane	9.1	0.090	0.50	ug/l	1	02/06/17 16:28	
Bromoform	1.3	0.19	0.50	ug/l	1	02/06/17 16:28	
Bromomethane	ND	0.49	0.50	ug/l	1	02/06/17 16:28	
Carbon tetrachloride	ND	0.12	0.50	ug/l	1	02/06/17 16:28	
Chlorobenzene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
Chloroethane	ND	0.17	0.50	ug/l	1	02/06/17 16:28	
Chloroform	10	0.12	0.50	ug/l	1	02/06/17 16:28	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 524.2 (Continued)	Batch ID: W7B0298	Instr: GCMS14	Prepared: 02/06/17 07:08	Analyst: rdt			
Chloromethane	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
cis-1,2-Dichloroethene	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
cis-1,3-Dichloropropene	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
Dibromochloromethane	5.1	0.20	0.50	ug/l	1	02/06/17 16:28	
Dibromomethane	ND	0.20	0.50	ug/l	1	02/06/17 16:28	
Dichlorodifluoromethane (Freon 12)	ND	0.12	0.50	ug/l	1	02/06/17 16:28	
Di-isopropyl ether	ND	0.80	2.0	ug/l	1	02/06/17 16:28	
Ethyl tert-butyl ether	ND	0.40	2.0	ug/l	1	02/06/17 16:28	
Ethylbenzene	ND	0.21	0.50	ug/l	1	02/06/17 16:28	
Freon 113	ND	0.27	5.0	ug/l	1	02/06/17 16:28	
Hexachlorobutadiene	ND	0.40	0.50	ug/l	1	02/06/17 16:28	
Isopropylbenzene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
m,p-Xylene	ND	0.33	0.50	ug/l	1	02/06/17 16:28	
m-Dichlorobenzene	ND	0.14	0.50	ug/l	1	02/06/17 16:28	
Methyl tert-butyl ether (MTBE)	ND	0.19	2.0	ug/l	1	02/06/17 16:28	
Methylene chloride	ND	0.14	0.50	ug/l	1	02/06/17 16:28	
Naphthalene	ND	0.42	0.50	ug/l	1	02/06/17 16:28	
n-Butylbenzene	ND	0.29	0.50	ug/l	1	02/06/17 16:28	
n-Propylbenzene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
o-Dichlorobenzene	ND	0.19	0.50	ug/l	1	02/06/17 16:28	
o-Xylene	ND	0.20	0.50	ug/l	1	02/06/17 16:28	
p-Dichlorobenzene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
p-Isopropyltoluene	ND	0.25	0.50	ug/l	1	02/06/17 16:28	
sec-Butylbenzene	ND	0.24	0.50	ug/l	1	02/06/17 16:28	
Styrene	ND	0.19	0.50	ug/l	1	02/06/17 16:28	
Tert-amyl methyl ether	ND	0.59	2.0	ug/l	1	02/06/17 16:28	
tert-Butylbenzene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
Tetrachloroethene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
THMs, Total	26	0.60	2.0	ug/l	1	02/06/17 16:28	
Toluene	ND	0.14	0.50	ug/l	1	02/06/17 16:28	
trans-1,2-Dichloroethene	ND	0.11	0.50	ug/l	1	02/06/17 16:28	
trans-1,3-Dichloropropene	ND	0.15	0.50	ug/l	1	02/06/17 16:28	
Trichloroethene	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
Trichlorofluoromethane	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
Vinyl chloride	ND	0.18	0.50	ug/l	1	02/06/17 16:28	
Xylenes, Total	ND	0.33	1.0	ug/l	1	02/06/17 16:28	
<i>Surrogate</i>							
1,2-Dichlorobenzene-d4	77%		70-130	Conc: 7.69		02/06/17 16:28	
4-Bromofluorobenzene	78%		70-130	Conc: 7.82		02/06/17 16:28	

Method: EPA 525.2

Batch ID: W7B0375

Instr: GCMS16

Prepared: 02/07/17 08:40

Analyst: Statio

7B01071

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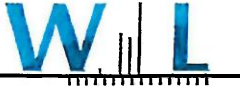
Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 525.2 (Continued)	Batch ID: W7B0375	Instr: GCMS16		Prepared: 02/07/17 08:40		Analyst: Statio	
Alachlor	ND		0.10	ug/l	1	02/28/17 12:30	
Altrazine	ND		0.10	ug/l	1	02/28/17 12:30	
Benzo (a) pyrene	ND		0.10	ug/l	1	02/28/17 12:30	
Bis(2-ethylhexyl)adipate	ND		5.0	ug/l	1	02/28/17 12:30	
Bis(2-ethylhexyl)phthalate	ND		3.0	ug/l	1	02/28/17 12:30	
Bromacil	ND		0.50	ug/l	1	02/28/17 12:30	
Butachlor	ND		0.10	ug/l	1	02/28/17 12:30	
Captan	ND		1.0	ug/l	1	02/28/17 12:30	
Chlorpropham	ND		0.10	ug/l	1	02/28/17 12:30	
Cyanazine	ND		0.10	ug/l	1	02/28/17 12:30	
Diazinon	ND		0.10	ug/l	1	02/28/17 12:30	
Dimethoate	ND		0.20	ug/l	1	02/28/17 12:30	
Diphenamid	ND		0.10	ug/l	1	02/28/17 12:30	
Disulfoton	ND		0.10	ug/l	1	02/28/17 12:30	
EPTC	ND		0.10	ug/l	1	02/28/17 12:30	
Metolachlor	ND		0.10	ug/l	1	02/28/17 12:30	
Metribuzin	ND		0.10	ug/l	1	02/28/17 12:30	
Molinate	ND		0.10	ug/l	1	02/28/17 12:30	
Prometon	ND		0.10	ug/l	1	02/28/17 12:30	
Prometryn	ND		0.10	ug/l	1	02/28/17 12:30	
Simazine	ND		0.10	ug/l	1	02/28/17 12:30	
Terbacil	ND		2.0	ug/l	1	02/28/17 12:30	
Thiobencarb	ND		0.10	ug/l	1	02/28/17 12:30	
Trithion	ND		0.10	ug/l	1	02/28/17 12:30	
<i>Surrogate(s)</i>							
1,3-Dimethyl-2-nitrobenzene	101%		73-138	Conc: 5.03		02/28/17 12:30	
Perylene-d12	43%		30-118	Conc: 2.15		02/28/17 12:30	
Triphenyl phosphate	60%		70-149	Conc: 3.01		02/28/17 12:30	S-GC
Method: EPA 531.1	Batch ID: W7B0245	Instr: LC10		Prepared: 02/03/17 17:09		Analyst: pjs	
3-Hydroxycarbofuran	ND		2.0	ug/l	1	02/07/17 07:46	
Aldicarb	ND		2.0	ug/l	1	02/07/17 07:46	
Aldicarb sulfone	ND		2.0	ug/l	1	02/07/17 07:46	
Aldicarb sulfoxide	ND		2.0	ug/l	1	02/07/17 07:46	
Carbaryl	ND		2.0	ug/l	1	02/07/17 07:46	
Carbofuran	ND		2.0	ug/l	1	02/07/17 07:46	
Methiocarb	ND		2.0	ug/l	1	02/07/17 07:46	
Methomyl	ND		2.0	ug/l	1	02/07/17 07:46	
Oxamyl	ND		2.0	ug/l	1	02/07/17 07:46	
Propoxur (Baygon)	ND		2.0	ug/l	1	02/07/17 07:46	
Method: EPA 547	Batch ID: W7B0135	Instr: LC10		Prepared: 02/02/17 12:19		Analyst: pjs	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Sample Results

(Continued)

Sample: Sandhill- Treated, RegID: 3610041-003
7B01071-01 (Water)

Sampled: 02/01/17 8:10 by John Cantone / Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 547 (Continued) Glyphosate	Batch ID: W7B0135	Instr: LC10		Prepared: 02/02/17 12:19		Analyst: pjs	
	ND		5.0	ug/l	1	02/03/17 12:16	
Method: EPA 548.1 Endothall	Batch ID: W7B0106	Instr: GCMS06		Prepared: 02/02/17 09:07		Analyst: etn	
	ND		45	ug/l	1	02/09/17 01:25	
Method: EPA 549.2 Diquat	Batch ID: W7B0107	Instr: LC11		Prepared: 02/02/17 09:10		Analyst: pjs	
	ND		4.0	ug/l	1	02/03/17 12:29	
Method: SM 2120B Color	Batch ID: W7B0099	Instr: Inst		Prepared: 02/02/17 08:24		Analyst: ajk	
	ND		3.0	Color Units	1	02/02/17 10:00	
Method: SM 2320B Alkalinity as CaCO3	Batch ID: W7B0527	Instr: AA02		Prepared: 02/08/17 13:14		Analyst: dmn	
	130		10	mg/l	1	02/08/17 19:19	
Bicarbonate Alkalinity as HCO3	160		10	mg/l	1	02/08/17 19:19	
Carbonate Alkalinity as CaCO3	ND		2.0	mg/l	1	02/08/17 19:19	
Hydroxide Alkalinity as CaCO3	ND		2.0	mg/l	1	02/08/17 19:19	
Method: SM 2330B Langelier Index @ 60 C	Batch ID: W7B0891	Instr: Inst		Prepared: 02/14/17 11:08		Analyst: jck	
	0.921		-10.0	N/A	1	02/14/17 14:14	
Langelier Index @ Source Temp	0.324		-10.0	N/A	1	02/14/17 14:14	
Method: SM 2510B Specific Conductance (EC)	Batch ID: W7B0243	Instr: AA02		Prepared: 02/03/17 16:05		Analyst: dmn	
	390		2.0	umhos/cm	1	02/03/17 22:18	
Method: SM 2540C Total Dissolved Solids	Batch ID: W7A3061	Instr: Inst		Prepared: 02/05/17 09:45		Analyst: ymt	
	200		10	mg/l	1	02/05/17 12:20	
Method: SM 4500H+ -B pH	Batch ID: W7B0089	Instr: AA02		Prepared: 02/01/17 18:43		Analyst: dmn	
	8.09		0.10	Units	1	02/01/17 20:59	
Method: SM 5540C MBAS	Batch ID: W7B0176	Instr: UVVIS03		Prepared: 02/02/17 18:59		Analyst: nat	
	ND		0.050	mg/l	1	02/02/17 22:07	
Method: SM 7110C Gross Alpha	Batch ID: W7B0528	Instr: MPC 9604-1		Prepared: 02/08/17 13:14		Analyst: jea	
	1.27			pCi/L	1	02/10/17 11:01	

Uncertainty: 0.135 MDA: 0.034

Notes and Definitions

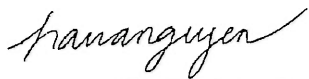
Item	Definition
*	The recommended holding time for this analysis is only 15 minutes. The sample was analyzed as soon as it was possible but it was received and analyzed past holding time.
BS-04	The recovery of this analyte in LCS or LCSD was outside control limit. Sample was accepted based on the remaining LCS, LCSD or LCS-LL.
MS-02	The RPD and/or percent recovery for this QC spike sample cannot be accurately calculated due to the high concentration of analyte inherent in the sample.
MS-05	The spike recovery and/or RPD were outside acceptance limits for the MS and/or MSD due to possible matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
QC-2	This QC sample was reanalyzed to complement samples that require re-analysis on different date. See analysis date.
Q-ME	Acceptable QC with marginal exceedance
S-GC	Surrogate recovery outside of control limits due to a possible matrix effect. The data was accepted based on valid recovery of the remaining surrogate.
ND	NOT DETECTED at or above the Method Reporting Limit (MRL). If Method Detection Limit (MDL) is reported, then ND means not detected at or above the MDL.
Dil	Dilution
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference
% Rec	Percent Recovery
Source	Sample that was matrix spiked or duplicated.
MDL	Method Detection Limit
MRL	The minimum levels, concentrations, or quantities of a target variable (e.g., target analyte) that can be reported with a specified degree of confidence. The MRL is also known as Limit of Quantitation (LOQ) and Detection Limit for Reporting (DLR)
MDA	Minimum Detectable Activity
NR	Not Reportable
TIC	Tentatively Identified Compound (TIC) using mass spectrometry. The reported concentration is relative concentration based on the nearest internal standard. If the library search produces no matches at, or above 85%, the compound is reported as unknown.

Any remaining sample(s) will be disposed of one month from the final report date unless other arrangements are made in advance.
 An Absence of Total Coliform meets the drinking water standards as established by the California State Water Resources Control Board (SWRCB)
 All results are expressed on wet weight basis unless otherwise specified.
 All samples collected by Weck Laboratories have been sampled in accordance to laboratory SOP Number MIS 002.

Not Certified Analyses Summary

Analyte	CAS #	Not Accredited By
AWWA in Water Aggressive Index		NELAP

Reviewed by:



Hai Van Nguyen
Senior Project Manager



ELAP-CA #1132 • EPA-UCMR #CA00211 • LACSD #10143 • NJ-DEP #CA015 • NV-DEP #NAC 445A

This is a complete final report. The information in this report applies to the samples analyzed in accordance with the chain-of-custody document. Weck Laboratories certifies that the test results meet all requirements of TNI unless noted by qualifiers or written in the Case Narrative. This analytical report must be reproduced in its entirety.



July 7, 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 Fontana Water Company (FWC) Recharge Application, as submitted to the Chino Basin Watermaster on July 6, 2017 and revised on July 7, 2017 (hereafter revised July 6, 2017 recharge application)

Dear Mr. Kavounas,

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of the FWC's revised July 6, 2017 recharge application. This MPI analysis has been done pursuant to the Watermaster Rules and Regulations and the Peace Agreement. Specifically, Article 10 of 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.

FWC's Recharge Application of July 6, 2017

The FWC proposes to recharge up to 300 acre-feet (af) of Lytle Creek water into the Vulcan Pit during the period September 2017 through September 2018. The water would be treated to potable standards and diverted into the Vulcan Pit from the FWC distribution system. The FWC proposes to use the same one to two-acre part of the pit that was used by Vulcan and FWC for a recharge event in 2015.

The scope of this analysis is to determine if the proposed recharge event of up to 300 af of Lytle Creek water by the FWC, as proposed in its revised July 6, 2017 recharge application, has the potential to cause MPI.

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

The proposed recharge event will produce a localized increase in groundwater levels in the vicinity of the Vulcan Pit where the recharge occurs, followed by a return to the groundwater levels that would occur had the water not been recharged. The current depth to groundwater beneath the Vulcan Pit is presently about 490 feet below ground surface (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 FWC.

Balance of Recharge and Discharge in Every Area and Subarea

Per the application, FWC intends to use the proposed recharge water to partially offset its overproduction that will occur from its production in MZ3. The Vulcan Pit is located in MZ3. In the absence of the proposed recharge event, the FWC would meet its replenishment obligation from transfers of water from other appropriators that produce groundwater in MZ1 and MZ2 and Watermaster replenishment that may or may not occur in MZ3. The proposed recharge event will improve the balance of recharge and discharge in MZ3.

Total Dissolved Solids and Nitrate Concentration of the Recharge Water

The 2004 Regional Water Quality Control Plan (Basin Plan) for the Santa Ana River Watershed has total dissolved solids (TDS) and nitrate (expressed as nitrogen) concentration objectives in the Chino-North Groundwater Management Zone (GMZ) of 430 milligrams per liter (mg/L) and 5 mg/L, respectively. The proposed recharge event will occur in the Chino-North GMZ. Pursuant to the Basin Plan, Watermaster and the IEUA are required to manage recharge in spreading basins in the Chino Basin such that the five-year, volume-weighted average TDS and nitrate concentration of the recycled water, imported water, supplemental native water, and new stormwater recharged across all recharge basins will not exceed the Basin Plan objectives. The FWC provided a recent

characterization of Lytle Creek water quality in their revised July 6, 2017 recharge application. This characterization indicates that the TDS and nitrate concentrations of the water proposed to be recharged are generally less than 250 mg/L and 1 mg/L, respectively. The current ambient TDS and nitrate concentrations in the Chino-North GMZ are 350 mg/L and 10 mg/L, respectively, and therefore the proposed recharge event will not encroach on the current assimilative capacity or interfere with Watermaster and the IEUA's regulatory obligations. In fact, the proposed recharge event will be helpful in complying with the Basin Plan. There will be no adverse TDS or nitrate concentration impacts caused by the proposed recharge event.

Water Quality Impacts on Other Pumpers

The water quality of the proposed recharge water is comparable to State Water Project water, and the proposed recharge event will improve the general water quality in MZ3 and the Basin. The proposed recharge will not change the direction and/or speed of movement of known contaminant plumes. There will be no adverse water quality impacts caused by the proposed recharge event.

Conclusion and Recommendations

There will be no MPI due to the FWC proposed recharge event as described in their revised July 6, 2017 recharge application.

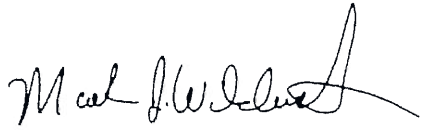
We recommend that Watermaster consider requiring the following conditions on the approval of the recharge application:

1. The berm system used to constrain the recharge area be improved such that it will not fail due to seepage pressures or overtopping during the FWC proposed recharge event. The berm system failed during the 2015 recharge event.
2. Require the recharge water be conveyed from the source to the proposed recharge area in a closed system to ensure that the recharge water does not contact soil outside of the proposed recharge area.
3. We are concerned that continuous use of the site for recharge events, even small ones, could lead to material physical injury. As such, each future use of the Vulcan Pit should require MPI analyses, until a recharge feasibility analysis of the entire site is performed.

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

Very truly yours,

Wildermuth Environmental, Inc.

A handwritten signature in black ink, appearing to read "Mark Wildermuth". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark Wildermuth, PE
President, Principal Engineer

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App and Ag Pool)

- E. 9W HALO WESTERN OPCO L.P.
REQUEST FOR INTERVENTION INTO THE OVERLYING
(NON-AGRICULTURAL) POOL**

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

- E. 9W HALO WESTERN OPCO L.P.
REQUEST FOR INTERVENTION INTO THE OVERLYING
(NON-AGRICULTURAL) 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: July 13, 2017
TO: Pool Committees
SUBJECT: 9W Halo Western OpCo L.P. Request for Intervention into Overlying (Non-Agricultural) Pool (Consent Calendar Item I.E.)

SUMMARY

Issue: On July 6, 2017, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from 9W Halo Western OpCo L.P. This staff report provides a summary and analysis of the proposed Intervention.

Recommendation: Recommend Advisory Committee approval of the filing of request for Intervention.

Financial Impact: None.

Future Consideration

Appropriative Pool: July 13, 2017: Recommend Advisory Committee approval
Non-Agricultural Pool: July 13, 2017: Recommend Advisory Committee approval
Agricultural Pool: July 13, 2017: Recommend Advisory Committee approval
Advisory Committee: July 20, 2017: Approve and recommend Watermaster recommend to Court
Watermaster Board: July 27, 2017: Recommend to Court

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 2017:

BACKGROUND

Angelica Corporation (aka Southern Service Company, Blue Seal Linen) is an original Overlying (Non-Agricultural) Pool party pursuant 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. It currently owns water rights consisting of 18.789 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool.

On April 3, 2017 Angelica Corporation (Angelica), Clothesline Holdings, Inc., and other parties as sellers, entered into an Asset Purchase Agreement (APA) with 9W Halo Holdings, L.P. (9W Halo) as purchaser of certain of the assets of Angelica and its subsidiaries. On April 28, 2017 the U.S. Bankruptcy Court, Southern District of New York entered a bankruptcy bidding procedures order in Case No. 17-10870 (JLG), thereby approving bidding procedures by the APA. 9W Halo and Angelica anticipate closure of the sale under the APA on or about June 30, 2017. Pursuant to the sale, Angelica has requested the permanent transfer of 18.789 acre-feet of its overlying groundwater productions rights to 9W Halo Western OpCo L.P. (9W Halo Western) (Attachment 1).

Angelica and 9W Halo Western 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). The Application indicates that the quantity of Safe Yield rights to be permanently transferred from Angelica to 9W Halo Western is 18.789 acre-feet, effective in fiscal year 2017/2018.

DISCUSSION

Intervention Requests

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

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.

Overlying (Non-Agricultural) Pool Membership

According to the Judgment, a producer is assigned to the Overlying (Non-Agricultural) Pool if it is an overlying producer who produces water for industrial or commercial purposes. (Judgment, ¶ 43(b).) " Any non-party producer or any person who may hereafter commence production of water from Chino Basin, and who may become a party to [the] physical solution by intervention, shall be assigned to the proper pool by the order of the Court authorizing such intervention." (Judgment, ¶ 43.)

9W Halo Western OpCo L.P.'s Request for Intervention

9W Halo Western has requested Intervention into the Overlying (Non-Agricultural) Pool for the purpose of accepting the Transfer of Angelica's water rights (Attachment 3). 9W Halo Western intends to be a member of the Overlying (Non-Agricultural) Pool, and will therefore hold Carryover and Storage accounts with Watermaster within the Pool.

Pursuant to the APA, 9W Halo Western will operate Angelica Corporation's site in Pomona, California, which overlies the Chino Basin and is appurtenant to the historical production and use of overlying groundwater production rights (APN: 8337-029-002 & 8337-029-003; APN 8337-029-001; APN: 8337-029-005; APN: 8337-029-04). Upon successful intervention into the NAP, 9W Halo Western intends to use the overlying rights transferred from Angelica Corporation on the overlying property and in a manner consistent with Restated Judgment and current practices as approved through the Chino Basin Watermaster process and the San Bernardino Superior Court. 9W Halo Western has indicated that it will meter and report its overlying uses of overlying rights in a manner consistent with the Judgment and current practices as approved through the Chino Basin Watermaster process and the Court. On this basis, Watermaster staff recommends the approval of the request for Intervention.

ATTACHMENTS

1. July 6, 2017 Letter from John Partridge RE Request for Permanent Transfer of Safe Yield
2. Consolidated Forms 3, 4, and 5
3. July 6, 2017 Letter from Jeffrey Smith RE 9W Halo Western OpCo L.P.'s Request for Intervention

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July 6, 2017

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

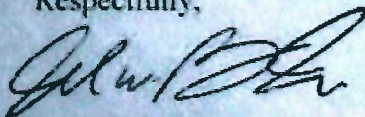
Request for Permanent Transfer of Safe Yield

Dear Mr. Kavounas,

This letter is to notify the Chino Basin Watermaster that Angelica Corporation is hereby requesting the permanent transfer to 9W Halo Western OpCo L.P. of 18.789 acre-feet of its groundwater production rights, adjudicated to Angelica Corporation or its predecessor-in-interest in the Restated Judgment rendered in the case of *Chino Basin Municipal Water District v. City of Chino, et al.* RCV 51010 (formerly Case No. SCV 164327). This transfer is contingent on 9W Halo Western OpCo L.P.'s successful intervention into the Overlying (Non-Agricultural) Pool.

The executed original Watermaster forms and all supporting documentation are attached. We kindly request that you put the proposed purchase on the agenda for the next Watermaster meeting.

Respectfully,



John Partridge
Vice-President Corporate Development & Treasurer

WATER TRANSFER INFORMATION NEEDED
FOR THE WATER ACTIVITY REPORTS AND
THE ASSESSMENT PACKAGE

ATTACHMENT 2

FISCAL YEAR 2017 - 2018

DATE REQUESTED: July 6, 2017

AMOUNT REQUESTED: 18.789 Acre-Feet

SALES PRICE: \$ 0 / Acre-Foot

(Needed for Assessment Package)

IF 85/15 RULE APPLIES, 15% GOES TO:

Seller Buyer N/A

TRANSFER FROM (SELLER / TRANSFEROR):

Angelica Corporation

Name of Party

TRANSFER TO (BUYER / TRANSFEREE):

9W Halo Western OpCo L.P.

Name of Party

I declare under penalty of perjury that the date, quantity, \$/AF, and party to receive the 15% credit in the Assessment Package entered above is accurate, and if asked to do so, my city/agency/company would provide copies of documentation to validate the transaction.

[Signature]

Seller / Transferor Representative Signature

[Signature]

Buyer / Transferee Representative Signature

AUTHORIZED SIGNATORY

John Partridge

Seller / Transferor Representative Name (Printed)

Buyer / Transferee Representative Name (Printed)

THIS PAGE IS TO BE KEPT CONFIDENTIAL UNTIL
THE FISCAL YEAR IS OVER AND THE
WATER ACTIVITY REPORTS ARE CREATED.

**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: July 6, 2017

AMOUNT REQUESTED: 18.789 Acre-Feet

<p>TRANSFER FROM (SELLER / TRANSFEROR):</p> <p><u>Angelica Corporation</u> Name of Party</p> <p><u>1105 Lakewood Parkway, Suite 210</u> Street Address</p> <p><u>Alpharetta</u> <u>GA</u> <u>30009</u> City State Zip Code</p> <p><u>(678) 823-4100</u> Telephone</p> <p><u>(678) 823-4165</u> Facsimile</p>	<p>TRANSFER TO (BUYER / TRANSFEREE):</p> <p><u>9W Halo Western OpCo L.P.</u> Name of Party</p> <p><u>1105 Lakewood Parkway, Suite 210</u> Street Address</p> <p><u>Alpharetta</u> <u>GA</u> <u>30009</u> City State Zip Code</p> <p><u>(678) 823-4100</u> Telephone</p> <p><u>(678) 823-4165</u> Facsimile</p>
---	---

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 of 18.789 AF of Non-Agricultural Pool rights to purchaser of Angelica Corporation assets

WATER IS TO BE TRANSFERRED FROM:

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain Permanent transfer of 18.789 AF of Non-Agricultural Pool rights

WATER IS TO BE TRANSFERRED TO:

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Permanent transfer of 18.789 AF of Non-Agricultural Pool rights

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?
N/A

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

John Partridge

 Seller / Transferor Representative Name (Printed)



 Buyer / Transferee Representative Signature

JEFFREY W SMITH
 AUTHORIZED SIGNATORY

 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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July 6, 2017

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

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

Dear Mr. Kavounas,

9W Halo Western OpCo L.P. (“9W Halo Western”) submits this request to intervene in the above-referenced action under paragraph 60 of the Chino Basin Judgment (“Restated Judgment”) as a member of the Overlying Non-Agricultural Pool (“NAP”). We request that the Chino Basin Watermaster accept permanent transfer of 18.789 acre-feet of safe yield overlying non-agricultural pool rights from Angelica Corporation. 9W Halo Western will use these rights on the property owned by Ang II (Multi) LLC and overlying the Chino Basin, consistent with the Restated Judgment as administered by the Chino Basin Watermaster.

9W Halo Western’s request is based on the following facts:

- A. Angelica Corporation owns overlying groundwater production rights adjudicated to Angelica Corporation or its predecessor-in-interest under the Restated Judgment.
- B. Angelica Corporation entered into a stalking horse Asset Purchase Agreement (“APA”) dated April 3, 2017 between Clothesline Holdings, Inc., Angelica Corporation and other parties as sellers and 9W Halo Holdings L.P. as purchaser of certain of the assets of Angelica Corporation and its subsidiaries. On April 28, 2017 the U.S. Bankruptcy Court, Southern District of New York entered a bankruptcy bidding procedures order in Case No. 17-10870 (JLG), thereby approving bidding procedures and the APA. 9W Halo Holdings L.P and Angelica Corporation anticipate closure of the sale under the APA on or about June 30, 2017. Pursuant to the sale, Angelica Corporation has requested the permanent transfer of 18.789 acre-feet of its overlying groundwater production rights to 9W Halo Western (see attached letter and executed water transfer forms).
- C. The Restated Judgment allocates overlying water rights based on land ownership and overlying use. Pursuant to the APA, 9W Halo Western will operate Angelica Corporation’s site in Pomona, California, which overlies the Chino Basin and is appurtenant to the historical production and use of overlying groundwater production rights (APN: 8337-029-002 & 8337-029-003; APN 8337-029-001; APN: 8337-029-005; APN: 8337-029-04). Upon successful intervention into the NAP, 9W Halo Western intends to use the overlying rights transferred from Angelica Corporation on

the overlying property and in a manner consistent with Restated Judgment and current practices as approved through the Chino Basin Watermaster process and the San Bernardino Superior Court. 9W Halo Western will meter and report its overlying uses of overlying rights.


- D. 9W Halo Western understands the distinction between overlying and appropriative rights under the Restated Judgment. Therefore, 9W Halo Western will not seek special status or treatment as a member of both the NAP and the Appropriative Pool.
- E. The transfer from Angelica Corporation to 9W Halo Western does not involve any additional groundwater extractions not provided for under the Restated Judgment. As a result, the transfer will not result in any "material physical injury" to any party under the Restated Judgment's Physical Solution.

Based on the foregoing, 9W Halo Western respectfully requests that the Chino Basin Watermaster approve its request to intervene in the Restated Judgment to become a member of the NAP. 9W Halo Western also respectfully requests that Watermaster approve Angelica Corporation's request to permanently transfer 18.789 acre-feet of overlying groundwater rights to 9W Halo Western. 9W Halo Western shall comply with all provisions of the Restated Judgment in a matter consistent with past actions and approvals by Watermaster and the Court.

Please agendaize 9W Halo Western and Angelica Corporation's requests for the next monthly 2017 Pool and Advisory Committee meetings. If you have any questions or require additional information concerning this matter, please do not hesitate to contact Deepa Sarkar at (212) 373-3678 or by e-mail at dsarkar@paulweiss.com.

Respectfully,

9W Halo Western OpCo L.P.

By:  _____

Name:

Title: JEFFREY M SMITH
AUTHORIZED SIGNATORY

Attachments

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

- A. 2016 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE**



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 13, 2017
TO: Pool Committee Members
SUBJECT: 2016 Annual Report of the Prado Basin Habitat Sustainability Committee (WY 2015/16)
(Business Item II.A.)

SUMMARY

Issue: Pursuant to the monitoring and mitigation requirements of the Peace II Subsequent Environmental Impact Report, in order to receive the benefits of Hydraulic Control and Basin Re-Operation, the Prado Basin Habitat Sustainability Committee must prepare an Annual Report. The Committee presents its First Annual Report for Water Year 2015/2016.

Recommendation: Offer advice and assistance.

Financial Impact: No Impact. However, the report recommends decreasing monitoring for Water Year 2016/2017 which will reduce future expenses.

Future Consideration

Appropriative Pool: July 13, 2017: Advice and assistance
Non-Agricultural Pool: July 13, 2017: Advice and assistance
Agricultural Pool: July 13, 2017: Advice and assistance
Advisory Committee: July 20, 2017: Recommend Board approval to receive and file
Watermaster Board: July 27, 2017: Receive and file

ACTIONS:

Appropriative Pool – July 13, 2017:
Non-Agricultural Pool – July 13, 2017:
Agricultural Pool – July 13, 2017:
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 2017:

BACKGROUND

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

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

To further implement the goals and objectives of the Chino Basin Optimum Basin Management Program (OBMP), the Chino Basin Watermaster executed the Peace II Agreement in 2007. The primary features of the Peace II Agreement are to provide for Basin Re-operation and the attainment of Hydraulic Control of the Chino Basin. Hydraulic Control is defined as the elimination of groundwater discharge from the Chino-North Management Zone to the Prado Basin, or its reduction to *de minimis* quantities (i.e., less than 1,000 acre-feet per year [afy]). Hydraulic Control ensures that the water management activities in the Chino-North Management Zone will not impair the beneficial uses designated for water quality of the SAR downstream of Prado Dam. Basin Re-operation means the increase in controlled overdraft of the Chino Basin, as defined in the Judgment, from 200,000 acre-ft over the period of 1978 through 2017 to 600,000 acre-ft through 2030. Both desalter expansion in the southwestern portion of the Chino Basin and Re-operation (controlled overdraft over the whole of the Chino Basin) are required to achieve Hydraulic Control. Hydraulic Control was achieved in 2016, and will be maintained through expansion of the desalter program from its current approximate 30,000 afy of groundwater production to 40,000 afy, and the completion of Basin Re-operation.

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

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

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

The available modeling data in the SEIR indicates that Peace II Agreement implementation will not cause significant adverse effects on the Prado Basin riparian habitat. However, the following contingency measure will be implemented to ensure that the Prado Basin riparian habitat will not incur unforeseeable significant adverse effects, due to implementation of Peace II. IEUA, Watermaster, OCWD and individual stakeholders, that choose to participate, will jointly fund and develop an adaptive management program that will include, but not be limited to:

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

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

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

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

The draft Annual Report for Water Year 2015/2016 was published and distributed on June 1, 2017. Watermaster and IEUA presented the draft report to members of the PBHSC at a meeting on June 6, 2017. A one-month comment period was provided and several agencies provided feedback.

DISCUSSION

This Annual Report for Water Year 2015/2016 is the first annual report prepared by Watermaster and IEUA for the PBHSC. It documents the collection, analysis, and interpretations of the data and information generated by the PSHSP through September 30, 2016 and includes the following sections:

- **Section 1** – Introduction. This section describes the background and objectives of the PBHSP and the Annual Report.
- **Section 2** – Monitoring, Data Collection, and Methods. This section describes the collection of historical information and the recent monitoring and groundwater-modeling activities performed during water year 2015/2016 for the PBHSP.
- **Section 3** – Results and Interpretations. This section describes the interpretations and results of the information, data, and groundwater-modeling results.
- **Section 4** – Conclusions and Recommendations. This section summarizes the main conclusions derived from the monitoring and modeling efforts through the prior water year and the recommended activities for the subsequent fiscal year, including a proposed scope-of-work, schedule, and budget.
- **Section 5** – References. This section lists the publications cited in the report.

The Report's Main Findings and Recommendations:

The assessment of the riparian habitat in the Prado Basin, through the analysis of air photos, NDVI, and vegetation surveys, shows that the riparian habitat has increased in its extent and quality since the 1960s. There is no indication of a trend in degradation of the extent or quality of the riparian habitat along Chino Creek, Mill Creek, or the SAR that is contemporaneous with implementation of the Peace and Peace II agreements.

With two exceptions, groundwater levels across the Groundwater Monitoring Program (GMP) study area have remained stable since 1961 and appear to have been unaffected by the implementation of the Peace Agreements. The two exceptions are along the northern reaches of Mill Creek and the SAR, where groundwater levels have fluctuated by up to +/- 10 feet, apparently in response to decreased groundwater production from the GMP area in the 1990s and increased production after about 2000 with the commencement of CDA pumping. The quality of riparian habitat in these areas has shown no trend of degradation since the NDVI estimates became available in the early 1980s, and may have even improved slightly during the Peace Agreement period.

Watermaster's most recent predictive groundwater-modeling results indicate that future declines in groundwater levels in the Prado Basin will be monitored closely and are projected to be gradual, limited in their spatial extent, and relatively minor in magnitude, which provides time to develop appropriate monitoring and mitigation strategies for this area, if necessary. The PBHSP should continue the monitoring of groundwater levels and utilize updated groundwater model projections of groundwater levels to characterize areas of prospective loss of riparian habitat.

The extended dry period from 1999 to 2016 did not correlate with a declining trend in the quality of riparian habitat in Prado Basin, which suggests the availability of source waters for consumptive use by the riparian vegetation other than precipitation and runoff, such as base flow discharge and shallow groundwater.

Discharge in the SAR and its tributaries to Prado Dam has declined significantly since 2005. The declining trend in discharge is attributed to dry climatic conditions from 1999-2016 and the decreases in POTW effluent discharge because of increased recycled-water reuse and decreased wastewater discharge due to an economic recession that began in 2008 and the implementation of emergency water-conservation measures during the recent drought. The quality of riparian habitat in all areas of Prado Basin has shown no trend of degradation that coincides with the decline in stream discharge, and may have improved slightly during the Peace Agreement period along the northern reaches of Chino Creek, Mill Creek, and the SAR.

There are other factors that have had documented adverse impacts on the riparian habitat, including wildfire and pests, particularly, the Polyphagous Shot Hole Borer (PSHB) is a recently observed pest that is causing adverse impacts to trees in Prado Basin. The PSHB should be monitored for and documented in future field-based vegetation surveys.

A goal of the PBHSP is to discern impacts to the riparian habitat due to Peace II implementation versus impacts due to factors not related to Peace II implementation. The annual report primarily utilized visual comparison of time-series data of factors that could affect the riparian habitat to time-series data on the extent and quality of the riparian habitat, and was generally unable to identify and characterize cause-and-effect relationships. Future efforts to identify and characterize cause-and-effect relationships should include research and application of other appropriate time-series analyses.

The annual report documented no indication of a trend in degradation of the extent or quality of the riparian habitat along Chino Creek, Mill Creek, or the SAR that is contemporaneous with implementation of the Peace II agreement. Hence, no mitigation measures are proposed at this time.

The annual report includes a recommended scope of work for monitoring and reporting for FY 2017/18 with an estimated cost of \$227,000, which is about 50% less cost compared to FY 2016/17. Watermaster and IEUA are cost-sharing partners for this program, and have approved the scope-of-work and budget recommendations in the annual report for FY 2016/17. The Orange County Water District will contribute \$10,000 for the acquisition of a high-resolution air photo of the Prado Basin in 2017.

At this time, the PBHSC is not recommending any changes in the Adaptive Management Plan or that any mitigation measures for Hydraulic Control or Basin Re-Operation are necessary at this time.

ATTACHMENTS

1. 2016 Annual Report of the Prado Basin Habitat Sustainability Committee – Water Year 2015/16
(Click on link below to access):
<http://cbwm.org/FTP/Prado%20Basin%20Habitat%20Sustainability%20Program/Annual%20Reports/2016/Final/>

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS (App Only)

- B. DESALTER REPLENISHMENT ASSESSMENTS FOR PRODUCTION YEAR 2013/14 (BASED ON ASSESSMENT PACKAGE FOR PRODUCTION YEAR 2013/14)**



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 13, 2017
TO: Pool Committee Members
SUBJECT: Resolution to Levy Desalter Replenishment Assessments for Fiscal Year 2013/2014
(Based on Production Year 2013/14) (Business Item II.B.)

SUMMARY

Issue: A resolution is required for the Chino Basin Watermaster to levy Desalter Replenishment assessments for Fiscal Year 2013/2014.

Recommendation: Offer advice and assistance.

Financial Impact: Collection of the assessments creates the funds that are used for buying replenishment water from unmet Desalter Replenishment Obligation through Production Year 2013/2014.

Future Consideration

Appropriative Pool – July 13 2017: Advice

Advisory Committee – July 20, 2017: Advice

Watermaster Board – July 27, 2017: Approval [Function related to administration of the Pool Committees]

ACTIONS:

May 11, 2017– Appropriative Pool – No action

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

May 11, 2017– Agricultural Pool – No Action

May 18, 2017– Advisory Committee – No Action

May 25, 2017– Watermaster Board – No Action

June 8, 2017– Appropriative Pool – Discussion only

BACKGROUND

Due to the pending Safe Yield Reset decision from the Court, Chino Basin Watermaster did not levy assessments for Desalter Replenishment Obligations for the production years 2013/14, 2014/15 and 2015/16. Through production year 2013/14 there is an unmet Desalter Replenishment Obligation of 27,940 ac-ft

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.

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 on Safe Yield Recalculation. When the re-evaluation is completed Watermaster will re-issue those Assessment Packages for approval, and will then proceed to assess for all obligations appropriately.

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. 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 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. 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 brought 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.

DISCUSSION

The attached Resolution 2017-05 has been updated to incorporate a citation as suggested by the Appropriative Pool. Exhibit A to Resolution 2017-05 does not indicate the allocation of the entire replenishment obligation to the Appropriative Pool parties; the allocation will be shown pending input from the Pool. The Watermaster Board will be asked to approve this resolution at its July 27, 2017 regularly scheduled meeting.

ATTACHMENTS

1. Resolution 2017-05: A resolution of the Chino Basin Watermaster levying Desalter Replenishment assessments for Production Year 2013/2014

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RESOLUTION 2017-05

A RESOLUTION OF THE CHINO BASIN WATERMASTER
LEVYING DESALTER REPLENISHMENT ASSESSMENTS
FOR FISCAL YEAR 2013-2014

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under Case No. RCV 51010 (formerly case No. SCV 164327) entitled Chino Basin Municipal Water District v. City of Chino, et al., with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment; and

WHEREAS, the Watermaster has an obligation to collect assessments for unmet Desalter Replenishment Obligation (Restated Judgment Paragraph 45; Peace II Agreement Section 6.2(b)(ii)).

WHEREAS, the Appropriative Pool parties named in this Judgment have the obligation to replenish for 27,940 acre-feet of water pumped by the Chino Basin Desalter Authority, in accordance with the assessment formula for the Pool.

WHEREAS, the Appropriative Pool parties will have the opportunity to meet such obligation by transferring water from their respective Storage Accounts.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective July 27, 2017 as shown on Exhibit "A" attached hereto.

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty (30) 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.

THE FOREGOING RESOLUTION was
ADOPTED by the Watermaster Board on the 27th day of July 2017.

By: _____
Chair – Watermaster Board

ATTEST:

Secretary/Treasurer – Watermaster Board

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Bob Kuhn, Secretary/Treasurer of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2017-05, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DRAFT

CHINO BASIN WATERMASTER

Secretary

Date: _____

Exhibit "A"
Resolution 2017-05

Summary of Assessments
Fiscal Year 2016-2017
Production Year 2013-2014

1. APPROPRIATIVE POOL

a. Administration

1. Desalter Replenishment Obligation 27,940 AF¹²

DRAFT

¹ Parties may choose to meet their obligation by transferring water from their storage accounts or by monetary payment to Watermaster. For those paying with money the rate would be the MWD Tier 1 rate current at the time of the invoices, plus any additional applicable charges.

² The individual breakdown by party is yet to be determined

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for June 2017

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/01/2017	20147	APPLIED COMPUTER TECHNOLOGIES	2863	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017	2863		Database Consulting - May 2017	6052.2 · Applied Computer Technol	4,064.20
TOTAL						4,064.20
Bill Pmt -Check	06/01/2017	20148	CHEF DAVE'S CAFE & CATERING		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	6735		Lunch for 4/27/17 Watermaster Board meeting	6312 · Meeting Expenses	602.00
Bill	05/25/2017	6751		Lunch for 5/25/17 Watermaster Board meeting	6312 · Meeting Expenses	602.00
TOTAL						1,204.00
Bill Pmt -Check	06/01/2017	20149	COUNTY OF SAN BERNARDINO		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017			Funding of Trust Agreeemnt-CBWM/County SB	1025 · Trust Account - County of SB	15,000.00
TOTAL						15,000.00
Bill Pmt -Check	06/01/2017	20150	CURATALO, JAMES	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2017	5/10 Admin Mtg		5/10/17 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	05/15/2017	5/15 Lunch Mtg		5/15/17 Lunch meeting-discuss CBWM Matters	6311 · Board Member Compensation	125.00
Bill	05/23/2017	5/23 Board Agenda		5/23/17 Board agenda preview meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2017	5/24 Personnel Comm		5/24/17 Personnel Committee conference call	6311 · Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Meeting		5/25/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	06/01/2017	20151	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2017	5/10 Exec Comm Mtg		5/10/17 Executive Committee meeting re SYR	6311 · Board Member Compensation	125.00
Bill	05/23/2017	5/23 Board Agenda		5/23/17 Board Agenda Preview Meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2017	5/24 GM Review Call		5/24/17 GM review call w/Curatalo	6311 · Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	06/01/2017	20152	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/18/2017	5/18 Advisory Comm		5/18/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	06/01/2017	20153	KESSLER ALAIR INSURANCE SERVICES, INC.	680964	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2017	680964		D&O for June 2017	6085 · Business Insurance Package	1,051.07
				D&O for July 2017-May 2018	1401 · Prepaid Insurance-Pkg	11,736.93
TOTAL						12,788.00
Bill Pmt -Check	06/01/2017	20154	LEVEL 3 COMMUNICATIONS	55570939	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/23/2017	55570939		5/17/17-6/16/17	6053 · Internet Expense	1,047.80
TOTAL						1,047.80
Bill Pmt -Check	06/01/2017	20155	LOEB & LOEB LLP	1719956	1012 · Bank of America Gen'l Ckg	
Bill	05/23/2017	1719956		Non-Ag Pool Legal Services - April 2017	8567 · Non-Ag Legal Service	7,112.25
TOTAL						7,112.25
Bill Pmt -Check	06/01/2017	20156	PIETERSMA, RONALD	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/23/2017	5/23 Mtg w/Chair		5/23/17 Meeting w/Pool Chair	8411 · Compensation	25.00
				5/23/17 Meeting w/Pool Chair	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/01/2017	20157	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017	8000909000168851		Postage refill	6042 · Postage - General	500.00
TOTAL						500.00
Bill Pmt -Check	06/01/2017	20158	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2017	0023230253		Office Water Bottle - May 2017	6031.7 · Other Office Supplies	53.86
TOTAL						53.86
Bill Pmt -Check	06/01/2017	20159	RON SHELLEY'S AUTOMOTIVE	Vehicle Repairs & Maintenance	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2017	9579		Four replacement tires for F-150	6177 · Vehicle Repairs & Maintenance	634.33
Bill	05/26/2017	9581		Four replacement tires for Expedition	6177 · Vehicle Repairs & Maintenance	687.21
TOTAL						1,321.54
Bill Pmt -Check	06/01/2017	20160	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	05/23/2017	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	731.46
TOTAL						731.46
Bill Pmt -Check	06/01/2017	20161	STATE COMPENSATION INSURANCE FUND	1970970-16	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2017	1970970-16		Premium for 5/26/17-6/26/17	60183 · Worker's Comp Insurance	910.00
TOTAL						910.00
Bill Pmt -Check	06/01/2017	20162	VERIZON WIRELESS	9785661804	1012 · Bank of America Gen'l Ckg	
Bill	05/23/2017	9785661804		Acct #648073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.04
TOTAL						100.04
Bill Pmt -Check	06/01/2017	20163	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2017	001017890001		Vision Insurance Premium - June 2017	60182.2 · Dental & Vision Ins	85.60
TOTAL						85.60

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	06/03/2017	06/03/2017	Payroll and Taxes for 05/21/17-06/03/17	Payroll and Taxes for 05/21/17-06/03/17	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 05/21/17-06/03/17	1012 - Bank of America Gen'l Ckg	30,702.01
				Payroll Taxes for 05/21/17-06/03/17	1012 - Bank of America Gen'l Ckg	10,689.92
			ICMA-RC	457(f) Employee Deductions for 05/21/17-06/03/17	1012 - Bank of America Gen'l Ckg	4,411.29
			ICMA-RC	401(a) Employee Deductions for 05/21/17-06/03/17	1012 - Bank of America Gen'l Ckg	1,247.07
TOTAL						47,050.29
Bill Pmt -Check	06/05/2017	20164	TELLEZ-FOSTER, EDGAR	Promissory Note Dated June 5, 2017	1012 - Bank of America Gen'l Ckg	
Bill	06/05/2017	Promissory Note		Promissory Note Dated June 5, 2017	6011 - WM Staff Salaries	4,700.00
TOTAL						4,700.00
Bill Pmt -Check	06/09/2017	ACH 060917	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	06/03/2017	06/03/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/21/17-06/03/17	2000 - Accounts Payable	6,597.15
TOTAL						6,597.15
Bill Pmt -Check	06/12/2017	20165	ACWA JOINT POWERS INSURANCE AUTHORIT 0487861		1012 - Bank of America Gen'l Ckg	
Bill	06/05/2017	0487861		Prepayment - July 2017	1409 - Prepaid Life, BAD&D & LTD	139.76
				June 2017	60191 - Life & Disab.Ins Benefits	139.76
TOTAL						279.52
Bill Pmt -Check	06/12/2017	20166	BOWCOCK, ROBERT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/16/2017	5/16 Admin Mtg		5/16/17 Administrative meeting w/PK	6311 - Board Member Compensation	125.00
Bill	05/18/2017	5/18 RIPCom Mtg		5/18/17 RIPCom meeting	6311 - Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	06/12/2017	20167	CORELOGIC INFORMATION SOLUTIONS	81807198	1012 - Bank of America Gen'l Ckg	
Bill	05/31/2017	81807198		81807198	7103.7 - Grdwtr Qual-Computer Svc	62.50
				81807198	7101.4 - Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20168	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/11/2017	5/11 Ag Pool Mtg		5/25/17 Ag Pool Meeting	8411 - Compensation	25.00
				5/25/17 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20169	ELIE, STEVEN	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/08/2017	5/08 Admin Mtg		5/08/17 Administrative Meeting w/PK	6311 - Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 - Board Member Compensation	125.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
	Bill Pmt -Check	06/12/2017	20170	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	06/12/2017	20171	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	05/02/2017	5/02 Budget Wkshp		5/02/17 Budget Workshop	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	06/12/2017	20172	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8411 · Compensation	25.00
					5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL							125.00
	Bill Pmt -Check	06/12/2017	20173	PETTY CASH	2648-2666	1012 · Bank of America Gen'l Ckg	
	Bill	06/05/2017	2648-2666		Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	155.06
					Mileage reimbursements	6173 · Airfare/Mileage	165.24
					AT lunch mtg. w/IEUA	8312 · Meeting Expenses	25.12
TOTAL							345.42
	Bill Pmt -Check	06/12/2017	20174	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	05/03/2017	5/03 Special Ag Mtg		5/03/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/16/2017	5/16 Special Ag Mtg		5/16/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/18/2017	5/18 Advisory Comm		5/18/17 Advisory Committee Mtg	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/18/2017	5/18 RIPCom Mtg		5/18/17 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/23/2017	5/23 Special Ag Mtg		5/23/17 Special Ag Pool Meetng	8470 · Ag Meeting Attend -Special	125.00
	Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL							875.00
	Bill Pmt -Check	06/12/2017	20175	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	Bill	06/05/2017	1394905143		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	3,590.95
TOTAL							3,590.95
	Bill Pmt -Check	06/12/2017	20176	RR FRANCHISING, INC.	40048	1012 · Bank of America Gen'l Ckg	
	Bill	06/01/2017	40048		Monthly service for June 2017	6024 · Building Repair & Maintenance	740.00
TOTAL							740.00
	Bill Pmt -Check	06/12/2017	20177	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/31/2017	7076224530355049		May 2017	6175 · Vehicle Fuel	43.66
TOTAL						43.66
Bill Pmt -Check	06/12/2017	20178	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting - Galleano attendance	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20179	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	06/05/2017	08-k2 213849		June 2017	6024 · Building Repair & Maintenance	111.57
TOTAL						111.57
Bill Pmt -Check	06/14/2017	20180	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	680172		680172	6907.44 · SGMA Compliance	6,644.70
Bill	04/30/2017	680173		680173	6907.42 · Safe Yield Recalculation	47,735.10
				Expenses	6907.42 · Safe Yield Recalculation	507.11
Bill	04/30/2017	680174		680174	6907.41 · Prado Basin Habitat Sustain	1,185.75
				Expenses	6907.41 · Prado Basin Habitat Sustain	34.79
Bill	04/30/2017	680175		680175	6907.40 · Storage Agreements	6,948.00
Bill	04/30/2017	680176		680176	6907.39 · Recharge Master Plan	6,723.00
Bill	04/30/2017	680177		680177	6907.38 · Reg. Water Quality Cntrl Board	1,147.50
Bill	04/30/2017	680178		680178	6072 · BHFS Legal - Rules & Regs	1,338.75
				Expenses	6072 · BHFS Legal - Rules & Regs	34.98
Bill	04/30/2017	680179		680179	6071 · BHFS Legal - Court Coordination	191.25
Bill	04/30/2017	680180		680180	8575 · BHFS Legal - Non-Ag Pool	956.25
Bill	04/30/2017	680181		680181	8475 · BHFS Legal - Agricultural Pool	956.25
Bill	04/30/2017	680182		680182	8375 · BHFS Legal - Appropriative Pool	956.25
Bill	04/30/2017	680183		680183	6375 · BHFS Legal - Board Meeting	4,789.35
				Expenses	6375 · BHFS Legal - Board Meeting	225.00
Bill	04/30/2017	680184		680184	6275 · BHFS Legal - Advisory Committee	994.50
				Expenses	6275 · BHFS Legal - Advisory Committee	34.98
Bill	04/30/2017	680185		680185	6907.36 · Santa Ana River Habitat	3,780.45
				Expenses	6907.36 · Santa Ana River Habitat	7.80
Bill	04/30/2017	680186		GM Evaluation	6073 · BHFS Legal - Personnel Matters	579.15
				457 Addition	6073 · BHFS Legal - Personnel Matters	2,218.50
				Employee Manual Update	6073 · BHFS Legal - Personnel Matters	979.20
				Alvarez-CalPERS	6073 · BHFS Legal - Personnel Matters	117.90
Bill	04/30/2017	680187		457 Addition	6073 · BHFS Legal - Personnel Matters	1,431.00
				Expenses	6078 · BHFS Legal - Miscellaneous	60.20
				680187	6078 · BHFS Legal - Miscellaneous	20,665.78
				680187	8375 · BHFS Legal - Appropriative Pool	124.36

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				680187	8475 · BHFS Legal - Agricultural Pool	124.36
				680187	8575 · BHFS Legal - Non-Ag Pool	124.35
				Expenses	8375 · BHFS Legal - Appropriative Pool	11.66
				Expenses	8475 · BHFS Legal - Agricultural Pool	11.66
				Expenses	8575 · BHFS Legal - Non-Ag Pool	11.66
				Board Workshop	6375 · BHFS Legal - Board Meeting	1,415.25
TOTAL						113,066.79
Bill Pmt -Check	06/15/2017	20181	EGOSCUE LAW GROUP	11589	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2017	11589		Ag Pool Legal Services - April 2017	8467 · Ag Legal & Technical Services	46,150.00
TOTAL						46,150.00
General Journal	06/17/2017	06/17/2017	Payroll and Taxes for 06/04/17-06/17/17	Payroll and Taxes for 06/04/17-06/17/17	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/04/17-06/17/17	1012 · Bank of America Gen'l Ckg	24,194.46
				Payroll Taxes for 06/04/17-06/17/17	1012 · Bank of America Gen'l Ckg	8,438.41
			ICMA-RC	457(f) Employee Deductions for 06/04/17-06/17/17	1012 · Bank of America Gen'l Ckg	4,411.29
			ICMA-RC	401(a) Employee Deductions for 06/04/17-06/17/17	1012 · Bank of America Gen'l Ckg	1,247.07
TOTAL						38,291.23
Bill Pmt -Check	06/21/2017	20182	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017	XXXX-XXXX-XXXX-9341		Registration-Wilson-IAAP 2017 Calif. Branch Event	6192 · Seminars - General	99.00
				Replenishment	6174 · Public Transportation	30.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	369.68
				Miscellaneous office supplies	6031.7 · Other Office Supplies	35.36
				PK meeting w/Steve Elie	6312 · Meeting Expenses	51.56
				Parking-PK to attend ACWA Spring Conference	6191 · Conferences - General	57.00
				Dinner at ACWA Spring Conference	6191 · Conferences - General	26.64
				PK meeting w/Kuhn, DiPrimio, Curatalo, Legal	6191 · Conferences - General	116.13
				Lunch for staff before Ag Pool Meeting	8412 · Meeting Expenses	78.61
				Lunch for staff before Ag Pool Meeting	8412 · Meeting Expenses	9.49
				Notebook for field staff	6151 · Small Tools & Equipment	19.15
				Supplies for field trucks	6177 · Vehicle Repairs & Maintenance	20.85
				PK meeting w/Bob Bowcock	6312 · Meeting Expenses	35.09
				Parking-PK to attend Groundwater Law Conference	6191 · Conferences - General	24.00
				PK meal for Groundwater Conference	6191 · Conferences - General	20.93
				Pies for 5/25 staff meeting	6141.1 · Meeting Supplies	29.07
				PK meeting w/J. Rossi	8312 · Meeting Expenses	31.86
				Miscellaneous office supplies	6031.7 · Other Office Supplies	96.18
				Copier Paper	6031.1 · Copy Paper	846.11
TOTAL						1,996.71

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/21/2017	20183	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2017	1394905143		1394905143	60182.1 · Medical Insurance	8,172.69
TOTAL						8,172.69
Bill Pmt -Check	06/21/2017	20184	COMPUTER NETWORK	102549	1012 · Bank of America Gen'l Ckg	
Bill	06/06/2017	102549		Install CPU Heat Sink and SSD - CFO	6055 · Computer Hardware	250.00
TOTAL						250.00
Bill Pmt -Check	06/21/2017	20185	CUCAMONGA VALLEY WATER DISTRICT		1012 · Bank of America Gen'l Ckg	
Bill	06/15/2017			Office lease due July 1, 2017	1422 · Prepaid Rent	6,447.61
TOTAL						6,447.61
Bill Pmt -Check	06/21/2017	20186	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8411 · Compensation	25.00
				5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/21/2017	20187	EGOSCUE LAW GROUP	11617	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2017	11617		Ag Pool Legal Services - May 2017	8467 · Ag Legal & Technical Services	47,137.50
TOTAL						47,137.50
Bill Pmt -Check	06/21/2017	20188	INLAND EMPIRE UTILITIES AGENCY	1800003200	1012 · Bank of America Gen'l Ckg	
Bill	06/06/2017	1800003200		RMPU Yield Enhancement Projects Invoice #4	7690.15 · RMPU Amend. Yield (TO #1)	288,115.36
TOTAL						288,115.36
Bill Pmt -Check	06/21/2017	20189	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2017	5/15 Admin Mtg		5/15/17 Admin. meeting w/PK, check signature	6311 · Board Member Compensation	125.00
Bill	05/18/2017	5/18 Advisory Comm		5/18/17 Advisory Committee meeting	6311 · Board Member Compensation	125.00
Bill	05/23/2017	5/23 Exec Comm Call		5/23/17 Executive Committee conference call	6311 · Board Member Compensation	125.00
Bill	05/24/2017	5/24 Gen Mgr Review		5/24/17 General Manager review conference call	6311 · Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	06/21/2017	20190	MINDSHIFT	0247329	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2017	0247329		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	06/21/2017	20191	PAYCHEX	2017060100	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/31/2017	2017060100		May 2017	6012 · Payroll Services	307.82
TOTAL						307.82
Bill Pmt -Check	06/21/2017	20192	PREMIERE GLOBAL SERVICES	23718581	1012 · Bank of America Gen'l Ckg	
Bill	05/26/2017	23718581		Non-Ag Pool meeting call on 5/11	8512 · Meeting Expense	6.10
				Non-Ag Pool meeting call on 5/11	8512 · Meeting Expense	12.29
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				WM coordination call on 5/01	6909.1 · OBMP Meetings	20.17
				WM coordination call on 5/08	6909.1 · OBMP Meetings	17.92
				WM coordination call on 5/10	6909.1 · OBMP Meetings	13.38
				Ag Pool contest call on 5/12	8412 · Meeting Expenses	9.97
				WM coordination call on 5/15	6909.1 · OBMP Meetings	11.67
				Board agenda review call on 5/16	6312 · Meeting Expenses	9.87
				SARCCUP call on 5/23	6909.1 · OBMP Meetings	11.05
				SARCCUP call on 5/23	6909.1 · OBMP Meetings	20.81
				Service fee	6022 · Telephone	4.69
TOTAL						235.92
Bill Pmt -Check	06/21/2017	20193	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2017				60182.4 · Retiree Medical	22.24
TOTAL						22.24
Bill Pmt -Check	06/21/2017	20194	VERIZON WIRELESS	6786932315	1012 · Bank of America Gen'l Ckg	
Bill	06/13/2017	6786932315		Acct #470810953-00001	6022 · Telephone	336.96
TOTAL						336.96
Bill Pmt -Check	06/21/2017	20195	INLAND EMPIRE UTILITIES AGENCY	1800003242	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2017	1800003242		Prado Basin Habitat Sustainability Program-#3	7108.75 · Prado Basin - IEUA Charges	214,014.48
TOTAL						214,014.48
Bill Pmt -Check	06/21/2017	20196	CHINO HILLS, CITY OF*	Chino Hills ASR Pilot Project	1012 · Bank of America Gen'l Ckg	
Bill	01/20/2015	12		December 2014	7107.62 · Grd Level-Chino Hills ASR-Prior	122,695.55
Bill	01/31/2015	13		January 2015	7107.62 · Grd Level-Chino Hills ASR-Prior	32,561.30
TOTAL						155,256.85
Bill Pmt -Check	06/21/2017	20197	GEOSCIENCE SUPPORT SERVICES, INC.	Chino Hills ASR Pilot Project	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2014	4555-11-16		December 2013 - January 2014	7107.61 · Grd Level-Chino Hills ASR	4,915.00
Bill	03/31/2014	4555-11-17		February 1-28, 2014	7107.61 · Grd Level-Chino Hills ASR	8,155.00
Bill	03/31/2014	4555-11-18		March 1-31, 2014	7107.61 · Grd Level-Chino Hills ASR	2,882.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						15,952.00
Bill Pmt -Check	06/21/2017	20198	NRG CALIFORNIA SOUTH LLP	Exhibit G Water Sale of 1,000 AF	1012 · Bank of America Gen'l Ckg	
Bill	03/27/2017			Exhibit G Water	5107 · Exhibit "G" Non-Ag Pool Water	570,000.00
TOTAL						570,000.00
Bill Pmt -Check	06/22/2017	ACH 062217	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/17/2017	06/17/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/04/17-06/17/17	2000 · Accounts Payable	6,597.15
TOTAL						6,597.15
					Total Disbursements:	<u><u>1,629,790.62</u></u>

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CHINO BASIN WATERMASTER

IV. INFORMATION

2. Recharge Investigations and Projects Committee (RIPCom)

Recharge Investigations and Projects

Committee Meeting

Agenda

When: Thursday, June 15, 2017 @ 9:30 a.m.

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

Topics:

1. Introductions
2. New/Old Projects consideration
 - a) Open forum for potential new projects
3. IEUA/CBWM joint projects
 - a) Status updates
 - I. CSI Basin
 - II. Lower San Sevaime Property
 - b) Budget updates
4. RMPU Implementation updates
 - a) Sustainability projects
 - b) Contact with sand and gravel companies – (No updates)
 - c) AP New Yield and cost allocation agreement – (No updates)
 - d) Flood Control and water conservation agreement – (No Updates)
 - e) Agreement with property owners – (No updates)
 - f) MS4- (No Updates)

Next Meeting Date: Thursday, July 20, 2017 @ 9:30 A.M.

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Non-RMPU Ongoing Projects



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**GWR AND RW SCADA UPGRADES
PROJECT NO. EN14047
STATUS UPDATE: May 30, 2017**

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

Schedule:

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$892,000	\$539,464

<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Project Development	11/11/11	02/24/14	Completed	\$450	\$422
Design	02/26/14	01/15/16	Completed	\$192,312	\$186,512
Permits	09/12/14	01/15/16	Completed	\$50	\$42
Bid and Award	01/18/16	04/20/16	Completed	\$4,000	\$3,461
Construction*	04/21/16	06/30/17	In Progress	\$413,678	\$349,027
				\$610,490	\$539,464

*Received bids reduced projected construction cost.

Grant/Loan Update:

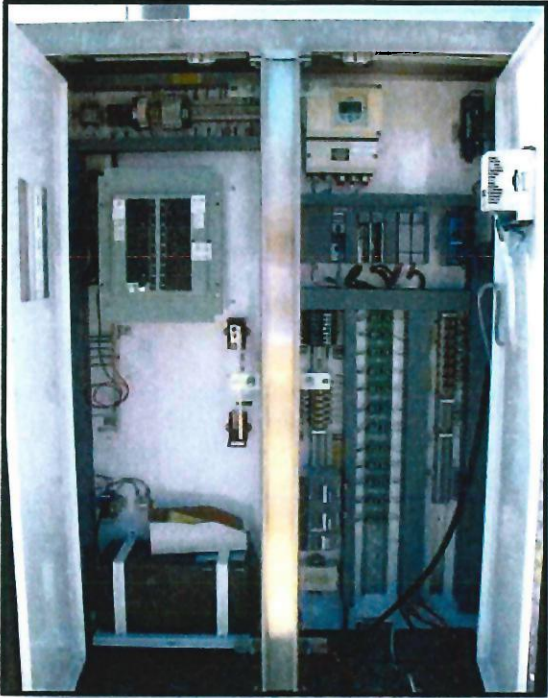
Awarded a \$139,650 grant and a 1% interest 30-year loan at \$740,145 from the Santa Ana Project Water Authority and Clean Water State Revolving Fund loan program respectively.

Cost Sharing Document: Task Order No. 4 of the Master Agreement of 2014

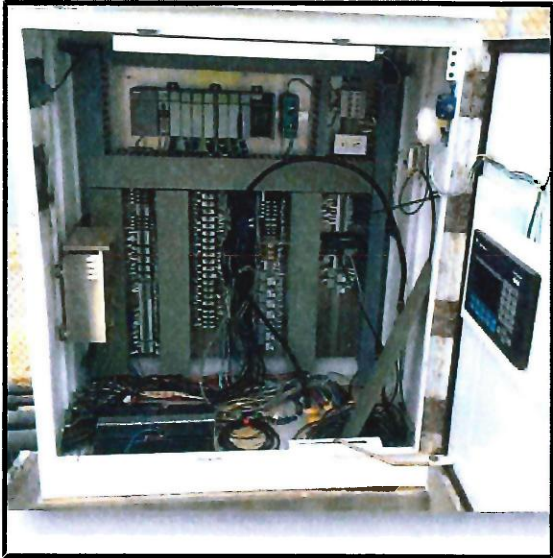
Project Update:

Since last month’s update, there has been no changes to the schedule. The schedule is to complete display testing and begin installation and testing of new controllers in late May and early June. IEUA will report if there are any further delays. This extended schedule has not resulted in any impact to current budget.

Project Photos:



San Sevaine Turnout control panel



Turner Basin control panel



**UPPER SANTA ANA RIVER WATERSHED HABITAT CONSERVATION PLAN
PROJECT NO. RW15002
STATUS UPDATE: May 30, 2017**

The purpose of the Habitat Conservation Plan (HCP) is to investigate and develop a plan to offset the biological impact of future water and recharge improvement projects in the Chino Basin area that have the potential to affect federally-listed endangered, threatened or special status species. This project will be a part of a regional plan with other proposed projects within the Upper Santa Ana River Region. The goal of the project is to identify, in advance, sites that may require biological offset/mitigation and avoid permitting delays on future RMPU projects or other identified recharge improvement projects.

Schedule:

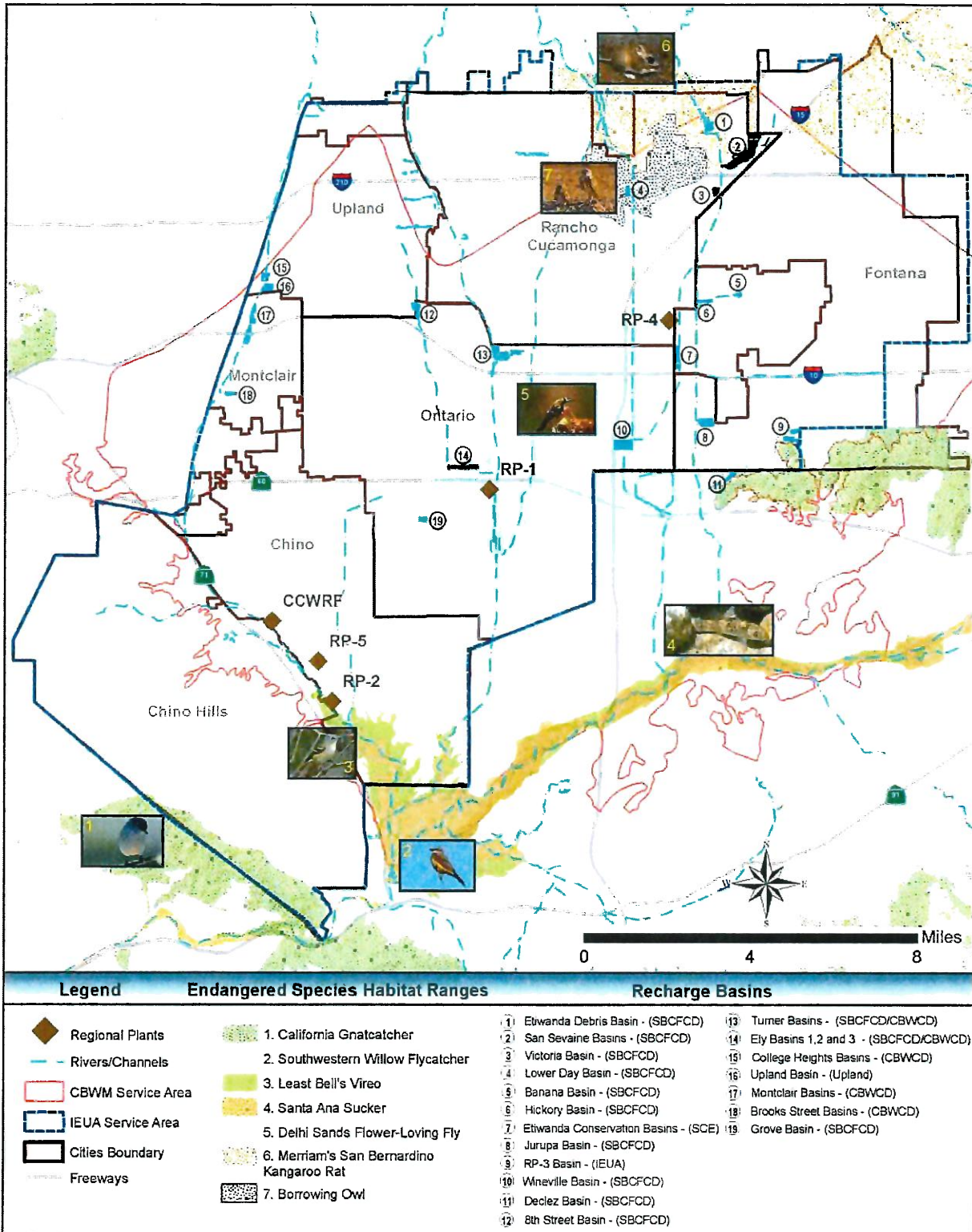
<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$160,000	\$119,874

<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Investigate/Plan	07/01/14	06/30/18	In Progress	\$160,000	\$119,874
				\$160,000	\$119,874

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

Project Update:

Since last month's update, there has been no new progress to report except for having Wildermuth Environmental provide additional engineering support to update its WLAM (flow model) which is being referenced by the HCP study. The update to WEI's flow model use the latest diversion assumptions from the RMPU projects.



RMPU PROJECTS



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**SAN SEVAINE IMPROVEMENTS PROJECT
PROJECT NO. EN13001
STATUS UPDATE: May 30, 2017**

As part of the 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU), this Project will evaluate, design, and construct basin improvements needed to maximize infiltration and recharge capture at the San Sevaire Basins. The final recommendation from the preliminary development report proposes to implement: (1) a new stormwater / recycled water pump station in Basin 5, (2) directly tying it into an existing RW pipeline, (3) place new pipelines and headwalls into Basins 1, 2, and 3, and (4) install monitoring wells and lysimeters. The proposed improvements will add 642 acre-feet per year of stormwater and 4,100 acre-feet per year of recycled water for groundwater recharge.

Schedule:

<u>Project Budget</u>	<u>Actual Cost to Date</u>
\$6,295,000	\$734,846

<u>Phase</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>	<u>Actual Cost</u>
Pre-design	10/01/12	05/14/15	Completed	\$160,000	\$159,833
Environmental Impact	06/26/13	01/20/16	Completed	\$30,000	\$24,218
Design	05/15/15	12/12/16	Completed	\$500,000	\$453,911
Permits	05/15/13	05/01/17	In Progress	\$25,000	\$25,000
Bid and Award	12/13/16	09/20/17	In Progress	\$5,000	\$5,000
Construction	09/21/17	09/21/18	Not Started	\$5,740,000	\$66,884
				\$6,460,000	\$734,846

Grant/Loan Update:

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

Cost Sharing Document:

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

Project Update:

As mentioned last month, Construction bidding started on March 14 with an expected closing date of May 30, 2017 and a potential award date of September 2017. Since then, the Bid period was pushed to June 29 to address the proposed construction concerns at the basin slopes. Current permit conditions with the Flood Control District restrict any damage to their native

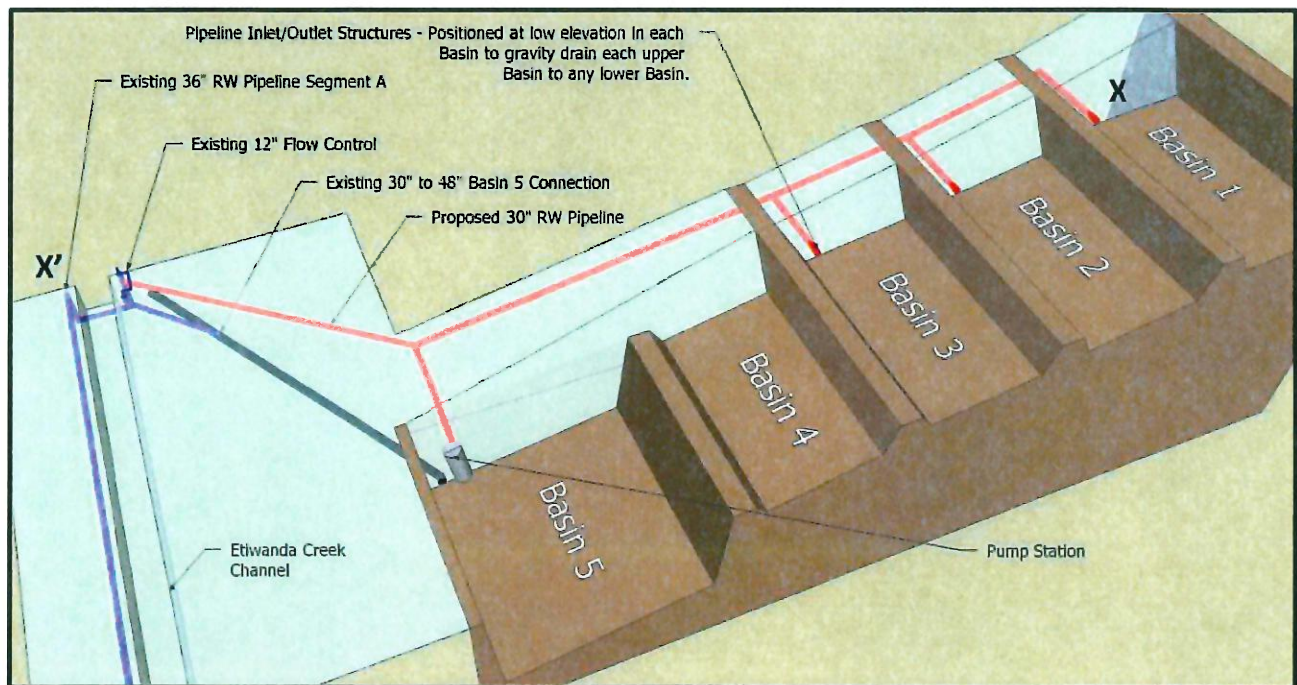
plants which are on mitigated land. Discussions are in progress to reduce the restrictions by allowing restoration effort if mitigated areas will be disturbed.

The extended award date is due to coordinate the construction award date with the expected SRF loan which is expected to be finalized in August 2017.

In the meantime, an amendment to the current Task Order is under way for review and board approval. This amendment will incorporate the latest grant award for the US Bureau of Reclamation, however, it does not include the anticipated grant pending in August.

This project also includes the construction of the monitoring well which is being designed, bid, and constructed in parallel to the basin improvement. Currently, the project is out for public bid. Bids are scheduled to be closed on June 1.

Conceptual Design:



Isometric View of the Recommended Basin Improvement
Pump Station in Basin 5 and Extension of the Recycled Water Pipeline to Basins 1, 2, and 3



**POST 2014 STORMWATER RECHARGE PROGRAM
PROJECT NOS. RW15003.00/RW15004.00/EN18007.00
STATUS UPDATE: May 30, 2017**

On November 17, 2016, the Watermaster Board approved the “Post 2014 Stormwater Recharge Program” as part of the results and findings presented from the completed preliminary design report on the yield enhancement projects under the 2013 Amendment to the 2010 Recharge Master Plan Update. The following are the projects under the “Post 2014 Stormwater Recharge Program” that are recommended for final design, bid and construction:

ID	Basin Projects	Post 2014 Stormwater Recharge Program ⁽²⁾	Initial Yield		Updated Yield ⁽¹⁾	
			SW	RW	SW	RW
			acre-feet per year			
18a	CSI Storm ⁽³⁾ Water Basin	New storage and recharge facility by deepening basin	81	-	100	-
23a	Wineville, Jurupa, and RP3	Improve storage and recharge capacity with pumps/conveyance systems between basins and provide new diversion structures	3,166	2,905	2,921	2,905
11	Victoria Basin	Improve the infiltration rate and increase storage by removing settled deposits	43	120	75	120
12	Lower Day Basin	Increase stormwater diversion and basin storage	789	-	993	-
2	Montclair Basins	Increase storage and recharge capacity by directing more channel flow	248	-	96	-
			4,327	3,025	4,185	3,025

(1) Updated to reflect new values as calculated after the completion of the PDR

(2) San Sevaine Basin Improvement project is a part of the “Post 2014 Stormwater Recharge Program” but it is not list here for it has its own status update sheet.

(3) 18a pending agreement with CSI

Schedule:

<u>Soft Cost Phases</u>	<u>Start</u>	<u>Finish</u>	<u>Status</u>	<u>Projected Cost</u>
Project Development	07/01/14	12/17/14	Completed	\$42,000
Preliminary Design	12/18/14	11/16/16	Completed	\$635,100
Environmental	12/18/14	04/20/16	In Progress	\$253,900
Permits	12/18/14	01/08/18	Not Started	\$1,862,600
Design	06/22/17	03/12/18	Not Started	\$342,200
Bid and Award	03/13/18	06/20/18	Not Started	\$36,200
Construction	06/22/18	12/31/20	Not Started	\$20,015,800
				<u>\$23,187,800</u>

Grant/Loan Update:

Received a \$300K grant award from the US Bureau of Reclamation for the RP-3 Basin Improvement and received an award notice for nearly \$8.3 million from SWRCB for the 23a project. IEUA is waiting for a response on the following applied grants:

- USBR Water Use Efficiency's \$750,000 grant (Wineville/Distribution System)
- USBR Drought Resiliency's \$726,500 grant (Jurupa Basin Project)

Deferred Projects:

As of November 17, 2016, Watermaster stakeholders updated the list of deferred RMPU project. The past or pending expenses associated to each project during the project development, preliminary design, and environmental phases are show below:

Declez Basin (PID 27)	
Phases	Expenses (past/pending)
Project Development	\$2,600
Preliminary Design	\$71,000
Environmental	\$31,400
Total	\$105,000

Turner Basin (PID 14)	
Phases	Expenses (past/pending)
Project Development	\$1,000
Preliminary Design	\$28,400
Environmental	\$12,600
Total	\$42,000

Ely Basin (PID 15a)	
Phases	Expenses (past/pending)
Project Development	\$5,900
Preliminary Design	\$159,600
Environmental	\$70,500
Total	\$236,000

East Declez (Feasibility Study Only)	
Phases	Expenses (past/pending)
Project Development	\$114,000
Total	\$114,000

Cost Sharing Document:

- Task Order No. 1 of the Master Agreement of 2014 (Design Projects)
- 1st Amendment Task Order No. 1 of the Master Agreement of 2014 (Design Projects)
- 2nd Amendment Task Order No. 1 of the Master Agreement of 2014 (Design Projects)
- 2nd Amendment Task Order No. 1 of the Master Agreement of 2014 (Deferred Projects)
- Task Order No. 2 of the Master Agreement of 2014 (PID 12)
- 1st Amendment Task Order No. 2 of the Master Agreement of 2014 (PID 12)
- Task Order No. 9 of the Master Agreement of 2014 (PID 23a)
- Task Order No. 10 of the Master Agreement of 2014 (PID 11)
- Task Order No. 11 of the Master Agreement of 2014 (PID 2)

Overview of Task Orders' cost sharing amount with grants:

Deferred Projects (Task Order No.1)	Total
Watermaster	\$497,000
IEUA	\$0
Total	\$497,000

Lower Day Basin (Task Oder No. 2)	Total
Watermaster	\$2,883,000
IEUA	\$0
Grant Funding	\$1,125,000
Total	\$4,008,000

PID 23a (Task Order No. 9)	Total
Watermaster	\$7,554,135
IEUA	\$387,315
SWRCB Grant	\$8,241,450
USBR Grant	\$300,000
Total	\$16,482,900

Victoria Basin (Task Order No. 10)	Total
Watermaster	\$84,400
IEUA	\$84,400
Total	\$168,800

Montclair Basin (Task Order No. 11)	Total
Watermaster	\$1,788,100
IEUA	\$0
Total	\$1,788,100

CSI Basin (Task Order No. 12)	Total
Watermaster	\$740,000
IEUA	\$0
CSI's proposed share	\$226,000
Total	\$966,000

CSI Basin Task Order
 Task Order pending approval. Design efforts will not proceed without an executed task order.

Project Update:

- 1) For the projects that were authorized for final design, bid, and construction, separate task orders for each project was requested to be created. This action will amend the current task to account for the cost incurred on the deferred projects. Lower Day status update will be consolidated into this sheet.
- 2) In process of awarding the design services.
- 3) Future updates will include full project expenses. IEUA is still in the process of breakout cost after the projects were requested to be separate into individual task orders.

Recharge Investigation and Projects Committee, PAGE 1 OF 2

[1A] [1B] [1C] [1D] [1E] [1F] [1G] [1H] [1I] [1J] [1K] [1L] [1M] [1N] [1O] [1P] [1Q] [1R]

Project Name	Project Status	Anticipated (Or Actual) Project Completion Date	Project Cost To Date	Lifetime of Project														
				TOTAL PROJECT BUDGET			PERCENT COST SHARE		BUDGET ALLOCATION			IEUA PROJECT COSTS		CBWM PROJECT COSTS				
				Original Budget	Proposed Revised Budget	Approved Revised Budget	IEUA	CBWM	Grant Funding	IEUA	CBWM	Actual Cost To Date	Remaining Balance Available (Based on Project Budget)	Actual Share (Based on Actual Cost To Date)	Pending Invoices	Invoices Paid To Date	Remaining Balance Available (Based on Project Budget)	
Pre-RMPU Ongoing Projects																		
GWR SCADA Upgrades (Task No. 4) ³	Construction	6/30/2017	\$ 539,464	\$ 892,000	\$ -	\$ 892,000	50%	50%	\$ 139,650	\$ 376,175	\$ 421,875	\$ 227,503	\$ 148,672	\$ 269,732	\$ 19,788	\$ 152,814	\$ 269,061	
COMMUNICATION Upgrades (Task No. 3)	Completed	2/12/2016	\$ 1,227,096	\$ 1,245,000	\$ 1,227,096	\$ 1,227,096	50%	50%	\$ 192,850	\$ 517,123	\$ 517,123	\$ 517,123	\$ -	\$ 517,123		\$ 526,075	\$ (8,952)	
Upper Santa Ana River Habitat Conservation Plan (Task No. 7)	Investigation	6/30/2018	\$ 119,874	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 59,937	\$ 20,063	\$ 59,937		\$ 42,163	\$ 37,837	
East Declaz Basin (1st Amendment - Task No. 1)	Canceled	4/7/2016	\$ 112,445	\$ -	\$ -	\$ 3,665,000 *	-	100%	\$ -	\$ -	\$ 114,000	\$ -	\$ -	\$ 112,445		\$ 112,829	\$ 1,171	
SUBTOTAL PRE-RMPU PROJECTS	---	---	\$ 1,998,879	\$ 2,297,000	\$ 1,227,096	\$ 5,944,096	---	---	\$ 332,500	\$ 973,298	\$ 1,132,998	\$ 804,563	\$ 168,735	\$ 959,237	\$ 19,788	\$ 833,881	\$ 299,117	
RMPU Projects																		
San Sevaine Improvements (Task No. 8)	Design	9/21/2018	\$ 734,846	\$ 2,500,000	\$ -	\$ 6,460,000	50%	50%	\$ 1,125,000	\$ 2,667,500	\$ 2,667,500	\$ 303,437	\$ 2,364,063	\$ 367,423	\$ 32,036	\$ 349,149	\$ 2,318,351	
2013 RMPU Amendment Yield Enhancement Projects (Task No. 1)	Pre-Design	2/9/2018	\$ 1,134,350	\$ 8,122,500	\$ -	\$ 3,825,500 **	7%	93%	\$ -	\$ 250,250	\$ 3,575,250	\$ 74,205	\$ 176,045	\$ 1,060,145	\$ 252,584	\$ 626,371	\$ 2,948,879	
Lower Day Basin RMPU Improvement Project (Task No. 2)	Pre-Design	6/28/2019	\$ 265,896	\$ 2,480,000	\$ -	\$ 2,480,000	0%	100%	\$ 1,125,000	\$ -	\$ 1,355,000	\$ -	\$ -	\$ 265,896	\$ 23,402	\$ 216,358	\$ 1,138,642	
2013 RMPU Amendment Yield Enhancement Projects Construction	Pending - Note ¹	12/31/2019	\$ -	\$ -	\$ 38,622,500	\$ -	0%	100%	\$ -	\$ -	\$ 38,622,500	\$ -	\$ -	\$ -		\$ -	\$ 38,622,500	
2013 RMPU Amendment - Victoria Basin Construction	Pending - Note ²	12/31/2019	\$ -	\$ -	\$ 130,000	\$ -	50%	50%	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 65,000	\$ -		\$ -	\$ 65,000	
2013 RMPU Amendment - RP-3 Construction	Pending - Note ²	12/31/2019	\$ -	\$ -	\$ 3,300,000	\$ -	50%	50%	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -	\$ 1,650,000	\$ -		\$ -	\$ 1,650,000	
SUBTOTAL RMPU PROJECTS	---	---	\$ 2,135,092	\$ 13,102,500	\$ 42,052,500	\$ 12,765,500	---	---	\$ 2,250,000	\$ 4,632,750	\$ 47,935,250	\$ 377,642	\$ 4,255,108	\$ 1,693,464	\$ 308,022	\$ 1,191,878	\$ 46,743,372	
GRAND TOTALS	---	---	\$ 4,133,971	\$ 15,399,500	\$ 43,279,596	\$ 18,709,596	---	---	\$ 2,582,500	\$ 5,606,048	\$ 49,068,248	\$ 1,182,205	\$ 4,423,843	\$ 2,652,701	\$ 327,810	\$ 2,025,759	\$ 47,042,489	

NOTES:

* The total design cost of \$3,665,000 is part of the total approved budget as stated within the First Amendment to Task Order No. 1. Second Amendment to Task Order No. 1 eliminated the East Declaz Project of \$3,665,000 and adds \$114,000 due from CBWM for feasibility study.

** The total design cost of \$3,825,500 is a part of the total approved budget as stated within the first amendment to Task Order No. 1. Second Amendment to Task Order No. 1 (\$3,825,500 + \$114,000 = \$3,939,500) .

¹ Pending project awaiting evaluation by IEUA. Project has not been funded by an approved Task Order or approved by the Watermaster Board. 100% of construction costs are allocated to Watermaster.

² Project(s) are under review by IEUA. Projects have not been funded by an approved Task Order or approved by the Watermaster Board. Project construction costs are allocated 50% to IEUA and 50% to Watermaster.

³ Watermaster Board approved an additional amount of \$45,700 (50% of the anticipated additional costs of \$91,400) on November 25, 2014 for the Programmable Logic Controller (PLC) replacements at the five Rubber Dam/Basin systems.

Updated: 6/8/2017

Recharge Investigation and Projects Committee, PAGE 2 OF 2

[2A] [2B] [2C] [2D] [2E] [2F] [2G] [2H] [2I] [2J] [2K] [2L] [2M] [2N] [2O]

Project Name	CBWM Fiscal Year 2016/17										CBWM Future Years				
	CURRENT YEAR CBWM BUDGET				CURRENT YEAR CBWM ACTUALS						CBWM FUTURE BUDGET NEEDS				
	Budget Carry-Over	Approved Budget	Budget Amendments/ Transfers	Total Fiscal Year Budget	Actual to Date (Including Paid & Outstanding Invoices)	Remaining Balance Available	Completed Projects With Available Funds To Be Distributed ¹	CBWM Remaining Projected Costs	Budget Amendment Required? (Yes/No)	Projected CarryOver Funds FY 2017/18	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	
Pre RMPU Ongoing Projects															
GWR SCADA Upgrades (7690.61) (Task No. 4)	\$ 318,018	\$ -	\$ -	\$ 318,018	\$ 48,957	\$ 269,061	\$ -	\$ 269,061	No	\$ -	\$ -	\$ -	\$ -	\$ -	
COMMUNICATION Upgrades (7690.62) (Task No. 3)	\$ (8,952)	\$ -	\$ -	\$ (8,952)	\$ -	\$ (8,952)	\$ -	\$ (8,952)	No	\$ -	\$ -	\$ -	\$ -	\$ -	
CB20 Noise Mitigation (7690.5) COMPLETED	\$ 860	\$ -	\$ -	\$ 860	\$ -	\$ -	\$ 860	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Upper Santa Ana River Habitat Conservation Plan (7690.7) (Task No. 7)	\$ 37,837	\$ -	\$ -	\$ 37,837	\$ -	\$ 37,837	\$ -	\$ 37,837	No	\$ -	\$ -	\$ -	\$ -	\$ -	
East Decluz Basin (1st Amendment - Task No. 1)	\$ -	\$ 114,000	\$ -	\$ 114,000	\$ 112,829	\$ 1,171	\$ -	\$ 1,171	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Wineville Proof of Concept (7209.2) (Task No. 6) COMPLETED	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Jurupa Pump Station (7209.1) (Task No. 5) COMPLETED	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Hickory Basin (7690.3) COMPLETED	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
SUBTOTAL PRE-RMPU PROJECTS	\$ 425,019	\$ 114,000	\$ -	\$ 539,019	\$ 161,786	\$ 299,117	\$ 78,116	\$ 299,117	No	\$ -	\$ -	\$ -	\$ -	\$ -	
RMPU Projects															
San Sevaime Improvements (7690.4) (Task No. 8)	\$ 1,360,583	\$ 1,065,600	\$ -	\$ 2,426,183	\$ 107,832	\$ 2,318,351	\$ -	\$ 2,318,351	No	\$ -	\$ -	\$ -	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects (7690.15) (Task No. 1)	\$ 467,270	\$ 1,550,000	\$ -	\$ 2,017,270	\$ 523,891	\$ 1,493,379	\$ -	\$ 2,948,879	Yes	\$ -	\$ 1,455,500	\$ -	\$ -	\$ -	
Lower Day Basin RMPU Improvement Project (7690.8) (Task No. 2)	\$ 2,699	\$ 140,000	\$ -	\$ 142,699	\$ 30,057	\$ 112,642	\$ -	\$ 1,138,642	Yes	\$ -	\$ 1,026,000	\$ -	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,622,500	Yes	\$ -	\$ 8,300,000	\$ 22,022,500	\$ 8,300,000	\$ -	
Victoria Basin Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	Yes	\$ -	\$ 32,500	\$ 32,500	\$ -	\$ -	
RP-3 Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000	Yes	\$ -	\$ 325,000	\$ 825,000	\$ 500,000	\$ -	
SUBTOTAL RMPU PROJECTS	\$ 1,830,552	\$ 2,755,600	\$ -	\$ 4,586,152	\$ 661,780	\$ 3,924,372	\$ -	\$ 46,743,372	---	\$ -	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000	\$ -	
GRAND TOTALS	\$ 2,255,571	\$ 2,869,600	\$ -	\$ 5,125,171	\$ 823,566	\$ 4,223,489	\$ 78,116	\$ 47,042,489	---	\$ -	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000	\$ -	

NOTES: Updated: 6/8/2017
¹ \$78,116 of the Carry-Over funds could be (1) allocated to other projects; (2) kept in reserve; or (3) refunded to the Appropriators on the next Assessment. CB20 Noise Mitigation of \$860; Wineville Project of \$35,398; Jurupa Pump Station of \$37,981; and Hickory Basin of \$3,877 = \$78,116.

Recharge Investigation and Projects Committee, PAGE 1 OF 2

[1A] [1B] [1C] [1D] [1E] [1F] [1G] [1H] [1I] [1J] [1K] [1L] [1M] [1N] [1O] [1P] [1Q] [1R]

Project Name	Project Status	Anticipated (Or Actual) Project Completion Date	Project Cost To Date	Lifetime of Project														
				TOTAL PROJECT BUDGET			PERCENT COST SHARE		BUDGET ALLOCATION			IEUA PROJECT COSTS			CBWM PROJECT COSTS			
				Original Budget	Proposed Revised Budget	Approved Revised Budget	IEUA	CBWM	Grant Funding	IEUA	CBWM	Actual Cost To Date	Remaining Balance Available (Based on Project Budget)	Actual Share (Based on Actual Cost To Date)	Pending Invoices	Invoices Paid To Date	Remaining Balance Available (Based on Project Budget)	
Pre-RMPU Ongoing Projects																		
GWR SCADA Upgrades (Task No. 4) ³	Construction	6/30/2017	\$ 539,464	\$ 892,000	\$ -	\$ 892,000	50%	50%	\$ 139,650	\$ 376,175	\$ 421,875	\$ 227,503	\$ 148,672	\$ 269,732	\$ 19,788	\$ 152,814	\$ 269,061	
COMMUNICATION Upgrades (Task No. 3)	Completed	2/12/2016	\$ 1,227,096	\$ 1,245,000	\$ 1,227,096	\$ 1,227,096	50%	50%	\$ 192,850	\$ 517,123	\$ 517,123	\$ 517,123	\$ -	\$ 517,123		\$ 526,075	\$ (8,952)	
Upper Santa Ana River Habitat Conservation Plan (Task No. 7)	Investigation	6/30/2018	\$ 119,874	\$ 160,000	\$ -	\$ 160,000	50%	50%	\$ -	\$ 80,000	\$ 80,000	\$ 59,937	\$ 20,063	\$ 59,937		\$ 42,163	\$ 37,837	
East Declez Basin (1st Amendment - Task No. 1)	Canceled	4/7/2016	\$ 112,445	\$ -	\$ -	\$ 3,665,000 *	-	100%	\$ -	\$ -	\$ 114,000	\$ -	\$ -	\$ 112,445		\$ 112,829	\$ 1,171	
SUBTOTAL PRE-RMPU PROJECTS	---	---	\$ 1,998,879	\$ 2,297,000	\$ 1,227,096	\$ 5,944,096	---	---	\$ 332,500	\$ 973,298	\$ 1,132,998	\$ 804,563	\$ 168,735	\$ 959,237	\$ 19,788	\$ 833,881	\$ 299,117	
RMPU Projects																		
San Sevaine Improvements (Task No. 8)	Design	9/21/2018	\$ 734,846	\$ 2,500,000	\$ -	\$ 6,460,000	50%	50%	\$ 1,125,000	\$ 2,667,500	\$ 2,667,500	\$ 303,437	\$ 2,364,063	\$ 367,423	\$ 32,036	\$ 349,149	\$ 2,318,351	
2013 RMPU Amendment Yield Enhancement Projects (Task No. 1)	Pre-Design	2/9/2018	\$ 1,134,350	\$ 8,122,500	\$ -	\$ 3,825,500 **	7%	93%	\$ -	\$ 250,250	\$ 3,575,250	\$ 74,205	\$ 176,045	\$ 1,060,145	\$ 252,584	\$ 626,371	\$ 2,948,879	
Lower Day Basin RMPU Improvement Project (Task No. 2)	Pre-Design	6/28/2019	\$ 265,896	\$ 2,480,000	\$ -	\$ 2,480,000	0%	100%	\$ 1,125,000	\$ -	\$ 1,355,000	\$ -	\$ -	\$ 265,896	\$ 23,402	\$ 216,358	\$ 1,138,642	
2013 RMPU Amendment Yield Enhancement Projects Construction	Pending - Note ¹	12/31/2019	\$ -	\$ -	\$ 38,622,500	\$ -	0%	100%	\$ -	\$ -	\$ 38,622,500	\$ -	\$ -	\$ -		\$ -	\$ 38,622,500	
2013 RMPU Amendment - Victoria Basin Construction	Pending - Note ²	12/31/2019	\$ -	\$ -	\$ 130,000	\$ -	50%	50%	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 65,000	\$ -		\$ -	\$ 65,000	
2013 RMPU Amendment - RP-3 Construction	Pending - Note ²	12/31/2019	\$ -	\$ -	\$ 3,300,000	\$ -	50%	50%	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -	\$ 1,650,000	\$ -		\$ -	\$ 1,650,000	
SUBTOTAL RMPU PROJECTS	---	---	\$ 2,135,092	\$ 13,102,500	\$ 42,052,500	\$ 12,765,500	---	---	\$ 2,250,000	\$ 4,632,750	\$ 47,935,250	\$ 377,642	\$ 4,255,108	\$ 1,693,464	\$ 308,022	\$ 1,191,878	\$ 46,743,372	
GRAND TOTALS	---	---	\$ 4,133,971	\$ 15,399,500	\$ 43,279,596	\$ 18,709,596	---	---	\$ 2,582,500	\$ 5,606,048	\$ 49,068,248	\$ 1,182,205	\$ 4,423,843	\$ 2,652,701	\$ 327,810	\$ 2,025,759	\$ 47,042,489	

NOTES:

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** The total design cost of \$3,825,500 is a part of the total approved budget as stated within the first amendment to Task Order No. 1. Second Amendment to Task Order No. 1 (\$3,825,500 + \$114,000 = \$3,939,500).

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Updated: 6/8/2017

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[2A] [2B] [2C] [2D] [2E] [2F] [2G] [2H] [2I] [2J] [2K] [2L] [2M] [2N] [2O]

Project Name	CBWM Fiscal Year 2016/17										CBWM Future Years				
	CURRENT YEAR CBWM BUDGET				CURRENT YEAR CBWM ACTUALS						CBWM FUTURE BUDGET NEEDS				
	Budget Carry-Over	Approved Budget	Budget Amendments/ Transfers	Total Fiscal Year Budget	Actual to Date (Including Paid & Outstanding Invoices)	Remaining Balance Available	Completed Projects With Available Funds To Be Distributed ¹	CBWM Remaining Projected Costs	Budget Amendment Required? (Yes/No)	Projected CarryOver Funds FY 2017/18	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	
Pre RMPU Ongoing Projects															
GWR SCADA Upgrades (7690.61) (Task No. 4)	\$ 318,018	\$ -	\$ -	\$ 318,018	\$ 48,957	\$ 269,061	\$ -	\$ 269,061	No	\$ -	\$ -	\$ -	\$ -	\$ -	
COMMUNICATION Upgrades (7690.62) (Task No. 3)	\$ (8,952)	\$ -	\$ -	\$ (8,952)	\$ -	\$ (8,952)	\$ -	\$ (8,952)	No	\$ -	\$ -	\$ -	\$ -	\$ -	
CB20 Noise Mitigation (7690.5) COMPLETED	\$ 860	\$ -	\$ -	\$ 860	\$ -	\$ -	\$ 860	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Upper Santa Ana River Habitat Conservation Plan (7690.7) (Task No. 7)	\$ 37,837	\$ -	\$ -	\$ 37,837	\$ -	\$ 37,837	\$ -	\$ 37,837	No	\$ -	\$ -	\$ -	\$ -	\$ -	
East Declez Basin (1st Amendment - Task No. 1)	\$ -	\$ 114,000	\$ -	\$ 114,000	\$ 112,829	\$ 1,171	\$ -	\$ 1,171	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Wineville Proof of Concept (7209.2) (Task No. 6) COMPLETED	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	\$ -	\$ 35,398	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Jurupa Pump Station (7209.1) (Task No. 5) COMPLETED	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	\$ -	\$ 37,981	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
Hickory Basin (7690.3) COMPLETED	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	\$ -	\$ 3,877	\$ -	No	\$ -	\$ -	\$ -	\$ -	\$ -	
SUBTOTAL PRE-RMPU PROJECTS	\$ 425,019	\$ 114,000	\$ -	\$ 539,019	\$ 161,786	\$ 299,117	\$ 78,116	\$ 299,117	No	\$ -	\$ -	\$ -	\$ -	\$ -	
RMPU Projects															
San Sevaine Improvements (7690.4) (Task No. 8)	\$ 1,360,583	\$ 1,065,600	\$ -	\$ 2,426,183	\$ 107,832	\$ 2,318,351	\$ -	\$ 2,318,351	No	\$ -	\$ -	\$ -	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects (7690.15) (Task No. 1)	\$ 467,270	\$ 1,550,000	\$ -	\$ 2,017,270	\$ 523,891	\$ 1,493,379	\$ -	\$ 2,948,879	Yes	\$ -	\$ 1,455,500	\$ -	\$ -	\$ -	
Lower Day Basin RMPU Improvement Project (7690.8) (Task No. 2)	\$ 2,699	\$ 140,000	\$ -	\$ 142,699	\$ 30,057	\$ 112,642	\$ -	\$ 1,138,642	Yes	\$ -	\$ 1,026,000	\$ -	\$ -	\$ -	
2013 RMPU Amendment Yield Enhancement Projects Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,622,500	Yes	\$ -	\$ 8,300,000	\$ 22,022,500	\$ 8,300,000	\$ -	
Victoria Basin Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	Yes	\$ -	\$ 32,500	\$ 32,500	\$ -	\$ -	
RP-3 Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000	Yes	\$ -	\$ 325,000	\$ 825,000	\$ 500,000	\$ -	
SUBTOTAL RMPU PROJECTS	\$ 1,830,552	\$ 2,755,600	\$ -	\$ 4,586,152	\$ 661,780	\$ 3,924,372	\$ -	\$ 46,743,372	---	\$ -	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000	\$ -	
GRAND TOTALS	\$ 2,255,571	\$ 2,869,600	\$ -	\$ 5,125,171	\$ 823,566	\$ 4,223,489	\$ 78,116	\$ 47,042,489	---	\$ -	\$ 11,139,000	\$ 22,880,000	\$ 8,800,000	\$ -	

NOTES: Updated: 6/8/2017
¹ \$78,116 of the Carry-Over funds could be (1) allocated to other projects; (2) kept in reserve; or (3) refunded to the Appropriators on the next Assessment. CB20 Noise Mitigation of \$860; Wineville Project of \$35,398; Jurupa Pump Station of \$37,981; and Hickory Basin of \$3,877 = \$78,116.

CHINO BASIN WATERMASTER

IV. INFORMATION

3. Ground-Level Monitoring Status Report (Quarterly)

Quarterly Status Report

Ground-Level Monitoring Committee

April – June 2017

This quarterly status report describes the background of the Ground-Level Monitoring Program (GLMP), the main activities conducted for the GLMP and by the Ground-Level Monitoring Committee (GLMC) for the period April - June 2017, and the main activities planned for the period July – September 2017.

Background

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

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

- A list of production wells in the MZ-1 Managed Area that are subject to the SMP.
- An index water level measured at Watermaster’s PA-7 piezometer at Ayala Park. The index water level is called the Guidance Level.
- A Watermaster recommendation that the well owners collectively manage their production so that the water level at the PA-7 piezometer remains above the Guidance Level.

The SMP also calls for:

1. An ongoing monitoring and reporting program to verify the protective nature of the SMP and identify new threats or occurrences of land subsidence.
2. A process to adjust the SMP to minimize or abate land subsidence and ground fissuring.

Since the initial SMP was adopted by the Watermaster in 2007, Watermaster has conducted the annual GLMP to implement the monitoring and reporting program in (1.) above.

The main activities of the GLMP include:

- Setup and maintenance of monitoring facilities
- Monitoring and testing
- Data analysis and reporting
- Meetings of the GLMC

The main results and conclusions of the GLMP have been:

- Very little permanent land subsidence has occurred in the MZ-1 Managed Area, which indicates that subsidence is being successfully managed in this area.



Quarterly Status Report
Ground-Level Monitoring Committee
April – June 2017

- Land subsidence has been occurring in the Northwest MZ-1 Area. Of particular concern is that subsidence in Northwest MZ-1 has occurred differentially across the San Jose Fault and in other areas—the same pattern of differential subsidence that occurred in the MZ-1 Managed Area during the time of ground fissuring.

Based on these results, the Watermaster determined that the SMP needs to be updated to include a *Subsidence Management Plan for the Northwest MZ-1 Area* with the long-term objective to minimize or abate the occurrence of the differential land subsidence. To assist in this update, the GLMP has been expanded to Northwest MZ-1. The SMP was updated in 2015 to include the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area* (Work Plan). The Work Plan includes eleven tasks that include investigations, construction of monitoring facilities, monitoring and testing programs, modeling, and reporting. Tasks 1 through 5 and 11, or portions thereof, are planned for completion by the end of FY 2017-18:

- Task 1: Describe the Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program
- Task 2: Implement and Finalize the Initial Monitoring and Testing Program
- Task 3: Develop and Evaluate the Baseline Management Alternative
- Task 4: Develop and Evaluate the Initial Subsidence-Management Alternative
- Task 5: Design and Install the Pomona Extensometer Facility
- Task 11: Meetings and Administration

Activities Performed from April - June 2017

Setup and Maintenance of Monitoring Facilities

- Performed monthly routine maintenance, data collection, and verification at the Ayala Park and Chino Creek extensometer facilities.

Northwest MZ-1 Area Investigation:

- Developed a SCADA Installation, Monitoring, and Reimbursement Letter Agreement between Monte Vista Water District and Watermaster.

Monitoring and Testing

- Performed quarterly collection, checking, and storing of piezometric and aquifer-system deformation data from the wells and the Ayala Park and Chino Creek extensometer facilities shown on Figure 1.
- Developed change in land altitude contours for the time period 2011 to 2017 based on the InSAR interferograms for western Chino Basin from the German Aerospace Center's TerraSAR-X satellite.
- Reviewed the vertical ground-level survey data from benchmarks in the Areas of Subsidence Concern. Electronic distance measurement (EDM) data across the San Jose Faults was also reviewed.



Quarterly Status Report
Ground-Level Monitoring Committee
April – June 2017

- *Long-Term Pumping Test in the MZ-1 Managed Area.* The Long-Term Pumping Test, described in the SMP, was developed by the GLMC to test and refine the Guidance Level for the Managed Area. The test requires that the City of Chino Hills simultaneously pump wells CH-15B and CH-17 to cause water levels at PA-7 to decline below the Guidance Level. The recovery phase of the Long-Term Pumping Test includes groundwater injection cycles at the City of Chino Hills well CH-16. Both CH-15B and CH-16 require physical improvements to function in the Long-Term Pumping Test. The following work was performed for the Long-Term Pumping Test during the reporting period:
 - The City of Chino Hills worked on the wellhead-treatment filters at CH-15B.
 - The City of Chino Hills connected CH-16 to a potable source water pipeline.
 - Pumping at the wells in the MZ-1 Managed Area did not result in water levels to decline below the Guidance Level at PA-7.

Data Analysis and Reporting

- Compiled and analyzed data collected for the GLMP through December 2016.
- Analyzed all the historic EDM data collected in the Managed Area and San Jose Fault to date. The results of the data in the Managed Area will be used to determine potential sites for the re-installation of the Daniels Horizontal Extensometer and future scope and frequency of EDM monitoring

Northwest MZ-1 Area Investigation:

- Prepared the draft response to comments on the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area*. The response to comments is currently under internal review.
- Prepared the draft technical memorandum: *Development and Characterization of the Baseline Management Alternative and Initial Subsidence-Management Alternative for the Northwest MZ-1 Area*. The technical memorandum is currently under internal review.
- Prepared the final technical specifications: *Detailed Technical Specifications for the Drilling and Construction of Two Dual-Nested Piezometers for the Pomona Extensometer Facility*. The technical specifications will be incorporated in the Pomona Extensometer Piezometers construction bid package at the completion of CEQA.

Meetings of the Ground-Level Monitoring Committee

One GLMC meeting was conducted during the reporting period:

A GLMC meeting was conducted on April 11, 2017. The meeting agenda included the following items:

- Draft technical specifications for the Pomona Extensometer Facility piezometers.
- Recommended scope and budget of the GLMC for FY 2017-18 (Version No. 2).

Activities Planned for July – September 2017



Quarterly Status Report
Ground-Level Monitoring Committee
April – June 2017

Setup and Maintenance of Monitoring Facilities

- Perform monthly routine maintenance, data collection, and verification at the Ayala Park Extensometer and Chino Creek Extensometer facilities.

Monitoring and Testing

- Perform quarterly collection, checking, and storing of piezometric and aquifer-system deformation data from the wells and extensometers shown on Figure 1.
- Collect InSAR data across the western Chino Basin from the German Aerospace Center's TerraSAR-X satellite.

Northwest MZ-1 Area Investigation:

- Finalize the Initial Monitoring Program for the Northwest MZ-1 Area. This includes equipping up to 12 MVWD wells and 9 City of Pomona wells with SCADA system-based groundwater levels and production data monitoring capabilities.
- Complete the bidding process and select a drilling contractor for the construction of the Pomona Extensometer Facility piezometers.

Data Analysis and Reporting

- Finalize the draft *2016 Annual Report of the Ground-Level Monitoring Committee*. The final report will be published in August 2017.

Northwest MZ-1 Area Investigation:

- Finalize the GLMC comments on the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1* and finalize the report. The final report will be published in August 2017.
- Finalize the draft technical memorandum: *Development and Characterization of the Baseline Management Alternative and Initial Subsidence-Management Alternative for the Northwest MZ-1 Area*. The draft technical memorandum will be published in August 2017.
- Finalize the environmental analysis pursuant to CEQA and property acquisition for potential site(s) for the Pomona Extensometer Facility by August 2017.

Meetings of the Ground-Level Monitoring Committee

Two GLMC meeting are anticipated between July and August 2017. The meeting agenda items will include:

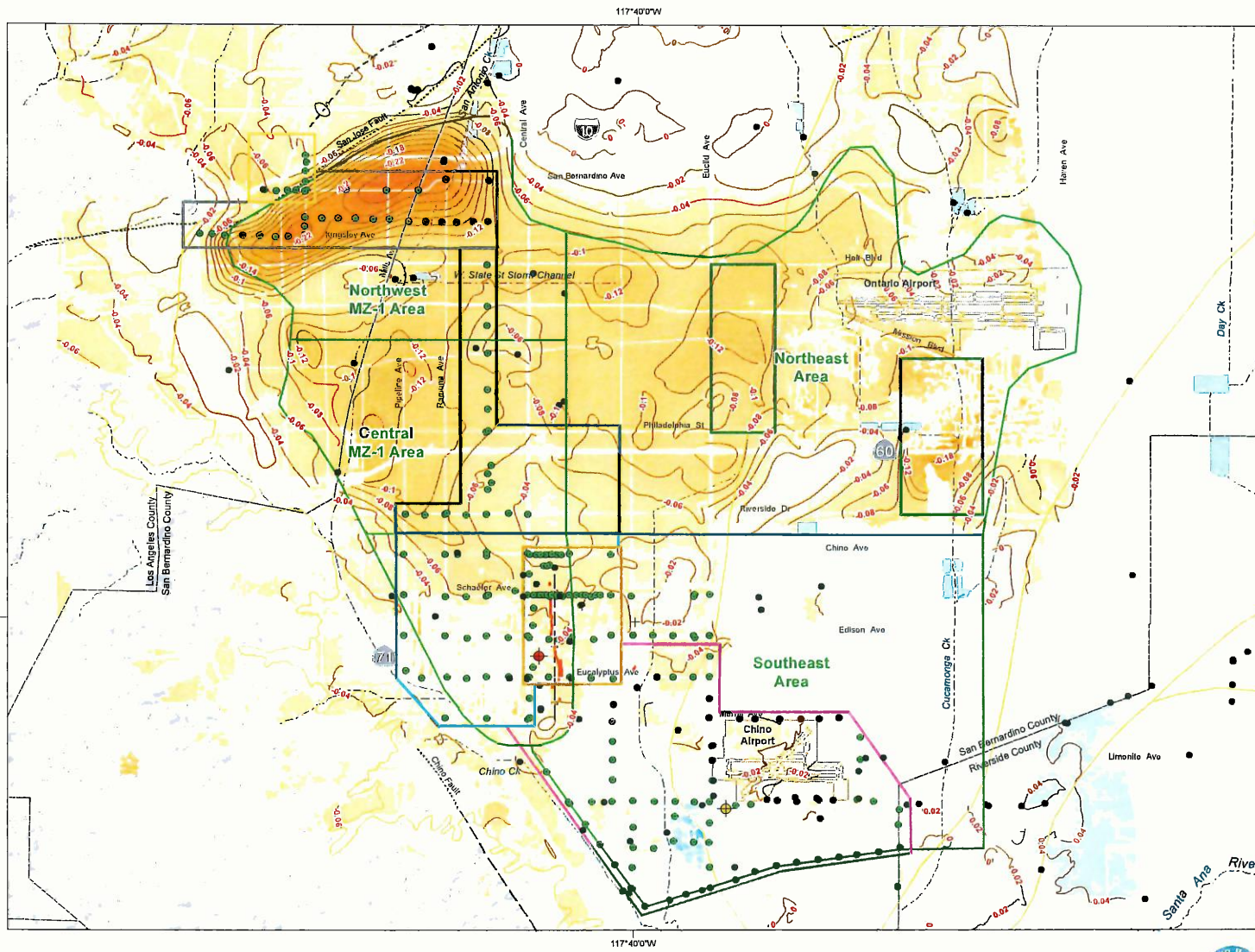
- Review the GLMC comments on the draft *2016 Annual Report of the Ground-Level Monitoring Committee*.
- Review and discuss the scope of work and cost estimates for modifications to the Monte Vista Water District's and the City of Pomona's SCADA systems to facilitate collection of groundwater-level and production data from wells in the Northwest MZ-1 Area.



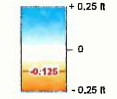
Quarterly Status Report
Ground-Level Monitoring Committee
April - June 2017

- Review and discuss the results and conclusions from the draft Technical Memorandum: *Development and Characterization of the Baseline Management Alternative Initial Subsidence-Management Alternative for the Northwest MZ-1 Area.*





Relative Change in Land Surface Altitude as Measured by InSAR March 2011 to January 2017



□ InSAR absent or incoherent

Groundwater-Level and Aquifer-System Deformation Monitoring

- Piezometer Equipped Transducers as of April 2017
- Ayala Park Extensometer
- Chino Creek Extensometer

Ground-Level Survey Areas

- Survey Benchmark
- Central Area
- MZ-1 Managed Area
- Northwest MZ-1 Area
- Fissure Zone Area
- San Jose Fault Zone Area
- Southeast Area
- Northeast Area (Proposed)

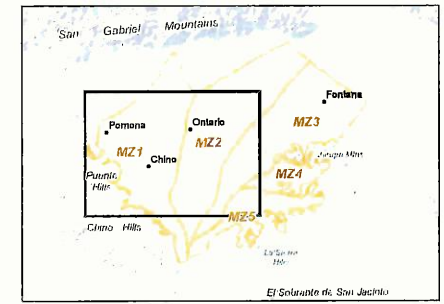
■ Areas of Subsidence Concern

■ Flood Control and Conservation Basins

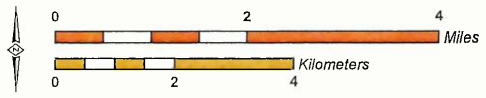
— Ground Fissures

— Approximate Location of the Riley Barrier

— Fault - Solid where accurately located, Dashed where approximately located or inferred; dotted where concealed.



Prepared by:
Author: TCR
Date: 6/29/2017
Document Name: Figure_1_20170613



Ground-Level Monitoring Program Fiscal Year 2016-17

Figure 1

CHINO BASIN WATERMASTER

IV. INFORMATION

4. South Archibald and Chino Airport Plumes Status Report (Quarterly)

Quarterly Status Report

South Archibald Plume

July 2017

Contaminant: The primary contaminant is Trichloroethene (TCE). The maximum contaminant level (MCL) for TCE is 5 micrograms per liter ($\mu\text{g/L}$). The maximum TCE concentration detected in a groundwater sample collected from wells within the plume during the last five years (2012 to 2016) is 90 $\mu\text{g/L}$.

Location: The South Archibald TCE plume is located in the southern Chino Basin within the City of Ontario. As delineated by the Chino Basin Watermaster (Watermaster) in 2017¹, the extent of the plume with detectable TCE concentrations is about 11,000 feet wide and 22,400 feet long, and extends from State Route 60 on the north to Bellegrave Ave. to the south, between Haven and Turner Avenues on the east, and Grove Avenue on the west. In 2014, several parties² delineated the extent of the plume area with TCE concentrations greater than or equal to 5 $\mu\text{g/L}$. Both plume delineations are shown in Exhibit 1.

Cleanup and Abatement Orders (CAOs): In 2005, the Santa Ana Regional Water Quality Control Board (Regional Board) issued six Draft CAOs to the Aerojet-General Corporation, The Boeing Company, Northrop Grumman Corporation, Lockheed Martin Corporation, General Electric Corporation and the United States Department of Defense; and in 2012 issued one Draft CAO jointly to the City of Ontario, City of Upland, and Inland Empire Utilities Agency (IEUA).

In September 2016, the Regional Board approved the Stipulated Settlement and CAO No. R8-2016-0016³ to the parties listed above, with the exception of Northrop Grumman Corporation. The final CAO became effective upon receipt of all identified parties' signatures in November 2016.

Regulatory and Monitoring History: In the mid-1980s, the Metropolitan Water District of Southern California determined that TCE was present in private wells in the southern Chino Basin as part of the work associated with the Chino Basin Storage Program. The Regional Board confirmed this with subsequent rounds of sampling.

The Regional Board issued Draft CAOs in 2005 for six different parties who were tenants on the Ontario Airport property. On a voluntary basis, four of the parties—Aerojet-General Corporation, The Boeing Company, General Electric Company, and Lockheed Martin Corporation, collectively the ABGL parties, worked together, along with the U.S. Department of Defense, to investigate the source of the contamination. Part of the investigations included collecting water-quality samples from private

¹ Wildermuth Environmental, Inc. (2017). Optimum Basin Management Program – 2016 State of the Basin Report. Prepared for the Chino Basin Watermaster. June 2017.

² Erler & Kalinowski. (2014). Supplemental Data Report. Trichloroethene Plume. Central Chino Basin, Ontario, California. Prepared for Aerojet Rocketdyne, Boeing, General Electric, and Lockheed Martin. November 19, 2014.

³ California Regional Water Quality Control Board Santa Ana Region (2016). Stipulated Settlement and Cleanup and Abatement Order No. R8-2016-0016. City of Ontario, City of Upland and Inland Empire Utilities Agency, Aerojet Rocketdyne Inc., The Boeing Company, General Electric Company, Lockheed Martin Corporation and the United States of America, Former Ontario-Upland Sewage Treatment Plant (Regional Recycling Plant No. 1) City of Ontario.



Quarterly Status Report South Archibald Plume July 2017

wells and taps at residences, and the construction and sampling of four triple-nested monitoring wells. Alternative water systems were provided at private residences in the area where groundwater was contaminated with TCE.

In 2008, Regional Board staff conducted research pertaining to the likely source of the TCE contamination and identified discharges of wastewater that may have contained TCE to the RP-1 treatment plant and associated disposal areas to be a potential source. The Regional Board identified several industries, including some previously identified tenants of the Ontario Airport property, that likely used TCE solvents before and during the early-1970s, and discharged wastes to the Cities of Ontario and Upland sewage systems tributary to the RP-1 treatment plant and disposal areas. In 2012, an additional Draft CAO was issued by the Regional Board jointly to the City of Ontario, City of Upland, and the IEUA as the previous and current operators of the RP-1 treatment plant and disposal area (collectively RP-1 the parties).

Under the Regional Board's oversight, sampling at private residential wells and taps has been conducted approximately every two years (2007-08, 2009, 2011 and 2013-14) by multiple parties in the region where groundwater is potentially contaminated with TCE. By 2014, all private wells and/or taps in the area of the plume had been sampled at least once since 2007. The report documenting this data was published in November 2014⁴. Alternate water systems (tanks) have been installed at residences in the area where well water contains TCE at or above 80 percent of the MCL for TCE (e.g. equal to or greater than 4 µg/L). Residents who declined tank systems are being provided bottled water.

Watermaster routinely samples private wells in the plume area for water quality. Watermaster also conducted two rounds of split sampling with ABGL parties: one in 2009 at the four multi-port ABGL monitoring wells, and one in 2011 at private residences' wells and taps. Watermaster uses data obtained from their own monitoring efforts to delineate the plume every two years. The most recent characterization of the plume was completed by Watermaster in 2017 as part of the 2016 State of the Basin Report¹ (see Exhibit 1).

In July 2015, the RP-1 parties completed a Draft Feasibility Study Report for the South Archibald Plume (Feasibility Study)⁵. The Feasibility Study established clean-up objectives for both domestic water supply and plume remediation, and evaluated alternatives to accomplish these objectives. In August 2015, a Draft Remedial Action Plan (RAP) was concurrently prepared by the RP-1 parties⁶ to present the preferred plume remediation and domestic water supply alternatives. A public review

⁴ Erler & Kalinowski, Inc. (2014). Supplemental Data Report Trichloroethene Plume Central Chino Basin. Prepared for Aerojet Rocketdyne, Boeing, General Electric, and Lockheed Martin. November 19, 2014.

⁵ Dudek (2015). Draft Feasibility Study Report South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. July 2015.

⁶ Dudek (2015). Draft Remedial Action Plan South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. August 2015.



Quarterly Status Report South Archibald Plume July 2017

period followed along with two community meetings in September 2015 to educate the public about the plume, the Feasibility Study and the RAP, and to solicit comments on these reports. A public repository of all pertinent documents is available online at <http://tceplumecleanup.com>. In November 2015, a revised Draft Feasibility Study⁷, RAP⁸, and Responses to Comments were completed to address input from the public, ABGL, and other parties.

In September 2016, the Regional Board issued the Final CAO R8-2016-0016 collectively to the RP-1 parties and the ABGL parties. The Final CAO was adopted by all parties in November 2016, thus approving the preferred *plume remediation* and *domestic water supply* alternatives identified in the RAP. The parties also reached a settlement agreement that aligns with the Final CAO and authorizes funding to initiate implementation of the plume remediation alternative.

Remedial Action Plan

Plume Remediation. The plume remediation alternative identified in the Feasibility Study, RAP and Final CAO involves the use of existing and proposed Chino Basin Desalter Authority (CDA) production wells and treatment facilities. The RP-1 parties and the CDA reached a Joint Facility Development Agreement⁹ for implementation of a project designed to remediate the South Archibald Plume. The proposed project includes the construction and operation of three new CDA production wells (II-10, II-11, and II-12) and a dedicated pipeline to convey groundwater produced from these wells to the Desalter II treatment facility that removes TCE and other VOCs via air stripping. The CDA completed construction of Wells II-10 and II-11 in 2016 and the wells will be equipped for operation upon completion of the dedicated raw-water pipeline, which is currently under construction. The property acquisition process for Well II-12 is underway and this final well is anticipated to be completed and operational by July 2019.

Domestic Water Supply. The domestic water supply alternative identified in the Feasibility Study and RAP is a hybrid between the installation of tank systems for some residences where water is delivered from the City of Ontario potable supply via truck deliveries, and the installation of a temporary pipeline to connect some residences to the City of Ontario potable water system. Currently, 37 affected residences are receiving water supplied from 25 tank systems, with 8 additional residences offered tank systems and 6 residences offered a connection to the City of Ontario potable water system. In February 2017, the City of Ontario submitted a **private water supply well sampling work plan**¹⁰

⁷ Dudek (2015). Draft Feasibility Study Report South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁸ Dudek (2015). Draft Remedial Action Plan South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁹ Agreement dated June 22, 2015

¹⁰ EEC Environmental (2017). Workplan – Private Water Supply Well Sampling. Ontario California. Prepared for the City of Ontario. February 6, 2017



Quarterly Status Report

South Archibald Plume

July 2017

and a **domestic water supply work plan**¹¹ to the Regional Board which include performance objectives for both the plume remediation and domestic water supply alternatives. The goal of these plans is to monitor water quality within the extent of the plume and to identify residences that are eligible to receive benefits associated with the domestic water supply alternative. The Regional Board approved^{12,13} both work plans on February 14, 2017 and March 3, 2017, respectively.

Recent Activity:

Plume Remediation. The dedicated pipeline to convey groundwater produced from the three new desalter wells to the Desalter II treatment facility is under construction and is anticipated to be completed in the third quarter of 2017, at which time operation of wells II-10 and II-11 can begin. The CDA is in ongoing discussions regarding property acquisition for Well II-12. Once the property is acquired, CDA plans to drill a monitoring well to support the final design of the production well. This final well is anticipated to be completed and operational by August 2019.

Domestic Water Supply. Pursuant to the February 2017 work plans, an Annual Groundwater Monitoring Report was completed on May 15, 2017 by the Cities of Ontario and Upland and submitted to the Regional Board. The groundwater sampling effort took place during February and March 2017, and included 41 private and municipal well locations. The primary objectives of the monitoring and reporting effort were to: (1) evaluate the current lateral extent of the plume, (2) identify the locations of private supply wells with TCE concentrations above the MCL, (3), identify the locations of public supply wells with TCE concentrations below 80% of the MCL, and (4) identify any additional residences that should participate in the alternative water supply program. Based on the results of the 2017 sampling event, no additional residences were recommended for participation in the alternative water supply program.

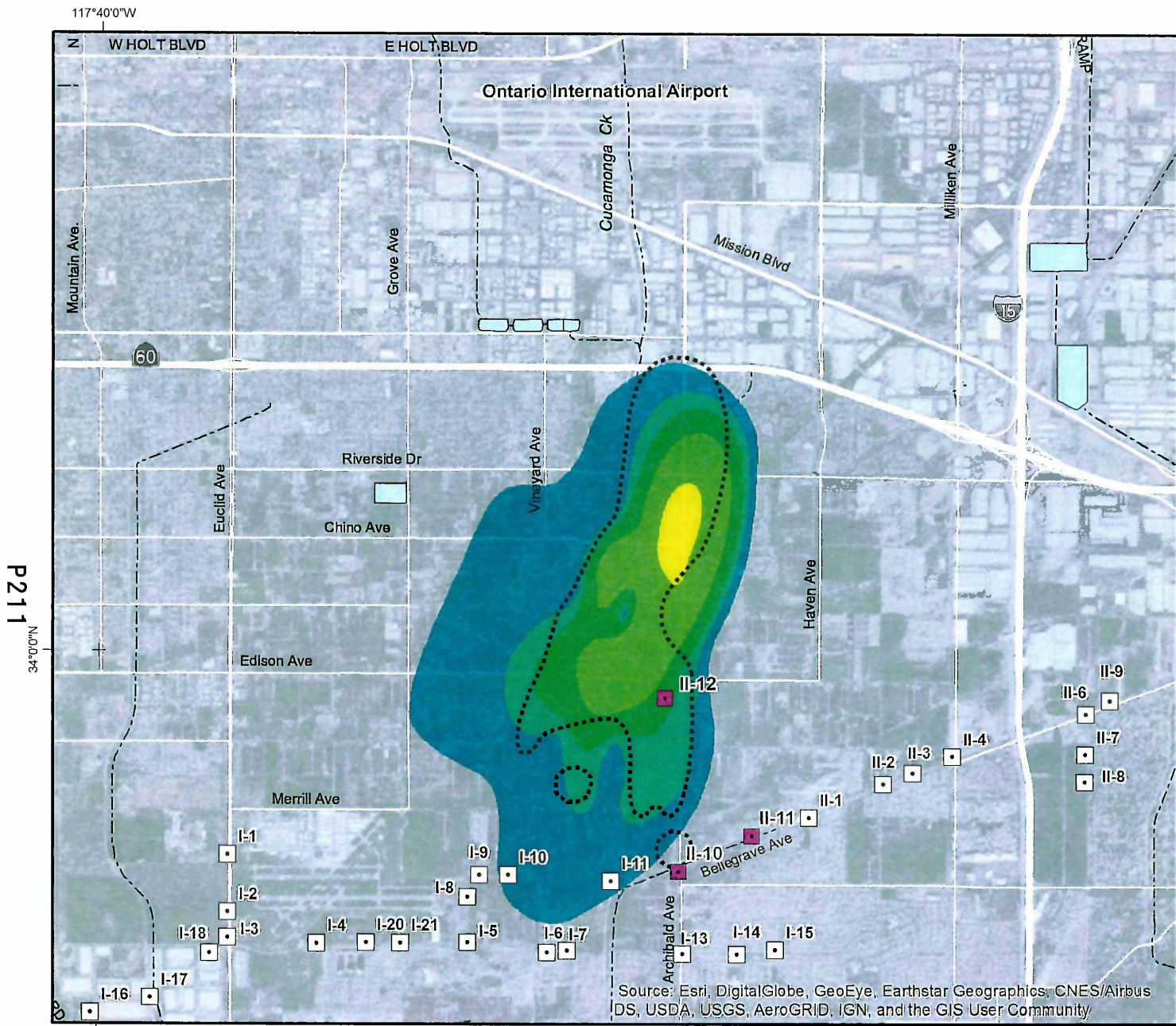
¹¹ Dudek (2017). Domestic Water Supply Work Plan South Archibald Plume, Ontario, California. Prepared for the City of Ontario, City of Upland. February 2017.

¹² Regional Water Quality Control Board. Letter from Kurt Berchtold to the City of Ontario. Private Water Supply Sampling Work Plan – Selected Private Groundwater Wells and Taps, Ontario, California. February 14, 2017.

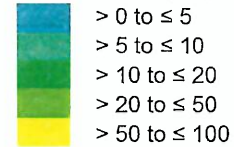
¹³ Regional Water Quality Control Board. Letter from Kurt Berchtold to the City of Ontario. Domestic Water Supply Workplan – South Archibald Trichloroethylene Plume, Ontario, California. March 3, 2017.

¹⁴ Dudek (2017). Annual Groundwater Monitoring Report South Archibald TCE Plume Ontario, California. Prepared for the City of Ontario and City of Upland. May 2017





Maximum TCE Concentration ($\mu\text{g/L}$)
 from July 2011 to June 2016
 (Delineated by Watermaster in the 2016 State
 of the Basin Report)



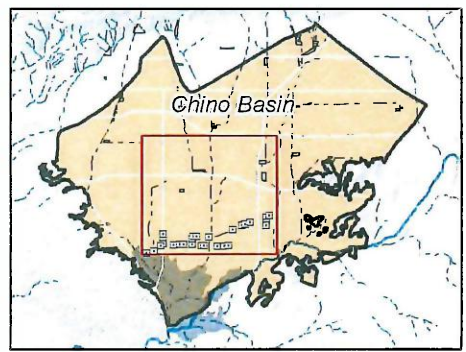
Extent of the TCE Plume with
 Concentrations Greater than or
 Equal to 5 $\mu\text{g/L}$ Using Data Collected
 by ABGL during 2011 to 2014.
 (Delineated in the November 2014
 Supplemental Data Report)

Chino Basin Desalter Authority
 Production Wells:

- Existing (Constructed Between
1999 to 2012)
- New (Currently Being Constructed
and Equipped)

Streams & Flood Control
Channels

Flood Control & Conservation
Basins



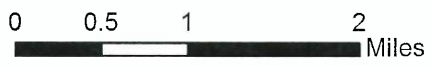
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus
 DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

P211
 NAD83

117°40'0"W
 Prepared by:



Author: RT
 Date: 6/22/2017
 Name: South Archibald_2017July_Q2



CBWM Quarterly Status Report

South Archibald TCE Plume

Exhibit 1

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Quarterly Status Report

Chino Airport Plume

July 2017

Contaminants: The primary contaminant is Trichloroethene (TCE). The maximum contaminant level for TCE is 5 micrograms per liter ($\mu\text{g}/\text{L}$). The maximum TCE concentration detected in a groundwater sample collected from wells within the plume area during the last five years (2012 to 2016) is 830 $\mu\text{g}/\text{L}$. Other contaminants of concern include 1,2,3-trichloropropane, 1,2-dichloroethane, 1,1-dichloroethene, cis-1,2-dichloroethene, carbon tetrachloride, and 1,4-dioxane.

Location: The Chino Airport TCE Plume is located in the southwestern portion of the Chino Basin within the City of Chino (Exhibit 1). As delineated by the Chino Basin Watermaster (Watermaster) in 2017¹, the extent of the plume with detectable TCE concentrations greater than 0.5 $\mu\text{g}/\text{L}$ is about 3,500 feet wide and 12,500 feet long, extending from the Chino Airport towards the southwest to just south of Pine Avenue. The County's most recent (2017) delineation of the extent of the plume with TCE concentrations greater than or equal to 5 $\mu\text{g}/\text{L}$ is also shown in Exhibit 1. Since 2015, the County recognizes two plumes originating from the Chino Airport; the West Plume and the East Plume.

Cleanup and Abatement Orders (CAOs): The Santa Ana Regional Water Quality Control Board (Regional Board) issued CAO No. 90-134, CAO No. R8-2008-0064, and CAO No. R8-2017-0011 to the County.

Regulatory and Monitoring History: In 1990, the Regional Board issued CAO No. 90-134 to address groundwater contamination originating from the Chino Airport. From 1991 to 1992, ten inactive underground storage tanks and 310 containers of hazardous waste were removed, and 81 soil borings were drilled and sampled on the airport property. During 2003 to 2005, nine onsite monitoring wells were installed and used to collect groundwater quality samples. In 2007, the County conducted its first offsite monitoring effort, which included 22 cone penetrometer tests (CPT) and direct push borings from which water quality samples were collected. In 2008, the Regional Board issued CAO No. R8-2008-0064 requiring the County to define the lateral and vertical extent of the plume and to prepare a remedial action plan. From 2009 to 2012, 33 offsite monitoring wells were installed at 15 locations to characterize the extent of the contamination downgradient from the airport property.

From 2013 to 2014 the County conducted an extensive investigation of several areas identified for additional characterization of the soil and groundwater contamination associated with the Chino Airport. The investigative work included: piezocone-penetrometer tests; vertical-aquifer-profiling (VAP) borings with depth-discrete groundwater sampling; soil-gas probe sampling; high-resolution soil sampling and analysis; real-time data analysis; and three-dimensional contaminant distribution modeling. At the conclusion of this work, 33 groundwater monitoring wells were installed in 17 locations on and adjacent to the Airport property from September 2014 through February 2015.

¹ Wildermuth Environmental Inc. (2017). Optimum Basin Management Program - 2017 State of the Basin Report. Prepared for the Chino Basin Watermaster. June 2017.



Quarterly Status Report

Chino Airport Plume

July 2017

The County conducts quarterly, annual, or biennial water-quality monitoring, and quarterly water-level monitoring at the 75 monitoring wells constructed to date. All the data collected by the County is posted on the Regional Board's GeoTracker website². Conclusions from the monitoring program can be found in the semi-annual reports posted on GeoTracker. The most recent monitoring report was submitted to the Regional Board in April 2017³.

The County characterizes the extent of the plume vertically in multiple cross-sectional views, and laterally in an areal view, using the data collected from their monitoring program. The most recent characterizations of the TCE plume were prepared by the County as part of the 2017 monitoring report³. Exhibit 1 shows the areal extent of the plume as recently delineated by the County.

The Watermaster collects groundwater-quality samples from private wells in the plume area, and at its HCMP-4 monitoring well located in the southern portion of the plume. The Chino Basin Desalter Authority (CDA) collects groundwater-quality samples from its production wells located in the plume area. Watermaster uses data from the County, CDA, and its own sampling to perform an independent characterization of the areal extent and concentration of the TCE plume. The most recent characterization of the plume completed by Watermaster was in 2017 for the 2016 State of the Basin Report¹ and is also shown on Exhibit 1.

The County completed a Draft Feasibility Study⁴ for the Chino Airport in August 2016. The Feasibility Study identifies remedial action objectives for contaminated groundwater originating from the Chino Airport and evaluates remediation alternatives for mitigation, however no groundwater remediation activities have been performed yet by the County. On January 11, 2017, the Regional Board issued CAO R8-2017-0011 to the County, which supersedes CAO R8-2008-0064. The order requires that the County: submit a Final Feasibility Study within 60 days of receiving the Regional Board's comments on the Draft Feasibility Study; submit a Final Remedial Action Plan (RAP) within 60 days of the Regional Board approval of the Final Feasibility Study; implement the RAP in accordance with a Regional Board-approved schedule; and prepare and submit technical reports and work plans as the Regional Board deems necessary. The Regional Board submitted final comments on the Draft Feasibility Study via email on February 8, 2017⁵. The County submitted responses to the Regional Board's comments along with a revised Draft Feasibility Study on March 20, 2017⁶. The Regional

² http://geotracker.waterboards.ca.gov/profile_report.asp?global_id=SL208634049

³ Tetra Tech (2017) Semiannual Groundwater Monitoring Report Summer and Fall 2017. Chino Airport Groundwater Assessment, San Bernardino County, California. Prepared for County of San Bernardino Department of Architecture and Engineering. September 2017.

⁴ Tetra Tech (2016) Draft Feasibility Study Chino Airport San Bernardino County, California. Prepared for the County of San Bernardino, Department of Architecture and Engineering. August 2016.

⁵ file:///S:/Clients/CBWM/OBMP_Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170208_AddComments_Regional%20Board_FS_8Feb2017.pdf

⁶ file:///S:/Clients/CBWM/OBMP_Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170320_RTCs_Draft%20FS_Chino%20Airport_032017.pdf



Quarterly Status Report

Chino Airport Plume

July 2017

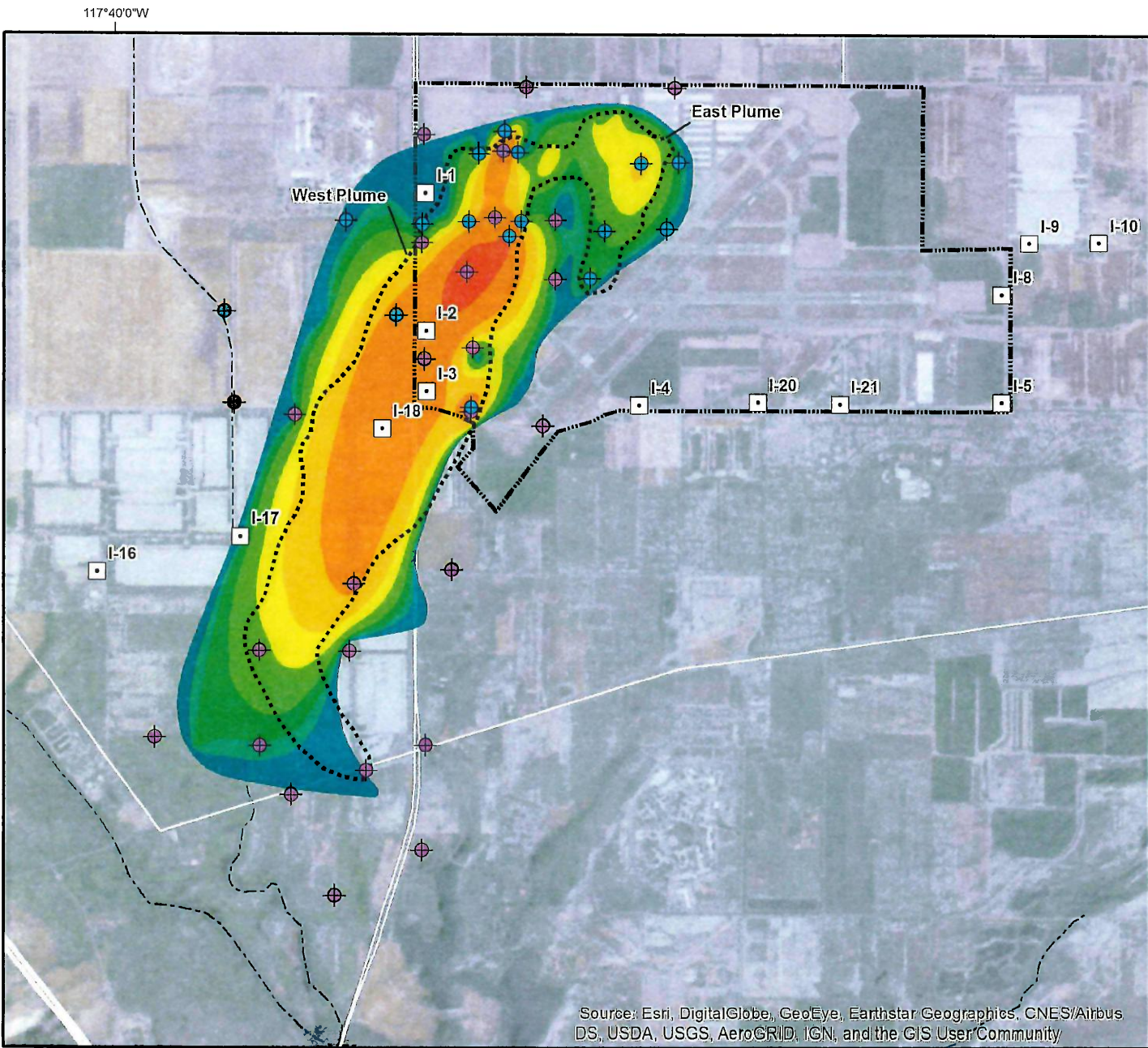
Board reviewed the revised Draft Feasibility Study and accepted the proposed changes and responses, but submitted three additional comments on March 30, 2017⁷.

Recent Activity: Pursuant to CAO R8-2017-0011, the County of San Bernardino submitted a Final Feasibility Study⁸ for the Chino Airport on June 6, 2017, and it was approved by the Regional Board on June 7, 2017. The Feasibility Study identifies remedial action objectives (RAO's) and cleanup goals for the contaminated groundwater originating from the Chino Airport, and evaluates remediation alternatives for mitigation. The RAO's address the potential for exposure of human receptors to contaminated groundwater, degradation of groundwater quality in the CDA's desalter wells, degradation of water quality in the Chino-North groundwater management zone, and degradation of surface-water quality in the Prado Basin. The recommended remediation alternative (4A) was selected based on cost, overall effectiveness in achieving all the RAO's, the relative likelihood to prevent future impacts to down-gradient and off-site groundwater resources, and other factors. Alternative 4A is a groundwater pump-and-treat system to provide hydraulic containment and treatment of both the West Plume and the East Plume originating from the Chino Airport. The system consists of ten extraction wells that will combine to produce approximately 900 gallons per minute of groundwater for onsite treatment using carbon adsorption. Included among the 10 wells is the CDA's well I-18, which is no longer planned for use by the CDA. An air stripper may be added to the system if deemed necessary. Once treated, the preferred option is to discharge the treated groundwater to the CDA's Chino-I Desalter influent pipeline via a newly constructed pipeline. If this discharge option is not available at the time the system is constructed, the alternative options are to discharge the treated groundwater to either the local surface-water channels or wastewater treatment plants, or to inject the treated groundwater back into the basin with six injection wells at the northeast corner of the Chino Airport. The final RAP, based on the approved final Feasibility Study is due to the Regional Board by August 7, 2017.

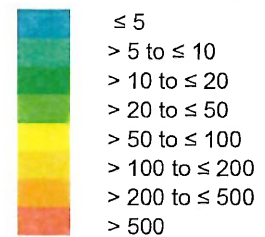
[file:///S:/Clients/CBWM/OBMP Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170330 ChinoAP SBC RTCs response30Mar2017.pdf](file:///S:/Clients/CBWM/OBMP%20Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170330%20ChinoAP%20SBC%20RTCs%20response30Mar2017.pdf)

⁸ Tetra Tech (2017) Final Feasibility Study Chino Airport San Bernardino County, California. Prepared for the County of San Bernardino, Department of Architecture and Engineering, May 2017.





Maximum TCE Concentration (µg/L)
 July 2011 to June 2016
 (Delineated by Watermaster in the 2016 State of the Basin Report)



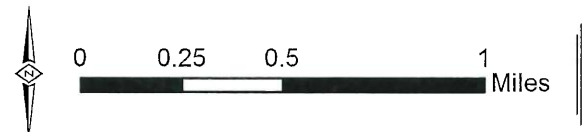
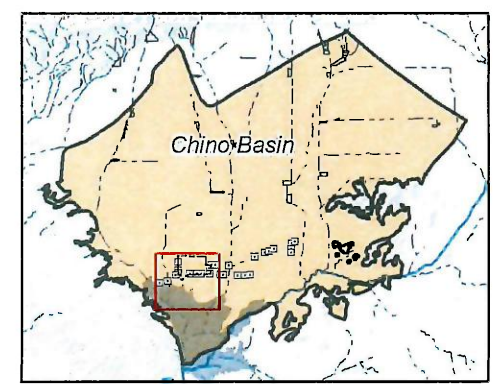
Extent of TCE Plume with Concentrations Greater than or Equal to 5 µg/L as Delineated by the County in 2017 Using Their Data (April 2017 Monitoring Report)

County of San Bernardino Monitoring Well (some locations have multiple wells at various depths)

- Constructed Between 2003 and 2012
- Constructed Between September 2014 and February 2015

Chino Basin Desalter Authority Production Well

Chino Airport Property Boundary



CHINO BASIN WATERMASTER

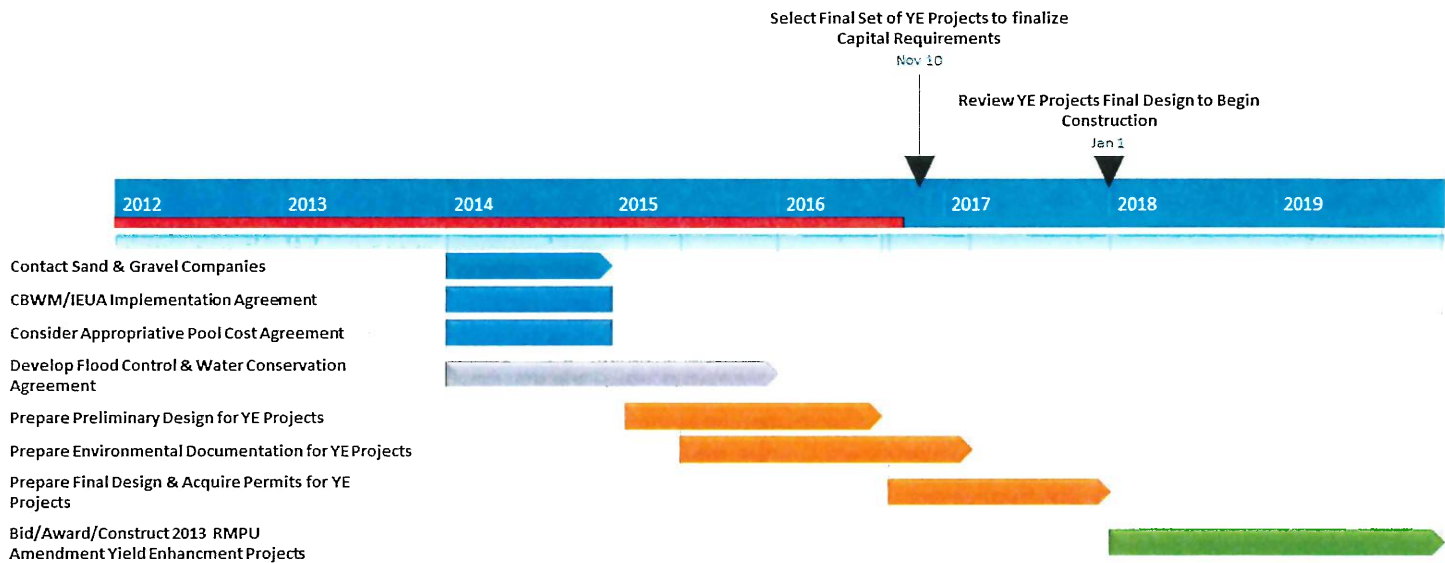
IV. INFORMATION

5. RMPU Status Report (Quarterly)

2013 Amendment to 2010 RMPU Implementation

Status Report – July 2017

Schedule:



STATUS

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

Year 1 - 2014

Yield Enhancement Projects: Contact Sand and Gravel Companies

IEUA, with the help of Watermaster stakeholders, has developed a list of haulers who may be interested in the dirt removal. With the approval of a project's PDR, contact with the Sand and Gravel companies are being made. There are a few concerns to be addressed. Most companies prefer not to be tied to an IEUA/Watermaster schedule, rather, they would prefer to be driven by the needs of development-related construction projects. IEUA estimates having 12 potential companies interested in dirt hauling, however, the number may fluctuate as demands and future schedules change.

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

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

Yield Enhancement Projects: Consider AP New Yield Cost Allocation Agreement

Within the Safe Yield Reset effort, it was determined that the stormwater yield from the RMPU projects will initially be part of the New Yield allocation. The cost sharing will be based on the Operating Safe Yield percentage, with an opt-out provision that would allow Fontana Water Company the first chance at that water. Section 5.1 of the 2015 Safe Yield Reset Agreement further describes the mechanisms for accounting and allocation among the Appropriative Pool Parties. As of early April 2017, the Safe Yield Reset matter is pending before the Court.

Yield Enhancement Projects: Develop Flood Control and Water Conservation Agreement

IEUA and Watermaster have met and exchanged correspondence with the San Bernardino County Flood Control District (SBCFCD) to expand the Four Party Agreement to include all facilities necessary for RMPU Implementation. IEUA, Watermaster, and SBCFCD have also met to discuss SBCFCD's anticipated permit conditions for the RMPU projects so that there would be minimal or no impact to the RMPU project's scope, budget, or schedule. As of July 2017, negotiations are ongoing. IEUA and Watermaster have also met with Chino Basin Water Conservation District (CBWCD) to discuss the CBWCD facilities that are involved in the RMPU Implementation. In May 2017, IEUA and Watermaster Boards approved the Task Order for the Montclair Project.

Yield Enhancement Projects: Agreement with Property Owners

Contact with SBCFCD and CBWCD has been made through the above-mentioned process. The Sierra Basin is no longer considered a potential project due to the City of Fontana stating that the basin is to be repurposed in the future. The Lower San Sevaire (PID 17) property was sold at auction; status is "ongoing due diligence by potential buyer" until the end of 2017. IEUA has worked with California Steel Industries (CSI) on a wastewater issue and is discussing the terms of using that recharge basin for the project contemplated in the RMPU. CSI has expressed interest in recharging the basin with stormwater, recycled water, and other sources

of supplemental water, which the preliminary design found in the RMPU PDR will meet. As of July 2017, discussions on the terms of use for the Basin are ongoing between CSI and the Watermaster Appropriators.

Years 2 and 3 - 2015 and 2016

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

The Preliminary Design effort is completed and is reported for each individual project as a separate report which is posted on Watermaster's FTP site and also accessible at this link:

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

Yield Enhancement Projects: Prepare Environmental Documentation for Yield Enhancement Projects

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

Financing Plan

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

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

Years 3 and 4 - 2016 and 2017

Prepare Final Designs and Acquire Necessary Permits for Yield Enhancement

In November 2016, the Watermaster Parties selected projects to move forward for Final Design. The suite of projects are collectively identified as the Post-2014 Stormwater Recharge Projects.

Project ID	Post-2014 Stormwater Recharge Program
23a	Wineville/Jurupa/RP-3 Basins with SW Force Main Improvements
11	Victoria Basin
12	Lower Day Basin*
2	Montclair Basins
7	San Sevaine*
	<ol style="list-style-type: none"> 1. Upon receipt of bid results IEUA/CBWM are to confirm with the AP on project advancement prior to awarding the construction contracts. 2. On Project 23a, the bid for the pump station and force main will be an optional bid item.

The Final Designs for the Post-2014 Stormwater Recharge Projects are to be completed by the beginning of 2018. San Sevaine's design effort was completed in November 2016 while Lower Day, which is was initially on an accelerated schedule but met some delays, will complete Final Design by March 2018.

Years 5 and 6 - 2018 and 2019

Construct 2013 RMPU Amendment Yield Enhancement Projects

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

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

The due date for the third round of requests for Water Quality Management Plan (WQMPs), Design Reports, and As-Built drawings for new projects and projects built between Fiscal Years 2011 and 2016 was November 1, 2016. As of July 2017, Watermaster is working with WEI to analyze the approximately 200 WQMPs received.

Sustainability Projects:

Effort is underway. JCSD is the lead on this and is working with IEUA, Ontario, MVWD, and FWC to refine sustainability project opportunities. JCSD began receiving water from the City of Ontario in April 2015 per the Ontario-Jurupa In lieu Sustainability Project Agreement. With this agreement, JCSD will receive 2,000 acre-feet of Ontario's CDA allotment of water in exchange for the purchase of an equal quantity of imported water from the WFA plant for use by the City of Ontario. JCSD is also exploring other sources of imported water beyond Metropolitan Water District to diversify its water source portfolio.

The joint Vulcan/ FWC project at the Vulcan Recharge Basin anticipated recharge in the Basin in early September 2015, however, due to some logistical issues it was delayed until December 21, 2015. In February 2016, Vulcan/FWC completed its 100 acre-foot recharge project. The exact amount recharged was 100.006 acre feet.

CHINO BASIN WATERMASTER

IV. INFORMATION

6. Santa Ana River Watershed Status Report (Quarterly)

SANTA ANA RIVER QUARTERLY UPDATE

The Chino Basin is part of the Santa Ana River Watershed, as such, Chino Basin Watermaster participates in different activities and follows closely the happenings in the entire watershed. The updates will be classified into four different categories:

1. **Water Quality**
2. **Basin Management**
3. **Habitat Conservation / Monitoring**
4. **Storage and Conjunctive Use**

Many of the activities that take place within the watershed fall in more than one category. Below is a list of the current activities of interest in the Santa Ana River Watershed:

- Basin Monitoring Program Task Force
- Upper Santa Ana River Habitat Conservation Plan
- Prado Basin Adaptive Management Plan



Water Quality



Basin Management



Habitat Conservation / Monitoring



Storage and Conjunctive Use

The Santa Ana River is the longest river that is entirely contained in Southern California and one of the most densely populated watersheds in the State of California. Some quick facts to remember about the Santa Ana River are:

- It is 96 miles long
- It has over 700 miles of tributaries
- ~6 million people live within the watershed
- The watershed encompasses 58 cities in 4 counties
- The area of the watershed is 2650 sq. miles



BASIN MONITORING PROGRAM TASK FORCE

Chino Basin Watermaster (Watermaster) participates in the Basin Monitoring Program Task Force (BMPTF) and collaborates with the Regional Board in developing Groundwater quality reports. During the second quarter of 2017 the Task Force worked on the following issues:

- **Ambient Water Quality Re-computation:** This is a study conducted every three years that analyzes the water quality in the entire upper watershed. It is also part of the Maximum Benefit commitments by Watermaster and IEUA. Due to personnel changes and other challenges encountered by SAWPA's consultant, the study has been delayed by three months. Watermaster has worked closely with the Regional Board to reassure them of our commitment with complying with our regulatory obligations. On June 30, 2017 SAWPA's consultant delivered a table with the recomputed Ambient Water Quality in advance of the complete report that will be delivered on September 30, 2017.
- **Basin Plan Amendment for Chino South Groundwater Management Zone:** The Task Force is currently developing a Basin Plan Amendment that will raise the Nitrate-N objective from 4.2 mg/L to 5.0 mg/L. The Regional Board will hold a hearing for this Basin Plan Amendment on August 4, 2017.
- **Wasteload Allocation Model Update:** The WLAM is a tool used by the Regional Board to determine assimilative capacity in the upper watershed. It is currently being updated by Geoscience Inc.

Category:



Water Quality



The Basin Monitoring Program Task Force is a watershed effort by 17 agencies administered by SAWPA. Its main task is to create periodic reports about the concentrations of TDS and Salt in the watershed and to cooperate with the Regional Water Quality Control Board to update assimilative capacities.



UPPER SANTA ANA RIVER HABITAT CONSERVATION PLAN

Watermaster and IEUA participate in the Upper Santa Ana River Habitat Conservation Plan with other agencies in the Upper Watershed. The covered activities for Watermaster and IEUA under the HCP are the maintenance and enhancements of recharge basins under the RMPU. The modeling work for the minimum flows required to obtain a non-jeopardy opinion for the Santa Ana Sucker will conclude soon and the agencies proposing projects affecting the river flows will initiate negotiations amongst themselves to ensure the required flows. IEUA and Watermaster do not have projects that will affect the river flows.

Integrated Groundwater Model for the Upper Santa Ana River

U.S. Fish and Wildlife Service and California Department of Fish and Wildlife expressed interest in analyzing the effects of the proposed covered activities in the flows of the Santa Ana River. The team proposed the creation of an integrated groundwater model that would analyze the surface water and groundwater interactions in the entire Upper Watershed. Geoscience was the selected consultant to conduct this work. Watermaster expressed concern about the availability of the Chino Basin Model and the selection of a baseline that would leave out some of the management activities conducted in Chino Basin. These concerns have been addressed and Watermaster will provide raw data only, for the purpose of the study.

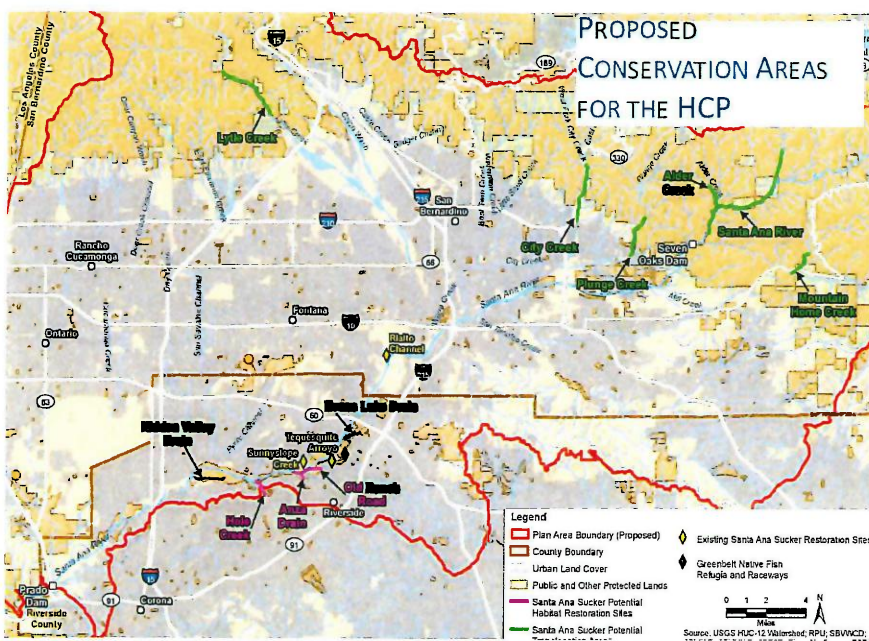
Categories:



Basin Management



Habitat Conservation / Monitoring



The Upper Santa Ana River Habitat Conservation Plan is a multi-agency effort administered by San Bernardino Valley Municipal Water District. Its mission is to expedite application for incidental take permits of certain endangered species within the watershed by providing habitat restoration / conservation in the Upper Watershed.

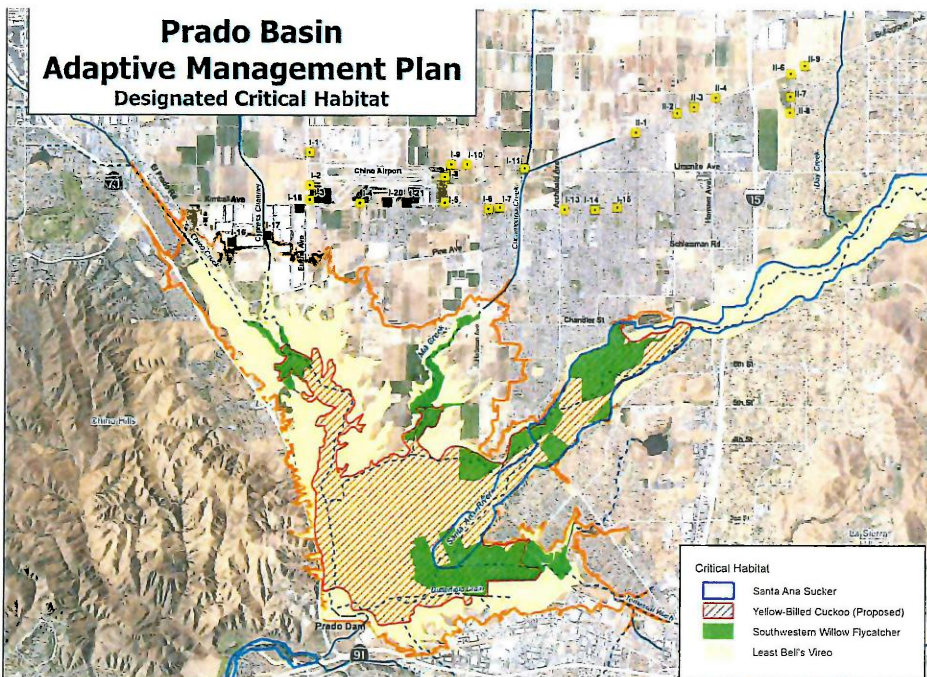


PRADO BASIN ADAPTIVE MANAGEMENT PLAN

Pursuant to the Mitigation Measure 4.4-3 of the Peace II Subsequent Environmental Impact Report (SEIR), Watermaster and IEUA implemented an Adaptive Management Plan (AMP) for the Prado Basin Habitat Sustainability Program (PBHSP) to monitor the riparian habitat in the Prado Basin as a contingency measure to ensure that the riparian habitat will not incur unforeseeable significant adverse effects from Peace II Agreement implementation. The AMP outlines a monitoring program of riparian habitat and the factors that could potentially affect the riparian habitat, which include, but are not limited to: groundwater levels, surface-water discharge, weather events, long-term climate, and annual data analysis and reporting. A key element of the AMP is its adaptive nature—Watermaster and IEUA can adjust the AMP as warranted by the data.

On June 6, 2017 the Prado Basin Habitat Sustainability Committee received the draft of the First Annual Report during a meeting held at IEUA Headquarters. Since, several agencies have provided comments that will be answered in a timely manner.

On June 23, 2017 the Watermaster Board attended a Tour of the different facilities that are used for the program, including IEUA RP-5, CDA I, a monitoring well located in the city of Eastvale, and the OCWD wetlands facility at Prado.



Categories:



Basin Management



Habitat Conservation / Monitoring

The Prado Basin Adaptive Management Plan is an extensive monitoring program funded by Watermaster parties to analyze possible effects in the Prado habitat due to Basin management activities pursuant to the Peace II agreement.



CONCLUSIONS

The Chino Basin is a very important component of the Santa Ana River hydrology. The symbiotic relationship between these two water bodies is vital for the environmental and economic security of the region. Given the importance of this relationship, Watermaster is committed to monitoring and participating in the various activities and issues within the Santa Ana River watershed.

The current happenings could decrease the flows to the river due to recycling and reuse water activities in the Upper Watershed, and could also have an adverse impact on water quality if nitrate objectives are changed.

Watermaster will continue working closely with the regulatory agencies and is committed to complying with our monitoring and reporting obligations while employing best practices and ensuring tasks are completed in a timely manner. We will also work towards developing alternatives to avoid delays caused by watershed wide initiatives in future reports.

Watermaster will continue to be an active participant in the activities performed in the watershed and will work cooperatively with the members of the region to ensure the best and most equitable use of our water resources.

Water Quality

Basin Management

Habitat Conservation / Monitoring

Storage and Conjunctive Use



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