

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, July 20, 2017

9:00 a.m. – Advisory Committee Meeting

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

CHINO BASIN WATERMASTER

Thursday, July 20, 2017

9:00 a.m. – Advisory Committee Meeting

AGENDA

**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – July 20, 2017

WITH

Mr. Brian Geye, Chair

Mr. Jeff Pierson, Vice-Chair

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 Advisory Committee Meeting held June 15, 2017 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017 *(Page 5)*
2. Watermaster VISA Check Detail for the month of May 2017 *(Page 19)*
3. Combining Schedule for the Period July 1, 2016 through May 31, 2017 *(Page 23)*
4. Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 31, 2017 *(Page 27)*
5. Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017 *(Page 31)*

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

Approve and recommend Board approval of the filing of request for Intervention. *(Page 57)*

D. WATER TRANSACTIONS

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

1. The purchase of 180,000 acre-feet of water from the San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017 *(Page 69)*
2. The purchase of 162,000 acre-feet of water from the San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017 *(Page 77)*

3. The purchase of 558.000 acre-feet of water from the San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017 *(Page 85)*

II. BUSINESS ITEMS

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

Recommend to the Watermaster Board to receive and file. *(Page 93)*

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

Recommend Watermaster Board approval of Resolution 2017-05. *(Page 99)*

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

B. ENGINEER REPORT

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

C. CFO REPORT

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

D. GM REPORT

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

E. INLAND EMPIRE UTILITIES AGENCY (WRITTEN)

1. MWD Water Supply Conditions *(Page 109)*
2. State and Federal Legislative Reports *(Page 111)*
3. Community Outreach/Public Relations Report *(Page 129)*
4. IEUA Water Forum Newsletter *(Page 131)*

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Cash Disbursements for June 2017 *(Page 133)*
2. Ground-Level Monitoring Status Report (Quarterly) *(Page 143)*
3. South Archibald and Chino Airport Plumes Status Report (Quarterly) *(Page 149)*
4. RMPU Status Report (Quarterly) *(Page 159)*
5. Santa Ana River Watershed Status Report (Quarterly) *(Page 163)*

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

7/20/17	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
7/20/17	Thu	9:00 a.m.	Advisory Committee
7/27/17	Thu	8:30 a.m.	Ground-Level Monitoring Committee
7/27/17	Thu	11:00 a.m.	Watermaster Board
8/22/17	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (Held at CBWCD)

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

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

ADJOURNMENT

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting held on June 15, 2017

DRAFT MINUTES
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

June 15, 2017

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on June 15, 2017.

ADVISORY COMMITTEE MEMBERS PRESENT

NON-AGRICULTURAL POOL MEMBER PRESENT

Brian Geye, Chair

Auto Club Speedway

AGRICULTURAL POOL MEMBERS PRESENT

Jeff Pierson, Vice-Chair

Crops

Bob Feenstra

Dairy

Lawrence Dimock

State of California – CIM

APPROPRIATIVE POOL MEMBERS PRESENT

Darron Poulsen, Second Vice-Chair

City of Pomona

Marty Zvirbulis

Cucamonga Valley Water District

Cris Fealy

Fontana Water Company

Seth Zielke

Fontana Union Water Company

Rosemary Hoerning

City of Upland

Dave Crosley

City of Chino

Katie Gienger for Scott Burton

City of Ontario

Van Jew

Monte Vista Irrigation Company

Teri Layton

San Antonio Water Company

Ron Craig

City of Chino Hills

Robert Tock for Todd Corbin

Jurupa Community Services District

WATERMASTER BOARD MEMBER PRESENT

Bob Kuhn

Three Valleys Municipal Water District

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

Mark Wildermuth

Wildermuth Environmental, Inc.

Garrett Rapp

Wildermuth Environmental, Inc.

OTHERS PRESENT

Curtis Paxton

Chino Basin Desalter Authority

Shaun Stone

Inland Empire Utilities Agency

Eunice Ulloa

Chino Basin Water Conservation District

Richard Rees

AMEC

Eric Tarango

Fontana Water Company

Sheri Rojo

Basin Creek Consulting

Amanda Coker

City of Chino

Raul Garibay

City of Pomona

John Schatz

John J. Schatz, Attorney at Law

CALL TO ORDER

Chair Geye called the Advisory Committee meeting to order at 9:08 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held May 18, 2017

B. FINANCIAL REPORTS

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

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

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

D. REQUEST FOR STORAGE AGREEMENTS

Consideration of Local Storage Agreements – Storage of Excess Carryover Water by members of the Appropriative Pool in amounts as shown in the Assessment Package Approved November 17, 2016.

E. WATER TRANSACTIONS

1. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from the City of Pomona by Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: May 3, 2017.
2. Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account. Date of application: May 3, 2017.
3. Notice of Sale or Transfer – The purchase of 3,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
4. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
5. Notice of Sale or Transfer – The purchase of 399.260 acre-feet of water from the City of Chino by the City of Ontario. This purchase is made from the City of Chino's Excess Carryover Account. Date of application: May 2, 2017.

(0:00:21)

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

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

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

Approve Budget Transfer Form T-17-05-01 for FY 2016/17 as presented.

(0:00:46) Mr. Joswiak gave a report.

(0:01:19)

Motion by Vice-Chair Jeff Pierson, seconded by Mr. Marty Zvirbulis, and by unanimous vote

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

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

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

(0:01:42) Mr. Joswiak gave a report.

(0:02:17)

Motion by Mr. Marty Zvirbulis, seconded by Mr. Cris Fealy, and by unanimous vote

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

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

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

(0:02:39) Mr. Herrema gave a report.

B. ENGINEER REPORT

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

(0:05:36) Mr. Wildermuth offered the same reports as was given at the Pool meetings last week. The Committee declined to have the report provided again.

C. CFO REPORT

1. Exhibit "G" Transactions

(0:05:50) Mr. Joswiak offered the same reports as was given at the Pool meetings last week. The Committee declined to have the report provided again.

D. GM REPORT

1. Storage Agreements
2. Water Transactions (June 8, 2017 Consent Calendar Items I.D.4 – 6)
3. Storage Workshop #2
4. Desalter Replenishment Assessments For Production Year 2013/14
5. SGMA Update
6. CSI Basin Improvement Project
7. DYY Program Update
8. Other

(0:06:07) Mr. Kavounas gave reports on Items III.D.1. – III.D.4.

(0:10:25) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.5.

(0:12:27) Mr. Kavounas introduced Mr. Nakano to give a report on Item III.D.6. A discussion ensued.

(0:26:48) Mr. Kavounas announced that there will be no standing Watermaster meetings in the month of August 2017.

E. INLAND EMPIRE UTILITIES AGENCY (WRITTEN)

1. MWD Water Supply Conditions
2. State and Federal Legislative Reports
3. Community Outreach/Public Relations Report
4. IEUA Water Forum Newsletter

(0:27:29) Mr. Stone gave an update regarding the Dry Year Yield deliveries. A discussion ensued.

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

None

IV. INFORMATION

1. Cash Disbursements for May 2017

V. COMMITTEE MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

None

ADJOURNMENT

Chair Geye adjourned the Advisory Committee meeting at 9:37 a.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2017
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4. Treasurer's Report of Financial Affairs for the Period May 1, 2017 through May 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017



CHINO BASIN WATERMASTER

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 20, 2017
TO: Advisory Committee Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (May 31, 2017)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – July 20, 2017: Receive and File

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

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of May 2017 were \$849,713.63.

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

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

P7

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

P8

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							40,465.26
	Bill Pmt -Check	05/08/2017	20100	ACWA JOINT POWERS INSURANCE AUTHORITY	0481842	1012 · Bank of America Gen'l Ckg	
	Bill	05/04/2017	0481842		Prepayment - June 2017	1409 · Prepaid Life, BAD&D & LTD	139.76
					May 2017	60191 · Life & Disab.Ins Benefits	139.76
TOTAL							279.52
	Bill Pmt -Check	05/08/2017	20101	CASTRO, LINDY	4/28/17 Hearing Transcript	1012 · Bank of America Gen'l Ckg	
	Bill	04/28/2017	4/28/17 Hearing		4/28/17 Hearing Transcript	6046 · Legal Publications/Services	330.00
TOTAL							330.00
	Bill Pmt -Check	05/08/2017	20102	CURATALO, JAMES	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/04/2017	4/04 Special Board		4/04/17 Special Board Meeting	6311 · Board Member Compensation	125.00
	Bill	04/14/2017	4/14 Mtg w/Auditor		4/14/17 Fraud Interview with Auditor	6311 · Board Member Compensation	125.00
	Bill	04/25/2017	4/25 Agenda Preview		4/25/17 Board Agenda Preview Meeting	6311 · Board Member Compensation	125.00
	Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							500.00
P10	Bill Pmt -Check	05/08/2017	20103	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/05/2017	4/05 Special Ag Mtg		4/05/17 Special Ag Pool Meeting	8411 · Compensation	25.00
					4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
	Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8411 · Compensation	25.00
					4/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
	Bill	04/26/2017	4/26 Special Ag Mtg		4/26/17 Special Ag Pool Meeting	8411 · Compensation	25.00
					4/26/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL							375.00
	Bill Pmt -Check	05/08/2017	20104	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8411 · Compensation	25.00
					4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
	Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8411 · Compensation	25.00
					4/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL							250.00
	Bill Pmt -Check	05/08/2017	20105	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/04/2017	4/04 Special Board		4/04/17 Special Board Meeting	6311 · Board Member Compensation	125.00
	Bill	04/20/2017	4/20 Orientation		4/20/17 Board Member Orientation	6311 · Board Member Compensation	125.00
	Bill	04/21/2017	4/21 Special Board		4/21/17 Special Board Meeting	6311 · Board Member Compensation	125.00
	Bill	04/25/2017	4/25 Agenda Preview		4/25/17 Board Agenda Preview Meeting	6311 · Board Member Compensation	125.00
TOTAL							500.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
							7,569.00
	Bill Pmt -Check	05/08/2017	20112	MINDSHIFT	0245295	1012 · Bank of America Gen'l Ckg	
	Bill	05/08/2017	0245295		IT Managed Services	6052.4 · mindSHIFT-Managed Services	3,770.00
					Backup & Recovery	6052.5 · mindSHIFT-Data Backup/Storage	792.00
							<u>4,562.00</u>
							4,562.00
	Bill Pmt -Check	05/08/2017	20113	PAYCHEX	2017042700	1012 · Bank of America Gen'l Ckg	
	Bill	04/28/2017	2017042700		April 2017	6012 · Payroll Services	307.94
							<u>307.94</u>
							307.94
	Bill Pmt -Check	05/08/2017	20114	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/05/2017	4/05 Special Ag Pool		4/05/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/13/2017	4/13 Ag Pool Mtg		4/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/20/2017	4/20 Advisory Comm		4/20/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/20/2017	4/20 RIPCom Mtg		4/20/17 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/21/2017	4/21 Special Board		4/21/17 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/26/2017	4/26 Special Ag Pool		4/26/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
	Bill	04/28/2017	4/28 Court Hearing		4/28/17 Court Hearing	8470 · Ag Meeting Attend -Special	125.00
							<u>1,000.00</u>
							1,000.00
	Bill Pmt -Check	05/08/2017	20115	PITNEY BOWES CREDIT CORPORATION	3101215649	1012 · Bank of America Gen'l Ckg	
	Bill	05/04/2017	3101215649		Postage meter property tax	6044 · Postage Meter Lease	6.93
							<u>6.93</u>
							6.93
	Bill Pmt -Check	05/08/2017	20116	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	Bill	05/08/2017	1394905143		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	3,590.95
							<u>3,590.95</u>
							3,590.95
	Bill Pmt -Check	05/08/2017	20117	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
	Bill	04/13/2017	8000909000168851		Postage refill	6042 · Postage - General	500.00
							<u>500.00</u>
							500.00
	Bill Pmt -Check	05/08/2017	20118	RR FRANCHISING, INC.	38661	1012 · Bank of America Gen'l Ckg	
	Bill	05/01/2017	38661		Monthly janitorial service - May 2017	6024 · Building Repair & Maintenance	740.00
							<u>740.00</u>
							740.00
	Bill Pmt -Check	05/08/2017	20119	SOLINST CANADA LTD.	12801264	1012 · Bank of America Gen'l Ckg	
	Bill	04/21/2017	12801264		Water level equipment	7104.9 · Grdwtr Level-Capital Equip	5,448.71
							<u>5,448.71</u>

P12

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

	Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL							5,448.71
	Bill Pmt -Check	05/08/2017	20120	STATE COMPENSATION INSURANCE FUND	1970970-16	1012 · Bank of America Gen'l Ckg	
	Bill	05/01/2017	1970970-16		Premium for 4/26/17-5/26/17	60183 · Worker's Comp Insurance	910.00
TOTAL							910.00
	Bill Pmt -Check	05/08/2017	20121	SWIFT, JOSH	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
	Bill	04/27/2017	4/27 Board Mtg		4/27/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	05/08/2017	20122	TRUONG, ANNA	Conference Expenses	1012 · Bank of America Gen'l Ckg	
	Bill	05/08/2017			Reimburse for mileage	6173 · Airfare/Mileage	42.16
					Seminar expenses	6191 · Conferences - General	130.19
TOTAL							172.35
	Bill Pmt -Check	05/08/2017	20123	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
	Bill	04/28/2017	7076224530355049		Fuel - April 2017	6175 · Vehicle Fuel	328.24
TOTAL							328.24
P 13	Bill Pmt -Check	05/08/2017	20124	YOO, FRANK	Conference Expenses	1012 · Bank of America Gen'l Ckg	
	Bill	05/08/2017			Reimbursement for mileage to seminar	6173 · Airfare/Mileage	76.29
TOTAL							76.29
	Bill Pmt -Check	05/08/2017	20125	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
	Bill	05/01/2017	08-k2 213849		Disposal Service - May 2017	6024 · Building Repair & Maintenance	111.57
TOTAL							111.57
	Bill Pmt -Check	05/11/2017	ACH 051117	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	05/06/2017	05/06/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/23/17-05/06/17	2000 · Accounts Payable	1,480.43
TOTAL							1,480.43
	Check	05/15/2017	05/15/2017	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
					Service Charge	6039.1 · Banking Service Charges	407.89
TOTAL							407.89
	Bill Pmt -Check	05/16/2017	20126	WILDERMUTH ENVIRONMENTAL INC	VOID:	1012 · Bank of America Gen'l Ckg	0.00
TOTAL							
	Bill Pmt -Check	05/16/2017	20127	CORELOGIC INFORMATION SOLUTIONS	81797816	1012 · Bank of America Gen'l Ckg	
	Bill	04/30/2017	81797816		81797816	7103.7 · Grdwtr Qual-Computer Svc	62.50

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

P15

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

P 16

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2017

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

P18



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (May 31, 2017)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – July 20, 2017: Receive and File

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

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

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

DISCUSSION

The total cash disbursements during the month of May 2017 were \$4,326.79. The payment was processed in the amount of \$4,326.79 (by check number 20142 dated May 23, 2017). The monthly charges for May 2017 of \$4,326.79 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
VISA Check Detail Report
May 2017

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

P21

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2016 through May 31, 2017 - Financial Report B3 (May 31, 2017)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – July 20, 2017: Receive and File

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

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2016 through May 31, 2017 is provided to keep all members apprised of the FY 2016/17 cumulative Watermaster revenues, expenditures and changes in net assets for the period listed.

DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Net Assets has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 17.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD JULY 1, 2016 THROUGH MAY 31, 2017

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER REPLENISHMENT	LAIF VALUE ADJ.	GASB 68 BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2016-2017
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL					
Administrative Revenues:										
Administrative Assessments			10,059,406		255,682				10,315,088	10,339,656
Interest Revenue			45,673	2,491	543				48,708	19,890
Mutual Agency Project Revenue	159,631								159,631	158,923
Miscellaneous Income									-	0
Total Revenues	159,631	-	10,105,079	2,491	256,226	-	-	-	10,523,427	10,518,469
Administrative & Project Expenditures:										
Watermaster Administration	1,466,627								1,466,627	1,361,992
Watermaster Board-Advisory Committee	176,307								176,307	202,053
Ag Pool Misc. Expense - Ag Fund				546					546	400
Pool Administration			124,548	332,587	88,224				545,359	694,293
Optimum Basin Mgmt Administration		1,566,530							1,566,530	1,752,519
OBMP Project Costs		2,708,723							2,708,723	3,811,606
Debt Service		386,803							386,803	465,200
Basin Recharge Improvements		713,582							713,582	5,060,744
Total Administrative/OBMP Expenses	1,642,934	5,375,638	124,548	332,587	88,224	-	-	-	7,564,477	13,348,806
Net Administrative/OBMP Expenses	(1,483,303)	(5,375,638)								
Allocate Net Admin Expenses To Pools	<u>1,483,303</u>		1,116,190	324,866	42,247				-	
Allocate Net OBMP Expenses To Pools		4,275,253	3,217,141	936,345	121,768				-	
Allocate Debt Service to App Pool		386,803	386,803						-	
Allocate Basin Recharge to App Pool		<u>713,582</u>	713,582						-	
Agricultural Expense Transfer*			1,593,797	(1,593,797)					-	
Total Expenses			7,152,061	546	252,239	-	-	-	7,564,477	13,348,806
Net Administrative Income			2,953,018	1,945	3,986	-	-	-	2,958,950	(2,830,337)
Other Income/(Expense)										
Replenishment Water Assessments						858,227			858,227	0
Desalter Replenishment Obligation						116,635			116,635	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			570,000						570,000	0
Interest Revenue						7,759			7,759	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water			(570,000)						(570,000)	0
MWD Water Purchases									-	0
Groundwater Replenishment						(2,479,480)			(2,479,480)	0
LAIF - Fair Market Value Adjustment									-	0
Other Post-Employment Benefits (OPEB)									-	0
Refund-Excess Reserves			(31,189)		(3,509)				(34,698)	0
Refund-Recharge Debt			(155,824)						(155,824)	0
SB 222 Funds Used			(153,744)		(4,507)				(158,251)	0
Funding To/(From) Reserves									-	(200,000)
Net Other Income/(Expense)			(340,757)	-	(8,016)	(1,496,860)	-	-	(1,845,633)	(200,000)
Net Transfers To/(From) Reserves		1,113,317	2,612,261	1,945	(4,030)	(1,496,860)	-	-	1,113,317	(2,630,337)
		(0)								
Net Assets, July 1, 2016			7,493,337	483,176	79,969	2,465,056	3,308	(740,195)	9,784,651	
Net Assets, End of Period			10,105,598	485,121	75,939	968,197	3,308	(740,195)	10,897,968	10,897,968
15/16 Assessable Production			89,906,000	26,167,031	3,402,908				119,475,939	
15/16 Production Percentages			75.250%	21.902%	2.848%				100.000%	

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

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017

TO: Advisory Committee Members

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

SUMMARY

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

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

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

Future Consideration

Advisory Committee – July 20, 2017: Receive and File

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

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

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

DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from Intuit QuickBooks Enterprise Solutions 17.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

ATTACHMENTS

1. Financial Report - B4

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

Financial Report - B4

DEPOSITORIES:

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

PERIOD INCREASE (DECREASE) \$ (834,714)

CHANGE IN CASH POSITION DUE TO:

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

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 4/30/2017	\$ 500	\$ 82,017	\$ -	\$ -	\$ 13,634,651	\$ 13,717,168
Deposits	-	1,200,000	-	15,000	-	1,215,000
Transfers	-	(88,859)	(67,381)	-	(1,200,000)	(1,356,240)
Withdrawals/Checks	-	(760,855)	67,381	-	-	(693,474)
Balances as of 5/31/2017	\$ 500	\$ 432,304	\$ -	\$ 15,000	\$ 12,434,651	\$ 12,882,455
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 350,286	\$ -	\$ 15,000	\$ (1,200,000)	\$ (834,714)

P 29

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

INVESTMENT TRANSACTIONS

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

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

**INVESTMENT STATUS
May 31, 2017**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 12,434,651			
TOTAL INVESTMENTS	\$ 12,434,651			

P30

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: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2016 through May 31, 2017 -
Financial Report B5 (May 31, 2017)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – July 20, 2017: Receive and File

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

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Moved unanimously to receive and file, without approval

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2016 through May 31, 2017 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimum Basin Management Program Expenses; Project Expenses; and Other Income/Expenses. The Budget vs. Actual report has been created from Intuit QuickBooks Enterprise Solutions 17.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

DISCUSSION

CURRENT MONTH – MAY 2017

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

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

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

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

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

April 2017:

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

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

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

March 2017:

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

August 2016:

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

July 2016:

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

SALARIES EXPENSE

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) Watermaster salary expenses were \$61,541 or 4.0% below the (YTD) budgeted amount of \$1,538,804. The overall staffing budget was developed with a staffing level of ten Full-Time Equivalent (FTE's), and staffing is currently at nine Full-Time Equivalent (FTE's). The position of Water Resources Associate remains vacant and could be recruited for in the future as the work demands increase.

Watermaster utilizes an in-house database time and attendance system to track and record staff's actual hours worked and records those hours to a specific project or activity. This time and attendance database of captured staff hours and activities is the basis for the bi-weekly payrolls which are processed using an external payroll processing service. Watermaster staff can record time to a large number of activities but the five most used categories are as follows (1) General Administrative activities; (2) Paid

Leaves of vacation, sick or holiday; (3) Pools, Advisory or Board Meeting attendance; (4) OBMP activities; and (5) OBMP Implementation Program Elements 1 through 9 activities.

When the FY 2016/17 budget was developed, basic assumptions were used in allocating how staff's time would be spent and on which of the projects or activities. The staffing dollars were then allocated into those specific areas and budgeted on a 1/12 monthly budget. When actual staffing activities vary from the budgeted assumptions, a positive or negative variance can be created. Currently, the allocations are tracking within budget.

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

November 2016:

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

September 2016:

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

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

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

August 2016:

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

July 2016:

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

LEGAL SERVICES

BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) Watermaster Legal Services expenses (consolidating the three categories of Watermaster Administrative Legal Services, Pool/Advisory/Board Meeting legal expenses, and OBMP legal expenses) were \$55,120 or 6.1% above the (YTD) budgeted amount of \$901,288.

The Watermaster Legal Services budget was developed jointly by the Watermaster staff and Brownstein Hyatt Farber Schreck staff with specific assumptions regarding the tasks and legal activities that would occur during FY 2016/17. The total legal services budget was developed by multiplying the number of hours that would be required to complete the specific tasks by the hourly rate. The "Approved" budget was adopted for the original amount of \$871,426. The "Amended" budget was adjusted to \$971,426 when the Watermaster Board adopted the Budget Amendment Form A-17-04-01 in the amount of \$100,000 on May 25, 2017.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of May 31, 2017, was \$63,161 or 24.1% above the budgeted amount of \$261,903. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Court Coordination (6071) under budget by \$26,791 or 71.4%; Rules and Regulations (6072) under budget by \$16,518 or 59.8%; Personnel Matters (6073) under budget by \$1,085 or 1.0%; Interagency Issues (6074) under budget by \$28,050 or 100.0%; and Party Status Maintenance (6077) under budget by \$26,308 or 100.0%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Miscellaneous Category expenses (6078) over budget by \$161,914 or 499.77%.

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

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

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

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

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

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

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

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

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 6375.1, 8375, 8475 and 8575). The legal service costs associated with the Board Workshop(s) are also included as part of this group. Overall, this category of legal expenses as of May 31, 2017 was \$26,158 or 15.0% below the budgeted amount of \$174,863. Normal Brownstein Hyatt Farber Schreck meeting attendance during any given month includes attendance at all three pool meetings, one Advisory Committee meeting and one Board meeting. The Watermaster parties agreed that during the month of December 2016, the three Pools, the Advisory Committee and the Watermaster Board meetings would not be held, adding additional cost savings to this category.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were above the budget for the month. As of May 31, 2017 the category of OBMP legal expenses were \$18,116 or 3.9% above the budgeted amount of \$464,522. The majority of expenses within this OBMP category were under budget (YTD), however, the Santa Ana River Habitat legal expenses (6907.36) were over budget by \$21,639 or 100.0%; the Storage Agreement legal expenses (6907.40) were over budget by \$4,674 or 4.7%; the Prado Basin Habitat Sustainability legal expenses (6907.41) were over budget by \$5,142 or 39.1%; and the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$152,933 or 174.1%.

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

	Jul '16 - May '17 Actual	Jul '16 - May '17 Budget	\$ Over Budget	% of Budget	FY 2016/17 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	10,746.79	37,538.00	-26,791.21	28.63%	40,950.00
6072 · BHFS Legal - Rules & Regulations	11,085.06	27,603.00	-16,517.94	40.16%	30,113.00
6073 · BHFS Legal - Personnel Matters	108,914.96	110,000.00	-1,085.04	99.01%	110,000.00
6074 · BHFS Legal - Interagency Issues	0.00	28,050.00	-28,050.00	0.0%	30,600.00
6076 · BHFS Legal - Storage Issues	0.00	0.00	0.00	0.0%	0.00
6077 · BHFS Legal - Party Status Maintenance	0.00	26,308.00	-26,308.00	0.0%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	194,317.58	32,404.00	161,913.58	599.67%	35,350.00
Total 6070 · Watermaster Legal Services	325,064.39	261,903.00	63,161.39	124.12%	275,713.00
6275 · BHFS Legal - Advisory Committee	13,844.29	17,000.00	-3,155.71	81.44%	18,700.00
6375 · BHFS Legal - Board Meeting	58,925.56	70,200.00	-11,274.44	83.94%	77,220.00
6375.1 · BHFS Legal - Board Workshop(s)	23,108.76	11,163.00	11,945.76	207.01%	11,163.00
8375 · BHFS Legal - Appropriative Pool	18,021.37	25,500.00	-7,478.63	70.67%	28,050.00
8475 · BHFS Legal - Agricultural Pool	18,208.54	25,500.00	-7,291.46	71.41%	28,050.00
8575 · BHFS Legal - Non-Ag Pool	16,596.65	25,500.00	-8,903.35	65.09%	28,050.00
Total BHFS Legal Services	148,705.17	174,863.00	-26,157.83	85.04%	191,233.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	996.30	22,458.00	-21,461.70	4.44%	24,500.00
6907.32 · Chino Airport Plume	498.15	22,458.00	-21,959.85	2.22%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	26,308.00	-26,308.00	0.0%	28,700.00
6907.34 · Santa Ana River Water Rights	10,284.60	23,192.00	-12,907.40	44.35%	25,300.00
6907.36 · Santa Ana River Habitat	21,639.10	0.00	21,639.10	100.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	1,415.25	13,154.00	-11,738.75	10.76%	14,350.00
6907.39 · Recharge Master Plan	30,180.15	51,700.00	-21,519.85	58.38%	56,400.00
6907.40 · Storage Agreements	103,839.38	99,165.00	4,674.38	104.71%	108,180.00
6907.41 · Prado Basin Habitat Sustainability	18,296.45	13,154.00	5,142.45	139.09%	14,350.00
6907.42 · Safe Yield Recalculation	240,815.84	87,883.00	152,932.84	274.02%	93,600.00
6907.44 · SGMA Compliance	54,673.05	78,008.00	-23,334.95	70.09%	85,100.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	27,042.00	-27,042.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
Total Brownstein, Hyatt, Farber, Schreck Costs	956,407.83	901,288.00	55,119.83	106.12%	971,426.00

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

April 2017:

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

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – MAY 2017

Reviewing in total the OBMP Engineering Services and Legal Costs (consolidating the four categories of OBMP Watermaster Staff and SAWPA, OBMP Engineering Services, OBMP Legal Costs, and OBMP Other Expenses) for the eleven months ending May 31, 2017, the actual expenses of \$1,533,190 were below the budgeted amount of \$1,542,403 by \$9,213 or 0.6%. For a detailed discussion, the following is provided.

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

For May 31, 2017, the accounts 6906 (Optimum Basin Mgmt Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$33,405 or 3.3%. For FY 2016/17, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized and for the month of May, there were no expenses charged to the OBMP-Safe Yield Redetermination and Reset account. The majority of expenses within this OBMP category were under budget (YTD), however, the accounts which were over budget were as follows: the OBMP-Watermaster Model Update expenses (6906.1) which were over budget by \$122,694 or 75.9%; State of the Basin Report expenses (6906.21) were over budget by \$15,302 or 16.7%; the OBMP-Pool, Advisory, Board Meeting Engineering Services expenses (6906.31) which were over budget by \$10,795 or 12.3%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$53,541 or 162.0%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$82,752 or 99.0%; the OBMP-Data Requests-Non Watermaster Staff expenses (6906.72) which were over budget by \$13,999 or 48.7%; the Preparation of the 38th/39th Annual Reports which were over budget by \$15,578 or 28.5%; and the OBMP Engineering Services-Other expenses (6906) which were over budget by \$3,029 or 11.6%.

Within the category 6907 (Optimum Basin Mgmt Program Legal Fees) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget by \$184,388 while some other line item activities were below the budget by \$166,272. Above the budget line items were the Santa Ana River Habitat expenses of \$21,639; the Storage Agreement expenses of \$4,674; Prado Basin Habitat Sustainability expenses of \$5,142; and the Safe Yield Redetermination and Reset expenses of \$152,933. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$21,462; the Chino Airport Plume of \$21,960; the Desalter/Hydraulic Control of \$26,308; the Santa Ana River Water Rights expenses of \$12,907; the Regional Water Quality Control Board of \$11,739; the Recharge Master Plan of \$21,520; the SGMA Compliance of \$23,335; and the WM Unanticipated legal expenses of \$27,042. For the eleven months ended May 31, 2017, the overall cumulative (YTD) budget was \$464,522 and the actual (BHFS) legal expenses totaled \$482,638 which resulted in an over budget variance of \$18,116 or 3.9%.

The OBMP Other Expenses (6909's) were below the budget for the month. These expenses are typically conference calls, meeting expenses, supplies, annual inspection fees, and other miscellaneous type expenses. As of May 31, 2017 this category of expenses was \$6,587 or 52.5% below the budgeted amount of \$12,542.

The WEI Support for IEUA expenses are categorized within the category (6910's). The individual general ledger accounts are as follows: IRP Groundwater Modeling-WEI expenses (6910.10); As Needed Support for Obtaining Grant Funding of RMPU Projects expenses (6910.11); Preparation of a Compliance Demonstration for Stormwater Recharge expenses (6910.12); Ground Water Velocity Field for the San

Sevaine Improvement Project expenses (6910.13); Truing-Up the 2013 RMPU Estimates expenses (6910.14); WEI Support-HCP Modeling expenses (6910.15); and RMPU-MPI Analysis expenses (6910.20). These expenses are billed directly to IEUA on the following month once the payment has been issued to Wildermuth Environmental, Inc. per the agreement. As of May 31, 2017 this category of expenses was fully invoiced in the amount of \$208,391 to IEUA.

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

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

	Jul '16 - May '17 Actual	Jul '16 - May '17 Budget	\$ Over Budget	% of Budget	FY 2016/17 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	53,583.27	45,835.00	7,748.27	116.91%	50,114.00
6903 · OBMP SAWPA Group	18,415.00	13,500.00	4,915.00	136.41%	13,500.00
Total 6901-6903 · OBMP WM Staff/SAWPA	71,998.27	59,335.00	12,663.27	121.34%	63,614.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	284,449.00	161,755.00	122,694.00	175.85%	176,460.00
6906.21 · State of the Basin Report	106,968.94	91,667.00	15,301.94	116.69%	100,000.00
6906.22 · Water Rights Compliance Reporting	10,599.60	23,199.00	-12,599.40	45.69%	25,308.00
6906.23 · SGMA Reporting Requirements	24,073.69	25,703.00	-1,629.31	93.66%	28,040.00
6906.24 · Compliance - SB88 and SWRCB	37,783.86	68,750.00	-30,966.14	54.96%	75,000.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	195,928.00	-195,928.00	0.0%	213,740.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	98,899.01	88,104.00	10,795.01	112.25%	96,114.00
6906.32 · OBMP - Other General Meetings	86,582.10	33,041.00	53,541.10	262.04%	36,045.00
6906.71 · OBMP - Data Requests - CBWM Staff	166,312.06	83,560.00	82,752.06	199.03%	91,156.00
6906.72 · OBMP - Data Requests - Non CBWM	42,735.45	28,736.00	13,999.45	148.72%	31,348.00
6906.73 · OBMP - Safe Yield Recalculation	0.00	0.00	0.00	0.0%	0.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	14,694.05	64,167.00	-49,472.95	22.9%	70,000.00
6906.75 · OBMP - Recharge Master Plan	0.00	0.00	0.00	0.0%	0.00
6906.81 · Prepare 38th/39th Annual Reports	70,292.18	54,714.00	15,578.18	128.47%	59,688.00
6906.82 · Support for Assessment Package	0.00	60,500.00	-60,500.00	0.0%	66,000.00
6906 · OBMP Engineering Services - Other	29,208.60	26,180.00	3,028.60	111.57%	28,560.00
Total 6906 · OBMP Engineering Services	972,598.54	1,006,004.00	-33,405.46	96.68%	1,097,459.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	996.30	22,458.00	-21,461.70	4.44%	24,500.00
6907.32 · Chino Airport Plume	498.15	22,458.00	-21,959.85	2.22%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	26,308.00	-26,308.00	0.0%	28,700.00
6907.34 · Santa Ana River Water Rights	10,284.60	23,192.00	-12,907.40	44.35%	25,300.00
6907.36 · Santa Ana River Habitat	21,639.10	0.00	21,639.10	100.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	1,415.25	13,154.00	-11,738.75	10.76%	14,350.00
6907.39 · Recharge Master Plan	30,180.15	51,700.00	-21,519.85	58.38%	56,400.00
6907.40 · Storage Agreements	103,839.38	99,165.00	4,674.38	104.71%	108,180.00
6907.41 · Prado Basin Habitat Sustainability	18,296.45	13,154.00	5,142.45	139.09%	14,350.00
6907.42 · Safe Yield Recalculation	240,815.84	87,883.00	152,932.84	274.02%	93,600.00
6907.44 · SGMA Compliance	54,673.05	78,008.00	-23,334.95	70.09%	85,100.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	27,042.00	-27,042.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
Total 6907 · OBMP Legal Fees	482,638.27	464,522.00	18,116.27	103.9%	504,480.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	2,188.36	1,375.00	813.36	159.15%	1,500.00
6909.3 · Other OBMP Expenses	1,697.00	2,000.00	-303.00	84.85%	2,000.00
6909.6 · OBMP Expenses - Miscellaneous	2,070.00	9,167.00	-7,097.00	22.58%	10,000.00
Total 6909 · OBMP Other Expenses	5,955.36	12,542.00	-6,586.64	47.48%	13,500.00
6910 · WEI Support for IEUA					
6910.10 · IRP Groundwater Modeling - WEI	0.00	0.00	0.00	0.0%	0.00
6910.11 · WEI Support-Grant Funding-RMPU	5,002.23	0.00	5,002.23	100.0%	0.00
6910.12 · WEI Support-Stormwater Recharge	0.00	0.00	0.00	0.0%	0.00
6910.13 · IEUA-San Sevaine Improvement Project	792.00	0.00	792.00	100.0%	0.00
6910.14 · Truing-Up 2013 RMPU Estimates	85,058.70	0.00	85,058.70	100.0%	0.00
6910.15 · WEI Support-HCP Modeling	17,999.14	0.00	17,999.14	100.0%	0.00
6910.20 · RMPU-MPI Analysis	99,539.03	0.00	99,539.03	100.0%	0.00
6910.50 · WEI Support for IEUA-Billings	-208,391.10	0.00	-208,391.10	100.0%	0.00
Total 6910 · WEI Support for IEUA	0.00	0.00	0.00	0.0%	0.00
Total 6900 · Optimum Basin Mgmt Plan	1,533,190.44	1,542,403.00	-9,212.56	99.4%	1,679,053.00

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

CURRENT MONTH – MAY 2017

As of May 31, 2017, the total (YTD) Engineering Services expenses were \$499,144 or 17.6% below the (YTD) budget amount of \$2,828,125. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of May 31, 2017.

Wildermuth Environmental, Inc. provides Watermaster an Estimated Cost at Completion (ECAC) report each quarter. The purpose of this ECAC report is to update Watermaster on whether or not the Engineering Services budget will be above or below budget at the end of the fiscal year. If the Engineering Services budget is expected to be above budget at fiscal year-end, a Budget Amendment or Budget Transfer Form would need to be approved to ensure funding. The last ECAC report as of March 31, 2017 showed a possible under budget variance of approximately \$146,630 at fiscal year-end as of June 30, 2017.

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

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

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

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

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

March 2017:

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

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

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

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Billed Oct-16	Billed Nov-16	Billed Dec-16	Billed Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 76,132	\$ 80,675	\$ 56,609	\$ 65,834	\$ 34,589	\$ 32,474	\$ 54,808
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	26,993	27,727	31,932	60,907
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	8,185	7,918	6,503
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	2,980	2,022	-	-	-	-	-
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	644	149	-	-	-	-	-
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	48,210	17,017	15,520	4,312	-	-
6910.15	IEUA - WLAM Update - 2013 RMPU Facilities	-	-	-	-	-	-	-	-	-
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	2,192	34,432	24,156	21,250	17,509	-
7103.3	GW Quality - Engineering Services	129,555	129,555	16,738	14,493	14,423	3,217	5,558	8,416	6,831
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,346	10,623	6,968	848	3,380	5,697	-
7104.3	GW Level - Engineering Services	192,667	192,667	8,788	23,979	10,748	7,503	16,170	8,484	12,922
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,767	455	122	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,880	1,440	4,289	2,525	3,334	4,988
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	68,245	68,245	-	-	-	-	-	-	10,668
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	229	-	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	-	-	2,223
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - PBHSP	276,884	288,936	-	30,350	20,176	25,000	5,153	6,351	38,263
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,981	6,966	4,429	5,833	19,081	10,690
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	11,304	-	-	11,304	-
7109.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	-	-	128
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,080	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,989	7,199	3,298	10,324	6,356	780	10,490
7303	OBMP - Engineering Services - Desalters	9,480	9,480	-	-	-	-	-	-	-
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,782	1,739	510	2,021	6,199
7402.1	OBMP - Engineering Services - Northwest MZ1	104,599	362,104	11,553	27,005	24,485	53,179	23,497	11,433	13,437
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,298	1,170	601	469
7602	OBMP - Engineering Services - Storage	66,896	66,896	-	1,579	5,374	1,518	-	-	253
7625	IEUA - Storage Program - Addendum to OBMP P	-	-	-	-	-	-	-	-	1,937
Totals		\$ 2,740,852	\$ 3,067,429	\$ 159,413	\$ 320,927	\$ 289,387	\$ 267,504	\$ 168,379	\$ 167,436	\$ 260,048

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2016-17CBWM_Invoice_Summary_ISBM_20170410-Projection Summary



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

Acct #	Description	Billed Feb-17	Billed Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 41,598	\$ 52,499	\$ 42,167	\$ 33,571	\$ 28,071	\$ 599,017	\$ 599,017	\$ 221,982	60%	73%
6906.1	OBMP - Watermaster Model Applications	52,349	47,477	-	-	-	284,449	284,449	(107,989)	161%	161%
6906.21	State of the Basin Report	880	387	25,200	50,000	50,000	149,073	149,073	(49,073)	24%	149%
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	-	-	-	5,002	2,501	(2,501)	n/a	n/a
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	-	-	-	792	396	(396)	n/a	n/a
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	-	-	85,059	42,530	(42,530)	n/a	n/a
6910.15	IEUA - WLAM Update - 2013 RMPU Facilities	-	-	-	18,500	-	18,500	9,250	(9,250)	n/a	n/a
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	-	-	99,539	49,770	(49,770)	n/a	n/a
7103.3	GW Quality - Engineering Services	7,019	9,635	6,700	6,450	14,600	114,079	114,079	15,476	67%	88%
7103.5	GW Quality - Laboratory Services	-	-	900	-	-	29,762	29,762	9,443	74%	76%
7104.3	GW Level - Engineering Services	10,467	8,991	15,885	17,485	18,185	159,399	159,399	33,268	56%	83%
7104.8	GW Level - Contract Services	-	-	-	-	-	-	-	10,000	0%	0%
7104.9	GW Level - Capital Services	527	-	-	6,000	-	10,576	10,576	(3,576)	65%	151%
7107.2	Ground Level - Engineering Services	5,856	4,951	6,096	5,671	24,044	69,765	69,765	14,727	40%	83%
7107.3	Ground Level - SAR Imagery	-	58,000	-	-	-	85,000	85,000	-	100%	100%
7107.6	Ground Level - Contract Services	-	24,425	17,500	12,500	23,596	68,889	68,889	(20,644)	52%	130%
7107.8	Ground Level - Capital Equipment	-	-	200	200	200	829	829	2,671	7%	24%
7108.3	HCMP - Engineering Services	1,805	12,035	6,555	850	-	37,643	37,643	19,984	52%	65%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	21,936	3,145	79%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	48,027	68,132	44,255	22,800	14,650	323,159	157,161	131,775	84%	54%
7108.32	HCMP - Adaptive Management Plan	282	-	-	-	-	54,262	54,262	(4,262)	109%	109%
7108.41	HCMP - Lab. Serv. - PBHSP	-	11,524	-	-	11,524	45,656	45,656	3,580	89%	93%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	4,296	-	-	-	-	44,424	44,424	20,577	68%	68%
7109.3	Recharge & Well Monitoring - Engineering Serv.	1,721	-	3,000	3,000	3,000	14,973	14,973	8,345	26%	64%
7202.2	Comp Recharge - Engineering Services	11,379	5,810	6,000	6,000	6,000	94,004	94,004	67,012	45%	58%
7303	OBMP - Engineering Services - Desalters	-	-	790	790	790	2,370	2,370	7,110	0%	25%
7402	OBMP - Engineering Services - MZ1	10,571	18,605	16,876	17,058	16,772	136,564	136,564	(18,352)	73%	116%
7402.1	OBMP - Engineering Services - Northwest MZ1	11,819	12,385	23,400	24,400	111,271	347,862	347,862	14,242	52%	96%
7403	OBMP - Contract Services - MZ1	-	-	-	-	-	500	500	29,500	2%	2%
7502	OBMP - Engineering Services - WQC	-	1,788	2,500	4,000	6,000	23,504	23,504	19,936	25%	54%
7602	OBMP - Engineering Services - Storage	-	2,340	2,340	-	-	13,405	13,405	53,491	17%	20%
7625	IEUA - Storage Program - Addendum to OBMP P	19,805	759	-	-	-	22,501	11,250	(11,250)	n/a	n/a
Totals		\$ 228,411	\$ 337,714	\$ 222,197	\$ 231,775	\$ 326,703	\$ 2,982,493	\$ 2,700,799	\$ 366,630	72%	97%

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

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



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

December 2016:

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

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

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

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Billed Oct-16	Billed Nov-16	Billed Dec-16	Projected Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 76,132	\$ 80,675	\$ 55,603	\$ 65,834	\$ 34,589	\$ 32,474	\$ 60,371
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	26,993	27,727	31,932	30,000
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	8,185	7,918	9,000
6910.11	IEUA - As-Need Support for Obtaining Grant Funding of RMPU Projects	-	-	2,980	2,022	-	-	-	-	500
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	644	149	-	-	-	-	-
6910.14	IEUA - Truing-Up 2013 RMPU Recharge Estimates	-	-	-	48,210	17,017	15,520	4,312	-	-
6910.20	IEUA - MPI Analysis for RMPU	-	-	-	2,192	34,432	24,156	21,250	17,509	-
7103.3	GW Quality - Engineering Services	129,555	129,555	16,738	14,493	14,423	3,217	5,558	8,416	4,700
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,345	10,623	6,968	848	3,390	5,697	-
7104.3	GW Level - Engineering Services	192,667	192,667	8,788	23,979	10,748	7,503	16,170	8,484	18,085
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,767	455	122	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,890	1,440	4,269	2,525	3,334	11,893
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	69,245	69,245	-	-	-	-	-	-	43,077
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	229	-	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	-	-	3,564
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - PBHSP	276,664	288,936	-	30,350	20,176	25,000	5,153	6,351	59,300
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,981	6,966	4,429	5,833	19,081	5,550
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	11,304	-	-	11,304	-
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	-	-	8,000
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,080	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,889	7,199	3,298	10,324	6,356	760	10,368
7303	OBMP - Engineering Services - Dessalters	9,480	9,480	-	-	-	-	-	-	-
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,782	1,739	510	2,021	11,000
7402.1	OBMP - Engineering Services - Northwest MZ1	104,599	362,104	11,553	27,005	24,485	53,179	23,497	11,433	36,250
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,298	1,170	601	2,000
7602	OBMP - Engineering Services - Storage	68,896	68,896	-	1,579	5,374	1,518	-	-	30,000
Totals		\$ 2,740,862	\$ 3,067,429	\$ 169,413	\$ 320,927	\$ 289,387	\$ 267,504	\$ 168,979	\$ 167,436	\$ 362,690

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

Acct. #	Description	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 61,071	\$ 49,171	\$ 38,904	\$ 30,471	\$ 27,971	\$ 614,273	\$ 614,273	\$ 206,726	42%	75%
6906.1	OBMP - Watermaster Model Applications	20,000	-	-	-	-	173,716	173,716	2,744	70%	98%
6906.21	State of the Basin Report	20,000	25,000	30,000	25,000	24,230	149,333	149,333	(49,333)	16%	149%
6910.11	IEUA - As-Needed Support for Obtaining Grant Funding of RMPU Projects	-	-	-	-	-	5,502	2,751	(2,751)	n/a	n/a
6910.13	IEUA - GW Velocity Field - San Savaine Basin Improvement Project	-	-	-	-	-	792	396	(396)	n/a	n/a
6910.14	IEUA - Tuning-Up 2013 RMPU Recharge Estimates	-	-	-	-	-	85,059	42,530	(42,530)	n/a	n/a
6910.2	IEUA - MPI Analysis for RMPU	-	-	-	-	-	99,539	49,770	(49,770)	n/a	n/a
7103.3	GW Quality - Engineering Services	15,850	14,000	5,000	-	14,000	116,394	116,394	13,161	49%	90%
7103.5	GW Quality - Laboratory Services	826	-	-	-	-	29,688	29,688	9,517	74%	76%
7104.3	GW Level - Engineering Services	16,853	11,903	17,603	17,103	13,898	170,920	170,920	21,747	39%	89%
7104.8	GW Level - Contract Services	-	-	-	10,000	-	10,000	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	3,500	7,549	7,549	(549)	58%	108%
7107.2	Ground Level - Engineering Services	4,866	16,236	6,993	1,466	23,466	83,779	83,779	713	23%	99%
7107.3	Ground Level - SAR Imagery	-	56,000	-	-	-	85,000	85,000	-	14%	100%
7107.6	Ground Level - Contract Services	21,572	-	1,700	300	1,596	68,245	68,245	0	0%	100%
7107.8	Ground Level - Capital Equipment	-	-	1,000	-	-	1,229	1,229	2,271	7%	35%
7108.3	HCMP - Engineering Services	12,330	18,100	10,815	800	-	59,814	59,814	(2,207)	25%	104%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	21,936	3,145	71%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	45,100	35,400	23,200	15,100	16,527	283,658	283,658	5,278	30%	98%
7108.32	HCMP - Adaptive Management Plan	-	-	-	-	-	48,839	48,839	1,161	87%	98%
7108.41	HCMP - Lab. Serv. - PBHSP	-	12,304	-	-	12,304	47,216	47,216	2,000	46%	96%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	-	-	-	-	-	48,000	48,000	17,000	62%	74%
7109.3	Recharge & Well Monitoring - Engineering Serv.	3,000	-	-	9,000	3,000	19,252	19,252	4,067	18%	83%
7202.2	Comp Recharge - Engineering Services	17,555	15,055	15,055	17,555	15,055	136,470	136,470	24,546	28%	85%
7303	OBMP - Engineering Services - Desalters	1,000	1,000	1,000	1,000	1,000	5,000	5,000	4,480	0%	53%
7402	OBMP - Engineering Services - MZ1	18,600	23,000	7,750	12,558	19,100	142,490	142,490	(24,278)	43%	121%
7402.1	OBMP - Engineering Services - Northwest MZ1	28,731	26,750	65,390	17,000	17,591	342,863	342,863	19,241	42%	95%
7403	OBMP - Contract Services - MZ1	18,371	-	10,000	-	-	28,871	28,871	1,129	2%	96%
7502	OBMP - Engineering Services - WQC	3,620	3,620	3,620	3,620	3,620	28,848	28,848	14,592	20%	66%
7602	OBMP - Engineering Services - Storage	30,000	-	-	-	-	68,471	68,471	(1,575)	13%	102%
Totals		\$ 339,145	\$ 307,539	\$ 240,063	\$ 181,003	\$ 198,659	\$ 2,982,745	\$ 2,987,299	\$ 180,130	45%	97%

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

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

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

November 2016:

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

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

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

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

October 2016:

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

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

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

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

Acct #	Description	Original Budget	Revised Budget	Billed Jul-16	Billed Aug-16	Billed Sep-16	Projected Oct-16	Projected Nov-16	Projected Dec-16	Projected Jan-17
6906	OBMP Engineering	\$ 820,999	\$ 820,999	\$ 79,112	\$ 84,890	\$ 91,041	\$ 89,694	\$ 75,571	\$ 43,233	\$ 68,071
6906.1	OBMP - Watermaster Model Applications	176,460	176,460	2,359	23,757	10,948	27,000	14,050	14,050	14,050
6906.21	State of the Basin Report	100,000	100,000	-	-	-	-	12,000	8,000	20,000
7103.3	GW Quality - Engineering Services	129,555	129,555	16,738	14,493	14,423	2,871	4,350	9,500	10,803
7103.5	GW Quality - Laboratory Services	39,205	39,205	1,346	10,623	6,968	848	7,500	8,500	3,420
7104.3	GW Level - Engineering Services	192,667	192,667	8,768	23,979	10,748	7,555	19,185	16,385	18,785
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	GW Level - Capital Services	7,000	7,000	-	1,232	474	1,800	5	-	-
7107.2	Ground Level - Engineering Services	84,492	84,492	4,591	2,880	1,440	4,180	2,500	10,700	13,293
7107.3	Ground Level - SAR Imagery	85,000	85,000	-	-	-	12,000	-	-	17,000
7107.6	Ground Level - Contract Services	68,245	68,245	-	-	-	-	202	15,300	30,300
7107.8	Ground Level - Capital Equipment	3,500	3,500	-	-	-	-	-	2,000	-
7108.3	HCMP - Engineering Services	57,607	57,607	2,052	7,996	1,668	2,459	200	100	3,874
7108.4	HCMP - Lab Services	25,081	25,081	2,032	13,408	-	2,432	-	-	2,032
7108.31	HCMP - Eng. Serv. - PBHSP	276,864	288,936	-	30,350	20,176	24,700	23,550	45,056	41,755
7108.32	HCMP - Adaptive Management Plan	-	50,000	-	6,981	6,966	4,500	18,650	14,956	-
7108.41	HCMP - Lab. Serv. - PBHSP	49,216	49,216	-	-	11,304	-	-	12,304	-
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	65,000	65,000	-	-	40,000	-	6,600	-	-
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,318	23,318	-	2,171	-	-	2,700	-	-
7202.2	Comp Recharge - Engineering Services	161,016	161,016	17,889	7,199	3,288	9,898	12,208	12,208	16,114
7303	OBMP - Engineering Services - Desalters	9,480	9,480	-	-	-	250	1,150	1,150	1,150
7402	OBMP - Engineering Services - MZ1	111,212	118,212	10,405	14,026	21,782	1,600	9,600	9,600	600
7402.1	OBMP - Engineering Services - Northwest MZ1	104,589	352,104	11,553	27,005	24,485	53,303	44,000	40,750	40,250
7403	OBMP - Contract Services - MZ1	30,000	30,000	500	-	-	-	15,000	9,500	-
7502	OBMP - Engineering Services - WQC	43,440	43,440	1,405	-	1,274	4,500	3,520	3,520	3,520
7602	OBMP - Engineering Services - Storage	66,896	66,896	-	1,579	5,374	1,500	7,305	7,305	7,305
Totals		\$ 2,740,852	\$ 3,067,429	\$ 158,769	\$ 272,669	\$ 272,370	\$ 251,090	\$ 279,947	\$ 284,218	\$ 310,422



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

Acct #	Description	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 62,162	\$ 85,531	\$ 66,171	\$ 67,771	\$ 64,171	\$ 877,419	\$ (56,420)	31%	107%
6906.1	OBMP - Watermaster Model Applications	14,050	14,050	14,050	14,050	14,050	176,460	-	21%	100%
6906.21	State of the Basin Report	20,000	20,000	20,000	-	-	100,000	-	0%	100%
7103.3	GW Quality - Engineering Services	18,200	12,110	4,386	-	15,000	122,874	6,681	35%	95%
7103.5	GW Quality - Laboratory Services	-	-	-	-	-	39,205	-	48%	100%
7104.3	GW Level - Engineering Services	17,353	13,603	19,853	17,603	15,260	189,100	3,567	23%	98%
7104.8	GW Level - Contract Services	-	-	-	10,000	-	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	5,200	8,712	(1,712)	24%	124%
7107.2	Ground Level - Engineering Services	4,700	20,148	16,793	1,500	1,500	84,224	268	11%	100%
7107.3	Ground Level - SAR Imagery	-	56,000	-	-	-	85,000	-	0%	100%
7107.6	Ground Level - Contract Services	300	19,949	300	300	1,596	68,245	-	0%	100%
7107.8	Ground Level - Capital Equipment	-	1,000	-	-	-	3,000	500	0%	86%
7108.3	HCMP - Engineering Services	12,190	14,990	11,813	730	1,026	59,098	(1,491)	20%	103%
7108.4	HCMP - Lab Services	-	-	2,032	-	-	21,936	3,145	62%	87%
7108.31	HCMP - Eng. Serv. - PBHSP	31,030	30,086	12,713	13,441	14,602	287,459	1,477	17%	99%
7108.32	HCMP - Adaptive Management Plan	-	-	-	-	-	52,052	(2,052)	28%	104%
7108.41	HCMP - Lab. Serv. - PBHSP	-	12,304	-	-	12,304	48,216	1,000	23%	98%
7108.6	HCMP - Eng. Serv. - PBHSP - Outside Pro	-	-	-	-	-	46,600	18,400	62%	72%
7109.3	Recharge & Well Monitoring - Engineering Serv.	3,200	-	-	9,000	5,118	22,189	1,129	9%	95%
7202.2	Comp Recharge - Engineering Services	16,114	16,114	16,114	16,114	16,114	159,386	1,830	18%	99%
7303	OBMP - Engineering Services - Desalters	1,150	1,150	1,150	1,150	1,150	9,450	30	0%	100%
7402	OBMP - Engineering Services - MZ1	13,000	23,000	7,750	12,558	19,100	143,021	(24,809)	39%	121%
7402.1	OBMP - Engineering Services - Northwest MZ1	20,750	23,790	39,750	14,000	15,591	355,227	6,877	17%	98%
7403	OBMP - Contract Services - MZ1	-	-	5,000	-	-	30,000	-	2%	100%
7502	OBMP - Engineering Services - WQC	3,620	3,620	3,620	5,000	3,620	37,519	5,921	6%	86%
7602	OBMP - Engineering Services - Storage	7,305	7,305	7,305	7,305	7,305	66,896	(0)	10%	100%
Totals		\$ 246,124	\$ 374,760	\$ 250,800	\$ 190,622	\$ 212,708	\$ 3,103,288	\$ (35,859)	80%	101%

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

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July 2016:

The approved "Original" Engineering Services budget of \$2,740,852 was increased by "Carry Over" funding in the amount of \$326,577 to the "Amended" amount of \$3,067,429 for FY 2016/17 as provided in the Engineering Services Task Order. All of the "Carry Over" funding is for projects or activities that have bridged previous fiscal years and are expected to be completed in the FY 2016/17 timeframe or future years. The Carry-Over amount of \$326,577 from FY 2015/16 to the FY 2016/17 budget are provided in detail as follows:

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

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

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

The Prado Basin Habitat Sustainability Program came about as a result of the Peace II Agreement SEIR mitigation measure 4.4-3 and was adopted by IEUA's Board in October, 2010. The purpose of the mitigation measure is to ensure that the Prado Basin riparian habitat will not be impacted by Hydraulic Control. The basic program tasks are to convene a committee that will develop this adaptive management plan, to install necessary monitoring wells, to complete vegetation and aerial surveys, and to implement photo station monitoring. In terms of the financial aspects of this program, there is a cost sharing agreement, which was approved by the Watermaster Board in September, 2012 for a total budget of \$440,000. The cost sharing agreement between IEUA and Watermaster was increased from \$220,000 to \$300,000 effective August 22, 2013 with the approval of the Watermaster Board. The increase from \$220,000 to \$300,000 was to reflect a change in the consultant preparing the Adaptive Management Plan. On August 25, 2016, the cost sharing agreement between IEUA and Watermaster was increased from \$300,000 to \$385,000 (\$770,000 x 50% = \$385,000) with the approval of the Watermaster Board. A number of issues associated with the drilling of the monitoring wells (unavailable locations requiring negotiation of new easements, nesting season limitations, etc.), increased the cost of the construction of the 16 wells. The majority of the additional costs were due to extended construction management, additional easement fees, and environmental reporting for the pre- and during construction time period. The associated increase in cost was \$170,000, changing the total amount from \$600,000 to \$770,000.

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

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

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

OTHER INCOME AND EXPENSE

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

December 2016:

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

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

July 2016:

Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin with The Metropolitan Water District of Southern California, the FY 2016/17 annual administrative fee invoice was issued on July 31, 2016 in the amount of \$159,631.04 under invoice number DYY 16-01.

"CARRY OVER" FUNDING

BACKGROUND OF "CARRY OVER" FUNDING

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

CURRENT MONTH – MAY 2017

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

The following details are provided:

"Carried Over" Expenses At June 30, 2016

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

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

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

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

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

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

³ Finalization of the 2015 Annual Report of the Ground-Level Monitoring Committee

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

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

ANNUAL REPORTS:

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

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

CHINO HILLS ASR:

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

ENGINEERING SERVICES:

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

COMPLETED PROJECTS WITH FUNDING AVAILABLE:

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

ONGOING RECHARGE IMPROVEMENT PROJECTS:

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

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2017, any remaining balances of the FY 2016/17 and prior years funding (if any), along with any new FY 2016/17 expenses, will then be "Carried Over" into the FY 2017/18 budget.

AUDIT FIELD WORK

FY 2016/17:

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

FY 2015/16:

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

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

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

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

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

ASSESSMENT INVOICING

CURRENT MONTH – MAY 2017

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

December 2016:

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

November 2016:

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

October 2016:

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

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

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

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

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

September 2016:

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

No Assessment activity for the month to report.

ATTACHMENTS

1. Financial Report - B5

	1/12th (8.33%) of the Total Budget				11/12th (91.67%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2017				Year-To-Date as of May 31, 2017				Fiscal Year End as of June 30, 2017			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
Income												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	159,631.04	158,923.00	708.04	100.45%	159,631.04	158,923.00	708.04	100.45%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	10,059,406.05	10,027,660.00	31,746.05	100.32%	10,084,406.05	10,027,660.00	56,746.05	100.57%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	255,682.35	311,996.00	-56,313.65	81.95%	255,682.35	311,996.00	-56,313.65	81.95%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	48,707.52	14,918.00	33,789.52	326.5%	72,709.00	19,890.00	52,819.00	365.56%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Income	0.00	0.00	0.00	0.0%	10,523,426.96	10,513,497.00	9,929.96	100.09%	10,572,428.44	10,518,469.00	53,959.44	100.51%
Gross Profit	0.00	0.00	0.00	0.0%	10,523,426.96	10,513,497.00	9,929.96	100.09%	10,572,428.44	10,518,469.00	53,959.44	100.51%
Expense												
6010 · Admin. Salary/Benefit Costs	81,738.11	81,538.00	200.11	100.25%	879,465.75	889,518.00	-10,052.25	98.87%	967,118.16	971,056.00	-3,937.84	99.59%
6020 · Office Building Expense	8,254.21	1,767.00	6,487.21	467.13%	91,614.55	95,139.00	-3,524.45	96.3%	104,089.92	104,356.00	-266.08	99.75%
6030 · Office Supplies & Equip.	1,809.08	-2,580.00	4,389.08	-70.12%	20,308.05	22,620.00	-2,311.95	89.78%	24,838.40	25,040.00	-201.60	99.2%
6040 · Postage & Printing Costs	3,060.61	536.00	2,524.61	571.01%	49,053.34	53,066.00	-4,012.66	92.44%	58,605.78	58,852.00	-246.22	99.58%
6050 · Information Services	9,674.00	8,341.00	1,333.00	115.98%	128,117.85	129,751.00	-1,633.15	98.74%	139,003.16	140,092.00	-1,088.84	99.22%
6060 · Contract Services	0.00	29,500.00	-29,500.00	0.0%	56,256.94	60,451.50	-4,194.56	93.06%	60,415.49	60,451.50	-36.01	99.94%
6070 · Watermaster Legal Services	58,297.05	13,810.00	44,487.05	422.14%	324,964.39	261,903.00	63,061.39	124.08%	324,964.39	275,713.00	49,251.39	117.86%
6080 · Insurance	1,051.07	0.00	1,051.07	100.0%	27,304.29	31,962.00	-4,657.71	85.43%	28,753.22	31,962.00	-3,208.78	89.96%
6110 · Dues and Subscriptions	172.50	300.00	-127.50	57.5%	21,169.78	21,354.00	-184.22	99.14%	20,997.28	21,354.00	-356.72	98.33%
6140 · WM Admin Expenses	29.07	75.00	-45.93	38.76%	1,061.35	1,975.00	-913.65	53.74%	1,770.24	2,200.00	-429.76	80.47%
6150 · Field Supplies	19.15	100.00	-80.85	19.15%	1,016.03	1,450.00	-433.97	70.07%	1,289.64	1,450.00	-160.36	88.94%
6170 · Travel & Transportation	2,919.93	-3,325.00	6,244.93	-87.82%	16,040.48	18,165.00	-2,124.52	88.3%	18,957.84	19,870.00	-912.16	95.41%
6190 · Training, Conferences, Seminars	1,878.40	-5,450.00	7,328.40	-34.47%	21,636.15	25,050.00	-3,413.85	86.37%	27,968.52	28,100.00	-131.48	99.53%
6200 · Advisory Comm - WM Board	6,153.93	3,739.00	2,414.93	164.59%	33,829.54	39,080.00	-5,250.46	86.57%	38,813.90	42,819.00	-4,005.10	90.65%
6300 · Watermaster Board Expenses	17,552.25	12,969.00	4,583.25	135.34%	142,477.44	146,264.00	-3,786.56	97.41%	154,702.80	159,234.00	-4,531.20	97.15%
8300 · Appr PI-WM & Pool Admin	24,312.04	9,485.00	14,827.04	256.32%	124,548.02	126,281.00	-1,732.98	98.63%	128,925.26	135,765.00	-6,839.74	94.96%
8400 · Agri Pool-WM & Pool Admin	6,991.76	5,180.00	1,811.76	134.98%	45,421.72	53,996.00	-8,574.28	84.12%	53,999.62	59,176.00	-5,176.38	91.25%
8467 · Ag Legal & Technical Services	47,137.50	182,083.00	-134,945.50	25.89%	268,465.00	352,917.00	-84,452.00	76.07%	318,465.00	370,000.00	-51,535.00	86.07%
8470 · Ag Meeting Attend -Special	1,525.00	1,850.00	-325.00	82.43%	18,700.00	20,350.00	-1,650.00	91.89%	19,650.00	22,200.00	-2,550.00	88.51%
8471 · Ag Pool Expense	0.00	-65,000.00	65,000.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	545.98	400.00	145.98	136.5%	545.98	400.00	145.98	136.5%
8500 · Non-Ag PI-WM & Pool Admin	10,259.08	9,165.00	1,094.08	111.94%	88,224.24	97,987.00	-9,762.76	90.04%	102,512.78	107,152.00	-4,639.22	95.67%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-16,680.76	-31,542.00	14,861.24	52.88%	-171,381.63	-346,963.00	175,581.37	49.4%	-249,234.24	-378,505.00	129,270.76	65.85%
6900 · Optimum Basin Mgmt Plan	141,344.06	136,649.00	4,695.06	103.44%	1,533,190.44	1,542,403.00	-9,212.56	99.4%	1,641,936.16	1,679,053.00	-37,116.84	97.79%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9501 · G&A Expenses Allocated-OBMP	2,883.25	6,122.00	-3,238.75	47.1%	33,339.53	67,344.00	-34,004.47	49.51%	45,006.52	73,466.00	-28,459.48	61.26%
7101 · Production Monitoring	6,600.94	6,847.00	-246.06	96.41%	53,000.41	74,526.00	-21,525.59	71.12%	75,623.34	81,372.00	-5,748.66	92.94%
7102 · In-line Meter Installation	0.00	5,617.00	-5,617.00	0.0%	764.23	61,647.00	-60,882.77	1.24%	51,528.46	67,264.00	-15,735.54	76.61%
7103 · Grdwtr Quality Monitoring	5,243.38	18,664.00	-13,420.62	28.09%	175,722.00	243,733.00	-68,011.00	72.1%	262,161.36	262,397.00	-235.64	99.91%
7104 · Gdwtr Level Monitoring	13,633.85	21,582.00	-7,948.15	63.17%	188,705.41	236,833.00	-48,127.59	79.68%	244,426.50	258,416.00	-13,989.50	94.59%
7105 · Sur Wtr Qual Monitoring	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
7107 · Ground Level Monitoring	3,444.85	13,020.00	-9,575.15	26.46%	189,944.56	236,252.99	-46,308.43	80.4%	246,264.56	270,522.99	-24,258.43	91.03%

	1/12th (8.33%) of the Total Budget				11/12th (91.67%) of the Total Budget				100% of the Total Budget			
	For The Month of May 2017				Year-To-Date as of May 31, 2017				Fiscal Year End as of June 30, 2017			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	31,413.35	40,250.00	-8,836.65	78.05%	493,502.67	504,682.00	-11,179.33	97.79%	544,645.00	544,931.00	-286.00	99.95%
7109 · Recharge & Well Monitoring Prog	869.70	1,943.00	-1,073.30	44.76%	9,477.80	21,375.00	-11,897.20	44.34%	16,003.00	23,318.00	-7,315.00	68.63%
7200 · PE2- Comp Recharge Pgm	9,321.03	18,584.00	-9,262.97	50.16%	1,096,494.73	1,258,800.86	-162,306.13	87.11%	1,239,660.26	1,277,384.86	-37,724.60	97.05%
7300 · PE3&5-Water Supply/Desalite	132.06	2,684.00	-2,551.94	4.92%	407.89	29,288.00	-28,880.11	1.39%	15,157.20	31,972.00	-16,814.80	47.41%
7400 · PE4- Mgmt Plan	17,435.00	21,490.00	-4,055.00	81.13%	318,300.27	500,750.00	-182,449.73	63.57%	490,139.04	522,241.00	-32,101.96	93.85%
7500 · PE6&7-CoopEfforts/SaltMgmt	825.30	4,421.00	-3,595.70	18.67%	13,788.40	48,490.00	-34,701.60	28.44%	42,496.00	52,912.00	-10,416.00	80.31%
7600 · PE8&9-StorageMgmt/Conj Use	594.22	9,504.00	-8,909.78	6.25%	30,572.52	103,832.00	-73,259.48	29.44%	103,132.36	113,336.00	-10,203.64	91.0%
7690 · Recharge Improvement Debt Pymt	48,914.76	0.00	48,914.76	100.0%	1,100,385.19	5,525,944.10	-4,425,558.91	19.91%	4,009,734.86	5,525,944.10	-1,516,209.24	72.56%
7700 · Inactive Well Protection Prgm	0.00	42.00	-42.00	0.0%	0.00	458.00	-458.00	0.0%	250.00	500.00	-250.00	50.0%
9502 · G&A Expenses Allocated-Projects	13,797.51	25,420.00	-11,622.49	54.28%	138,042.10	279,619.00	-141,576.90	49.37%	204,227.72	305,039.00	-100,811.28	66.95%
Total Expense	562,607.24	585,380.00	-22,772.76	96.11%	7,564,477.41	12,838,694.45	-5,274,217.04	58.92%	11,579,545.48	13,348,806.45	-1,769,260.97	86.75%
Net Ordinary Income	-562,607.24	-585,380.00	22,772.76	96.11%	2,958,949.55	-2,325,197.45	5,284,147.00	-127.26%	-1,007,117.04	-2,830,337.45	1,823,220.41	35.58%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	959,063.76	0.00	959,063.76	100.0%	959,063.76	0.00	959,063.76	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	15,798.22	0.00	15,798.22	100.0%	15,798.22	0.00	15,798.22	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	7,758.72	0.00	7,758.72	100.0%	12,024.22	0.00	12,024.22	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	570,000.00	0.00	570,000.00	100.0%	570,000.00	0.00	570,000.00	100.0%
Total Other Income	0.00	0.00	0.00	0.0%	1,552,620.70	0.00	1,552,620.70	100.0%	1,556,886.20	0.00	1,556,886.20	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	2,479,480.40	0.00	2,479,480.40	100.0%	2,479,480.40	0.00	2,479,480.40	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	570,000.00	0.00	570,000.00	100.0%	570,000.00	0.00	570,000.00	100.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9251 · Other Post Employment Benefits	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	31,189.00	0.00	31,189.00	100.0%	31,189.00	0.00	31,189.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	3,509.00	0.00	3,509.00	100.0%	3,509.00	0.00	3,509.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	155,824.00	0.00	155,824.00	100.0%	155,824.00	0.00	155,824.00	100.0%
9999 · To/(From) Reserves	0.00	-100,000.00	100,000.00	0.0%	158,251.00	-200,000.00	358,251.00	-79.13%	158,251.00	-200,000.00	358,251.00	-79.13%
Total Other Expense	0.00	-100,000.00	100,000.00	0.0%	3,398,253.40	-200,000.00	3,598,253.40	-1,699.13%	3,398,253.40	-200,000.00	3,598,253.40	-1,699.13%
Net Other Income	0.00	100,000.00	-100,000.00	0.0%	-1,845,632.70	200,000.00	-2,045,632.70	-922.82%	-1,841,367.20	200,000.00	-2,041,367.20	-920.68%
Net Income	-562,607.24	-485,380.00	-77,227.24	115.91%	1,113,316.85	-2,125,197.45	3,238,514.30	-52.39%	-2,848,484.24	-2,630,337.45	-218,146.79	108.29%

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**C. 9W HALO WESTERN OPCO L.P. OVERLYING (NON-
AGRICULTURAL) 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: July 20, 2017
TO: Advisory Committee
SUBJECT: 9W Halo Western OpCo L.P. Request for Intervention into Overlying (Non-Agricultural) Pool (Consent Calendar Item I.C.)

SUMMARY

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

Recommendation: Approve and recommend Board approval of the filing of request for Intervention.

Financial Impact: None.

Future Consideration

Advisory Committee: July 20, 2017: Approve and recommend Watermaster recommend to Court

Watermaster Board: July 27, 2017: Recommend to Court

ACTIONS:

Appropriative Pool – July 13, 2017: Unanimously approved

Non-Agricultural Pool – July 13, 2017: Unanimously approved and directed Pool representatives to support at Advisory Committee and Watermaster Board meetings subject to changes they deem necessary.

Agricultural Pool – July 13, 2017: Unanimously approved

Advisory Committee – July 20, 2017:

Watermaster Board – July 27, 2017:

BACKGROUND

Angelica Corporation (aka Southern Service Company, Blue Seal Linen) is an original Overlying (Non-Agricultural) Pool party pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court No. RVCRS 51010 (formerly 164327), on January 27, 1978. It currently owns water rights consisting of 18.789 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool.

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

Angelica and 9W Halo Western have submitted Consolidated Forms 3, 4 & 5 (Application for Sale or Transfer of Right to Produce Water from Storage, Application or Amendment to Application to Recapture Water in Storage, and Application to Transfer Annual Production Right or Safe Yield – Attachment 2). The Application indicates that the quantity of Safe Yield rights to be permanently transferred from Angelica to 9W Halo Western is 18.789 acre-feet, effective in fiscal year 2017/2018.

DISCUSSION

Intervention Requests

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

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

Overlying (Non-Agricultural) Pool Membership

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

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

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

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

The request for Intervention was unanimously approved by all three Pool Committees at its July 13, 2017 meeting.

ATTACHMENTS

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

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July 6, 2017

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

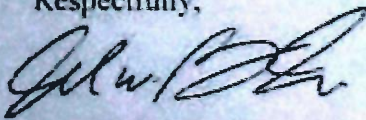
Request for Permanent Transfer of Safe Yield

Dear Mr. Kavounas,

This letter is to notify the Chino Basin Watermaster that Angelica Corporation is hereby requesting the permanent transfer to 9W Halo Western OpCo L.P. of 18,789 acre-feet of its groundwater production rights, adjudicated to Angelica Corporation or its predecessor-in-interest in the Restated Judgment rendered in the case of *Chino Basin Municipal Water District v. City of Chino, et al.* RCV 51010 (formerly Case No. SCV 164327). This transfer is contingent on 9W Halo Western OpCo L.P.'s successful intervention into the Overlying (Non-Agricultural) Pool.

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

Respectfully,



John Partridge
Vice-President Corporate Development & Treasurer

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

ATTACHMENT 2

FISCAL YEAR 2017 - 2018

DATE REQUESTED: July 6, 2017

AMOUNT REQUESTED: 18.789 Acre-Feet

SALES PRICE: \$ 0 / Acre-Foot

(Needed for Assessment Package)

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

Seller Buyer N/A

TRANSFER FROM (SELLER / TRANSFEROR):

Angelica Corporation

Name of Party

TRANSFER TO (BUYER / TRANSFEREE):

9W Halo Western OpCo L.P.

Name of Party

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

[Signature]
Seller / Transferor Representative Signature

John Partridge
Seller / Transferor Representative Name (Printed)

[Signature]
Buyer / Transferee Representative Signature

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.

**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

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

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

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain Transfer of 18.789 AF of Non-Agricultural Pool rights to purchaser of Angelica Corporation assets

WATER IS TO BE TRANSFERRED FROM:

- Annual Production Right (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

John Partridge
 Seller / Transferor Representative Signature
John Partridge
 Seller / Transferor Representative Name (Printed)

Jeffrey H Smith
 Buyer / Transferee Representative Signature
JEFFREY H SMITH
 AUTHORIZED SIGNATORY
 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

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

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July 6, 2017

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

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

Dear Mr. Kavounas,

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

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

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

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

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

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

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

Respectfully,

9W Halo Western OpCo L.P.

By:  _____

Name:

Title: JEFFREY M SMITH
AUTHORIZED SIGNATORY

Attachments

CHINO BASIN WATERMASTER

- I. CONSENT CALENDAR
- D. WATER TRANSACTIONS



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.D.1)

SUMMARY

Issue: Notice of Sale or Transfer – The purchase of 180,000 acre-feet of water from San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares.

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

Financial Impact: None

Future Consideration

Advisory Committee – July 20, 2017: Recommend to Watermaster Board to approve.

Watermaster Board – July 27, 2017: Approval (Upon Advisory Committee recommendation).

ACTIONS:

Appropriative Pool – June 8, 2017: Unanimously approved.

Non-Agricultural Pool – June 8, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

Agricultural Pool – June 8, 2017: Unanimously approved.

Advisory Committee – July 20, 2017:

Watermaster Board – July 28, 2017:

BACKGROUND

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

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

The date of this application is May 22, 2017. Notice of the transaction was electronically posted and mailed on May 31, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

The 85/15 rule does not apply for this water transaction because Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares.

This transaction was approved unanimously by all three Pool Committees at the June 8, 2017 meetings.

ATTACHMENTS

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

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2016 - 2017

DATE REQUESTED: May 22, 2017

AMOUNT REQUESTED: 180 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>San Antonio Water Company</u>	<u>Monte Vista Water District</u>
Name of Party	Name of Party
<u>139 N. Euclid Avenue</u>	<u>10575 Central Avenue</u>
Street Address	Street Address
<u>Upland</u> <u>CA</u> <u>91786</u>	<u>Montclair</u> <u>CA</u> <u>91763</u>
City State Zip Code	City State Zip Code
<u>(909) 982-4107</u>	<u>(909) 624-0035</u>
Telephone	Telephone
<u>(909) 920-3047</u>	<u>(909) 624-0037</u>
Facsimile	Facsimile

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

Is the Buyer an 85/15 Party? Yes No

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture _____ Projected Duration of Recapture _____

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

Pumping _____

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular production wells _____

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate concentrations range between 12-76 ppm as NO3 _____

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

415-678 _____

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

Mark Kinsey
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:

May 31, 2017

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

TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **May 22, 2017**

Date of this notice: **May 31, 2017**

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

- Notice of Sale or Transfer – The purchase of 180.000 acre-feet of water from San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares.

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

Appropriative Pool: June 8, 2017

Non-Agricultural Pool: June 8, 2017

Agricultural Pool: June 8, 2017

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

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

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

Watermaster address:

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

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.D.2)

SUMMARY

Issue: Notice of Sale or Transfer – The purchase of 162,000 acre-feet of water from San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares.

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

Financial Impact: None

Future Consideration

Advisory Committee – July 20, 2017: Recommend to Watermaster Board to approve.

Watermaster Board – July 27, 2017: Approval (Upon Advisory Committee recommendation).

ACTIONS:

Appropriative Pool – June 8, 2017: Unanimously approved.

Non-Agricultural Pool – June 8, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

Agricultural Pool – June 8, 2017: Unanimously approved.

Advisory Committee – July 20, 2017:

Watermaster Board – July 28, 2017:

BACKGROUND

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

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

The date of this application is May 22, 2017. Notice of the transaction was electronically posted and mailed on May 31, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

The 85/15 rule does not apply for this water transaction because the City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares.

This transaction was approved unanimously by all three Pool Committees at the June 8, 2017 meetings.

ATTACHMENTS

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

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2016 - 2017

DATE REQUESTED: May 22, 2017

AMOUNT REQUESTED: 162 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>San Antonio Water Company</u> Name of Party	<u>City of Ontario</u> Name of Party
<u>139 N. Euclid Avenue</u> Street Address	<u>1425 S. Bon View Avenue</u> Street Address
<u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code	<u>Ontario</u> <u>CA</u> <u>91761</u> City State Zip Code
<u>(909)982-4107</u> Telephone	<u>(909)395-2000</u> Telephone
<u>(909)620-3047</u> Facsimile	<u>(909)395-2601</u> Facsimile

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

Is the Buyer an 85/15 Party? Yes No

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Varies	June 1, 2017 to June 30, 2018
Projected Rate of Recapture	Projected Duration of Recapture

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

Recapture by Ontario will be accomplished by pumping 20 wells.

PLACE OF USE OF WATER TO BE RECAPTURED:

Management zones 2 & 3

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate's in pumped groundwater varies from less than 5 mg/L to 50 mg/L

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

Stitic Water levels vary from 270 feet bgs to 530 feet bgs.

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

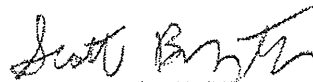
Yes No



Seller / Transferor Representative Signature

Charles Moorrees

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Scott Burton

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:

May 31, 2017

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

TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: May 22, 2017

Date of this notice: May 31, 2017

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

- Notice of Sale or Transfer – The purchase of 162,000 acre-feet of water from San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares.

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

Appropriative Pool: June 8, 2017

Non-Agricultural Pool: June 8, 2017

Agricultural Pool: June 8, 2017

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

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

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

Watermaster address:

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

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.D.3)

SUMMARY

Issue: Notice of Sale or Transfer – The purchase of 558,000 acre-feet of water from San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares.

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

Financial Impact: None

Future Consideration

Advisory Committee – July 20, 2017: Recommend to Watermaster Board to approve.

Watermaster Board – July 27, 2017: Approval (Upon Advisory Committee recommendation).

ACTIONS:

Appropriative Pool – June 8, 2017: Unanimously approved.

Non-Agricultural Pool – June 8, 2017: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

Agricultural Pool – June 8, 2017: Unanimously approved.

Advisory Committee – July 20, 2017:

Watermaster Board – July 28, 2017:

BACKGROUND

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

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

The date of this application is May 22, 2017. Notice of the transaction was electronically posted and mailed on May 31, 2017, along with the materials submitted by the requestors.

DISCUSSION

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

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

This transaction was approved unanimously by all three Pool Committees at the June 8, 2017 meetings.

ATTACHMENTS

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

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2016 - 2017

DATE REQUESTED: May 22, 2017

AMOUNT REQUESTED: 558 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):			TRANSFER TO (BUYER / TRANSFEREE):		
<u>San Antonio Water Company</u>			<u>City of Upland</u>		
Name of Party			Name of Party		
<u>139 N. Euclid Avenue</u>			<u>460 N. Euclid Avenue</u>		
Street Address			Street Address		
<u>Upland</u>	<u>CA</u>	<u>91786</u>	<u>Upland</u>	<u>CA</u>	<u>91786</u>
City	State	Zip Code	City	State	Zip Code
<u>(909)982-4107</u>			<u>(909)931-4100</u>		
Telephone			Telephone		
<u>(909)920-3047</u>			<u>(909)291-2974</u>		
Facsimile			Facsimile		

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

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

PLACE OF USE OF WATER TO BE RECAPTURED:

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate ~ 56 ppm & DBCP ~ 0.35 ppb

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

Static Water level ~ 556 to 610 feet bgs

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED


Yes No



Seller / Transferor Representative Signature

Charles Moorrees

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Rosemary Hoerning

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:

May 31, 2017

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

TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **May 22, 2017**

Date of this notice: **May 31, 2017**

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

- Notice of Sale or Transfer – The purchase of 558.000 acre-feet of water from San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company’s Annual Production Right / Operating Safe Yield first, then any additional from local supplemental storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares.

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

Appropriative Pool: June 8, 2017

Non-Agricultural Pool: June 8, 2017

Agricultural Pool: June 8, 2017

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: 2016 Annual Report of the Prado Basin Habitat Sustainability Committee (WY 2015/16)
(Business Item II.A.)

SUMMARY

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

Recommendation: Recommend to the Watermaster Board to receive and file.

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

Future Consideration

Advisory Committee: July 20, 2017: Recommend to the Board to receive and file
Watermaster Board: July 27, 2017: Receive and file

ACTIONS:

Appropriative Pool – July 13, 2017: No Action
Non-Agricultural Pool – July 13, 2017: No Action
Agricultural Pool – July 13, 2017: No Action
Advisory Committee – July 20, 2017:
Watermaster Board – July 27, 2017:

BACKGROUND

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

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

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

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

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

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

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

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

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

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

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

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

DISCUSSION

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

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

The Report's Main Findings and Recommendations:

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

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

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

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

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

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

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

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

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

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

The item was presented to the three Pools on July 13, 2017 with a brief presentation of the findings and conclusions. The three Pools supported the conclusions of the report and offered no further advice.

ATTACHMENTS

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

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 20, 2017
TO: Advisory Committee Members
SUBJECT: Resolution to Levy Desalter Replenishment Assessments for Fiscal Year 2013/2014
(Based on Production Year 2013/14) (Business Item II.B.)

SUMMARY

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

Recommendation: Recommend Board approval of Resolution 2017-05.

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

Future Consideration

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

Watermaster Board – July 27, 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)

BACKGROUND

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

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

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

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

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

Desalter Replenishment Obligation and other aspects of the approved Production Years 2014/15 and 2015/16 Assessment Packages need to be re-evaluated in light of the April 28, 2017 Court Order on Safe Yield Recalculation. When the re-evaluation is completed Watermaster will re-issue those Assessment Packages for approval, and will then proceed to assess for all obligations appropriately.

On May 11, 2017 the Appropriative Pool, the Overlying (Non-Agricultural) Pool and the Overlying (Agricultural) Pool were presented with the resolution to offer advice to Watermaster. The Appropriative Pool recommended a citation be added to the Resolution; and also requested through June 30, 2017 to gather more information about the distribution of the obligation to each party. The Overlying (Non-Agricultural) Pool offered no advice. The Overlying (Agricultural) Pool cautioned that the current contest of Appropriative Pool's Excess Carry Over Storage Agreement Applications might interfere with the possibility of using water in storage accounts for meeting Desalter Replenishment Obligation as mentioned in Resolution 2017-05.

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

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

DISCUSSION

The attached Resolution 2017-05 has been updated to incorporate a citation as suggested by the Appropriative Pool. 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.

Exhibit A to Resolution 2017-05 does not indicate the allocation of the entire replenishment obligation to the Appropriative Pool parties at this time; the allocation will be shown when the Appropriative Pool provides Watermaster with its Confidential Session motion in writing. The Watermaster Board will be asked to approve this Resolution at its July 27, 2017 regularly scheduled meeting.

ATTACHMENTS

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

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RESOLUTION 2017-05

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

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

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

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

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

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

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty (30) days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

THE FOREGOING RESOLUTION was

ADOPTED by the Watermaster Board on the 27th day of July 2017.

By: _____
Chair – Watermaster Board

ATTEST:

Secretary/Treasurer – Watermaster Board

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

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

AYES:

NOES:

ABSENT:

ABSTAIN:

DRAFT

CHINO BASIN WATERMASTER

Secretary

Date: _____

Exhibit "A"
Resolution 2017-05

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

1. APPROPRIATIVE POOL

a. Administration

1. Desalter Replenishment Obligation 27,940 AF¹²

DRAFT

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

² The individual breakdown by party is yet to be determined

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CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

E. INLAND EMPIRE UTILITIES AGENCY (WRITTEN)

1. MWD Water Supply Conditions
2. State and Federal Legislative Report
3. Community Outreach/Public Relations Report
4. IEUA Water Forum Newsletter



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

July 20, 2017

INLAND EMPIRE UTILITIES AGENCY REPORTS

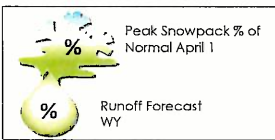
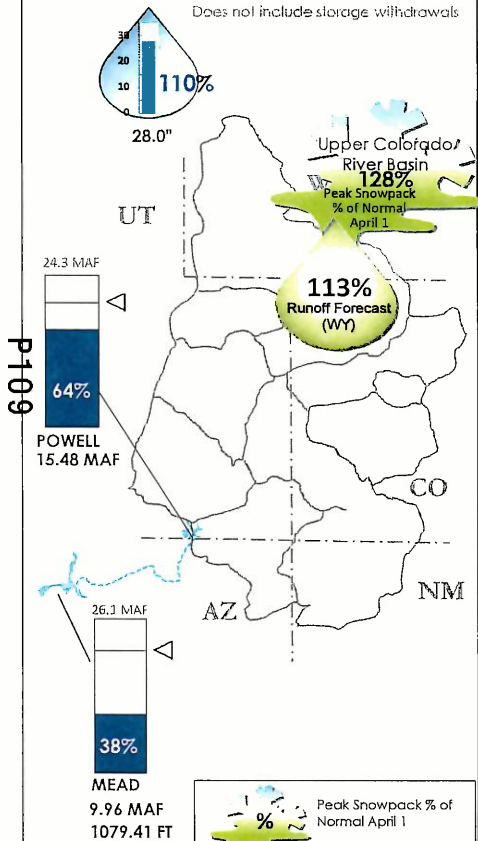
Written Items:

- Water Supply Conditions
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report
- IEUA Water Forum Newsletter

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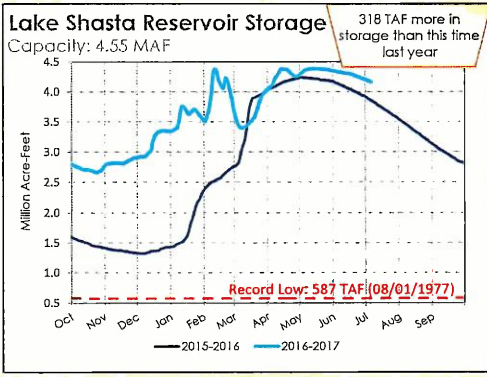
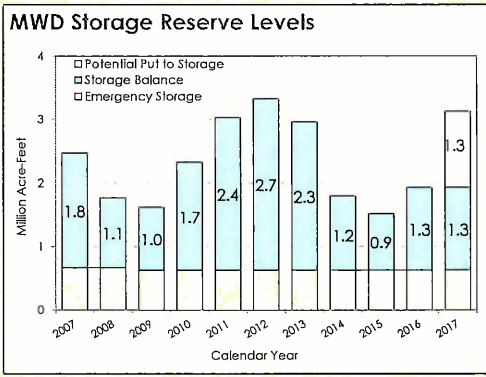
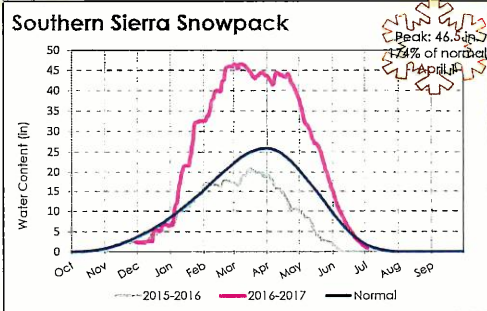
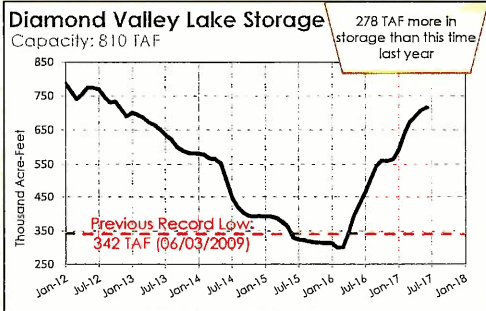
2017 Colorado River

931,000 AF
74% of full CRA
Does not include storage withdrawals



Highlights

- ◆ Diamond Valley continues to fill, and is at its highest level since February 2013.
- ◆ State Water Project has refilled its share of San Luis Reservoir. Castaic Lake is at capacity.



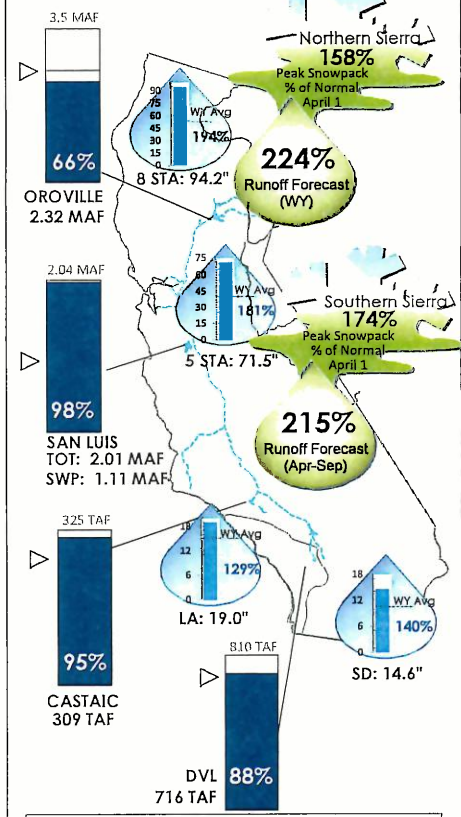
This report is produced by the Water Resource Management and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up-to-date water supply information. Reservoirs, lakes, aqueducts, canals, waterheds, and all other visual representations on this report are not drawn to scale.

<http://www.mwdh2o.com/WSCR>

This report is best printed double-sided on legal size paper (8.5" x 14") and folded in quarters.

2017 SWP Allocation

1,624,775 AF
85% of Table A



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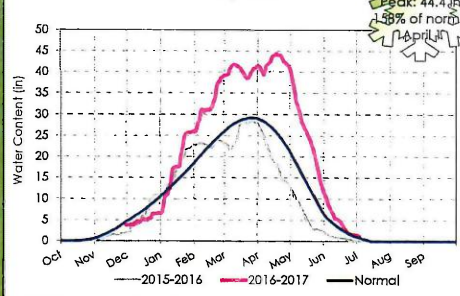
- WY Avg
- % Normal WY to Date
- Capacity
- Average EOM
- Current Storage (% Capacity)

Rainfall to Date (in)

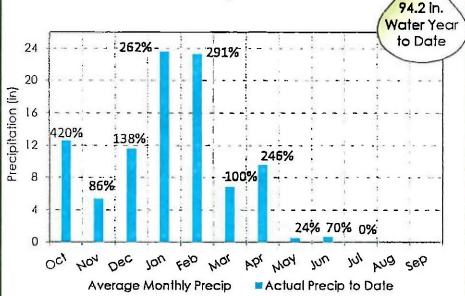
As of: 07/06/2017

State Water Project Resources

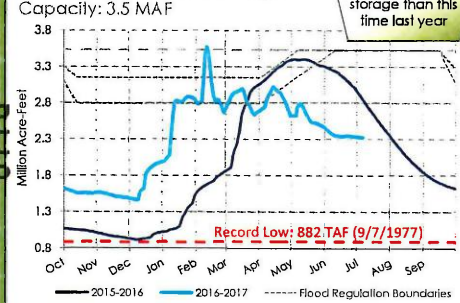
Northern Sierra Snowpack



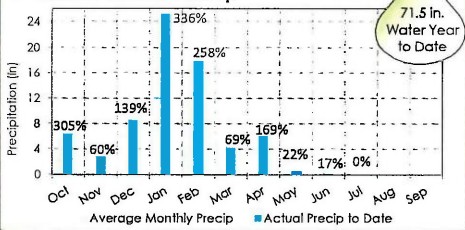
8 Station Index Precip



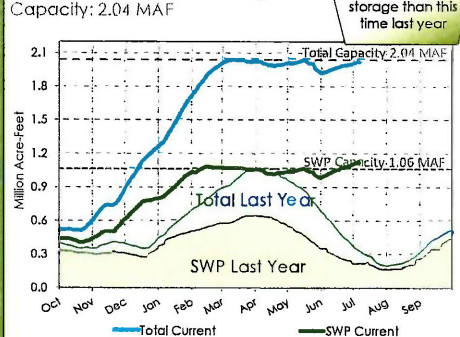
Oroville Reservoir Storage



5 Station Index Precip



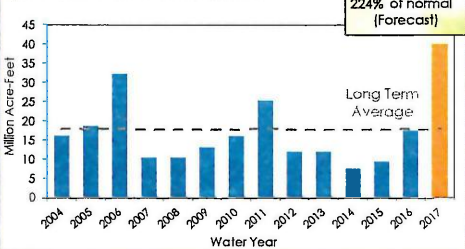
San Luis Reservoir Storage



Other SWP Contract Supplies for 2017 (AF)

Transfer/Exchanges	16,000
Article 21	124,000
Pool A/B (Purchased)	0
Carryover Supplies	200,000

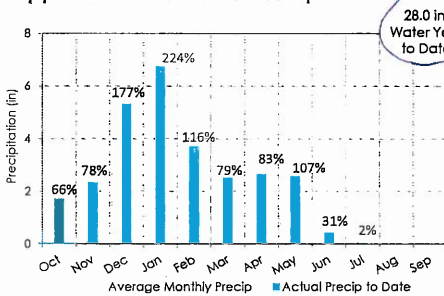
Sacramento River Runoff



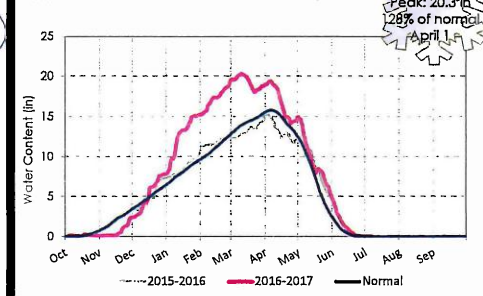
Colorado River Resources

As of: 07/06/2017

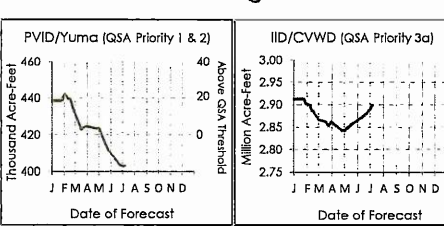
Upper Colorado Basin Precip



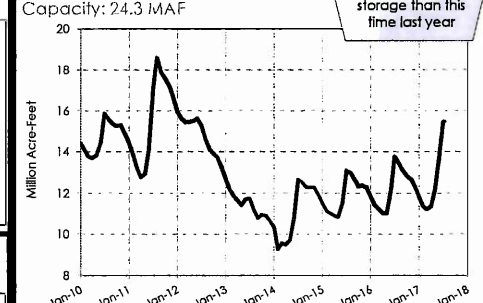
Upper Colorado Basin Snowpack



2017 Colorado River Ag Use



Lake Powell Storage

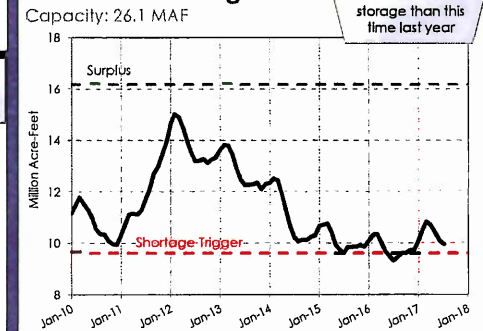


Lake Mead Shortage/Surplus Outlook

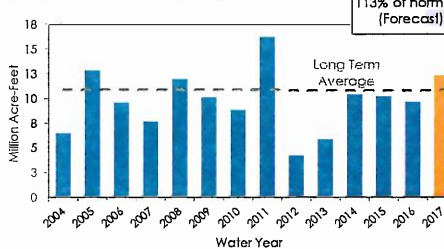
	2018	2019	2020	2021	2022
Shortage	N	31%	32%	34%	39%
Surplus	0%	5%	13%	18%	21%

Likelihood based on results from the April 2017 USBR MCOM/CRSS model run. Chance of shortage for 2018 is "N" - Negligible.

Lake Mead Storage



Powell Unregulated Inflow





CALIFORNIA STRATEGIES, LLC

Date: June 30, 2017
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: June Activity Report

California Strategies is pleased to provide consulting services to the Inland Empire Utilities Agency. In addition to our regular monthly meeting with the Senior Staff of the Agency, we continue to be available to members of the Senior Staff and Board Members throughout the year to deliver advice, answer questions or provide services consistent with the mission of IEUA. Here is our monthly activity report:

- As some senior staff were on leave this month, there was no regularly scheduled face to face meeting with agency senior staff. Calstrat principals were available and did communicate with various senior staff by phone throughout the month.
- Reviewed Chino Basin Water Bank work plan and discussed the benefits with various stakeholders not directly associated with the agency.
- Answered inquiries from IEUA Board members
- Reviewed and approved final meeting schedule for the remainder of the calendar year.
- Conducted research on a project as requested by IEUA senior staff.



June 30, 2017

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso

RE: June Legislative Report

Overview:

The Legislature passed and the Governor signed the 2017-2018 state budget. The \$183 billion budget did not contain any significant resources-related issues. While budget committee members worked hard on finalizing the budget, other members worked on fine-tuning their legislation in preparation for second house policy committee hearings. All bills that have a fiscal impact must be out of policy committee by July 14 and all non-fiscal bills must be out of policy committees by July 21. The legislature will adjourn for summer recess on July 21 and will return August 21 for the final four weeks of the 2017 Legislative Session

Establishing long-term water-use efficiency standards continues to be one of the hottest topics in Sacramento. Stakeholders have been working to reach a compromise among the water community, legislators and the Brown Administration.

Other hot legislative topics include extending the cap-and-trade program, establishing a clean drinking water fund to clean up contaminated groundwater basins and provide clean drinking water to all Californians, establishing a 100 percent Renewable Portfolio Standard, and revising Proposition 218 for stormwater financing and low-income rates.

A Public Policy Institute of California report titled “Building Drought Resilience in California’s Cities and Suburbs” found that California’s urban water suppliers were generally well prepared for the most recent drought due to investments in local supplies and programs.

In a crucial decision that moves the project closer to construction, two key federal agencies recently announced they have cleared the California Waterfix project under the U.S. Endangered Species Act, saying it will not imperil endangered species.

The Little Hoover Commission (LHC) held a roundtable discussion on special districts, hearing feedback on potential recommendations on special district governance, transparency, climate change and LAFCO authority.

Inland Empire Utilities Agency Status Report – June 2017

PPIC Report Finds CA Cities Were Well Prepared for Drought

A Public Policy Institute of California report titled “Building Drought Resilience in California’s Cities and Suburbs” found that California’s urban water suppliers were generally well prepared for the most recent drought due to investments in local supplies and programs.

The PPIC report discussed the interplay between state and local government mandates and policies during California’s recent drought. Specifically, the report highlighted that California’s urban water suppliers have become increasingly adept at drought management due to “investments in diverse supplies, cooperative efforts with neighbors, and programs to manage water demand.” Following the hard lessons learned from the 1976–77 and 1987–92 droughts, these utilities made substantial investments in drought resilience. This included diversifying supplies with new surface and underground storage, interconnections with neighboring suppliers, recycled wastewater, and water transfer agreements, as well as freeing up supplies by reducing indoor water use,” the report reads. “Consequently, urban water suppliers generally believed they were prepared as the state entered a five-year drought in 2012.”

The report noted that the state’s mandatory water conservation measures adopted in 2015 created a “disconnect between mandate levels and local conditions.”

The report also stated:

- Most water suppliers were prepared for extended drought without mandatory conservation;
- The mandated targets created compliance challenges for suppliers with high targets;
- The mandates intensified the financial impacts of the drought;
- Continued efforts should be made to improve local and regional water supply through regional integration, lower regulatory hurdles to water trading, and reduced uncertainty about state policies that would impact local supply investments; and
- Local suppliers need more proactive drought pricing.

WaterFix Gets Okay From Federal Agencies

In a crucial decision that moves the project closer to construction, two key federal agencies recently announced they have cleared the California Waterfix project under the U.S. Endangered Species Act, saying it will not imperil endangered species.

Specifically, officials with the U.S. Fish and Wildlife Service and the proposed National Marine Fisheries Service issued “non-jeopardy” biological opinions that state the two 35-mile tunnels beneath the Delta will not jeopardize threatened or endangered species, including Delta smelt and spring-run Chinook salmon.

The opinions, which officials say relied on the best available science, also found that WaterFix would reduce the problem of entrainment of fish in Delta pumps. WaterFix still must receive a

water right change approval from the State Water Resources Control Board, which has been holding hearings on the project for months. If the State Water Board signs off on the plan, construction could begin as early as 2018, officials said.

The project's Final Environmental Impact Report and Environmental Impact Statement, released in December 2016, include measures to avoid or minimize impacts that could arise from the proposed project.

A final operations plan for the project also must still be approved.

Once the EIR has been certified through completion of the California Environmental Quality Act process, the California Department of Fish and Wildlife will consider the impacts of the construction and operation of WaterFix under the California Endangered Species Act.

Both state and federal agencies' biological opinions will also be considered by permitting agencies, including the State Water Resources Control Board in its hearing now underway on a petition by DWR and the U.S. Bureau of Reclamation to allow for the change in points of diversion to add three new intakes on the Sacramento River as part of WaterFix.

Little Hoover Commission Roundtable on Special Districts

The Little Hoover Commission (LHC) held a roundtable discussion on special districts, hearing feedback on potential recommendations from stakeholders including IEUA CFO/AGM Christina Valencia who was invited by the LHC to participate.

With the list of potential recommendations into four sections titled, governance, transparency, climate change adaptation, and healthcare districts, the Commission spent the first hour of the two-hour meeting focused on governance and most of the second hour concentrated on transparency. The most significant discussion surrounded the funding of local agency formation commissions (LAFCO), protest thresholds related to LAFCO actions, and website requirements for special districts.

In regard to LAFCO funding, most participants spoke in support of one-time state funding for grants to support LAFCO efforts, but opposed diverting local property tax revenues away from essential local services to fund LAFCO. As far as protest thresholds, a number of participants spoke in support of studying the threshold levels, while opposing an arbitrary increase in the thresholds.

Overall, special district representatives provided a positive and constructive view of the services special districts deliver to millions of Californians in communities throughout the state. The LHC will consider the recommendations and issue a final report in late August or early September.

Legislative Update

June saw members working to polish bills that made it the second house, and start moving bills through committees. All bills that have a fiscal impact must be out of policy committee by July 14 and all non-fiscal bills must be out of policy committees by July 21. The legislature will adjourn for summer recess on July 21 and will return August 21 for the final three weeks of the 2017 Legislative Session.

Also in June, the Legislature passed and the Governor signed California's 2017-2018 \$183 billion budget. The budget did not contain any allocation of the Greenhouse Gas Reduction Fund (GGRF), or any other significant resources issues.

SB 100: 100 Percent RPS

Senate President Pro Tem Kevin de Leon (D-Los Angeles) introduced legislation to establish an accelerated Renewable Portfolio Standard (RPS) culminating in 100 percent clean power by 2045. The bill accelerates the current 50 percent requirement to 2026 and creates a new 60 percent renewable requirement by 2030.

The Investor Owned Utilities (IOUs) are concerned about the renewable electricity mandates and would prefer broader clean energy goals, with a focus on GHG emission reductions providing opportunities for the market to work in the most cost-effective manner, without compromising reliability.

The bill will be heard in the Assembly Utilities and Energy Committee on July 5.

Cap and Trade Reauthorization

While there is no bill currently moving through the legislative process to extend the state's cap-and-trade program, the Governor's office is working with stakeholders to reach a compromise to extend the program by a two-thirds majority vote.

The aim is to find a middle ground between business, agricultural and energy interests who are concerned about the rising cost of gas, energy, and allowances, and the environmental and environmental justice communities who wants to see direct emissions reduction of not only greenhouse gasses, but other criteria pollutants as well, especially in disadvantaged communities.

The Administration seems to be looking at a vote before the Legislature goes on summer recess on July 21.

Water Financing

Senator Bill Monning (D-Carmel) is pursuing legislation that would create a fund for clean drinking water. SB 623 (Monning), sponsored by the Community Water Center, creates the "Safe, Affordable Drinking Water Fund." Stakeholders representing agriculture and some urban water interests have been working with the proponents of the bill to reach a compromise. ACWA continues in fierce opposition to a public goods charge.

The main point of contention for the urban water suppliers is the proposal to add a \$1-2 per month charge on all residential meters to fund the operation and maintenance of failing water systems. The agricultural community is also working to reach consensus on provisions for a fertilizer tax that would help clean up contaminated groundwater basins.

The bill will not be in its final form before its July 11 hearing in the Assembly Environmental Safety and Toxic Materials Committee.

Water Use Efficiency Legislation

As previously reported the Brown Administration released a final report on “Making Conservation a Way of Life” in early April. Shortly after, the Governor released budget trailer bill language to establish a process for creating long-term water use efficiency standards. Many in the water community are concerned with the proposed legislation because it deviates from the final report in that it leaves broad authority for the SWRCB to develop the efficiency standards. There are several other aspects of the trailer bill that have caused the water community to be generally concerned.

The Governor’s office has been hosting meetings throughout the early summer to hear and address the concerns of the water community. They released a revised Trailer Bill in mid June, but indicated they will hold off calling for a vote so that members of an Assembly working group can see if they can attempt to develop an acceptable proposal to move through the legislative process.

The water community, under the leadership of the Association of California Water Agencies (ACWA) have developed their own legislation to establish short and long-term efficiency standards, with only the short-term urban water management plans bill still active.

Finally, Assemblymember Laura Friedman (D-Burbank), a former MWD director, introduced three bills that put the Governor’s original trailer bill language into policy bills that are being considered in the normal legislative process. Only two of her bills are currently moving.

Below is a summary of the bills still active:

AB 869 (Rubio) prohibits a retail water supplier from having to reduce recycled water use at any time. AB 869 is sponsored by several retail agencies in San Diego County. Passed to Senate.

AB 1654 (Rubio) is ACWA’s “short term” efficiency measures bill. This bill amends the Urban Water Management Plan Act and prohibits the State Water Resources Control Board from requiring conservation in a water shortage situation if an agency has identified drought proof supplies in their UWMP. Passed to Senate.

AB 1668 (Friedman) includes the Governor’s language on short-term water management planning. The bill creates a new drought response plan by making numerous changes to water supply planning and drought planning to incorporate climate change, enhance water supply

analysis, and strengthen the enforceability of urban water management plans (UWMP) and drought contingency planning. Passed to the Senate.

As the Assembly working group on water conservation continues to meet and work on their priorities, the ACWA workgroup has been meeting to revise their proposal based on the latest draft Trailer Bill. Whether the water community, Legislators and the Administration can all come together and support a policy bill remains to be seen. There is always the possibility of the Governor's office pushing the trailer bill at any point.

Proposition 218 Reform

Senator Bob Hertzberg has introduced two bills to address Proposition 218 reform. The bills pick up where the 2016 ACWA effort left off. SB 231 is sponsored by the California Water Foundation and addresses stormwater, specifically how to finance stormwater capture, cleanup and reuse in rates. The bill ran into a little trouble from many California cities worried that the bill might add onto the already onerous new MS4 permit requirements. The bill passed off the Senate floor with 23 votes, just two over the minimum needed. The bill is on the Assembly floor awaiting a final vote.

SCA 4, also by Senator Hertzberg is a constitutional amendment that would address lifeline and conservation rates. ACWA has agreed to sponsor SCA 4, and has been working out the final details about which article of the California Constitution to amend. The compromise position seems to be using article 17, an empty article of the constitution. Disagreement continues between the author's office and ACWA, with ACWA wanting complete transparency by referencing Article 13 and Prop 218. Hertzberg's office prefers the language to be vague, to help the bill gain votes by avoiding Proposition 218. Since the bill is a Constitutional Amendment, it is not subject to the typical legislative deadlines.

Recycled Water

The WateReuse bill (AB 574, Quirk) which would re-define specific categories of recycled water passed out of the Assembly and will now be considered by the Senate Environmental Quality Committee on July 5. If it passes it will then head to the Senate Natural Resources and Water Committee before the July 14 deadline.

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Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff, Kathy Besser

From: Letitia White, Jean Denton, Annie Wake

Date: July 1, 2017

Re: June Monthly Legislative Update

House Republicans Delays Fiscal 2018 Budget

House Republicans failed to reach agreement by the end of June on a budget resolution or on how to package the 12 annual appropriations bills needed to keep the government open in the fall. Disputes over how much to reduce entitlements such as food stamps, welfare and Medicaid prompted House Republicans to shelve multiple attempts to release their fiscal 2018 budget resolution.

House Budget Committee Chairman Diane Black (R-TN) has proposed including instructions in the budget that would put \$200 billion in mandatory cuts on a fast track through reconciliation procedures, insulated from a Senate filibuster. But, members of the conservative House Freedom Caucus (HFC), whose votes are needed to report the budget from committee, say \$200 billion isn't sufficient.

HFC Chairman Mark Meadows (R-NC) said he has put forward a list of \$295 billion in cuts over 10 years with which moderates would feel comfortable. Changes to welfare on top of that would get the budget to \$400 billion in reductions, he said. "There was never agreement on \$200 billion. That was an offer that was put out there," Representative Meadows stated.

The level of discretionary appropriations for fiscal 2018 isn't the holdup, as the conference has agreed to back \$511 billion as the top-line for non-defense spending, lower than the \$515 billion budget cap for fiscal 2018 and a cut from \$518.5 billion in the current fiscal year.

In response to the Republican agreement, Democrats have already signaled vigorously that any defense spending above the caps should be matched by comparable increases in domestic spending. That's what happened in the three stopgap budget agreements brokered by Republicans and Democrats since 2011.

"We need a budget agreement," senior appropriator Representative Ken Calvert (R-CA) said. "We need the administration -- we need the Senate, the House -- to come to a workable number that we can agree to, to get rid of the sequestration and the Budget Control Act and come up with realistic numbers, both on the discretionary side and the non-discretionary side."

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What's different this year is that the White House is proposing from the start that defense increases be paid for by non-defense reductions. Beyond the coming year, the Trump budget proposes a cumulative defense increase of \$463 billion through 2027 offset by \$1.5 trillion in domestic spending over the same period, according to the Congressional Research Service's review of White House budget documents.

Nevertheless, the House Appropriations Committee is working with those numbers as it ramps up its work, with three subcommittees (Military Construction and Veterans Affairs (Milcon-VA), Legislative Branch, and Defense) already out of full committee this month and another four subcommittees headed to full committee consideration when Congress returns in July.

House Armed Services Committee Chairman Mac Thornberry (R-TX) said he views his top-line for the National Defense Authorization Act as a done deal and marked up on June 28th. Chairman Thornberry said as part of the deal with the Budget Committee, defense levels would increase 5 percent per year for the rest of the decade.

Moderates such as Tuesday Group Chairman Charlie Dent (R-PA) are resisting the higher level of cuts. He argued that cutting mandatory spending by \$150 billion over 10 years is "an aggressive number" and would be hard for moderates to support such measure. Moreover, moderate Republicans are concerned that it will be too difficult to negotiate entitlement reform and tax reform simultaneously.

Budget Committee member Tom McClintock (R-CA) said he would like to see more entitlement cuts but is prepared to support the \$200 billion offered by the chairman.

HFC Chairman Meadows said he wants the conference to decide on the shape of tax overhaul, use of the debt ceiling increase and entitlement cuts all before voting on the budget. Ahead of time, alternatives need to be agreed on to the border adjustment tax, which is politically unfeasible, he said. Representative Meadows also announced that he could support linking entitlement cuts to the debt ceiling rather than tax legislation.

Despite on-going negotiations, Chairwoman Black determined to come to a budget agreement. According to the committee, they plan to keep budget reduction and tax reform discussions moving after the July 4th recess.

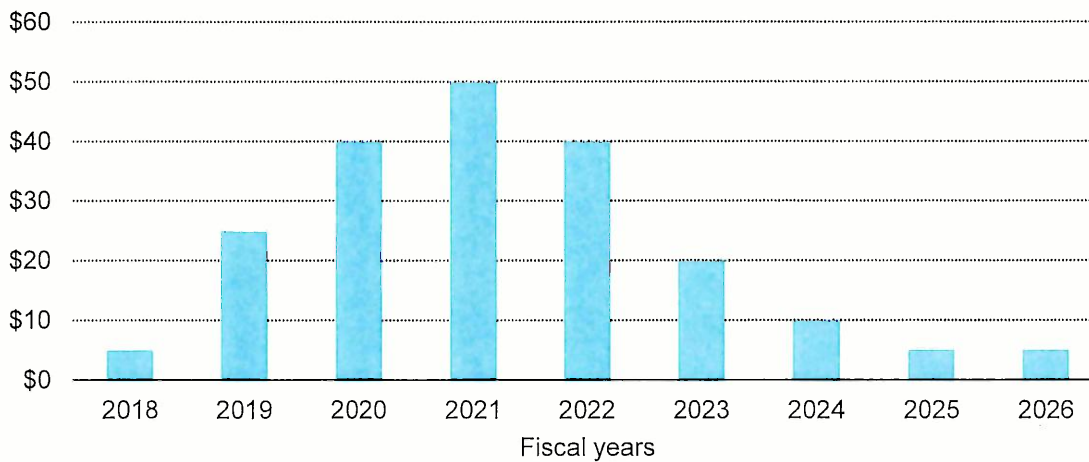
President Donald Trump Outlines Infrastructure Plan

President Donald Trump announced early in June an outline of his Infrastructure Plan to leverage \$1 trillion in investment in U.S. infrastructure, but he did not provide any new details of his plan. Trump's budget proposal for fiscal 2018 calls for \$200 billion in direct federal spending over the next 10 years to spur at least \$800 billion in spending by states, municipalities and private entities.

A table of proposed outlays for the Infrastructure Plan over the next 10 years:

Proposed Outlays for Infrastructure Plan

Dollars in billions



The White House has not detailed the source of the \$200 billion or the breakdown in spending but has announced that the plan focuses on accountability for federal tax dollars rather than substituting federal highway dollars for state dollars as was done in President Obama’s 2009 stimulus package. The plan also calls for spurring investment by reducing the time to secure needed regulatory approvals and permits from about 10 years to two years. The administration has said a full legislative package could be ready by the third quarter.

Per the White House, the federal funding in Trump’s plan would be divided into four categories:

1. A mixture of grants and loans to “transformative” projects, as seen with Trump’s proposal to place the U.S. air-traffic control system under a private, non-profit corporation.
2. Grants to rural areas to repair bridges, roads, and waterways.
3. Enhanced loan programs, with the Transportation Infrastructure Finance and Innovation Act, or TIFIA, as an example of how federal funds can be used with state, local, and private dollars to fund projects.
4. Incentive programs with grants to states and municipalities to create additional funding for infrastructure.

Additionally, on June 9th at the Transportation Department, the President called on federal agencies to streamline review processes and said his administration will penalize agencies that “consistently delay” projects by missing deadlines. Trump announced the creation of a council to help infrastructure project managers navigate the bureaucracy, in part by creating an online dashboard for project tracking.

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The President said his proposal will reduce redundancies and get the federal government out of the way to allow states and cities to move ahead with long-awaited projects.

In response to the President's infrastructure outline, Democrats, some Republicans and groups representing the nation's governors and mayors have said much more than \$200 billion in direct federal spending over 10 years is needed to meet the nation's needs -- and that relying on states, municipalities and the private sector won't get needed work done. Additional critics of President Trump's approach have raised concerns that rural areas would be forced to rely on tolls or fees to attract private investment, a plan critics also believe to be ineffective and inefficient.

Senate Releases Health Care Bill to Repeal and Replace the Affordable Care Act

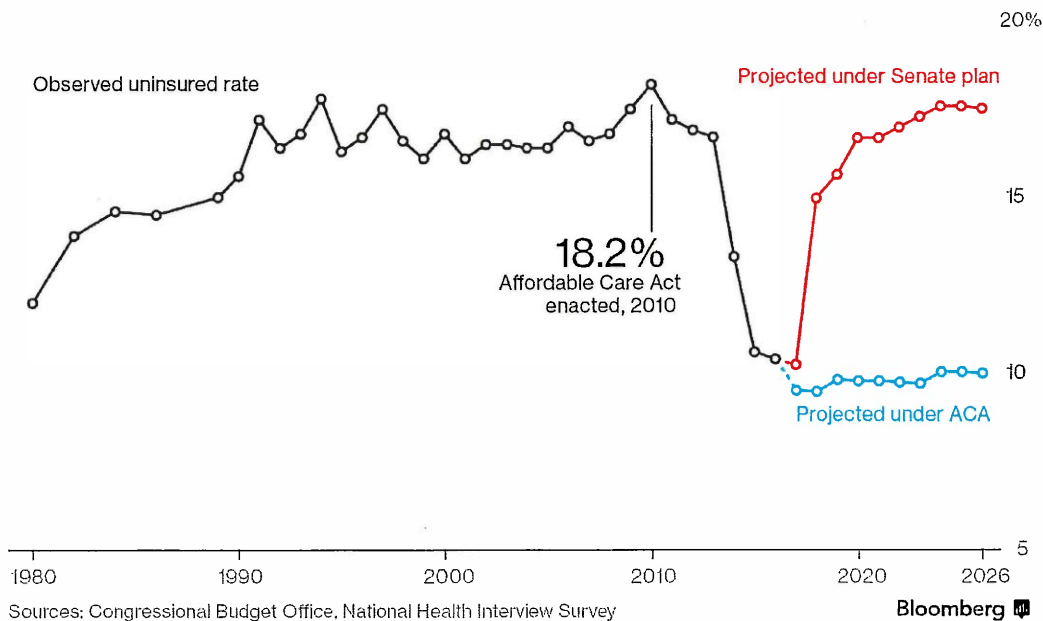
Senate Republicans' plan to replace Affordable Care Act, released in late June, is projected to increase the number of uninsured Americans by 22 million, raise costs for many people currently enrolled in private insurance and slash Medicaid by billions of dollars, according to an estimate by the Congressional Budget Office.

The Senate bill, called the Better Care Reconciliation Act, would reduce the deficit by \$321 billion over a decade, according to the Congressional Budget Office (CBO), which provides nonpartisan analysis of legislation. That compares with a bill that passed the House of Representatives in May, which CBO at the time projected would result in 23 million fewer people with insurance and cut the deficit by \$119 billion.

CBO's findings have heightened an already intense debate among Republicans, with Majority Leader Mitch McConnell having to win over 50 of his 52 Republican senators to pass the bill. Their efforts may be complicated not only by the CBO's projection that millions of people will lose insurance, but also by estimates that many Americans will face out-of-pocket costs and insurance premiums far higher than they are now.

The biggest increase in the uninsured would come from the bill's rollback of Medicaid, the state-federal program that covers the poor. The bill cuts spending on Medicaid by \$772 billion over a decade, which would result in 15 million fewer people enrolled in the program in 2026 than under current law. Another 7 million wouldn't have coverage in the individual insurance market.

Uninsured Rate Would Jump Under GOP Health Plan



The American Medical Association, the largest trade group for U.S. doctors, announced the last week of June that the proposal would make it harder for people to afford care, joining the American Hospital Association in opposing the bill. Notably, insurers’ reactions have been mixed -- America’s Health Insurance Plans, the industry’s Washington lobbying group, last week called the Medicaid cuts “too much, too fast.” One of its biggest members, Anthem Inc., said Monday that the bill would improve parts of the individual market for coverage.

Moreover, CBO estimated that the individual health insurance markets would be stable in most parts of the country under both the Senate Republican plan and under the Affordable Care Act. Under the Republican plan, though, insurers might withdraw from some rural parts of the country, because they’d have too few customers to operate profitably. “The reductions in subsidies would lead fewer people to decide to purchase insurance—and markets with few purchasers are less profitable for insurers,” CBO stated.

CBO also estimated that about half the population would be affected by the GOP plan’s extensive waivers, which let states change what coverage insurers are required to offer. While people in those states would still be able to buy insurance, coverage for certain conditions could become “extremely expensive” in some cases.

The scale of the Medicaid cuts and the increase in the number of people without insurance may give pause to moderate senators. A bloc of four conservatives has also opposed the proposal, but for different reasons: They said the bill doesn’t go far enough in undoing Obamacare.

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Under the Senate's budget rules, the legislation must save at least as much as the "on-budget" savings of \$133 billion in the House-passed bill. Not including changes to Social Security, which is technically off-budget, the Senate amendment would save \$331 billion. That would give McConnell \$198 billion to fund special provisions to Senators reluctant to support the bill, while keeping the bill within budget guidelines.

The Senate bill would reduce taxes on the wealthy, as well as on insurers, drug companies, device makers and tanning salons, paying for it with sharp cuts to the Medicaid program for the poor and with reductions to the subsidies that help middle-class people buy insurance on their own. The tax cuts are nearly identical to those proposed in the House's Affordable Care Act repeal bill. While there's reluctance among some Republicans, Senator Lindsey Graham (R-SC) said that it was important to try and move forward.

Environmental Protection Agency Starts Water Rule Repeal

The Environmental Protection Agency (EPA) Administrator Scott Pruitt June 27 initiated the repeal of an Obama Administration-era water jurisdiction regulation by issuing a proposal that would reinstate prior policies on what waters are subject to federal protections, the agency announced.

The proposed repeal, once in final form, will be the first step the Trump Administration takes in a two-step process to undo the 2015 Clean Water Rule, also known as the Waters of the U.S. rule (WOTUS). The second step, which Administrator Pruitt has said will be completed by as soon as the end of the year, will involve a rewrite of the 2015 regulation.

"We are taking significant action to return power to the states and provide regulatory certainty to our nation's farmers and businesses," Pruitt said in a June 27 news release announcing the proposal.

The Obama-era water rule is facing dozens of lawsuits from various business, agriculture and manufacturing groups, including Murray Energy Corp., who argued the federal government improperly expanded its regulatory reach over waters. Environmental groups also have challenged the rule to make it more protective than its current form. The significance of this first step (RIN:2040-AF74) is that it will take the 2015 Obama water rule off the books, rendering moot all outstanding federal legal challenges against the regulation, attorneys said.

President Trump has already ordered the EPA and the U.S. Army Corps of Engineers to craft the new jurisdiction rule with states, their co-regulators in implementing the Clean Water Act. States are eagerly looking forward to that and have encouraged the administration to share more than just an outline of its plans to rewrite the jurisdictional rule.

The undoing of the Obama-era water rule will involve the reinstatement of a 1986 jurisdiction rule and related guidance that the EPA said was in place "prior to the

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issuance of the Clean Water Rule and that is being implemented now under the U.S. Court of Appeals for the Sixth Circuit's stay of that rule.”

A Sixth Circuit panel issued a nationwide stay of the WOTUS rule in 2015 after determining that there was a good chance that groups challenging the rule would prevail. Reed Hopper, principal attorney with Pacific Legal Foundation's environmental law practice, stated that the proposed repeal of the Clean Water Rule would end that Sixth Circuit litigation. However, Hopper said it would not end proceedings before the U.S. Supreme Court, which has been asked to decide which federal court should hear challenges to a water jurisdiction rule.

H.R. 1654, Reclamation Water Storage Permits Bill Passed in House

Representative Tom McClintock's (R-CA) sponsored bill, the Reclamation Water Storage Permits Bill, H.R. 1654, passed in the House by a 233 to 180 vote. Representative McClintock said the bill would make it easier to build new reservoirs, which would help address water shortages in California and elsewhere.

Under the bill, water project sponsors could use an expedited permitting process in which the Bureau of Reclamation would be designated as the lead agency for coordinating the new review process. According to an April 24 markup memo from the Natural Resources Committee, the bill “codifies a ‘one-stop-shop’ permitting process to expedite construction of all new or expanded non-federal surface storage facilities.”

In the dissenting views section of the report from the Natural Resources Committee, nine Democrats wrote that the bill “would impose arbitrary deadlines for completing key environmental reviews for new water storage projects and create an ill-conceived new review process at odds with the existing review process established under key laws such as the National Environmental Policy Act (NEPA).”

In its consideration, the House Rules Committee recommended a structured rule for floor consideration that would make in order two amendments. The first amendment, passed by a voice vote, by Representative Doug LaMalfa (R-CA) would make state-led projects eligible for the expedited review process created under the bill. It would essentially align the bill with a similar process created under the most recent water project authorization law, Public Law 114-322. The second amendment, sponsored by Alan Lowenthal (D-CA) and failed with a 179 to 232 vote, would prevent projects that could harm commercial fisheries from using the expedited review process. A simple majority would be required to pass the bill.

House Passes H.R. 497, Santa Ana River Land Exchange

The Santa Ana River Land Exchange bill, co-sponsored by Representatives Paul Cook (R-CA) and Pete Aguilar (D-CA) was passed in the House by unanimous consent in a 424-0 vote on June 27th. Under H.R. 497, about 327 acres of federal land would be conveyed to the San Bernardino Valley Water Conservation District in California in exchange for 310 acres of local land.

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The bill would facilitate the implementation of a land use plan for about 4,900 acres agreed to by local stakeholders, according to a report on the bill from the House Natural Resources Committee.

The Bureau of Land Management (BLM) withdrew several parcels of land in the area from mineral development to support water conservation efforts. And, the exchange required under the measure would facilitate additional water conservation efforts under the agreement. It would also allow aggregate mining operations in the area to expand into conveyed parcels adjacent to existing operations, according to the report.

The expansion of local mining operations would lead to \$8.5 million in new infrastructure construction and \$36 million in increased annual payrolls, according to a the committee.

The bill wouldn't affect revenue or impose any intergovernmental or private-sector mandates, according to CBO, which said any costs incurred by the conservation district would be voluntary.

During the bill's discussion on the House Floor, Representative Cook noted, "This important legislation will complete the land swap at the center of the Santa Ana River Wash Plan. The Wash Plan will allow for the expansion of existing aggregate mining operations to support infrastructure, protect water recharge in the wash and manage critical habitat for threatened and endangered plants and animals. I'm grateful to Rep. Aguilar for co-sponsoring this bipartisan bill and thank my colleagues for passing the bill today."

Similarly, Representative Pete Aguilar (D-CA) stated that, "This bill is a smart, bipartisan plan that will help us support our local economy and protect the environment. It is a victory for all involved and I offer my complete support, and urge my colleagues to vote in favor of the Santa Ana River Wash Plan Land Exchange Act."

In the Senate, the Senate Energy and Natural Resources Committee hasn't acted on a companion measure, S. 357, introduced by Senator Dianne Feinstein (D-CA) on February 13.

Congressional Investigations on Russian Hacking

This month, Senators earnestly commenced investigating Russian hacking during the 2016 presidential election, as they have begun to press for more open discussion about Russian hacking of state election-board computers. Senator Mark Warner (D-VA), the ranking Democrat on the Senate Intelligence Committee, said he hopes that committee hearings will provide clarity about the extent of Kremlin-directed cyber intrusion.

Russian hackers reportedly infiltrated voting systems in 39 states. Numerous public reports of multiple states' election systems have emerged though only Arizona and Illinois are the only two states to acknowledge security compromises. The executive director of the Illinois board of elections and election officials from other states are set to testify before the Senate Intelligence committee. Despite such reports, Ranking-

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Member Warner said it's hard to make the voting systems safer without more information about how many state systems were hacked.

Russian interference in the 2016 presidential election is also the subject of a Justice Department investigation that's focused on possible collusion between Moscow and President Trump's presidential campaign. Senator Amy Klobuchar (D-MN), a member of the Senate Judiciary Committee, which oversees the agency, said the details of the hacking are "the real nub of this: which is a foreign power trying to influence our election."

On the House side, former Homeland Security Secretary Jeh Johnson testified before the House Intelligence Committee, in which he told lawmakers that the Russian government, "at the direction of Vladimir Putin himself, orchestrated cyberattacks on our Nation for the purpose of influencing our election — plain and simple." The House Intelligence Committee also interviewed Hillary Clinton's 2016 campaign chairman John Podesta in a closed session the last week of June.

Robert Mueller, who was appointed special counsel over the Russia probe following former FBI Director Comey's firing, plans to meet with Senate Judiciary Committee Chairman Chuck Grassley (R-IA) and Ranking Member Dianne Feinstein (D-CA) to discuss the parallel course of their investigations, according to Senator Richard Blumenthal (D-CT), who sits on the Judiciary panel.

Congressional Shooting

House Majority Whip Steve Scalise's (R-LA) condition continues to improve after being shot the morning of June 14 while practicing for the annual Congressional Baseball Game. A congressional staff member, two Capitol Police officers and a former congressional-staffer were also wounded in the early morning attack at the ballpark in Alexandria, Virginia. The gunman, identified as 66-year-old James T. Hodgkinson of Belleville, Illinois, died later from injuries sustained in a shootout with police.

Following the shooting, the House passed a resolution by voice vote the next day expressing "gratitude for the heroic actions" of police officers at the scene of the shooting and "hope for a speedy and full recovery for the injured." The House Republican baseball team had been practicing for weeks for the annual congressional baseball game against Democratic lawmakers' team. The congressional game has been one of Washington's greatest shows of bipartisanship and camaraderie since 1919 and was played as scheduled Thursday evening, June 15.

President Trump Withdraws U.S. From Paris Agreement

President Donald Trump withdrew the United States from the Paris Climate Accord, June 1st. By doing so, President Trump fulfilled a campaign promise citing a desire to either renegotiate the Paris accord, or join an entirely new transaction that would be "fair to the United States, its businesses, its workers, its taxpayers."

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The decision received harsh criticism from Democrats, including former President Barack Obama who stated that the Trump Administration “joins a small handful of nations that reject the future.” President Trump also faced criticism from a number of state leaders, including the governors of New York, California and Washington, who formed a coalition “to fight global warming,” called the United States Climate Alliance.

While most opponents of the President’s decision came from Democrats, at least three Republican Senators did not support the decision, including Senator Lindsay Graham (R-SC) who lamented the vacuum of U.S. Leadership on the issue on the global scale. Secretary of State Rex Tillerson also expressed concern that the withdrawing could damage relationships with key allies.

German Chancellor Angela Merkel told Trump at a summit last month that the retreat would signal a U.S. willingness to let less benign powers, like China, step up on the international stage. Shortly after the President’s decision was announced Chinese President Xi Jinping had sought to capitalize on the public-relations opportunities afforded by Trump’s “America First” doctrine -- helping mask China’s habit of flouting the international order when the rules don’t suit its goals.

Supporters of the decision argued that the agreement was unenforceable and would hurt the American economy and cost jobs, while allowing other countries to continue to skirt the rules. Environmental Protection Agency Administrator Scott Pruitt said that “It’s a bad deal for America. It was an America second, third, or fourth kind of approach.”

After pulling out of the deal, President Trump continued to express a desire to protect the environment, but not at the cost of hurting American workers. “We’re going to have the cleanest air, we’re going to have the cleanest water, we’re going to be environmentally friendly, but we’re not going to put our businesses out of work,” Trump said during a press conference.

Date: July 19, 2017

To: The Honorable Board of Directors

From: P. Joseph Grindstaff
General Manager

Submitted by: Kathy Besser
Executive Manager of External Affairs and Policy Development / Assistant
General Manager

Subject: Public Outreach and Communication

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

July (Smart Irrigation Month)

- July 12, IEUA Blood Drive, HQB (Mobile), 8:00 a.m. – 1:00 p.m.
- July 19, Employee Appreciation Picnic, HQ Picnic Area (Behind HQA), 11:30 a.m. – 3:00 p.m.

September

- September 6, Rolling Ridge Garden in Every School® Dedication, 13677 Calle San Marcos, Chino Hills, Time TBD
- September 20, Chino Day at the LA County Fair, Pomona Fairplex (1101 W. McKinley Avenue, Pomona), 9:00 a.m. – 1:00 p.m.

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA is working with Civic Publications to update the KickWaterWaste.com micro-site.
- IEUA worked with Civic Publications to distribute an email blast to approximately 253,800 IP addresses within IEUA's service area. The email provided a direct link to the Agency's Annual Report. Staff received the initial analytics and the email provided successful outreach results: 26.3% open rate (average open rate from an unknown source is 8%) and 33% click-thru rate (average click-thru rate is 2-3%).
- IEUA published a water awareness spadea in the *Daily Bulletin* focusing on the Agency's *Kick the Habit* campaign and sustainability tips on Sunday, June 25.

Media and Outreach

- IEUA is working with *Fontana Herald News*, *La Opinion* and *Champion Newspapers* to confirm ad scheduling for the new fiscal year.
- In June, 35 posts were published to the IEUA Facebook page and 44 tweets were sent on the @IEUAwater Twitter handle.
- The top three Facebook posts, based on reach and engagement, in the month of June were:
 - 6/7: Water is Life Student Art – 1st Grade Student from Liberty Elementary School in Ontario
 - 6/8: 2017-18 Field Trip Scheduling Now Available
 - 6/14: Water is Life Student Art – 7th Grade Student from Townsend Junior High School in Chino Hills
- The top three tweets, based on reach and engagement, in the month of June were:
 - 6/3: #NationalTrailsDay – Highlight the Chino Creek Wetlands
 - 6/6: #TipTuesday – Prioritize Your Landscape
 - 6/7: Water is Life Student Art – 1st Grade Student from Liberty Elementary School in Ontario
- As part of “Smart Irrigation Month,” IEUA has been sharing water efficient irrigation tips, resources and rebate information on the IEUA Facebook page and Twitter handle.
- Staff conducted AWS retailer audits on June 2 and June 6 in Chino, Chino Hills, Upland, Ontario, and Montclair. Two Costco locations sell salt and non-salt units. 19 stores no longer sell AWS units.

Education and Outreach Updates

- Staff has begun school site inspections for the qualifying 2017/2018 Garden in Every School® Mini-Grant participants. Staff will be visiting 12 schools with existing water-wise gardens. After site inspections take place and recommendations are made, schools will receive \$1,000 to fund garden materials.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2017/18 Administrative Service Fund, External Affairs Services budget. The Garden in Every School® program expenses are budgeted in the Water Resources Fund.

IEUA WATER FORUM

JULY-AUGUST 2017



Salinity

IEUA, Chino Basin Watermaster, and Wildermuth Environmental, Inc. are working with the Regional Water Quality Control Board (RWQCB) to address increases in salinity levels.

- The team is in the initial stages of a Basin Plan amendment to propose longer term averaging for Total Dissolved Solids (TDS) in IEUA's NPDES permit.
- The effort will include updating the groundwater model and anti-degradation analysis.
- RWQCB concurred with the proposed objectives and scope, and are supportive of the effort.
- A comprehensive plan will be developed to pursue a Basin Plan amendment by early 2019.

Santa Ana River Upper Habitat

- In June 2017, San Bernardino Valley Municipal Water District presented scenarios focusing on projects in Rialto and San Bernardino that would reduce flows to the Santa Ana River. These scenarios included a range of recycled water, State Water Project purchases, and well discharges along the river to maintain 36 cubic feet per second (cfs) requirement.
- Additional scenarios will be run, including a scenario where lower dischargers purchase ~4 cfs from upstream dischargers to offset Santa Ana River discharge obligations. At a cost of between \$118 to \$250, this could be a way to increase recycled water available for groundwater recharge in the long term.

SARCCUP

The Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) is being implemented by the five member agencies of SAWPA with \$55M in grant funding from California Department of Water Resources (DWR). Total cost for SARCCUP is \$100M with SAWPA member agencies each adding \$9M in matching funds. Project summary:

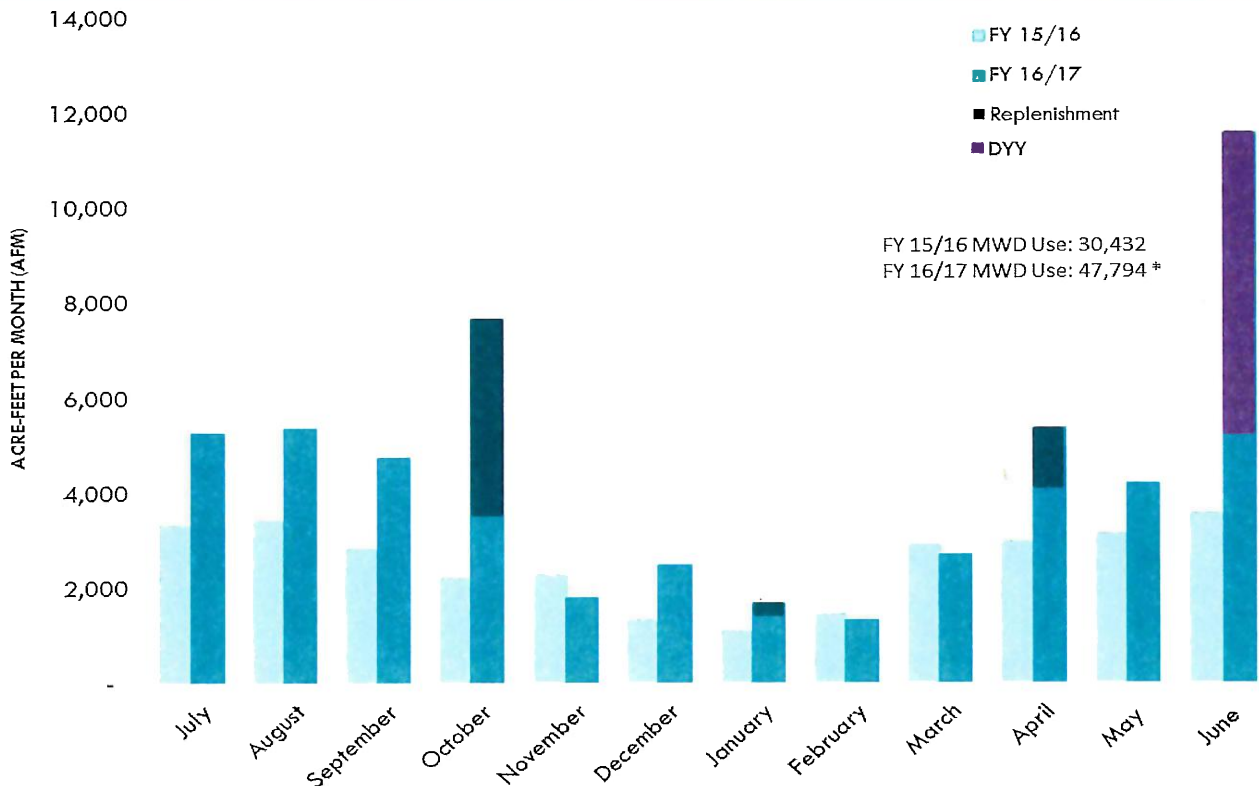
- Decision Support Model (DSM) is performing additional evaluations to identify recommended projects. The Baseline Feeder pipeline is still being considered for SARCCUP.
- The Program Environmental Impact Report (PEIR) is on hold pending the additional DSM modeling efforts.
- DSM analysis is expected to be completed by August 2017.

WUE Programs Snapshot

- The Water Saving Garden Friendly Consortium of Water Agencies are currently working on the development of a new online landscape design resource that will be made available for public access in the fall.
- The California Water Efficiency Partnership (CalWEP), formerly known as the California Urban Water Conservation Council, successfully hosted their annual Peer-to-Peer Conference in San Diego from May 31st to June 1st with over 150 attendees participating. IEUA and its retail member agencies are all members of CalWEP, and membership is paid through IEUA's Regional Water Use Efficiency Programs budget.
- IEUA, in partnership with Three Valleys MWD and the Rainbird Corporation, will host a Drip Irrigation Workshop on September 23, 2017 at Chino Basin Water Conservation District. The workshop will provide hands-on training by an irrigation expert on how to properly install drip irrigation, and each qualifying participant will receive a free Drip Kit.



MWD Water Use



* Includes Replenishment and DYY

MWD Dashboard

- The 2018 Readiness-to-Serve charge was revised due to adjustments made in MWD sales. Net impact to IEUA is a reduction of ~\$2,500.
- MWD Board approved design and construction contracts for the regional RW plant under a joint partnership with LACSD. This work will construct a 0.5MGD demonstration plant.
- MWD is releasing a series of technical papers for the Cal WaterFix. Related materials are on Agency portal.
- Dry Year Yield Program: On June 1, 2017 MWD issued a request to store water under the DYY agreement. For FY2016-17, a total of 6,318.7 AF was delivered. MWD is anticipating up to 25,000 AF in FY2017-18.

Calendar of Upcoming Meetings & Events

July 19, 2017	IEUA Board Meeting
July 27, 2017	SAWPA PA 22 Meeting
August 1, 2017	SAWPA PA 23 Meeting
August 15, 2017	IEUA Bi-Monthly WUE Workgroup Meeting
August 16, 2017	IEUA Board Meeting
August 23, 2017	Water Managers Meeting
September 23, 2017	Drip Irrigation Workshop

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for June 2017

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

P133

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

F134

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

P 155

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						250.00
Bill Pmt -Check	06/12/2017	20170	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20171	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/02/2017	5/02 Budget Wkshp		5/02/17 Budget Workshop	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20172	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8411 · Compensation	25.00
				5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/12/2017	20173	PETTY CASH	2648-2666	1012 · Bank of America Gen'l Ckg	
Bill	06/05/2017	2648-2666		Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	155.06
				Mileage reimbursements	6173 · Airfare/Mileage	165.24
				AT lunch mtg. w/IEUA	8312 · Meeting Expenses	25.12
TOTAL						345.42
Bill Pmt -Check	06/12/2017	20174	PIERSON, JEFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/03/2017	5/03 Special Ag Mtg		5/03/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/16/2017	5/16 Special Ag Mtg		5/16/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/18/2017	5/18 Advisory Comm		5/18/17 Advisory Committee Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	05/18/2017	5/18 RIPCom Mtg		5/18/17 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/23/2017	5/23 Special Ag Mtg		5/23/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						875.00
Bill Pmt -Check	06/12/2017	20175	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	06/05/2017	1394905143		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	3,590.95
TOTAL						3,590.95
Bill Pmt -Check	06/12/2017	20176	RR FRANCHISING, INC.	40048	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2017	40048		Monthly service for June 2017	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	06/12/2017	20177	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	

P 196

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

P137

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

TOTAL
P 138

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/21/2017	20183	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	06/15/2017	1394905143		1394905143	60182.1 - Medical Insurance	8,172.69
TOTAL						8,172.69
Bill Pmt -Check	06/21/2017	20184	COMPUTER NETWORK	102549	1012 - Bank of America Gen'l Ckg	
Bill	06/06/2017	102549		Install CPU Heat Sink and SSD - CFO	6055 - Computer Hardware	250.00
TOTAL						250.00
Bill Pmt -Check	06/21/2017	20185	CUCAMONGA VALLEY WATER DISTRICT		1012 - Bank of America Gen'l Ckg	
Bill	06/15/2017			Office lease due July 1, 2017	1422 - Prepaid Rent	6,447.61
TOTAL						6,447.61
Bill Pmt -Check	06/21/2017	20186	DE HAAN, HENRY	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/11/2017	5/11 Ag Pool Mtg		5/11/17 Ag Pool Meeting	8411 - Compensation	25.00
				5/11/17 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
P139						
Bill Pmt -Check	06/21/2017	20187	EGOSCUE LAW GROUP	11617	1012 - Bank of America Gen'l Ckg	
Bill	05/31/2017	11617		Ag Pool Legal Services - May 2017	8467 - Ag Legal & Technical Services	47,137.50
TOTAL						47,137.50
Bill Pmt -Check	06/21/2017	20188	INLAND EMPIRE UTILITIES AGENCY	1800003200	1012 - Bank of America Gen'l Ckg	
Bill	06/06/2017	1800003200		RMPU Yield Enhancement Projects Invoice #4	7690.15 - RMPU Amend. Yield (TO #1)	288,115.36
TOTAL						288,115.36
Bill Pmt -Check	06/21/2017	20189	KUHN, BOB	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	05/15/2017	5/15 Admin Mtg		5/15/17 Admin. meeting w/PK, check signature	6311 - Board Member Compensation	125.00
Bill	05/18/2017	5/18 Advisory Comm		5/18/17 Advisory Committee meeting	6311 - Board Member Compensation	125.00
Bill	05/23/2017	5/23 Exec Comm Call		5/23/17 Executive Committee conference call	6311 - Board Member Compensation	125.00
Bill	05/24/2017	5/24 Gen Mgr Review		5/24/17 General Manager review conference call	6311 - Board Member Compensation	125.00
Bill	05/25/2017	5/25 Board Mtg		5/25/17 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	06/21/2017	20190	MINDSHIFT	0247329	1012 - Bank of America Gen'l Ckg	
Bill	06/01/2017	0247329		IT Managed Services	6052.4 - mindSHIFT-Managed Services	3,770.00
				Backup & Recovery	6052.5 - mindSHIFT-Data Backup/Storage	792.00
TOTAL						4,562.00
Bill Pmt -Check	06/21/2017	20191	PAYCHEX	2017060100	1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2017

For Informational Purposes Only

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

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CHINO BASIN WATERMASTER

IV. INFORMATION

2. Ground-Level Monitoring Status Report (Quarterly)

Quarterly Status Report

Ground-Level Monitoring Committee

April – June 2017

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

Background

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

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

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

The SMP also calls for:

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

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

The main activities of the GLMP include:

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

The main results and conclusions of the GLMP have been:

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



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

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

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

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

Activities Performed from April - June 2017

Setup and Maintenance of Monitoring Facilities

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

Northwest MZ-1 Area Investigation:

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

Monitoring and Testing

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



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

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

Data Analysis and Reporting

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

Northwest MZ-1 Area Investigation:

- Prepared the draft response to comments on the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area*. The response to comments is currently under internal review.
- Prepared the draft technical memorandum: *Development and Characterization of the Baseline Management Alternative and Initial Subsidence-Management Alternative for the Northwest MZ-1 Area*. The technical memorandum is currently under internal review.
- Prepared the final technical specifications: *Detailed Technical Specifications for the Drilling and Construction of Two Dual-Nested Piezometers for the Pomona Extensometer Facility*. The technical specifications will be incorporated in the Pomona Extensometer Piezometers construction bid package at the completion of CEQA.

Meetings of the Ground-Level Monitoring Committee

One GLMC meeting was conducted during the reporting period:

A GLMC meeting was conducted on April 11, 2017. The meeting agenda included the following items:

- Draft technical specifications for the Pomona Extensometer Facility piezometers.
- Recommended scope and budget of the GLMC for FY 2017-18 (Version No. 2).

Activities Planned for July – September 2017



Quarterly Status Report

Ground-Level Monitoring Committee

April - June 2017

Setup and Maintenance of Monitoring Facilities

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

Monitoring and Testing

- Perform quarterly collection, checking, and storing of piezometric and aquifer-system deformation data from the wells and extensometers shown on Figure 1.
- Collect InSAR data across the western Chino Basin from the German Aerospace Center's TerraSAR-X satellite.

Northwest MZ-1 Area Investigation:

- Finalize the Initial Monitoring Program for the Northwest MZ-1 Area. This includes equipping up to 12 MVWD wells and 9 City of Pomona wells with SCADA system-based groundwater levels and production data monitoring capabilities.
- Complete the bidding process and select a drilling contractor for the construction of the Pomona Extensometer Facility piezometers.

Data Analysis and Reporting

- Finalize the draft *2016 Annual Report of the Ground-Level Monitoring Committee*. The final report will be published in August 2017.

Northwest MZ-1 Area Investigation:

- Finalize the GLMC comments on the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1* and finalize the report. The final report will be published in August 2017.
- Finalize the draft technical memorandum: *Development and Characterization of the Baseline Management Alternative and Initial Subsidence-Management Alternative for the Northwest MZ-1 Area*. The draft technical memorandum will be published in August 2017.
- Finalize the environmental analysis pursuant to CEQA and property acquisition for potential site(s) for the Pomona Extensometer Facility by August 2017.

Meetings of the Ground-Level Monitoring Committee

Two GLMC meeting are anticipated between July and August 2017. The meeting agenda items will include:

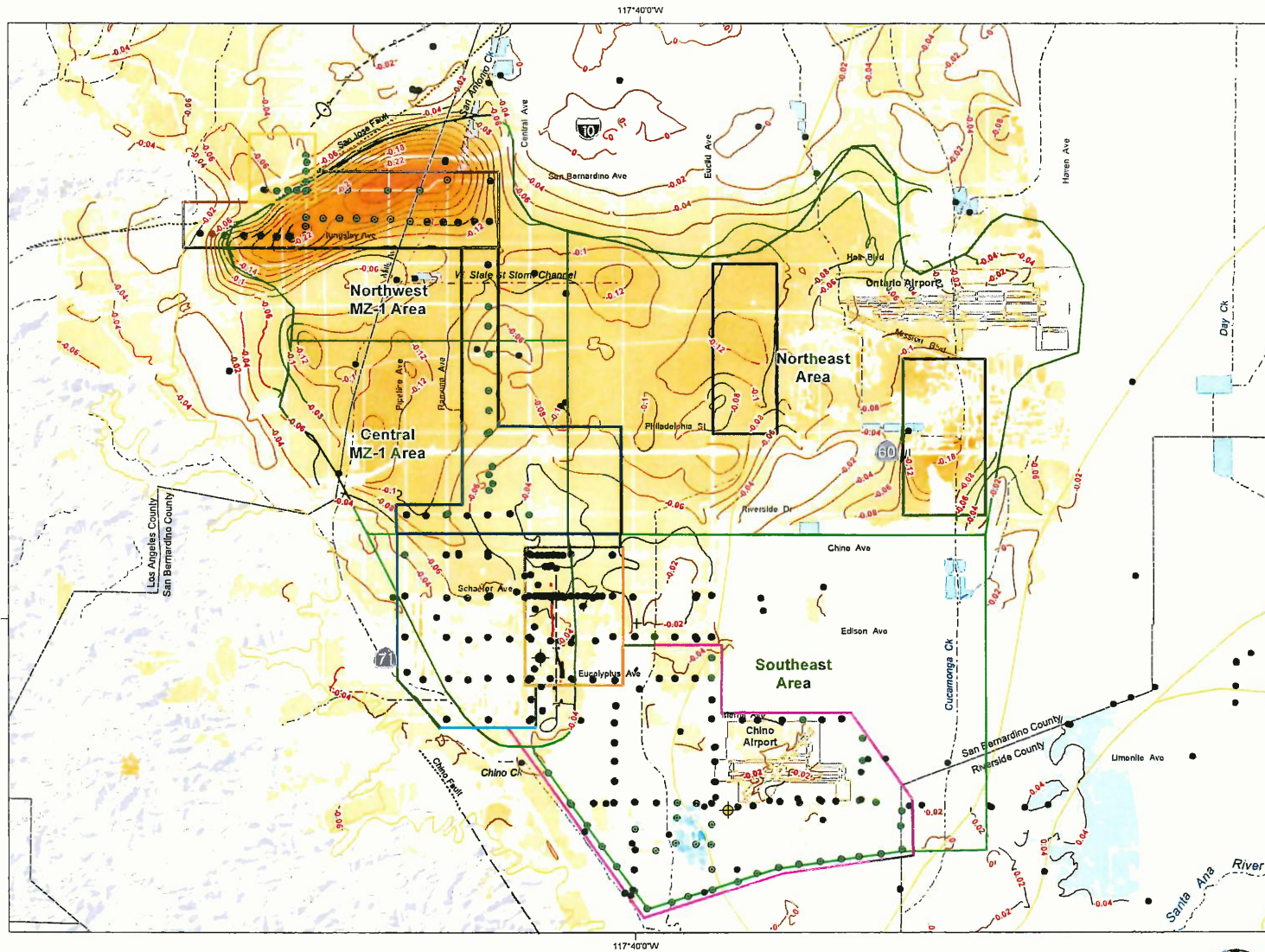
- Review the GLMC comments on the draft *2016 Annual Report of the Ground-Level Monitoring Committee*.
- Review and discuss the scope of work and cost estimates for modifications to the Monte Vista Water District's and the City of Pomona's SCADA systems to facilitate collection of groundwater-level and production data from wells in the Northwest MZ-1 Area.



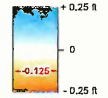
Quarterly Status Report
Ground-Level Monitoring Committee
April – June 2017

- Review and discuss the results and conclusions from the draft Technical Memorandum: *Development and Characterization of the Baseline Management Alternative Initial Subsidence-Management Alternative for the Northwest MZ-1 Area.*





Relative Change in Land Surface Altitude as Measured by InSAR March 2011 to January 2017



□ InSAR absent or incoherent

Groundwater-Level and Aquifer-System Deformation Monitoring

- Piezometer Equipped Transducers as of April 2017
- Ayala Park Extensometer
- Chino Creek Extensometer

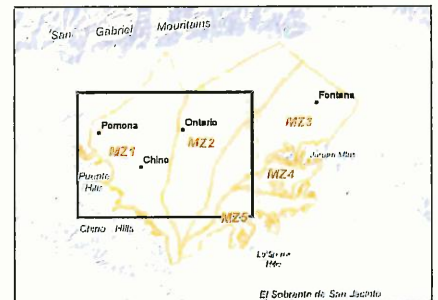
Ground-Level Survey Areas

- Survey Benchmark
- MZ-1 Managed Area
- Fissure Zone Area
- Southeast Area
- Central Area
- Northwest MZ-1 Area
- San Jose Fault Zone Area
- Northeast Area (Proposed)

- Areas of Subsidence Concern
- Flood Control and Conservation Basins

- Ground Fissures
- Approximate Location of the Riley Barrier

— Fault - Solid where accurately located, Dashed where approximately located or inferred; dotted where concealed.



Prepared by:
 Author: TCR
 Date: 6/28/2017
 Document Name: Figure1_20170613



Ground-Level Monitoring Program
 Fiscal Year 2016-17

Figure 1

CHINO BASIN WATERMASTER

IV. INFORMATION

3. South Archibald and Chino Airport Plumes Status Report (Quarterly)

Quarterly Status Report

South Archibald Plume

July 2017

Contaminant: The primary contaminant is Trichloroethene (TCE). The maximum contaminant level (MCL) for TCE is 5 micrograms per liter ($\mu\text{g/L}$). The maximum TCE concentration detected in a groundwater sample collected from wells within the plume during the last five years (2012 to 2016) is 90 $\mu\text{g/L}$.

Location: The South Archibald TCE plume is located in the southern Chino Basin within the City of Ontario. As delineated by the Chino Basin Watermaster (Watermaster) in 2017¹, the extent of the plume with detectable TCE concentrations is about 11,000 feet wide and 22,400 feet long, and extends from State Route 60 on the north to Bellegrave Ave. to the south, between Haven and Turner Avenues on the east, and Grove Avenue on the west. In 2014, several parties² delineated the extent of the plume area with TCE concentrations greater than or equal to 5 $\mu\text{g/L}$. Both plume delineations are shown in Exhibit 1.

Cleanup and Abatement Orders (CAOs): In 2005, the Santa Ana Regional Water Quality Control Board (Regional Board) issued six Draft CAOs to the Aerojet-General Corporation, The Boeing Company, Northrop Grumman Corporation, Lockheed Martin Corporation, General Electric Corporation and the United States Department of Defense; and in 2012 issued one Draft CAO jointly to the City of Ontario, City of Upland, and Inland Empire Utilities Agency (IEUA).

In September 2016, the Regional Board approved the Stipulated Settlement and CAO No. R8-2016-0016³ to the parties listed above, with the exception of Northrop Grumman Corporation. The final CAO became effective upon receipt of all identified parties' signatures in November 2016.

Regulatory and Monitoring History: In the mid-1980s, the Metropolitan Water District of Southern California determined that TCE was present in private wells in the southern Chino Basin as part of the work associated with the Chino Basin Storage Program. The Regional Board confirmed this with subsequent rounds of sampling.

The Regional Board issued Draft CAOs in 2005 for six different parties who were tenants on the Ontario Airport property. On a voluntary basis, four of the parties—Aerojet-General Corporation, The Boeing Company, General Electric Company, and Lockheed Martin Corporation, collectively the ABGL parties, worked together, along with the U.S. Department of Defense, to investigate the source of the contamination. Part of the investigations included collecting water-quality samples from private

¹ Wildermuth Environmental, Inc. (2017). Optimum Basin Management Program – 2016 State of the Basin Report. Prepared for the Chino Basin Watermaster. June 2017.

² Erler & Kalinowski. (2014). Supplemental Data Report. Trichloroethene Plume. Central Chino Basin, Ontario, California. Prepared for Aerojet Rocketdyne, Boeing, General Electric, and Lockheed Martin. November 19, 2014.

³ California Regional Water Quality Control Board Santa Ana Region (2016). Stipulated Settlement and Cleanup and Abatement Order No. R8-2016-0016. City of Ontario, City of Upland and Inland Empire Utilities Agency, Aerojet Rocketdyne Inc., The Boeing Company, General Electric Company, Lockheed Martin Corporation and the United States of America, Former Ontario-Upland Sewage Treatment Plant (Regional Recycling Plant No. 1) City of Ontario.



Quarterly Status Report

South Archibald Plume

July 2017

wells and taps at residences, and the construction and sampling of four triple-nested monitoring wells. Alternative water systems were provided at private residences in the area where groundwater was contaminated with TCE.

In 2008, Regional Board staff conducted research pertaining to the likely source of the TCE contamination and identified discharges of wastewater that may have contained TCE to the RP-1 treatment plant and associated disposal areas to be a potential source. The Regional Board identified several industries, including some previously identified tenants of the Ontario Airport property, that likely used TCE solvents before and during the early-1970s, and discharged wastes to the Cities of Ontario and Upland sewage systems tributary to the RP-1 treatment plant and disposal areas. In 2012, an additional Draft CAO was issued by the Regional Board jointly to the City of Ontario, City of Upland, and the IEUA as the previous and current operators of the RP-1 treatment plant and disposal area (collectively RP-1 the parties).

Under the Regional Board's oversight, sampling at private residential wells and taps has been conducted approximately every two years (2007-08, 2009, 2011 and 2013-14) by multiple parties in the region where groundwater is potentially contaminated with TCE. By 2014, all private wells and/or taps in the area of the plume had been sampled at least once since 2007. The report documenting this data was published in November 2014⁴. Alternate water systems (tanks) have been installed at residences in the area where well water contains TCE at or above 80 percent of the MCL for TCE (e.g. equal to or greater than 4 µg/L). Residents who declined tank systems are being provided bottled water.

Watermaster routinely samples private wells in the plume area for water quality. Watermaster also conducted two rounds of split sampling with ABGL parties: one in 2009 at the four multi-port ABGL monitoring wells, and one in 2011 at private residences' wells and taps. Watermaster uses data obtained from their own monitoring efforts to delineate the plume every two years. The most recent characterization of the plume was completed by Watermaster in 2017 as part of the 2016 State of the Basin Report¹ (see Exhibit 1).

In July 2015, the RP-1 parties completed a Draft Feasibility Study Report for the South Archibald Plume (Feasibility Study)⁵. The Feasibility Study established clean-up objectives for both domestic water supply and plume remediation, and evaluated alternatives to accomplish these objectives. In August 2015, a Draft Remedial Action Plan (RAP) was concurrently prepared by the RP-1 parties⁶ to present the preferred plume remediation and domestic water supply alternatives. A public review

⁴ Erler & Kalinowski, Inc. (2014). Supplemental Data Report Trichloroethene Plume Central Chino Basin. Prepared for Aerojet Rocketdyne, Boeing, General Electric, and Lockheed Martin. November 19, 2014.

⁵ Dudek (2015). Draft Feasibility Study Report South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. July 2015.

⁶ Dudek (2015). Draft Remedial Action Plan South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. August 2015.



Quarterly Status Report South Archibald Plume July 2017

period followed along with two community meetings in September 2015 to educate the public about the plume, the Feasibility Study and the RAP, and to solicit comments on these reports. A public repository of all pertinent documents is available online at <http://tceplumecleanup.com>. In November 2015, a revised Draft Feasibility Study⁷, RAP⁸, and Responses to Comments were completed to address input from the public, ABGL, and other parties.

In September 2016, the Regional Board issued the Final CAO R8-2016-0016 collectively to the RP-1 parties and the ABGL parties. The Final CAO was adopted by all parties in November 2016, thus approving the preferred *plume remediation* and *domestic water supply* alternatives identified in the RAP. The parties also reached a settlement agreement that aligns with the Final CAO and authorizes funding to initiate implementation of the plume remediation alternative.

Remedial Action Plan

Plume Remediation. The plume remediation alternative identified in the Feasibility Study, RAP and Final CAO involves the use of existing and proposed Chino Basin Desalter Authority (CDA) production wells and treatment facilities. The RP-1 parties and the CDA reached a Joint Facility Development Agreement⁹ for implementation of a project designed to remediate the South Archibald Plume. The proposed project includes the construction and operation of three new CDA production wells (II-10, II-11, and II-12) and a dedicated pipeline to convey groundwater produced from these wells to the Desalter II treatment facility that removes TCE and other VOCs via air stripping. The CDA completed construction of Wells II-10 and II-11 in 2016 and the wells will be equipped for operation upon completion of the dedicated raw-water pipeline, which is currently under construction. The property acquisition process for Well II-12 is underway and this final well is anticipated to be completed and operational by July 2019.

Domestic Water Supply. The domestic water supply alternative identified in the Feasibility Study and RAP is a hybrid between the installation of tank systems for some residences where water is delivered from the City of Ontario potable supply via truck deliveries, and the installation of a temporary pipeline to connect some residences to the City of Ontario potable water system. Currently, 37 affected residences are receiving water supplied from 25 tank systems, with 8 additional residences offered tank systems and 6 residences offered a connection to the City of Ontario potable water system. In February 2017, the City of Ontario submitted a **private water supply well sampling work plan**¹⁰

⁷ Dudek (2015). Draft Feasibility Study Report South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁸ Dudek (2015). Draft Remedial Action Plan South Archibald Plume, Ontario, California. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁹ Agreement dated June 22, 2015

¹⁰ EEC Environmental (2017). Workplan – Private Water Supply Well Sampling. Ontario California. Prepared for the City of Ontario. February 6, 2017



Quarterly Status Report South Archibald Plume July 2017

and a **domestic water supply work plan**¹¹ to the Regional Board which include performance objectives for both the plume remediation and domestic water supply alternatives. The goal of these plans is to monitor water quality within the extent of the plume and to identify residences that are eligible to receive benefits associated with the domestic water supply alternative. The Regional Board approved^{12,13} both work plans on February 14, 2017 and March 3, 2017, respectively.

Recent Activity:

Plume Remediation. The dedicated pipeline to convey groundwater produced from the three new desalter wells to the Desalter II treatment facility is under construction and is anticipated to be completed in the third quarter of 2017, at which time operation of wells II-10 and II-11 can begin. The CDA is in ongoing discussions regarding property acquisition for Well II-12. Once the property is acquired, CDA plans to drill a monitoring well to support the final design of the production well. This final well is anticipated to be completed and operational by August 2019.

Domestic Water Supply. Pursuant to the February 2017 work plans, an Annual Groundwater Monitoring Report was completed on May 15, 2017 by the Cities of Ontario and Upland and submitted to the Regional Board. The groundwater sampling effort took place during February and March 2017, and included 41 private and municipal well locations. The primary objectives of the monitoring and reporting effort were to: (1) evaluate the current lateral extent of the plume, (2) identify the locations of private supply wells with TCE concentrations above the MCL, (3), identify the locations of public supply wells with TCE concentrations below 80% of the MCL, and (4) identify any additional residences that should participate in the alternative water supply program. Based on the results of the 2017 sampling event, no additional residences were recommended for participation in the alternative water supply program.

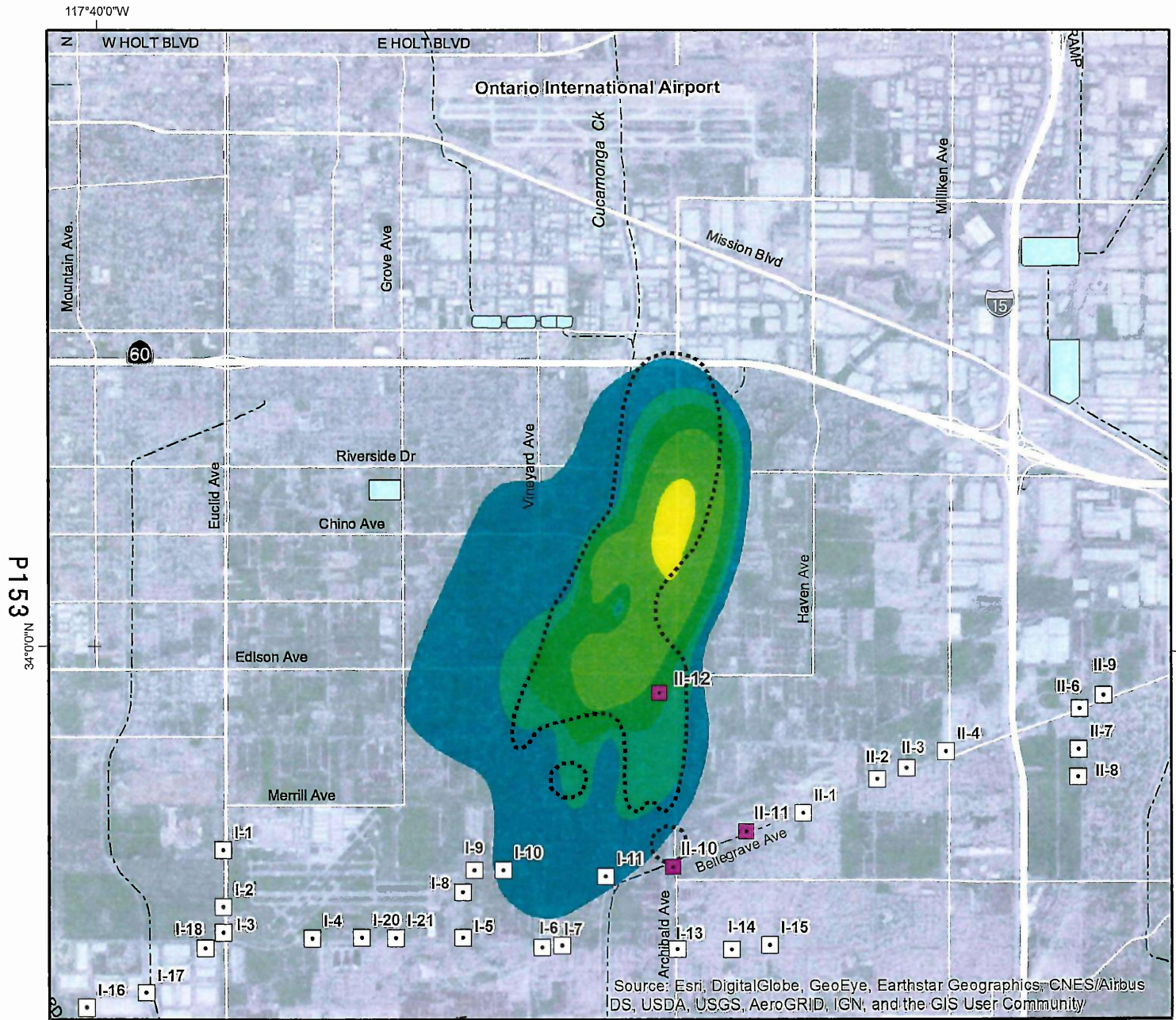
¹¹ Dudek (2017). Domestic Water Supply Work Plan South Archibald Plume, Ontario, California. Prepared for the City of Ontario, City of Upland. February 2017.

¹² Regional Water Quality Control Board. Letter from Kurt Berchtold to the City of Ontario. Private Water Supply Sampling Work Plan – Selected Private Groundwater Wells and Taps, Ontario, California. February 14, 2017.

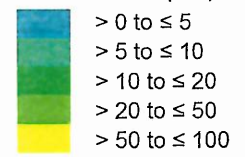
¹³ Regional Water Quality Control Board. Letter from Kurt Berchtold to the City of Ontario. Domestic Water Supply Workplan – South Archibald Trichloroethylene Plume, Ontario, California. March 3, 2017.

¹⁴ Dudek (2017). Annual Groundwater Monitoring Report South Archibald TCE Plume Ontario, California. Prepared for the City of Ontario and City of Upland. May 2017





Maximum TCE Concentration (µg/L)
 from July 2011 to June 2016
 (Delineated by Watermaster in the 2016 State
 of the Basin Report)

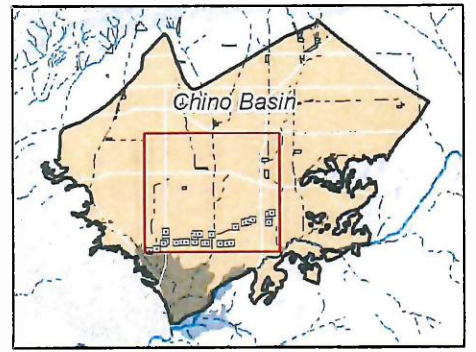


Extent of the TCE Plume with Concentrations Greater than or Equal to 5 ug/L Using Data Collected by ABGL during 2011 to 2014. (Delineated in the November 2014 Supplemental Data Report)

Chino Basin Desalter Authority
 Production Wells:

- Existing (Constructed Between 1999 to 2012)
- New (Currently Being Constructed and Equipped)

- Streams & Flood Control Channels
- Flood Control & Conservation Basins



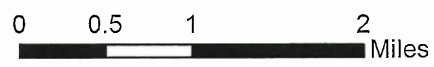
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

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 Prepared by:



Author: RT
 Date: 6/22/2017
 Name: South Archibald_2017July_Q2



CBWM Quarterly Status Report

South Archibald TCE Plume

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Quarterly Status Report

Chino Airport Plume

July 2017

Contaminants: The primary contaminant is Trichloroethene (TCE). The maximum contaminant level for TCE is 5 micrograms per liter ($\mu\text{g/L}$). The maximum TCE concentration detected in a groundwater sample collected from wells within the plume area during the last five years (2012 to 2016) is 830 $\mu\text{g/L}$. Other contaminants of concern include 1,2,3-trichloropropane, 1,2-dichloroethane, 1,1-dichloroethene, cis-1,2-dichloroethene, carbon tetrachloride, and 1,4-dioxane.

Location: The Chino Airport TCE Plume is located in the southwestern portion of the Chino Basin within the City of Chino (Exhibit 1). As delineated by the Chino Basin Watermaster (Watermaster) in 2017¹, the extent of the plume with detectable TCE concentrations greater than 0.5 $\mu\text{g/L}$ is about 3,500 feet wide and 12,500 feet long, extending from the Chino Airport towards the southwest to just south of Pine Avenue. The County's most recent (2017) delineation of the extent of the plume with TCE concentrations greater than or equal to 5 $\mu\text{g/L}$ is also shown in Exhibit 1. Since 2015, the County recognizes two plumes originating from the Chino Airport; the West Plume and the East Plume.

Cleanup and Abatement Orders (CAOs): The Santa Ana Regional Water Quality Control Board (Regional Board) issued CAO No. 90-134, CAO No. R8-2008-0064, and CAO No. R8-2017-0011 to the County.

Regulatory and Monitoring History: In 1990, the Regional Board issued CAO No. 90-134 to address groundwater contamination originating from the Chino Airport. From 1991 to 1992, ten inactive underground storage tanks and 310 containers of hazardous waste were removed, and 81 soil borings were drilled and sampled on the airport property. During 2003 to 2005, nine onsite monitoring wells were installed and used to collect groundwater quality samples. In 2007, the County conducted its first offsite monitoring effort, which included 22 cone penetrometer tests (CPT) and direct push borings from which water quality samples were collected. In 2008, the Regional Board issued CAO No. R8-2008-0064 requiring the County to define the lateral and vertical extent of the plume and to prepare a remedial action plan. From 2009 to 2012, 33 offsite monitoring wells were installed at 15 locations to characterize the extent of the contamination downgradient from the airport property.

From 2013 to 2014 the County conducted an extensive investigation of several areas identified for additional characterization of the soil and groundwater contamination associated with the Chino Airport. The investigative work included: piezocone-penetrometer tests; vertical-aquifer-profiling (VAP) borings with depth-discrete groundwater sampling; soil-gas probe sampling; high-resolution soil sampling and analysis; real-time data analysis; and three-dimensional contaminant distribution modeling. At the conclusion of this work, 33 groundwater monitoring wells were installed in 17 locations on and adjacent to the Airport property from September 2014 through February 2015.

¹ Wildermuth Environmental Inc. (2017). Optimum Basin Management Program - 2017 State of the Basin Report. Prepared for the Chino Basin Watermaster. June 2017.



Quarterly Status Report Chino Airport Plume July 2017

The County conducts quarterly, annual, or biennial water-quality monitoring, and quarterly water-level monitoring at the 75 monitoring wells constructed to date. All the data collected by the County is posted on the Regional Board's GeoTracker website². Conclusions from the monitoring program can be found in the semi-annual reports posted on GeoTracker. The most recent monitoring report was submitted to the Regional Board in April 2017³.

The County characterizes the extent of the plume vertically in multiple cross-sectional views, and laterally in an areal view, using the data collected from their monitoring program. The most recent characterizations of the TCE plume were prepared by the County as part of the 2017 monitoring report³. Exhibit 1 shows the areal extent of the plume as recently delineated by the County.

The Watermaster collects groundwater-quality samples from private wells in the plume area, and at its HCMP-4 monitoring well located in the southern portion of the plume. The Chino Basin Desalter Authority (CDA) collects groundwater-quality samples from its production wells located in the plume area. Watermaster uses data from the County, CDA, and its own sampling to perform an independent characterization of the areal extent and concentration of the TCE plume. The most recent characterization of the plume completed by Watermaster was in 2017 for the 2016 State of the Basin Report¹ and is also shown on Exhibit 1.

The County completed a Draft Feasibility Study⁴ for the Chino Airport in August 2016. The Feasibility Study identifies remedial action objectives for contaminated groundwater originating from the Chino Airport and evaluates remediation alternatives for mitigation, however no groundwater remediation activities have been performed yet by the County. On January 11, 2017, the Regional Board issued CAO R8-2017-0011 to the County, which supersedes CAO R8-2008-0064. The order requires that the County: submit a Final Feasibility Study within 60 days of receiving the Regional Board's comments on the Draft Feasibility Study; submit a Final Remedial Action Plan (RAP) within 60 days of the Regional Board approval of the Final Feasibility Study; implement the RAP in accordance with a Regional Board-approved schedule; and prepare and submit technical reports and work plans as the Regional Board deems necessary. The Regional Board submitted final comments on the Draft Feasibility Study via email on February 8, 2017⁵. The County submitted responses to the Regional Board's comments along with a revised Draft Feasibility Study on March 20, 2017⁶. The Regional

² http://geotracker.waterboards.ca.gov/profile_report.asp?global_id=SL208634049

³ Tetra Tech (2017) Semiannual Groundwater Monitoring Report Summer and Fall 2017. Chino Airport Groundwater Assessment, San Bernardino County, California. Prepared for County of San Bernardino Department of Architecture and Engineering. September 2017.

⁴ Tetra Tech (2016) Draft Feasibility Study Chino Airport San Bernardino County, California. Prepared for the County of San Bernardino, Department of Architecture and Engineering. August 2016.

⁵ file:///S:/Clients/CBWM/OBMP_Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170208_AddComments_Regional%20Baord_FS_8Feb2017.pdf

⁶ file:///S:/Clients/CBWM/OBMP_Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170320_RTCs_Draft%20FS_Chino%20Airport_032017.pdf



Quarterly Status Report

Chino Airport Plume

July 2017

Board reviewed the revised Draft Feasibility Study and accepted the proposed changes and responses, but submitted three additional comments on March 30, 2017⁷.

Recent Activity: Pursuant to CAO R8-2017-0011, the County of San Bernardino submitted a Final Feasibility Study⁸ for the Chino Airport on June 6, 2017, and it was approved by the Regional Board on June 7, 2017. The Feasibility Study identifies remedial action objectives (RAO's) and cleanup goals for the contaminated groundwater originating from the Chino Airport, and evaluates remediation alternatives for mitigation. The RAO's address the potential for exposure of human receptors to contaminated groundwater, degradation of groundwater quality in the CDA's desalter wells, degradation of water quality in the Chino-North groundwater management zone, and degradation of surface-water quality in the Prado Basin. The recommended remediation alternative (4A) was selected based on cost, overall effectiveness in achieving all the RAO's, the relative likelihood to prevent future impacts to down-gradient and off-site groundwater resources, and other factors. Alternative 4A is a groundwater pump-and-treat system to provide hydraulic containment and treatment of both the West Plume and the East Plume originating from the Chino Airport. The system consists of ten extraction wells that will combine to produce approximately 900 gallons per minute of groundwater for onsite treatment using carbon adsorption. Included among the 10 wells is the CDA's well I-18, which is no longer planned for use by the CDA. An air stripper may be added to the system if deemed necessary. Once treated, the preferred option is to discharge the treated groundwater to the CDA's Chino-I Desalter influent pipeline via a newly constructed pipeline. If this discharge option is not available at the time the system is constructed, the alternative options are to discharge the treated groundwater to either the local surface-water channels or wastewater treatment plants, or to inject the treated groundwater back into the basin with six injection wells at the northeast corner of the Chino Airport. The final RAP, based on the approved final Feasibility Study is due to the Regional Board by August 7, 2017.

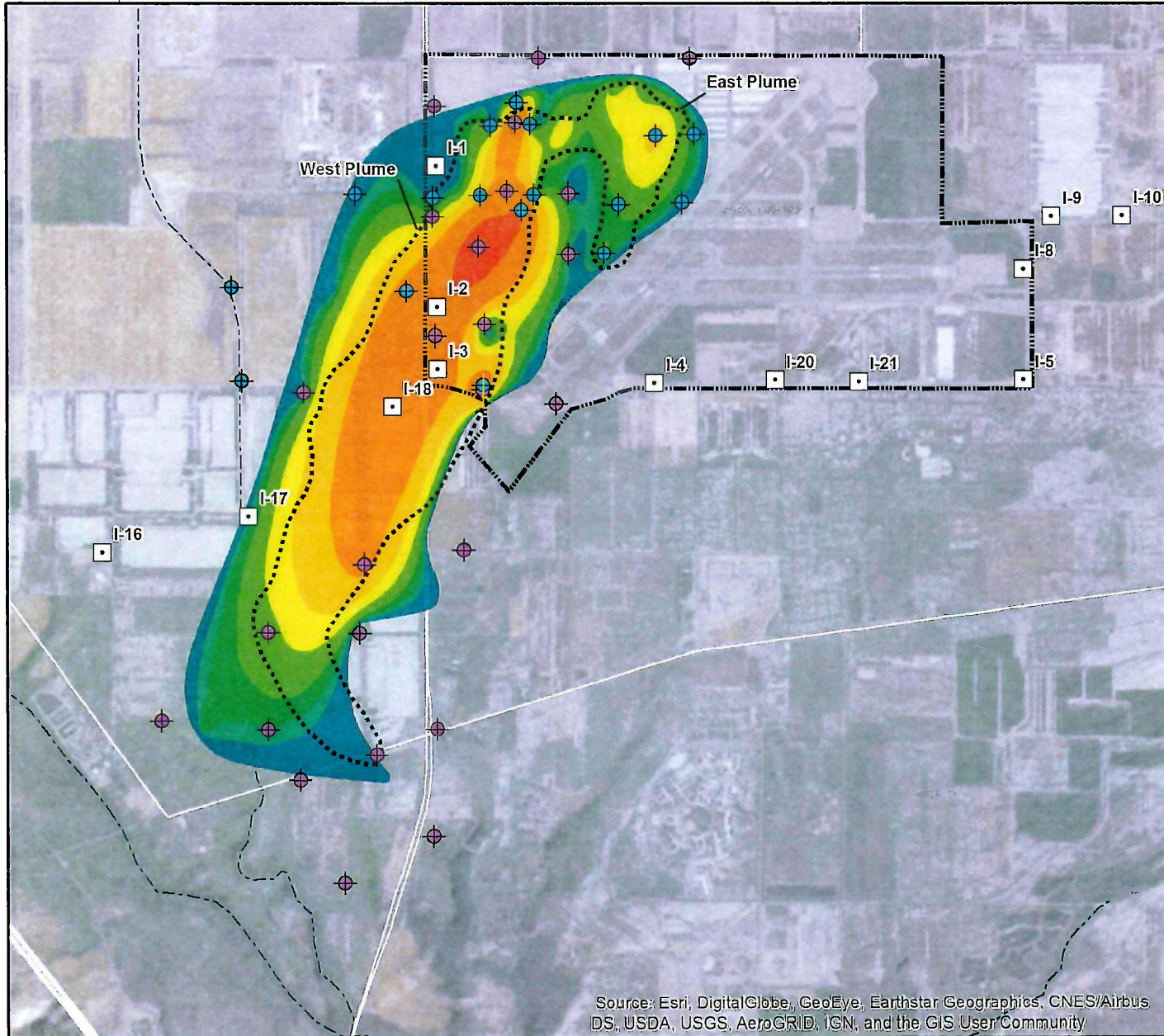
⁷file:///S:/Clients/CBWM/OBMP_Implementation/Water%20Quality/Point%20Sources%20of%20Concern/Chino%20Airport/20170330_ChinoAP_SBC_RTCs_response30Mar2017.pdf

⁸ Tetra Tech (2017) Final Feasibility Study Chino Airport San Bernardino County, California. Prepared for the County of San Bernardino, Department of Architecture and Engineering. May 2017.

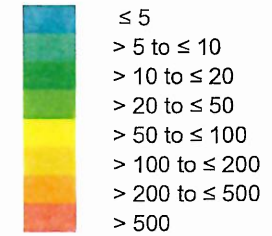


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Maximum TCE Concentration (µg/L)
 July 2011 to June 2016
 (Delineated by Watermaster in the 2016
 State of the Basin Report)



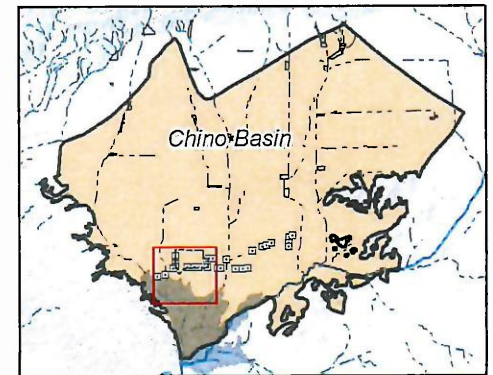
Extent of TCE Plume with Concentrations Greater than or Equal to 5 µg/L as Delineated by the County in 2017 Using Their Data (April 2017 Monitoring Report)

County of San Bernardino Monitoring Well (some locations have multiple wells at various depths)

- Constructed Between 2003 and 2012
- Constructed Between September 2014 and February 2015

Chino Basin Desalter Authority Production Well

Chino Airport Property Boundary



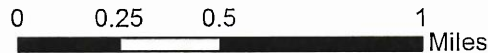
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

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Prepared by:



Author: RT
 Date: 6/20/2017
 Name: ChinoAirport_2017July_Q2



CBWM Quarterly Status Report

Chino Airport TCE Plume

Exhibit 1

CHINO BASIN WATERMASTER

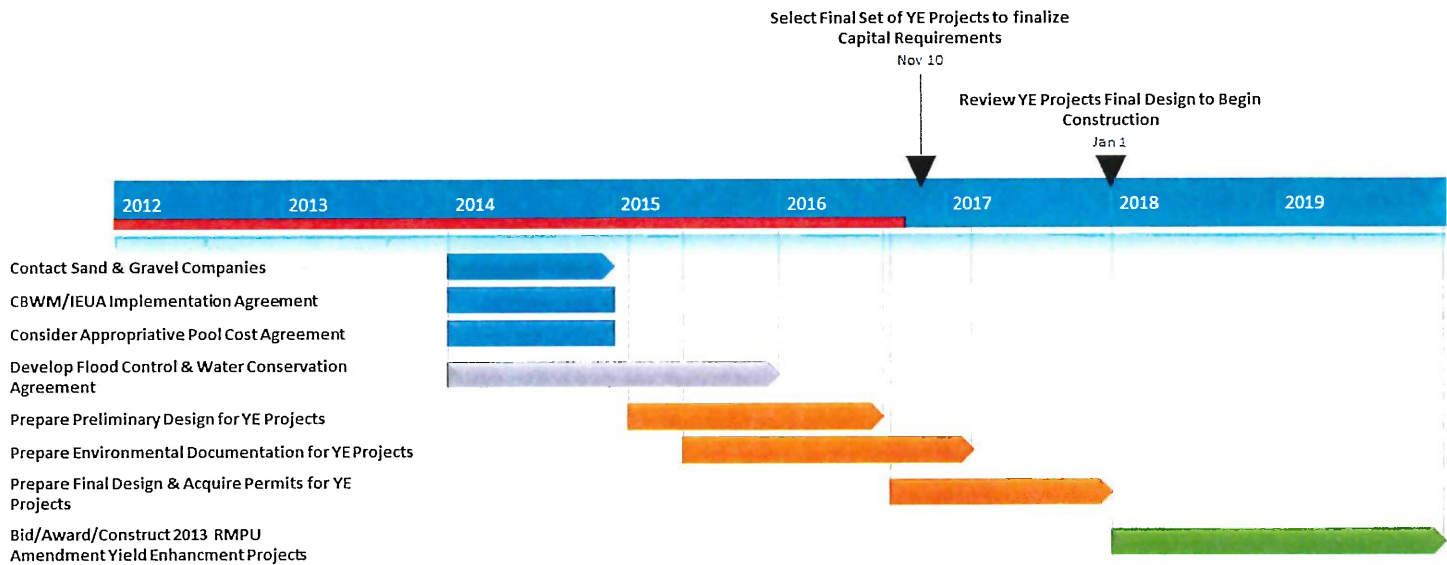
IV. INFORMATION

4. RMPU Status Report (Quarterly)

2013 Amendment to 2010 RMPU Implementation

Status Report – July 2017

Schedule:



STATUS

In April 2015, the 2013 Amendment to 2010 Recharge Master Plan Update Steering Committee was merged with the IEUA/Watermaster Joint Projects Committee meeting and renamed the Recharge Investigations and Projects Committee (RIPCom), and meets monthly. This was done so that progress on all recharge projects, including prior projects, RMPU Sustainability and Yield Enhancement projects, and potential new projects could be reviewed by all Pool representatives before making a recommendation to their respective Pools. Progress on all projects is provided in a separate report.

Year 1 - 2014

Yield Enhancement Projects: Contact Sand and Gravel Companies

IEUA, with the help of Watermaster stakeholders, has developed a list of haulers who may be interested in the dirt removal. With the approval of a project's PDR, contact with the Sand and Gravel companies are being made. There are a few concerns to be addressed. Most companies prefer not to be tied to an IEUA/Watermaster schedule, rather, they would prefer to be driven by the needs of development-related construction projects. IEUA estimates having 12 potential companies interested in dirt hauling, however, the number may fluctuate as demands and future schedules change.

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

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

Yield Enhancement Projects: Consider AP New Yield Cost Allocation Agreement

Within the Safe Yield Reset effort, it was determined that the stormwater yield from the RMPU projects will initially be part of the New Yield allocation. The cost sharing will be based on the Operating Safe Yield percentage, with an opt-out provision that would allow Fontana Water Company the first chance at that water. Section 5.1 of the 2015 Safe Yield Reset Agreement further describes the mechanisms for accounting and allocation among the Appropriate Pool Parties. As of early April 2017, the Safe Yield Reset matter is pending before the Court.

Yield Enhancement Projects: Develop Flood Control and Water Conservation Agreement

IEUA and Watermaster have met and exchanged correspondence with the San Bernardino County Flood Control District (SBCFCD) to expand the Four Party Agreement to include all facilities necessary for RMPU Implementation. IEUA, Watermaster, and SBCFCD have also met to discuss SBCFCD's anticipated permit conditions for the RMPU projects so that there would be minimal or no impact to the RMPU project's scope, budget, or schedule. As of July 2017, negotiations are ongoing. IEUA and Watermaster have also met with Chino Basin Water Conservation District (CBWCD) to discuss the CBWCD facilities that are involved in the RMPU Implementation. In May 2017, IEUA and Watermaster Boards approved the Task Order for the Montclair Project.

Yield Enhancement Projects: Agreement with Property Owners

Contact with SBCFCD and CBWCD has been made through the above-mentioned process. The Sierra Basin is no longer considered a potential project due to the City of Fontana stating that the basin is to be repurposed in the future. The Lower San Sevaine (PID 17) property was sold at auction; status is "ongoing due diligence by potential buyer" until the end of 2017. IEUA has worked with California Steel Industries (CSI) on a wastewater issue and is discussing the terms of using that recharge basin for the project contemplated in the RMPU. CSI has expressed interest in recharging the basin with stormwater, recycled water, and other sources

of supplemental water, which the preliminary design found in the RMPU PDR will meet. As of July 2017, discussions on the terms of use for the Basin are ongoing between CSI and the Watermaster Appropriators.

Years 2 and 3 - 2015 and 2016

Yield Enhancement Projects: Prepare Preliminary Design of Recommended Yield Enhancement Projects

The Preliminary Design effort is completed and is reported for each individual project as a separate report which is posted on Watermaster's FTP site and also accessible at this link:

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

Yield Enhancement Projects: Prepare Environmental Documentation for Yield Enhancement Projects

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

Financing Plan

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

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

Years 3 and 4 - 2016 and 2017

Prepare Final Designs and Acquire Necessary Permits for Yield Enhancement

In November 2016, the Watermaster Parties selected projects to move forward for Final Design. The suite of projects are collectively identified as the Post-2014 Stormwater Recharge Projects.

Project ID	Post-2014 Stormwater Recharge Program
23a	Wineville/Jurupa/RP-3 Basins with SW Force Main Improvements
11	Victoria Basin
12	Lower Day Basin*
2	Montclair Basins
7	San Sevaine*
	<ol style="list-style-type: none"> 1. Upon receipt of bid results IEUA/CBWM are to confirm with the AP on project advancement prior to awarding the construction contracts. 2. On Project 23a, the bid for the pump station and force main will be an optional bid item.

The Final Designs for the Post-2014 Stormwater Recharge Projects are to be completed by the beginning of 2018. San Sevaine’s design effort was completed in November 2016 while Lower Day, which is was initially on an accelerated schedule but met some delays, will complete Final Design by March 2018.

Years 5 and 6 - 2018 and 2019

Construct 2013 RMPU Amendment Yield Enhancement Projects

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

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

The due date for the third round of requests for Water Quality Management Plan (WQMPs), Design Reports, and As-Built drawings for new projects and projects built between Fiscal Years 2011 and 2016 was November 1, 2016. As of July 2017, Watermaster is working with WEI to analyze the approximately 200 WQMPs received.

Sustainability Projects:

Effort is underway. JCSD is the lead on this and is working with IEUA, Ontario, MVWD, and FWC to refine sustainability project opportunities. JCSD began receiving water from the City of Ontario in April 2015 per the Ontario-Jurupa In lieu Sustainability Project Agreement. With this agreement, JCSD will receive 2,000 acre-feet of Ontario’s CDA allotment of water in exchange for the purchase of an equal quantity of imported water from the WFA plant for use by the City of Ontario. JCSD is also exploring other sources of imported water beyond Metropolitan Water District to diversify its water source portfolio.

The joint Vulcan/ FWC project at the Vulcan Recharge Basin anticipated recharge in the Basin in early September 2015, however, due to some logistical issues it was delayed until December 21, 2015. In February 2016, Vulcan/FWC completed its 100 acre-foot recharge project. The exact amount recharged was 100.006 acre feet.

CHINO BASIN WATERMASTER

IV. INFORMATION

5. Santa Ana River Watershed Status Report (Quarterly)

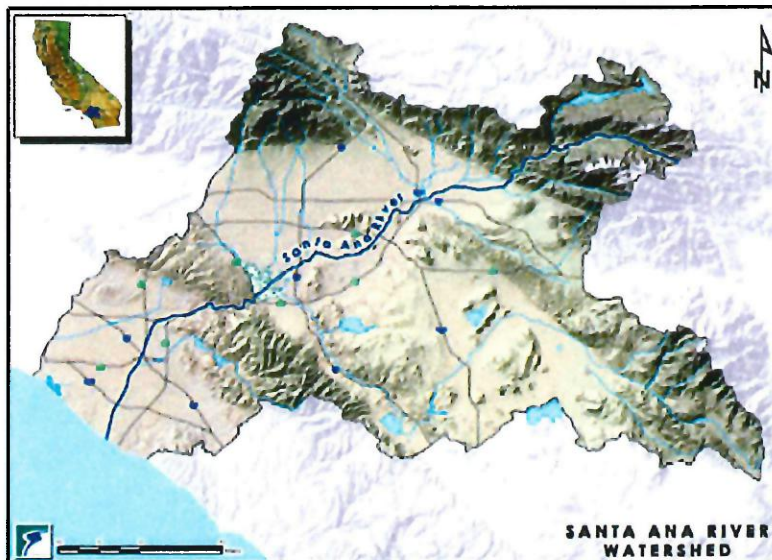
SANTA ANA RIVER QUARTERLY UPDATE

The Chino Basin is part of the Santa Ana River Watershed, as such, Chino Basin Watermaster participates in different activities and follows closely the happenings in the entire watershed. The updates will be classified into four different categories:

1. Water Quality
2. Basin Management
3. Habitat Conservation / Monitoring
4. Storage and Conjunctive Use

Many of the activities that take place within the watershed fall in more than one category. Below is a list of the current activities of interest in the Santa Ana River Watershed:

- Basin Monitoring Program Task Force
- Upper Santa Ana River Habitat Conservation Plan
- Prado Basin Adaptive Management Plan



Water Quality



Basin Management



Habitat Conservation / Monitoring



Storage and Conjunctive Use

The Santa Ana River is the longest river that is entirely contained in Southern California and one of the most densely populated watersheds in the State of California. Some quick facts to remember about the Santa Ana River are:

- It is 96 miles long
- It has over 700 miles of tributaries
- ~6 million people live within the watershed
- The watershed encompasses 58 cities in 4 counties
- The area of the watershed is 2650 sq. miles



BASIN MONITORING PROGRAM TASK FORCE

Chino Basin Watermaster (Watermaster) participates in the Basin Monitoring Program Task Force (BMPTF) and collaborates with the Regional Board in developing Groundwater quality reports. During the second quarter of 2017 the Task Force worked on the following issues:

- **Ambient Water Quality Re-computation:** This is a study conducted every three years that analyzes the water quality in the entire upper watershed. It is also part of the Maximum Benefit commitments by Watermaster and IEUA. Due to personnel changes and other challenges encountered by SAWPA's consultant, the study has been delayed by three months. Watermaster has worked closely with the Regional Board to reassure them of our commitment with complying with our regulatory obligations. On June 30, 2017 SAWPA's consultant delivered a table with the recomputed Ambient Water Quality in advance of the complete report that will be delivered on September 30, 2017.
- **Basin Plan Amendment for Chino South Groundwater Management Zone:** The Task Force is currently developing a Basin Plan Amendment that will raise the Nitrate-N objective from 4.2 mg/L to 5.0 mg/L. The Regional Board will hold a hearing for this Basin Plan Amendment on August 4, 2017.
- **Wasteload Allocation Model Update:** The WLAM is a tool used by the Regional Board to determine assimilative capacity in the upper watershed. It is currently being updated by Geoscience Inc.

Category:



Water Quality



The Basin Monitoring Program Task Force is a watershed effort by 17 agencies administered by SAWPA. Its main task is to create periodic reports about the concentrations of TDS and Salt in the watershed and to cooperate with the Regional Water Quality Control Board to update assimilative capacities.

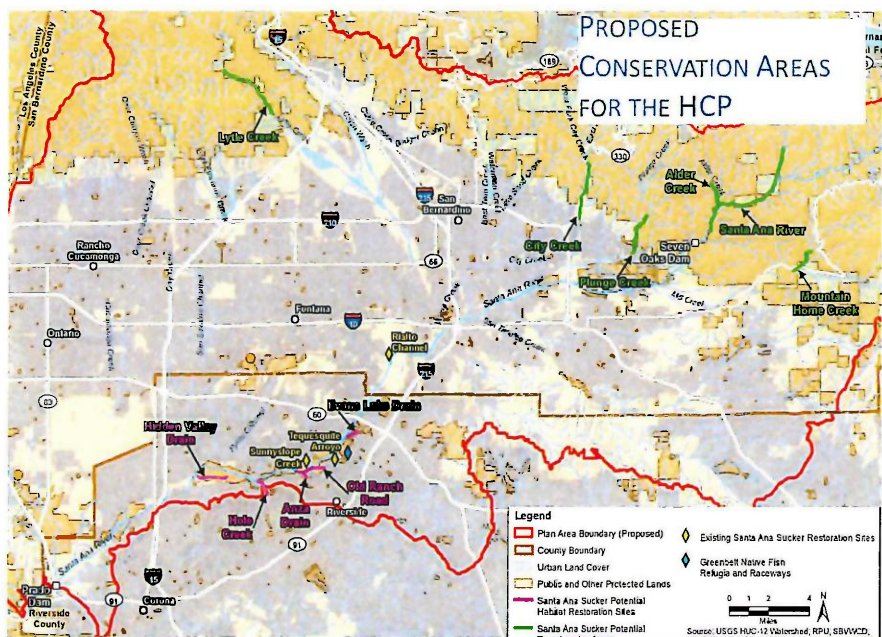


UPPER SANTA ANA RIVER HABITAT CONSERVATION PLAN

Watermaster and IEUA participate in the Upper Santa Ana River Habitat Conservation Plan with other agencies in the Upper Watershed. The covered activities for Watermaster and IEUA under the HCP are the maintenance and enhancements of recharge basins under the RMPU. The modeling work for the minimum flows required to obtain a non-jeopardy opinion for the Santa Ana Sucker will conclude soon and the agencies proposing projects affecting the river flows will initiate negotiations amongst themselves to ensure the required flows. IEUA and Watermaster do not have projects that will affect the river flows.

Integrated Groundwater Model for the Upper Santa Ana River

U.S. Fish and Wildlife Service and California Department of Fish and Wildlife expressed interest in analyzing the effects of the proposed covered activities in the flows of the Santa Ana River. The team proposed the creation of an integrated groundwater model that would analyze the surface water and groundwater interactions in the entire Upper Watershed. Geoscience was the selected consultant to conduct this work. Watermaster expressed concern about the availability of the Chino Basin Model and the selection of a baseline that would leave out some of the management activities conducted in Chino Basin. These concerns have been addressed and Watermaster will provide raw data only, for the purpose of the study.



Categories:



Basin Management



Habitat Conservation / Monitoring

The Upper Santa Ana River Habitat Conservation Plan is a multi-agency effort administered by San Bernardino Valley Municipal Water District. Its mission is to expedite application for incidental take permits of certain endangered species within the watershed by providing habitat restoration / conservation in the Upper Watershed.

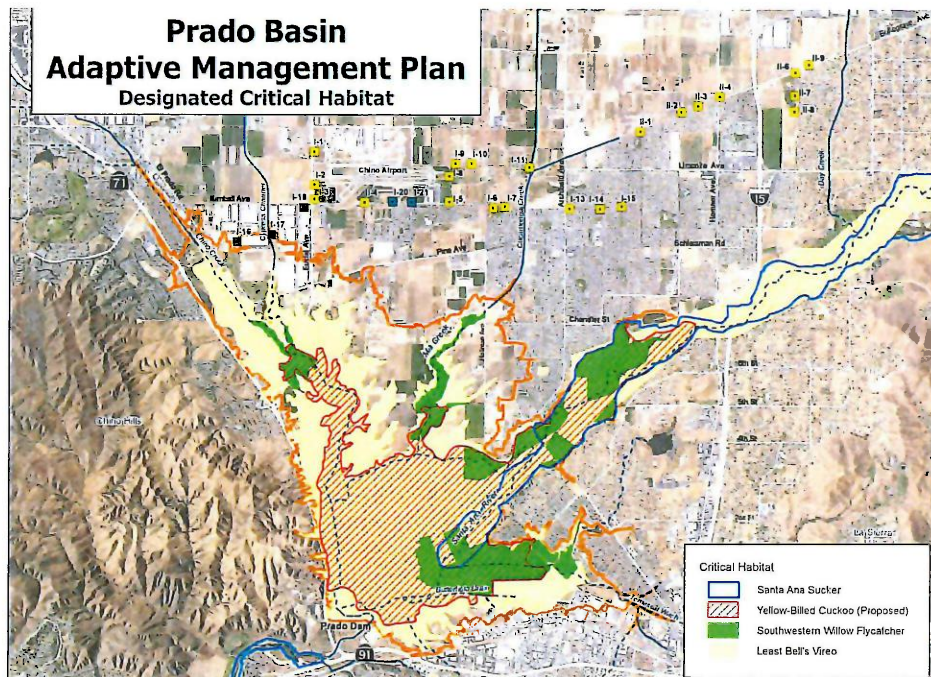


PRADO BASIN ADAPTIVE MANAGEMENT PLAN

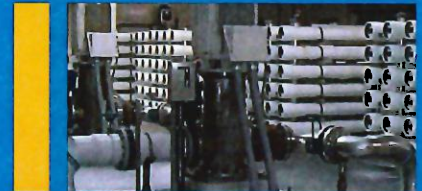
Pursuant to the Mitigation Measure 4.4-3 of the Peace II Subsequent Environmental Impact Report (SEIR), Watermaster and IEUA implemented an Adaptive Management Plan (AMP) for the Prado Basin Habitat Sustainability Program (PBHSP) to monitor the riparian habitat in the Prado Basin as a contingency measure to ensure that the riparian habitat will not incur unforeseeable significant adverse effects from Peace II Agreement implementation. The AMP outlines a monitoring program of riparian habitat and the factors that could potentially affect the riparian habitat, which include, but are not limited to: groundwater levels, surface-water discharge, weather events, long-term climate, and annual data analysis and reporting. A key element of the AMP is its adaptive nature—Watermaster and IEUA can adjust the AMP as warranted by the data.

On June 6, 2017 the Prado Basin Habitat Sustainability Committee received the draft of the First Annual Report during a meeting held at IEUA Headquarters. Since, several agencies have provided comments that will be answered in a timely manner.

On June 23, 2017 the Watermaster Board attended a Tour of the different facilities that are used for the program, including IEUA RP-5, CDA I, a monitoring well located in the city of Eastvale, and the OCWD wetlands facility at Prado.



Categories:



Basin Management



Habitat Conservation / Monitoring

The Prado Basin Adaptive Management Plan is an extensive monitoring program funded by Watermaster parties to analyze possible effects in the Prado habitat due to Basin management activities pursuant to the Peace II agreement.

CONCLUSIONS

The Chino Basin is a very important component of the Santa Ana River hydrology. The symbiotic relationship between these two water bodies is vital for the environmental and economic security of the region. Given the importance of this relationship, Watermaster is committed to monitoring and participating in the various activities and issues within the Santa Ana River watershed.

The current happenings could decrease the flows to the river due to recycling and reuse water activities in the Upper Watershed, and could also have an adverse impact on water quality if nitrate objectives are changed.

Watermaster will continue working closely with the regulatory agencies and is committed to complying with our monitoring and reporting obligations while employing best practices and ensuring tasks are completed in a timely manner. We will also work towards developing alternatives to avoid delays caused by watershed wide initiatives in future reports.

Watermaster will continue to be an active participant in the activities performed in the watershed and will work cooperatively with the members of the region to ensure the best and most equitable use of our water resources.



Water Quality



Basin Management



Habitat Conservation / Monitoring



Storage and Conjunctive Use



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