

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, October 12, 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, October 12, 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. – October 12, 2017

WITH

Mr. Todd Corbin, Chair

Ms. Teri Layton, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held September 14, 2017 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2017 *(Page 23)*
2. Watermaster VISA Check Detail for the month of August 2017 *(Page 37)*
3. Combining Schedule for the Period July 1, 2017 through August 31, 2017 *(Page 41)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 *(Page 45)*
5. Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 *(Page 49)*

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve.

D. CALMAT COMPANY (VULCAN MATERIALS CO.) APPROPRIATIVE POOL INTERVENTION REQUEST *(Page 83)*

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

E. NCL COMPANY, LLC APPROPRIATIVE POOL INTERVENTION REQUEST *(Page 98)*

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

II. BUSINESS ITEMS**A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION** *(Page 112)*

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

B. GROUND-LEVEL MONITORING COMMITTEE CHANGE IN ANNUAL REPORTING SCHEDULE *(Page 125)*

Offer advice and assistance to the Watermaster Board regarding the suggested changes to the Ground Level Monitoring Committee annual reporting schedule.

C. EXHIBIT "G" PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION *(Page 127)*

Approve the proposed two-year, (Fiscal Years 2017-18 through 2018-19) substitute Physical Solution Transfer rate, recommend Advisory Committee approval, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

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

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

B. ENGINEER REPORT

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

C. CFO REPORT

None

D. GM REPORT

1. Water Transactions from September 2017
2. Non-Agricultural Pool Revised Calendar Year 2017 Volume Vote
3. Inland Empire Utilities Agency Proposition 1 Application
4. DYY Program Update
5. November Meeting Schedule
6. Other

IV. INFORMATION

1. Cash Disbursements for September 2017 *(Page 145)*

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

A Confidential Session may be held during the Pool Committee meeting for the purpose of discussion and possible action.

1. Desalter Replenishment Obligation
2. Calmat Company/NCL Company – Requests for Intervention
3. Appropriative Pool Strategic Planning Discussion

VIII. FUTURE MEETINGS AT WATERMASTER

10/12/17	Thu	9:00 a.m.	Appropriative Pool
10/12/17	Thu	11:00 a.m.	Non-Agricultural Pool
10/12/17	Thu	1:30 p.m.	Agricultural Pool
10/13/17	Fri	10:30 a.m.	Watermaster Board (Special – Confidential Session Only)
10/19/17	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
10/19/17	Thu	9:00 a.m.	Advisory Committee
10/26/17	Thu	9:00 a.m.	Ground-Level Monitoring Committee
10/26/17	Thu	11:00 a.m.	Watermaster Board
10/30/17	Mon	1:30 p.m.	Assessment Package Workshop
11/02/17	Thu	10:00 a.m.	Storage Workshop #4

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

ADJOURNMENT

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

11:00 a.m. – October 12, 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 September 14, 2017 *(Page 9)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2017 *(Page 23)*
2. Watermaster VISA Check Detail for the month of August 2017 *(Page 37)*
3. Combining Schedule for the Period July 1, 2017 through August 31, 2017 *(Page 41)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 *(Page 45)*
5. Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 *(Page 49)*

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve.

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION *(Page 112)*

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

B. GROUND-LEVEL MONITORING COMMITTEE CHANGE IN ANNUAL REPORTING SCHEDULE *(Page 125)*

Offer advice and assistance to the Watermaster Board regarding the suggested changes to the Ground Level Monitoring Committee annual reporting schedule.

C. EXHIBIT "G" PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION *(Page 127)*

Approve the proposed two-year, (Fiscal Years 2017-18 through 2018-19) substitute Physical Solution Transfer rate, recommend Advisory Committee approval, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

D. CALENDAR YEAR 2017 REVISED OVERLYING (NON-AGRICULTURAL) POOL VOLUME VOTE

(Page 129)

Approve the Revised Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote as presented.

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

1. Any proposed transfer of Safe Yield by a Member.
2. Any transfer of Safe Yield that has actually closed or been completed.
 - Angelica Corporation (Southern Service Company) permanent transfer of 18.789 of Safe Yield to 9W Halo Western OpCo., L.P.
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.
 - Effective September 29, 2017 Hamner Park Associates (Swan Lake Mobile Home Park) representative change from Mr. David Starnes to Ms. Natalie Costaglio (natalie.costaglio@mcmcn.net); alternate representative remains unchanged.

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

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

B. ENGINEER REPORT

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

C. CFO REPORT

None

D. GM REPORT

1. CalMat/NCL Requests for Interventions and Related Water Transactions
2. Inland Empire Utilities Agency Proposition 1 Application
3. DYY Program Update
4. November Meeting Schedule
5. Other

IV. INFORMATION

1. Cash Disbursements for September 2017 (Page 145)

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

A Confidential Session may be held during the Pool Committee meeting for the purpose of discussion and possible action.

1. Exhibit "G" Transfer Rate
2. Desalter Replenishment Obligation

3. Storage Agreement Status

VIII. FUTURE MEETINGS AT WATERMASTER

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ADJOURNMENT

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – October 12, 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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A. MINUTES

1. Minutes of the Agricultural Pool Meeting held on September 14, 2017 *(Page 17)*

B. FINANCIAL REPORTS

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2. Watermaster VISA Check Detail for the month of August 2017 *(Page 37)*
3. Combining Schedule for the Period July 1, 2017 through August 31, 2017 *(Page 41)*
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5. Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 *(Page 49)*

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve.

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION *(Page 112)*

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

B. GROUND-LEVEL MONITORING COMMITTEE CHANGE IN ANNUAL REPORTING SCHEDULE *(Page 125)*

Offer advice and assistance to the Watermaster Board regarding the suggested changes to the Ground Level Monitoring Committee annual reporting schedule.

C. OLD BUSINESS

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

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B. ENGINEER REPORT

1. Ground-Level Monitoring Program Implementation
2. Storage Workshop
3. Other Efforts

C. CFO REPORT

None

D. GM REPORT

1. CalMat/NCL Requests for Intervention and Related Water Transactions
2. Non-Agricultural Pool Revised Calendar Year 2017 Volume Vote
3. Inland Empire Utilities Agency Proposition 1 Application
4. DYY Program Update
5. Exhibit "G" Physical Solution Transfer Rate Substitution
6. November Meeting Schedule
7. Other

IV. INFORMATION

1. Cash Disbursements for September 2017 (*Page 145*)

V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments

VI. OTHER BUSINESS**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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VIII. FUTURE MEETINGS AT WATERMASTER

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ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on September 14, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

September 14, 2017

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 14, 2017.

APPROPRIATIVE POOL MEMBERS PRESENT

Todd Corbin, Chair
Teri Layton, Vice-Chair
Dave Crosley
Kevin Sage
John Bosler for Marty Zvirbulis
Rosemary Hoerning
Van Jew
Ron Craig
Darron Poulsen
Eric Tarango
Ben Lewis
Seth Zielke
Katie Gienger for Scott Burton
Mark Kinsey

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

WATERMASTER BOARD MEMBERS PRESENT

Bob Kuhn
Bob Bowcock

Three Valleys Municipal Water District
Calmat Company (Vulcan Materials Co.)

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

Andy Malone
Brad Herrema

Wildermuth Environmental, Inc.
Brownstein Hyatt Farber Schreck, LLP

OTHERS PRESENT

Eunice Ulloa
Pete Hall
Curtis Paxton
Ryan Shaw
Braden Yu
Chris Berch
Sylvie Lee
Eric Grubb
Sheri Rojo
Vivian Castro
Raul Garibay
John Schatz

City of Chino
State of California – CIM
Chino Basin Desalter Authority
Western Municipal Water District
Cucamonga Valley Water District
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Cucamonga Valley Water District
Basin Creek Consulting
Chino Basin Water Conservation District
City of Pomona
John J. Schatz, Attorney at Law

CALL TO ORDER

Chair Corbin called the Appropriative Pool meeting to order at 9:00 a.m.

AGENDA - ADDITIONS/REORDER

(0:00:42) Mr. Kavounas stated that the Pool would like to pull Consent Calendar Items I.G., I.H., and I.I., for separate discussion.

(0:01:11) Mr. Kavounas pointed out that there are two places in the semi-annual status reports that need the word "proposed" inserted before the word "agreement," where it pertains in the 2015 Safe Yield Reset Agreement.

(0:02:02) Ms. Layton requested to pull Consent Calendar Item I.I.1. A discussion ensued.

(0:03:20) Mr. Crosley requested to pull Consent Calendar Item I.E. for separate discussion.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held July 13, 2017

B. FINANCIAL REPORTS

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

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the contract on behalf of Watermaster.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2016-2 and 2017-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental storage account.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the City of Chino Hills Application for Recharge and direct Watermaster staff to account for any recharge into the Chino Basin in the appropriate storage account.

G. CALMAT COMPANY (VULCAN MATERIALS CO.) APPROPRIATIVE POOL INTERVENTION REQUEST

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

H. NCL COMPANY, LLC APPROPRIATIVE POOL INTERVENTION REQUEST

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

I. WATER TRANSACTIONS

Provide advice and assistance to the Watermaster Board on the proposed transactions:

1. Notice of Sale or Transfer – The purchase of 4.375 acre-feet of water from San Antonio Water Company by Calmat Company (Vulcan Materials). This purchase is made from San Antonio Water Company's Excess Carryover Account. Calmat Company (Vulcan Materials) is utilizing this transaction to produce its San Antonio Water Company shares. This purchase is contingent on Calmat Company (Vulcan Materials) successful intervention in to the Appropriative Pool.
2. Notice of Sale or Transfer – The transfer of 4.000 acre-feet of water from Calmat Company (Vulcan Materials) to NCL Company, LLC. This transfer is made from Calmat Company (Vulcan Materials) Local Supplemental Storage Account. This transfer is contingent on NCL Company, LLC's successful intervention into the Appropriative Pool.

(0:03:38)

Motion by Mr. Ron Craig, seconded by Mr. Mark Kinsey, and by unanimous vote.

Moved to approve Consent Calendar, excluding Items I.E., I.G., I.H., and I.I. as presented.

(0:04:10) Mr. Crosley raised a question on Item I.E. A discussion ensued.

(0:09:15)

Motion by Ms. Rosemary Hoerning, seconded by Mr. Van Jew, and by unanimous vote.

Moved to approve Consent Calendar Item I.E. as presented.

(0:09:40) Chair Corbin requested Mr. Kavounas to preface Consent Calendar Item I.G. A discussion ensued.

(0:38:42) Motion introduced by Mr. Kinsey, and seconded by Mr. Crosley. Further discussion ensued.

(0:54:01) *Vote Taken*

Motion by Mr. Mark Kinsey, seconded by Mr. Dave Crosley, and by unanimous vote.

Moved to defer Consent Calendar Items I.G. and I.H. to October 2017 Pool meetings.

(0:54:33) Motion introduced by Teri Layton. Further discussion ensued.

(0:56:11) *Vote taken*

Motion by Ms. Teri Layton, seconded by Mr. Van Jew, and by unanimous vote.

Moved to defer Consent Calendar Item I.I.1. to October 2017.

(0:56:43)

Motion by Ms. Rosemary Hoerning, seconded by Mr. Ron Craig, and by unanimous vote.

Moved to defer Consent Calendar Item I.I.2. to October 2017.

(0:56:57) Mr. Bowcock objected to the postponement of Consent Items I.I.1. and I.I.2., the water transactions, and stated that it interferes with his property rights.

(0:57:17) Mr. Kinsey left the meeting.

II. BUSINESS ITEMS**A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION**

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

(0:57:24) Chair Corbin requested this item be taken after the Pool's Confidential Session.

(2:09:09) Chair Corbin asked Mr. Kavounas to preface Business Item II.A.

(2:09:29) Mr. Kavounas gave a report. A discussion ensued.

(2:14:18) Chair Corbin requested that the Board does not take action on Business Item II.A. at its' September 2017 meeting as the Pool is still deliberating the Item. No action was taken.

B. EVAPORATIVE LOSSES TO SUPPLEMENTAL WATER RECHARGE IN CHINO BASIN

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

(0:57:38) Mr. Kavounas gave a report. A discussion ensued.

(1:12:49) Motion introduced by Mr. Craig, and seconded by Mr. Poulsen. Further discussion ensued.

(1:15:50) *Vote Taken*

Motion by Mr. Ron Craig, seconded by Mr. Darron Poulsen, and by unanimous vote.

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

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the 2016 Annual Report of the Ground-Level Monitoring Committee, along with filing a copy with the Court.

(1:16:11) Mr. Malone gave a report.

(1:16:58)

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

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

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

Recommend to the Advisory Committee to approve the proposed Master Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects.

(1:17:30) Mr. Kavounas gave a report.

(1:18:27)

Motion by Mr. Van Jew, seconded by Mr. Dave Crosley, and by unanimous vote.

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

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

Recommend to the Advisory Committee to approve Task Order No. 1 (Salinity Management).

(1:18:40) Mr. Kavounas gave a report. A discussion ensued.

(1:19:57) Mr. Crosley and Ms. Gienger asked to see Exhibit A, Scope of Work, which was not attached to the meeting package. The Pool will take the Item after it has had a chance to review Exhibit A.

(1:44:07) Mr. Kavounas re-introduced Item II.E. after the Engineer's Report.

(1:44:13) Mr. Malone gave a report. A discussion ensued.

(1:49:09) Motion introduced by Mr. Craig, and seconded by Mr. Poulsen.

(2:02:51) Ms. Gienger raised questions regarding Item II.E. after the GM Report. A discussion ensued.

(2:07:28) Vote Taken

Motion by Mr. Ron Craig, seconded by Mr. Darron Poulsen, and by unanimous vote.

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

F. FIRST AMENDMENT TO THE MASTER RECHARGE FACILITIES FINANCING AGREEMENT

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the amended agreement on behalf of Watermaster.

(1:21:00) Mr. Kavounas gave a report.

(1:21:59)

Motion by Mr. Darron Poulsen, seconded by Ms. Rosemary Hoerning, and by unanimous vote.

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

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

Recommend to the Advisory Committee to approve Budget Transfer Form T-17-06-01 for FY 2016/17 as presented.

(1:22:19) Mr. Joswiak gave a report. A discussion ensued.

(1:26:48)

Motion by Mr. Ron Craig, seconded by Mr. Braden Yu, and by unanimous vote.

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

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

Recommend to the Advisory Committee to approve the proposed SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster and MVWD.

(1:27:04) Mr. Kavounas gave a report. A discussion ensued.

(1:28:12) Mr. Kavounas clarified that the last paragraph of the staff letter should read that the term does last "through 2020." Further discussion ensued.

(1:31:34)

Motion by Mr. Braden Yu, seconded by Ms. Dave Crosley, and by unanimous vote.

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

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(1:32:00) Mr. Herrema gave a report, and announced that the hearing regarding III.A.2. is scheduled to be heard by Judge Reichert on December 8, 2017 at 1:30 p.m. A discussion ensued.

B. ENGINEER REPORT

1. Storage Workshop
2. Other Efforts

(1:38:03) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Status of FY 2016/17 Audit Report

(1:50:36) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. Pump to Waste Reporting
2. DYY Program Update
3. Santa Ana River Update
4. CSI Basin Project Decision
5. Other

(1:51:43) Item III.D.2. DYY Program Update, was taken first. A discussion ensued.

(1:54:04) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3., Santa Ana River Update.

(1:56:18) Mr. Kavounas inquired whether the Appropriative Pool had reached a decision on the CSI Basin Project. The Pool Chair reported that the Appropriative Pool has elected not to proceed with the project at this time (see Confidential Section of these minutes).

(1:57:06) Mr. Kavounas requested the Pool's input on pump to waste reporting. Currently many parties are not reporting pump to waste and Watermaster would like to work with the Pools to determine a path forward so that Watermaster can have the most accurate reporting of groundwater production.

(2:02:00) Mr. Kavounas gave a report regarding Storage Agreements.

IV. INFORMATION

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

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Corbin called for a confidential session at 11:07 a.m. to discuss the Desalter Replenishment Assessments and the Appropriative Pool Strategic Planning. Confidential session concluded at 12:45 p.m. with the following reportable action:

(2:08:15)

1. The Pool does not wish to proceed with the CSI Basin project, and will send a letter to California Steel Industries to inform them.
2. The action for Business Item II.A., Desalter Replenishment Obligation Allocation is noted in sequence above.

ADJOURNMENT

Chair Corbin adjourned the Appropriative Pool meeting at 12:49 p.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM – ROUTINE

A. MINUTES

1. Non-Agricultural Pool Meeting held on September 14, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING
September 14, 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 September 14, 2017.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	Auto Club Speedway
Bob Bowcock, Vice-Chair	Calmat Company (Vulcan Materials)

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Tom O'Neill	Ontario City Non-Agricultural
Bob Page	County of San Bernardino
Ramsey Haddad	California Steel Industries (CSI)

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
Janine Wilson	Senior Accountant

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

OTHERS PRESENT AT WATERMASTER

Pete Hall	State of California – CIM
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OTHERS PRESENT ON CALL

Kathleen Brundage	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. Wilson conducted the roll call.

AGENDA – ADDITIONS/REORDER

None

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held July 13, 2017
2. Minutes of the Non-Agricultural Pool Special Meeting held August 30, 2017

(0:02:39)

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

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

B. FINANCIAL REPORTS

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

(0:03:08)

Motion by Mr. Tom O'Neill, 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. PROFESSIONAL PUBLIC OUTREACH SERVICES AGREEMENT BETWEEN RAUCH COMMUNICATION CONSULTANTS INC. AND CBWM

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the contract on behalf of Watermaster.

(0:03:32) Chair Geye introduced the item. A discussion ensued.

(0:04:20)

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

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

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2016-2 and 2017-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(0:04:42) Mr. Herrema pointed out that there are two places in the semi-annual status reports that need the word "proposed" inserted before the word "agreement," where it pertains in the 2015 Safe Yield Agreement. A discussion ensued.

(0:05:45)

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

Moved to approve staff recommendation of Business Item I.D. as presented with the changed 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.

- E. SAN ANTONIO WATER COMPANY APPLICATION FOR RECHARGE FOR WATER YEAR 2017/18**
Recommend to the Advisory Committee to recommend to the Watermaster Board to approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental storage account.

(0:06:22)

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

Moved to approve staff recommendation of Business Item I.E. 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.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the City of Chino Hills Application for Recharge and direct Watermaster staff to account for any recharge into the Chino Basin in the appropriate storage account.

(0:06:42)

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.F. 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.

- G. CALMAT COMPANY (VULCAN MATERIALS CO.) APPROPRIATIVE POOL INTERVENTION REQUEST**

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

(0:07:07) Mr. Herrema provided an update on the Appropriative Pool's action on Consent Calendar Items I.G., I.H., and I.I. indicating that they were deferred to their October 2017 meeting. A discussion ensued.

Action on Consent Calendar Item I.G. was taken as a slate along with Items I.H. and I.I. and is shown below.

- H. NCL COMPANY, LLC APPROPRIATIVE POOL INTERVENTION REQUEST**

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

Action on Consent Calendar Item I.H. was taken as a slate along with Items I.G. and I.I. and is shown below.

- I. WATER TRANSACTIONS**

Provide advice and assistance to the Watermaster Board on the proposed transactions:

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

2. Notice of Sale or Transfer – The transfer of 4,000 acre-feet of water from Calmat Company (Vulcan Materials) to NCL Company, LLC. This transfer is made from Calmat Company (Vulcan Materials) Local Supplemental Storage Account. This transfer is contingent on NCL Company, LLC's successful intervention into the Appropriative Pool.

(0:11:53)

Motion by Mr. Bob Page, seconded by Chair Geye. 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.G., I.H., and I.I. 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. DESALTER REPLENISHMENT OBLIGATION ALLOCATION

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

(0:12:24) Chair Geye stated that Item II.A. was discussed during the Pool's August 2017 special meeting, and action was already taken and relayed to staff. A discussion ensued.

B. EVAPORATIVE LOSSES TO SUPPLEMENTAL WATER RECHARGE IN CHINO BASIN

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

(0:13:30) Mr. Kavounas gave a report.

(0:16:25)

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

Moved to 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. 2016 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING COMMITTEE

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the 2016 Annual Report of the Ground-Level Monitoring Committee, along with filing a copy with the Court.

(0:16:52) Mr. Malone gave a report. A discussion ensued.

(0:19:54)

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

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

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

Recommend to the Advisory Committee to approve the proposed Master Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects.

(0:20:23) Mr. Kavounas gave a report. A discussion ensued.

(0:21:45)

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

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

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

Recommend to the Advisory Committee to approve Task Order No. 1 (Salinity Management).

(0:22:00) Mr. Kavounas gave a report. A discussion ensued.

(0:23:53)

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

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

F. FIRST AMENDMENT TO THE MASTER RECHARGE FACILITIES FINANCING AGREEMENT

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the amended agreement on behalf of Watermaster.

(0:24:07) Mr. Kavounas gave a report. A discussion ensued.

(0:25:00) Mr. Haddad joined the meeting.

(0:25:00)

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

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

Recommend to the Advisory Committee to approve Budget Transfer Form T-17-06-01 for FY 2016/17 as presented.

(0:25:31) Mr. Joswiak gave a report.

(0:27:05)

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

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

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

Recommend to the Advisory Committee to approve the proposed SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster and MVWD.

(0:27:28) Mr. Kavounas gave a report.

(0:29:02)

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

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

I. 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.

(0:29:28) Mr. Herrema gave a report on Item II.I.1. There were no further member status changes to report, and no action was taken.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:32:32) Mr. Herrema gave a report, and announced that the hearing regarding III.A.2. is scheduled to be heard by Judge Reichert on December 8, 2017 at 1:30 p.m.

B. ENGINEER REPORT

1. Storage Workshop
2. Other Efforts

(0:35:35) Mr. Malone gave a report.

C. CFO REPORT

1. Status of FY 2016/17 Audit Report

(0:40:20) Mr. Joswiak gave a report.

D. GM REPORT

1. Pump to Waste Reporting
2. DYY Program Update
3. Santa Ana River Update
4. CSI Basin Project Decision
5. Other

(0:41:18) Mr. Kavounas gave a report and introduced Mr. Tellez Foster to give a report on Item III.D.3., Santa Ana River Update. He also provided updates regarding Water Activity Reports, Storage Agreements, and the Exhibit "G" substitute rate for Fiscal Year 2017/18. A discussion ensued.

IV. INFORMATION

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

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 12:00 p.m. to discuss Storage Agreements and Exhibit "G" Water Transfers. Confidential session concluded at 12:05 p.m. with the following reportable action:

(0:58:16)

The Non-Agricultural Pool directed its Chair to negotiate with the Appropriate Pool Chair to determine a single or multi-year Exhibit "G" water transfer rate and bring the proposal back to the Non-Agricultural Pool meeting for discussion and vote at the October 2017 Pool meeting.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:06 p.m.

Secretary: _____

Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on September 14, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

September 14, 2017

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 14, 2017.

AGRICULTURAL POOL MEMBERS PRESENT

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Pete Hall	State of California – CIM
Bob Page	County of San Bernardino
Carol Boyd	State of California – CIM
John Huitsing	Dairy
Nathan deBoom	Dairy
Ron LaBrucherie, Jr.	Crops
Ronald Pietersma	Dairy

WATERMASTER BOARD MEMBERS PRESENT

Geoffrey Vanden Heuvel	Dairy
Paul Hofer	Crops

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

Richard Rees	AMEC
Tracy Egoscue	Egoscue Law Group
Chris Berch	Inland Empire Utilities Agency
Sylvie Lee	Inland Empire Utilities Agency

CALL TO ORDER

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

AGENDA - ADDITIONS/REORDER

(0:00:50) Mr. Kavounas stated that there are two places in the semi-annual status reports that need the word “proposed” inserted before the word “agreement,” where it pertains in the 2015 Safe Yield Reset Agreement.

(0:01:43) Ms. Boyd requested to pull Item I.D. from the Consent Calendar to be discussed separately.

(0:01:56) Mr. Kavounas stated that the Appropriative Pool deferred Consent Calendar Items I.G., I.H., and I.I. to October 2017 meetings, and the Non-Agricultural Pool approved all three Items.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held on July 13, 2017
2. Minutes of the Agricultural Pool Special Meeting held on August 28, 2017

B. FINANCIAL REPORTS

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

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the contract on behalf of Watermaster.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2016-2 and 2017-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental storage account.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the City of Chino Hills Application for Recharge and direct Watermaster staff to account for any recharge into the Chino Basin in the appropriate storage account.

G. CALMAT COMPANY (VULCAN MATERIALS CO.) APPROPRIATIVE POOL INTERVENTION REQUEST

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

H. NCL COMPANY, LLC APPROPRIATIVE POOL INTERVENTION REQUEST

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

I. WATER TRANSACTIONS

Provide advice and assistance to the Watermaster Board on the proposed transactions:

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

2. Notice of Sale or Transfer – The transfer of 4,000 acre-feet of water from Calmat Company (Vulcan Materials) to NCL Company, LLC. This transfer is made from Calmat Company (Vulcan Materials) Local Supplemental Storage Account. This transfer is contingent on NCL Company, LLC's successful intervention into the Appropriative Pool.

(0:03:17)

Motion by Vice-Chair Jeff Pierson, seconded by Ms. Carol Boyd, and by unanimous vote
Moved to approve the Consent Calendar excluding Item I.D. as presented.

(0:03:35) Vice-Chair Pierson asked Mr. Kavounas why the Appropriative Pool deferred Items I.G., I.H., and I.I. A discussion ensued.

(0:06:53) Ms. Boyd raised a question regarding the interpretation of Item I.D. in paragraph three on page 165 of the meeting package. A discussion ensued.

(0:18:41)

Motion by Ms. Carol Boyd, seconded by Mr. Ronald Pietersma, and by unanimous vote
Moved to approve Consent Calendar Item I.D. as presented.

(0:19:02) Vice-Chair Pierson noted that the Pool did have concerns regarding Item I.D. as expressed by Ms. Boyd and indicated that there could be potential for misunderstanding of the wording describing storage volume in Chino Basin, and due to the context where it was originated from, is acceptable.

II. BUSINESS ITEMS

A. **DESALTER REPLENISHMENT OBLIGATION ALLOCATION**

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

(0:19:34) Mr. Kavounas gave a report. A discussion ensued.

(0:27:55) The Pool took the item into its first confidential session and the reportable action is provided in sequence below.

B. **EVAPORATIVE LOSSES TO SUPPLEMENTAL WATER RECHARGE IN CHINO BASIN**

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

(0:29:42) Mr. Kavounas gave a report. A discussion ensued.

(0:37:21)

Motion by Vice-Chair Jeff Pierson, seconded by Ms. Carol Boyd, and by unanimous vote
Moved to approve Business Item II.B. as presented.

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

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve the 2016 Annual Report of the Ground-Level Monitoring Committee, along with filing a copy with the Court.

(0:38:26) Mr. Malone gave a presentation. A discussion ensued.

(0:47:22)

Motion by Mr. Pete Hall, seconded by Mr. John Huitsing, and by unanimous vote
Moved to approve Business Item II.C. as presented.

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

Recommend to the Advisory Committee to approve the proposed Master Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects.

(0:47:41) Mr. Kavounas gave a report. A discussion ensued.

(0:50:14)

*Motion by Mr. Nathan deBoom, seconded by Vice-Chair Jeff Pierson, and by unanimous vote
Moved to approve Business Item II.D. as presented.*

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

Recommend to the Advisory Committee to approve Task Order No. 1 (Salinity Management).

(0:51:32) Mr. Kavounas gave a report.

(0:52:08)

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. Nathan deBoom, and by unanimous vote
Moved to approve Business Item II.E. as presented.*

F. FIRST AMENDMENT TO THE MASTER RECHARGE FACILITIES FINANCING AGREEMENT

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and authorize the General Manager to execute the amended agreement on behalf of Watermaster.

(0:52:30) Mr. Kavounas gave a report.

(0:53:34)

*Motion by Mr. Pete Hall, seconded by Mr. Ron LeBrucherie, Jr., and by unanimous vote
Moved to approve Business Item II.F. as presented.*

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

Recommend to the Advisory Committee to approve Budget Transfer Form T-17-06-01 for FY 2016/17 as presented.

(0:54:00) Mr. Joswiak gave a report.

(0:56:14)

*Motion by Mr. Ronald Pietersma, seconded by Mr. Nathan deBoom, and by unanimous vote
Moved to approve Business Item II.G. as presented.*

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

Recommend to the Advisory Committee to approve the proposed SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster and MVWD.

(0:56:57) Mr. Kavounas gave a report.

(0:58:03)

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. Nathan deBoom, and by unanimous vote
Moved to approve Business Item II.H. as presented.*

I. OLD BUSINESS

(0:58:26) Chair Feenstra commented on SAWPA TMDL Research and Study cost, and announced that the \$11,000 cost will be taken from the Agricultural Pool Special Projects Budget before the end of September 2017.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:59:45) Mr. Herrema gave a report, and announced that the hearing regarding III.A.2. is scheduled to be heard by Judge Reichert on December 8, 2017 at 1:30 p.m. A discussion ensued.

B. ENGINEER REPORT

1. Storage Workshop
2. Other Efforts

(1:05:54) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Status of FY 2016/17 Audit Report

(1:26:15) Mr. Joswiak gave a report.

D. GM REPORT

1. Pump to Waste Reporting
2. DYY Program Update
3. Santa Ana River Update
4. CSI Basin Project Decision
5. Other

(1:27:28) Mr. Kavounas gave a report on Items III.D.1. and III.D.2.

(1:38:32) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3., Santa Ana River Update.

(1:40:54) Mr. Kavounas announced that the Appropriative Pool made the decision to not pursue the CSI Basin Project. A discussion ensued.

IV. INFORMATION

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

V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

The Pool took two Confidential Sessions.

Chair Feenstra called for the first confidential session at 2:02 p.m. to discuss Business Item II.A., Desalter Replenishment Obligation Allocation. The first confidential session concluded at 2:21 p.m. with the following reportable action:

(0:28:05) Ms. Egoscue provided the following reportable action:

Motion by Vice-Chair Jeff Pierson, seconded by Mr. Bob Page, and by unanimous vote.

Moved to offer advice to Watermaster on Business Item II.A. as described below.

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

Chair Feenstra called for the second confidential session at 3:35 p.m. to discuss Pool business. The second confidential session concluded at 4:20 p.m. with the following reportable action:

(1:43:11) Ms. Egoscue provided the following reportable action:

Motion by Mr. Bob Page, seconded by Vice-Chair Jeff Pierson, and by unanimous vote.

Moved to direct Pool counsel to prepare an opposition to Appellant's Motion to Confirm The Stay Pending Appeal.

Additional information is provided below.

Defendants and Appellants Cucamonga Valley Water District, Monte Vista Water District and City of Pomona have filed in the trial court an amended notice of motion (and accompanying Memorandum of Points & Authorities) to confirm stay of the trial court's April 28, 2017 order pending their appeal. The amended notice of motion requests a hearing on Friday, December 8, 2017.

ADJOURNMENT

Chair Feenstra adjourned the Agricultural Pool meeting at 4:21 p.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

B. FINANCIAL REPORTS

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

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

B. FINANCIAL REPORTS

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



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (August 31, 2017)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool – October 12, 2017: Receive and File
Non-Agricultural Pool – October 12, 2017: Receive and File
Agricultural Pool – October 12, 2017: Receive and File
Advisory Committee – October 19, 2017: Receive and File
Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017:
Non-Agricultural Pool – October 12, 2017:
Agricultural Pool – October 12, 2017:
Advisory Committee – October 19, 2017:
Watermaster Board – October 26, 2017:

BACKGROUND

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

DISCUSSION

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

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

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
			ICMA-RC	457(b) Employee Deductions for 07/30/17-08/12/17	1012 · Bank of America Gen'l Ckg	4,410.56
			ICMA-RC	401(a) Employee Deductions for 07/30/17-08/12/17	1012 · Bank of America Gen'l Ckg	1,276.75
TOTAL						39,002.94
Bill Pmt -Check	08/15/2017	20302	ACWA JOINT POWERS INSURANCE AUTHORITY	0499665	1012 · Bank of America Gen'l Ckg	
Bill	08/08/2017	0499665		Prepayment - September 2017	1409 · Prepaid Life, BAD&D & LTD	134.43
				August 2017	60191 · Life & Disab.Ins Benefits	153.16
TOTAL						287.59
Bill Pmt -Check	08/15/2017	20303	CHEF DAVE'S CAFE & CATERING	6835	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2017	6835		Lunch for 7/27/17 Watermaster Board meeting	6312 · Meeting Expenses	602.00
TOTAL						602.00
Bill Pmt -Check	08/15/2017	20304	CORELOGIC INFORMATION SOLUTIONS	80825481	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2017	81825481		80825481	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80825481	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
P29 Bill Pmt -Check	08/15/2017	20305	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/13/2017	7/13 Ag Pool Mtg		7/13/17 Ag Pool Meeting	8411 · Compensation	25.00
				7/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	08/15/2017	20306	MINDSHIFT	0251361	1012 · Bank of America Gen'l Ckg	
Bill	08/01/2017	0251361		IT Managed Services	6052.4 · mindSHIFT-Managed Services	3,770.00
				Backup & Recovery	6052.5 · mindSHIFT-Data Backup/Storage	792.00
TOTAL						4,562.00
Bill Pmt -Check	08/15/2017	20307	PAYCHEX	2017072700	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2017	2017072700		July 2017	6012 · Payroll Services	319.77
TOTAL						319.77
Bill Pmt -Check	08/15/2017	20308	PREMIERE GLOBAL SERVICES	24109795	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2017	24109795		Groundwater use-San Bernardino Cnty-call on 6/27	6909.1 · OBMP Meetings	10.03
				DYY call on 6/29	6909.1 · OBMP Meetings	14.21
				Non-Ag Pool meeting call on 7/13	8512 · Meeting Expense	25.29
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				Pool agenda prep call on 7/05	8312 · Meeting Expenses	3.97
				Pool agenda prep call on 7/05	8412 · Meeting Expenses	3.97

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/24/2017	20313	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	07/19/2017	L0336708		L0336708	7108.4 · Hydraulic Control-Lab Svcs	440.00
Bill	07/19/2017	L0338486		L0338488	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
TOTAL						2,032.00
Bill Pmt -Check	08/24/2017	20314	FIRST LEGAL NETWORK LLC	40011230	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2017	40011230		Filings on 7/06/17, 7/07/17	6061.5 · Court Filing Services	166.88
TOTAL						166.88
Bill Pmt -Check	08/24/2017	20315	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	08/10/2017	90948438900503145		Office fax and telephone line	6022 · Telephone	142.05
TOTAL						142.05
Bill Pmt -Check	08/24/2017	20316	GRAINGER	9520633091	1012 · Bank of America Gen'l Ckg	
Bill	08/02/2017	9520633091		Chemical buffer solution for water quality	7103.6 · Grdwtr Qual-Supplies	136.80
TOTAL						136.80
PS1 Bill Pmt -Check	08/24/2017	20317	GREAT AMERICA LEASING CORP.	21150282	1012 · Bank of America Gen'l Ckg	
PS1 Bill	08/16/2017	21150282		Invoice for August 2017	6043.1 · Ricoh Lease Fee	2,553.68
TOTAL						2,553.68
Bill Pmt -Check	08/24/2017	20318	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/13/2017	7/13 Ag Pool Mtg		7/13/17 Ag Pool Meeting	8411 · Compensation	25.00
				7/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	08/24/2017	20319	INLAND EMPIRE UTILITIES AGENCY	1800003330	1012 · Bank of America Gen'l Ckg	
Bill	08/03/2017	1800003330		GWR SCADA upgrades - Project Invoice #7	7690.61 · GWR SCADA Upgrades (TO #4)	12,615.05
TOTAL						12,615.05
Bill Pmt -Check	08/24/2017	20320	LOEB & LOEB LLP	1731028	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2017	1731028		Non-Ag Pool Legal Services - July 2017	8567 · Non-Ag Legal Service	4,306.50
TOTAL						4,306.50
Bill Pmt -Check	08/24/2017	20321	OFFICE DEPOT	9497085888001	1012 · Bank of America Gen'l Ckg	
Bill	08/03/2017	9497085888001		Miscellaneous office supplies	6031.7 · Other Office Supplies	185.48
TOTAL						185.48
Bill Pmt -Check	08/24/2017	20322	PETTY CASH	2667-2680	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

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

TOTAL
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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 2017

Type	Date	Num	Name	Memo	Account	Paid Amount
				Mileage/Parking Expenses	6375 · BHFS Legal - Board Meeting	18.01
Bill	07/31/2017	689615		689615	6275 · BHFS Legal - Advisory Committee	994.50
Bill	07/31/2017	689616		689616	6907.36 · Santa Ana River Habitat	2,612.25
Bill	07/31/2017	689618		Personnel	6073 · BHFS Legal - Personnel Matters	81.00
Bill	07/31/2017	689619		689619	6078 · BHFS Legal - Miscellaneous	23,619.59
				Angelica BK	6078 · BHFS Legal - Miscellaneous	635.18
				NRG BK	6078 · BHFS Legal - Miscellaneous	1,446.98
				Pomona Extensometer	6078 · BHFS Legal - Miscellaneous	1,260.90
				Research - Lexis	6078 · BHFS Legal - Miscellaneous	20.05
				Ground Transportation	6078 · BHFS Legal - Miscellaneous	352.27
				Ground Transportation	6375 · BHFS Legal - Board Meeting	150.00
				Mileage/Parking Expenses	6078 · BHFS Legal - Miscellaneous	53.07
				Research	6078 · BHFS Legal - Miscellaneous	30.49
				Miscellaneous	6078 · BHFS Legal - Miscellaneous	51.00
TOTAL						93,898.46
					1012 · Bank of America Gen'l Ckg	
P35	Bill Pmt -Check	08/31/2017	20341	WILDERMUTH ENVIRONMENTAL INC		
	Bill	07/31/2017	2017224	2017224	6906.31 · OBMP-Pool, Adv. Board Mtgs	8,555.21
	Bill	07/31/2017	2017225	2017225	6906.32 · OBMP-Other General Meetings	7,034.22
	Bill	07/31/2017	2017226	2017226	6906.74 · OBMP-Mat'l Phy. Injury Requests	1,989.00
	Bill	07/31/2017	2017227	2017227	6906.71 · OBMP-Data Req.-CBWM Staff	6,565.00
	Bill	07/31/2017	2017228	2017228	6906.71 · OBMP-Data Req.-CBWM Staff	8,452.60
	Bill	07/31/2017	2017229	2017229	6906.22 · Water Rights Compliance Rprting	1,224.15
	Bill	07/31/2017	2017230	2017230	6906 · OBMP Engineering Services	1,267.20
	Bill	07/31/2017	2017231	2017231	6906.9 · OBMP-2018 RMPU Master Update	18,560.00
	Bill	07/31/2017	2017232	2017232	6906.81 · Prepare 38th/39th Annual Rpts	498.00
	Bill	07/31/2017	2017233	2017233	7103.3 · Grdwtr Qual-Engineering	10,925.68
	Bill	07/31/2017	2017234	2017234	7104.3 · Grdwtr Level-Engineering	12,608.91
	Bill	07/31/2017	2017235	2017235	7107.2 · Grd Level-Engineering	3,382.58
				WSP USA, Inc.	7107.6 · Grd Level-Contract Svcs	14,295.88
	Bill	07/31/2017	2017236	2017236	7108.31 · Hydraulic Control - PBHSP	7,634.50
	Bill	07/31/2017	2017237	2017237	7202.2 · Engineering Svc	14,432.24
	Bill	07/31/2017	2017238	2017238	7402 · PE4-Engineering	28,637.68
	Bill	07/31/2017	2017239	2017239	7402.10 · PE4 - Northwest MZ1 Area Proj.	3,148.50
	Bill	07/31/2017	2017240	2017240	7502 · PE6&7-Engineering	11,418.60
	Bill	07/31/2017	2017241	2017241	7510 · PE6&7-IEUA Salinity Mgmt. Plan	10,850.30
	Bill	07/31/2017	2017242	2017242	7602 · PE8&9-Engineering	24,217.50
TOTAL						195,697.75
	General Journal	08/31/2017	08/31/2017	Wage Works FSA Direct Debits - August 2017	Wage Works FSA Direct Debits - August 2017	1012 · Bank of America Gen'l Ckg

CHINO BASIN WATERMASTER
 Cash Disbursements For The Month of
 August 2017

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (August 31, 2017)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool – October 12, 2017: Receive and File
Non-Agricultural Pool – October 12, 2017: Receive and File
Agricultural Pool – October 12, 2017: Receive and File
Advisory Committee – October 19, 2017: Receive and File
Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017:
Non-Agricultural Pool – October 12, 2017:
Agricultural Pool – October 12, 2017:
Advisory Committee – October 19, 2017:
Watermaster Board – October 26, 2017:

BACKGROUND

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

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 August 2017

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

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 TOTAL

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through August 31, 2017 - Financial Report B3 (August 31, 2017)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool – October 12, 2017: Receive and File
Non-Agricultural Pool – October 12, 2017: Receive and File
Agricultural Pool – October 12, 2017: Receive and File
Advisory Committee – October 19, 2017: Receive and File
Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017:
Non-Agricultural Pool – October 12, 2017:
Agricultural Pool – October 12, 2017:
Advisory Committee – October 19, 2017:
Watermaster Board – October 26, 2017:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2017 through August 31, 2017 is provided to keep all members apprised of the FY 2017/18 cumulative Watermaster revenues, expenditures and changes in net assets for the period listed.

DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Net Assets has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 18.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE PERIOD JULY 1, 2017 THROUGH AUGUST 31, 2017

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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 2017-2018
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL					
Administrative Revenues:										
Administrative Assessments			-		-				-	11,607,166
Interest Revenue			-	-	-				-	39,906
Mutual Agency Project Revenue	193,622								193,622	191,626
Miscellaneous Income	11								11	0
Total Revenues	193,633	-	-	-	-	-	-	-	193,633	11,838,698
Administrative & Project Expenditures:										
Watermaster Administration	310,077								310,077	1,339,393
Watermaster Board-Advisory Committee	20,691								20,691	219,454
Ag Pool Misc. Expense - Ag Fund				57					57	400
Pool Administration			25,788	87,327	16,911				130,026	619,252
Optimum Basin Mgmt Administration		223,699							223,699	1,374,142
OBMP Project Costs		650,680							650,680	5,198,168
Debt Service		515,375							515,375	515,375
Basin Recharge Improvements		141,525							141,525	6,692,293
Total Administrative/OBMP Expenses	330,768	1,531,279	25,788	87,327	16,911	-	-	-	1,992,129	15,958,477
Net Administrative/OBMP Expenses	(137,136)	(1,531,279)								
Allocate Net Admin Expenses To Pools	137,136		103,195	30,035	3,906					
Allocate Net OBMP Expenses To Pools		874,379	657,973	191,502	24,904					
Allocate Debt Service to App Pool		515,375	515,375							
Allocate Basin Recharge to App Pool		141,525	141,525							
Agricultural Expense Transfer*			308,864	(308,864)						
Total Expenses			1,752,719	57	45,721	-	-	-	1,992,129	15,958,477
Net Administrative Income			(1,752,719)	(57)	(45,721)				(1,798,497)	(4,119,779)
Other Income/(Expense)										
Replenishment Water Assessments						-			-	0
Desalter Replenishment Obligation						-			-	0
Non-Ag Stored Water Purchases						-			-	0
Exhibit "G" Non-Ag Pool Water			-			-			-	0
Interest Revenue						-			-	0
MWD Water Purchases						-			-	0
Non-Ag Stored Water Purchases						-			-	0
Exhibit "G" Non-Ag Pool Water			-			-			-	0
MWD Water Purchases						-			-	0
Groundwater Replenishment						-			-	0
LAIF - Fair Market Value Adjustment							-		-	0
Other Post-Employment Benefits (OPEB)									-	0
Refund-Excess Reserves									-	0
Refund-Recharge Debt									-	0
Funding To/(From) Reserves									-	0
Net Other Income/(Expense)									-	0
Net Transfers To/(From) Reserves		(1,798,497)	(1,752,719)	(57)	(45,721)				(1,798,497)	(4,119,779)
Net Assets, July 1, 2017			9,038,790	486,234	45,146	(102,141)	(11,905)	(740,195)	8,715,929	
Net Assets, End of Period			7,286,071	486,177	(575)	(102,141)	(11,905)	(740,195)	6,917,433	6,917,433
15/16 Assessable Production			89,906,000	26,167,031	3,402,908				119,475,939	
15/16 Production Percentages			75.250%	21.902%	2.848%				100.000%	

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017

TO: Pool Committee Members

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

SUMMARY

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

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

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

Future Consideration

Appropriative Pool – October 12, 2017: Receive and File
Non-Agricultural Pool – October 12, 2017: Receive and File
Agricultural Pool – October 12, 2017: Receive and File
Advisory Committee – October 19, 2017: Receive and File
Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017:
Non-Agricultural Pool – October 12, 2017:
Agricultural Pool – October 12, 2017:
Advisory Committee – October 19, 2017:
Watermaster Board – October 26, 2017:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2017 through August 31, 2017 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST); cash on deposit in trust with the County of San Bernardino as a result of the Cooperation and Reimbursement Agreement between Chino Basin Watermaster and County of San Bernardino dated May 25, 2017; and cash on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF) and/or CalTRUST, the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 18.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

ATTACHMENTS

1. Financial Report - B4

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

Financial Report - B4

DEPOSITORIES:

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

CHANGE IN CASH POSITION DUE TO:

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

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Trust Account County of San Bernardino	Local Agency Investment Funds	Totals
Balances as of 7/31/2017	\$ 500	\$ 66,516	\$ -	\$ 15,000	\$ 10,055,833	\$ 10,137,849
Deposits	-	1,733,956	-	-	-	1,733,956
Transfers	-	(125,719)	(98,993)	-	(1,400,000)	(1,624,712)
Withdrawals/Checks	-	(1,516,056)	98,993	-	-	(1,417,063)
Balances as of 8/31/2017	\$ 500	\$ 158,698	\$ -	\$ 15,000	\$ 8,655,833	\$ 8,830,031
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 92,181	\$ -	\$ -	\$ (1,400,000)	\$ (1,307,819)

P47

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

INVESTMENT TRANSACTIONS

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

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

**INVESTMENT STATUS
August 31, 2017**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 8,655,833			
TOTAL INVESTMENTS	\$ 8,655,833			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2017 through August 31, 2017 -
Financial Report B5 (August 31, 2017)

SUMMARY

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

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

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

Future Consideration

Appropriative Pool – October 12, 2017: Receive and File
Non-Agricultural Pool – October 12, 2017: Receive and File
Agricultural Pool – October 12, 2017: Receive and File
Advisory Committee – October 19, 2017: Receive and File
Watermaster Board – October 26, 2017: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – October 12, 2017:
Non-Agricultural Pool – October 12, 2017:
Agricultural Pool – October 12, 2017:
Advisory Committee – October 19, 2017:
Watermaster Board – October 26, 2017:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2017 through August 31, 2017 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimum Basin Management Program Expenses; Project Expenses; and Other Income/Expenses. The Budget vs. Actual report has been created from Intuit QuickBooks Enterprise Solutions 18.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

DISCUSSION

CURRENT MONTH – AUGUST 2017

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

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

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

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

SALARIES EXPENSE

CURRENT MONTH – AUGUST 2017

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

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

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

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of August 31, 2017. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – AUGUST 2017

As of August 31, 2017, the total (YTD) Watermaster Legal Services expenses (consolidating the three categories of Watermaster Administrative Legal Services, Pool/Advisory/Board Meeting legal expenses, and OBMP legal expenses) were \$19,877 or 12.0% below the (YTD) budgeted amount of \$165,025.

The Watermaster Legal Services budget was developed jointly by the Watermaster staff and Brownstein Hyatt Farber Schreck staff with specific assumptions regarding the tasks and legal activities that would occur during FY 2017/18. The total legal services budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. The "Approved" budget was adopted for the original amount of \$964,783.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of August 31, 2017, was \$19,927 or 60.9% above the budgeted amount of \$32,708. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Court Coordination (6071) under budget by \$6,429 or 93.5%; Rules and Regulations (6072) under budget by \$3,688 or 72.9%; Personnel Matter (6073) under budget by \$4,919 or 98.4%; Interagency Issues (6074) under budget by \$5,100 or 100.0%; and Party Status Maintenance (6077) under budget by \$4,782 or 100.0%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Miscellaneous Category expenses (6078) over budget by \$44,844 or 761.2%. Please see Note 1 on the following page for a more detailed explanation of the miscellaneous types of expenses.

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 6375.1, 8375, 8475 and 8575). The legal service costs associated with the Board Workshop(s) are also included as part of this group. Overall, this category of legal expenses as of August 31, 2017 was \$16,509 or 50.4% below the budgeted amount of \$32,740. Normal Brownstein Hyatt Farber Schreck meeting attendance during any given month includes attendance at all three pool meetings, one Advisory Committee meeting and one Board meeting. The Watermaster parties agreed that during the month of August 2017, the three Pools, the Advisory Committee and the Watermaster Board meetings would not be held, adding additional cost savings to this category.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were below the budget for the month. As of August 31, 2017 the category of OBMP legal expenses were \$23,295 or 23.4% below the budgeted amount of \$99,577. The majority of expenses within this OBMP category were under budget (YTD), however, the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$39,567 or 343.1%.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of August 31, 2017 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

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

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows:
 (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, replenishment obligations, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents and contracts; (7) Review transfer documents; (8) Ground-Level Monitoring Committee reports/meetings; (9) Review process and criteria for SGMA reporting; (10) MVWD SCADA Agreement and installation; (11) Angelica Corporation Bankruptcy matter; (12) NRG/GENON Bankruptcy matter; (13) Pomona extensometer project, CEQA review and compliance; (14) Desalter Replenishment obligations, assessment methodologies, and ongoing issues; (15) Master Cost Sharing Agreement with IEUA; (16) Estimation and adoption of an evaporative loss policy for Recharge; and (17) Miscellaneous legal research on current and pending issues.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – AUGUST 2017

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

For August 31, 2017, the accounts 6901-6903 (Optimum Basin Mgmt. Program) section was below the Year-To-Date (YTD) budget by \$14,327 or 51.5%. Watermaster utilizes an in-house database time and

attendance system to record and document staff's actual hours worked and also allocates those hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent less time on specific OBMP related areas as budgeted. As a result, Watermaster staff allocated less actual time to the OBMP project as budgeted, which resulted in an under budget variance of \$2,073 or 13.3%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2017/18 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,254 but actual expenses have not yet been received or booked and resulted in an under budget variance of \$12,254 or 100.0% as of August 31, 2017.

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

Within the category 6907 (Optimum Basin Mgmt. Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget by \$39,567 while some other line item activities were below the budget by \$62,862. Above the budget line items was the Safe Yield Redetermination and Reset expenses of \$39,567. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$4,083; the Chino Airport Plume of \$4,083; the Desalter/Hydraulic Control of \$3,587; the Santa Ana River Water Rights expenses of \$3,697; the Santa Ana River Habitat expenses of \$8,747; the Regional Water Quality Control Board of \$356; the Recharge Master Plan of \$13,888; Storage Agreements of \$15,761; the Prado Basin Habitat Sustainability of \$96; the SGMA Compliance of \$3,647; and the WM Unanticipated legal expenses of \$4,9171. For the two months ended August 31, 2017, the overall cumulative (YTD) budget was \$99,577 and the actual (BHFS) legal expenses totaled \$76,282 which resulted in an under budget variance of \$23,295 or 23.4%.

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

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

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

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of August 31, 2017 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

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

CURRENT MONTH – AUGUST 2017

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

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

The table listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget as of August 31, 2017. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

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

The approved "Original" Engineering Services budget of \$3,683,730 was increased by "Carry Over" funding in the amount of \$193,107 to the "Amended" amount of \$3,876,837 for FY 2017/18 as provided in the Engineering Services Task Order. All of the "Carry Over" funding is for projects or activities that have bridged previous fiscal years and are expected to be completed in the FY 2017/18 timeframe or future years. The Carry-Over amount of \$193,107 from FY 2016/17 to the FY 2017/18 budget are provided in detail as follows:

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

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

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

Ongoing Costs

Program costs that are ongoing (Ongoing Costs) will be cost-shared between Watermaster and IEUA, split on a 50/50 basis, subject to the following limitation: in each fiscal year, neither Watermaster nor IEUA shall be obligated to reimburse the other for Ongoing Costs that exceed the amount that the reimbursing party has budgeted for Ongoing Costs in that fiscal year, except as agreed upon by both parties in writing or as amended during the fiscal year. The first year expenses (FY 2016/17) to be cost shared is approximately \$300,000, with projected future years (FY 2017/18 and forward) estimated at approximately \$150,000. For the purposes of the agreement, Ongoing Costs are defined as the costs associated with the following Program activities:

1. A Riparian Habitat Monitoring Program, including, but not limited to, the following sub-tasks:
 - a. Design and implement a site-specific vegetation monitoring program with the United States Bureau of Reclamation (USBR) and Orange County Water District, pursuant to which USBR will perform site-specific vegetation surveys.
 - b. Manage and perform custom flight to collect a high resolution air photo of the Prado Basin Region.
 - c. Collect, check, and upload historical air photos and vegetation survey data in the Prado Basin region.
 - d. Collect, check, and upload historical Landsat data in the Prado Basin region.
2. A Climate Monitoring Program, including, but not limited to, the following sub-task:
 - a. Collect, check, and upload climatic data on an annual basis
3. Preparation of the AMP Annual Report (Annual Report), including, but not limited to, the following sub-tasks:
 - a. Water level monitoring, vegetation survey, photo monitoring, landsat data, climate data and analysis of the components.

- b. Analyze data and prepare an administrative draft of the Annual Report for Watermaster/IEUA.
 - c. Incorporate the Watermaster and IEUA comments and prepare a draft Annual Report for review by the PBHSC.
 - d. Meet with PBHSC to review draft Annual Report.
 - e. Incorporate PBHSC comments and finalize the Annual Report.
4. Annual license fees for monitoring wells.
5. Project management and administration activities associated with the Program undertaken by a Party's consultant, including, but not limited to, the following sub-tasks:
- a. Ad-Hoc Meetings
 - b. Preparation of scope and budget for the Program
 - c. Project administration and financial reporting
6. Other costs required to fulfill the requirements of Peace II Subsequent EIR mitigation measure 4.4-3.

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

Watermaster and IEUA shall each have responsibility for its own administrative costs, excluding the tasks and expenses included under Set-Up Costs and Ongoing Costs.

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

The Peace II SEIR does not explicitly state a duration for the monitoring and mitigation program. It is logical to assume that the program will last until the drawdown impacts, if any, on the riparian habitat from Peace II activities are fully manifested and not predicated to worsen, and that mitigation measures, if any are required, are fully implemented. This is not a perpetual agreement. Upon termination of the monitoring and any necessary mitigation obligations, the parties may elect to terminate the cost share agreement.

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

Start-up Costs

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure was to ensure that the Prado Basin riparian habitat was not impacted by Hydraulic Control. The basic program tasks were to convene a committee that would develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there was a cost sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. The cost sharing agreement between IEUA and Watermaster was increased from \$220,000 to \$300,000 effective August 22, 2013 with the approval of the Watermaster Board. The increase from \$220,000 to \$300,000 was to reflect a change in the consultant preparing the Adaptive Management Plan. On August 25, 2016, the cost sharing agreement between IEUA and Watermaster was increased

from \$300,000 to \$385,000 ($\$770,000 \times 50\% = \$385,000$) with the approval of the Watermaster Board. A number of issues associated with the drilling of the monitoring wells (unavailable locations requiring negotiation of new easements, nesting season limitations, etc.), increased the cost of the construction of the 16 wells. The majority of the additional costs were due to extended construction management, additional easement fees, and environmental reporting for the pre- and during construction time period. The associated increase in cost was \$170,000, changing the total amount from \$600,000 to \$770,000.

The agreement was a 50/50 cost sharing agreement between Watermaster and IEUA with a not to exceed amount of \$385,000 for each party. Included in that cost was hiring a consultant to develop the adaptive management plan, WEI performing the project management tasks related to the monitoring well installation, hiring a contractor to construct and install up to seventeen monitoring wells at nine separate sites, and United States Bureau of Reclamation performing vegetation monitoring every three years. Grants had been applied for to offset the cost of this program; however, the Grants were not approved.

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

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

OTHER INCOME AND EXPENSE

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

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

"CARRY OVER" FUNDING

BACKGROUND OF "CARRY OVER" FUNDING

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

CURRENT MONTH – AUGUST 2017

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

The following details are provided:

"Carried Over" Expenses At June 30, 2017

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

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

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

Ground Level - Engineering Services	\$	(7,414.91)	A	7107.2 ²	FY 2016/17	ENG
Ground Level - Contract Services	\$	(14,295.88)	B	7107.6 ³	FY 2016/17	ENG
Hydraulic Control Engineering - PBHSP	\$	(6,000.00)	C	7108.31 ⁴	FY 2016/17	ENG
PE4 - Northwest MZ-1 Area Project	\$	(30,148.25)	D	7402.1 ⁵	FY 2016/17	ENG
RMPU Amendment (TO #1)	\$	(71,667.98)	G	7690.15	FY 2016/17	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$	(19,261.77)	J	7690.4	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$	(12,615.05)	L	7690.61	FY 2014/15	PROJ
Lower Day Basin RMPU (TO #2)	\$	(37,979.42)	N	7690.8	FY 2016/17	PROJ
Updated Balance as of August 31, 2017	\$	3,920,395.98				

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

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

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

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

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

ENGINEERING SERVICES:

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

COMPLETED PROJECTS WITH FUNDING AVAILABLE:

Several projects were completed during FY 2016/17 or in prior years and have remaining funds available to be either (1) transferred to other project(s) that need additional funding, (2) keep amounts on reserve for future Capital Improvement Projects, or (3) refunded back to the Appropriative Pool when the Assessment package is invoiced. The funding amounts available are as follows: Jurupa Pumping Station [E] in the amount of \$37,981.33 (account 7209.1); Wineville Basin Proof of Concept [F] in the amount of \$35,397.53 (account 7209.2); East Declez Basin [H] in the amount of \$1,171.33 (account 7690.16); Hickory Basin Recharge Improvement Project [I] in the amount of \$3,877.00 (account 7690.3); and CB20 Turnout Noise Abatement Project [K] in the amount of \$859.80 (account 7690.5). The total amount available is \$79,286.99 ($\$37,981.33 + \$35,397.53 + \$1,171.33 + \$3,877.00 + \$859.80 = \$79,286.99$).

ONGOING RECHARGE IMPROVEMENT PROJECTS:

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

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2018, any remaining balances of the FY 2017/18 and prior years funding (if any), along with any new FY 2017/18 expenses, will then be "Carried Over" into the FY 2018/19 budget.

AUDIT FIELD WORK

FY 2016/17:

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

ASSESSMENT INVOICING

CURRENT MONTH – AUGUST 2017

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

ATTACHMENTS

1. Financial Report - B5

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

Page 3

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

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App and Ag Pool)

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

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

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Professional Services Agreement Between Applied Computer Technologies and Chino Basin Watermaster (Consent Calendar Item I.C.)

SUMMARY

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

Recommendation: Recommend to the Advisory Committee to recommend to the Watermaster Board to approve.

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

Future Consideration

Appropriative Pool - October 12, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve

Non-Agricultural Pool - October 12, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve

Agricultural Pool - October 12, 2017: Recommend to Advisory Committee to recommend to the Watermaster Board to approve

Advisory Committee - October 19, 2017: Recommend to Watermaster Board to approve.

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

ACTIONS:

Appropriative Pool – October 12, 2017:

Non-Agricultural Pool – October 12, 2017:

Agricultural Pool – October 12, 2017:

Advisory Committee – October 19, 2017:

Watermaster Board – October 26, 2017:

BACKGROUND

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

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

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

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

DISCUSSION

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

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

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

ATTACHMENTS

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

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CONSULTING SERVICES AGREEMENT

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

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

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

3. Compensation and Terms of Payment.
 - a. Cost of Services. In compensation for the Services, the Watermaster will pay Consultant an amount equal to the actual time worked as detailed in billing to the Watermaster, at an hourly rate of \$125.00 per hour, payable in accordance with the schedule set forth in Addendum A upon completion of the designated milestones. Consultant must submit an estimated budget of the total cost to the Watermaster for approval with respect to each project prior to initiation of the Services. Consultant also must provide reports on performance and costs incurred against the approved budget on a monthly basis. The Watermaster will be responsible for paying up to the approved budget amount only, as that may be modified from time to time in a writing signed by both parties.
 - i. Billing Increments. Time will be billed in fifteen (15) minute intervals. Consultant will invoice time such that intervals of time worked that are less than fifteen (15) minutes are combined with other time worked, so the Watermaster is not billed for more than actual time worked by Consultant (provided that any partial intervals of time on the last invoice will be paid as if the full 15-minute interval had been worked).
 - ii. Billable Time. Consultant will not bill the Watermaster for any travel time, provided that if the Watermaster requests that Consultant travel to a location more than fifty (50) miles from its Rancho Cucamonga location, reasonable travel time to and from such location will be compensable. To the extent work performed is primarily for the Watermaster's benefit, Consultant will bill the Watermaster for work performed at the Watermaster's facilities, work performed via telephone (including conferences with Watermaster staff and third parties, and communications with customers, vendors), and preparation of required Watermaster paperwork and documentation. Consultant will not bill the Watermaster for administrative time of Consultant, including but not limited to

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

b. Expenses. Consultant will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs, insurance, mileage and overhead, except as otherwise expressly agreed in writing by the Watermaster in advance with respect to particular expenses in Addendum A.

c. Method of Payment.

i. Consultant must submit monthly invoices that include an accurate and detailed summary of the Services performed and the billable hours worked, itemization of any pre-approved costs incurred in accordance with Section 3(b), and documentation and receipts acceptable to the Watermaster supporting any such costs.

ii. The Watermaster Contact will verify the Services and costs detailed on the invoice and will confirm that the Services described therein have been satisfactorily completed and that appropriate documentation has been provided.

iii. The Watermaster will make a reasonable effort to pay undisputed invoiced amounts within thirty (30) calendar days. The Watermaster will communicate with Consultant regarding any disputed amounts or amounts as to which inadequate documentation has been provided by Consultant.

iv. The Watermaster reserves the right to withhold payment for Services that are not completed as scheduled, are completed unsatisfactorily, are behind schedule or are otherwise performed in an inadequate or untimely fashion, as determined by the Watermaster, with such payments to be released and paid to Consultant promptly when the Services are determined by the Watermaster to be satisfactory.

4. Affirmation of Independent Contractor Status.

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

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

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

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

6. Obligations of Consultant.

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

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

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

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

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

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

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

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

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

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

9. General Provisions.

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

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

If to Consultant:

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

If

to

Watermaster:

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

With a copy to:

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

sslater@bhfs.com

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

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

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

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

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

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

Consultant

Watermaster

By: _____
Its: _____
Email: _____

By: _____
Its: _____
Email: _____

Date: _____

Date: _____

ADDENDUM A

Applied Computer Technologies

A DIVISION OF ABET CORPORATION
BUSINESS SOLUTIONS PROVIDER

September 29, 2017

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

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

Dear Mr. Joswiak,

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

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

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

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

Thank you.



Susan M. Knowlton
President, Applied Computer Technologies

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App Pool)

**D. CALMAT CO. (VULCAN MATERIALS CO.) APPROPRIATIVE
POOL INTERVENTION REQUEST**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committees
SUBJECT: CalMat Co. Request for Intervention into Appropriative Pool (Consent Calendar Item I.D.)

SUMMARY

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

Recommendation: Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

Financial Impact: None.

Future Consideration

Appropriative Pool: October 12, 2017: Recommend Advisory Committee recommend to Watermaster Board

Advisory Committee: October 19, 2017: Recommend Watermaster Board to recommend to Court

Watermaster Board: October 26, 2017: Recommend to Court

ACTIONS:

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

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

BACKGROUND

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

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

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

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

The Appropriative Pool Pooling Plan, Exhibit "H" to the Restated Judgment, describes the membership of the Appropriative Pool as including "Any city, district or other public entity and public utility – either regulated under Public Utilities Commission jurisdiction, or exempt therefrom as a non-profit mutual water company (other than those assigned to the Overlying (Agricultural) Pool)." (Restated Judgment, Ex. "H", § 1.) Since the time of the Judgment's entrance, at least three non-purveyor entities have previously intervened and been assigned by the Court – consistent with Watermaster's recommendation – to the Appropriative Pool: Arrowhead Mountain Springs Water Company in 1993, Nicholson Trust in 2001 or 2002 and Niagara Bottling, LLC in 2003, and each of these entities remains a member of the Appropriative Pool. Relevant in this case, neither Arrowhead or Niagara own any Appropriative Rights, and the Nicholson Trust was the recipient of a portion of the former rights of Fontana Union Water Company.

DISCUSSION

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

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

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

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

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

ATTACHMENTS

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

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Date: August 14, 2017

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

Subject: Intervention into Chino Basin Watermaster

Dear Mr. Kavounas:

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

Number of wells: 1

Permission is granted to obtain drilling logs from: Yes

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

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

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

Industrial

Property Owner (Well Owner) Information:

Name: Ca Mat Co.

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

Phone: (909) 621-1266 Email: _____

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

Name: CalMat Co.

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

Phone: (909) 621-1266 Email: _____

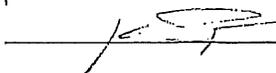
Representative Handling Intervention:

Name: Kevin Sage Title: Resource Manager

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

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

Sincerely,

Signed:  Print name: Kevin Sage

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2017 - 2018

DATE REQUESTED: August 14, 2017

AMOUNT REQUESTED: 4.375 Acre-Feet

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Charles Moorrees

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Kevin Sage

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

September 8, 2017

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

TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: September 14, 2017

Non-Agricultural Pool: September 14, 2017

Agricultural Pool: September 14, 2017

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

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

Unless the *Application* is amended, as *Contests* must be submitted a minimum of fourteen (14) days prior to the Advisory Committee’s consideration of an *Application*, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

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

Tel: (909) 484-3888

Fax: (909) 484-3890



San Antonio Water Company

Incorporated October 25, 1882

Serving the original Ontario Colony lands

October 4, 2017

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

Re: Chino Basin Water Transfer 4.375AF

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

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

Charles Moorrees
General Manager
/cm

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

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App Pool)

- E. NCL COMPANY, LLC APPROPRIATIVE POOL
INTERVENTION REQUEST**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committees
SUBJECT: NCL Co. LLC Request for Intervention into Appropriative Pool
(Consent Calendar Item I.E.)

SUMMARY

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

Recommendation: Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

Financial Impact: None.

Future Consideration

Appropriative Pool: October 12, 2017: Recommend Advisory Committee recommend
Advisory Committee: October 19, 2017: Recommend Watermaster recommend to Court
Watermaster Board: October 26, 2017: Recommend to Court

ACTIONS:

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

BACKGROUND

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

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

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

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

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

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

DISCUSSION

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

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

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

ATTACHMENTS

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

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Date: August 14, 2017

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

Subject: Intervention into Chino Basin Watermaster

Dear Mr. Kavounas:

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

Number of wells: 1

Permission is granted to obtain drilling logs from: Yes

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

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

Property Owner (Well Owner) Information:

Name: CalMat Co.

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

Phone: (909) 621-1266 Email: _____

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

Name: NCL Co, LLC

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

Phone: (909) 621-1266 Email: _____

Representative Handling Intervention:

Name: Robert Bowcock Title: Resource Manager

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

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

Sincerely,
Signed: 

Print name: Robert Bowcock

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Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2017 - 2018

DATE REQUESTED: August 14, 2017

AMOUNT REQUESTED: 4 Acre-Feet

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

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:	
_____	_____
Projected Rate of Recapture	Projected Duration of Recapture
METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):	

PLACE OF USE OF WATER TO BE RECAPTURED:	

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

WATER QUALITY AND WATER LEVELS

Are the Parties aware of any water quality issues that exist in the area? Yes No
If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Kevin Sage
Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Robert Bowcock
Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

September 8, 2017

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

TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

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

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

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

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

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

Appropriative Pool: September 14, 2017

Non-Agricultural Pool: September 14, 2017

Agricultural Pool: September 14, 2017

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. DESALTER REPLENISHMENT OBLIGATION ALLOCATION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Desalter Replenishment Obligation Allocation (Business Item II.A.)

SUMMARY

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

Recommendation: Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

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

Future Consideration

Appropriative Pool – October 12, 2017: Offer advice and assistance
Non-Agricultural Pool – October 12, 2017: Offer advice and assistance
Agricultural Pool – October 12, 2017: Offer advice and assistance
Advisory Committee – October 19, 2017: Offer advice and assistance
Watermaster Board – October 26, 2017: Approval [Function related to administration of the Pool Committees]

ACTIONS:

Appropriative Pool – May 11, 2017: No action
Non-Agricultural Pool – May 11, 2017: No Action
Agricultural Pool – May 11, 2017: No Action
Advisory Committee – May 18, 2017: No Action
Watermaster Board – May 25, 2017: No Action
Appropriative Pool – June 8, 2017: Discussion only
Appropriative Pool – July 13, 2017: Advice given (Confidential Session)
Advisory Committee – July 20, 2017: Recommend Board approval of Resolution 2017-05
Watermaster Board – July 27, 2017: Request the Advisory Committee to reconsider the Desalter Replenishment Obligation allocation methodology; continue the item to the September 2017 meeting of the Board
Advisory Committee – August 3, 2017: Refer the item to individual Pools for further consideration, in light of the new information presented in the staff letter, and during the July 27, 2017 Board meeting
Non-Agricultural Pool – August 30, 2017: Offered advice
Appropriative Pool – September 14, 2017: No action
Non-Agricultural Pool – September 14, 2017: No action
Agricultural Pool – September 14, 2017: Offered advice
Advisory Committee – September 21, 2017: Offered advice
Watermaster Board – September 28, 2017: No action; continue the item to the October 2017 meeting of the Board

BACKGROUND

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

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

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

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

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

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

ATTACHMENTS

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
 General Manager

STAFF REPORT

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

SUMMARY

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

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

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

Future Consideration

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

ACTIONS:

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

BACKGROUND

A. Legal Issue

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

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

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

B. Procedural Posture

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

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

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

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

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

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

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

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

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

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

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

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

DISCUSSION

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

Principles of Contractual Interpretation

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

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

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

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

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

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

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

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

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

A. General Assessments and Cost Allocation.

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

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

B. Contemporaneous Use

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

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

C. Subsequent Course of Dealings

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

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

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

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

D. Other instances of “50/50” and “pro rata” apportionment

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

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

- Restated Judgment- Exhibit “G” ¶ 9 (b)

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

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

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

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

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

NO PREJUDICE

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

ATTACHMENTS

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

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Non-Agricultural Pool

Chair: Brian Geye

Vice-Chair: Bob Bowcock

Chino Basin Watermaster

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org



August 30 , 2017

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

Non-Agricultural Pool Action Regarding Desalter Replenishment Assessment

Dear Mr. Kavounas,

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

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

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

Regards,

A handwritten signature in blue ink, appearing to be 'BG', with a long horizontal flourish extending to the right.

Brian Geye, Chair
Non-Agricultural Pool Committee

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9/14/17 Ag Pool Closed Session Reportable Action

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

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

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

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Ground Level Monitoring Committee Changes to Annual Reporting Schedule
(Business Item II.B.)

SUMMARY

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

Recommendation: Offer advice and assistance to the Watermaster Board regarding the suggested changes to the Ground Level Monitoring Committee annual reporting schedule.

Financial Impact:

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

Future Consideration

Appropriative Pool – October 12, 2017: Advice and assistance
Non-Agricultural Pool – October 12, 2017: Advice and assistance
Agricultural Pool – October 12, 2017: Advice and assistance
Advisory Committee – October 19, 2017: Advice and assistance
Watermaster Board – October 26, 2017: Approval [Within WM Duties and Powers]

ACTIONS:

October 12, 2017 – Appropriative Pool:
October 12, 2017 – Non-Agricultural Pool:
October 12, 2017 – Agricultural Pool:
October 19, 2017 – Advisory Committee:
October 26, 2017 – Watermaster Board:

BACKGROUND

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

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

DISCUSSION

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

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

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS (App & Non-Ag Pool)

C. EXHIBIT "G" PHYSICAL SOLUTION TRANSFER RATE SUBSTITUTION



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Pool Committee Members
SUBJECT: Exhibit "G" Physical Solution Transfer Rate Substitution (Business Item II.C.)

SUMMARY

Issue: There is no identified Physical Solution Transfer rate for Fiscal Year 2017-18.

Recommendation: Approve the proposed two-year, (Fiscal Years 2017-18 through 2018-19) substitute Physical Solution Transfer rate, recommend Advisory Committee approval, and approve Watermaster legal counsel's filing of motion for Court approval of the same.

Financial Impact: None

Future Consideration

Appropriative Pool – October 12, 2017: Approve and Recommend Advisory Committee approval
Non-Agricultural Pool – October 12, 2017: Approve and Recommend Advisory Committee approval
Agricultural Pool – October 12, 2017: Information only; no action needed
Advisory Committee – October 19, 2017: Approval
Watermaster Board – October 26, 2017: Approval [with advice and assistance from Pools and Advisory Committee]

ACTIONS:

October 12, 2017 – Appropriative Pool:
October 12, 2017 – Non-Agricultural Pool:
October 12, 2017 – Agricultural Pool:
October 19, 2017 – Advisory Committee:
October 26, 2017 – Watermaster Board:

BACKGROUND

Paragraph 9 of Exhibit "G" to the Restated Judgment, entitled "Physical Solution Transfers," provides mechanisms pursuant to which, during the term of the Peace Agreement, the members of the Overlying (Non-Agricultural) Pool have the right to transfer or lease their quantified Production rights and carry-over water held in storage accounts. Pursuant to the procedures outlined in Paragraph 9, Paragraph 9(d) of Exhibit "G" specifies that the payment for water purchased for transfer to Watermaster, and thence to the members of the Appropriative Pool, will be 92% of the then-prevailing "[Metropolitan Water District of Southern California] Replenishment Rate."

According to Watermaster's past practice, the MWD Replenishment Rate utilized would be that applicable for the calendar year in which Watermaster's purchase takes place. As applied to transfers in Fiscal Year 2017-18, as payment would be made by June 30, 2018, if MWD had a Replenishment Rate in effect for 2018, that rate would be utilized. MWD ceased publishing a Replenishment Rate in 2013 and it is not presently known when and how MWD may reinitiate a replenishment program. Accordingly, Watermaster and the parties to the Restated Judgment are without a rate from which to calculate the Physical Solution Transfers in Fiscal Year 2017-18. This has been the case since Fiscal Year 2012-13, during which the Watermaster Court approved a requested one-year rate substitution.

DISCUSSION

The members of the Overlying (Non-Agricultural) and Appropriative Pools have proposed to use a two-year substitute rate for the Fiscal Years 2017-18 through Year 2018-19 as follows:

	FY 2017/18	FY 2018/19
Proposed Substitute Rate	\$600	\$630

The proposed rates represent a percentage of approved or anticipated MWD Tier 1 rates that is consistent with the percentages used in prior years to determine substitute rates. A motion to allow substitution of Physical Solution Transfer rate for Fiscal Years 2017-18 through 2018-19 would request the deviation from the terms of the Restated Judgment in order to utilize a substitute "Physical Solution Transfer" rate applicable to transfers from the Overlying (Non-Agricultural) Pool to Watermaster, and thence to members of the Appropriative Pool, pursuant to Paragraph 9 of Exhibit "G" to the Restated Judgment. If granted, this would allow Watermaster to substitute the Physical Solution Transfer rates as shown above, as MWD no longer publishes a Replenishment Rate.

If approved, Counsel for the Pool and Watermaster will collaborate to prepare a draft stipulation and proposed order, and draft motion for Court approval of the two-year (Fiscal Years 2017-18 through 2018-19) substitute rate.

The Court's approval of a substitute rate under Paragraph 9(d) of Exhibit "G" would allow transfers to proceed without issue in Fiscal Years 2017-2018 through 2018-19, allowing the Overlying (Non-Agricultural) and Appropriative Pools to continue to transact among one another until a longer-term solution and MWD's long term replenishment plans become clear.

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS (Non-Ag Pool)

- D. CALENDAR YEAR 2017 REVISED OVERLYING (NON-AG)
POOL VOLUME VOTE**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 12, 2017
TO: Overlying (Non-Agricultural) Pool Committee Members
SUBJECT: Calendar Year 2017 Revised Overlying (Non-Agricultural) Pool Volume Vote
(Business Item II.D.)

SUMMARY

Issue: Pursuant to the settlement agreement between Angelica Corporation (aka Southern Service Company) and 9W Halo Western OpCo L.P. (letter to Watermaster dated July 6, 2017), and water transaction forms dated July 6, 2017, Watermaster has subsequently processed and approved the water transaction on September 28, 2017. As a part of the settlement agreement, there was a permanent Safe Yield transfer of 18.789 AF from Angelica Corporation to 9W Halo Western OpCo L.P. As such, Watermaster is required to recalculate the Volume Vote allocation based on the permanent shares of Safe Yield transferred.

Recommendation: Approve the Revised Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote as presented.

Financial Impact: None.

Future Consideration

Non-Agricultural Pool – October 12, 2017: Approve the revised Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote as presented.

ACTIONS:

Non-Agricultural Pool – October 12, 2017:

BACKGROUND

Pursuant to the settlement agreement between Angelica Corporation (aka Southern Service Company) and 9W Halo Western OpCo L.P. (letter to Watermaster dated July 6, 2017), and water transaction forms dated July 6, 2017 (Attachment 1), Watermaster has subsequently processed and approved the water transaction on September 28, 2017. As a part of the settlement agreement, there was a permanent Safe Yield transfer of 18.789 AF from Angelica Corporation to 9W Halo Western OpCo L.P. As such, Watermaster is required to recalculate the Volume Vote allocation based on the permanent shares of Safe Yield transferred.

In accordance with the action taken by the Non-Agricultural Pool at its July 14, 2016 meeting, staff was directed to prepare a revised volume vote every time a water rights transaction occurs.

DISCUSSION

The revised Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote allocation is shown in Attachment 2. The prior Calendar 2017 Volume Vote is also attached for reference (Attachment 3). The total voting power on the Pool Committee is 1,484 votes. Of these, 742 votes are to be allocated based on one vote for each ten acre-feet or fraction thereof of Safe Yield. The remaining 742 votes are allocated proportionally based on production during the preceding year.

Due to recent water transfers, if each Party is given one vote for each ten acre-feet or fraction thereof of Safe Yield, the total for that portion of the Volume Vote is 743 rather than 742. The logical solution to address this is to pro-rata reduce the 743 votes down to 742 votes; this is the same methodology that has been used the last few years. Please note that this approach has a very minor effect on each Party's vote.

ATTACHMENTS

1. Approved Water Transaction Application and Letters from Angelica Corporation/9W Halo Western OpCo L.P. dated July 6, 2017
2. Revised Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote Table
3. Prior Calendar Year 2017 Overlying (Non-Agricultural) Pool Volume Vote Table

July 6, 2017

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

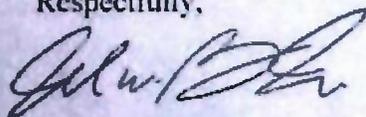
Request for Permanent Transfer of Safe Yield

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

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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

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

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):

TRANSFER TO (BUYER / TRANSFEREE):

Angelica Corporation
Name of Party

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

John Partridge
Seller / Transferor Representative Name (Printed)

AUTHORIZED SIGNATORY
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.**

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**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>
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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

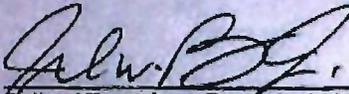
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

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



 Buyer / Transferee Representative Signature

John Partridge

 Seller / Transferor Representative Name (Printed)

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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Chino Basin Watermaster 2017 Non-Ag Pool Volume Vote

Assessment Year 2016-2017 (Production Year 2015-2016)
Share of Safe Yield as of September 28, 2017

	Assessable Production			Share of Safe Yield			TOTAL VOLUME VOTE
	Acre-Ft	Percentage	Votes	Acre-Ft	WV Realloc	Votes	
9W Halo Western OpCo., LP	27.553	0.810%	6.008	18.789	0.040	1.997	8.005
Ameron International Corp.	0.000	0.000%	0.000	55.239	0.118	5.992	5.992
Aqua Capital Management LP	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
California Speedway Corp. (Auto Club Speedway)	299.502	8.801%	65.306	1,000.000	2.130	100.864	166.170
California Steel Industries, Inc. (CSI)	1,187.201	34.888%	258.868	1,615.137	3.440	161.782	420.650
Calmat Co., a Division of Vulcan Materials Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
CCG Ontario, LLC	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
General Electric Co. (GE)	0.058	0.002%	0.013	0.000	0.000	0.000	0.013
Hamner Park Associates (Swan Lake MHP)	264.914	7.785%	57.764	464.240	0.989	46.937	104.701
Monte Vista Water District (Non-Ag)	12.581	0.370%	2.743	50.000	0.107	5.992	8.735
NRG California South LP	204.439	6.008%	44.578	954.540	2.033	95.871	140.448
Ontario, City of (Non-Ag)	1,235.830	36.317%	269.471	2,910.788	6.200	291.607	561.078
Praxair, Inc.	0.000	0.000%	0.000	1.000	0.002	0.999	0.999
Riboli Family / San Antonio Winery	3.952	0.116%	0.862	0.000	0.000	0.000	0.862
San Bernardino, County of (Chino Airport)	43.133	1.268%	9.405	133.870	0.285	13.981	23.386
Southern Service Co. (Angelica)	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Space Center Mira Loma, Inc.	93.708	2.754%	20.433	104.121	0.222	10.985	31.418
TAMCO	30.037	0.883%	6.550	42.619	0.091	4.993	11.543
West Venture Development Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
TOTAL	3,402.908	100.000%	742.000	7,350.343	15.657	742.000	1,484.000

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Chino Basin Watermaster 2017 Non-Ag Pool Volume Vote

Assessment Year 2016-2017 (Production Year 2015-2016)

Share of Safe Yield as of February 23, 2017

	Assessable Production			Share of Safe Yield			TOTAL VOLUME VOTE
	Acre-Ft	Percentage	Votes	Acre-Ft	WV Realloc	Votes	
Ameron International Corp.	0.000	0.000%	0.000	55.239	0.118	5.992	5.992
Aqua Capital Management LP	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
California Speedway Corp. (Auto Club Speedway)	299.502	8.801%	65.306	1,000.000	2.130	100.864	166.170
California Steel Industries, Inc. (CSI)	1,187.201	34.888%	258.868	1,615.137	3.440	161.782	420.650
Calmat Co., a Division of Vulcan Materials Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
CCG Ontario, LLC	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
General Electric Co. (GE)	0.058	0.002%	0.013	0.000	0.000	0.000	0.013
Hamner Park Associates (Swan Lake MHP)	264.914	7.785%	57.764	464.240	0.989	46.937	104.701
Monte Vista Water District (Non-Ag)	12.581	0.370%	2.743	50.000	0.107	5.992	8.735
NRG California South LP	204.439	6.008%	44.578	954.540	2.033	95.871	140.448
Ontario, City of (Non-Ag)	1,235.830	36.317%	269.471	2,910.788	6.200	291.607	561.078
Praxair, Inc.	0.000	0.000%	0.000	1.000	0.002	0.999	0.999
Riboli Family / San Antonio Winery	3.952	0.116%	0.862	0.000	0.000	0.000	0.862
San Bernardino, County of (Chino Airport)	43.133	1.268%	9.405	133.870	0.285	13.981	23.386
Southern California Edison Co. (SCE)	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
Southern Service Co. (Angelica)	27.553	0.810%	6.008	18.789	0.040	1.997	8.005
Space Center Mira Loma, Inc.	93.708	2.754%	20.433	104.121	0.222	10.985	31.418
TAMCO	30.037	0.883%	6.550	42.619	0.091	4.993	11.543
West Venture Development Co.	0.000	0.000%	0.000	0.000	0.000	0.000	0.000
TOTAL	3,402.908	100.000%	742.000	7,350.343	15.657	742.000	1,484.000

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for September 2017

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
September 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/05/2017	ACH 090517	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/26/2017	08/26/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/13/17-08/26/17	2000 · Accounts Payable	6,739.16
TOTAL						6,739.16
General Journal	09/09/2017	09/09/2017	Payroll and Taxes for 08/27/17-09/09/17	Payroll and Taxes for 08/27/17-09/09/17	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 08/27/17-09/09/17	1012 · Bank of America Gen'l Ckg	25,500.55
				Payroll Taxes for 08/27/17-09/09/17	1012 · Bank of America Gen'l Ckg	9,243.46
			ICMA-RC	457(b) Employee Deductions for 08/27/17-09/09/17	1012 · Bank of America Gen'l Ckg	4,410.56
			ICMA-RC	401(a) Employee Deductions for 08/27/17-09/09/17	1012 · Bank of America Gen'l Ckg	1,276.75
TOTAL						40,431.32
Bill Pmt -Check	09/11/2017	20342	APPLIED COMPUTER TECHNOLOGIES	2913	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2017	2913		Database Consulting - August 2017	6052.2 · Applied Computer Technol	4,314.20
TOTAL						4,314.20
Bill Pmt -Check	09/11/2017	20343	FEENSTRA, BOB	Ag Pool Fund Expenses	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2017			Reimburse meeting expenses-Ag Pool Fund	8485 · Ag Pool - Misc. Expense-Ag Fund	57.02
TOTAL						57.02
Bill Pmt -Check	09/11/2017	20344	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	08/30/2017	8/30 Storage Wkshp		8/30/17 Storage Workshop	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/11/2017	20345	INLAND EMPIRE UTILITIES AGENCY	1800003394	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2017	1800003394		RMPU Yield Enhancement Projects Inv# 5	7690.15 · RMPU Amend. Yield (TO #1)	71,667.98
TOTAL						71,667.98
Bill Pmt -Check	09/11/2017	20346	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2017	8000909000168851		Postage refill	6042 · Postage - General	500.00
TOTAL						500.00
Bill Pmt -Check	09/11/2017	20347	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	09/01/2017	1970970-17		Monthly premium 8/26/17-9/26/17	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	09/11/2017	20348	VISTAGE WORLDWIDE, INC.	SOPINV00000588121	1012 · Bank of America Gen'l Ckg	
Bill	08/20/2017	SOPINV00000588121		Membership dues for Oct. 2017 - Sept. 2018	1433 · Prepaid Membership Dues	16,482.00
TOTAL						16,482.00

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

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

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

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

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

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

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

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