

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, June 28, 2018

11:00 a.m. – Watermaster Board Meeting

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

CHINO BASIN WATERMASTER

Thursday, June 28, 2018

11:00 a.m. – Watermaster Board Meeting

AGENDA

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – June 28, 2018

WITH

Mr. Robert DiPrimio – Chair

Mr. Jeff Pierson – Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

1. Minutes of the Watermaster Board Meeting held May 24, 2018 *(Page 1)*

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of April 2018 *(Page 5)*
2. Watermaster VISA Check Detail for the month of April 2018 *(Page 17)*
3. Combining Schedule for the Period July 1, 2017 through April 30, 2018 *(Page 21)*
4. Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018 *(Page 25)*
5. Budget vs. Actual Report for the Period July 1, 2017 through April 30, 2018 *(Page 29)*

C. WATER TRANSACTIONS *(Page 55)*

Approve the proposed transaction:

The transfer of 10,000.00 acre-feet of water from Cucamonga Valley Water District to Fontana Water Company. This transfer is made from Cucamonga Valley Water District's Annual Production Right first, with any additional from Excess Carryover.

D. PROFESSIONAL PUBLIC OUTREACH SERVICES CONTRACT BETWEEN RAUCH COMMUNICATION CONSULTANTS INC. AND CHINO BASIN WATERMASTER *(Page 63)*

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

E. PROFESSIONAL SERVICES AGREEMENT BETWEEN APPLIED COMPUTER TECHNOLOGIES AND CHINO BASIN WATERMASTER *(Page 81)*

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

F. FISCAL YEAR 2018/19 PAY SCHEDULE *(Page 101)*

Adopt the FY 2018/19 Pay Schedule.

G. CHINO BASIN WATERMASTER RETIREMENT HEALTH SAVINGS PROGRAM *(Page 105)*

Adopt Resolution 2018-03 and approve a Retirement Health Savings (RHS) Program, and authorize the Chief Financial Officer to execute the contract and agreements required to establish the program.

H. AMENDMENT TO CHINO BASIN WATERMASTER RETIREMENT POLICY 3.16 *(Page 111)*

Approve the Amendment of the Existing Retirement Policy 3.16.

I. AMENDMENT TO CHINO BASIN WATERMASTER RESIGNATION POLICY 4.23.2 *(Page 115)*

Approve the Amendment of the Existing Resignation Policy 4.23.2.

II. BUSINESS ITEMS**A. TASK ORDER NO. 2 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS TECHNICAL SUPPORT FOR ANALYSIS OF THE UPPER SANTA ANA RIVER GROUNDWATER INTEGRATED MODEL** *(Page 119)*

Approve Task Order No. 2 (Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model) and authorize the General Manager to execute the Agreement on behalf of Watermaster.

B. 2017 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE *(Page 125)*

Receive and file.

C. ADVISORY COMMITTEE REQUEST FOR WATERMASTER ASSISTANCE *(Page 133)*

Direct staff and Counsel to draft a document responsive to the request made by the Advisory Committee, for future consideration by the Pools and Advisory Committee.

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

1. Appeal of April 28, 2017 Order
2. July 24, 2018 Court Hearing

B. ENGINEER REPORT

1. Storage Framework
2. 2018 Recharge Master Plan Update
3. Salinity Management

C. CFO REPORT

1. FY 2017/18 Budget Transfers

D. GM REPORT

1. Future Assessment Packages
2. July 2018 Meeting Schedule
3. Other

IV. INFORMATION

1. Cash Disbursements for May 2018 *(Page 173)*

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Appeal of April 28, 2017 Order
2. Advisory Committee Request For Watermaster Assistance
3. General Manager Performance Evaluation

VIII. FUTURE MEETINGS AT WATERMASTER

6/28/18	Thu	11:00 a.m.	Watermaster Board
7/19/18	Thu	9:00 a.m.	Appropriative Pool*
7/19/18	Thu	11:00 a.m.	Non-Agricultural Pool*
7/19/18	Thu	1:30 p.m.	Agricultural Pool*
7/25/18	Wed	1:30 p.m.	Recharge Investigations and Projects Committee (Held at IEUA)**
7/26/18	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)**
7/26/18	Thu	9:00 a.m.	Advisory Committee**
7/26/18	Thu	9:30 a.m.	2018 RMPU Steering Committee #6**
7/26/18	Thu	11:00 a.m.	Watermaster Board

*Rescheduled from 7/12/18

**Rescheduled from 7/19/18

ADJOURNMENT

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting held on May 24, 2018

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

May 24, 2018

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on May 24, 2018.

WATERMASTER BOARD MEMBERS PRESENT

Robert DiPrimio, Chair
Jeff Pierson, Vice-Chair
Bob Kuhn
Bob Bowcock
Eunice Ulloa
Paul Hofer
Kati Parker for Steve Elie
Gino Filippi

Fontana Water Company
Agricultural Pool – Crops
Three Valleys Municipal Water District
CalMat Co.
City of Chino
Agricultural Pool – Crops
Inland Empire Utilities Agency
City of Upland

WATERMASTER BOARD MEMBERS ABSENT

Steve Elie
Don Galleano

Inland Empire Utilities Agency
Western Municipal Water District

WATERMASTER STAFF PRESENT

Peter Kavounas
Joseph Joswiak
Edgar Tellez Foster
Anna Nelson
Justin Nakano

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

WATERMASTER CONSULTANTS PRESENT

Scott Slater
Brad Herrema
Andy Malone

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

OTHERS PRESENT

Chris Berch
Ron Craig
David De Jesus
Matt Litchfield
Art Kidman
Betty Anderson
Steve Corrington
Curtis Paxton
Ryan Shaw
Bob Feenstra
Todd Corbin
Van Jew
Amanda Coker
Teri Layton
Darron Poulsen
Halla Razak
Scott Burton
Raul Garibay
Craig Miller

Inland Empire Utilities Agency
City of Chino Hills
Three Valleys Municipal Water District
Three Valleys Municipal Water District
Kidman Gagen Law, LLP
Jurupa Community Services District
MIH Water Treatment
Chino Basin Desalter Authority
Western Municipal Water District
Agricultural Pool – Dairy
Jurupa Community Services District
Monte Vista Water District
City of Chino
San Antonio Water Company
City of Pomona
Inland Empire Utilities Agency
City of Ontario
City of Pomona
Western Municipal Water District

CALL TO ORDER

Chair DiPrimio called the Watermaster Board meeting to order at 11:04 a.m.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

(0:00:40) Mr. Kuhn introduced Mr. Matt Litchfield, Three Valleys Municipal Water District's new Assistant General Manager.

(0:01:04) Mr. Litchfield introduced himself to the Board.

AGENDA – ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

Approve as presented:

1. Minutes of the Watermaster Board Meeting held April 26, 2018

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of March 2018
2. Watermaster VISA Check Detail for the month of March 2018
3. Combining Schedule for the Period July 1, 2017 through March 31, 2018
4. Treasurer's Report of Financial Affairs for the Period March 1, 2018 through March 31, 2018
5. Budget vs. Actual Report for the Period July 1, 2017 through March 31, 2018

E. WATER TRANSACTIONS

Approve the proposed transactions:

1. The transfer of 2,500.000 acre-feet of water from City of Pomona to Fontana Water Company. This transfer is made from City of Pomona's Excess Carryover Account. Date of application: February 20, 2018.
2. The transfer of 62.086 acre-feet of water from San Antonio Water Company to City of Ontario. This transfer is made from San Antonio Water Company's Local Supplemental Storage Account. Date of application: March 1, 2018.
3. The transfer of 9.000 acre-feet of water from Nicholson Trust to Fontana Water Company. This transfer is made from Nicholson Trust's Annual Production Right/Operating Safe Yield. Date of application: March 18, 2018.

(0:02:00)

Motion by Mr. Bob Kuhn, seconded by Mr. Bob Bowcock, and by unanimous vote.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. WATERMASTER FISCAL YEAR 2018/19 PROPOSED BUDGET

Adopt the proposed FY 2018/19 budget as presented.

(0:02:21) Mr. Joswiak gave a presentation. A discussion ensued.

(0:17:00) Motion introduced. Further discussion ensued.

(0:22:13) Vote Taken

Motion by Ms. Eunice Ulloa, seconded by Vice-Chair Jeff Pierson, and by unanimous vote.

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

B. PREEMPTIVE REPLENISHMENT AGREEMENT

Approve and give the General Manager authority to execute on behalf of Watermaster.

(0:22:24) Mr. Kavounas gave a report.

(0:23:41)

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

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

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. June 22, 2018 Court Hearing

(0:24:05) Mr. Slater gave a brief report, and introduced Mr. Corbin to give the Board an update on Item III.A.1. A discussion ensued.

(0:29:41) Mr. Burton provided additional information on Item III.A.1.

(0:31:09) Mr. Poulsen provided additional information on Item III.A.1.

(0:32:07) Mr. Slater gave a report on Item III.A.2.

B. ENGINEER REPORT

1. Storage Framework
2. Recharge Master Plan Update
3. Prado Basin Habitat Sustainability Committee
4. Reporting

(0:35:59) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

None

D. GM REPORT

1. SGMA Update
2. Other

(0:54:11) Mr. Kavounas introduced Mr. Herrema to give a report on Item III.D.1. A discussion ensued.

IV. INFORMATION

Cash Disbursements for April 2018

V. BOARD MEMBER COMMENTS

None

VI. OTHER BUSINESS

(1:04:07) Mr. Feenstra commented on Mr. Geoffrey Vanden Heuvel's farewell event at Chino Basin Water Conservation District on Wednesday, May 30, 2018 at 3:30 p.m.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair DiPrimio called for a confidential session at 12:09 p.m. to discuss the Appeal of April 28, 2017 Order.
Mr. Slater announced that confidential session concluded at 1:12 p.m. with no reportable action.

ADJOURNMENT

Chair DiPrimio adjourned the Watermaster Board meeting at 1:14 p.m.

Secretary: _____

Approved: _____

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (April 30, 2018)

SUMMARY

Issue: Record of Cash Disbursements for the month of April 2018.

Recommendation: Receive and file Cash Disbursements for April 2018 as presented.

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

Future Consideration

Watermaster Board – June 28, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – June 14, 2018: Received and filed
Non-Agricultural Pool – June 14, 2018: Moved unanimously to receive and file, without approval
Agricultural Pool – June 15, 2018: Received and filed
Advisory Committee – June 21, 2018: Received and filed
Watermaster Board – June 28, 2018:

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of April 2018 were \$664,879.09.

The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$277,731.02 (check number 20761 dated April 24, 2018); Brownstein Hyatt Farber Schreck in the amounts of \$71,859.98 and \$105,694.37 (check number 20727 dated April 2, 2018 and check number 20762 dated April 30, 2018); and Egoscue Law Group, Inc. in the amount of \$41,987.50 (check number 20751 dated April 19, 2018).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/02/2018	20727	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	02/28/2018	713584		713584	6907.44 · SGMA Compliance	4,242.60
Bill	02/28/2018	713585		713585	6907.42 · Safe Yield Recalculation	5,443.20
				Delivery/Ground Transportation	6907.42 · Safe Yield Recalculation	150.00
				Lodging	6907.42 · Safe Yield Recalculation	450.00
Bill	02/28/2018	713586		713586	6907.41 · Prado Basin Habitat Sustain	1,903.50
Bill	02/28/2018	713587		713587	6907.40 · Storage Agreements	8,849.25
				Mileage/Parking Expense	6907.40 · Storage Agreements	36.78
Bill	02/28/2018	713588		713588	6907.39 · Recharge Master Plan	2,361.15
Bill	02/28/2018	713589		713589	6077 · BHFS Legal - Party Status Maint	5,580.90
Bill	02/28/2018	713590		713590	6071 · BHFS Legal - Court Coordination	4,313.70
Bill	02/28/2018	713591		713591	8575 · BHFS Legal - Non-Ag Pool	1,692.90
Bill	02/28/2018	713592		713592	8475 · BHFS Legal - Agricultural Pool	1,692.90
Bill	02/28/2018	713593		713593	8375 · BHFS Legal - Appropriative Pool	1,692.90
Bill	02/28/2018	713594		713594	6375 · BHFS Legal - Board Meeting	3,802.95
				Delivery/Ground Transportation	6375 · BHFS Legal - Board Meeting	150.00
Bill	02/28/2018	713595		713595	6275 · BHFS Legal - Advisory Committee	891.00
				Mileage/Parking Expense	6275 · BHFS Legal - Advisory Committee	36.78
Bill	02/28/2018	713596		713596	6907.36 · Santa Ana River Habitat	89.10
Bill	02/28/2018	713597		713597	6907.34 · Santa Ana River Water Rights	9,579.60
				Research	6907.34 · Santa Ana River Water Rights	28.46
Bill	02/28/2018	713598		713598	6078 · BHFS Legal - Miscellaneous	18,160.19
				Angelica BK	6078 · BHFS Legal - Miscellaneous	442.13
				NRG BK	6078 · BHFS Legal - Miscellaneous	196.43
				Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous	36.78
				Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool	12.26
				Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool	12.26
				Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool	12.26
TOTAL						71,859.98
Bill Pmt -Check	04/03/2018	ACH 040318	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	03/14/2018	1394905143		1394905143	60182.1 · Medical Insurance	8,440.38
TOTAL						8,440.38
Bill Pmt -Check	04/06/2018	20728	CLEAN TECH SERVICES	7821	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2018	7821		Window cleaning, hard water spot removal	6024 · Building Repair & Maintenance	327.00
TOTAL						327.00
Bill Pmt -Check	04/06/2018	20729	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/20/2018	3/20 Pre-Board Mtg		3/20/18 Pre-Board Meeting Conference Call	6311 · Board Member Compensation	125.00
Bill	03/22/2018	3/22 Board Mtg		3/22/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/06/2018	20730	FEDAK & BROWN LLP	Audit Services	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018			March 2018	6062 · Audit Services	1,500.00
TOTAL						1,500.00
Bill Pmt -Check	04/06/2018	20731	IN-SITU, INC.	Equipment	1012 · Bank of America Gen'l Ckg	
Bill	03/26/2018	00117844			7104.7 · Grdwtr Level-WM Staff-Cap Equip	5,916.68
TOTAL						5,916.68
Bill Pmt -Check	04/06/2018	20732	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018			Travel Expense Reimbursement	6191 · Conferences - General	234.77
TOTAL						234.77
Bill Pmt -Check	04/06/2018	20733	PREMIERE GLOBAL SERVICES	25542237	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	25542237		WM coordination call on 3/05	6909.1 · OBMP Meetings	6.27
				WM coordination call on 3/05	6909.1 · OBMP Meetings	6.29
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				Storge Framework call on 2/28	7604 · PE8&9-Supplies	18.61
				Pomona Extensometer call on 3/05	6909.1 · OBMP Meetings	18.13
				WM coordination call on 3/19	6909.1 · OBMP Meetings	6.28
				Pomona Extensometer call on 3/19	6909.1 · OBMP Meetings	14.23
				Board agenda preview call	6312 · Meeting Expenses	6.28
				HCP call on 3/23	6909.1 · OBMP Meetings	6.90
				WM coordination call on 3/26	6909.1 · OBMP Meetings	14.77
				Service Fee	6022 · Telephone	7.56
TOTAL						203.32
Bill Pmt -Check	04/06/2018	20734	RR FRANCHISING, INC.	54051	1012 · Bank of America Gen'l Ckg	
Bill	04/02/2018	54051		Monthly service - April 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	04/06/2018	20735	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2018	1970970-17		Monthly premium 3/26/18-4/26/18	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	04/06/2018	20736	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/02/2018	08-2 213849		April 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						117.14
General Journal	04/07/2018	04/07/2018	Payroll and Taxes for 03/25/18-04/07/18	Payroll and Taxes for 03/25/18-04/07/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 03/25/18-04/07/18	1012 · Bank of America Gen'l Ckg	26,067.84
				Payroll Taxes for 03/25/18-04/07/18	1012 · Bank of America Gen'l Ckg	8,423.26
			ICMA-RC	457(b) Employee Deductions for 03/25/18-04/07/18	1012 · Bank of America Gen'l Ckg	4,654.53
			ICMA-RC	401(a) Employee Deductions for 03/25/18-04/07/18	1012 · Bank of America Gen'l Ckg	1,285.52
TOTAL						40,431.15
Bill Pmt -Check	04/10/2018	20737	ACCENT COMPUTER SOLUTIONS, INC.	120907	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	120907		GM's desktop - final payment	6055 · Computer Hardware	891.97
TOTAL						891.97
Bill Pmt -Check	04/10/2018	20738	APPLIED COMPUTER TECHNOLOGIES	2962	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018	2962		Database Consulting Services - March 2018	6052.2 · Applied Computer Technol	3,315.40
TOTAL						3,315.40
Bill Pmt -Check	04/10/2018	20739	CHEF DAVE'S CAFE & CATERING	8156	1012 · Bank of America Gen'l Ckg	
Bill	03/22/2018	8156		Lunch for 3/22/18 Watermaster Board meeting	6312 · Meeting Expenses	600.69
TOTAL						600.69
Bill Pmt -Check	04/10/2018	20740	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/22/2018	3/22 Board Mtg		3/22/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/10/2018	20741	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/06/2018	3/06 Admin Mtg		3/06/18 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2018	3/22 Board Mtg		3/22/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	03/30/2018	3/20 Admin Mtg		3/30/18 Administrative Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	04/10/2018	20742	PAYCHEX	2018032900	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018	2018032900		March 2018	6012 · Payroll Services	310.67
TOTAL						310.67
Bill Pmt -Check	04/10/2018	20743	PIERSON, JEFFREY	Board and Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2018	3/08 Ag Pool Mtg		3/08/18 Ag Pool Meeting	8411 · Compensation	125.00
Bill	03/15/2018	3/15 Advisory Comm		3/15/18 Advisory Committee meeting	8411 · Compensation	125.00
Bill	03/15/2018	3/15 RIPCom Mtg		3/15/18 RIPCom Meeting	8411 · Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/20/2018	3/20 Board Conf Call		3/20/18 Board Executive Committee conf. call	6311 · Board Member Compensation	125.00
Bill	03/22/2018	3/22 Board Mtg		3/22/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	04/10/2018	20744	RAUCH COMMUNICATION CONSULTANTS, LLC Jan-1803		1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018	Jan-1803		AR40 - January - February 2018	6061.3 · Rauch	1,600.00
TOTAL						1,600.00
Bill Pmt -Check	04/10/2018	20745	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018	7076224530355049		Fuel - March 2018	6175 · Vehicle Fuel	72.01
TOTAL						72.01
Bill Pmt -Check	04/12/2018	ACH 041218	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	04/07/2018	04/07/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/28/18-04/07/18	2000 · Accounts Payable	6,668.35
TOTAL						6,668.35
General Journal	04/13/2018	04/13/2018		JWilson Take Care Wage Works Funds	1012 · Bank of America Gen'l Ckg	
				JWilson Take Care Wage Works Funds	60194 · Other Employee Insurance	-727.34
TOTAL						-727.34
Check	04/16/2018	04/16/2018	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	602.31
TOTAL						602.31
Bill Pmt -Check	04/19/2018	20746	ACWA JOINT POWERS INSURANCE AUTHORITY 05460058		1012 · Bank of America Gen'l Ckg	
Bill	04/13/2018	0546058		Prepayment - May 2018	1409 · Prepaid Life, BAD&D & LTD	217.89
				April 2018	60191 · Life & Disab.Ins Benefits	217.89
TOTAL						435.78
Bill Pmt -Check	04/19/2018	20747	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	XXXX-XXXX-XXXX-9341		Miscellaneous office supplies	6031.7 · Other Office Supplies	265.50
				50% deposit-wireless access points	6055 · Computer Hardware	1,680.90
				50% deposit-ETF laptop	6055 · Computer Hardware	1,217.94
				Jacket for ETF	6154 · Uniforms	72.97
				Replacement keyboard/mouse combo	6055 · Computer Hardware	26.93
				HR meeting JJ/PK/AT	6141.3 · Admin Meetings	46.41
				PK expense for GRA Symposium	6191 · Conferences - General	17.71
				PK hotel for GRA Symposium	6191 · Conferences - General	653.32
				PK expense for GRA Symposium	6191 · Conferences - General	10.23
				Lunch-budget discusson for Storage Framework	6909.1 · OBMP Meetings	9.39

TOTAL 910

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				PK meeting w/B. Kuhn	6312 · Meeting Expenses	24.24
				ETF-registration-3/22/18 Inland Empire Branch mtg	6192 · Seminars - General	15.00
				Lunch-3/13/18 RMPU Steering Committee	7204 · Comp Recharge-Supplies	60.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	11.48
				PK meeting w/B. DiPrimio	6312 · Meeting Expenses	23.03
				PK flight-6/06/18 GRA-First Annual GSA Summit	6191 · Conferences - General	181.95
				Early bird check in for above flight	6191 · Conferences - General	15.00
				Early bird check in for above flight	6191 · Conferences - General	15.00
				CG registration for 3/19/18 Proofreading seminar	6192 · Seminars - General	97.00
				Supplies for 3/22/18 staff meeting	6141.3 · Admin Meetings	14.54
				AT registration for 4/06/18 Shorthand webinar	6192 · Seminars - General	197.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	16.15
				PK meeting w/B. Lewis - Golden State Water Co	8312 · Meeting Expenses	15.88
				PK flight-5/03/18 Sacramento meeting-early bird	6173 · Airfare/Mileage	15.00
				PK flight for 5/03/18 Sacramento meeting	6173 · Airfare/Mileage	330.87
				RZ hotel-4/02/18 AWWA Operator Symposium	6191 · Conferences - General	358.36
				Miscellaneous office supplies	6031.7 · Other Office Supplies	21.77
				HR meeting JJ/PK/AT	6141.3 · Admin Meetings	35.96
				PK meeting w/T. Layton, V. Jew	8312 · Meeting Expenses	60.77
				Parking-PK-Anne Schneider Lecture-Sacramento	6191 · Conferences - General	18.00
				PK meal at airport	6191 · Conferences - General	17.87
						<u>5,546.17</u>
P11 TOTAL						
Bill Pmt -Check	04/19/2018	20748	CORELOGIC INFORMATION SOLUTIONS	81883243	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	81883243		81883243	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81883243	7101.4 · Prod Monitor-Computer	62.50
TOTAL						<u>125.00</u>
Bill Pmt -Check	04/19/2018	20749	CUCAMONGA VALLEY WATER DISTRICT	Office Rent	1012 · Bank of America Gen'l Ckg	
Bill	04/16/2018			Office lease due May 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						<u>6,608.80</u>
Bill Pmt -Check	04/19/2018	20750	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2018	3/08 Ag Pool Mtg		3/08/18 Ag Pool Meeting	8411 · Compensation	25.00
				3/08/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	04/19/2018	20751	EGOSCUE LAW GROUP, INC.	11911	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2018	11911		Ag Pool Legal Services - March 2018	8467 · Ag Legal & Technical Services	41,987.50
TOTAL						<u>41,987.50</u>

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/19/2018	20752	GREAT AMERICA LEASING CORP.	22490394	1012 - Bank of America Gen'l Ckg	
Bill	04/17/2018	22490394		Invoice for April 2018	6043.1 - Ricoh Lease Fee	2,605.07
TOTAL						<u>2,605.07</u>
Bill Pmt -Check	04/19/2018	20753	HUITSING, JOHN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	03/08/2018	3/08 Ag Pool Mtg		3/08/18 Special Ag Pool Meeting	8411 - Compensation	25.00
				3/08/18 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	04/19/2018	20754	LEGAL SHIELD	0111802	1012 - Bank of America Gen'l Ckg	
Bill	04/17/2018	0111802		Employee deductions - April 2018	60194 - Other Employee Insurance	79.70
TOTAL						<u>79.70</u>
Bill Pmt -Check	04/19/2018	20755	LOEB & LOEB LLP	1765470	1012 - Bank of America Gen'l Ckg	
Bill	03/30/2018	1765470		Non-Ag Pool Legal Services - March 2018	8567 - Non-Ag Legal Service	2,588.37
TOTAL						<u>2,588.37</u>
P12 Bill Pmt -Check	04/19/2018	20756	PITNEY BOWES CREDIT CORPORATION	3102072996	1012 - Bank of America Gen'l Ckg	
Bill	04/13/2018	3102072996		Postage meter lease	6044 - Postage Meter Lease	401.91
TOTAL						<u>401.91</u>
Bill Pmt -Check	04/19/2018	20757	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2018				60182.4 - Retiree Medical	25.17
TOTAL						<u>25.17</u>
Bill Pmt -Check	04/19/2018	20758	UNITED HEALTHCARE	0045202195	1012 - Bank of America Gen'l Ckg	
Bill	04/13/2018	0045202195		Dental Insurance Premium - May 2018	60182.2 - Dental & Vision Ins	749.75
TOTAL						<u>749.75</u>
Bill Pmt -Check	04/19/2018	20759	VERIZON WIRELESS	9804751207	1012 - Bank of America Gen'l Ckg	
Bill	04/13/2018	9804751207		Acct #470810953-00001	6022 - Telephone	297.55
TOTAL						<u>297.55</u>
Bill Pmt -Check	04/19/2018	20760	ZAPIEN, ENRIQUE	Travel Expense Reimbursement	1012 - Bank of America Gen'l Ckg	
Bill	04/16/2018			Reimburse-AWWA 2018 Operator Symposium	6192 - Seminars - General	168.95
TOTAL						<u>168.95</u>
General Journal	04/21/2018	04/21/2018	Payoll and Taxes for 04/08/18-04/21/18	Payoll and Taxes for 04/08/18-04/21/18	1012 - Bank of America Gen'l Ckg	
				Direct Deposits for 04/08/18-04/21/18	1012 - Bank of America Gen'l Ckg	26,903.48

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				Payroll and Taxes for 04/08/18-04/21/18	1012 · Bank of America Gen'l Ckg	8,578.50
			ICMA-RC	457(b) Employee Deductions for 04/08/18-04/21/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 04/08/18-04/21/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						41,523.30
Bill Pmt -Check	04/24/2018	20761	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	2018082		2018082	6906.31 · OBMP-Pool, Adv. Board Mtgs	3,249.98
Bill	03/31/2018	2018083		2018083	6906.32 · OBMP-Other General Meetings	8,713.13
Bill	03/31/2018	2018084		2018084	6906.71 · OBMP-Data Req.-CBWM Staff	8,810.19
Bill	03/31/2018	2018085		2018085	6906.72 · OBMP-Data Req.-Non CBWM Staff	7,365.05
Bill	03/31/2018	2018086		2018086	6906.23 · SGMA Reporting Requirements	241.20
Bill	03/31/2018	2018087		2018087	6906 · OBMP Engineering Services	3,342.30
Bill	03/31/2018	2018088		2018088	6906.24 · Compliance-SB88 and SWRCB	2,061.90
Bill	03/31/2018	2018089		2018089	7103.3 · Grdwtr Qual-Engineering	22,047.88
Bill	03/31/2018	2018090		2018090	7104.3 · Grdwtr Level-Engineering	33,620.49
Bill	03/31/2018	2018091		Neva Ridge Technologies, Inc.	7107.6 · Grd Level-Contract Svcs	19,800.00
				2018091	7107.2 · Grd Level-Engineering	50.25
Bill	03/31/2018	2018092		2018092	7107.2 · Grd Level-Engineering	3,777.42
				WSP USA Inc.	7107.6 · Grd Level-Contract Svcs	62,405.94
Bill	03/31/2018	2018093		2018093	7108.31 · Hydraulic Control - PBHSP	30,643.59
Bill	03/31/2018	2018094		2018094	7202.2 · Engineering Svc	971.23
Bill	03/31/2018	2018095		2018095	7402 · PE4-Engineering	7,246.72
Bill	03/31/2018	2018096		2018096	7402.10 · PE4 - Northwest MZ1 Area Proj.	2,527.45
Bill	03/31/2018	2018097		2018097	7502 · PE6&7-Engineering	12,975.30
Bill	03/31/2018	2018098		2018098	7510 · PE6&7-IEUA Salinity Mgmt. Plan	16,109.85
Bill	03/31/2018	2018099		2018099	7602 · PE8&9-Engineering	31,771.15
TOTAL						277,731.02
Bill Pmt -Check	04/24/2018	ACH 042418	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2018	15248756		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	4,348.52
TOTAL						4,348.52
Bill Pmt -Check	04/27/2018	ACH 042718	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	04/21/2018	04/21/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/08/18-04/21/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	04/30/2018	20762	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	718035		718035	6078 · BHFS Legal - Miscellaneous	17,208.45
				Angelica BK	6078 · BHFS Legal - Miscellaneous	142.20
				NRG BK	6078 · BHFS Legal - Miscellaneous	190.35

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				Watermaster 101	6078 · BHFS Legal - Miscellaneous	2,583.90
				Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous	73.56
				Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool	12.26
				Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool	12.26
				Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool	12.26
Bill	03/31/2018	718036		Employee Handbook	6073 · BHFS Legal - Personnel Matters	7,056.45
				Research - Westlaw	6073 · BHFS Legal - Personnel Matters	264.22
				Telephone	6073 · BHFS Legal - Personnel Matters	3.95
Bill	03/31/2018	718037		718037	6907.34 · Santa Ana River Water Rights	9,648.90
				Federal Express	6907.34 · Santa Ana River Water Rights	15.90
Bill	03/31/2018	718038		718038	6907.33 · Desalter/Hydraulic Control	400.95
Bill	03/31/2018	718039		718039	6275 · BHFS Legal - Advisory Committee	1,470.15
				Mileage/Parking Expense	6275 · BHFS Legal - Advisory Committee	36.78
Bill	03/31/2018	718040		718040	6375 · BHFS Legal - Board Meeting	4,876.20
				Delivery/Ground Transportation	6375 · BHFS Legal - Board Meeting	150.00
				718040	6275 · BHFS Legal - Advisory Committee	267.30
Bill	03/31/2018	718041		718041	6071 · BHFS Legal - Court Coordination	11,683.80
Bill	03/31/2018	718042		718042	6077 · BHFS Legal - Party Status Maint	2,811.60
Bill	03/31/2018	718043		718043	6907.38 · Reg. Water Quality Cntrl Board	1,202.85
				Mileage/Parking Expense	6907.38 · Reg. Water Quality Cntrl Board	57.21
Bill	03/31/2018	718044		718044	6907.39 · Recharge Master Plan	5,704.20
Bill	03/31/2018	718045		718045	6907.40 · Storage Agreements	15,944.85
				Delivery/Ground Transportation	6907.40 · Storage Agreements	150.00
Bill	03/31/2018	718046		718046	6907.41 · Prado Basin Habitat Sustain	3,164.40
				Mileage/Parking Expense	6907.41 · Prado Basin Habitat Sustain	44.72
Bill	03/31/2018	718047		718047	6907.42 · Safe Yield Recalculation	13,183.20
				Lodging for 3/14	6907.42 · Safe Yield Recalculation	225.00
				Lodging for 3/22	6907.42 · Safe Yield Recalculation	225.00
Bill	03/31/2018	718048		718048	6907.44 · SGMA Compliance	6,046.65
Bill	03/31/2018	718049		718049	6907.46 · Upper SAR Integrated Model	824.85
TOTAL						105,694.37
Bill Pmt -Check	04/30/2018	20763	ACCENT COMPUTER SOLUTIONS, INC.		1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	121136		Monthly billing for May 2018	6052.4 · IT Managed Services	4,128.00
				Office 365 monthly subscriptions	6054 · Computer Software	16.50
Bill	04/26/2018	121227		Monitor adapter exchange for ETF	6055 · Computer Hardware	82.07
TOTAL						4,226.57
Bill Pmt -Check	04/30/2018	20764	BUSINESS TELECOMMUNICATION SYSTEMS IN 13516		1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	13516		Receptionist desk cordless phone & installation	6022 · Telephone	1,070.42

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,070.42
Bill Pmt -Check	04/30/2018	20765	CENTURYLINK	70088243	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	70088243		4/17/18-5/16/18	6053 · Internet Expense	1,051.36
TOTAL						1,051.36
Bill Pmt -Check	04/30/2018	20766	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	03/15/2018	L0382002		L0382002	7108.41 · Hydraulic Control - PBHSP	992.00
Bill	03/16/2018	L0382837		L0382837	7108.41 · Hydraulic Control - PBHSP	992.00
Bill	03/19/2018	L0382168		L0382168	7108.41 · Hydraulic Control - PBHSP	1,240.00
Bill	03/21/2018	L0382839		L0382839	7108.41 · Hydraulic Control - PBHSP	992.00
TOTAL						4,216.00
Bill Pmt -Check	04/30/2018	20767	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	90948438900509145		Office fax	6022 · Telephone	143.99
TOTAL						143.99
Bill Pmt -Check	04/30/2018	20768	JOHN J. SCHATZ	Appropriative Pool Lgeal Services	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018			Approp. Pool Legal Services - Feb. & Mar. 2018	8367 · Legal Service	5,720.00
TOTAL						5,720.00
Bill Pmt -Check	04/30/2018	20769	RBM LOCK & KEY	0000093283	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	0000093283		Install lock on IT/server room & extra keys	6024 · Building Repair & Maintenance	266.01
TOTAL						266.01
Bill Pmt -Check	04/30/2018	20770	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	786.43
TOTAL						786.43
Bill Pmt -Check	04/30/2018	20771	STAPLES BUSINESS ADVANTAGE	8049527505	1012 · Bank of America Gen'l Ckg	
Bill	04/24/2018	8049527505		Miscellaneous office suppliies	6031.7 · Other Office Supplies	191.53
TOTAL						191.53
Bill Pmt -Check	04/30/2018	20772	ULLOA, EUNICE	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2018	1/11 Appro Pool Mtg		1/11/18 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/31/2018	1/16 Admin Mtg		1/16/18 Administrative meeting w/PK, T. Haughey	6311 · Board Member Compensation	125.00
Bill	03/31/2018	1/18 Advisory Comm		1/18/18 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	03/31/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	03/31/2018	1/31 Storage Wkshp		1/31/18 Storage Workshop	6311 · Board Member Compensation	125.00
Bill	03/31/2018	2/08 Appro Pool Mtg		2/08/18 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
April 2018

Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill	03/31/2018	2/15	Advisory Comm	2/15/18 Advisory Committee Meeting	6311 · Board Member Compensation	125.00	
Bill	03/31/2018	2/22	Board Mtg	2/22/18 Board Meeting	6311 · Board Member Compensation	125.00	
Bill	03/31/2018	3/15	Advisory Comm	3/15/18 Advisory Committee Meeting	6311 · Board Member Compensation	125.00	
Bill	03/31/2018	3/14	Storage Wkshp	3/14/18 Storage Workshop	6311 · Board Member Compensation	125.00	
Bill	03/31/2018	3/22	Board Mtg	3/22/18 Board Meeting	6311 · Board Member Compensation	125.00	
Bill	04/12/2018	4/12	Appro Pool Mtg	4/12/18 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00	
Bill	04/19/2018	4/19	Advisory Comm	4/19/18 Advisory Committee Meeting	6311 · Board Member Compensation	125.00	
Bill	04/24/2018	4/24	Budget Wkshp	4/24/18 Budget Workshop #1	6311 · Board Member Compensation	125.00	
Bill	04/26/2018	4/26	Board Mtg	4/26/18 Board Meeting	6311 · Board Member Compensation	125.00	
TOTAL						1,875.00	
Bill Pmt -Check	04/30/2018	20773	VERIZON WIRELESS	9805287812	1012 · Bank of America Gen'l Ckg		
Bill	04/24/2018	9805287812		Acct #642073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.14	
TOTAL						100.14	
Bill Pmt -Check	04/30/2018	20774	ZAPIEN, ENRIQUE	Reimbursement	1012 · Bank of America Gen'l Ckg		
Bill	04/24/2018			Reimbursement for safety shoes	6152 · Safety Shoes	169.70	
TOTAL						169.70	
P 16	General Journal	04/30/2018	04/30/2018	Wage Works FSA Direct Debits - April 2018	Wage Works FSA Direct Debits - April 2018	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - April 2018	1012 · Bank of America Gen'l Ckg	696.15	
				Wage Works FSA Direct Debits - April 2018	1012 · Bank of America Gen'l Ckg	696.15	
				Wage Works FSA Direct Debits - April 2018	1012 · Bank of America Gen'l Ckg	696.15	
				Wage Works FSA Direct Debits - April 2018	1012 · Bank of America Gen'l Ckg	81.50	
TOTAL						2,169.95	
Total Disbursements:						664,879.09	



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: June 28 2018
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (April 30, 2018)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of April 2018.

Recommendation: Receive and file VISA Check Detail Report for April 2018 as presented.

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

Future Consideration

Watermaster Board – June 28, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – June 14, 2018: Received and filed

Non-Agricultural Pool – June 14, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – June 15, 2018: Received and filed

Advisory Committee – June 21, 2018: Received and filed

Watermaster Board – June 28, 2018:

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 April 2018 were \$5,546.17. The payment was processed in the amount of \$5,546.17 (by check number 20747 dated April 19, 2018). The monthly charges for April 2018 of \$5,546.17 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
VISA Check Detail Report
April 2018

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/19/2018	20747	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	03/31/2018	XXXX-XXXX-XXXX-9341		Miscellaneous office supplies	6031.7 - Other Office Supplies	265.50
				50% deposit-wireless access points	6055 - Computer Hardware	1,680.90
				50% deposit-ETF laptop	6055 - Computer Hardware	1,217.94
				Jacket for ETF	6154 - Uniforms	72.97
				Replacement keyboard/mouse combo	6055 - Computer Hardware	26.93
				HR meeting JJ/PK/AT	6141.3 - Admin Meetings	46.41
				PK expense for GRA Symposium	6191 - Conferences - General	17.71
				PK hotel for GRA Symposium	6191 - Conferences - General	653.32
				PK expense for GRA Symposium	6191 - Conferences - General	10.23
				Lunch-budget discussion for Storage Framework	6909.1 - OBMP Meetings	9.39
				PK meeting w/B. Kuhn	6312 - Meeting Expenses	24.24
				ETF-registration-3/22/18 Inland Empire Branch mtg	6192 - Seminars - General	15.00
				Lunch-3/13/18 RMPU Steering Committee	7204 - Comp Recharge-Supplies	60.00
				Miscellaneous office supplies	6031.7 - Other Office Supplies	11.48
				PK meeting w/B. DiPrimio	6312 - Meeting Expenses	23.03
				PK flight-6/06/18 GRA-First Annual GSA Summit	6191 - Conferences - General	181.95
				Early bird check in for above flight	6191 - Conferences - General	15.00
				Early bird check in for above flight	6191 - Conferences - General	15.00
				CG registration for 3/19/18 Proofreading seminar	6192 - Seminars - General	97.00
				Supplies for 3/22/18 staff meeting	6141.3 - Admin Meetings	14.54
				AT registration for 4/06/18 Shorthand webinar	6192 - Seminars - General	197.00
				Miscellaneous office supplies	6031.7 - Other Office Supplies	16.15
				PK meeting w/B. Lewis - Golden State Water Co	8312 - Meeting Expenses	15.88
				PK flight-5/03/18 Sacramento meeting-early bird	6173 - Airfare/Mileage	15.00
				PK flight for 5/03/18 Sacramento meeting	6173 - Airfare/Mileage	330.87
				RZ hotel-4/02/18 AWWA Operator Symposium	6191 - Conferences - General	358.36
				Miscellaneous office supplies	6031.7 - Other Office Supplies	21.77
				HR meeting JJ/PK/AT	6141.3 - Admin Meetings	35.96
				PK meeting w/T. Layton, V. Jew	8312 - Meeting Expenses	60.77
				Parking-PK-Anne Schneider Lecture-Sacramento	6191 - Conferences - General	18.00
				PK meal at airport	6191 - Conferences - General	17.87
					Total Disbursements:	5,546.17

TOTAL

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CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through April 30, 2018 - Financial Report B3 (April 30, 2018)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through April 30, 2018.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through April 30, 2018 as presented.

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

Future Consideration

Watermaster Board – June 28, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – June 14, 2018: Received and filed

Non-Agricultural Pool – June 14, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – June 15, 2018: Received and filed

Advisory Committee – June 21, 2018: Received and filed

Watermaster Board – June 28, 2018:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2017 through April 30, 2018 is provided to keep all members apprised of the FY 2017/18 cumulative Watermaster revenues, expenditures and changes in net assets for the period listed.

DISCUSSION

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

ATTACHMENTS:

1. Financial Report - B3

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE PERIOD JULY 1, 2017 THROUGH APRIL 30, 2018

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WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER REPLENISHMENT	LAIF VALUE ADJ.	GASB 68 BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2017-2018
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL					
Administrative Revenues:									
Administrative Assessments		8,407,584		360,243			8,767,827	11,607,166	
Interest Revenue		97,806	4,607	1,112			103,524	39,906	
Mutual Agency Project Revenue	193,622						193,622	191,626	
Miscellaneous Income	70						70	0	
Total Revenues	193,692	8,505,390	4,607	361,355	-	-	9,065,043	11,838,698	
Administrative & Project Expenditures:									
Watermaster Administration	1,469,987						1,469,987	1,339,393	
Watermaster Board-Advisory Committee	137,331						137,331	219,454	
Ag Pool Misc. Expense - Ag Fund			57				57	400	
Pool Administration		90,505	311,657	72,356			474,518	619,252	
Optimum Basin Mgmt Administration	967,117						967,117	1,374,142	
OBMP Project Costs	2,803,668						2,803,668	5,590,384	
Debt Service	457,644						457,644	515,375	
Basin Recharge Improvements	398,469						398,469	6,692,293	
Total Administrative/OBMP Expenses	1,607,318	4,626,897	90,505	311,657	-	-	6,708,790	16,350,693	
Net Administrative/OBMP Expenses	(1,413,626)	(4,626,897)							
Allocate Net Admin Expenses To Pools	<u>1,413,626</u>		1,026,248	335,091	52,287				
Allocate Net OBMP Expenses To Pools		3,770,785	2,737,472	893,840	139,473				
Allocate Debt Service to App Pool		457,644	457,644						
Allocate Basin Recharge to App Pool	<u>398,469</u>	398,469							
Agricultural Expense Transfer*		1,540,588	(1,540,588)						
Total Expenses		6,250,925	57	264,116	-	-	6,708,790	16,350,693	
Net Administrative Income		2,254,464	4,550	97,239			2,356,253	(4,511,995)	
Other Income/(Expense)									
Replenishment Water Assessments					858,518		858,518	0	
Desalter Replenishment Obligation					-		-	0	
Non-Ag Stored Water Purchases							-	0	
Exhibit "G" Non-Ag Pool Water							-	0	
Interest Revenue					2,259		2,259	0	
MWD Water Purchases							-	0	
Non-Ag Stored Water Purchases							-	0	
Exhibit "G" Non-Ag Pool Water							-	0	
MWD Water Purchases							-	0	
Groundwater Replenishment					(763,169)		(763,169)	0	
LAIF - Fair Market Value Adjustment							-	0	
Gain on Sale of Assets		1,637		63			1,700	0	
Other Post-Employment Benefits (OPEB)		-		-			-	0	
Refund-Excess Reserves		-		-			-	0	
Refund-Recharge Debt		(78,397)					(78,397)	0	
Funding To/(From) Reserves							-	(392,216)	
Net Other Income/(Expense)		(76,760)	-	63	97,607	-	20,910	(392,216)	
Net Transfers To/(From) Reserves	2,377,163	2,177,704	4,550	97,302	97,607	-	2,377,163	(4,119,779)	
Net Assets, July 1, 2017	0	9,038,790	486,234	45,146	(102,141)	(11,905)	(740,195)	8,715,929	
Net Assets, End of Period		11,216,495	490,784	142,448	(4,534)	(11,905)	(740,195)	11,093,093	
16/17 Assessable Production		82,269.159	26,862.554	4,191.579			113,323.292		
16/17 Production Percentages		72.597%	23.704%	3.699%			100.000%		

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

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CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018

TO: Board Members

SUBJECT: Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018
- Financial Report B4 (April 30, 2018)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of April 1, 2018 through April 30, 2018.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018 as presented.

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

Future Consideration

Watermaster Board – June 28, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – June 14, 2018: Received and filed

Non-Agricultural Pool – June 14, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – June 15, 2018: Received and filed

Advisory Committee – June 21, 2018: Received and filed

Watermaster Board – June 28, 2018:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST); cash on deposit in trust with the County of San Bernardino as a result of the Cooperation and Reimbursement Agreement between Chino Basin Watermaster and County of San Bernardino dated May 25, 2017; and cash on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF) and/or CalTRUST, the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

DISCUSSION

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

ATTACHMENTS

1. Financial Report - B4

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
APRIL 1, 2018 THROUGH APRIL 30, 2018**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	457,473		
Zero Balance Account - Payroll		-		457,473
Trust Account - County of San Bernardino				845
Local Agency Investment Fund - Sacramento				12,361,569
TOTAL CASH IN BANKS AND ON HAND				\$ 12,820,387
TOTAL CASH IN BANKS AND ON HAND	4/30/2018			13,406,661
	3/31/2018			13,406,661
PERIOD INCREASE (DECREASE)			\$	(586,274)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$	68,437
Assessments Receivable				-
Prepaid Expenses, Deposits & Other Current Assets				1,374
(Decrease)/Increase in Liabilities: Accounts Payable				72,989
Accrued Payroll, Payroll Taxes & Other Current Liabilities				4,860
Long Term Liabilities				2,198
Transfer to/(from) Reserves				(736,132)
PERIOD INCREASE (DECREASE)			\$	(586,274)

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SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Trust Account County of San Bernardino	Local Agency Investment Funds	Totals
Balances as of 3/31/2018	\$ 500	\$ 8,145	\$ -	\$ 15,000	\$ 13,383,016	\$ 13,406,661
Deposits	-	1,114,935	-	-	53,553	1,168,487
Transfers	-	(110,909)	(69,973)	-	(1,075,000)	(1,255,882)
Withdrawals/Checks	-	(554,697)	69,973	(14,155)	-	(498,879)
Balances as of 4/30/2018	\$ 500	\$ 457,473	\$ -	\$ 845	\$ 12,361,569	\$ 12,820,387
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 449,328	\$ -	\$ (14,155)	\$ (1,021,447)	\$ (586,274)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
APRIL 1, 2018 THROUGH APRIL 30, 2018**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
4/2/2018	Withdrawal		(525,000)				
4/13/2018	Interest		53,553				
4/27/2018	Withdrawal		(550,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (1,021,447)	\$0			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.51% was the effective yield rate at the Quarter ended March 31, 2018.

**INVESTMENT STATUS
April 30, 2018**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 12,361,569			
TOTAL INVESTMENTS	\$ 12,361,569			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2017 through April 30, 2018 -
Financial Report B5 (April 30, 2018)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2017 through April 30, 2018.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2017 through April 30, 2018 as presented.

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

Future Consideration
Watermaster Board – June 28, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – June 14, 2018: Received and filed
Non-Agricultural Pool – June 14, 2018: Moved unanimously to receive and file, without approval
Agricultural Pool – June 15, 2018: Received and filed
Advisory Committee – June 21, 2018: Received and filed
Watermaster Board – June 28, 2018:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2017 through April 30, 2018 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimum Basin Management Program Expenses; Project Expenses; and Other Income/Expenses. The Budget vs. Actual report has been created from Intuit QuickBooks Enterprise Solutions 18.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

DISCUSSION

CURRENT MONTH – APRIL 2018

The Chino Basin Watermaster "Original" FY 2017/18 budget of \$11,838,698 was approved by the Board on May 25, 2017. With the closing of the financial records for the fiscal year ended June 30, 2017, the "Carry Over" funding from FY 2016/17 and previous years was calculated at \$4,119,779.24 which brought the "Amended" Budget for FY 2017/18 to \$15,958,477.24 ($\$11,838,698 + \$4,119,779.24 = \$15,958,477.24$). With the approval of Budget Amendment Form A-18-03-01 by the Board on April 26, 2018, the "Amended" FY 2017/18 budget is now \$16,350,693.24 ($\$15,958,477.24 + \$392,216 = \$16,350,693.24$).

Year-To-Date (YTD) for the ten months ending April 30, 2018, all but five categories were at or below the projected budget. The categories over budget were (1) Administration Salary/Benefits expenses (6010's) which were over budget by \$39,068 or 4.6% as a result of increased staff time and activities in the administrative functions. Please note that the overage is only in the administrative section, not with the entire consolidated staffing budget; (2) Watermaster Legal Services expenses (6070's) over budget by \$178,051 or 116.1% as a result of miscellaneous legal matters as detailed in the BHFS section; (3) Agricultural Pool Legal Services (8467's) over budget by \$87,211 or 51.1% as a result of increased legal services performed during the months of July 2017 through April 2018; (4) Production Monitoring expenses (7101's) over budget by \$10,011 or 22.0% as a result of increased staff time and activities in this area; and (5) Hydraulic Control Monitoring expenses (7108's) over budget by \$5,447 or 5.5% as a result of increased staff time and activities in this area.

For the majority of the expense categories within the Watermaster budget for FY 2017/18, the individual line-item budgets are divided into 12-monthly amounts and allocated accordingly. As the fiscal year progresses, these categories listed above might level out over time and be within the budget levels.

Overall, the Watermaster (YTD) Actual Expenses were \$8,497,948 or 55.9% below the (YTD) Budgeted Expenses of \$15,206,738.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

March 2018:

For the accounting month of March 2018, Budget Amendment Form A-18-03-01 was recorded in the amount of \$392,216 under the PE 8&9 Storage Management/Conjunctive Use budget (account 7602) in the amount of \$320,201; and under the Ground Level MVWD SCADA Reimbursement budget (account 7107.63) in the amount of \$72,015. The additional funding of \$392,216 came from the OBMP Reserve Fund which had an available balance of \$945,874. The Budget Amendment Form A-18-03-01 was approved by the Board on April 26, 2018, and the new available balance of the OBMP Reserve Fund is now \$553,658 ($\$945,874 - \$392,216 = \$553,658$).

February 2018:

Budget Amendment Form A-18-03-01 in the amount of \$392,216 is being presented for approval during the April 2018 Pools, Advisory and Board meetings regarding two specific budget amounts. The first budget amount of \$320,201 is proposed to increase the PE 8&9 Storage Management/Conjunctive Use

budget (account 7602) from \$182,207 to \$502,408 as a result of a two-year Engineering project which was originally budgeted and approved for \$182,207 for FY 2017/18 during the budgeting process. Due to specific deadlines, Watermaster has requested the timeline be pushed forward and it's now understood that the total two-year expenses of \$502,408 could be spent within the FY 2017/18 period. The budget shortfall of \$320,201 ($\$502,408 - \$182,207 = \$320,201$) was presented and discussed as part of the FY 2017/18 Mid-Year Review at the March 15, 2018 Advisory meeting and March 22, 2018 Board meeting. There were no Pool meetings held in March 2018.

The second budget amount of \$72,015 is for the SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster, Monte Vista Water District, and Wildermuth Environmental, Inc., effective September 28, 2017 Pursuant to the recommendation of the Groundwater Level Monitoring Committee, the Chino Basin Watermaster, through its contract with consultant Wildermuth Environmental Inc., wishes to develop a more extensive supervisory control and data acquisition (SCADA) groundwater level monitoring system in the Monte Vista Water District (MVWD) service area. In order to do so, MVWD will permit the installation of SCADA equipment to several of its wells and integration of the equipment into its existing SCADA system. This project was not included or funded through the FY 2017/18 budget which was approved on May 25, 2017. The SCADA Installation, Monitoring and Reimbursement Letter Agreement, signed by Chino Basin Watermaster, Monte Vista Water District, and Wildermuth Environmental, Inc., is effective September 28, 2017 through June 30, 2020. General Ledger account (7107.63) will be created in FY 2017/18 to capture the expenses associated with this activity.

The additional funding of \$392,216 would come from the OBMP Reserve Fund which currently has an available balance of \$945,874. For more information on Budget Amendment Form A-18-03-01, please see Business Item II.A.

December 2017:

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

August 2017:

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

July 2017:

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

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

SALARIES EXPENSE

CURRENT MONTH – APRIL 2018

As of April 30, 2018, the total (YTD) Watermaster salary expenses were \$68,361 or 4.6% below the (YTD) budgeted amount of \$1,476,404. The overall staffing budget was developed with a staffing level of ten Full-Time Equivalents (FTE's), and staffing is currently at nine Full-Time Equivalents (FTE's). The position of Water Resources Associate remains vacant and could be recruited in the future as the work demands increase.

Watermaster utilizes an in-house database time and attendance system to track and record staff's actual hours worked and records those hours to a specific project or activity. This time and attendance database of captured staff hours and activities is the basis for the bi-weekly payrolls which are processed using an external payroll processing service. Watermaster staff can record time to a large number of

activities but the five most used categories are as follows (1) General Administrative activities; (2) Paid Leaves of vacation, sick or holiday; (3) Pools, Advisory or Board Meeting attendance; (4) OBMP activities; and (5) OBMP Implementation Program Elements 1 through 9 activities.

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

The table summarizes the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget as of April 30, 2018. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '17 - Apr '18 Actual	Jul '17 - Apr '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	893,468.21	802,817.00	90,651.21	111.29%	966,354.00
6011.1 · WM Staff Salaries - Overtime	7,796.66	0.00	7,796.66	100.0%	0.00
6011.4 · 457(f) NQDC Plan	27,661.78	19,758.00	7,903.78	140.0%	23,710.00
6015 · Miscellaneous Payments	0.00	0.00	0.00	0.0%	0.00
6017 · Temporary Services	0.00	17,500.00	-17,500.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	17,252.73	20,526.00	-3,273.27	84.05%	24,708.00
6301 · Watermaster Board - WM Staff Salaries	27,826.44	31,456.00	-3,629.56	88.46%	37,863.00
8301 · Appropriative Pool - WM Staff Salaries	33,001.00	28,115.00	4,886.00	117.38%	33,842.00
8401 · Agricultural Pool - WM Staff Salaries	16,490.71	24,801.00	-8,310.29	66.49%	29,853.00
8501 · Non-Agricultural Pool - WM Staff Salaries	12,367.78	16,247.00	-3,879.22	76.12%	19,557.00
6901 · OBMP - WM Staff Salaries	51,978.51	76,291.00	-24,312.49	68.13%	91,832.00
7101.1 · Production Monitor - WM Staff Salaries	54,865.73	44,855.00	10,010.73	122.32%	53,992.00
7102.1 · In-line Meter - WM Staff Salaries	1,220.13	8,471.00	-7,250.87	14.4%	10,197.00
7103.1 · Grdwater Quality - WM Staff Salaries	18,380.21	46,169.00	-27,788.79	39.81%	55,574.00
7104.1 · Grdwater Level - WM Staff Salaries	43,370.59	33,249.00	10,121.59	130.44%	40,022.00
7106.1 · Wtr Level Sensor - WM Staff Salaries	0.00	0.00	0.00	0.0%	0.00
7107.1 · GrdLevel Monitoring - WM Staff Salaries	3,799.77	0.00	3,799.77	100.0%	0.00
7108.1 · Hydraulic Control - WM Staff Salaries	430.12	2,788.00	-2,357.88	15.43%	3,356.00
7108.11 · Prado Basin - WM Staff Salaries	2,796.11	5,166.00	-2,369.89	54.13%	6,219.00
7201 · Comp Recharge - WM Staff Salaries	48,056.67	78,905.00	-30,848.33	60.9%	94,978.00
7301 · PE3&5 - WM Staff Salaries	0.00	13,306.00	-13,306.00	0.0%	16,017.00
7401 · PE4 - WM Staff Salaries	0.00	8,098.00	-8,098.00	0.0%	9,747.00
7501 · PE6&7 - WM Staff Salaries	5,722.88	3,954.00	1,768.88	144.74%	4,759.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	4,435.00	-4,435.00	0.0%	5,338.00
7601 · PE8&9 - WM Staff Salaries	9,497.82	39,591.00	-30,093.18	23.99%	47,656.00
Subtotal WM Staff Costs	1,275,983.85	1,326,498.00	-50,514.15	96.19%	1,596,574.00
60185 · Vacation	59,293.27	60,414.00	-1,120.73	98.15%	72,497.00
60186 · Sick Leave	22,263.49	42,615.00	-20,351.51	52.24%	51,138.00
60187 · Holidays	50,502.72	46,877.00	3,625.72	107.74%	51,138.00
Subtotal WM Paid Leaves	132,059.48	149,906.00	-17,846.52	88.1%	174,773.00
Total WM Salary Costs	1,408,043.33	1,476,404.00	-68,360.67	95.37%	1,771,347.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – APRIL 2018

As of April 30, 2018, 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 \$30,927 or 3.8% below the (YTD) budgeted amount of \$809,811.

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

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of April 30, 2018, was \$178,051 or 116.1% above the budgeted amount of \$153,425. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Rules and Regulations (6072) under budget by \$13,727 or 90.5%; Personnel Matter (6073) under budget by \$5,592 or 22.4%; and Interagency Issues (6074) under budget by \$25,500 or 100.0%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Court Coordination expenses (6071) over budget by \$7,476 or 21.7%; Party Status Maintenance (6077) over budget by \$4,407 or 18.4%; and the Miscellaneous Category expenses (6078) over budget by \$210,987 or 716.2%. Please see Note 1 on the following page for a more detailed explanation of the miscellaneous types of expenses.

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 6375.1, 8375, 8475 and 8575). The legal service costs associated with the Board Workshop(s) are also included as part of this group. Overall, this category of legal expenses as of April 30, 2018 was \$56,311 or 35.5% below the budgeted amount of \$158,493. 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 legal services budget was developed with the assumption of having eleven months of meetings, intentionally excluding the month of December 2017. The Watermaster parties agreed that during the months of August 2017 and December 2017, the three Pools, the Advisory Committee and the Watermaster Board meetings would not be held. For the month of March 2018, the three Pool meetings were cancelled at the request of each Pool, adding additional cost savings to this category.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were below the budget for the month. As of April 30, 2018 the category of OBMP legal expenses were \$152,667 or 30.7% below the budgeted amount of \$497,893. The majority of expenses within this OBMP category were under budget (YTD), however, the Santa Ana River Water Rights legal expenses (6907.34) were over budget by \$19,748 or 90.4%; the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$94,473 or 163.8%; and the Upper Santa Ana River Integrated Model expenses (6907.46) were over budget by \$825 or 100.0%.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of April 30, 2018 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '17 - Apr '18 Actual	Jul '17 - Apr '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	41,852.45	34,376.00	7,476.45	121.75%	41,250.00
6072 · BHFS Legal - Rules & Regulations	1,447.65	15,175.00	-13,727.35	9.54%	15,175.00
6073 · BHFS Legal - Personnel Matters	19,407.57	25,000.00	-5,592.43	77.63%	25,000.00
6074 · BHFS Legal - Interagency Issues	0.00	25,500.00	-25,500.00	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	28,322.95	23,916.00	4,406.95	118.43%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	240,445.20	29,458.00	210,987.20	816.23%	35,350.00
Total 6070 · Watermaster Legal Services	331,475.82	153,425.00	178,050.82	216.05%	176,075.00
6275 · BHFS Legal - Advisory Committee	8,968.89	15,300.00	-6,331.11	58.62%	18,700.00
6375 · BHFS Legal - Board Meeting	55,532.20	63,180.00	-7,647.80	87.9%	77,220.00
6375.1 · BHFS Legal - Board Workshop(s)	0.00	11,163.00	-11,163.00	0.0%	11,163.00
8375 · BHFS Legal - Appropriative Pool	12,430.95	22,950.00	-10,519.05	54.17%	28,050.00
8475 · BHFS Legal - Agricultural Pool	12,930.52	22,950.00	-10,019.48	56.34%	28,050.00
8575 · BHFS Legal - Non-Ag Pool	12,319.21	22,950.00	-10,630.79	53.68%	28,050.00
Total BHFS Legal Services	102,181.77	158,493.00	-56,311.23	64.47%	191,233.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	20,416.00	-20,416.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	20,416.00	-20,416.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	1,954.80	17,937.00	-15,982.20	10.9%	21,525.00
6907.34 · Santa Ana River Water Rights	41,581.87	21,834.00	19,747.87	190.45%	26,200.00
6907.36 · Santa Ana River Habitat	10,313.55	57,750.00	-47,436.45	17.86%	69,300.00
6907.38 · Reg. Water Quality Cntrl Board	5,865.50	11,958.00	-6,092.50	49.05%	14,350.00
6907.39 · Recharge Master Plan	20,070.07	72,000.00	-51,929.93	27.88%	86,400.00
6907.40 · Storage Agreements	70,375.74	144,666.00	-74,290.26	48.65%	173,600.00
6907.41 · Prado Basin Habitat Sustainability	10,354.42	12,666.00	-2,311.58	81.75%	15,200.00
6907.42 · Safe Yield Recalculation	152,138.52	57,666.00	94,472.52	263.83%	69,200.00
6907.44 · SGMA Compliance	31,747.11	36,000.00	-4,252.89	88.19%	43,200.00
6907.46 · Upper SAR Integrated Model	824.85	0.00	824.85	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	24,584.00	-24,584.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	345,226.43	497,893.00	-152,666.57	69.34%	597,475.00
Total Brownstein, Hyatt, Farber, Schreck Costs	778,884.02	809,811.00	-30,926.98	96.18%	964,783.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows: (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, replenishment obligations, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents and contracts; (7) Review transfer documents; (8) Ground-Level Monitoring Committee reports/meetings; (9) Review process and criteria for SGMA reporting; (10) MWWD SCADA Agreement and installation; (11) Angelica Corporation Bankruptcy matter; (12) NRG/GENON Bankruptcy matter; (13) Pomona extensometer project, CEQA review and compliance; (14) Desalter Replenishment obligations, assessment methodologies, and ongoing issues; (15) Master Cost Sharing Agreement with IEUA; (16) Estimation and adoption of an evaporative loss policy for Recharge; (17) CalMat intervention; (18) Angelica's water rights transfer; (19) Blomquist outline review; and (20) Miscellaneous legal research on current and pending issues.

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – APRIL 2018

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 ten months ending April 30, 2018, the actual expenses of \$935,002 were below the budgeted amount of \$1,076,178 by \$141,176 or 13.1%. For a detailed discussion, the following is provided.

For April 30, 2018, the accounts 6901-6903 (Optimum Basin Mgmt. Program) section was below the Year-To-Date (YTD) budget by \$30,145 or 34.0%. Watermaster utilizes an in-house database time and attendance system to record and document staff's actual hours worked and also allocates those hours to a specific project or activity. Watermaster staff time could be charged to Administrative, OBMP, or Implementation Project categories. Recently, Watermaster staff spent less time on specific OBMP related areas as budgeted. As a result, Watermaster staff allocated less actual time to the OBMP project as budgeted, which resulted in an under budget variance of \$24,312 or 31.9%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2017/18 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,254 and actual expenses were \$5,833 or 47.6% below budget as of April 30, 2018.

For April 30, 2018, the accounts 6906 (Optimum Basin Mgmt. Program Engineering Services) section was above the Year-To-Date (YTD) budget by \$46,085 or 9.6%. For FY 2017/18, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized and for the month of March 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 Engineering Services-Other expenses (6906) which were over budget by \$855 or 3.5%; the SGMA Reporting Requirements expenses (6906.23) which were over budget by \$4,632 or 22.8%; the HCP Meetings/Technical Review-IEUA Cost expenses (6906.27) which were over budget by \$4,070 or 100.0%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$48,578 or 160.2%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$39,983 or 43.8%; and the OBMP-2018 RMPU Master Update expenses (6906.90) which were over budget by \$32,992 or 60.9%.

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 \$115,046 while some other line item activities were below the budget by \$267,713. Above the budget line items were the Santa Ana River Water Rights expenses of \$19,748; the Safe Yield Redetermination and Reset expenses of \$94,473; and the Upper SAR Integrated Model expenses of \$825. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$20,416; the Chino Airport Plume of \$20,416; the Desalter/Hydraulic Control of \$15,982; the Santa Ana River Habitat expenses of \$47,437; the Regional Water Quality Control Board of \$6,093; the Recharge Master Plan of \$51,930; Storage Agreements of \$74,290; the Prado Basin Habitat Sustainability of \$2,312; the SGMA Compliance of \$4,253; and the WM Unanticipated legal expenses of \$24,584. For the ten months ended April 30, 2018, the overall cumulative (YTD) budget was \$497,893 and the actual (BHFS) legal expenses totaled \$345,226 which resulted in an under budget variance of \$152,667 or 30.7%.

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 April 30, 2018 this category of expenses was \$4,448 or 60.0% below the budgeted amount of \$7,417.

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 April 30, 2018 this category of expenses was fully invoiced in the amount of \$0 to IEUA.

Overall, the Optimum Basin Management Program (OBMP) category was \$935,002 compared to a (YTD) budget of \$1,076,178 for an under budget of \$141,176 or 13.1% as of April 30, 2018.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of April 30, 2018 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '17 - Apr '18 Actual	Jul '17 - Apr '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	51,978.51	76,291.00	-24,312.49	68.13%	91,832.00
6903 · OBMP SAWPA Group	6,421.00	12,254.00	-5,833.00	52.4%	12,254.00
Total 6901-6903 · OBMP WM Staff/SAWPA	58,399.51	88,545.00	-30,145.49	65.96%	104,086.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	43,356.60	49,304.00	-5,947.40	87.94%	59,164.00
6906.21 · State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 · Water Rights Compliance Reporting	10,489.15	21,274.00	-10,784.85	49.31%	25,528.00
6906.23 · SGMA Reporting Requirements	24,959.35	20,327.00	4,632.35	122.79%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	2,061.90	5,844.00	-3,782.10	35.28%	7,012.00
6906.27 · HCP Meetings/Tech. Review-IEUA Cost	4,069.50	0.00	4,069.50	100.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	64,692.72	80,792.00	-16,099.28	80.07%	96,950.00
6906.32 · OBMP - Other General Meetings	78,895.26	30,317.00	48,578.26	260.23%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	131,183.40	91,200.00	39,983.40	143.84%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	24,338.75	26,460.00	-2,121.25	91.98%	31,752.00
6906.73 · OBMP - Safe Yield Recalculation	0.00	0.00	0.00	0.0%	0.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	16,273.00	58,334.00	-42,061.00	27.9%	70,000.00
6906.75 · OBMP - Recharge Master Plan	0.00	0.00	0.00	0.0%	0.00
6906.81 · Prepare Annual Reports	15,770.15	20,000.00	-4,229.85	78.85%	20,000.00
6906.90 · OBMP - 2018 RMPU Master Update	87,158.54	54,167.00	32,991.54	160.91%	65,000.00
6906 · OBMP Engineering Services - Other	25,159.20	24,304.00	855.20	103.52%	29,164.00
Total 6906 · OBMP Engineering Services	528,407.52	482,323.00	46,084.52	109.56%	574,783.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	20,416.00	-20,416.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	20,416.00	-20,416.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	1,954.80	17,937.00	-15,982.20	10.9%	21,525.00
6907.34 · Santa Ana River Water Rights	41,581.87	21,834.00	19,747.87	190.45%	26,200.00
6907.36 · Santa Ana River Habitat	10,313.55	57,750.00	-47,436.45	17.86%	69,300.00
6907.38 · Reg. Water Quality Cntrl Board	5,865.50	11,958.00	-6,092.50	49.05%	14,350.00
6907.39 · Recharge Master Plan	20,070.07	72,000.00	-51,929.93	27.88%	86,400.00
6907.40 · Storage Agreements	70,375.74	144,666.00	-74,290.26	48.65%	173,600.00
6907.41 · Prado Basin Habitat Sustainability	10,354.42	12,666.00	-2,311.58	81.75%	15,200.00
6907.42 · Safe Yield Recalculation	152,138.52	57,666.00	94,472.52	263.83%	69,200.00
6907.44 · SGMA Compliance	31,747.11	36,000.00	-4,252.89	88.19%	43,200.00
6907.46 · Upper SAR Integrated Model	824.85	0.00	824.85	100.0%	0.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	24,584.00	-24,584.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	345,226.43	497,893.00	-152,666.57	69.34%	597,475.00
Total 6907 · OBMP Legal Fees	345,226.43	497,893.00	-152,666.57	69.34%	597,475.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	1,577.57	1,250.00	327.57	126.21%	1,500.00
6909.3 · Other OBMP Expenses	1,391.00	2,000.00	-609.00	69.55%	2,000.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	4,166.66	-4,166.66	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	2,968.57	7,416.66	-4,448.09	40.03%	13,500.00
6910 · WEI Support for IEUA					
6910.10 · IRP Groundwater Modeling - WEI	0.00	0.00	0.00	0.0%	0.00
6910.11 · WEI Support-Grant Funding-RMPU	0.00	0.00	0.00	0.0%	0.00
6910.12 · WEI Support-Stormwater Recharge	0.00	0.00	0.00	0.0%	0.00
6910.13 · IEUA-San Sevaine Improvement Project	0.00	0.00	0.00	0.0%	0.00
6910.14 · Truing-Up 2013 RMPU Estimates	0.00	0.00	0.00	0.0%	0.00
6910.15 · WEI Support-HCP Modeling	0.00	0.00	0.00	0.0%	0.00
6910.20 · RMPU-MPI Analysis	0.00	0.00	0.00	0.0%	0.00
6910.50 · WEI Support for IEUA-Billings	0.00	0.00	0.00	0.0%	0.00
Total 6910 · WEI Support for IEUA	0.00	0.00	0.00	0.0%	0.00
Total 6900 · Optimum Basin Mgmt Plan	935,002.03	1,076,177.66	-141,175.63	86.88%	1,289,844.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

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

CURRENT MONTH – APRIL 2018

As of April 30, 2018, the total (YTD) Engineering Services expenses were \$1,509,393 or 41.5% below the (YTD) budget amount of \$3,639,846. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of April 30, 2018, with the exception of the Groundwater Quality-Engineering Services expenses (7103.3) which were over budget by \$3,634 or 2.3%; Ground Level-Contract Services expenses (7107.6) which were over budget by \$4,502 or 3.1%; Hydraulic Control-PBHSP expenses (7108.31 and 7108.41) which were over budget by \$11,250 or 16.5% and \$2,896 or 28.9% respectively; and PE6&7-Cooperative Efforts/Salt Management expenses (7502) which were over budget by \$27,102 or 39.3%.

The Groundwater Quality-Engineering expenses (7103.3) were over budget by \$3,634 or 2.3% as a result of continued measurement activities from about 150 wells along with their related subtasks. This category is projected to level out over the next few months.

The Ground Level-Contracted Services expenses (7107.6) were over budget by \$4,502 or 3.1% as a result of continued activities along with their related subtasks. This category is projected to level out over the next few months.

Hydraulic Control-PBHSP expenses (7108.31 and 7108.41) were over budget by \$11,250 or 16.5% and \$2,896 or 28.9% respectively as a result of continued Prado Basin activities. These two categories are expected to level out over the next few months.

PE 6&7-Cooperative Efforts/Salt Management account (7502) was over budget by \$27,102 or 39.3% as a result of continuing efforts by the engineering staff to attend water-quality meetings, provide technical support on the Chino Airport, South Archibald, and other plumes, and prepare the draft Maximum Benefit Annual Report for 2017 which was due to the Regional Board on April 15, 2018. This category is projected to be over budget by approximately \$17,308 according to the 3rd quarter ECAC report issued as of April 30, 2018.

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 third ECAC report for the current fiscal year has been provided for the period ending March 31, 2018 and shows a projected under budget at fiscal year-end June 30, 2018 of \$44,623.

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of March 31, 2018

Acct #	Description	Billed Feb-18	Billed Mar-18	Projected Apr-18	Projected May-18	Projected Jun-18	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 31,724	\$ 33,784	\$ 28,230	\$ 31,843	\$ 35,197	\$ 463,944	\$ 463,944	\$ (13,325)	82%	103%
6906.1	OBMP - Watermaster Model Applications	-	-	-	-	-	43,357	43,357	15,807	73%	73%
6906.9	2018 RMPU Recharge Master Update	30,121	-	-	-	-	87,159	87,159	(22,169)	134%	134%
7103.3	GW and SW Quality - Engineering Services	8,382	22,048	11,000	23,200	21,800	206,234	206,234	(12,520)	78%	105%
7103.5	GW and SW Quality - Laboratory Services	-	4,216	2,132	-	4,500	84,400	84,400	16,253	72%	80%
7104.3	GW Level - Engineering Services	11,708	26,080	14,040	23,742	28,500	237,337	237,337	211	72%	100%
7104.8	GW Level - Contract Services	-	-	-	-	-	-	-	10,000	0%	0%
7104.9	GW Level - Capital Services	-	7,540	-	1,000	7,000	17,492	17,492	(9,492)	119%	219%
7107.2	Ground Level - Engineering Services	3,581	3,828	7,507	5,897	27,582	66,597	66,597	2,900	37%	96%
7107.3	Ground Level - SAR Imagery	-	19,800	65,300	-	-	97,100	97,100	(10,492)	37%	112%
7107.6	Ground Level - Contract Services	-	62,408	20,308	18,868	30,208	166,552	166,552	2,000	58%	99%
7107.8	Ground Level - Capital Equipment	-	-	1,200	500	1,200	3,019	3,019	2,340	2%	56%
7108.31	IEUA - Prado Basin Habitat Monitoring	33,800	30,844	23,450	5,250	1,800	158,645	79,322	2,607	157%	97%
7108.6	IEUA - PBHSP - Outside Pro	-	-	-	-	-	8,858	4,429	571	177%	69%
7109.3	Recharge & Well Monitoring - Engineering Serv.	2,294	-	6,000	3,000	3,000	23,163	23,163	214	48%	99%
7202.2	Comp Recharge - Engineering Services	4,118	971	3,000	5,000	3,000	86,878	86,878	75,098	47%	54%
7303	OBMP - Engineering Services - Desalters	-	-	-	-	-	-	-	9,840	0%	0%
7402	OBMP - Engineering Services - MZ1	10,582	7,247	8,600	16,000	16,000	116,807	116,807	(13,517)	74%	113%
7402.1	OBMP - Engineering Services - Northwest MZ1	3,911	2,527	6,000	14,713	1,541,481	1,663,991	1,663,991	(14,206)	6%	101%
7403	OBMP - Contract Services - MZ1	-	-	-	-	-	-	-	20,000	0%	0%
7502	OBMP - Engineering Services - WQC	9,747	12,875	7,000	1,150	-	36,421	96,421	(17,308)	112%	122%
7510	IEUA - Update Recycled Water Permit - Salinity	33,285	16,110	47,000	56,000	60,714	381,231	125,806	(0)	173%	100%
7602	Storage Management/Conjunctive Use	27,235	31,771	32,000	32,000	26,283	502,408	502,408	(0)	82%	100%
Totals		\$ 210,497	\$ 281,947	\$ 282,767	\$ 238,164	\$ 1,808,075	\$ 4,491,591	\$ 4,152,415	\$ 44,623	62%	99%

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

5/22/2018--11:36 AM
2017-18CBWM_Invoice_Summary_ISBM_20180411--Prjction Summary



Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of March 31, 2018

Acct #	Description	Original Budget	Revised Budget	Billed Jul-17	Billed Aug-17	Billed Sep-17	Billed Oct-17	Billed Nov-17	Billed Dec-17	Billed Jan-18
6906	OBMP Engineering	\$ 450,619	\$ 450,619	\$ 35,585	\$ 39,218	\$ 41,580	\$ 53,851	\$ 40,854	\$ 39,367	\$ 52,612
6906.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,605	-	30,262	-	-	490
6906.9	2018 RMPU Recharge Master Update	65,000	65,000	18,560	21,059	-	9,545	-	2,657	5,217
7103.3	GW and SW Quality - Engineering Services	193,714	193,714	10,926	22,150	19,365	24,479	10,467	9,207	23,210
7103.5	GW and SW Quality - Laboratory Services	80,853	80,853	2,032	14,256	9,850	5,785	8,786	10,411	2,432
7104.3	GW Level - Engineering Services	237,548	237,548	12,010	14,070	10,271	18,191	24,864	42,188	11,592
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.90	GW Level - Capital Services	8,000	8,000	599	579	-	-	268	-	504
7107.2	Ground Level - Engineering Services	48,795	69,497	3,383	4,032	1,401	2,482	1,767	630	4,497
7107.3	Ground Level - SAR Imagery	86,608	86,608	-	-	12,000	-	-	-	-
7107.6	Ground Level - Contract Services	144,356	168,552	14,296	-	-	-	-	16,458	4,007
7107.8	Ground Level - Capital Equipment	5,359	5,359	-	-	119	-	-	-	-
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,929	7,635	857	-	16,039	7,693	6,354	25,324
7108.6	IEUA - PBHSP - Outside Pro	5,000	5,000	-	-	-	8,858	-	-	-
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,377	23,377	-	902	-	1,526	6,440	-	-
7202.2	Comp Recharge - Engineering Services	161,976	161,976	14,432	17,759	17,227	6,391	9,938	2,364	2,679
7303	OBMP - Engineering Services - Desalters	9,640	9,640	-	-	-	-	-	-	-
7402	OBMP - Engineering Services - MZ1	103,290	103,290	28,638	6,145	13,179	3,387	653	1,106	5,271
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,576	1,649,785	3,149	27,000	16,690	14,693	19,327	12,119	2,381
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,886	2,909	4,307	24,006	5,480
7510	IEUA - Update Recycled Water Permit - Salinity	125,806	125,806	10,850	2,187	51,345	54,156	5,260	12,753	31,562
7602	Storage Management/Conjunctive Use	162,207	502,408	24,216	46,296	54,690	65,131	64,981	49,897	46,107
Totals		\$ 3,683,730	\$ 4,197,038	\$ 197,730	\$ 241,657	\$ 252,604	\$ 317,785	\$ 205,706	\$ 229,799	\$ 224,861

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2017-18CBWM_Invoice_Summary_ISBM_20180411--Prjction Summary



The Fiscal Year 2017/18 Progress and Estimated Cost at Completion for the Period July 1, 2017 through March 31, 2018 report from Wildermuth Environmental, Inc. is provided. Please access this link:

http://www.cbwm.org/FTP/ECAC%20Reports/2017-18%203rd%20Quarter%20Narrative%20Review_July%2017,%202017%20to%20March%2031,%202018.PDF

The fourth and final ECAC report is scheduled to be issued in mid-August 2018 for the period July 1, 2017 through June 30, 2018. This report will provide the detail for the funding of ongoing projects and

activities which will be Carried-Over into FY 2018/19. At the current time, it is anticipated that the following projected amounts could be Carried-Over from FY 2017/18 to FY 2018/19:

Ground Level Monitoring-Engineering (Account 7107.2): \$20,702
 Ground Level Monitoring-Contract Services (Account 7107.6): \$9,900
 PE4 Northwest MZ-1 Area Project (Account 7402.10): \$1,536,481

Watermaster does not plan to present any Budget Transfers 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 April 30, 2018. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. The following details are provided:

	Jul '17 - Apr '18 Actual	Jul '17 - Apr '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6906 · OBMP Engineering Services - Other	25,159.20	24,304.00	855.20	103.52%	29,164.00
6906.1 · OBMP - Watermaster Model Update	43,356.60	49,304.00	-5,947.40	87.94%	59,164.00
6906.21 · State of the Basin Report	0.00	0.00	0.00	0.0%	0.00
6906.22 · Water Rights Compliance Reporting	10,489.15	21,274.00	-10,784.85	49.31%	25,528.00
6906.23 · SGMA Reporting Requirements	24,959.35	20,327.00	4,632.35	122.79%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	2,061.90	5,844.00	-3,782.10	35.28%	7,012.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	0.00	0.00	0.0%	0.00
6906.27 · HCP Meetings/Technical Review-IEUA Cost	4,069.50	0.00	4,069.50	100.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	64,692.72	80,792.00	-16,099.28	80.07%	96,950.00
6906.32 · OBMP - Other General Meetings	78,895.26	30,317.00	48,578.26	260.23%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	131,183.40	91,200.00	39,983.40	143.84%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	24,338.75	26,460.00	-2,121.25	91.98%	31,752.00
6906.74 · OBMP - Mat'l Physical Injury Requests	16,273.00	58,334.00	-42,061.00	27.9%	70,000.00
6906.81 · Prepare Annual Reports	15,770.11	20,000.00	-4,229.90	78.85%	20,000.00
6906.90 · OBMP - 2018 RMPU Master Update	87,158.54	54,167.00	32,991.54	160.91%	65,000.00
7103.3 · Grdwtr Qual-Engineering	165,061.55	161,428.00	3,633.55	102.25%	193,714.00
7103.5 · Grdwtr Qual-Lab Svcs	38,825.00	58,653.00	-19,828.00	66.19%	58,653.00
7104.3 · Grdwtr Level-Engineering	196,210.11	197,956.00	-1,745.89	99.12%	237,548.00
7104.8 · Grdwtr Level-Contracted Services	0.00	8,334.00	-8,334.00	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	843.20	6,666.00	-5,822.80	12.65%	8,000.00
7107.2 · Grd Level-Engineering	28,403.21	57,915.00	-29,511.79	49.04%	69,497.00
7107.3 · Grd Level-SAR Imagery	12,000.00	86,608.00	-74,608.00	13.86%	86,608.00
7107.6 · Grd Level-Contract Svcs	148,994.20	144,492.00	4,502.20	103.12%	168,552.00
7107.8 · Grd Level-Capital Equipment	0.00	4,466.00	-4,466.00	0.0%	5,359.00
7108.3 · Hydraulic Control-Engineering	0.00	0.00	0.00	0.0%	0.00
7108.31 · Hydraulic Control-PBHSP	79,523.80	68,274.00	11,249.80	116.48%	81,929.00
7108.32 · Hydraulic Control-Adaptive Mgmt Plan	0.00	0.00	0.00	0.0%	0.00
7108.4 · Hydraulic Control-Lab Svcs	8,528.00	8,334.00	194.00	102.33%	10,000.00
7108.41 · Hydraulic Control-PBHSP	12,896.00	10,000.00	2,896.00	128.96%	12,000.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	4,166.00	-4,166.00	0.0%	5,000.00
7109.3 · Recharge & Well - Engineering	16,319.10	19,481.00	-3,161.90	0.0%	23,377.00
7202.2 · Comp Recharge-Engineering Services	77,441.10	134,980.00	-57,538.90	57.37%	161,976.00
7303 · PE3&5-Engineering - Other	0.00	8,034.00	-8,034.00	0.0%	9,640.00
7402 · PE4-Engineering	83,971.72	86,075.00	-2,103.28	97.56%	103,290.00
7402.10 · PE4-MZ1 Pomona Project	112,607.35	1,398,822.00	-1,286,214.65	8.05%	1,649,785.00
7403 · PE4-Contract Svcs	0.00	16,666.00	-16,666.00	0.0%	20,000.00
7502 · PE6&7-Engineering	96,028.87	68,927.00	27,101.87	139.32%	79,113.00
7510 · PE6&7-IEUA Salinity Mgmt. Plan	78,415.22	104,838.00	-26,422.78	74.8%	125,806.00
7602 · PE8&9-Engineering	445,977.27	502,408.00	-56,430.73	88.77%	502,408.00
Total Engineering Services Costs	2,130,453.18	3,639,846.00	-1,509,392.83	58.53%	4,197,038.00 *

* Wildermuth and Subcontractor Engineering Budget of \$3,683,730 plus Carryover Funds from FY 2016/17 of \$193,107 plus Budget Amendment Form A-18-03-01 of \$320,201 = \$4,197,038
 Carryover Funds from FY 2016/17 of \$193,107 = \$20,702 (7107.2); \$24,196 (7107.6); \$6,000 (7108.31); and \$142,209 (7402.10)
 Budget Amendment Form A-18-03-01 of \$320,201 (7602)

PREVIOUSLY REPORTED ACTIONS (Descending Order)

March 2018:

Budget Amendment Form A-18-03-01, which was approved by the Watermaster Board on April 26, 2018, increased the Engineering Services budget by the amount of \$320,201 within the PE 8&9 Storage Management/Conjunctive Use budget (account 7602). The previous Amended Budget was \$3,876,837 and with the addition of \$320,201 the new Amended Budget for Engineering Services is \$4,197,038 ($\$3,876,837 + \$320,201 = \$4,197,038$).

The increase of \$182,207 to \$502,408 was a result of a two-year Engineering project which was originally budgeted and approved for \$182,207 for FY 2017/18 during the budgeting process. The consultant costs increased due to unexpected difficulties in acquiring planning information from some parties and from the inclusion of additional baseline scenarios that were requested by the parties during workshops. Further, the engineering work was accelerated to ensure that certain information be made available to the Appropriative and Overlying Agricultural Pools to comply with the requirements of the tolling agreement among them, and to provide decision-support information to the various parties involved in the development of groundwater Storage and Recovery projects for the so-called Chino Basin Water Bank, IEUA's Proposition 1 Grant Proposal to develop a storage and recovery program in the Chino Basin, and the proposed Chino Basin storage element in the Santa Ana River Conservation and Conjunctive-Use Program (SARCCUP). The table below illustrates the change in the total effort cost and the changes in each fiscal year.

	FY 2017/18	FY 2018/19	Effort Total
Original Concept	\$182,207	\$161,004	\$343,211
Revised Concept	\$502,408	\$105,348	\$607,756
Change for FY	\$320,201	(\$55,656)	\$264,545

December 2017:

The second ECAC report for the current fiscal year has been provided for the period ending December 31, 2017 and shows a projected over budget at fiscal year-end June 30, 2018 of \$407,335. The majority of the projected budget overage is in the Storage Management/Conjunctive Use expenses (7602). This activity was originally developed and designed as a two year-project and budgeted accordingly during the FY 2017/18 budgeting process. Due to specific deadlines, Watermaster has requested the timeline be pushed forward and the total budget for this fiscal year is projected at \$344,081 (or more depending upon the scope of work). If the activities are being completed earlier than projected, a Budget Amendment during FY 2017/18 would need to be presented for approval to continue the funding.

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of December 31, 2017

Acct #	Description	Original Budget	Revised Budget	Billed Jul-17	Billed Aug-17	Billed Sep-17	Billed Oct-17	Billed Nov-17	Billed Dec-17	Projected Jan-18
6906	OBMP Engineering	\$ 450,619	\$ 450,619	\$ 35,585	\$ 39,218	\$ 41,680	\$ 53,851	\$ 40,854	\$ 39,367	\$ 34,242
6906.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,605	-	31,262	-	-	-
6906.9	2018 RMPU Recharge Master Update	65,000	65,000	18,560	21,059	-	9,545	-	2,657	5,000
7103.3	GW and SW Quality - Engineering Services	193,714	193,714	10,926	22,150	19,365	24,479	10,467	9,207	26,925
7103.5	GW and SW Quality - Laboratory Services	80,653	80,653	2,032	14,256	9,850	5,785	8,786	10,411	2,132
7104.3	GW Level - Engineering Services	237,548	237,548	12,010	14,070	10,271	18,191	24,964	42,188	15,600
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.90	GW Level - Capital Services	8,000	8,000	599	579	-	-	268	504	-
7107.2	Ground Level - Engineering Services	48,795	69,497	3,363	4,032	1,401	2,482	1,767	630	4,359
7107.3	Ground Level - SAR Imagery	86,608	86,608	-	-	12,000	-	-	-	-
7107.6	Ground Level - Contract Services	144,356	168,552	14,296	-	-	-	-	16,458	-
7107.8	Ground Level - Capital Equipment	5,359	5,359	-	-	119	-	-	-	500
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,929	7,635	857	-	16,039	7,693	6,354	34,480
7108.6	IEUA - PBHSP - Outside Pro	5,000	5,000	-	-	-	8,858	-	-	-
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,377	23,377	-	902	-	1,526	6,440	-	-
7202.2	Comp Recharge - Engineering Services	161,976	161,976	14,432	17,759	17,227	6,391	9,938	2,364	10,054
7303	OBMP - Engineering Services - Desalters	9,640	9,640	-	-	-	-	-	-	1,071
7402	OBMP - Engineering Services - MZ1	103,290	103,290	26,638	6,145	13,179	3,367	653	1,105	2,000
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,576	1,649,785	3,149	27,000	16,690	14,693	19,327	12,119	228,879
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,886	2,909	4,307	24,006	19,000
7510	IEUA - Update Recycled Water Permit - Salinity	125,806	125,806	10,850	2,167	51,346	54,156	5,260	12,753	28,253
7602	Storage Management/Conjunctive Use	182,207	182,207	24,218	46,296	54,690	65,131	64,981	49,697	60,549
Totals		\$ 3,683,730	\$ 3,876,837	\$ 197,730	\$ 241,657	\$ 252,604	\$ 317,785	\$ 205,706	\$ 229,799	\$ 473,044

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2017-18CBWM_Invoice_Summary_ISBM_20180108--P rojection Summary



Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of December 31, 2017

Acct #	Description	Projected Feb-18	Projected Mar-18	Projected Apr-18	Projected May-18	Projected Jun-18	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over)	YTD % Billed Rev. Budget	Projected % Rev. Budget
6906	OBMP Engineering	\$ 39,504	\$ 40,208	\$ 35,300	\$ 32,504	\$ 32,504	\$ 464,818	\$ 464,818	\$ (14,199)	56%	103%
6906.1	OBMP - Watermaster Model Applications	-	-	-	-	-	42,867	42,867	16,298	72%	72%
6906.9	2018 RMPU Recharge Master Update	10,000	10,000	10,000	10,000	10,000	106,821	106,821	(41,821)	80%	164%
7103.3	GW and SW Quality - Engineering Services	26,000	20,200	9,400	3,000	19,800	201,919	201,919	(9,205)	50%	104%
7103.5	GW and SW Quality - Laboratory Services	2,500	4,688	2,132	-	4,688	67,260	67,260	13,993	63%	83%
7104.3	GW Level - Engineering Services	19,800	20,050	15,740	26,882	21,654	241,401	241,401	(3,853)	51%	102%
7104.8	GW Level - Contract Services	-	-	-	-	-	-	-	10,000	0%	0%
7104.9	GW Level - Capital Services	-	-	-	-	6,000	7,951	7,951	49	24%	99%
7107.2	Ground Level - Engineering Services	6,162	3,046	4,144	4,887	1,355	37,650	37,650	31,847	20%	54%
7107.3	Ground Level - SAR Imagery	18,608	-	56,000	10,492	-	97,100	97,100	(10,492)	14%	112%
7107.6	Ground Level - Contract Services	32,325	32,325	38,853	22,395	-	156,652	156,652	11,800	18%	93%
7107.8	Ground Level - Capital Equipment	1,000	500	1,000	500	1,000	4,619	4,619	740	2%	86%
7108.31	IEUA - Prado Basin Habitat Monitoring	43,400	20,448	13,746	4,480	2,078	157,210	78,605	3,324	47%	98%
7108.6	IEUA - PBHSP - Outside Pro	-	-	-	-	-	8,858	4,429	571	177%	89%
7109.3	Recharge & Well Monitoring - Engineering Serv.	1,700	-	4,000	2,000	2,000	18,569	18,569	4,808	38%	79%
7202.2	Comp Recharge - Engineering Services	12,589	15,054	15,054	17,554	15,057	153,452	153,452	8,524	42%	95%
7303	OBMP - Engineering Services - Desalters	1,071	1,071	1,071	1,071	1,071	6,427	6,427	3,213	0%	67%
7402	OBMP - Engineering Services - MZ1	11,032	10,600	15,000	14,000	10,840	116,379	116,379	(13,088)	51%	113%
7402.1	OBMP - Engineering Services - Northwest MZ1	237,122	234,649	154,766	232,354	461,315	1,642,060	1,642,060	7,725	6%	100%
7403	OBMP - Contract Services - MZ1	-	-	5,000	5,000	-	10,000	10,000	10,000	0%	50%
7502	OBMP - Engineering Services - WQC	10,395	13,860	6,930	-	-	110,254	110,254	(31,141)	76%	139%
7510	IEUA - Update Recycled Water Permit - Salinity	35,000	30,000	35,000	30,000	30,000	324,804	107,185	18,621	109%	85%
7602	Storage Management/Conjunctive Use	60,549	60,549	60,549	60,549	-	607,756	607,756	(425,549)	167%	334%
Totals		\$ 568,737	\$ 517,248	\$ 483,684	\$ 477,668	\$ 619,162	\$ 4,584,824	\$ 4,284,172	\$ (407,335)	37%	118%

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

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2017-18CBWM_Invoice_Summary_ISBM_20180108--P rojection Summary



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

The Fiscal Year 2017/18 Progress and Estimated Cost at Completion for the Period July 1, 2017 through December 31, 2017 report from Wildermuth Environmental, Inc. is provided. Please access this link:

http://www.cbwm.org/FTP/ECAC%20Reports/2017-18%202nd%20Quarter%20Narrative%20Review_July%201,%202017%20to%20December%2031,%202017.PDF

The third ECAC report is scheduled to be issued in mid-May 2018 for the period July 1, 2017 through March 31, 2018.

November 2017:

The first ECAC report for the current fiscal year has been provided for the period ending September 30, 2017 and shows a projected over budget at fiscal year-end June 30, 2018 of \$117,029. The majority of the projected budget overage in the amount of \$161,874 is in the Storage Management/Conjunctive Use expenses (7602). This activity was originally developed and designed as a two year-project and budgeted accordingly during the FY 2017/18 budgeting process. Due to specific deadlines, Watermaster has requested the timeline be pushed forward and the total budget for this fiscal year is projected at \$344,081. If the activities are being completed earlier than projected, a Budget Amendment during FY 2017/18 would need to be presented for approval to continue the funding.

The other category projected to be over budget by the amount of \$36,631 at June 30, 2018 is the expenses related to Update IEUA's Recycled Water Permits/Maximum Benefit Salinity Management Plan for the Chino Basin expenses (7510). This category could be funded through a Budget Amendment, as described above, or through a Budget Transfer. As an offset to the accounts projected to be over budget, there are also some activities that are projected to be under budget at fiscal year-end June 30, 2018.

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of September 30, 2017

Acct #	Description	Original Budget	Revised Budget	Billed Jul-17	Billed Aug-17	Billed Sep-17	Projected Oct-17	Projected Nov-17	Projected Dec-17	Projected Jan-18
3606	OBMP Engineering	\$ 460,619	\$ 460,619	\$ 35,595	\$ 39,218	\$ 41,690	\$ 52,666	\$ 42,004	\$ 26,609	\$ 36,882
6906.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,605	-	30,000	2,070	2,070	2,070
6906.9	2016 RMPU Recharge Master Update	65,000	65,000	18,660	21,059	-	10,000	1,823	1,823	1,823
7103.3	GW and SW Quality - Engineering Services	183,714	183,714	10,826	22,150	19,385	23,910	13,044	21,326	11,687
7103.5	GW and SW Quality - Laboratory Services	80,653	80,653	2,032	14,256	6,690	12,642	10,000	14,697	2,132
7104.3	GW Level - Engineering Services	237,548	237,548	12,010	14,070	10,271	16,349	28,760	22,156	16,159
7104.9	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.99	GW Level - Capital Services	9,000	9,000	599	579	-	-	-	-	1,700
7107.2	Ground Level - Engineering Services	49,795	69,497	3,393	4,032	1,401	3,050	9,461	7,193	8,359
7107.3	Ground Level - SAR Imagery	88,609	88,609	-	-	12,000	-	12,167	-	-
7107.9	Ground Level - Contract Services	144,359	169,552	14,298	-	-	-	-	11,900	-
7107.9	Ground Level - Capital Equipment	5,369	5,369	-	-	119	500	500	500	500
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,629	7,635	857	-	16,465	16,616	24,460	27,480
7109.3	IEUA - PBHSP - Outside Pro	5,000	5,000	-	-	-	6,859	-	-	-
7109.9	Recharge & Well Monitoring - Engineering Serv.	23,377	23,377	-	902	-	3,000	2,700	1,200	1,200
7202.2	Comp Recharge - Engineering Services	161,979	161,979	14,432	17,759	17,227	6,503	9,654	12,353	9,654
7303	OBMP - Engineering Services - Desalters	9,840	9,840	-	-	-	-	1,071	1,071	1,071
7402	OBMP - Engineering Services - MZ1	103,290	103,290	29,839	8,145	13,179	1,500	1,000	1,500	2,000
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,579	1,649,795	3,149	27,000	16,600	16,460	241,353	232,447	228,579
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,998	3,000	2,359	2,000	7,676
7510	IEUA - Update Recycled Water Permit - Salinity	125,808	125,808	10,850	2,187	51,346	55,000	40,644	40,644	18,000
7602	Storage Management/Conjunctive Use	182,207	182,207	24,218	46,298	54,890	65,000	21,983	21,993	21,993
Totals		\$ 3,683,730	\$ 3,876,837	\$ 197,730	\$ 241,657	\$ 252,434	\$ 323,931	\$ 457,905	\$ 446,312	\$ 402,114

Attachment 1a
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2017/18
As of September 30, 2017

Acct #	Description	Projected Feb-18	Projected Mar-18	Projected Apr-18	Projected May-18	Projected Jun-18	Total Projected	Less IEUA Portion of Cost Share			
								Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6908	OBMP Engineering	\$ 37,204	\$ -4,004	\$ 32,504	\$ 32,504	\$ 32,504	\$ 450,075	\$ 450,075	\$ (5,450)	28%	101%
6908.1	OBMP - Watermaster Model Applications	2,070	2,070	2,070	2,070	2,069	59,164	59,164	-	21%	100%
6908.9	2018 RMPU Recharge Master Update	1,923	1,923	1,923	1,923	1,920	85,000	85,000	-	31%	103%
7103.3	GW and SW Quality - Engineering Services	14,725	18,500	7,494	4,725	22,848	160,678	160,678	3,035	27%	89%
7103.5	GW and SW Quality - Laboratory Services	-	4,685	2,132	-	4,088	76,937	76,937	3,716	32%	95%
7104.3	GW Level - Engineering Services	22,610	20,508	14,058	23,199	21,164	224,340	224,340	13,208	15%	84%
7104.9	GW Level - Contract Services	-	-	-	10,000	-	10,000	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	5,100	7,978	7,978	22	15%	100%
7107.2	Ground Level - Engineering Services	9,127	7,048	8,198	8,044	2,586	97,852	67,852	1,845	13%	93%
7107.3	Ground Level - SAR Imagery	19,609	-	58,600	-	-	98,775	98,775	(12,197)	14%	114%
7107.0	Ground Level - Contract Services	32,325	32,325	39,653	25,902	12,951	169,552	169,552	-	8%	100%
7107.9	Ground Level - Capital Equipment	500	459	600	1,000	600	5,278	5,278	91	2%	93%
7108.31	IEUA - Prado Basin Habitat Monitoring	24,828	19,448	13,748	4,450	2,078	159,371	79,185	2,744	10%	97%
7108.8	IEUA - PBHSP - Outside Pro	-	-	-	-	-	8,858	4,429	571	0%	89%
7106.3	Recharge & Well Monitoring - Engineering Serv.	2,700	1,200	4,000	2,700	1,477	21,079	21,079	2,298	4%	90%
7202.2	Comp Recharge - Engineering Services	12,169	14,654	14,654	17,154	15,783	161,979	161,979	-	31%	103%
7303	OBMP - Engineering Services - Dazalters	1,071	1,071	1,071	1,071	1,071	8,569	8,569	1,071	0%	89%
7402	OBMP - Engineering Services - MZ1	11,632	10,600	15,000	14,000	10,500	115,069	115,069	(11,803)	-6%	111%
7402.1	OBMP - Engineering Services - Northwest MZ1	229,029	234,046	163,788	229,354	6,500	1,027,274	1,327,274	22,511	3%	99%
7403	OBMP - Contract Services - MZ1	-	5,000	5,000	5,000	500	20,000	20,000	-	0%	100%
7502	OBMP - Engineering Services - WQC	10,395	13,880	9,030	1,850	1,100	79,113	79,113	-	56%	100%
7510	IEUA - Update Recycled Water Permit - Salinity	15,015	22,647	22,647	22,647	22,647	324,375	162,437	(36,631)	51%	129%
7602	Storage Management/Conjunctive Use	21,693	21,693	21,693	21,880	-	344,081	344,081	(161,874)	56%	185%
Totals		\$ 466,313	\$ 476,634	\$ 431,729	\$ 435,084	\$ 169,075	\$ 4,299,917	\$ 4,053,866	\$ (177,029)	84%	111%

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

11/15/2017--9:18 AM
2017-18CBWM_Invoice_Summary_ISBM_20171011ECAC--Projection Summary



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

The Fiscal Year 2017/18 Progress and Estimated Cost at Completion for the Period July 1, 2017 through September 30, 2017 report from Wildermuth Environmental, Inc. is provided. Please access this link:

http://www.cbwm.org/FTP/ECAC%20Reports/2017-18%201st%20Quarter%20Narrative%20Review_July%201,%202017%20to%20September%2030,%202017.PDF

The second ECAC report is scheduled to be issued in mid-February 2018 for the period July 1, 2017 through December 31, 2017.

July 2017:

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

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

- 7107.2 Ground-Level – Engineering Services of \$20,702. This budget was for work to identify and install a new horizontal extensometer in the Managed Area. This work was not performed in FY 2016/17 because the GLMC did not recommend the installation of a horizontal extensometer as of yet, and may not recommend the installation in FY 2017/18. The budget is recommended to be carried over because the GLMC may recommend the use of this budget in FY 2017/18 to install additional benchmark monuments across the historical fissure zone for monitoring of ground motion via traditional leveling surveys and electronic distance measurements.
- 7107.6 Ground-Level – Contract Services of \$24,196. This budget was for Outside Professional services to assist with identifying and installing a new horizontal extensometer in the Managed Area. This work was not performed in FY 2016/17 because the GLMC did not recommend the installation of

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

3. 7108.31 HCMP – Engineering Services for \$6,000. This carryover budget is for finalizing the 2016 Annual Report of the PBHSC, including responding to comments from the state and federal Fish and Wildlife departments.
4. 7402.1 OBMP Engineering Services Northwest MZ-1 for \$142,209. This carryover budget is for work not performed in FY 2016/17 including: (i) finalizing the Categorical Exemption for the Pomona Extensometer to comply with CEQA; (ii) support for preparation of the bid package for selection of the drilling contractor; (iii) support for the bid and contractor selection; (iv) updating the SCADA systems for MVWD and City of Pomona to collect high-resolution production and water-level data; and (v) finalizing the reports on the hydrogeology of the Northwest MZ-1 Area and the modeling of subsidence management alternatives. All of this work will be completed in FY 2017/18.

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

Ongoing Costs

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

1. A Riparian Habitat Monitoring Program, including, but not limited to, the following sub-tasks:
 - a. Design and implement a site-specific vegetation monitoring program with the United States Bureau of Reclamation (USBR) and Orange County Water District, pursuant to which USBR will perform site-specific vegetation surveys.
 - b. Manage and perform custom flight to collect a high resolution air photo of the Prado Basin Region.
 - c. Collect, check, and upload historical air photos and vegetation survey data in the Prado Basin region.
 - d. Collect, check, and upload historical Landsat data in the Prado Basin region.
2. A Climate Monitoring Program, including, but not limited to, the following sub-task:
 - a. Collect, check, and upload climatic data on an annual basis
3. Preparation of the AMP Annual Report (Annual Report), including, but not limited to, the following sub-tasks:
 - a. Water level monitoring, vegetation survey, photo monitoring, landsat data, climate data and analysis of the components.
 - b. Analyze data and prepare an administrative draft of the Annual Report for Watermaster/IEUA.
 - c. Incorporate the Watermaster and IEUA comments and prepare a draft Annual Report for review by the PBHSC.
 - d. Meet with PBHSC to review draft Annual Report.
 - e. Incorporate PBHSC comments and finalize the Annual Report.
4. Annual license fees for monitoring wells.
5. Project management and administration activities associated with the Program undertaken by a Party's consultant, including, but not limited to, the following sub-tasks:

- a. Ad-Hoc Meetings
- b. Preparation of scope and budget for the Program
- c. Project administration and financial reporting

6. Other costs required to fulfill the requirements of Peace II Subsequent EIR mitigation measure 4.4-3.

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

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

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

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

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster
Jul. 2017 - Apr. 2018	\$ 159,047.63	\$ (79,523.80)	\$ -	\$ 79,523.84
Totals	\$ 159,047.63	\$ (79,523.80)	\$ -	\$ 79,523.84
	7108.31	7108.31	7108.31	
Maximum Costs	\$ 161,860.00	\$ 80,930.00	\$ 80,930.00	\$ 80,930.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

Start-up Costs

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

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

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

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

OTHER INCOME AND EXPENSE

There were no other significant items to report within the category of Other Income and Expenses for the month ending April 30, 2018.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

January 2018:

During the month of January 2018, Chino Basin Watermaster received an invoice from IEUA in the amount of \$763,169.40 for the purchase of 1,145.900 AF of untreated water. The purchase consisted of Cumulative Unmet Replenishment Obligation (CURO) purchases of 967.691 AF and Desalter Replenishment Obligation (DRO) purchases of 178.209 AF. The total purchase of 1,145.900 AF at an AF cost of \$666 (1,145.900 AF X \$666 = \$763,169.40). The amount of \$763,169.40 has been recorded to Groundwater Replenishment expense (5010).

August 2017:

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

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

"CARRY OVER" FUNDING

BACKGROUND OF "CARRY OVER" FUNDING

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

CURRENT MONTH – APRIL 2018

As of April 30, 2018, the total (YTD) amount remaining of the "Carried Over" funding is \$3,557,804.97 (\$4,119,779.24 - \$561,974.27 = \$3,557,804.97).

The following details are provided:

"Carried Over" Expenses At June 30, 2017

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

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

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

Ground Level - Engineering Services	\$ (20,702.00)	A	7107.2 ²	FY 2016/17	ENG
Ground Level - Contract Services	\$ (24,196.00)	B	7107.6 ³	FY 2016/17	ENG
Hydraulic Control Engineering - PBHSP	\$ (6,000.00)	C	7108.31 ⁴	FY 2016/17	ENG
PE4 - Northwest MZ-1 Area Project	\$ (112,607.35)	D	7402.1 ⁵	FY 2016/17	ENG
RMPU Amendment (TO #1)	\$ (156,077.62)	G	7690.15	FY 2016/17	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ (19,261.77)	J	7690.4	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$ (98,000.81)	L	7690.61	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	\$ (17,774.00)	M	7690.7	FY 2014/15	PROJ
Lower Day Basin RMPU (TO #2)	\$ (107,354.72)	N	7690.8	FY 2016/17	PROJ
Updated Balance as of April 30, 2018	\$ 3,557,804.97				

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

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

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

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

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

ENGINEERING SERVICES:

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

COMPLETED PROJECTS WITH FUNDING AVAILABLE:

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

ONGOING RECHARGE IMPROVEMENT PROJECTS:

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

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

AUDIT FIELD WORK

FY 2017/18:

The auditors from the audit firm of Fedak & Brown LLP were onsite at the Watermaster offices on April 17, 2018. This was the start of the interim field work for the period of July 1, 2017 through February 28, 2018. The final field work for the period of March 1, 2018 through June 30, 2018 is planned for August 7, 2018 through August 8, 2018, with the Annual Financial and Audit Reports presented to the Watermaster Board by Fedak & Brown LLP at the November 15, 2018 Board meeting. The Annual Financial and Audit Reports for FY 2017/18 are anticipated to be posted to the Watermaster website no later than December 15, 2018.

FY 2016/17:

The auditors from the audit firm of Fedak & Brown LLP were onsite at the Watermaster offices on April 5, 2017 through April 6, 2017. This was the start of the interim field work for the period of July 1, 2016 through February 28, 2017. The final field work for the period of March 1, 2017 through June 30, 2017 was completed during August 14, 2017 through August 16, 2017. The Annual Financial and Audit Reports were presented to the Watermaster Board by Fedak & Brown LLP at the November 16, 2017 Board meeting. At the November 16, 2017 Board meeting, the Board unanimously approved to receive and file the audit reports. The Annual Financial and Audit Reports for FY 2016/17 were posted to the Watermaster website on November 17, 2017.

ASSESSMENT INVOICING

CURRENT MONTH – APRIL 2018

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

December 2017:

The Watermaster Board approved the FY 2017-2018 Assessment Package (Production Year 2016-2017) at the November 16, 2017 meeting. Watermaster staff created and emailed the Assessment invoices on

Thursday, November 16, 2017. 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 18, 2017. As in prior years, payments could be made by either check or wire transfer. As of December 18, 2017 at 5:00pm, all but two payments had been received. The two late payments were both received on December 21, 2017. On December 22, 2017 the late fees totaling \$47.34 (\$39.90 and \$7.44) were invoiced. Both late fee payments have been received as of January 26, 2018.

November 2017:

The Watermaster Board approved the FY 2017-2018 Assessment Package (Production Year 2016-2017) at the November 16, 2017 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, November 16, 2017. 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 18, 2017. As in prior years, payments could be made by either check or wire transfer. As of December 18, 2017 at 5:00pm, all but two payments had been received. The two late payments were both received on December 21, 2017. On December 22, 2017 the late fees totaling \$47.34 (\$39.90 and \$7.44) were invoiced.

October 2017:

The Watermaster Board approved the FY 2017-2018 Assessment Package (Production Year 2016-2017) at the November 16, 2017 meeting. Watermaster staff created and emailed the Assessment invoices on Thursday, November 16, 2017. 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 18, 2017. 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 \$75,000 as approved during the budgeting process. The \$75,000 was allocated to the Appropriative Pool members based upon a prorated formula of 50% Operating Safe Yield (OSY) and 50% physical production numbers from FY 2016/17.

The Non-Agricultural Pool had a Special Assessment of \$60,000 as approved during a Confidential Session on April 13, 2017. The \$60,000 was allocated to the Non-Agricultural Pool members based upon the actual production numbers from 2016/17.

For this fiscal year, there were no refunds due regarding the Excess Cash Reserve refunds to the Appropriative Pool members and the Non-Agricultural Pool members. The Excess Cash Reserve-Recharge Debt Payment refund of \$78,397 was refunded to the Appropriative Pool members based upon the pro rata share of FY 2016/17 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.

Also please note that the Recharge Improvement Project budget of \$2,839,000 was not part of the assessment invoicing. Watermaster did not invoice for the recharge improvement project assessment of \$2,839,000 at this time, because it appears there is a good probability that State Revolving Fund loan monies would be made available before the money was spent by IEUA. In case there is need to pay IEUA for project expenses before loans are secured, a special assessment would be recommended.

September 2017:

The Assessment Year 2017-2018 Package (Production Year 2016-2017) is scheduled for presentation to the Appropriative Pool and Non-Agricultural Pool at the November 9, 2017 meetings; the Agricultural Pool on November 13, 2017; and approval by the Advisory Committee and adoption by the Watermaster Board at the November 16, 2017 meetings.

Once the Watermaster Board adopts the Assessment Package, Watermaster staff intends to create and email the Assessment invoices on Friday, November 17, 2017. 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 18, 2017. As in prior years, payments can be made by either check or wire transfer

ATTACHMENTS

1. Financial Report - B5

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	1/12th (8.33%) of the Total Budget				9/12th (75.00%) of the Total Budget				100% of the Total Budget			
	For The Month of April 2018				Year-To-Date as of April 30, 2018				Fiscal Year End as of June 30, 2018			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
Income												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	193,621.82	191,626.00	1,995.82	101.04%	193,621.82	191,626.00	1,995.82	101.04%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	8,407,583.88	11,279,242.00	-2,871,658.12	74.54%	8,407,538.88	11,279,242.00	-2,871,703.12	74.54%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	360,242.82	327,924.00	32,318.82	109.86%	360,242.82	327,924.00	32,318.82	109.86%
4700 · Non Operating Revenues	6.17	0.00	6.17	100.0%	103,594.65	27,935.00	75,659.65	370.84%	148,088.48	39,906.00	108,182.48	371.09%
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	6.17	0.00	6.17	100.0%	9,065,043.17	11,826,727.00	-2,761,683.83	76.65%	9,109,492.00	11,838,698.00	-2,729,206.00	76.95%
Gross Profit	6.17	0.00	6.17	100.0%	9,065,043.17	11,826,727.00	-2,761,683.83	76.65%	9,109,492.00	11,838,698.00	-2,729,206.00	76.95%
Expense												
6010 · Admin. Salary/Benefit Costs	74,034.90	85,153.00	-11,118.10	86.94%	889,893.42	850,825.00	39,068.42	104.59%	1,087,811.36	1,022,564.00	65,247.36	106.38%
6020 · Office Building Expense	9,339.08	9,124.00	215.08	102.36%	85,872.27	94,116.00	-8,243.73	91.24%	104,044.25	112,914.00	-8,869.75	92.15%
6030 · Office Supplies & Equip.	2,061.56	2,250.00	-188.44	91.63%	17,162.30	22,125.00	-4,962.70	77.57%	23,634.32	26,500.00	-2,865.68	89.19%
6040 · Postage & Printing Costs	3,006.98	3,578.00	-571.02	84.04%	32,130.19	39,585.00	-7,454.81	81.17%	43,830.95	45,693.00	-1,862.05	95.93%
6050 · Information Services	17,215.57	12,166.00	5,049.57	141.51%	123,769.79	128,725.00	-4,955.21	96.15%	152,072.29	152,912.00	-839.71	99.45%
6060 · Contract Services	5,315.88	4,200.00	1,115.88	126.57%	51,084.38	52,400.00	-1,315.62	97.49%	67,524.67	68,000.00	-475.33	99.3%
6070 · Watermaster Legal Services	45,688.26	16,326.00	29,362.26	279.85%	331,475.82	153,425.00	178,050.82	216.05%	356,050.08	176,075.00	179,975.08	202.22%
6080 · Insurance	0.00	0.00	0.00	0.0%	25,564.11	29,768.00	-4,203.89	85.88%	28,064.11	29,768.00	-1,703.89	94.28%
6110 · Dues and Subscriptions	0.00	180.00	-180.00	0.0%	24,681.39	24,885.00	-203.61	99.18%	24,681.39	24,885.00	-203.61	99.18%
6140 · WM Admin Expenses	0.00	0.00	0.00	0.0%	1,460.97	1,975.00	-514.03	73.97%	1,947.96	2,350.00	-402.04	82.89%
6150 · Field Supplies	169.70	750.00	-580.30	22.63%	242.67	1,450.00	-1,207.33	16.74%	1,300.00	1,450.00	-150.00	89.66%
6170 · Travel & Transportation	1,817.81	1,925.00	-107.19	94.43%	14,252.37	44,639.00	-30,386.63	31.93%	16,579.41	47,469.00	-30,889.59	34.93%
6190 · Training, Conferences, Seminars	3,195.02	2,504.00	691.02	127.6%	29,170.70	31,220.00	-2,049.30	93.44%	34,634.24	37,428.00	-2,793.76	92.54%
6200 · Advisory Comm - WM Board	3,267.49	3,695.00	-427.51	88.43%	26,251.22	36,201.00	-9,949.78	72.52%	33,644.97	43,908.00	-10,263.03	76.63%
6300 · Watermaster Board Expenses	11,904.11	13,028.00	-1,123.89	91.37%	111,079.57	149,349.00	-38,269.43	74.38%	138,233.95	175,546.00	-37,312.05	78.75%
8300 · Appr PI-WM & Pool Admin	6,042.31	11,533.00	-5,490.69	52.39%	90,505.21	114,190.00	-23,684.79	79.26%	118,617.20	137,642.00	-19,024.80	86.18%
8400 · Agri Pool-WM & Pool Admin	3,846.54	5,186.00	-1,339.46	74.17%	31,608.70	50,226.00	-18,617.30	62.93%	42,016.21	60,903.00	-18,886.79	68.99%
8467 · Ag Legal & Technical Services	34,362.50	17,084.00	17,278.50	201.14%	258,045.00	170,834.00	87,211.00	151.05%	308,243.33	205,000.00	103,243.33	150.36%
8470 · Ag Meeting Attend -Special	1,275.00	1,850.00	-575.00	68.92%	10,850.00	18,500.00	-7,650.00	58.65%	12,766.67	22,200.00	-9,433.33	57.51%
8471 · Ag Pool Expense	0.00	21,250.00	-21,250.00	0.0%	11,153.00	85,000.00	-73,847.00	13.12%	14,870.67	85,000.00	-70,129.33	17.5%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	57.02	300.00	-242.98	19.01%	207.02	400.00	-192.98	51.76%
8500 · Non-Ag PI-WM & Pool Admin	2,692.59	9,205.00	-6,512.41	29.25%	72,355.64	89,947.00	-17,591.36	80.44%	95,384.07	108,507.00	-13,122.93	87.91%
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	-20,141.65	-33,634.00	13,492.35	59.89%	-156,773.16	-336,345.00	179,571.84	46.61%	-182,175.35	-403,615.00	221,439.65	45.14%
6900 · Optimum Basin Mgmt Plan	68,203.75	103,979.66	-35,775.91	65.59%	935,002.03	1,076,177.66	-141,175.63	86.88%	1,178,231.04	1,284,844.00	-106,612.96	91.7%
9501 · G&A Expenses Allocated-OBMP	2,729.69	7,025.00	-4,295.31	38.86%	32,114.63	70,248.00	-38,133.37	45.72%	39,179.92	84,298.00	-45,118.08	46.48%
7101 · Production Monitoring	10,380.69	4,423.00	5,957.69	234.7%	55,490.73	45,480.00	10,010.73	122.01%	60,146.72	54,742.00	5,404.72	109.87%
7102 · In-Line Meter Installation	270.98	6,191.00	-5,920.02	4.38%	1,220.13	57,245.00	-56,024.87	2.13%	25,949.15	68,072.00	-42,122.85	38.12%
7103 · Grdwtr Quality Monitoring	14,990.17	21,143.00	-6,152.83	70.9%	225,055.51	271,343.00	-46,287.49	82.94%	280,087.12	314,051.00	-33,963.88	89.19%
7104 · Gdwtr Level Monitoring	19,715.43	25,506.00	-5,790.57	77.3%	246,340.58	255,996.00	-9,655.42	96.23%	302,166.87	307,320.00	-5,153.13	98.32%
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%
7106 · Wtr Level Sensors Installation	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	35,809.39	39,920.00	-4,110.61	89.7%	199,855.68	367,092.00	-167,236.32	54.44%	233,728.39	403,627.00	-169,898.61	57.91%

	1/12th (8.33%) of the Total Budget				9/12th (75.00%) of the Total Budget				100% of the Total Budget			
	For The Month of April 2018				Year-To-Date as of April 30, 2018				Fiscal Year End as of June 30, 2018			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	14,005.45	9,851.00	4,154.45	142.17%	104,174.73	98,728.00	5,446.73	105.52%	118,225.71	118,504.00	-278.29	99.77%
7109 · Recharge & Well Monitoring Prog	5,156.50	1,948.00	3,208.50	264.71%	16,319.10	19,481.00	-3,161.90	83.77%	18,383.47	23,377.00	-4,993.53	78.64%
7200 · PE2- Comp Recharge Pgm	274,540.31	285,744.00	-11,203.69	96.08%	997,969.22	1,354,061.86	-356,092.64	73.7%	1,239,571.88	1,397,464.86	-157,892.98	88.7%
7300 · PE3&5-Water Supply/Desalite	0.00	2,682.00	-2,682.00	0.0%	0.00	27,174.00	-27,174.00	0.0%	25,000.00	32,657.00	-7,657.00	76.55%
7400 · PE4- Mgmt Plan	18,574.80	136,752.00	-118,177.20	13.58%	196,579.07	1,511,745.00	-1,315,165.93	13.0%	1,737,339.03	1,785,322.00	-47,982.97	97.31%
7500 · PE6&7-CoopEfforts/SaltMgmt	15,102.51	16,892.00	-1,789.49	89.41%	180,166.97	182,154.00	-1,987.03	98.91%	214,085.95	215,016.00	-930.05	99.57%
7600 · PE8&9-StorageMgmt/Conj Use	34,152.50	3,878.00	30,274.50	880.67%	455,838.11	542,291.00	-86,452.89	84.06%	550,247.48	550,414.00	-166.52	99.97%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	856,112.42	7,207,668.38	-6,351,555.96	11.88%	4,368,668.38	7,207,668.38	-2,839,000.00	60.61%
7700 · Inactive Well Protection Prgm	0.00	41.00	-41.00	0.0%	0.00	416.00	-416.00	0.0%	350.00	500.00	-150.00	70.0%
9502 · G&A Expenses Allocated-Projects	17,411.96	26,610.00	-9,198.04	65.43%	124,658.53	266,097.00	-141,438.47	46.85%	142,995.43	319,317.00	-176,321.57	44.78%
Total Expense	736,137.78	879,938.66	-143,800.88	83.66%	6,708,790.02	15,206,737.90	-8,497,947.88	44.12%	13,058,340.29	16,350,693.24	-3,292,352.95	79.86%
Net Ordinary Income	-736,131.61	-879,938.66	143,807.05	83.66%	2,358,253.15	-3,380,010.90	5,736,264.05	-69.71%	-3,948,848.29	-4,511,995.24	563,146.95	87.52%
Other Income												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	851,066.34	0.00	851,066.34	100.0%	851,066.34	0.00	851,066.34	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	7,451.38	0.00	7,451.38	100.0%	7,451.38	0.00	7,451.38	100.0%
4225 · Interest Income	0.00	0.00	0.00	0.0%	2,258.82	0.00	2,258.82	100.0%	3,583.82	0.00	3,583.82	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%
6500 · Groundwater Sales	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
6715 · Gain on Sale of Assets	0.00	0.00	0.00	0.0%	1,700.00	0.00	1,700.00	100.0%	1,700.00	0.00	1,700.00	100.0%
Total Other Income	0.00	0.00	0.00	0.0%	862,476.54	0.00	862,476.54	100.0%	863,801.54	0.00	863,801.54	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	763,169.40	0.00	763,169.40	100.0%	763,169.40	0.00	763,169.40	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9200 · Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9251 · Other Post Employment Benefits	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	78,397.00	0.00	78,397.00	100.0%	78,397.00	0.00	78,397.00	100.0%
9999 · To/(From) Reserves	0.00	0.00	0.00	0.0%	0.00	-392,216.00	392,216.00	0.0%	0.00	-392,216.00	392,216.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%	841,566.40	-392,216.00	1,233,782.40	-214.57%	841,566.40	-392,216.00	1,233,782.40	-214.57%
Net Other Income	0.00	0.00	0.00	0.0%	20,910.14	392,216.00	-371,305.86	5.33%	22,235.14	392,216.00	-369,980.86	5.67%
Net Income	-736,131.61	-879,938.66	143,807.05	83.66%	2,377,163.29	-2,987,794.90	5,364,958.19	-79.56%	-3,926,613.15	-4,119,779.24	193,166.09	95.31%

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

CHINO BASIN WATERMASTER

- I. CONSENT CALENDAR**
- C. WATER TRANSACTIONS**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C)

SUMMARY

Issue: Notice of Sale or Transfer – The transfer of 10,000.00 acre-feet of water from Cucamonga Valley Water District to Fontana Water Company. This transfer is made from Cucamonga Valley Water District's Annual Production Right first, with any additional from Excess Carryover.

Recommendation: Approve the proposed transaction.

Financial Impact: None

Future Consideration

Watermaster Board – June 28, 2018: Approval (within Watermaster powers and duties).

ACTIONS:

Appropriative Pool – May 10, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Non-Agricultural Pool – May 10, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate

Agricultural Pool – May 11, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Advisory Committee – June 21, 2018: Unanimously recommended the Board to approve.

Watermaster Board – June 28, 2018:

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 February 20, 2018. Notice of the transaction was transmitted electronically and mailed on May 4, 2018, along with the materials submitted by the requestors.

DISCUSSION

Beyond confirmation of the source of the water to be transferred (Supplemental Water or Excess Carryover), Watermaster will evaluate the eventual disposition of the transferred water (e.g. production, storage, etc.) at the end of the production year and account for the same consistent with the Watermaster Guidance Documents.

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.

All three Pool Committees unanimously recommended Advisory Committee approval at their May 10, and 11, 2018 meetings respectively. The Advisory Committee unanimously approved the transaction at their June 21, 2018 meeting.

ATTACHMENTS

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

ATTACHMENT 1

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2017 - 2018

DATE REQUESTED: Feb. 20, 2018

AMOUNT REQUESTED: 10,000.00 Acre-Feet

<p>TRANSFER FROM (SELLER / TRANSFEROR):</p> <p><u>Cucamonga Valley Water District</u> Name of Party</p> <p><u>10440 Ashford Street</u> Street Address</p> <p><u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u> City State Zip Code</p> <p><u>(909) 937-2591</u> Telephone</p> <p><u>(909) 476-8032</u> Facsimile</p>	<p>TRANSFER TO (BUYER / TRANSFEREE):</p> <p><u>Fontana Water Company</u> Name of Party</p> <p><u>15966 Arrow Route</u> Street Address</p> <p><u>Fontana</u> <u>CA</u> <u>92335</u> City State Zip Code</p> <p><u>(909) 822-2201</u> Telephone</p> <p><u>(909) 823-5046</u> Facsimile</p>
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Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes No

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Varies _____
Projected Rate of Recapture _____ Projected Duration of Recapture _____

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

Pumping _____

PLACE OF USE OF WATER TO BE RECAPTURED:

Fontana Water Company Service area in Chino Basin Management Zone 3 _____

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

N/A _____

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Recent perchlorate levels range from ND to 8.4 ppb and nitrate levels range from 2.1 to 9.7 ppm (before treatment)

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

Static water levels ranging from 355 feet bgs to 671 feet bgs as of January 2018.

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Martin E. Zvirbulis, General Manager/CEO
Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Josh Swift, General Manager
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 4, 2018

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: **February 20, 2018** Date of this notice: **May 4, 2018**

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

- Notice of Sale or Transfer – The transfer of 10,000,000 acre-feet of water from Cucamonga Valley Water District to Fontana Water Company. This transfer is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, than any additional from Excess Carryover.

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

Appropriative Pool: May 10, 2018

Non-Agricultural Pool: May 10, 2018

Agricultural Pool: May 11, 2018

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

I. CONSENT CALENDAR

**D. PROFESSIONAL PUBLIC OUTREACH SERVICES CONTRACT
BETWEEN RAUCH COMMUNICATION CONSULTANTS INC. AND
CHINO BASIN WATERMASTER**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Professional Public Outreach Services Contract Between Rauch Communication Consultants Inc. and Watermaster (Consent Calendar Item I.D.)

SUMMARY

Issue: Watermaster seeks to enter into a contract with Rauch Communication Consultants Inc. to aid in the creation of the 41th Annual Report. Rauch Communications Consultants have been providing services to Watermaster since 2002.

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

Financial Impact: Costs breakdown and Not To Exceed of \$20,405 are shown in the Scope of Work. This item was budgeted in Fiscal Year 2018/19.

Future Consideration

Watermaster Board – June 28, 2018: Approve and authorize the General Manager to execute the contract on behalf of Watermaster (Normal Course of Business)

ACTIONS:

Watermaster Board – June 28, 2018:

BACKGROUND

Paragraph 48 of the Restated Judgment requires that Watermaster file an Annual Report with the Court by January 31 each year. The Restated Judgment states that the Report shall apply to the preceding fiscal years' operation, contain details as to operation of the Pools, contain a certified audit of assessments and expenditures pursuant to this Physical Solution, and review Watermaster activity.

Chino Basin Watermaster (Watermaster) has utilized the services of Rauch Communication Consultants Inc. (RCC) since the preparation of the 26th Annual Report in 2002 and plans to continue the relationship. RCC provides additional research, writing, optimization of photos, graphic design, layout, proofing, printing and delivery of the annual report.

DISCUSSION

The cost and scope of work for RCC's services for prior annual reports have been reviewed by Watermaster. Since the 40th Annual Report, Watermaster has entered into a formal contract with RCC and would like to continue the practice (Attachment 1). Entering into a contract for each Annual Report will help memorialize the description of responsibilities, cost, and schedule, as well as provide legal protection should disputes arise. Additionally, it will aid in clearly identifying this annual budgeted cost.

Costs, and estimated hours relating to the 41th Annual Report are shown in the Scope of Work (Addendum A) – (Attachment 2). All costs for the 41th Annual Report are included in the approved Fiscal Year 2018/19 budget.

ATTACHMENTS

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

Professional Public Outreach Services Agreement

This Professional Public Outreach Services Agreement (“Agreement”) is entered into by and between Chino Basin Watermaster (“Watermaster”), located at 9641 San Bernardino Road, Rancho Cucamonga, California 91730, and Rauch Communication Consultants, Inc. (“RCC”), located at 936 Old Orchard Road, Campbell, California 95008, and is effective as of June 28, 2018 (the “Effective Date”).

1. Term of Agreement. This Agreement will terminate upon the completion of the Services (as set forth in the Annual Report Proposed Costs attached as Addendum A) or prior to that time in accordance with Section 5 of this Agreement. The period during which this Agreement is in effect, including any extensions agreed upon by the parties, is referred to as the “Term.”

2. Services. Watermaster and RCC agree that, during the Term, RCC will provide the Services set forth in the Proposed Costs and Scope, attached as Addendum A to this Agreement and incorporated herein, as it may be modified from time to time by written agreement executed by both parties. In addition, RCC may from time to time be required to perform additional duties which are necessary to complete the Services and reasonably related to RCC’s expertise and skills. Collectively, these are referred to as the “Services.” As part of its monthly invoicing, RCC will provide information on its performance of the Services to date and will maintain regular contact with Watermaster for project clarification, guidance and issue resolution. RCC will coordinate with Justin Nakano as RCC’s Watermaster contact (“Watermaster Contact”).

3. Compensation and Terms of Payment.
 - a. Cost of Services. In compensation for the Services, Watermaster will pay RCC the amount set forth in Addendum A. Watermaster shall not be required to pay more than the amount set forth in Addendum A, unless Addendum A is modified by written agreement executed by both parties (“Costs”).

 - b. Expenses. RCC will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs, insurance, mileage and overhead, except as is otherwise expressly agreed to in writing by Watermaster in advance (“Expenses”).

 - c. Method of Payment.
 - i. RCC will submit monthly invoices to Watermaster for Costs and Expenses incurred to date. The monthly invoices must include an accurate and detailed summary of the Services performed and the billable hours worked, itemization of any Expenses, and documentation and receipts acceptable to Watermaster supporting any such Expenses.

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

- iii. Watermaster will make a reasonable effort to pay any undisputed invoiced amount within thirty (30) calendar days. Watermaster will communicate with RCC regarding any disputed amounts or amounts as to which inadequate documentation has been provided by RCC.
- iv. Watermaster reserves the right to withhold payment for Costs and Expenses that relate to Services which are not completed as scheduled, are not completed satisfactorily, are behind schedule or are otherwise performed in an inadequate or untimely fashion, or are unsupported by documentation, as determined by Watermaster, with such payments to be released and paid to RCC promptly when the Services are determined by Watermaster to be satisfactorily completed and supported.

4. Affirmation of Independent Contractor Status.

- a. Independent Contractor. Watermaster and RCC each expressly understand, agree and intend that RCC is an independent contractor in the performance of each and every part of this Agreement, and is solely responsible for all costs and expenses arising in connection with the performance of its duties, except as expressly set forth herein. All Services are to be performed solely at the risk of RCC, and RCC agrees to take all precautions necessary for the proper performance thereof. RCC is solely responsible for any and all claims, liabilities or damages or debts of any type whatsoever that may arise on account of the activities of RCC and its agents. RCC has and retains control of, and supervision over, the performance of its obligations hereunder, including scheduling and day-to-day control over the performance of the Services, and except as expressly provided herein, Watermaster will have no right to exercise any control whatsoever over the activities or operations of RCC. Notwithstanding the foregoing, however, RCC may not subcontract all or any portion of the performance of the Services or assign performance of the Services to any individual(s), without the express prior written approval of Watermaster.
- b. Other Engagements. Nothing in this Agreement will be construed as limiting in any manner RCC's ability to procure other engagements consistent with its obligations to Watermaster hereunder, including its post-Term obligations.
- c. Taxes and Related Matters. RCC will be solely responsible for all tax and other government-imposed responsibilities relating to the performance of the Services, including but not limited to payment of all applicable federal, state, local and social security taxes, unemployment insurance, workers' compensation and self-employment or other business taxes and licensing fees. RCC will be solely responsible for payment of all compensation owed to its agents with respect to the Services, including all applicable federal, state and local employment taxes, and will make deductions for all taxes and withholdings required by law. No federal, state or local taxes of any kind will be withheld or paid by Watermaster on RCC's behalf or on behalf of any employee or agent of RCC. RCC acknowledges that the compensation paid pursuant to this Agreement will not be considered "wages" for purposes of the Federal Insurance Contributions Act ("FICA"), unemployment or other taxes. RCC will be responsible for performing all payroll and record-keeping functions required by law. The compensation provided hereunder is not intended to constitute "nonqualified deferred

compensation” within the meaning of Section 409A of the Internal Revenue Code of 1986, as it may be amended from time to time (“Section 409A”). No provision of this Agreement may be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from RCC to Watermaster.

- d. No Employee Benefits from Watermaster. As an independent contractor, neither RCC nor its employees or agents will be eligible for benefits from Watermaster or any related entity, including but not limited to workers’ compensation, unemployment insurance, health, dental, vision, life or disability insurance, paid holidays, sick leave, vacation or other paid time off, pension or 401(k) plans, educational assistance, expense reimbursement, or any other employee benefit that may be offered now or in the future.
 - e. No Third-Party Beneficiaries. This Agreement is between Watermaster and RCC, and creates no individual rights for any employees or agents of RCC. No employee or agent of RCC will be deemed to be a third-party beneficiary hereunder, nor will any employee or agent of RCC be deemed to have any employment or contractual relationship with Watermaster as a result of this Agreement or his, her or its performance of services for RCC. The parties acknowledge that all individuals performing Services on behalf of RCC are solely the employees and/or agents of RCC. Watermaster will not be responsible for payments due and owing to any subcontractors, employees or agents of RCC; provided, however, that in the event RCC fails timely to pay its subcontractors or agents, if Watermaster deems it appropriate to make payments directly to any such subcontractors or agents on behalf of RCC, notwithstanding that it has no legal obligation to do so, RCC will reimburse Watermaster therefor.
5. Termination of Agreement. This Agreement will expire at the end of the Term, unless earlier terminated as follows:
- a. Termination upon Written Notice. Either party may terminate this Agreement during the Term by providing the other party with thirty (30) days’ written notice of such termination.
 - b. Termination for Cause by Watermaster. Watermaster may terminate this Agreement immediately for “Cause.” Cause includes, but is not be limited to, the following, as determined in Watermaster’s sole discretion: (i) failure of RCC to comply in any material respect with this Agreement, or any applicable Watermaster policy or procedure, including but not limited to Watermaster’s policy against harassment; (ii) serious personal or professional misconduct by RCC or its agents (including, but not limited to, dishonesty, fraud, misappropriation, criminal activity or gross or willful neglect of duty); (iii) breach of RCC’s duties to Watermaster (including but not limited to theft or misuse of Watermaster property) by RCC or its agents; (iv) conduct that threatens public health or safety, or threatens to do immediate or substantial harm to Watermaster’s business, including potentially subjecting Watermaster to civil or criminal liability; and, (v) falsification by RCC or its agents of any business-related document, including invoices, or the making of any materially false or misleading statement by RCC or its agents to or in connection with Watermaster. Watermaster’s exercise of its right to terminate for Cause will be without

prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement. In the event of termination for Cause by Watermaster, the only compensation due to RCC will be payment of Costs and Expenses incurred up to the date of termination, less appropriate offsets and any applicable penalty.

- c. Penalty for Failure to Provide Notice. In the event either party fails to provide notice of termination as required under this Agreement, the other party will be entitled to recover a penalty in the amount of the compensation that would have been due for the length of the notice period that was not provided. By way of example, if RCC failed to provide any notice, Watermaster would be entitled to recover a penalty from RCC in the amount of thirty (30) days' compensation. The penalty amount will be calculated by averaging the fees received during the prior three- (3) month period and pro-rating as appropriate.

6. Obligations of RCC.

- a. Best Abilities; Good Workmanship. RCC will proceed with diligence and the Services will be performed in accordance with the highest professional workmanship, service and ethical standards in the field and to the satisfaction of Watermaster. If RCC's workmanship does not conform to these standards and Watermaster so notifies RCC, RCC agrees immediately to take all action necessary to remedy the nonconformance. Any costs incurred by RCC to correct such nonconformance will be at RCC's sole expense. To the extent RCC fails to correct such nonconformance to Watermaster's satisfaction, or Watermaster deems RCC incapable of correcting such nonconformance to Watermaster's satisfaction, Watermaster may elect to have a third party (including a subcontractor of RCC) correct such nonconformance at RCC's sole expense.
- b. Compliance with Law and Policies. RCC will comply with all applicable federal, state and local laws, rules and regulations applicable to it and its agents, including but not limited to the Occupational Safety and Health Act ("OSHA"), non-discrimination laws and wage and hour requirements (including those related to classification of employees and payment of minimum wage and overtime), in the performance of the Services.
- c. Insurance. Watermaster is not obligated to procure liability or other insurance on behalf of RCC or its employees and agents. Procurement of all appropriate insurance coverage for RCC and/or its employees and agents is the sole responsibility of RCC. Promptly upon request, RCC will provide Watermaster with certificates of insurance evidencing coverage for workers' compensation, unemployment insurance, Comprehensive General Liability insurance, and motor vehicle insurance, to include provisions for property damage, personal injury and automobile liability, to the extent applicable to RCC. Such insurance must be in amounts satisfactory to Watermaster and may not be reduced or canceled without Watermaster's written approval of such reduction or cancellation. Any insurance maintained by RCC and/or its agents will be primary insurance to the full approved limits of liability and, should Watermaster have other valid insurance, Watermaster insurance will be excess insurance only. Watermaster, however, is not required to, and will not, include RCC or its agents as additional insureds under any policy Watermaster maintains on its own behalf, unless

otherwise required by applicable law or the terms of Watermaster's existing insurance policies.

- d. Non-Disparagement. RCC agrees that, during the Term and thereafter, neither it nor its agents will, directly or indirectly, take any action or make any statements, written or verbal, including statements on social media sites, that defame, disparage or in any way criticize the personal or business reputation, practices or conduct of Watermaster or its officers, directors, employees, or other consultants. RCC further agrees that neither it nor its agents will engage in any conduct, directly or indirectly, that may be detrimental to Watermaster's mission, reputation, practices or conduct, including but not limited to failing to timely provide payment to RCC's employees, agents and subcontractors.
- e. Confidential Information. In connection with the performance of the Services, RCC and its agents will have access to Confidential Information that has been developed by, created by or provided to Watermaster (including without limitation, information created or developed by RCC and its agents) that has commercial value to Watermaster's business, and is not generally known to the public or others, or is otherwise required to be kept confidential by Watermaster.
- i. "Confidential Information" includes any information (whether in paper or electronic form, or contained in RCC's memory, or otherwise stored or recorded) that is not generally known and relates to Watermaster's business, if such information has been expressly or implicitly protected by Watermaster from unrestricted use by persons not associated with Watermaster. Confidential Information also includes information of Watermaster's affiliates, customers, vendors, consultants, referral sources, contractors, partners, shareholders, investors, employees and other third parties that was disclosed or entrusted to Watermaster or to RCC in the course of business with the expectation of confidentiality.
 - ii. RCC agrees that, unless authorized in writing by Watermaster's General Manager, neither RCC nor its agents will, directly or indirectly, disclose or use any Confidential Information for their own benefit or for the benefit of any other individual or entity, either during the Term or thereafter.
 - iii. If, during the Term or at any time thereafter, RCC or its agents receives a request to disclose any Confidential Information, whether under the terms of a subpoena, court order, or other governmental order or otherwise, RCC or its agents will promptly inform Watermaster. Any such disclosure will be pursuant to Watermaster's prior approval.
- f. Ownership, Return of Property and Duties upon Termination. All Confidential Information, reports, recommendations, documents, drawings, plans, presentations, specifications, technical data, databases, charts, files, actual and prospective donor information, fundraising plans and other information developed by or provided to RCC and/or its agents in connection with RCC's affiliation with Watermaster are and will remain the property of Watermaster. Upon termination of this Agreement for any reason, or at such earlier time as Watermaster may request, RCC and its agents will immediately (i) discontinue any use of the name, logo, trademarks, or slogans of Watermaster; (ii) discontinue all representations or statements from

which it might be inferred that any continuing relationship exists between RCC and/or its agents and Watermaster; (iii) provide to Watermaster reproducible copies (including electronic versions if available, in native format and with all supporting materials such as fonts, graphics and attachments) of all work product prepared or modified by RCC and/or its agents and not previously provided to Watermaster, whether completed or not; (iv) return to Watermaster all tangible and intangible property, documents, information, and products of Watermaster, in whatever form or format, including originals and all copies of documents, drawings, computer printouts, notes, memoranda, specifications, hard drives, flash drives, disks or storage media of any kind, including all copies, summaries and compilations thereof, in the possession, custody or control of RCC and/or its agents; (v) promptly and permanently delete any Confidential Information stored in the internal and/or personal email account(s), computer(s), electronic devices, voicemails, storage media and cloud-based storage (including but not limited to external hard drives, flash drives, and discs) of RCC and/or its agents, and certify the same to Watermaster; and (vi) provide Watermaster with any and all passwords, source codes, security codes, administrative access information and/or other information in the possession of RCC and/or its agents necessary to enable Watermaster to get the benefit of the Services.

- g. Sharing for Cost Effectiveness. RCC may share non-confidential, non-branded designs, graphics, copy, photographs and other elements among its clients and team when deemed beneficial or cost saving. As an RCC client, Watermaster will benefit from the same courtesy where similar, generic existing work of RCC can be used for Watermaster.
 - h. Cooperation. During the Term and thereafter, RCC and its agents will fully cooperate in the investigation by Watermaster of any issues, and the defense of any claims by, against or otherwise involving Watermaster that might arise that could involve RCC and/or its agents or information within their knowledge, regardless of whether RCC and/or its agents personally are named in the action, without additional compensation for such cooperation other than reimbursement of reasonable costs related to such cooperation.
7. No Authority to Bind Watermaster. Neither RCC nor its agents have any authority, right or ability to bind or commit Watermaster in any way or incur any debts or liabilities in the name of or on behalf of Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. RCC and its agents agree not to advertise, promote or represent to any third party that RCC or its agents are the employees or agents of Watermaster. RCC and its agents may represent only that the parties have an independent contractor relationship pursuant to which RCC has accepted an opportunity to provide RCC's customary services to Watermaster. RCC and its agents will refrain from using Watermaster's name in any advertisement, promotion, business card, website, or similar manner without Watermaster's prior written consent. RCC and its agents will not add to, delete from or modify any documentation or forms provided by Watermaster, except with the prior written consent of Watermaster.
8. Indemnification; Limitation on Liability.

- a. By RCC. RCC agrees to indemnify, defend (with counsel selected by Watermaster) and hold harmless Watermaster and its affiliates, successors, agents, employees, insurers, officers and directors (the "Watermaster Indemnified Parties") from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including but not limited to attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from or on account of: (i) any claim, demand, and/or determination that Watermaster is the employer (whether sole, joint and/or common law) of any employee, contractor, subcontractor or agent engaged by or through RCC to work on the Services and any statutory or common law claims brought by RCC's agents or employees arising from or relating to the employment relationship or termination thereof, including but not limited to claims under the California Fair Employment and Housing Act, the California Family Rights Act, the California Government Code, the California Business and Professions Code, and the California Labor Code, or similar federal statutes, all as amended, for discrimination, harassment, workers' compensation, unemployment or unpaid compensation or benefits; (ii) any claim, demand or charge based upon acts or omissions of RCC or its agents in relation to the Services; (iii) any claim for negligence or misconduct against any of Watermaster Indemnified Parties in connection with the engagement of RCC and/or arising under or relating to this Agreement, including without limitation any unauthorized effort by RCC or its agents to bind Watermaster with respect to third parties or the failure of RCC or its agents to comply with their obligations under this Agreement; (iv) any claim for injuries or deaths to any person or for damage to or destruction of property resulting from any act or omission of RCC or its agents arising under or relating to this Agreement, including but not limited to any motor vehicle accident; (v) any misappropriation, misuse or theft of Confidential Information, unfair competition, breach of contract, or other acts or omissions of RCC or its agents that harm or damage (or threaten to harm or damage) any of Watermaster Indemnified Parties or their business, goodwill or reputation; and (vi) any claims that work performed by RCC infringes or violates any third party's patent, copyright, trade secret or any other intellectual property or proprietary right. Such obligations will not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity that would otherwise exist as to a Watermaster Indemnified Party, and do not limit Watermaster's rights under any applicable law to seek additional relief. The indemnification obligations of RCC under this Paragraph will not be subject to any limitation on amount or type of damages, compensation or benefits payable by or for Watermaster under workers' compensation laws, unemployment statutes, disability or other employee benefit acts, any applicable insurance policy, or any other federal, state or local law or regulation.
- b. By Watermaster. Watermaster agrees to defend, indemnify and hold RCC and its officers, directors, employees and agents harmless from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including but not limited to attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from (i) Watermaster's gross negligence or willful misconduct relating to its performance under this Agreement, and (ii) claims brought against RCC by a third party as a

result of RCC's activities as authorized by Watermaster and/or RCC's activities that are within the course and scope of this Agreement, in each case only to the extent that such losses, costs, claims, demands, judgments or liability are not due in whole or in part to the negligence or wrongful act(s) of RCC and/or its agents. Watermaster may, at its option, elect to provide a defense in lieu of indemnifying RCC for attorneys' fees and related defense costs, subject to applicable conflict of interest considerations. In any proceeding in which defense and/or indemnification will be sought by RCC, RCC must give prompt written notice of such proceeding to Watermaster. As a condition to receiving indemnification, RCC also must promptly cooperate with all reasonable requests by Watermaster in connection with the defense of such proceeding. The right to indemnification of RCC does not apply to (i) any proceeding initiated by RCC or its agents against Watermaster or any other person or entity, including counterclaims, unless Watermaster has expressly agreed in writing to waive this provision with respect to the proceeding at issue, (ii) any proceeding initiated by Watermaster against RCC and/or its agents, (iii) any proceeding alleging or involving conduct by RCC and/or its agents that Watermaster in its sole discretion determines was outside the course and scope of the Services, was in breach of this Agreement, constituted gross misconduct or was a violation of applicable law or the ethical duties of RCC and/or its agents, or (iv) any situation in which indemnification of RCC and/or its agents is not authorized or permitted pursuant to applicable law.

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

9. General Provisions.

- a. Entire Agreement. This Agreement, along with any other documents incorporated herein, constitutes the entire agreement between Watermaster and RCC relating to the subject matter hereof and supersedes all prior oral and written understandings, communications and agreements relating to such subject matter, whether verbal or written, implied or otherwise. In the event of a conflict between any provisions appearing in any other writing and in this Agreement, the provisions of this Agreement will be controlling.
- b. Assignment. This Agreement is not assignable by RCC, and any purported transfer or assignment is void. This Agreement, or Watermaster's interest in this Agreement, may be assigned and transferred by Watermaster, temporarily or permanently, whether expressly, by operation of law or otherwise, and RCC agrees to perform the Services for the benefit of any such assignee.

- c. Nonexclusive Nature of Agreement. This Agreement does not grant RCC and/or its agents an exclusive privilege or right to supply Services to Watermaster. Other than as expressly set forth in this Agreement, Watermaster makes no representations or warranties as to a minimum or maximum procurement of Services hereunder. Nothing in this Agreement will be construed as limiting in any manner the ability of RCC or its agents to procure other engagements consistent with their obligations to Watermaster hereunder, including the post-Term obligations.
- d. Use of Name, Likeness and Biography. Watermaster will have the right (but not the obligation) to make public announcements concerning the affiliation of RCC and its agents with Watermaster. Watermaster will have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of RCC and its agents to advertise, publicize and promote the business of Watermaster.
- e. Amendments; Waiver. This Agreement may not be amended except by a writing executed by all of the parties hereto. No waiver by either party of a right or remedy hereunder will be deemed to be a waiver of any other right or remedy or of any subsequent right or remedy of the same kind.
- f. Provisions Subject to Applicable Law; Modification; Severability. All provisions of this Agreement will be applicable only to the extent that they do not violate any applicable law. If any term, provision or condition of this Agreement is held to be invalid, illegal, or unenforceable by any court or arbitrator of competent jurisdiction, as to such jurisdiction that provision will be limited ("blue-penciled") to the minimum extent necessary so this Agreement will otherwise remain enforceable in full force and effect. To the extent such provision cannot be so modified, the offending provision will, as to such jurisdiction, be deemed severable from the remainder of this Agreement.
- g. Notices. All notices, consents, waivers, and other communications under this Agreement will be deemed to have been duly given when (i) delivered by hand; (ii) when received by the addressee, if sent by registered mail (return receipt requested) or a nationally recognized overnight delivery service (signature requested), in each case to the addresses or mail addresses set forth below (or to such other addresses as either party may designate upon written notice):

If to RCC:

**Martin Rauch
Rauch Communication Consultants LLC
936 Old Orchard Road
Campbell, CA 95008**

If to Watermaster:

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

- h. Construction. The Section headings throughout this Agreement are for convenience and reference only, and the words contained therein in no way will be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Agreement. The word “including” will mean “including but not limited to.” The word “agents” includes employees, contractors and other representatives. Both parties participated in the drafting of this Agreement, and each had the opportunity to consult with counsel of their own choosing in connection therewith. The rule that ambiguities in an agreement will be construed against the drafter does not apply to this Agreement.
- i. Force Majeure. Each party’s obligations hereunder will be suspended during the duration of events beyond that party’s reasonable control (including but not limited to labor strikes, lockouts, enactment of laws or regulations, civil unrest, and acts of God), provided such party makes reasonable efforts to perform and resumes performance at the earliest opportunity. If RCC suspends the Services for a period in excess of five (5) calendar/business days, Watermaster may elect to terminate this Agreement immediately thereafter by providing written notice thereof, notwithstanding anything to the contrary in Section 5 of this Agreement.
- j. Governing Law and Forum. This Agreement is entered into and will be governed by and construed and enforced in accordance with the laws of the State of California. Any action brought to enforce any right or obligation under this Agreement will be subject to the exclusive jurisdiction of the courts of the State of California and will be brought in the Court maintaining jurisdiction over the case Chino Basin Municipal Water District v. City of Chino, San Bernardino Superior Court Case No. RCV RS 51010. The parties irrevocably consent to the exclusive jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding. The prevailing party in any action related to this Agreement, including the breach or enforcement hereof, will be entitled to recover its costs and reasonable attorneys’ fees and expenses.
- k. Legal and Equitable Remedies. Because RCC’s services are personal and unique, and because RCC and its agents will have access to and become acquainted with the Confidential Information, Watermaster will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond, without prejudice to any other rights and remedies that Watermaster may have for a breach of this Agreement, and RCC and its agents waive the claim or defense that Watermaster has an adequate remedy at law.
- l. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original but both of which taken together will constitute but one and the same instrument.

RCC

Watermaster

By: 
_____ Martin Rauch

By: _____
_____ Peter Kavounas

Its: _____
_____ President

Its: _____
_____ General Manager

Email: _____
_____ martin@rauchcc.com

Email: _____
_____ pkavounas@cbwm.org

Date: _____
_____ 6/19/18

Date: _____

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Phone: 408-374-0977
 Email: info@rauchcc.com
 Web: www.rauchcc.com
 936 Old Orchard Rd. Campbell, CA 95008

Dynamic Public Outreach, Smart Strategic Planning

For local governments, special districts, and the engineering, environmental and law firms that support them.

DATE: June 11, 2018 **NO OF PAGES:** 3
TO: Justin Nakano, Water Resources Senior Associate
FROM: Martin Rauch **RE:** Proposed Costs and Scope + Details of Hours

This document updates the March 19, and March 29, 2018 “Annual Report Proposed Costs and Scope” for development of the 41st Annual Report. It adds a detailed description of the Scope of Work for inclusion in the project Agreement and reiterates the proposed costs first provided on March 19 to develop Chino Basin Watermaster’s 41st Annual Report. This updated version of the memo adds a breakdown of costs by category and hours per person as requested by CBWM.

As we discussed earlier, a review of the costs for the last Annual Report showed that we were on target in terms of estimated costs until near the end of the document development process when there were a substantial number of late changes requested to the document after it was in final design.

Below is an outline of our scope of work:

RESEARCH AND OUTLINING OF INFORMATION

1. RCC will participate in a kickoff meeting with staff and engineer to review key actions, themes and messages.
2. Coordinate with staff to gather information, review questions, etc.
3. Review background documents and develop detailed outline of actions during the year, including State of the Basin Report, Status Reports, Agendas and Minutes and other reports and studies, as well as any other documents suggested by staff.
4. Collect, research and evaluate photos. RCC will suggest photo needs to Watermaster and collect and evaluate photos for suitability. It will be helpful to collect photos early in the process to keep costs down.

WRITING AND EDITING

1. Copywrite the entire document, including development of headlines, captions, opening letter, pull quotes, etc. Edit the document to ensure the content fits into the book structure and spreads and effectively communicates Watermaster’s key information and messages.
2. Coordinate review with client, answer questions and incorporate edits and suggestions. Conduct most of the review while the document remains in Word Processor format.
3. Third Party Proof Reading. The level of effort can be minimized by conducting most of the review while the document remains in Word Processor format, before translating it into graphic design. In addition, to improve quality control, we will introduce a new third-party proof reader at three points: at the end of the writing process just before design; when the book is deemed complete, but not yet approved; and just before printing.

APPENDICES:

Our overall goal is to limit multiple rounds of changes to the appendices, and, thereby, reduce work for everyone involved and lower costs. The proposed process would include the following steps:

1. Send Updated Current Appendices to CBWM. RCC has identified the current final version of each appendix from the 40th Annual Report, which include approved edits and formatting, and sent the original, updated files to CBWM, providing a clean starting point for this year's (41st Annual) appendices.
2. CBWM will hold the appendices until they are complete and send them to RCC all at once. RCC will review them as we have in the past for formatting issues, completeness, typos, etc. We would then comment on possible suggested changes and CBWM would incorporate those changes as appropriate and return the updated files.
3. RCC will give the invoices another proofing review and incorporate the invoices into the book with the framework, new header and page number, and separator pages as we have done in the past. RCC will provide minor formatting to ensure pages break appropriately to fill pages as closely as reasonably possible and to ensure left-right spreads are maintained as appropriate. Any additional steps would be charged time and materials.

GOVERNANCE SECTION:

1. Similarly, the Governance section would be held by Watermaster until late in the process before submitting the list of members. RCC will review the list and suggest possible edits. CBWM would then submit the final Governance list for review. RCC will make any corrections from this round of reviews. Any additional steps will be charged time and materials.

GRAPHIC DESIGN AND LAYOUT

1. Complete Turn-Key graphic design and layout. This includes development of cover options, color and design themes, photo placement, photo and color correction as needed, text layout and development of graphics, tables and graphs, etc. The final draft would be deemed complete once all the elements, for example: text, captions, headings, graphics, layout, etc., are submitted for approval, reviewed by the client and any corrections made. After that, any further changes, besides grammatical fixes would be time and materials.

ESTIMATED COST

We propose to complete the project for the same amount as last year's document (\$19,900), plus a small inflationary increase for a total of \$20,405. Note that this is \$5 more than proposed in the previous memo sent on May 29, 2018. This is due simply due to rounding of the dollar amounts when showing the mathematical detail. See the following page for details.

Full Color Annual Report and Appdxs.	Senior Consultant	Graphic Designer	Media and Writing	Admin. & Production	Sub Totals
Hourly Fee	\$175	\$105	\$70	\$70	
Hours	8	0	20	0	
1. Research and Coordination	\$1,400	\$0	\$1,400	\$0	\$2,800
Hours	40	0	12	2	
2. Outline, write, edit, proof document	\$7,000	\$0	\$840	\$140	\$7,980
Hours	6	50	0	0	
3. Graphic design, select and choose photos	\$1,050	\$5,250	\$0	\$0	\$6,300
Hours	4	15	7	8	
4. Review, comment and insert appendices with consistent formatting	\$700	\$1,575	\$490	\$560	\$3,325
TOTAL					\$20,405

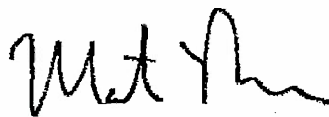
This is an estimated time and materials, not to exceed cost. Overall costs may be less. Costs for individual tasks may be more or less but the total will not exceed the estimate without advance agreement in writing (email) from the client. No out-of-scope work will be undertaken without prior email approval from the agency. Out-of-scope work includes new tasks, or extra work on existing tasks, which exceeds the total estimated cost for the project.

Current Rates. Management and Strategic Planning Consulting for the senior consultants is \$225 per hour. Outreach and public involvement programs rate for the senior consultants is \$175 per hour. Outreach and public involvement programs rate for associate consultants is \$115 per hour. Graphic designer and webmaster services rate is \$105 per hour. Social media and writing specialist's rate is \$45 to \$90 per hour. Rate for Administration, Production Manager, is \$70 per hour

Travel and Expenses Additional. We expect some costs to purchase photos between \$25 and \$200 above the labor cost shown above. Subject to the terms of the Professional Public Outreach Services Agreement, basic material expenses, including, travel expense (transportation and lodging), office printing, shipping, and sales tax are additional and passed on at cost. Car mileage is at the IRS California rate at the time or actual rental car cost plus fuel. For meetings involving travel, the minimum charge is four hours.

We look forward to continuing to work with you on this important project. Please let me know if you have any questions or if there is anything else we can do to help.

Sincerely,



Martin Rauch, Principal Consultant

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Professional Services Agreement Between Applied Computer Technologies and Chino Basin Watermaster (Consent Calendar Item I.E.)

SUMMARY

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

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

Financial Impact: The FY 2018/19 budget (which includes account number 6052.2 in the amount of \$42,000) was approved by the Board on May 24, 2018. The contract expense of \$42,000 has been funded within the FY 2018/19 budget.

Future Consideration

Watermaster Board – June 28, 2018: Approve and authorize the General Manager to execute the contract on behalf of Watermaster [Normal Course of Business]

ACTIONS:

Watermaster Board – June 28, 2018:

BACKGROUND

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

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

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

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

DISCUSSION

During the annual budget development cycle, Watermaster staff works with Applied Computer Technologies to review the ongoing services required, along with developing the upcoming budget and ensure proper funding of the database administration services is included. Prior to FY 2017/18, an informal arrangement regarding the cost and scope of work for services was reviewed by Watermaster

and no formal contract for services was executed. Beginning with the FY 2017/18, Watermaster entered into a formal professional services agreement with Applied Computer Technologies. For FY 2018/19, Watermaster intends to enter into another one-year professional services agreement with Applied Computer Technologies (Attachment 1). A formal contract for each fiscal year will memorialize the description of responsibilities, cost, and schedule, as well as provide legal protection should disputes arise. Additionally, it will aid in clearly identifying this annual budgeted cost.

The software development and SQL database administrator services scope of work for July 1, 2018 to June 30, 2019 are shown in the Scope of Work (Addendum A) - (Attachment 2). As reported above, the budget of \$42,000 for the estimated costs for the FY 2018/19 ongoing services have been included in the approved FY 2018/19 budget.

ATTACHMENTS

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

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CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement (“Agreement”) is entered into by and between the Chino Basin Watermaster (the “Watermaster”), located at 9641 San Bernardino Road, Rancho Cucamonga, California 91730, and Applied Computer Technologies (“Consultant”), located at 39252 Winchester Road, Suite 107-209, Murrieta, California 92563, effective as of the ___ day of June, 2018 (the “Effective Date”).

1. Term of Agreement. This Agreement will terminate June 30, 2019 (as set forth in Addendum A) or prior to that time in accordance with Section 5 of this Agreement. (The period during which this Agreement is in effect, including any extensions agreed upon by the parties, is referred to as the “Term.”)
2. Services. The Watermaster and Consultant agree that, during the Term, Consultant will provide the services set forth in the Scope of Work attached as Addendum A to this Agreement, as it may be modified from time to time in writing. Consultant must provide regular written progress reports to the Watermaster, no less frequently than monthly, and maintain regular contact with the Watermaster for project clarification, guidance and issue resolution. Consultant may from time to time be required to perform other duties that are reasonably related to Consultant’s expertise and skills. Collectively, these are referred to as the “Services.” The Parties acknowledge that the Services are outside the normal scope of the Watermaster’s Business (as defined below), but that Consultant is customarily engaged in providing such Services to third parties such as the Watermaster. Consultant will coordinate with Peter Kavounas as Consultant’s Watermaster contact (the “Watermaster Contact”).
3. Compensation and Terms of Payment.
 - a. Cost of Services. In compensation for the Services, the Watermaster will pay Consultant an amount equal to the actual time worked as detailed in billing to the Watermaster, at the rate of \$130.00 per hour.
 - i. Billing Increments. Time will be billed in fifteen (15) minute intervals. Consultant will invoice time such that intervals of time worked that are less than fifteen (15) minutes are combined with other time worked, so the Watermaster is not billed for more than actual time worked by Consultant (provided that any partial intervals of time on the last invoice will be paid as if the full 15-minute interval had been worked).
 - ii. Billable Time. Consultant will not bill the Watermaster for any travel time, provided that if the Watermaster requests that Consultant travel to a location more than fifty (50) miles from its Rancho Cucamonga location, reasonable travel time to and from such location will be compensable. To the extent work performed is primarily for the Watermaster’s benefit, Consultant will bill the Watermaster for work performed at the Watermaster’s facilities, work performed via telephone (including conferences with Watermaster staff and third parties, and communications with customers, vendors), and preparation of required Watermaster paperwork and documentation. Consultant will not bill the Watermaster for administrative time of Consultant, including but not limited to preparing invoices for submission to Client; communications with the Watermaster regarding billing issues, scheduling and the like; negotiating with the Watermaster; completing IRS Form W-9; communications with Consultant’s

own insurance carrier(s); time spent maintaining the license(s) and certification(s) of Consultant and its agents; etc.

b. Expenses. Consultant will be reimbursed for expenses incurred in travel required by the Watermaster or otherwise necessary for the performance of the Services, including travel from Consultant's office location to Watermaster facilities (120 miles) at IRS-approved reimbursement rates. Except as otherwise provided herein, Consultant will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs, insurance, mileage and overhead, except as otherwise expressly agreed in writing by the Watermaster in advance with respect to particular expenses in Addendum A.

c. Method of Payment.

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

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

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

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

4. Affirmation of Independent Contractor Status.

a. Independent Contractor. The Watermaster and Consultant each expressly understand, agree and intend that Consultant is an independent contractor in the performance of each and every part of this Agreement, and is solely responsible for all costs and expenses arising in connection with the performance of its duties, except as expressly set forth herein. All Services are to be performed solely at the risk of Consultant, and Consultant agrees to take all precautions necessary for the proper performance thereof. Consultant is solely responsible for any and all claims, liabilities or damages or debts of any type whatsoever that may arise on account of the activities of Consultant and its agents. Consultant has and retains control of, and supervision over, the performance of its obligations hereunder, including scheduling and day-to-day control over the performance of the Services, and except as expressly provided herein, the Watermaster will have no right to exercise any control whatsoever over the activities or operations of Consultant. Notwithstanding the

foregoing, however, Consultant may not subcontract all or any portion of the performance of the Services, or assign performance of the Services to any individual(s), without the express prior written approval of the Watermaster.

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

5. Termination of Agreement. This Agreement will expire at the end of the Term, unless earlier terminated as follows:

a. Termination upon Written Notice. Either Party may terminate this Agreement during the Term by providing the other Party with thirty (30) days' written notice of such termination. The Watermaster may, in its sole discretion, provide compensation in lieu of all or a portion of the notice period, regardless of who initiates the termination, prorating the fees as appropriate. Payment in lieu of notice will be calculated by averaging the fees received during the prior three (3) month period and pro-rating as appropriate.

b. Termination for Cause by the Watermaster. The Watermaster may terminate this Agreement immediately for "Cause." Cause includes, but is not be limited to, the following, as determined in the Watermaster's sole discretion: (i) failure of Consultant to comply in any material respect with this Agreement or any applicable Watermaster policy or procedure, including but not limited to the Watermaster's policy against harassment; (ii) serious personal or professional misconduct by Consultant or its agents (including, but not limited to, dishonesty, fraud, misappropriation, criminal activity or gross or willful neglect of duty); (iii) breach of Consultant's duties to the Watermaster (including but not limited to theft or misuse of Watermaster property) by Consultant or its agents; (iv) conduct that threatens public health or safety, or threatens to do immediate or substantial harm to the Watermaster's Business (as defined below), including potentially subjecting the Watermaster to civil or criminal liability; (v) falsification by Consultant or its agents of any business-related document, including invoices, or the making of any materially false or misleading statement by Consultant or its agents to or in connection with the Watermaster; or (vi) an investigation that could have an adverse impact on the Watermaster is commenced with respect to Consultant and/or its agents by an authorized regulatory agency. The Watermaster's exercise of its right to terminate for Cause will be without prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement. In the event of termination for Cause by the Watermaster, the only compensation due to Consultant will be payment up to the date of termination (*i.e.*, a prorated portion of the undisputed consulting fees) and outstanding reimbursable expenses, less appropriate offsets and any applicable penalty. In the event the Watermaster terminates this Agreement for Cause, it will be entitled to recover a penalty from Consultant in the amount of thirty (30) days' compensation, which penalty may be deducted from and offset against outstanding compensation due to Consultant.

c. Penalty for Failure to Provide Notice. In the event either Party fails to provide notice of termination as required under this Agreement, the other Party will be entitled to recover a penalty in the amount of the compensation that would have been due for the length of the notice period that was not provided. By way of example, if Consultant failed to provide any notice, the Watermaster would be entitled to recover a penalty from Consultant in the amount of thirty (30) days' compensation. The penalty amount will be calculated by averaging the fees received during the prior three (3) month period and pro-rating as appropriate.

6. Obligations of Consultant.

a. Best Abilities; Good Workmanship. Consultant will proceed with diligence and the Services will be performed in accordance with the highest professional workmanship,

service and ethical standards in the field and to the satisfaction of the Watermaster. If Consultant's workmanship does not conform to these standards and the Watermaster so notifies Consultant, Consultant agrees immediately to take all action necessary to remedy the nonconformance. Any costs incurred by Consultant to correct such nonconformance will be at Consultant's sole expense. To the extent Consultant fails to correct such nonconformance to the Watermaster's satisfaction, or the Watermaster deems Consultant incapable of correcting such nonconformance to the Watermaster's satisfaction, the Watermaster may elect to have a third party (including a subcontractor of Consultant) correct such nonconformance at Consultant's sole expense.

- b. Compliance with Law and Policies. Consultant will comply with all applicable federal, state and local laws, rules and regulations applicable to it and its agents, including but not limited to the Occupational Safety and Health Act ("OSHA"), non-discrimination laws and wage and hour requirements (including those related to classification of employees and payment of minimum wage and overtime), in the performance of the Services. Consultant will comply with the Watermaster's Code of Ethics as it may be amended from time to time, except to the extent that the Code of Ethics is inconsistent with this Agreement or with local law, rules and/or regulations. Consultant also agrees to comply with other Watermaster policies that may be applicable to it, including but not limited to the Watermaster's policies against harassment and discrimination.
- c. Equipment; Use of Watermaster Technology. In general, Consultant will be responsible for providing its own supplies, equipment and work location(s). However, to facilitate performance of the Services, Consultant and/or its agents may be provided with certain equipment by the Watermaster. In addition, to facilitate performance of the Services and communications with Watermaster representatives, agents and customers, and to ensure appropriate security levels, confidentiality and privacy protection and document retention procedures, Consultant and/or its agents may be provided with (i) a Watermaster email address, (ii) access to the Watermaster's computer system, data, files and/or premises, and (iii) access authority and login information with respect to select Watermaster accounts. To the extent Consultant and/or its agents are provided with a Watermaster email address, the applicable signature block must be approved by the Watermaster and must clearly indicate Consultant's status with respect to the Watermaster. Consultant and its agents will be subject to applicable Watermaster policies relating to usage of Watermaster equipment and systems.
- d. Insurance. The Watermaster is not obligated to procure liability or other insurance on behalf of Consultant or its employees and agents, provided that, in the event the Watermaster does elect to procure any such insurance, Consultant and its agents will assist the Watermaster in doing so by submitting to examinations and signing such applications and other instruments as may be required by the insurance carriers to which application is made for such insurance. Procurement of all appropriate insurance coverage for Consultant and/or its employees and agents is the sole responsibility of Consultant. Promptly upon request, Consultant will provide the Watermaster with certificates of insurance evidencing coverage for workers' compensation, unemployment insurance, Comprehensive General Liability insurance, and motor vehicle insurance, to include provisions for property damage, personal injury and automobile liability, to the extent applicable to Consultant. Such insurance must be in amounts satisfactory to the Watermaster and may not be

reduced or canceled without the Watermaster's written approval of such reduction or cancellation. Any insurance maintained by Consultant and/or its agents will be primary insurance to the full approved limits of liability and, should the Watermaster have other valid insurance, the Watermaster insurance will be excess insurance only. The Watermaster, however, is not required to, and will not, include Consultant or its agents as additional insureds under any policy the Watermaster maintains on its own behalf, unless otherwise required by applicable law or the terms of the Watermaster's existing insurance policies.

- e. Non-Contravention; No Improper Use of Materials. Neither Consultant nor its agents have entered into, or will enter into, any agreements inconsistent with this Agreement. Consultant certifies that neither it nor its agents will utilize or disclose any confidential, trade secret or proprietary information of any prior employer or other individual or entity in connection with this Agreement or the performance of the Services, and they will not bring any such information onto the Watermaster's premises or introduce such information onto the Watermaster's equipment or systems.
- f. No Conflict of Interest. Consultant confirms that its and its agents undertaking the Services contemplated hereunder will not pose any actual or present any perceived conflict of interest. Consultant agrees that neither it nor its agents will, during the Term, perform any services for, or enter into an engagement with, any other individual or entity that poses an actual conflict, or that may pose a perceived conflict, with the Watermaster's Business without the Watermaster's prior written approval. For purposes of this Agreement, the "Watermaster's Business" is to manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment.
- g. Non-Disparagement. Consultant agrees that, during the Term and thereafter, neither it nor its agents will, directly or indirectly, take any action or make any statements, written or verbal, including statements on social media sites, that defame, disparage or in any way criticize the personal or business reputation, practices or conduct of the Watermaster or its officers, directors, employees, or other consultants. Consultant further agrees that neither it nor its agents will engage in any conduct, directly or indirectly, that may be detrimental to the Watermaster's mission, reputation, practices or conduct, including but not limited to failing timely to provide payment to Consultant's employees, agents and subcontractors.
- h. Confidential Information. In connection with the performance of the Services, Consultant and its agents will have access to Confidential Information that has been developed by, created by or provided to the Watermaster (including without limitation, information created or developed by Consultant and its agents) that has commercial value to the Watermaster's Business, and is not generally known to the public or others, or is otherwise required to be kept confidential by the Watermaster.
 - i. "Confidential Information" includes any information (whether in paper or electronic form, or contained in Consultant's memory, or otherwise stored or recorded) that is not generally known and relates to the Watermaster's Business, if such information has been expressly or implicitly protected by the Watermaster from unrestricted use by persons not associated with the Watermaster. Confidential Information includes, but is not limited to,

information contained in or relating to the manner and details of the Watermaster's operation, organization and management; passwords; concepts; programs; trade secrets; product designs; innovations; source codes and documentation; software; data; protocols; best practices; testing and diagnostic methods; plans; processes and techniques; treatment methodologies; program data; projects; patient names, addresses and other data; patient schedules, treatment methods, plans, notes and therapies; the identities and contact information of, and details regarding Watermaster's relationship with, actual and prospective distributors, contractors and vendors; fees and charges to the Watermaster's clients; pricing data and related information; marketing methods, plans or proposals; prospective patient lists and related information; applicant and employee personnel information; pricing information; financial information; and legal and business strategies and plans, as well as any other information marked "confidential," "proprietary," "secret" or the like. Confidential Information also includes information of the Watermaster's affiliates, customers, vendors, consultants, referral sources, contractors, partners, shareholders, investors, employees and other third parties that was disclosed or entrusted to the Watermaster or to Consultant in the course of business with the expectation of confidentiality.

- ii. Consultant agrees that, unless authorized in writing by the Watermaster's General Manager, neither Consultant nor its agents will, directly or indirectly, disclose or use any Confidential Information for their own benefit or for the benefit of any other individual or entity, either during the Term or thereafter.
- iii. If, during the Term or at any time thereafter, Consultant or its agents receives a request to disclose any Confidential Information, whether under the terms of a subpoena, court order, or other governmental order or otherwise, Consultant or its agents will notify the Watermaster immediately of the details of the request, including providing a copy thereof, and will consult with the Watermaster on the advisability of taking legally available steps to resist or narrow such request. If disclosure of such Confidential Information is required to prevent Consultant and/or its agents from being held in contempt or subject to other penalty, Consultant or its agents will furnish only such portion of the Confidential Information as, in the written opinion of legal counsel satisfactory to the Watermaster, Consultant or its agents is legally compelled to disclose, and Consultant and its agents will use their best efforts to assist the Watermaster in obtaining an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

- i. Ownership, Return of Property and Duties upon Termination. All Confidential Information, reports, recommendations, documents, drawings, plans, presentations, specifications, technical data, databases, charts, files, actual and prospective donor information, fundraising plans and other information developed by or provided to Consultant and/or its agents in connection with Consultant's affiliation with the Watermaster are and will remain the property of the Watermaster. Upon termination of this Agreement for any reason, or at such earlier time as the Watermaster may request, Consultant and its agents will immediately (i) discontinue any use of the name, logo, trademarks, or slogans of the Watermaster; (ii) discontinue all representations or statements from which it might be inferred that any continuing relationship exists between Consultant and/or its agents and the Watermaster; (iii)

provide to the Watermaster reproducible copies (including electronic versions if available, in native format and with all supporting materials such as fonts, graphics and attachments) of all work product prepared or modified by Consultant and/or its agents and not previously provided to the Watermaster, whether completed or not; (iv) return to the Watermaster all tangible and intangible property, documents, information, and products of the Watermaster, in whatever form or format, including originals and all copies of documents, drawings, computer printouts, notes, memoranda, specifications, hard drives, flash drives, disks or storage media of any kind, including all copies, summaries and compilations thereof, in the possession, custody or control of Consultant and/or its agents; (v) promptly and permanently delete any Confidential Information stored in the internal and/or personal email account(s), computer(s), electronic devices, voicemails, storage media and cloud-based storage (including but not limited to external hard drives, flash drives, and discs) of Consultant and/or its agents, and certify the same to the Watermaster; and (vi) provide the Watermaster with any and all passwords, source codes, security codes, administrative access information and/or other information in the possession of Consultant and/or its agents necessary to enable the Watermaster to get the benefit of the Services.

j. Cooperation. During the Term and thereafter, Consultant and its agents will fully cooperate in the investigation by the Watermaster of any issues, and the defense of any claims by, against or otherwise involving the Watermaster that might arise that could involve Consultant and/or its agents or information within their knowledge, regardless of whether Consultant and/or its agents personally are named in the action, without additional compensation for such cooperation other than reimbursement of reasonable costs related to such cooperation.

7. No Authority to Bind the Watermaster. Neither Consultant nor its agents have any authority, right or ability to bind or commit the Watermaster in any way or incur any debts or liabilities in the name of or on behalf of the Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of the Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Consultant and its agents agree not to advertise, promote or represent to any third party that Consultant or its agents are the employees or agents of the Watermaster. Consultant and its agents may represent only that the Parties have an independent contractor relationship pursuant to which Consultant has accepted an opportunity to provide Consultant's customary services to the Watermaster. Consultant and its agents will refrain from using the Watermaster's name in any advertisement, promotion, business card, website, or similar manner without the Watermaster's prior written consent. Consultant and its agents will not add to, delete from or modify any documentation or forms provided by the Watermaster, except with the prior written consent of the Watermaster.

8. Indemnification; Limitation on Liability.

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

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

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

9. General Provisions.

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

manner the ability of Consultant or its agents to procure other engagements consistent with their obligations to the Watermaster hereunder, including the post-Term obligations.

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

If to Consultant:

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

If to Watermaster:

**Chino Basin Watermaster
Attn: Peter Kavounas
9641 San Bernardino Road
Rancho Cucamonga, California 91730
Email: PKavounas@cbwm.org**

With a copy to:

Brownstein Hyatt Farber Schreck, LLP

**21 E. Carrillo Street
Santa Barbara, California 93101-2782
Attention: Scott Slater
Email: sslater@bhfs.com**

- h. Construction. The Section headings throughout this Agreement are for convenience and reference only, and the words contained therein in no way will be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Agreement. The word "including" will mean "including but not limited to." The word "agents" includes employees, contractors and other representatives. Both Parties participated in the drafting of this Agreement, and each had the opportunity to consult with counsel of their own choosing in connection therewith. The rule that ambiguities in an agreement will be construed against the drafter does not apply to this Agreement.
- i. Force Majeure. Each Party's obligations hereunder will be suspended during the duration of events beyond that Party's reasonable control (including but not limited to labor strikes, lockouts, enactment of laws or regulations, civil unrest, and acts of God), provided such Party makes reasonable efforts to perform and resumes performance at the earliest opportunity. If Consultant suspends the Services for a period in excess of five (5) calendar/business days, the Watermaster may elect to terminate this Agreement immediately thereafter by providing written notice thereof, notwithstanding anything to the contrary in Section 5 of this Agreement .
- j. Governing Law and Forum. This Agreement is entered into and will be governed by and construed and enforced in accordance with the laws of the State of California. Any action brought to enforce any right or obligation under this Agreement will be subject to the exclusive jurisdiction of the courts of the State of California. The Parties irrevocably consent to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding. The prevailing Party in any action related to this Agreement, including the breach or enforcement hereof, will be entitled to recover its costs and reasonable attorneys' fees and expenses.
- k. Legal and Equitable Remedies. Because Consultant's services are personal and unique, and because Consultant and its agents will have access to and become acquainted with the Confidential Information (as defined in the Confidentiality Agreement), the Watermaster will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond, without prejudice to any other rights and remedies that the Watermaster may have for a breach of this Agreement, and Consultant and its agents waive the claim or defense that the Watermaster has an adequate remedy at law.

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

Applied Computer Technologies

Chino Basin Watermaster

By: _____
Susan M. Knowlton

By: _____
Peter M. Kavounas

Its: _____

Its: General Manager

ADDENDUM A: SCOPE OF WORK

Consultant will provide to the Watermaster Software Development and SQL Database Administrator Services, including the following:

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

The exact work to be performed during the Term will be identified in coordination with Watermaster staff, as it may be modified from time to time. The implementation plan will be developed and directed by Consultant.

The anticipated time for this work is approximately eight hours per week. In addition, Consultant will provide on-site services one business day per month at the Watermaster's offices in Rancho Cucamonga to facilitate interaction with Watermaster staff on the status and scope of the project, ongoing needs, and modifications.

Applied Computer Technologies

A DIVISION OF ABET CORPORATION
BUSINESS SOLUTIONS PROVIDER

June 1, 2018

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

SUBJECT: Software Development and SQL Database Administrator Services
Scope of Work for July 1, 2018 to June 30, 2019

Dear Mr. Joswiak,

I am pleased to offer continuing software development and database administrator services for Chino Basin Watermaster (CBWM) for the 2018-2019 fiscal year. The ongoing services to be provided include the following:

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

The exact work to be performed during the Term will be identified in coordination with Watermaster staff, as it may be modified from time to time. The implementation plan will be developed and directed by Consultant. These services will continue to be provided one day per week with one day per month onsite at CBWM's offices in Rancho Cucamonga. Onsite visits will include 120 miles billed at IRS approved reimbursement rates. The hourly consulting rate for fiscal year 2018-2019 is \$130 per hour.

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

Thank you.



Susan M. Knowlton
President, Applied Computer Technologies

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

F. FISCAL YEAR 2018/19 PAY SCHEDULE



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: FY 2018/19 Pay Schedule (Consent Calendar Item I.F.)

SUMMARY

Issue: A Pay Schedule for FY 2018/19 needs to be adopted.

Recommendation: Adopt the FY 2018/19 Pay Schedule.

Financial Impact: The salary costs according to the recommended Pay Schedule for the ten budgeted Watermaster positions are included in the FY 2018/19 Watermaster Budget of \$8,887,225. The Approved FY 2018/19 budget was adopted by the Watermaster Board on May 24, 2018.

Future Consideration
Watermaster Board – June 28, 2018: Adopt (Normal Course of Business)

ACTIONS:
Watermaster Board – June 28, 2018:

BACKGROUND

To ensure compliance with CalPERS regulations, Chino Basin Watermaster developed a Pay Schedule which must be adopted by the Watermaster Board in open session and provide the required information (as provided in CCR 570.5) for current employees and potential positions which could be filled as approved.

On June 22, 2017, the Watermaster Board approved the FY 2017/18 Pay Schedule and the FY 2017/18 Pay Schedule became effective on July 1, 2017. No other changes or adjustments to the FY 2017/18 Pay Schedule have been approved by the Watermaster Board. The FY 2017/18 Pay Schedule is posted on the Watermaster website using the following link:

<http://www.cbwm.org/docs/20170622%20-%20CBWM-Approved%20Pay%20Schedule-FY2017-2018-V1.pdf>

DISCUSSION

For FY 2018/19, the attached Pay Schedule was used to develop the Watermaster salary expense of \$1,184,192, an integral portion of the labor budget. The fiscal year salary budget of \$1,184,192 was developed with ten full time employees and currently Watermaster employs nine full time employees. Please note the labor budget for FY 2018/19 does not include every position on the Pay Schedule, only those that are currently or projected to be filled in the upcoming fiscal year.

The attached FY 2018/19 Pay Schedule includes the recommendations made by the Personnel Committee during meetings held on November 6, 2017. The FY 2018/19 Pay Schedule includes a CPI increase (based upon January to January data), which is consistent with the Personnel Committee policy for the last six years. The CPI increase for the FY 2018/19 Pay Schedule is 3.7%.

Once adopted, the recommended FY 2018/19 Pay Schedule will supersede the previously adopted FY 2017/18 Pay Schedule and will become effective on July 1, 2018. Chino Basin Watermaster will make the FY 2018/19 Pay Schedule publically available by posting it to the Chino Basin Watermaster website www.cbwm.org under the Careers/Salary and Benefits section.

ATTACHMENT:

1. FY 2018/19 Pay Schedule – Effective July 1, 2018

**CHINO BASIN WATERMASTER
PAY SCHEDULE**

Revision Date: March 27, 2018

Effective Date: July 1, 2018

Approved by Board:

POSITION	TYPE	MONTHLY													
		HOURLY							LOW	MEDIAN					HIGH
		STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G
General Manager	1								\$18,213.93	\$19,124.63	\$20,080.86	\$21,084.90	\$22,139.14	\$23,246.10	\$24,408.33
Compliance, Reporting, & Special Projects Director	1								\$12,368.52	\$12,986.95	\$13,636.30	\$14,318.11	\$15,034.02	\$15,785.72	\$16,575.00
Chief Financial Officer	1								\$11,376.08	\$11,944.88	\$12,542.12	\$13,169.23	\$13,827.69	\$14,519.08	\$15,245.03
		HOURLY							MONTHLY						
Sr. Environmental Engineer	2	\$50.15	\$52.66	\$55.29	\$58.06	\$60.96	\$64.01	\$67.21	\$8,693.26	\$9,127.93	\$9,584.32	\$10,063.54	\$10,566.71	\$11,095.06	\$11,649.80
Water Resources Sr. Associate	3	\$38.21	\$40.12	\$42.13	\$44.24	\$46.45	\$48.77	\$51.21	\$6,623.43	\$6,954.61	\$7,302.34	\$7,667.45	\$8,050.83	\$8,453.37	\$8,876.04
Water Resources Associate	3	\$29.46	\$30.93	\$32.48	\$34.10	\$35.81	\$37.60	\$39.48	\$5,106.51	\$5,361.84	\$5,629.93	\$5,911.43	\$6,207.00	\$6,517.35	\$6,843.21
Sr. Field Operations Specialist	3	\$27.25	\$28.61	\$30.04	\$31.55	\$33.12	\$34.78	\$36.52	\$4,723.59	\$4,959.77	\$5,207.76	\$5,468.15	\$5,741.56	\$6,028.63	\$6,330.07
Field Operations Specialist	3	\$23.16	\$24.32	\$25.54	\$26.81	\$28.16	\$29.56	\$31.04	\$4,015.05	\$4,215.80	\$4,426.59	\$4,647.92	\$4,880.31	\$5,124.33	\$5,380.55
Executive Services Director / Board Clerk	3	\$48.31	\$50.72	\$53.26	\$55.92	\$58.72	\$61.65	\$64.74	\$8,373.39	\$8,792.06	\$9,231.67	\$9,693.25	\$10,177.91	\$10,686.81	\$11,221.15
Sr. Accountant	3	\$30.92	\$32.47	\$34.09	\$35.80	\$37.59	\$39.47	\$41.44	\$5,359.94	\$5,627.94	\$5,909.33	\$6,204.80	\$6,515.04	\$6,840.79	\$7,182.83
Accountant	3	\$26.28	\$27.60	\$28.98	\$30.43	\$31.95	\$33.55	\$35.22	\$4,555.95	\$4,783.75	\$5,022.94	\$5,274.08	\$5,537.79	\$5,814.68	\$6,105.41
Administrative Assistant	3	\$23.07	\$24.23	\$25.44	\$26.71	\$28.04	\$29.45	\$30.92	\$3,999.09	\$4,199.05	\$4,409.00	\$4,629.45	\$4,860.92	\$5,103.97	\$5,359.16
Office Specialist/Receptionist	3	\$19.63	\$20.61	\$21.64	\$22.72	\$23.86	\$25.05	\$26.30	\$3,401.95	\$3,572.04	\$3,750.64	\$3,938.18	\$4,135.09	\$4,341.84	\$4,558.93

Classifications:

- Type 1: Exempt - Executive Management
- Type 2: Exempt - Mid-Management/Supervisor
- Type 3: Non-Exempt (Operations)
- Type 3: Non-Exempt (Administration)

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ATTACHMENT 1

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

G. CHINO BASIN WATERMASTER RETIREMENT HEALTH SAVINGS PROGRAM



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: June 28, 2018
TO: Board Members
SUBJECT: Chino Basin Watermaster Retirement Health Savings (RHS) Program (Consent Calendar Item I.G.)

SUMMARY

Issue: Chino Basin Watermaster Retirement Health Savings (RHS) Program is being recommended for adoption.

Recommendation: Adopt Resolution 2018-03 and approve a Retirement Health Savings (RHS) Program, and authorize the Chief Financial Officer to execute the contract and agreements required to establish the program.

Financial Impact: None. There are no costs associated with the establishment of the proposed Retirement Health Savings (RHS) Program.

Future Consideration

Watermaster Board – June 28, 2018: Approve and authorize the Chief Financial Officer to execute the contract on behalf of Watermaster [Normal Course of Business]

ACTIONS:

Watermaster Board – June 28, 2018:

BACKGROUND

The Chino Basin Watermaster currently has a Sick Leave Policy documented by Policy 3.6 of the Watermaster Employee Manual. The Sick Leave Policy provides every full time employee (an employee working over 30+ hours per week) an annual Sick Leave accrual at the rate of 96 hours per year (3.692 hours per pay period X 26 pay periods per year = 96 hours). An employee can accrue up to a maximum of 600 hours of Sick Leave.

Per the Watermaster Employee Manual Policy 3.6.2, employees are allowed to "Buy-Back" Sick Leave, twice per year, at fifty percent (50%) of their current rate of pay, provided a balance of 480 hours remain after the sale.

Per the Watermaster Employee Manual Policy 3.6.3, if an employee terminates prior to five (5) years of continuous service, no payment of Sick Leave balance is authorized. For employees who terminate after five (5) years, the payout of Sick Leave balance is at twenty-five percent (25%) of their current rate of pay.

Per the Watermaster Employee Manual Policy 3.6.4, employees who retire at or after age 55 with a minimum of five (5) years of continuous employment will be paid at their current base rate of pay for fifty percent (50%) of their accrued, unused Sick Leave, up to a maximum of 600 hours, and for one hundred percent (100%) of their accrued unused Sick Leave if retiring with a minimum of twenty (20) years of continuous regular and/or introductory employment, up to a maximum of 600 hours.

DISCUSSION

During the Personnel Committee meeting held on November 6, 2017, the concept of establishing a Retirement Health Savings (RHS) Program was described and discussed. There was unanimous support by the Personnel Committee to move forward with the establishment of a (RHS) Program.

The Chino Basin Watermaster intends to establish a (RHS) Program for the employees. An (RHS) Program allows employees to accumulate assets to pay for health insurance and out-of-pocket medical expenses in retirement. An (RHS) Program has a number of advantages including tax-free contributions, tax-free investment earnings, and tax-free disbursements for eligible medical expenses for participants, their spouses and eligible dependents. The (RHS) Program complies with the Internal Revenue Service guidance for Health Reimbursement Arrangements.

The funding of the (RHS) Program would be solely by each employee, and administered by ICMA-RC. There are no costs associated with establishment of the (RHS) Program and no ongoing costs for Watermaster.

The details of the (RHS) Program are as follows:

1. On January 15th of every year, Watermaster would generate a Sick Leave balance report and any unused Sick Leave balance by employee over the amount of 504 hours would be paid directly to the (RHS) Program. The funds paid by Watermaster to ICMA-RC would be deposited to the individual employee's (RHS) account.
2. Each employee has the option of selling or Buying-Back their unused Sick Leave balance over the amount of 480 hours, twice per year. If an employee does not want funding to go to their (RHS) Program, a sale or Buy-Back could be completed prior to the January 15th date.
3. When an employee quits or is terminated, their unused Sick Leave balance would be paid directly to the (RHS) Program, based upon the percentages as provided in the Sick Leave Policy 3.6.3.

4. When an employee retires, their unused Sick Leave balance would be paid directly to their (RHS) Program, based upon the percentages as provided in the Sick Leave Policy 3.6.4.
5. Each employee has full access, control, and fiduciary responsibility of their individual (RHS) Program account. This is no different than their 457(b) or 401(a) accounts with ICMA-RC.

ATTACHMENTS:

1. Resolution 2018-03 For Adoption and Affirmative Statement of Adoption of the VantageCare Retirement Health Savings (RHS) Program

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RESOLUTION NO. 2018-03

**RESOLUTION FOR ADOPTION and AFFIRMATIVE STATEMENT OF ADOPTION
OF THE CHINO BASIN WATERMASTER,
SAN BERNARDINO COUNTY, CALIFORNIA,
FOR ADOPTION OF THE VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PROGRAM**

Plan Number: 803807
Name of Employer: Chino Basin Watermaster
State: California
Title of Program Coordinator: Chief Financial Officer

Resolution of the above-named Employer (the "Employer):

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the establishment of a retiree health savings program for such employees serves the interests of the Employer by enabling it to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the establishment of the retiree health savings program (the "Program") serves the above objectives;

NOW, THEREFORE, BE IT RESOLVED, that the Employer hereby adopts the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program ("Program") through the Employer's integral part trust ("Trust") and the Employer's welfare benefits plan ("Plan").

BE IT FURTHER RESOLVED, that the assets of the Plan shall be held in trust, with the following position within the Employer, the Chief Financial Officer of the Watermaster (the "CFO"), serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan. The Employer has executed the Declaration of Trust of the Chino Basin Watermaster Integral Part Trust in the form of the sample trust made available by the ICMA Retirement Corporation.

BE IT FURTHER RESOLVED, that the CFO of the Watermaster shall be the coordinator and contact for the Program and shall receive necessary reports, notices, etc.

BE IT FURTHER RESOLVED, that the CFO of the Watermaster, on behalf of the Watermaster, may delegate any administrative duties relating to the Retirement Health Savings Program to appropriate employees and others; and shall execute all necessary agreements and other documents and take all actions incidental to the administration of the Retirement Health Savings Program.

ADOPTED by the Watermaster Board on this 28th day of June, 2018.

By: _____
Chair, Watermaster Board

ATTEST:

Board Secretary/Treasurer
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Bob Kuhn, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2018-03 was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES: 9
NOES: 0
ABSENT: 0
ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary, Watermaster Board

Date: June 28, 2018

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**H. AMENDMENT TO CHINO BASIN WATERMASTER RETIREMENT
POLICY 3.16**



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: June 28, 2018
TO: Board Members
SUBJECT: Amendment to Chino Basin Watermaster Retirement Policy 3.16 (Consent Calendar Item I.H.)

SUMMARY

Issue: Chino Basin Watermaster Retirement Policy 3.16.

Recommendation: Approve the Amendment of the Existing Retirement Policy 3.16.

Financial Impact: There is no financial impact if a Watermaster employee does not provide written notice to the General Manager, within the required timeframes, when retiring from Watermaster. The financial impact could range between a minimum of 2% and a maximum of 4% of an employee's salary, for a Watermaster employee who provides written notice to the General Manager, within the required timeframes, when retiring from Watermaster.

Future Consideration

Watermaster Board – June 28, 2018: Approve [Normal Course of Business]

ACTIONS:

Watermaster Board – June 28, 2018:

BACKGROUND

The Chino Basin Watermaster currently has a Retirement Policy documented by Policy 3.16 of the Watermaster Employee Manual. The current policy states the following:

3.16 RETIREMENT

As a part of an employee benefit, Watermaster pays the employer's contribution to CalPERS. With the adoption of Public Employees' Pension Reform Act of 2013 (PEPRA), the pension system has changed. Depending upon your member classification "Classic or New" with CalPERS, Watermaster may pay a portion of the employee contribution to CalPERS or the employee could be responsible for the entire employee portion to CalPERS.

All regular and introductory employees hired after January 1, 2013 will be enrolled in the 2% @ 62 Public Employees Retirement System (CalPERS), and shall be subject to such terms and conditions as Watermaster may contract for with CalPERS.

All regular and introductory employees hired before January 1, 2013 will be enrolled in the 2.5% @ 55 Public Employees Retirement System (CalPERS), and shall be subject to such terms and conditions as Watermaster may contract for with CalPERS.

See Section 3.1.7 for additional information regarding employer and employee contributions or contact the Chief Financial Officer. Watermaster policy regarding retirement could change depending upon future legislative changes, CalPERS requirements, or Watermaster Board decisions.

DISCUSSION

During the Personnel Committee meeting held on Tuesday, May 22, 2018, the General Manager presented the concept of providing a financial incentive to any Watermaster employee who is in good standing and provides a written notice to the General Manager, within specific guidelines and timeframes, of their intent to retire from Watermaster. After some discussion and a requested change in the number of days, there was unanimous support by the Personnel Committee to move forward with the amendment to the existing Retirement Policy 3.16.

The following language to amend Retirement Policy 3.16 is proposed:

If an employee in good standing, provides written notice to the General Manager of his/her intent to formally retire from Watermaster within the guidelines listed below, the corresponding percentage incentive payment (less applicable payroll taxes and any accompanying deductions required by law) will be issued on the last/final payroll check as follows:

Employee provides at least a 120-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 4% bonus payment.

Employee provides at least a 90-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 3% bonus payment.

Employee provides at least a 60-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 2% bonus payment.

For purposes of the bonus payment calculation, the percentage is multiplied by the regular base salary (not including car allowance, phone allowance, or any other additional allowances or additions) paid over the last 12-consecutive months (26-payroll periods).

ATTACHMENTS:

1. Proposed Amended CBWM Retirement Policy 3.16

3.16 RETIREMENT

As a part of an employee benefit, Watermaster pays the employer's contribution to CalPERS. With the adoption of Public Employees' Pension Reform Act of 2013 (PEPRA), the pension system has changed. Depending upon your member classification "Classic or New" with CalPERS, Watermaster may pay a portion of the employee contribution to CalPERS or the employee could be responsible for the entire employee portion to CalPERS.

All regular and introductory employees hired after January 1, 2013 will be enrolled in the 2% @ 62 Public Employees Retirement System (CalPERS), and shall be subject to such terms and conditions as Watermaster may contract for with CalPERS.

All regular and introductory employees hired before January 1, 2013 will be enrolled in the 2.5% @ 55 Public Employees Retirement System (CalPERS), and shall be subject to such terms and conditions as Watermaster may contract for with CalPERS.

If an employee in good standing, provides written notice to the General Manager of his/her intent to formally retire from Watermaster within the guidelines listed below, the corresponding percentage incentive payment (less applicable payroll taxes and any accompanying deductions required by law) will be issued on the last/final payroll check as follows:

Employee provides at least a 120-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 4% bonus payment.

Employee provides at least a 90-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 3% bonus payment.

Employee provides at least a 60-day written notice before the effective date of retirement and continues full employment until the effective date; will receive a 2% bonus payment.

For purposes of the bonus payment calculation, the percentage is multiplied by the regular base salary (not including car allowance, phone allowance, or any other additional allowances or additions) paid over the last 12-consecutive months (26-payroll periods).

See Section 3.1.7 for additional information regarding employer and employee contributions or contact the Chief Financial Officer. Watermaster policy regarding retirement could change depending upon future legislative changes, CalPERS requirements, or Watermaster Board decisions.

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

- I. AMENDMENT TO CHINO BASIN WATERMASTER RESIGNATION
POLICY 4.23.2**



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: June 28, 2018
TO: Board Members
SUBJECT: Amendment to Chino Basin Watermaster Resignation Policy 4.23.2 (Consent Calendar Item I.I.)

SUMMARY

Issue: Chino Basin Watermaster Resignation Policy 4.23.2.

Recommendation: Approve the Amendment of the Existing Resignation Policy 4.23.2.

Financial Impact: There is no financial impact if a Watermaster employee does not provide written resignation to the General Manager within the required timeframes, when resigning from Watermaster. The financial impact could range between a minimum of 2% and a maximum of 4% of an employee's salary, for a Watermaster employee who provides the required written resignation to the General Manager, within the required timeframes, when resigning from Watermaster.

Future Consideration

Watermaster Board – June 28, 2018: Approve [Normal Course of Business]

ACTIONS:

Watermaster Board – June 28, 2018:

BACKGROUND

The Chino Basin Watermaster currently has a Resignation Policy documented by Policy 4.23.2 of the Watermaster Employee Manual. The current policy states the following:

4.23.2 Resignation

An employee may resign employment by submitting a written resignation at least two (2) weeks before the effective date. Failure to do so may result in disqualification for future employment with the Watermaster. Absence without approval for more than three (3) consecutive days, or failure to return from vacation or from an approved leave of absence may be considered a voluntary resignation.

DISCUSSION

During the Personnel Committee meeting held on Tuesday, May 22, 2018, the General Manager presented the concept of providing a financial incentive to any Watermaster employee who is in good standing and provides a written notice to the General Manager, within specific guidelines and timeframes, of their intent to resign from Watermaster. After some discussion and a requested change in the number of days, there was unanimous support by the Personnel Committee to move forward with the amendment to the existing Resignation Policy 4.23.2.

The following language to amend the Resignation Policy 4.23.2 is proposed:

If an employee in good standing provides written notice to the General Manager of his/her intent to resign employment within the guidelines listed below, the corresponding percentage incentive payment (less applicable payroll taxes and any accompanying deductions required by law) will be issued as part of the last/final payroll check as follows:

Employee provides at least a 120-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 4% bonus payment.

Employee provides at least a 90-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 3% bonus payment.

Employee provides at least a 60-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 2% bonus payment.

For purposes of the bonus payment calculation, the percentage is multiplied by the regular base salary (not including car allowance, phone allowance, or any other additional allowances or additions) paid over the last 12-consecutive months (26-payroll periods).

ATTACHMENTS:

1. Proposed Amended CBWM Resignation Policy 4.23.2

4.23.2 Resignation

An employee may resign employment by submitting a written resignation at least two (2) weeks before the effective date. Failure to do so may result in disqualification for future employment with the Watermaster. Absence without approval for more than three (3) consecutive days, or failure to return from vacation or from an approved leave of absence may be considered a voluntary resignation.

If an employee in good standing provides written notice to the General Manager of his/her intent to resign employment within the guidelines listed below, the corresponding percentage incentive payment (less applicable payroll taxes and any accompanying deductions required by law) will be issued as part of the last/final payroll check as follows:

Employee provides at least a 90-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 4% bonus payment.

Employee provides at least a 60-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 3% bonus payment.

Employee provides at least a 30-day written notice before the effective date of resignation and continues full employment until the effective date; will receive a 2% bonus payment.

For purposes of the bonus payment calculation, the percentage is multiplied by the regular base salary (not including car allowance, phone allowance, or any other additional allowances or additions) paid over the last 12-consecutive months (26-payroll periods).

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

- A. TASK ORDER NO. 2 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS TECHNICAL SUPPORT FOR ANALYSIS OF THE UPPER SANTA ANA RIVER GROUNDWATER INTEGRATED MODEL**



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Task Order No. 2 Under Master Agreement for Collaborative Projects Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model (Business item II.A.)

SUMMARY

Issue: Under Task Order No. 2, Watermaster and IEUA will cost-share technical assistance from WEI regarding the development of the Upper Santa Ana River Integrated Model.

Recommendation: Approve Task Order No. 2 (Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model) and authorize the General Manager to execute the Agreement on behalf of Watermaster.

Financial Impact: For Fiscal Year 2018/19 the maximum estimated cost for Watermaster is \$19,960 which was already included in the FY 2018/19 Engineering Services Budget (Account No. 6906.15). Agreement to the Task Order does not result in additional expense.

Future Consideration

Watermaster Board – June 28 2018: Approval (Upon Advisory Committee recommendation) and authorize GM to execute agreement.

ACTIONS:

Appropriative Pool – June 14, 2018: Unanimously recommended Advisory Committee approval

Non-Agricultural Pool – June 14, 2018: Unanimously recommended Pool representatives to support approval at the Advisory Committee meeting subject to changes which they deem appropriate.

Agricultural Pool – June 15, 2018: Unanimously recommended Advisory Committee approval

Advisory Committee – June 21, 2018: Unanimously approved

Watermaster Board – June 28, 2018:

BACKGROUND

The Integrated Model is an effort led by San Bernardino Valley Municipal Water District, IEUA, Western Municipal Water District, Orange County Water District and Riverside Public Utilities in partnership with the US Department of Fish and Wildlife and the California Department of Fish and Wildlife. The Integrated Model will analyze the groundwater and surface water interactions of five groundwater basins in the Upper Santa Ana River Watershed. The results of this modeling effort will inform some technical aspects of the Upper Santa Ana River Habitat Conservation Plan (HCP).

For the benefit of IEUA and Watermaster, IEUA will contract the services of Wildermuth Environmental Inc. ("WEI") to provide technical advice and documentation, review modeling and provide suggestions and recommendations on the portions of the Integrated Model pertaining to the Chino Basin.

DISCUSSION

At the direction of Watermaster or IEUA staff, WEI will attend and provide written comments and reports on all technical meetings and workshops relating to the Integrated Model, provide written comments on all reports produced by the consultants preparing the Integrated Model and any other additional services relating to the Integrated Model.

On September 28, 2017 Watermaster and IEUA entered into a Master Agreement for Collaborative Projects. The proposed task order (Attachment 1) under the Master Agreement includes the scope of work, schedule, estimated expenses, and deliverables. The anticipated expense, \$39,920, will be cost shared with IEUA; Watermaster's share of the total is \$19,960 which has been included in the Engineering Services Budget for FY 2018/19.

This item was presented to the three Pool Committees and was unanimously recommended for Advisory Committee approval.

This item was presented to the Advisory Committee and was unanimously approved.

ATTACHMENTS

1. Task Order No. 2 Under Master Agreement for Collaborative Projects Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model

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

TASK ORDER NO. 2

Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model

This Task Order is made and entered into as of the ____ day of June, 2018 by and between the Chino Basin Watermaster, hereinafter referred to as "Watermaster," and the Inland Empire Utilities Agency, hereinafter referred to as "IEUA" (each a "Party" and collectively, the "Parties").

In consideration of the mutual promises, covenants, and conditions as addressed in the Master Agreement Between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects dated September 28, 2017 ("Master Agreement") and as specifically hereinafter set forth, the Parties do hereby agree as follows:

1. PURPOSE

The purpose of this Task Order is to govern the technical consulting and assistance in supervising the development of the Upper Santa Ana River Integrated Model ("Integrated Model").

The Integrated Model is an effort led by San Bernardino Valley Municipal Water District, IEUA, Western Municipal Water District, Orange County Water District and Riverside Public Utilities in partnership with the US Department of Fish and Wildlife and the California Department of Fish and Wildlife. The Integrated Model will analyze the groundwater and surface water interactions of five groundwater basins in the Upper Santa Ana River Watershed.

For the benefit of IEUA and Watermaster, IEUA will contract the services of Wildermuth Environmental Inc. ("WEI") to provide technical advice and documentation, review modeling and provide suggestions and recommendations on the portions of the Integrated Model pertaining to the Chino Basin.

2. SCOPE

At the direction of Watermaster or IEUA staff, WEI will attend and provide written comments and reports on all technical meetings and workshops relating to the Integrated Model, provide written comments on all reports produced by the consultants preparing the Integrated Model and any other additional services relating to the Integrated Model.

When "additional services" are required, IEUA will request WEI to prepare a description of the scope of the work, the resulting deliverable and the estimated costs to submit to Watermaster and IEUA. IEUA will not authorize WEI to commence such "additional services" until both Watermaster and IEUA have approved the proposed work as provided in Section 1.2 of the Master Agreement.

3. IEUA RESPONSIBILITIES

IEUA agrees to provide project management and contract administration services that include, but are not limited to:

- Engagement and management of WEI as needed;
- Coordination and communication with the administrators and other participants of the Integrated Model effort;
- Payment of WEI invoices

IEUA will supply all personnel and equipment required to perform the assigned services.

4. WATERMASTER RESPONSIBILITIES

Watermaster agrees that it and its employees and consultants will cooperate with IEUA and WEI in the performance of services under this Task Order and will provide any necessary documentation and information in Watermaster's possession.

5. BUDGET AND COST ALLOCATION

Unless the scope of work is changed and an increase is authorized by the Parties, the total projected cost for the activities to be undertaken pursuant to this Task Order is thirty nine thousand nine hundred and twenty dollars (\$39,920) ("Budget"). The Parties agree that the Budget is shared equally, as shown in the table below. The Parties shall budget, pursuant to their own budget mechanism, such that each is able to expend the amounts shown in the Fiscal Years shown in the table below, or as amended to this Task Order.

Entity	Fiscal Year 2018/19
Watermaster	\$19,960
IEUA	\$19,960
Total	\$39,920

6. TOTAL BUDGETED COST

The Parties agree to pay their respective portion of the total costs. The Parties shall not be required to pay more than \$39,920 ("Total Budgeted Cost").

7. MAXIMUM COSTS TO WATERMASTER

The costs to be required of Watermaster under this Agreement shall not exceed its share of the Total Budgeted Cost, as shown in Section 5 above, or \$19,960.

8. MAXIMUM COSTS TO IEUA

The costs to be required of IEUA under this Agreement shall not exceed its share of the Total Budgeted Cost, as shown in Section 5 above, or \$19,960.

9. TERM

Work to be undertaken pursuant to this Task Order shall be initiated upon the Effective Date, as described in Section 11, below. The terms of this Task Order shall remain effective until IEUA's receipt of Watermaster's share of costs expended pursuant to the Budget shown above, so that IEUA may close out the activities.

10. REIMBURSEMENT

Watermaster's reimbursement of IEUA for work performed under this Task Order shall be as provided in Article 3 of the September 2017 Master Agreement.

11. EFFECTIVE DATE

This Task Order No. 2 will become effective upon execution by both Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year and at the place first above written.

CHINO BASIN WATERMASTER

By _____
PETER KAVOUNAS, P.E.
General Manager

INLAND EMPIRE UTILITIES AGENCY

By _____
HALLA RAZAK
General Manager

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. 2017 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: June 28, 2018

TO: Board Members

SUBJECT: 2017 Annual Report of the Prado Basin Habitat Sustainability Committee
(Business Item II.B.)

SUMMARY

Issue: Pursuant to the monitoring and mitigation requirements of the Peace II Subsequent Environmental Impact Report, the Prado Basin Habitat Sustainability Committee must prepare an Annual Report. The Committee presents its 2nd Annual Report for Water Year 2017.

Recommendation: Receive and file.

Financial Impact: No Impact.

Future Consideration

Watermaster Board: June 28, 2018: Receive and file

ACTIONS:

Appropriative Pool – June 14, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Non-Agricultural Pool – June 14, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

Agricultural Pool – June 15, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Advisory Committee – June 21, 2018: Unanimously recommended Board to receive and file.

Watermaster Board – June 28, 2018:

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 2017 was published and distributed on April 25, 2018. Watermaster and IEUA presented the draft report to members of the PBHSC at a meeting on May 9, 2018. A one-month comment period was provided and some agencies provided feedback, including the Orange County Water District, U.S. Fish and Wildlife Service, and the California Department of Fish and Wildlife.

DISCUSSION

The Annual Report for water year (WY) 2017 is the second annual report prepared by the 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, 2017 and is organized into the following sections:

Section 1 – Introduction. This section describes the background of the PBHSP and the Annual Report.

Section 2 – Monitoring, Data Collection, and Methods. This section describes the collection of historical information and recent monitoring data, and the groundwater-modeling activities performed during WY 2017 for the PBHSP.

Section 3 – Results and Interpretations. This section describes the results and interpretations that were derived from the information, data, and groundwater-modeling.

Section 4 – Conclusions and Recommendations. This section summarizes the main conclusions derived from the PBHSP through the prior water year, and describes the recommended activities for the subsequent fiscal year as 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:

Depth-to-groundwater is relatively shallow across most of Prado Basin. The riparian vegetation typically overlies areas where the depth-to-groundwater is less than 15 feet-bgs, which suggests that shallow groundwater is an available source water for consumptive use by the vegetation.

The assessment of the riparian habitat in the Prado Basin, through the analysis of historical air photos and remote-sensing data shows that the riparian habitat has increased in its extent since the 1960s, and that there is no indication of a long-term trend in degradation of the extent or quality of riparian habitat along Chino Creek, Mill Creek, or the SAR that is contemporaneous with the implementation of the Peace II Agreement.

With two exceptions, groundwater levels underlying the riparian habitat in Prado Basin have remained stable since 1961 and appear to have been unaffected by the implementation of the Peace Agreements starting in 2000. The two exceptions are areas along the northern reaches of Mill Creek and the SAR, where groundwater levels have fluctuated by up to +/- 10 feet—apparently in response decreased groundwater production from the southern Chino Basin in the 1990s and increased production after about 2000 with the commencement of CDA pumping. The quality of the riparian habitat in these areas has shown no long-term trend of degradation since the NDVI estimates became available in the early 1980s and may have improved slightly during the Peace Agreements period.

Findings suggests the availability of source waters for consumptive use by the riparian vegetation other than precipitation and runoff, such as baseflow 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 1999-2017 and the decreases in POTW effluent discharge because of increased recycled-water reuse and decreased wastewater discharge due to the economic recession that began in 2008 and the implementation of emergency water-conservation measures during the recent drought. The quality of riparian habitat in the 12 defined areas of the Prado Basin shows no long-term trend of degradation that coincides with the decline in stream discharge, and may have improved slightly during the implementation of the Peace Agreements 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 PSHB beetle which has been identified as threat to cause adverse impacts to trees in the Prado Basin. The USBR site-specific vegetation surveys performed in 2016 noted presence of the PSHB at about 80 percent of the sites surveyed, and the OCWD and others have indicated that the PSHB is widespread through the Prado Basin, and has caused tree deaths in local patches significantly reduced tree canopy cover throughout the region.

The annual report includes a recommended scope of work for monitoring and reporting for FY 2018/19 with an estimated cost of \$227,000. Watermaster and IEUA have approved the scope-of-work and budget recommendations and are cost-sharing partners for this program. The Orange County Water District will also contribute \$10,000 for the acquisition of a high-resolution air photo of the Prado Basin in 2018.

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

The item was presented to the three Pool Committees and was unanimously recommended for Advisory to recommend Board to receive and file with the Court.

This item was presented to the Advisory Committee and was unanimously recommended for the Board to receive and file.

ATTACHMENTS

1. 2017 Annual Report of the Prado Basin Habitat Sustainability Committee
(Click on link below to access):

<http://www.cbwm.org/FTP/Special%20Committees/Prado%20Basin%20Habitat%20Sustainability%20Program/Annual%20Reports/2017/Final/>

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2017 Annual Report of the Prado Basin
Habitat Sustainability Committee:
[http://www.cbwm.org/FTP/Special%20C
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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

C. ADVISORY COMMITTEE REQUEST FOR WATERMASTER ASSISTANCE



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 28, 2018
TO: Board Members
SUBJECT: Advisory Committee Request for Watermaster Assistance (Business Item II.C.)

SUMMARY

Issue: During its June 21, 2018 meeting the Advisory Committee by unanimous vote requested assistance from Watermaster in drafting a document containing potential changes to the Judgment, Peace and Peace II Agreements.

Recommendation: Direct staff and Counsel to draft a document responsive to the request made by the Advisory Committee, for future consideration by the Pools and Advisory Committee.

Financial Impact: Legal expenses for this activity are included in the overall legal services budget for FY 2017/18

Future Consideration
Watermaster Board – June 28, 2018: Provide direction to staff [Advisory Committee Approval]

ACTIONS:
Watermaster Board – June 28, 2018:

BACKGROUND

The June 2018 agendas for Pools and Advisory Committee meetings included three items that have been discussed in the recent months. The three items are Exhibit "G" Transfer Rate Amendment, Peace Agreement Paragraph 5.3(e) Interpretation, and Amendments to the Judgment and Court Approved Management Agreements (CAMA) to Implement Settlement Agreement Regarding Appeal from April 28, 2017 Order.

The first item titled "Exhibit "G" Transfer Rate Amendment" offered potential language to remedy the problem that was created when MWD eliminated its Replenishment Rate. Since the transfer mechanism contemplated in Paragraph 9 of Exhibit "G" depended on MWD's Replenishment Rate, the mechanism was rendered moot, and the Non-Agricultural and Appropriative Pools began an annual negotiation of a transfer rate, with the requisite Court approval. Potential language to remedy this inefficient approach was offered and considered by the Pools during their June 14, 2018 meetings.

The item titled "Peace Agreement Paragraph 5.3(e) Interpretation" presented a potential interpretation of Peace Agreement language pertaining to the ability of Non-Agricultural Pool parties to transfer water to Watermaster for Desalter Replenishment Obligation. The question had been previously (2015) raised by the City of Ontario, and was also included in the Term Sheet presented by the six parties to the Appeal from the April 28, 2017 Order. A potential interpretation of the language was offered for the Pools' consideration.

Finally, the item titled "Amendments to the Judgment and Court Approved Management Agreements (CAMA) to Implement Settlement Agreement Regarding Appeal from April 28, 2017 Order" was presented for consideration by the Pools at the request of the six parties to the Appeal. The proposed Amendments represent the changes to the mentioned documents necessary to implement the Term Sheet distributed earlier in 2018 by the six parties.

DISCUSSION

During the June 21, 2018 Advisory Committee consideration it was recognized that all three items relate to the settlement of the ongoing Appeal from the April 28, 2018 Court Order and could be combined into a single document to be considered by the Pools and Advisory Committee during a future meeting.

A motion was made by the City of Chino Hills for Watermaster assistance in drafting a master document and was seconded by City of Pomona, one of the appellants. In seconding the motion the City's representative expressed his appreciation for the understanding by the Agricultural and Non-Agricultural Pools and the other parties in the Appropriative Pool, and that Watermaster assistance would be a helpful step in moving toward resolving the appeal. The motion requested that a document be prepared that could be openly considered by the Pools.

Watermaster staff and counsel believe they understand the term sheet and proposed changes by the parties, along with the other related matters mentioned in the Background section of this report, and can create a comprehensive document that is responsive to the Advisory Committee's request, for future consideration by the Pools and the Advisory Committee.

ATTACHMENTS

1. June 21, 2018 Staff Report titled "Exhibit "G" Transfer Rate Amendment"
2. June 21, 2018 Staff Report titled "Peace Agreement Paragraph 5.3(e) Interpretation"
3. June 21, 2018 Staff Report titled "Amendments to the Judgment and Court Approved Management Agreements (CAMA) to Implement Settlement Agreement Regarding Appeal from April 28, 2017 Order"



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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 21, 2018
TO: Advisory Committee Members
SUBJECT: Exhibit "G" Transfer Rate Amendment (Business Item II.C.)

SUMMARY

Issue: Section 9(d) of Exhibit "G" to the Restated Judgment, the Overlying (Non-Agricultural) Pool Pooling Plan, defines the price at which Watermaster will purchase water from the Non-Agricultural Pool on an annual basis relative to "...the then-prevailing "MWD Replenishment Rate"...". Since the MWD rate structure has changed and there is no Replenishment Rate, a new transfer rate needs to be identified.

Recommendation: Offer advice and assistance on amending Section 9(d) of Exhibit "G" regarding the transfer rate.

Financial Impact: There is no financial impact as a result of this recommendation.

ACTIONS:

Appropriative Pool – June 14, 2018: Gave permission to its Legal Counsel to work with Watermaster's Legal Counsel to work as to the process of bringing the item forward.

Non-Agricultural Pool – June 14, 2018: Supports an Exhibit "G" transfer rate amendment allowing the Non-Agricultural Pool to solely decide the price at which to offer water for sale; the Non-Agricultural Pool directs Pool Counsel and Pool Chair to work with the Appropriative Pool and Counsel, and Watermaster to determine the final language to amend Exhibit "G" and file the necessary paperwork with the Court.

Agricultural Pool – June 15, 2018: Offered no advice

Advisory Committee – June 21, 2018: Voted unanimously to request Watermaster assistance in drafting a document that would include all proposed changes to the Restated Judgment, Peace and Peace II Agreements to advance further Pool and Advisory Committee discussion on settlement of the Appeal from the April 28, 2017 Court Order.

BACKGROUND

Since the unexpected MWD rate structure change eliminated the Replenishment Rate, the transfer rate identified in Exhibit "G" has become the subject of annual negotiations between the Appropriative and Non-Agricultural Pools. The negotiations, when successful, have resulted in a Court filing requesting that the Court allow a deviation from the Judgment and the use of the negotiated rate for one year. This has happened on several occasions in the last few years.

During Fiscal Year 2017/18 the two Pools were unable to reach agreement on a transfer rate and the process did not function as intended. An agreed upon transfer rate is essential to facilitate the Exhibit "G" process and allow it to function predictably and smoothly each year.

DISCUSSION

The language in Attachment 1 was developed through several discussions among a number of Non-Agricultural and Appropriative parties.

While Section 9(d) of Exhibit "G" to the Restated Judgment provides that available water will be purchased at "...92% of the then-prevailing "MWD Replenishment Rate"..." there is no requirement to develop a new transfer rate using any formula. In light of future uncertainty in rate structures, available supplies, and many other factors, using a formula would be an invitation to future renegotiations and uncertainty. The potential language in Attachment 1 would allow Non-Agricultural Pool parties, collectively, to annually set the asking price for any transfers, without using a formula and could lead to a more lasting solution to the need for a rate for these transfers.

Since no party is required to either buy or sell water through Exhibit "G" annual transfers, allowing the members of the Non-Agricultural Pool to determine their own asking price would be an incentive to be reasonable and set a transfer rate that reflects the market and will induce Appropriators to purchase water.

Ultimately a functional Exhibit "G" transfer process preserves a process for Non-Agricultural Pool parties whose production is less than their water rights to transfer their surplus water and make it available to Appropriators.

An amendment to the Exhibit "G" transfer rate would require Court approval. The Pools are being asked to offer their advice and assistance on developing language, such as that in Attachment 1, that would be acceptable to all parties and could be filed with the Court for its approval.

ATTACHMENTS

1. Potential Modification to Exhibit "G" Transfer Rate language

Potential Modification to Exhibit "G" Transfer Rate language

(a) By December 31 of each year, the members of the Overlying (Non-Agricultural) Pool shall notify Watermaster of the amount of water each member shall make available in their individual discretion for purchase by the Appropriators, **and the price at which all the water made available is being offered to Appropriative Pool parties.** By January 31 of each year, Watermaster shall provide a Notice of Availability of each Appropriator's pro-rata share of such water;

(b) Except as they may be limited by paragraph 9(e) below, each member of the Appropriative Pool will have, in their discretion, a right to purchase its pro-rata share of the supply made available from the Overlying (Non-Agricultural) Pool at the price **at which the water is being offered established in 9(d) below.** Each Appropriative Pool member's pro-rata share of the available supply will be based on each Producer's combined total share of Operating Safe Yield and the previous year's actual Production by each party;

(c) If any member of the Appropriative Pool fails to irrevocably commit to their allocated share by March 1 of each year, its share of the Overlying (Non-Agricultural) Pool water will be made available to all other members of the Appropriative Pool according to the same proportions as described in 9(b) above and at the price **at which the water is being offered established in Paragraph 9(d) below.** Each member of the Appropriative Pool shall complete its payment for its share of water made available by June 30 of each year.

(d) Commensurate with the cumulative commitments by members of the Appropriative Pool pursuant to (b) and (c) above, Watermaster will purchase the surplus water made available by the Overlying (Non-Agricultural) Pool water on behalf of the members of the Appropriative Pool on an annual basis at **the price at which the water is being offered 92% of the then-prevailing "MWD Replenishment Rate"** and each member of the Appropriative Pool shall complete its payment for its determined share of water made available by June 30 of each year.

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 21, 2018
TO: Advisory Committee Members
SUBJECT: Peace Agreement Paragraph 5.3(e) Interpretation (Business Item II.D.)

SUMMARY

Issue: The practical meaning of Peace Agreement Paragraph 5.3(e) needs to be clarified by the parties for Watermaster to enforce.

Recommendation: Offer advice and assistance on the interpretation of the language.

Financial Impact: There is no financial impact as a result of the recommendation.

ACTIONS:

Appropriative Pool – June 14, 2018: Gave permission to its Legal Counsel to work with Watermaster's Legal Counsel to work as to the process of bringing the item forward.

Non-Agricultural Pool – June 14, 2018: Supports the interpretation that any individual Non-Agricultural Pool party can make direct arrangements with any individual Appropriative Pool party, and pursuant to those arrangements transfer their water to Watermaster toward the Desalter Replenishment Obligation of that individual Appropriative Pool party; the Non-Agricultural Pool directs Pool Counsel and Pool Chair to work with the Appropriative Pool Chair and Pool Counsel, and Watermaster to determine final language and implement the procedure allowing such transactions.

Agricultural Pool – June 15, 2018: Offered no advice

Advisory Committee – June 21, 2018: Voted unanimously to request Watermaster assistance in drafting a document that would include all proposed changes to the Restated Judgment, Peace and Peace II Agreements to advance further Pool and Advisory Committee discussion on settlement of the Appeal from the April 28, 2017 Court Order.

BACKGROUND

Peace Agreement Paragraph 5.3(e) states:

Watermaster shall approve the Transfer or lease of the quantified Production rights of Non-Agricultural Producers within the Non-Agricultural Pool subject to the provisions of paragraph (b) above. The right to Transfer within the pool includes the right to lease water to other members of the Non-Agricultural Overlying Pool. In addition, the parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter or for a Storage and Recovery Program.

The practical application of the last sentence needs to be clarified for Watermaster to be able to administer this term of the Peace Agreement.

During 2015 the City of Ontario proposed an agreement with Watermaster that, if approved, would have provided clarity on the application of the language in question. The item was set aside at the time, though Watermaster provided background information to assist the parties in coming to a conclusion. The May 14, 2015 staff report is shown as Attachment 1 to this staff letter.

DISCUSSION

The language of Peace Agreement 5.3(e) "...parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter..." makes clear that a transfer from a Non-Agricultural Pool party to Watermaster to offset Desalter replenishment obligation is permissible. As, other than the Non-Agricultural Pool "haircut", Watermaster has not yet assessed for Desalter Replenishment Obligations, what remains to be clarified is which parties' Desalter replenishment obligations could be offset by such transfers.

As discussed in the May 14, 2015 Watermaster staff report, a permissible interpretation is that a Non-Agricultural Pool party could transfer water to Watermaster to meet the Desalter replenishment obligation of a specific Appropriative Pool party.

Watermaster is seeking the advice and assistance of the parties and the Advisory Committee in making correct interpretations of such transfers. Once clarification is received Watermaster will develop any necessary process and forms to facilitate the transactions, and if necessary, will adopt an appropriate clarification in its Rules and Regulations.

ATTACHMENTS

1. May 14, 2015 Staff Report Titled "City of Ontario Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment" (including 2 attachments)



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: May 14, 2015
TO: Pool Committees
SUBJECT: City of Ontario Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment

SUMMARY

Issue: The City of Ontario holds both appropriative and overlying water rights and is a member of both the Appropriative and Overlying (Non-Agricultural) Pools. It has indicated that a prospective purchase of water within the Overlying (Non-Agricultural) Pool is dependent upon learning whether it may dedicate a portion of water acquired to off-set a future Desalter replenishment obligation. It anticipates a future obligation to offset or replenish Desalter pumping and seeks confirmation, through an Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment, that it may satisfy its obligation through dedication of Safe Yield arising under its overlying water rights.

Recommendation: Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

Financial Impact: None

Future Consideration

Non-Agricultural Pool: May 14, 2015; Review and recommend

Agricultural Pool: May 14, 2015; Review and recommend

Appropriative Pool: May 14, 2015; Review and recommend

Advisory Committee: May 21, 2015; Consideration of action

Watermaster Board: May 28, 2015; Consideration of action [Advisory Committee approval required]

ACTIONS:

May 14, 2015 -Appropriative Pool -

May 14, 2015 - Non-Agricultural Pool -

May 14, 2015 - Agricultural Pool –

May 21, 2015 -Advisory Committee –

May 28, 2015 – Watermaster Board –

BACKGROUND

The City of Ontario ("City") is a party to the Judgment and the owner of appropriative and overlying rights, and is a member of the Appropriative and Overlying (Non-Agricultural) Pools. The City has a prospective replenishment obligation attributable to the Desalters as a member of the Appropriative Pool. The City has indicated that it may wish to offset its Desalter Replenishment obligation through contribution of Safe Yield under its overlying water rights. The City has prepared an Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment ("Agreement") to confirm its ability to offset its Desalter Replenishment obligation in this manner.

DISCUSSION

The City

The City is an original party to the 1978 Judgment, pursuant to which it was made a member of the Appropriative Pool, with a 20.742% share of the Operating Safe Yield. The City intervened into the Judgment as an Overlying (Non-Agricultural) Party in September 2008. As a result of its original purchase subsequent transfers, as of May 1, 2015, it has 2,627.807 acre-feet of Safe Yield in the Overlying (Non-Agricultural) Pool ("Non-Ag Pool"), and has requested approval of the permanent transfer of an additional 282.981 acre-feet of Safe Yield in the Non-Ag Pool to be effective in FY15-16.

Desalter Replenishment

- A. The Development of the Desalter Replenishment Obligation
 1. The Peace Agreement

The obligation for Desalter Replenishment initially arises out of paragraph 7.5 of the Peace Agreement, which provides for replenishment for the Desalters from specified sources in a designated order of priority. Specifically, paragraph 7.5 provides for replenishment first from a Watermaster Desalter Replenishment account composed of 25,000 AF of water abandoned to the Basin by Kaiser¹ and other water previously dedicated for the same purpose, then New Yield of the Basin, Safe Yield of the Basin, and finally "Additional Replenishment Water purchased by Watermaster², the costs of which shall be levied as an Assessment by Watermaster." (Peace Agreement, ¶ 7.5.)

2. First Amendment to Peace Agreement

In 2004, based on changes implemented through the Regional Water Quality Control Board's Basin Plan Amendment for the Chino Basin and the resultant lack of development of previously anticipated "Salt Credits", some Parties to the Peace Agreement contended that they should be relieved of their obligation to provide a share of storm flow recharge New Yield for Desalter Replenishment (First Amendment to Peace Agreement, Recital B.) As a result, the Stormwater component of New Yield was dedicated to the members of the Appropriative Pool according to their percentages of Safe Yield, and was excepted from Desalter Replenishment under Peace Agreement § 7.5(b). (First Amendment to Peace Agreement, ¶ 2.)

¹ This water was abandoned by Kaiser for this purpose pursuant to what Peace Agreement Section 7.2(a)(ii) refers to as "an agreement with the Watermaster, all Pools of Producers from the Chino Basin, Kaiser Ventures, Inc., formerly known as Kaiser Resources, Inc. (Kaiser) and the California Regional Water Quality Control Board, Santa Ana Region (RWQCB), regarding provision of certain water with which to satisfy the Replenishment obligation for operating the Desalter."

² Peace Agreement Section 5.3(e), describing the newly created mechanism through which members of the Overlying (Non-Agricultural) Pool could transfer water held in storage or pursuant to their annual production rights, provides that "the parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter..."

3. Peace II Agreement

The Peace II Agreement, which contemplated expansion of the Desalters, further expressed the hierarchy through which water could be dedicated to offset Desalter Production, designating that the Section 6.2 controls the process. (Peace II, § 6.1.) Section 6.2 of the Peace II Agreement (“Peace II Desalter Production Offsets”) provides that the Replenishment obligation attributable to Desalter production in any year will be determined by Watermaster by first applying a credit against the total quantity of Desalter Production from:

- (i) the Kaiser account (Peace Agreement Section 7.5(a).);
- (ii) dedication of water from the Overlying (Non-Agricultural) Pool Storage Account;
- (iii) New Yield (other than Stormwater (Peace Agreement Section 7.5(b)));
- (iv) any declared losses from storage in excess of actual losses enforced as a “Leave Behind”;
- (v) Safe Yield that may be contributed by the parties (Peace Agreement Section 7.5(c));
- (vi) Any Production of groundwater attributable to the controlled overdraft authorized pursuant to amended Exhibit I to the Judgment.

To the extent available credits applied pursuant to the hierarchy above are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Peace II Section 6.2(b) directs Watermaster to “use water or revenue obtained by levying...assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriative Pool to meet any remaining replenishment obligation.” (Peace II, § 6.2(b).)

Section 6.2(b) provides Watermaster shall first levy the Special OBMP Assessment against the Overlying (Non-Agricultural) Pool described in Exhibit “G” to the Judgment³, with water obtained through the assessment being dedicated by Watermaster to further off-set replenishment of the Desalters. (Peace II Agreement, § 6.2(b)(i).)

If, after application of the credits and water obtained pursuant to the Overlying (Non-Agricultural) Pool Special OBMP Assessment described above, a replenishment obligation remains, Watermaster is to levy a Replenishment Assessment against the Appropriative Pool, to be assessed pro-rata based on each Producer’s combined total share of Operating Safe Yield and the previous year’s actual production⁴, excluding Desalter Production.

4. Resolution 2010-04

In October 2010, after approval by the Pools and Advisory Committee, the Watermaster Board adopted Resolution 2010-04 in order to confirm the factual and legal assumptions of the Parties as they initiated the final required phase of the Desalter project. The resolution contains commitments by Watermaster and described commitments made by members of the Chino Desalter Authority (CDA) that facilitate the initiation of the final phase of the project.

³ Section 5(c) of the Overlying (Non-Agricultural) Pool Pooling Plan provides, “Special Project OBMP Assessment. Each year, every member of this Pool will dedicate ten (10) percent of their annual share of Operating Safe Yield to Watermaster or in lieu thereof Watermaster will levy a Special Project OBMP Assessment in an amount equal to ten percent of the Pool member’s respective share of Safe Yield times the then-prevailing MWD Replenishment Rate.”

⁴ Exhibit “D” to Resolution 2010-04 stated that the intended allocation of the residual Replenishment obligation among the members of the Appropriative Pool would be on the basis of 50% Base Annual Production Right and 50% actual Production. It further stated that the formula is used elsewhere in the Peace II Agreement and it is commonly understood by the Parties to the Judgment and Watermaster to apply in this manner. Watermaster staff understands this allocation mechanism to be on the basis of 50% Operating Safe Yield and 50% assessable production, which is the same as that used for the allocation of stored water in the settlement agreements regarding the Overlying (Non-Agricultural) Pool Purchase and Sale Agreements and that provided for allocation of water available through Physical Solution Transfers pursuant to Paragraph 9(b) of Restated Judgment, Exhibit “G”.

Because the cost of Desalter Replenishment was anticipated to be significant⁵, as part of their agreement to move forward with the final portion of the Desalter project, the CDA members required certainty as to the manner in which Watermaster would implement Section 6.2 of the Peace II Agreement. The Parties' understanding of that implementation mechanism was included as Exhibit "D" to Resolution 2010-04, titled "Desalter Replenishment Post-Peace II Measures." (See Resolution 2010-04, Whereas Statement 72.) Exhibit "D" describes, by way of example, the manner in which a replenishment obligation might remain after the application of the credits described in the Peace II Section 6.2 hierarchy, described above,

Exhibit "D" further provides that it was the Parties' understanding that any individual member of the Appropriative Pool reserved its discretion to meet its Desalter Replenishment Obligation in any manner that it might choose that is otherwise consistent with the Judgment. By way of example, Exhibit "D" states that a party might "pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield⁶" to offset its individual Replenishment Assessment. In this manner, Desalter Replenishment is treated no differently than replenishment for pumping in excess of a party's annual production right: "Nothing contained with[in] Peace II and its treatment of Replenishment for the Desalters limited the pre-existing rights of the parties with respect to Replenishment."

The understanding of the Parties regarding their Desalter Replenishment obligations, as documented in Exhibit "D", was approved by the Court as part of its October 28, 2011 Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04, which ordered,

17. Agreements among the Parties, whatever they may be, for Replenishment, operations, conditions and corresponding consideration without limitations, are unaffected by this determination. However, for the avoidance of doubt, Watermaster Resolution 2010-04, Exhibit "D" accurately summarizes and restates these obligations.

(October 28, 2011 Order after Hearing on Motion for Approval of Watermaster Resolution 2010-04.)

B. Appropriative Pool Parties may meet their Desalter Replenishment Obligations through Either Monetary or Water Contributions

As described above, the obligation for Desalter Replenishment, for existing Desalters is apportioned among the Parties to the Judgment in accordance with the hierarchy set forth in Peace II Section 6.2. Assuming that in a particular year that Desalter Production exceeded water made available through the application of the hierarchy, the remaining obligation would be assumed by the members of the Appropriative Pool in accordance with the melded Annual Production Right and Production formula.

As described above, in the creation of the Peace II Section 6.2 requirements, it was the Parties' understanding, endorsed by the Court in its approval of Resolution 2010-04, that the Members of the Appropriative Pool may meet their Desalter Replenishment Obligations in any manner they choose, including through contribution of water – through the acquisition of water by way of allowed water transfers, through the removal of water from a stored water account or through the assignment of a portion of an annual production right – or may contribute financially toward the necessary cost of offsetting their individual Replenishment Assessments.

⁵ The applicable replenishment obligation arises in regard to the Production of the existing Desalters, as the Production that would occur as a result of the expansion of the Desalters was completely offset through the apportionment of a portion of the 400,000 acre-feet of Re-Operation water, approved by the Court pursuant to Condition Subsequent No. 7.

⁶ Watermaster has previously discussed mechanisms through which these contributions might be made – similar to preemptive replenishment, but there is no standard mechanism for the same. To date, no party has utilized this provision to dedicate Safe Yield for the purpose of offsetting Desalter obligations.

The City's Proposed Agreement

The Agreement states that the City has acquired and may, in the future, acquire Overlying (Non-Agricultural) Pool water rights in Safe Yield, and hold this water in storage "with the intention of subsequently contributing this Safe Yield to Watermaster." (Agreement, ¶ 1.) The Agreement provides that if a Replenishment Obligation arises that is attributable to Desalter Production, as provided in Section 6.2 of the Peace II Agreement, the City may contribute Safe Yield attributable to its overlying rights in the Non-Agricultural Pool to Watermaster for the purpose of offsetting its individual Replenishment Obligation as a member of the Appropriative Pool. (Agreement, ¶ 2.) Upon such a contribution, Watermaster would make a corresponding adjustment to the City's assessment and thereby reduce the City's Replenishment obligation in an amount equal to the number of acre-feet contributed by the City in that year. (Agreement, ¶ 2.)

The City seeks the Agreement to confirm its reading of the Peace and Peace II Agreements that it might utilize Safe Yield from its Non-Ag overlying rights to satisfy its Desalter production offset obligations. Confirmation is sought as this mechanism – dedication of Safe Yield arising from an overlying right to satisfy a specific Appropriator's offset obligation – is not explicitly enumerated in the Peace or Peace II Agreements. Although this mechanism not explicitly enumerated in the Peace or Peace II Agreements, staff's interpretation is that the City's reading is permissible.

A question has arisen as to whether the allowance of such a dedication would be contrary to other provisions of the Watermaster guidance documents, particularly in regard to other provisions of the Non-Ag Pool's Pooling Plan (Exhibit "G" to the Restated Judgment). Section 9 of Exhibit "G" describes the manner in which water may be transferred from the Safe Yield rights of a member of the Overlying (Non-Agricultural) Pool, providing that, during the term of the Peace Agreement, members of the Non-Ag Pool may transfer their quantified Production rights and carry-over water held in storage accounts to other members of the Non-Ag Pool, and to Watermaster and thence to members of the Appropriative Pool in accordance with the clearinghouse process outlined therein, which provides all members of the Appropriative Pool the opportunity to purchase a pro rata share of water made available for transfer. (Restated Judgment, Exhibit "G", 9.)

Consistent with Section 5.3(e) of the Peace Agreement ("... parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment of a Desalter") Section 9 of Exhibit "G" additionally provides that such water may be directly transferred to Watermaster for replenishment purposes. Although this section does not expressly indicate that such a transfer may be earmarked to offset the obligation of a particular member of the Appropriative Pool, the language within Peace and Peace II Agreements is susceptible to a common sense interpretation that such dedication is permissible, and the mechanism is not expressly or impliedly limited under the Judgment, Peace I or Peace II, or Watermaster Rules and Regulations.

The Physical Solution Transfers authorized by the Peace Agreement and its progeny have always been construed as collective rights. To date, no party has articulated a good reason for requiring a gross dedication of Safe Yield for the benefit of all members of the Appropriative Pool where only one (or less than all) have provided the consideration for acquiring the underlying rights. Watermaster is seeking review and recommendation as to Watermaster's potential action to confirm that the City may satisfy its Replenishment obligation by dedicating Safe Yield arising under its overlying water rights, and enter into the draft Agreement, subject to obtaining Court approval.

ATTACHMENTS

1. Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment
2. Exhibit "D" to Watermaster Resolution 2010-04

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AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT

WHEREAS, Watermaster is charged with responsibility to administer the Judgment and the Optimum Basin Management Program ("OBMP");

WHEREAS, a substantial Replenishment Obligation for the Chino Basin Desalters is projected to arise starting as soon as next fiscal year;

WHEREAS, the City of Ontario ("City") is a party to the Judgment and the owner of appropriative and overlying rights and is a member of the Appropriative and Overlying (Non-Agricultural) Pools;

WHEREAS, the Judgment allocates the Basin's Safe Yield among the Appropriative, Overlying (Agricultural) and Overlying (Non-Agricultural) Pools;

WHEREAS, the City has acquired, and intends to acquire rights to a portion of the Safe Yield allocated among the members of the Overlying (Non-Agricultural) Pool;

WHEREAS, Section 9 of the Overlying (Non-Agricultural) Pooling Plan, Exhibit G to the Judgment, provides that members of the Pool may transfer their quantified Production rights "to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000." Said Peace Agreement at Section 5.3 (e) provides that "parties to the Judgment with rights within the Non-Agricultural Pool shall have the additional right to Transfer their rights to Watermaster for the purposes of Replenishment for a Desalter....";

WHEREAS, Section 7.5(c) of the Peace Agreement provides that "Safe Yield" may be utilized for replenishment of Desalter production;

WHEREAS, pursuant to Peace Agreement II Section 6.2(a), which cites Section 7.5(c) of the Peace Agreement, Watermaster will determine the Replenishment Obligation attributable to the Desalters after taking into account Safe Yield "contributed by the parties";

WHEREAS, Exhibit D to Watermaster Resolution 2010-04, states that a party might pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield to offset its individual Replenishment Assessment attributable to the Desalters.

WHEREAS, the City has a prospective Replenishment Obligation attributable to the Desalters as an individual member of the Appropriative Pool, which it may desire to offset through contribution of Safe Yield;

WHEREAS, Watermaster has previously acquired Safe Yield from other Parties to offset subsequent Desalter Replenishment obligations;

WHEREAS, the City intends to conditionally contribute Safe Yield acquired from the Overlying (Non-Agricultural) Pool to Watermaster in accordance with the provisions of

the Peace and Peace II Agreements;

NOW THEREFORE, the parties agree as follows:

AGREEMENT

1. City Acquisition of Safe Yield. The City has acquired and may, in the future, validly acquire Overlying (Non-Agricultural) Pool water rights in Safe Yield from Parties to the Judgment and hold this water in Local Storage with the intention of subsequently contributing this Safe Yield to Watermaster, provided that it complies with all Watermaster rules and regulations concerning the beneficial use and storage of Basin Water, including but not limited to the application of an annual loss from storage until a contribution occurs or the City otherwise elects to use the Safe Yield for another permissible purpose.

2. Contribution. At any time after the date of execution of this Agreement, if a Replenishment Obligation arises that is attributable to Desalter Production, the City may contribute Safe Yield, attributable to its overlying rights in the Non-Agricultural Pool, to Watermaster for the purpose of offsetting its individual Replenishment Obligation as a member of the Appropriative Pool or otherwise. Upon a City contribution, Watermaster will make a corresponding adjustment to the City's assessment and thereby reduce the City's Replenishment obligation in an amount equal to the number of acre-feet contributed by the City in that year.

3. No Prejudice. The execution of this Agreement will be without prejudice to the City's right to use the acquired Safe Yield for permissible purposes under the Judgment.

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

CHINO BASIN WATERMASTER

By:

Name:

Title:

CITY OF ONTARIO

By:

Name:

Title:

EXHIBIT "D"

DESALTER REPLENISHMENT POST-PEACE II MEASURES

Summary

Desalter Replenishment is controlled by Peace II Section 6.2, attached hereto. As a result of the methodology referenced below, Western Municipal Water District (WMWD) will not incur any replenishment obligation for the 9 mgd expansion. This follows from the fact that WMWD is not a member of the Appropriative Pool and it was not required to become one as a precondition to the approval of the Peace II Measures, although it may elect in its discretion to do so.

WMWD has no share of Operating Safe Yield. Because the formula for apportioning the cost of Replenishment set forth in Section 6.2 attributable to the Desalters expressly excluded Production from the Desalters from the calculation of responsibility, even WMWD's intervention into the Appropriative Pool would not trigger a Replenishment obligation for WMWD. Specifically, without a share of Operating Safe Yield or any eligible groundwater production, there would be no basis to assess WMWD for a Replenishment Assessment.

It is also true that to the extent WMWD shared a portion of its rights to the 9 mgd expansion with Jurupa Community Services District and the City of Ontario as contemplated by Article VI, there would be no impact on the net Replenishment obligation of any other Party to the Judgment because all of the projected groundwater production planned for the proposed 9 mgd expansion was to be offset by the apportionment of 175,000 acre-feet for this purpose; both in the Court proceeding and in the filing in compliance with Condition Subsequent Number 7 (attached hereto as Exhibit "B").¹ (See below.) Replenishment attributable to the Chino I and Chino II Desalters is also addressed by formula in Peace Agreement II Section 6.2(b)(ii).

Replenishment Example

The obligation for Desalter Replenishment, for existing Desalters (as the Expansion was fully offset) was apportioned among the Parties to the Judgment in accordance with the hierarchy set forth in Peace Agreement II Section 6.2. Thus, assuming in Year X, there was 35,000 acre-feet of Desalter Production, the stated hierarchy of sources would be applied to satisfy the cumulative demand.

- (1) Kaiser: (Peace Agreement II Section 6.2(a)(i))

¹ Subject to an adjustment in the schedule to reflect actual operations.

- (2) No Ag Dedication (Peace Agreement II Section 6.2(a)(ii))
- (3) New Yield other than Storm Water (Peace Agreement II Section 6.2(a)(iii))
- (4) Losses from Storage and Recovery Agreements enforced as a Leave Behind (Peace Agreement II Section 6.2(a)(iv)).
- (5) Contributed safe yield (Peace Agreement II Section 6.2(a)(v))
- (6) Controlled Overdraft as authorized (175 / 225). (Judgment Exhibit I.

Assuming for purposes of this example that the sum of (1)-(5) referenced above in Year X was 10,000 acre-feet, there would be a total Replenishment Requirement of 25,000 acre-feet. That quantity apportioned to the Expansion would be apportioned 10,000 acre-feet to offset that production (assuming the schedule is adhered to) and the balance would be assumed by the Appropriative Pool in accordance with the formula set forth in Section 6.2(b)(ii). In summary, that formula divides the residual Replenishment obligation among the members of the Appropriative Pool on the basis of 50% Base Annual Production Right and 50% actual Production. The actual language of Section 6.2(b)(ii) reads slightly different, but it is not inconsistent. This formula is used elsewhere in the Peace II Agreement and it is commonly understood by the Parties to the Judgment and Watermaster to apply in the manner described in this paragraph and this Exhibit.

The formula expressly, albeit provisionally, excludes Desalter Production from the calculation. This means that the 25,000 acre-feet of production in this example attributed to the Desalters would not form a basis to assess any member of CDA a larger assessment simply because they received desalted water. However, if there is a material reduction in the cost of desalted water, this provision was subject to a re-opener. (See below)

This structure preserves the intention of the parties, the Court and Watermaster to remove the Replenishment obligation from the cost consideration of the Expansion Project. The Replenishment obligation attributed to the Chino I and Chino II Desalters was a pre-existing and known obligation prior to Peace II. The use of water made available by the Peace II Measures substantially reduced the projected Replenishment obligation by 225,000 acre-feet.

It is true that there is a provision in Peace Agreement Section 6.2(b)(ii) that reflects that the exclusion of the Desalter production from the calculation might be revisited if the costs of water from the Desalters were to be materially reduced. However, as of October 28, 2010, Watermaster has no present information and thus no good cause that would suggest that the cost of product water from the Desalters is going to be substantially less than the negotiated price cap. Consequently it would appear that there is no present basis to reconsider this element although Watermaster and the Court would be authorized to revisit this provision if good cause were subsequently presented.

The treatment of Replenishment in any Renewal Term (Post-Peace Agreement 2030) is the subject of negotiation. (Peace Agreement II, Section 6.2(c).). This means that the inter-se allocation of the 400,000 acre-feet is fully addressed during the term of the Peace Agreement. The Parties to the Judgment are free to extend the Peace Agreement for the Renewal Term or to renegotiate any provision as a condition of extension.

Any individual member of the Appropriative Pool reserves discretion to meet their Replenishment Obligation in any manner that they may choose that is otherwise consistent with the Judgment. For example, a party may pursue water transfers, remove water from a stored water account or assign a share of Operating Safe Yield to offset their individual Replenishment Assessment. Nothing contained with Peace II and its treatment of Replenishment for the Desalters limited the pre-existing rights of the parties with respect to Replenishment.

Allocation of 400,000 Acre-Feet

As far as the inter-se apportionment of the allocation, Section 7 of the Peace II Agreement contemplated a fair process to arrive at an apportionment. An initial schedule was transmitted to the Court in response to the Court Order. The schedule was the subject of testimony and further reporting and ultimately a requirement for a schedule to be filed in connection with Condition Subsequent Number 7.

Watermaster filed its apportionment in response to Condition Subsequent Number 7, allocating 175,000 acre-feet to the expansion and 225,000 to the existing Desalters.

Peace Agreement II Section 7.2(e)(ii) authorizes Watermaster to propose revisions to the proposed schedule where good cause exists – supported by a technical explanation. A potential cause to revise the schedule might include the Expansion Project's failure to extract the allocated quantities as a result of delays in construction and operation. It is possible that there may be other public policy reasons that support other potential causes that would support a revision of the schedule, but no such reason has been presented to Watermaster.

In general, modest corrections are fairly likely to be acceptable. Material deviations may suggest a failure in one or more purposes of the OBMP Implementation Plan, and Watermaster is unable to predict how it may respond to the failure of the Expansion Project to proceed as planned.

Legal Effect of WMWD Intervention in the Appropriative Pool

As noted above, there is no requirement in the Peace II Measures that WMWD intervene into the Appropriative Pool. There is a requirement that

WMWD make the Appropriative Pool whole for historic contributions under Peace Agreement II Section 5.5(e). The requirements set forth in Section 5.5(e) of the Peace II Agreement have been satisfied by WMWD's assumption of project risk, out-of-pocket costs presently in excess of \$5 million (\$15 million for the Expansion Parties) and the further assumption of capital and operations and maintenance costs in excess of expectations (the cost-cap as for WMWD's portion of expenses. However, this finding is made only with regard to WMWD's obligation under Section 5.5 to complete final binding agreement(s) regarding Future Desalters. This finding is not intended to have any bearing or impact on the sufficiency of WMWD's assumption of risk and costs for any other purpose, including the availability of a reduced uniform loss percentage under Peace II Agreement Section 7.4. This finding also does not affect WMWD's rights or obligations to intervene into the Appropriative Pool on the terms and conditions that may be fairly agreed among the Appropriative Pool and WMWD.

Transferability of 400,000 Acre-Feet

There is no allocation of any portion of the 400,000 acre-feet to any individual party. The water is made available for the express purpose of offsetting Desalter production in furtherance of obtaining Hydraulic Control through Re-Operation. The water is apportioned as provided in Watermaster's Response to Condition Subsequent Number 7 to the December 21, 2007 Order of the Court.

EXHIBIT D-1

**PEACE II AGREEMENT:
PARTY SUPPORT FOR WATERMASTER'S OBMP
IMPLEMENTATION PLAN, –
SETTLEMENT AND RELEASE OF CLAIMS
REGARDING FUTURE DESALTERS**

6.2 Peace II Desalter Production Offsets. To facilitate Hydraulic Control through Basin Re-Operation, in accordance with the 2007 Supplement to the OBMP Implementation Plan and the amended Exhibits G and I to the Judgment, additional sources of water will be made available for purposes of Desalter Production and thereby some or all of a Replenishment obligation. With these available sources, the Replenishment obligation attributable to Desalter production in any year will be determined by Watermaster as follows:

- (a) Watermaster will calculate the total Desalter Production for the preceding year and then apply a credit against the total quantity from:
 - (i) the Kaiser account (Peace Agreement Section 7.5(a).);
 - (ii) dedication of water from the Overlying (Non-Agricultural) Pool Storage Account;
 - (iii) New Yield (other than Stormwater (Peace Agreement Section 7.5(b)));
 - (iv) any declared losses from storage in excess of actual losses enforced as a "Leave Behind";
 - (v) Safe Yield that may be contributed by the parties (Peace Agreement Section 7.5(c));
 - (vi) any Production of groundwater attributable to the controlled overdraft authorized pursuant to amended Exhibit I to the Judgment.

- (b) To the extent available credits are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Watermaster will use water or revenue obtained by levying the following assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriative Pool to meet any remaining replenishment obligation as follows.

- (i) A Special OBMP Assessment against the Overlying (Non-Agricultural) Pool as more specifically authorized and described in amendment to Exhibit "G" paragraph 8(c) to the Judgment will be dedicated by Watermaster to further off-set replenishment of the Desalters. However, to the extent there is no remaining replenishment obligation attributable to the Desalters in any year after applying the off-sets set forth in 6.2(a), the OBMP Special Assessment levied by Watermaster will be distributed as provided in Section 9.2 below. The Special OBMP Assessment will be assessed pro-rata on each member's share of Safe Yield, followed by
 - (ii) A Replenishment Assessment against the Appropriate Pool, pro-rata based on each Producer's combined total share of Operating Safe Yield and the previous year's actual production. Desalter Production is excluded from this calculation. However, if there is a material reduction in the net cost of Desalter product water to the purchasers of product water, Watermaster may re-evaluate whether to continue the exclusion of Desalter Production but only after giving due regard to the contractual commitment of the parties.
 - (iii) The quantification of any Party's share of Operating Safe Yield does not include the result of any land use conversions.
- (c) The rights and obligations of the parties, whatever they may be, regarding Replenishment Assessments attributable to all Desalters and Future Desalters in any renewal term of the Peace Agreement are expressly reserved and not altered by this Agreement.



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: June 21, 2018
TO: Advisory Committee Members
SUBJECT: Amendments to Judgment and CAMA to Implement Settlement Agreement Regarding Appeal from April 28, 2017 Order (Business Item II.E.)

SUMMARY

Issue: The parties to the appeal from the April 28, 2017 Order are proposing amendments to the Judgment and CAMA. These are being presented to the Pools for consideration.

Recommendation: Discuss and offer advice.

Financial Impact: There is no financial impact associated with the above recommendation.

ACTIONS:

Appropriative Pool – June 14, 2018: Gave permission to its Legal Counsel to work with Watermaster's Legal Counsel to work as to the process of bringing the item forward.

Non-Agricultural Pool – June 14, 2018: Directed Pool Counsel to review the proposed changes to the Judgment and specifically request that Paragraph 5.3(e) interpretation be included in a revised settlement agreement draft.

Agricultural Pool – June 15, 2018: Offered no comments at this time.

Advisory Committee – June 21, 2018: Voted unanimously to request Watermaster assistance in drafting a document that would include all proposed changes to the Restated Judgment, Peace and Peace II Agreements to advance further Pool and Advisory Committee discussion on settlement of the Appeal from the April 28, 2017 Court Order.

BACKGROUND

The parties to the Appeal from the April 28, 2017 Order are proposing changes to the Judgment, Peace Agreement and Peace II Agreement, as a means of implementing a settlement agreement to dispose of the pending appeal.

The parties to the appeal also suggest there may be an erroneous reference in Peace II, which could be corrected as part of the same process. In sections 6.2(b)(i) and 9.2(a), "paragraph 8(c)" should be "paragraph 5(c)".

DISCUSSION

The proposed amendments including exhibits were transmitted electronically to the Watermaster distribution list on Friday June 8, 2018 and are shown as Attachment 1. The Pools are requested to discuss these and offer advice.

ATTACHMENTS

1. Work product of parties to the Appeal from April 28, 2017 Order titled "Proposed Changes to Judgment and CAMA"

**ATTACHMENT 1 TO 6/21/18 STAFF REPORT
AMENDMENTS TO JUDGMENT AND CAMA**

DRAFT LSGK 6/6/2018

Proposed Changes to Judgment and CAMA

1. As provided in the 2017 Order, paragraph 6 of the Judgment is amended to read as follows:

6. Safe Yield. The Safe Yield of Chino Basin is ~~135,000~~ 140,000 acre-feet per year.

2. The introductory sentence to Exhibit H, ¶10 of the Judgment is amended to read as follows:

10. Unallocated Safe Yield Water. To the extent that, in any ~~year~~ ~~five years~~, any portion of the share of Safe Yield allocated to the Overlying (Agricultural) Pool is not produced, such water shall be available for reallocation to members of the Appropriative Pool, as follows:

3. Section 1.1(o) of the Peace Agreement is amended to read as follows:

(o) “Early Transfer” means the reallocation of Safe Yield not Produced by the Agricultural Pool to the Appropriative Pool on an annual basis ***after all land use conversion claims are satisfied*** rather than according to the five year increment described in Paragraph 10 of Exhibit “H” of the Judgment;

4. Section 5.3(g) of the Peace Agreement is amended to read as follows:

(g) Watermaster shall approve an “Early Transfer” of water to the Appropriative Pool ~~in an amount not less than 32,800 acre-feet per year that is the expected approximate quantity of water not Produced by the Agricultural Pool~~ ***on an annual basis*** ~~The quantity of water subject to Early Transfer under this paragraph shall be the greater of (i) 32,800 acre-feet of (ii) 32,800 acre-feet plus the actual quantity of water not Produced by the Agricultural Pool for that Fiscal Year that is remaining after all the land use conversions are satisfied pursuant to 5.3~~ ***(hi)*** below.

- (i) The Early Transfer water shall be annually allocated among the members of the Appropriative Pool in accordance with their pro-rata share of the initial Safe Yield.
- (ii) The Transfer shall not limit the Production right of the Agricultural Pool under the Judgment to Produce up to 82,800 acre-feet of water in any year or 414,000 acre feet in any five years as provided in the Judgment.
- (iii) The combined Production of all parties to the Judgment shall not cause a Replenishment assessment on the members of the Agricultural Pool. The Agricultural Pool shall be responsible for any Replenishment obligation created by the Agricultural Pool Producing more than 414,000 acre-feet in any five-year period.
- (iv) The parties to the Judgment and Watermaster shall Produce water in accordance with the Operating Safe Yield and shall procure sufficient quantities of Replenishment Water to satisfy over-Production requirements, whatever they may be, and avoid Material Physical Injury to any party to the Judgment or the Basin;
- (v) Nothing herein shall be construed as modifying the procedures or voting rights within or by the members of the Agricultural Pool.

5. Subparagraph (b)(3)(i) of Exhibit H, ¶ 10 of the Judgment is amended to read as follows:

(i) For the term of the Peace Agreement *and any extension thereof*, in any year in which sufficient unallocated Safe Yield from the Overlying (Agricultural) Pool is available for such conversion claims, Watermaster shall allocate to each appropriator with a conversion claim 2.0 acre-feet of unallocated Safe Yield water for each converted acre for which conversion has been approved and recorded by the Watermaster.

6. Pursuant to section 7.2(e)(ii) of the Peace II Agreement, 175,000 acre-feet of controlled overdraft (Re-Operation water) will be allocated to Desalter replenishment over a 17-year period, beginning in 2013-14 and ending in 2029-30, according to the schedule attached as Exhibit A.

7. Section 7.1 of the Peace II Agreement, entitled “New Yield Attributable to Desalters,” is deleted. It is replaced by new section 6.2(b)(ii) as set forth below.

8. Section 6.2(b) of the Peace II Agreement is amended to read as follows:

(b) To the extent available credits are insufficient to fully offset the quantity of groundwater production attributable to the Desalters, Watermaster will use water or revenue obtained by levying the following assessments among the members of the Overlying (Non-Agricultural) Pool and the Appropriative Pool to meet any remaining replenishment obligation as follows.

(i) A Special OBMP Assessment against the Overlying (Non-Agricultural) Pool as more specifically authorized and described in amendment to Exhibit “G” paragraph 8(c) to the Judgment will be dedicated by Watermaster to further off-set replenishment of the Desalters. However, to the extent there is no remaining replenishment obligation attributable to the Desalters in any year after applying the off-sets set forth in 6.2(a), the OBMP Special Assessment levied by Watermaster will be distributed as provided in section 9.2 below. The Special OBMP Assessment will be assessed pro-rata on each member’s share of Safe Yield, followed by

(ii) The members of the Appropriative Pool will contribute a total of 10,000 afy toward Desalter replenishment, allocated among Appropriative Pool members as follows:

(1) 85% of the total (8,500 afy) will be allocated according to the Operating Safe Yield percentage of each Appropriative Pool member; and

(2) After all unproduced Overlying (Agricultural) Pool water is allocated pursuant to Exhibit H, paragraph 10 of the Judgment, 15% of the total (1,500 afy) will be allocated according to each land use conversion agency’s percentage of the total land use conversion claims in a particular year. The formula is to be adjusted annually based on the actual land use conversion allocations of the year.

The annual desalter replenishment obligation contribution of each Appropriative Pool member will be calculated using the following formula:

Desalter replenishment obligation contribution = (8,500 * % Appropriator's share of total initial 49,834 afy Operating Safe Yield) + (1,500 * % Appropriator's proportional share of that year's total conversion claims)

A sample calculation of the desalter replenishment obligation contribution for each Appropriative Pool member is shown on Exhibit __ to this Peace II Agreement, as amended.

- (iii) (ii)-A Replenishment Assessment against the Appropriative Pool *for any remaining Desalter replenishment obligation, allocated pro-rata to each Appropriative Pool member according to the combined total of the member's share of Operating Safe Yield and the member's Adjusted Physical Production, as defined below.* pro-rata based on each Producer's combined total share of Operating Safe Yield and the previous year's actual production. Desalter Production is excluded from this calculation. *A sample calculation of the allocation of the remaining desalter obligation is shown in Exhibit __ to this Peace II Agreement.* However, if there is a material reduction in the net cost of Desalter product water to the purchasers of product water, Watermaster may re-evaluate whether to continue the exclusion of Desalter Production but only after giving due regard to the contractual commitment of the parties.
- (iv) *Adjusted Physical Production for a particular year is the Appropriative Pool member's total combined physical production (i.e., all groundwater pumped or produced by the Appropriative Pool member's groundwater wells in the Chino Basin), with the following adjustments:*
- (1) *In the case of assignments among Appropriative Pool members, or between Appropriative Pool members and Non-Agricultural Pool members, resulting in pumping or production by one party to the Judgment for use by another party to the Judgment, the production for purposes of Adjusted Physical Production shall be assigned to the beneficiary, not the actual producer.*
 - (2) *Production offset credits pursuant to voluntary agreements under section 5.3(i) of the Peace Agreement are calculated at 50% of the total voluntary agreement credit in the determination of Adjusted Physical Production for an Appropriative Pool member participating in a voluntary agreement for that year. In the determination of Adjusted Physical Production, the voluntary agreement credit is subtracted from physical production. Reduction of the voluntary agreement credit from 100% to 50% is applicable only to the calculation of the Adjusted Physical Production hereunder; but in all other applications, the voluntary agreement credit shall remain unchanged (i.e. remain at 100%).*
 - (3) *Production associated with approved storage and recovery programs (e.g., Dry Year Yield recovery program with MWD) is not counted in Adjusted Physical Production, except that in-lieu participation in such programs shall be added to Adjusted Physical Production.*

- (4) Production that is subsequently recharged to the groundwater basin within the same Year is not counted in Adjusted Physical Production.*
- (5) The Appropriative Pool may approve, by unanimous vote, the inclusion of other items in the determination of Adjusted Physical Production.*
- (v) Any member of the Appropriative Pool that holds Non-Agricultural-Pool water rights as a member of the Non-Agricultural Pool may, in its sole discretion, use them to satisfy its desalter replenishment obligation under this section 6.2(b). Eligible Non-Agricultural-Pool rights are limited to water held in storage as of June, 2017, and annually recurring Non-Agricultural-Pool water rights held as a member of the Non-Agricultural Pool. Eligible Non-Agricultural-Pool rights exclude rights already dedicated to the Special Project OBMP Assessment (10% haircut) under section 6.2(b)(i), and any stored water purchased or water rights leased or temporarily transferred directly from a member of the Non-Agricultural Pool pursuant to Exhibit G, ¶9(i) of the Judgment after June, 2017.*
- (vi) ~~(iii)~~ The quantification of any Party's share of Operating Safe Yield does not include either land use conversions or Early Transfers.*

COMPROMISE AND SETTLEMENT DOCUMENT
 Schedule for Use of ReOperation Water
 5/16/2018

NEW PROPOSAL

Production Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Peace I Desalter Production	29,227.997	29,541.300	27,008.810	26,275.588	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Peace II Desalter Production	14.555	448.690	1,154.052	1,527.215	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000
AP "DRO Contribution"	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)
ReOp Water	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)	(12,500.000)
NonAg Assessment	0.000	0.000	0.000	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)
Remaining DRO	6,742.552	7,489.990	5,662.862	4,567.803	16,765.000	16,765.000	16,765.000	16,765.000	16,765.000

Production Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Peace I Desalter Production	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Peace II Desalter Production	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000
AP "DRO Contribution"	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)	(10,000.000)
ReOp Water	(12,500.000)	(12,500.000)	(12,500.000)	(5,000.000)	(5,000.000)	(5,000.000)	(5,000.000)	(5,000.000)
NonAg Assessment	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)	(735.000)
Remaining DRO	16,765.000	16,765.000	16,765.000	24,265.000	24,265.000	24,265.000	24,265.000	24,265.000

Appropriative Pool Desalter Replenishment Obligation Contributions - Production Year 2013-14

Production Year 2013/2014 Desalter Replenishment Obligation (DRO) Contribution:

10,000.000 AF

Appropriative Pool Party	Production Year 2013/14 Common Data (Headings from Approved 2014/2015 Assessment Package)			Methodology for 85/15 split between shares of Operating Safe Yield and % of Land Use Conversions		
	a	b	c = %b	d = (DRO Contrib*.85)*a	e = (DRO Contrib*.15)*c	f = d + e
	Percent of Operating Safe Yield (Column 2A)	Use Land Conversions (Page 12A)*	Percent of Land Conversions Use	85% DRO Contribution Based on Percent of Operating Safe Yield	15% DRO Contribution Based on Percent of Land Use Conversions	Desalter Replenishment Obligation Contribution
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000%	0.000	0.000	0.000
Chino Hills, City of	3.851%	1,133.906	4.334%	327.335	65.013	392.348
Chino, City of	7.357%	7,623.064	29.138%	625.345	437.074	1,062.419
Cucamonga Valley Water District	6.601%	598.364	2.287%	561.085	34.308	595.393
Fontana Union Water Company	11.657%	0.000	0.000%	990.845	0.000	990.845
Fontana Water Company	0.002%	834.000	3.188%	0.170	47.818	47.988
Fontana, City of	0.000%	0.000	0.000%	0.000	0.000	0.000
Golden State Water Company	0.750%	0.000	0.000%	63.750	0.000	63.750
Jurupa Community Services District	3.759%	13,876.196	53.040%	319.515	795.602	1,115.117
Marygold Mutual Water Company	1.195%	0.000	0.000%	101.575	0.000	101.575
Monte Vista Irrigation Company	1.234%	0.000	0.000%	104.890	0.000	104.890
Monte Vista Water District	8.797%	55.075	0.211%	747.745	3.158	750.903
Niagara Bottling, LLC	0.000%	0.000	0.000%	0.000	0.000	0.000
Nicholson Trust	0.007%	0.000	0.000%	0.595	0.000	0.595
Norco, City of	0.368%	0.000	0.000%	31.280	0.000	31.280
Ontario, City of	20.742%	2,041.095	7.802%	1,763.070	117.028	1,880.098
Pomona, City of	20.454%	0.000	0.000%	1,738.590	0.000	1,738.590
San Antonio Water Company	2.748%	0.000	0.000%	233.580	0.000	233.580
San Bernardino, County of (Shooting Park)	0.000%	0.000	0.000%	0.000	0.000	0.000
Santa Ana River Water Company	2.373%	0.000	0.000%	201.705	0.000	201.705
Upland, City of	5.202%	0.000	0.000%	442.170	0.000	442.170
West End Consolidated Water Co	1.728%	0.000	0.000%	146.880	0.000	146.880
West Valley Water District	1.175%	0.000	0.000%	99.875	0.000	99.875
	100.000%	26,161.700	100.000%	8,500.000	1,500.000	10,000.000

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Appropriative Pool Desalter Replenishment Obligation Contributions - Production Year 2014/15

Production Year 2014/15 Desalter Replenishment Obligation (DRO) Contribution:

10,000.000 AF

Appropriative Pool Party	Production Year 2014/15 Common Data (Headings from Approved 2015/2016 Assessment Package)			Methodology for 85/15 split between shares of Operating Safe Yield and % of Land Use Conversions		
	a	b	c = %b	d = (DRO Contrib*.85)*a	e = (DRO Contrib*.15)*c	f = d + e
	Percent of Operating Safe Yield (Column 2A)	Land Use Conversions (Page 12A)*	Percent of Land Conversions Use	85% DRO Contribution Based on Percent of Operating Safe Yield	15% DRO Contribution Based on Percent of Land Use Conversions	Desalter Replenishment Obligation Contribution
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000%	0.000	0.000	0.000
Chino Hills, City of	3.851%	1,222.774	4.568%	327.335	68.522	395.857
Chino, City of	7.357%	7,860.248	29.365%	625.345	440.472	1,065.817
Cucamonga Valley Water District	6.601%	598.364	2.235%	561.085	33.531	594.616
Fontana Union Water Company	11.657%	0.000	0.000%	990.845	0.000	990.845
Fontana Water Company	0.002%	834.000	3.116%	0.170	46.736	46.906
Fontana, City of	0.000%	0.000	0.000%	0.000	0.000	0.000
Golden State Water Company	0.750%	0.000	0.000%	63.750	0.000	63.750
Jurupa Community Services District	3.759%	14,060.392	52.528%	319.515	787.915	1,107.430
Marygold Mutual Water Company	1.195%	0.000	0.000%	101.575	0.000	101.575
Monte Vista Irrigation Company	1.234%	0.000	0.000%	104.890	0.000	104.890
Monte Vista Water District	8.797%	55.075	0.206%	747.745	3.086	750.831
Niagara Bottling, LLC	0.000%	0.000	0.000%	0.000	0.000	0.000
Nicholson Trust	0.007%	0.000	0.000%	0.595	0.000	0.595
Norco, City of	0.368%	0.000	0.000%	31.280	0.000	31.280
Ontario, City of	20.742%	2,136.725	7.983%	1,763.070	119.738	1,882.808
Pomona, City of	20.454%	0.000	0.000%	1,738.590	0.000	1,738.590
San Antonio Water Company	2.748%	0.000	0.000%	233.580	0.000	233.580
San Bernardino, County of (Shooting Park)	0.000%	0.000	0.000%	0.000	0.000	0.000
Santa Ana River Water Company	2.373%	0.000	0.000%	201.705	0.000	201.705
Upland, City of	5.202%	0.000	0.000%	442.170	0.000	442.170
West End Consolidated Water Co	1.728%	0.000	0.000%	146.880	0.000	146.880
West Valley Water District	1.175%	0.000	0.000%	99.875	0.000	99.875
	100.000%	26,767.578	100.000%	8,500.000	1,500.000	10,000.000

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Appropriative Pool Desalter Replenishment Obligation Contributions - Production Year 2015/16

Production Year 2015/16 Desalter Replenishment Obligation (DRO) Contribution:

10,000.000 AF

Appropriative Pool Party	Production Year 2015/16 Common Data (Headings from Approved 2016/2017 Assessment Package)			Methodology for 85/15 split between shares of Operating Safe Yield and % of Land Use Conversions		
	a	b	c = %b	d = (DRO Contrib*.85)*a	e = (DRO Contrib*.15)*c	f = d + e
	Percent of Operating Safe Yield (Column 2A)	Use Land Conversions (Page 12A)*	Percent of Land Conversions Use	85% DRO Contribution Based on Percent of Operating Safe Yield	15% DRO Contribution Based on Percent of Land Use Conversions	Desalter Replenishment Obligation Contribution
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000%	0.000	0.000	0.000
Chino Hills, City of	3.851%	1,222.774	4.455%	327.335	66.818	394.153
Chino, City of	7.357%	8,309.518	30.271%	625.345	454.069	1,079.414
Cucamonga Valley Water District	6.601%	598.364	2.180%	561.085	32.697	593.782
Fontana Union Water Company	11.657%	0.000	0.000%	990.845	0.000	990.845
Fontana Water Company	0.002%	834.000	3.038%	0.170	45.573	45.743
Fontana, City of	0.000%	0.000	0.000%	0.000	0.000	0.000
Golden State Water Company	0.750%	0.000	0.000%	63.750	0.000	63.750
Jurupa Community Services District	3.759%	14,201.712	51.736%	319.515	776.045	1,095.560
Marygold Mutual Water Company	1.195%	0.000	0.000%	101.575	0.000	101.575
Monte Vista Irrigation Company	1.234%	0.000	0.000%	104.890	0.000	104.890
Monte Vista Water District	8.797%	67.615	0.246%	747.745	3.695	751.440
Niagara Bottling, LLC	0.000%	0.000	0.000%	0.000	0.000	0.000
Nicholson Trust	0.007%	0.000	0.000%	0.595	0.000	0.595
Norco, City of	0.368%	0.000	0.000%	31.280	0.000	31.280
Ontario, City of	20.742%	2,216.205	8.074%	1,763.070	121.103	1,884.173
Pomona, City of	20.454%	0.000	0.000%	1,738.590	0.000	1,738.590
San Antonio Water Company	2.748%	0.000	0.000%	233.580	0.000	233.580
San Bernardino, County of (Shooting Park)	0.000%	0.000	0.000%	0.000	0.000	0.000
Santa Ana River Water Company	2.373%	0.000	0.000%	201.705	0.000	201.705
Upland, City of	5.202%	0.000	0.000%	442.170	0.000	442.170
West End Consolidated Water Co	1.728%	0.000	0.000%	146.880	0.000	146.880
West Valley Water District	1.175%	0.000	0.000%	99.875	0.000	99.875
	100.000%	27,450.188	100.000%	8,500.000	1,500.000	10,000.000

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Appropriative Pool Desalter Replenishment Obligation Contributions - Production Year 2016/17

Production Year 2016/17 Desalter Replenishment Obligation (DRO) Contribution:

10,000.000 AF

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Appropriative Pool Party	Production Year 2016/17 Common Data (Headings from Approved 2017/2018 Assessment Package)					Methodology for 85/15 split between shares of Operating Safe Yield and % of Land Use Conversions		
	a	b	c = %b		d = (DRO Contrib*.85)*a	e = (DRO Contrib*.15)*c	f = d + e	
	Percent of Operating Safe Yield (Column 2A)	Use Land Conversions (Page 12A)*	Percent of Land Conversions	Use	85% DRO Contribution Based on Percent of Operating Safe Yield	15% DRO Contribution Based on Percent of Land Use Conversions	Desalter Replenishment Obligation Contribution	
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000%	0.000%	0.000	0.000	0.000	
Chino Hills, City of	3.851%	1,222.774	4.321%	327.335	64.821	392.156		
Chino, City of	7.357%	8,455.798	29.884%	625.345	448.257	1,073.602		
Cucamonga Valley Water District	6.601%	598.364	2.115%	561.085	31.720	592.805		
Fontana Union Water Company	11.657%	0.000	0.000%	990.845	0.000	990.845		
Fontana Water Company	0.002%	834.000	2.947%	0.170	44.212	44.382		
Fontana, City of	0.000%	0.000	0.000%	0.000	0.000	0.000		
Golden State Water Company	0.750%	0.000	0.000%	63.750	0.000	63.750		
Jurupa Community Services District	3.759%	14,605.072	51.616%	319.515	774.240	1,093.755		
Marygold Mutual Water Company	1.195%	0.000	0.000%	101.575	0.000	101.575		
Monte Vista Irrigation Company	1.234%	0.000	0.000%	104.890	0.000	104.890		
Monte Vista Water District	8.797%	67.615	0.239%	747.745	3.584	751.329		
Niagara Bottling, LLC	0.000%	0.000	0.000%	0.000	0.000	0.000		
Nicholson Trust	0.007%	0.000	0.000%	0.595	0.000	0.595		
Norco, City of	0.368%	0.000	0.000%	31.280	0.000	31.280		
Ontario, City of	20.742%	2,511.989	8.878%	1,763.070	133.165	1,896.235		
Pomona, City of	20.454%	0.000	0.000%	1,738.590	0.000	1,738.590		
San Antonio Water Company	2.748%	0.000	0.000%	233.580	0.000	233.580		
San Bernardino, County of (Shooting Park)	0.000%	0.000	0.000%	0.000	0.000	0.000		
Santa Ana River Water Company	2.373%	0.000	0.000%	201.705	0.000	201.705		
Upland, City of	5.202%	0.000	0.000%	442.170	0.000	442.170		
West End Consolidated Water Co	1.728%	0.000	0.000%	146.880	0.000	146.880		
West Valley Water District	1.175%	0.000	0.000%	99.875	0.000	99.875		
	100.000%	28,295.612	100.000%	8,500.000	1,500.000	10,000.000		

Appropriative Pool Desalter Replenishment Obligation Contributions - Production Year 2013/14 - 2016/17

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Appropriative Pool Party	Production Years				
	2013/14	2014/15	2015/16	2016/17	TOTAL
	Arrowhead Mtn Spring Water Co	-	-	-	-
Chino Hills, City of	392.35	395.86	394.15	392.16	1,574.514
Chino, City of	1,062.42	1,065.82	1,079.41	1,073.60	4,281.252
Cucamonga Valley Water District	595.39	594.62	593.78	592.81	2,376.596
Fontana Union Water Company	990.85	990.85	990.85	990.85	3,963.380
Fontana Water Company	47.99	46.91	45.74	44.38	185.019
Fontana, City of	-	-	-	-	0.000
Golden State Water Company	63.75	63.75	63.75	63.75	255.000
Jurupa Community Services District	1,115.12	1,107.43	1,095.56	1,093.76	4,411.862
Marygold Mutual Water Company	101.58	101.58	101.58	101.58	406.300
Monte Vista Irrigation Company	104.89	104.89	104.89	104.89	419.560
Monte Vista Water District	750.90	750.83	751.44	751.33	3,004.503
Niagara Bottling, LLC	-	-	-	-	0.000
Nicholson Trust	0.60	0.60	0.60	0.60	2.380
Norco, City of	31.28	31.28	31.28	31.28	125.120
Ontario, City of	1,880.10	1,882.81	1,884.17	1,896.23	7,543.314
Pomona, City of	1,738.59	1,738.59	1,738.59	1,738.59	6,954.360
San Antonio Water Company	233.58	233.58	233.58	233.58	934.320
San Bernardino, County of (Shooting Park)	-	-	-	-	0.000
Santa Ana River Water Company	201.71	201.71	201.71	201.71	806.820
Upland, City of	442.17	442.17	442.17	442.17	1,768.680
West End Consolidated Water Co	146.88	146.88	146.88	146.88	587.520
West Valley Water District	99.88	99.88	99.88	99.88	399.500
	10,000.00	10,000.00	10,000.00	10,000.00	40,000.000

Appropriative Pool: Remaining Desalter Replenishment Obligation (RDRO) - Production Year 2013-14

Remaining Desalter Replenishment Obligation (RDRO):

CDA Production - Peace I Allocation	29,227.997
CDA Production - Peace II Allocation	14.555
Total Desalter Replenishment Obligation (Total DRO):	29,242.552
Desalter Replenishment Obligation Contribution (DROC)	(10,000.000)
Reoperation Water (approved in Peace II)	(12,500.000)
RDRO	6,742.552

acre-feet

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Appropriative Pool Party	Operating Safe Yield	Production Year 2013/14 Common Data (From Approved 2014/2015 Assessment Package - Appendix A)					Methodology for Calculation of Adjusted Physical Production (APP)	Methodology for Calculation of "RDRO"
	a	b	c	d	e	f	APP = [b+(c*50%)+d+e+f]	Individual Party RDRO = ((a+APP)/(Total a + Total APP)) * RDRO
	Assessment Paackage Page 2A: Column 2D	Physical Production	Voluntary Agreements (w/Ag)	Assignments (w/Non-Ag)	Storage and Recovery Programs	Other Adjustments	*Note: APP for City of Chino does not include "Other Adjustments" for this period	
Arrowhead Mtn Spring Water Co	0.000	379.111	0.000	0.000	0.000	0.000	379.111	15.905
Chino Hills, City of	2,111.422	2,150.925	(286.221)	0.000	0.000	5,359.300	7,367.115	397.669
Chino, City of	4,033.857	6,725.430	(6,686.440)	(104.278)	0.000	65.288	3,277.932	306.764
Cucamonga Valley Water District	3,619.454	16,121.550	0.000	0.000	0.000	0.000	16,121.550	828.227
Fontana Union Water Company	6,391.736	0.000	0.000	0.000	0.000	0.000	0.000	268.163
Fontana Water Company	1.000	15,377.579	0.000	0.000	0.000	0.000	15,377.579	645.203
Fontana, City of	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	411.476	736.362	0.000	0.000	0.000	0.000	736.362	48.157
Jurupa Community Services District	2,061.118	18,406.630	0.000	(379.499)	0.000	(8.784)	18,018.347	842.427
Marygold Mutual Water Company	655.317	1,314.734	0.000	0.000	0.000	0.000	1,314.734	82.653
Monte Vista Irrigation Company	676.759	0.000	0.000	0.000	0.000	0.000	0.000	28.393
Monte Vista Water District	4,823.954	12,521.892	(151.480)	0.000	0.000	(5,371.667)	7,074.485	499.195
Niagara Bottling, LLC	0.000	1,342.588	0.000	0.000	0.000	0.000	1,342.588	56.328
Nicholson Trust	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.168
Norco, City of	201.545	0.000	0.000	0.000	0.000	0.000	0.000	8.456
Ontario, City of	11,373.816	21,980.342	(4,428.101)	(1,855.196)	0.000	0.000	17,911.096	1,228.639
Pomona, City of	11,215.852	12,909.293	0.000	0.000	0.000	0.000	12,909.293	1,012.163
San Antonio Water Company	1,506.888	1,159.242	0.000	0.000	0.000	0.000	1,159.242	111.857
San Bernardino, County of (Shooting Park)	0.000	16.390	0.000	0.000	0.000	0.000	16.390	0.688
Santa Ana River Water Company	1,301.374	0.000	0.000	0.000	0.000	48.515	48.515	56.634
Upland, City of	2,852.401	2,822.046	0.000	0.000	0.000	0.000	2,822.046	238.070
West End Consolidated Water Co	947.714	0.000	0.000	0.000	0.000	0.000	0.000	39.761
West Valley Water District	644.317	0.000	0.000	0.000	0.000	0.000	0.000	27.032
	54,834.000	113,964.114	(11,552.242)	(2,338.973)	0.000	92.652	105,876.384	6,742.552

Appropriative Pool: Remaining Desalter Replenishment Obligation - Production Year 2013/14

2014/15

Remaining Desalter Replenishment Obligation (RDRO):

	acre-feet
CDA Production - Peace I Allocation	29,541.000
CDA Production - Peace II Allocation	449.000
Total Desalter Replenishment Obligation (Total DRO):	29,990.000
Desalter Replenishment Obligation Contribution (DROC)	(10,000.000)
Reoperation Water (approved in Peace II)	(12,500.000)
RDRO	7,490.000

Appropriative Pool Party	Operating Safe Yield	Production Year 2014/15 Common Data (From Approved 2015/2016 Assessment Package - Appendix A)					Methodology for Calculation of Adjusted Physical Production (APP)	Methodology for Calculation of "RDRO"
	a	b	c	d	e	f	APP = [b+(c*50%)+d+e+f]	Individual Party RDRO = ((a+APP)/(Total a + Total APP)) * RDRO
	Assessment Paackage Page 2A: Column 2D	Physical Production	Voluntary Agreements (w/Ag)	Assignments (w/Non-Ag)	Storage and Recovery Programs	Other Adjustments	*Note: APP for City of Chino does not include "Other Adjustments" for this period	
Arrowhead Mtn Spring Water Co	0.000	426.139	0.000	0.000	0.000	0.000	426.139	22.092
Chino Hills, City of	2,111.422	3,757.338	(96.029)	0.000	0.000	0.000	3,709.324	301.763
Chino, City of	4,033.857	6,546.044	(6,460.660)	(90.247)	0.000	4.863	3,225.467	376.343
Cucamonga Valley Water District	3,619.454	14,639.960	0.000	0.000	0.000	0.000	14,639.960	946.618
Fontana Union Water Company	6,391.736	0.000	0.000	0.000	0.000	0.000	0.000	331.365
Fontana Water Company	1.000	13,344.225	0.000	0.000	0.000	0.000	13,344.225	691.853
Fontana, City of	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	411.476	720.259	0.000	0.000	0.000	0.000	720.259	58.672
Jurupa Community Services District	2,061.118	12,805.464	0.000	(370.990)	0.000	32.103	12,466.577	753.156
Marygold Mutual Water Company	655.317	1,250.349	0.000	0.000	0.000	0.000	1,250.349	98.795
Monte Vista Irrigation Company	676.759	0.000	0.000	0.000	0.000	0.000	0.000	35.085
Monte Vista Water District	4,823.954	7,401.629	(132.454)	0.000	0.000	(387.636)	6,947.766	610.278
Niagara Bottling, LLC	0.000	1,859.765	0.000	0.000	0.000	0.000	1,859.765	96.415
Nicholson Trust	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.207
Norco, City of	201.545	0.000	0.000	0.000	0.000	0.000	0.000	10.449
Ontario, City of	11,373.816	17,675.687	(4,388.312)	(1,856.735)	0.000	0.000	13,624.796	1,295.997
Pomona, City of	11,215.852	12,520.382	0.000	0.000	0.000	0.000	12,520.382	1,230.551
San Antonio Water Company	1,506.888	1,479.087	0.000	0.000	0.000	0.000	1,479.087	154.801
San Bernardino, County of (Shooting Park)	0.000	10.868	0.000	0.000	0.000	0.000	10.868	0.563
Santa Ana River Water Company	1,301.374	0.000	0.000	0.000	0.000	0.000	0.000	67.467
Upland, City of	2,852.401	3,416.416	0.000	0.000	0.000	0.000	3,416.416	324.993
West End Consolidated Water Co	947.714	0.000	0.000	0.000	0.000	0.000	0.000	49.132
West Valley Water District	644.317	0.000	0.000	0.000	0.000	0.000	0.000	33.403
	54,834.000	97,853.612	(11,077.455)	(2,317.972)	0.000	(350.670)	89,641.380	7,490.000

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Appropriative Pool: Remaining Desalter Replenishment Obligation - Production Year 2013/14

2015/16

Remaining Desalter Replenishment Obligation (RDRO):

CDA Production - Peace I Allocation	27,009.000
CDA Production - Peace II Allocation	1,154.000
Total Desalter Replenishment Obligation (Total DRO):	28,163.000
Desalter Replenishment Obligation Contribution (DROC)	(10,000.000)
Reoperation Water (approved in Peace II)	(12,500.000)
Non-Ag Pool Contribution	0.000
RDRO	5,663.000

acre-feet

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Appropriative Pool Party	Operating Safe Yield	Production Year 2015/16 Common Data (From Approved 2016/17 Assessment Package - Appendix A)					Methodology for Calculation of Adjusted Physical Production (APP)	Methodology for Calculation of "RDRO"
	a	b	c	d	e	f	APP = [b+(c*50%)+d+e+f]	Individual Party RDRO = ((a+APP)/(Total a + Total APP)) * RDRO
	Assessment Paackage Page 2A: Column 2D	Physical Production	Voluntary Agreements (w/Ag)	Assignments (w/Non-Ag)	Storage and Recovery Programs	Other Adjustments	*Note: APP for City of Chino does not include "Other Adjustments" for this period	
Arrowhead Mtn Spring Water Co	0.000	356.162	0.000	0.000	0.000	0.000	356.162	13.551
Chino Hills, City of	2,111.422	1,633.459	(85.178)	0.000	0.000	0.000	1,590.870	140.859
Chino, City of	4,033.857	5,009.976	(5,488.140)	(43.133)	0.000	521.297	2,222.773	238.043
Cucamonga Valley Water District	3,619.454	20,537.150	0.000	0.000	0.000	(2.410)	20,534.740	918.984
Fontana Union Water Company	6,391.736	0.000	0.000	0.000	0.000	0.000	0.000	243.183
Fontana Water Company	1.000	15,317.165	0.000	0.000	0.000	0.000	15,317.165	582.803
Fontana, City of	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	411.476	807.419	0.000	0.000	0.000	0.000	807.419	46.375
Jurupa Community Services District	2,061.118	9,283.627	0.000	(358.622)	0.000	27.748	8,952.753	419.040
Marygold Mutual Water Company	655.317	752.723	0.000	0.000	0.000	0.000	752.723	53.571
Monte Vista Irrigation Company	676.759	0.000	0.000	0.000	0.000	0.000	0.000	25.748
Monte Vista Water District	4,823.954	8,358.319	(117.688)	0.000	0.000	(36.910)	8,262.565	497.897
Niagara Bottling, LLC	0.000	1,774.574	0.000	0.000	0.000	0.000	1,774.574	67.516
Nicholson Trust	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.152
Norco, City of	201.545	0.000	0.000	0.000	0.000	0.000	0.000	7.668
Ontario, City of	11,373.816	22,849.257	(3,559.596)	(1,235.830)	0.000	0.000	19,833.629	1,187.335
Pomona, City of	11,215.852	9,963.663	0.000	0.000	0.000	0.000	9,963.663	805.807
San Antonio Water Company	1,506.888	1,030.847	0.000	0.000	0.000	0.000	1,030.847	96.552
San Bernardino, County of (Shooting Park)	0.000	9.396	0.000	0.000	0.000	0.000	9.396	0.357
Santa Ana River Water Company	1,301.374	0.000	0.000	0.000	0.000	0.000	0.000	49.513
Upland, City of	2,852.401	2,600.725	0.000	0.000	0.000	0.000	2,600.725	207.473
West End Consolidated Water Co	947.714	0.000	0.000	0.000	0.000	0.000	0.000	36.057
West Valley Water District	644.317	0.000	0.000	0.000	0.000	0.000	0.000	24.514
	54,834.000	100,284.462	(9,250.602)	(1,637.585)	0.000	509.725	94,010.004	5,663.000

Appropriative Pool: Remaining Desalter Replenishment Obligation - Production Year 2013/14

2016/17

Remaining Desalter Replenishment Obligation (RDRO):

	CDA Production - Peace I Allocation	26,726.000
	CDA Production - Peace II Allocation	1,527.000
	Total Desalter Replenishment Obligation (Total DRO):	<u>28,253.000</u>
	Desalter Replenishment Obligation Contribution (DROC)	<u>(10,000.000)</u>
	Reoperation Water (approved in Peace II)	<u>(12,500.000)</u>
	Non-Ag Pool Contribution	<u>(735.000)</u>
	RDRO	5,018.000

acre-feet

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Appropriative Pool Party	Operating Safe Yield	Production Year 2015/16 Common Data (From Approved 2016/17 Assessment Package - Appendix A)					Methodology for Calculation of Adjusted Physical Production (APP)	Methodology for Calculation of "RDRO"
	a	b	c	d	e	f	APP = [b+(c*50%)+d+e+f]	Individual Party RDRO = ((a+APP)/(Total a + Total APP)) * RDRO
	Assessment Package Page 2A: Column 2D	Physical Production	Voluntary Agreements (w/Ag)	Assignments (w/Non-Ag)	Storage and Recovery Programs	Other Adjustments	*Note: APP for City of Chino does not include "Other Adjustments" for this period	
Arrowhead Mtn Spring Water Co	0.000	367.348	0.000	0.000	0.000	0.000	367.348	13.019
Chino Hills, City of	2,111.422	2,246.284	(94.257)	0.000	0.000	0.000	2,199.156	152.769
Chino, City of	4,033.857	4,971.503	(4,531.420)	(51.143)	0.000	0.000	2,654.650	237.044
Cucamonga Valley Water District	3,619.454	16,561.990	0.000	0.000	0.000	0.000	16,561.990	715.239
Fontana Union Water Company	6,391.736	0.000	0.000	0.000	0.000	0.000	0.000	226.526
Fontana Water Company	1.000	13,250.493	0.000	0.000	0.000	0.000	13,250.493	469.639
Fontana, City of	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	411.476	850.347	0.000	0.000	0.000	0.000	850.347	44.720
Jurupa Community Services District	2,061.118	11,497.599	0.000	(505.790)	0.000	31.408	11,023.217	463.715
Marygold Mutual Water Company	655.317	618.563	0.000	0.000	0.000	0.000	618.563	45.147
Monte Vista Irrigation Company	676.759	0.000	0.000	0.000	0.000	0.000	0.000	23.985
Monte Vista Water District	4,823.954	7,086.159	(125.309)	(17.784)	0.000	(78.112)	6,927.609	416.481
Niagara Bottling, LLC	0.000	1,531.557	0.000	0.000	0.000	0.000	1,531.557	54.279
Nicholson Trust	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.142
Norco, City of	201.545	0.000	0.000	0.000	0.000	0.000	0.000	7.143
Ontario, City of	11,373.816	24,839.724	(4,222.013)	(1,647.489)	0.000	0.000	21,081.229	1,150.221
Pomona, City of	11,215.852	8,066.802	0.000	0.000	0.000	0.000	8,066.802	683.386
San Antonio Water Company	1,506.888	537.746	0.000	0.000	0.000	0.000	537.746	72.463
San Bernardino, County of (Shooting Park)	0.000	13.037	0.000	0.000	0.000	0.000	13.037	0.462
Santa Ana River Water Company	1,301.374	0.000	0.000	0.000	0.000	0.000	0.000	46.121
Upland, City of	2,852.401	1,259.776	0.000	0.000	0.000	(187.860)	1,071.916	139.080
West End Consolidated Water Co	947.714	0.000	0.000	0.000	0.000	0.000	0.000	33.587
West Valley Water District	644.317	0.000	0.000	0.000	0.000	0.000	0.000	22.835
	54,834.000	93,698.928	(8,972.999)	(2,222.206)	0.000	(234.564)	86,755.659	5,018.000

Appropriative Pool: Remaining Desalter Replenishment Obligation

Production Year **2013-17**

Appropriative Pool Party	RDRO				Total
	PY 13-14	PY 14-15	PY 15-16	PY 16-17	
Arrowhead Mtn Spring Water Co	15.905	22.092	13.551	13.019	64.567
Chino Hills, City of	397.669	301.763	140.859	152.769	993.061
Chino, City of	306.764	376.343	238.043	237.044	1,158.194
Cucamonga Valley Water District	828.227	946.618	918.984	715.239	3,409.068
Fontana Union Water Company	268.163	331.365	243.183	226.526	1,069.238
Fontana Water Company	645.203	691.853	582.803	469.639	2,389.498
Fontana, City of	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	48.157	58.672	46.375	44.720	197.924
Jurupa Community Services District	842.427	753.156	419.040	463.715	2,478.337
Marygold Mutual Water Company	82.653	98.795	53.571	45.147	280.166
Monte Vista Irrigation Company	28.393	35.085	25.748	23.985	113.211
Monte Vista Water District	499.195	610.278	497.897	416.481	2,023.851
Niagara Bottling, LLC	56.328	96.415	67.516	54.279	274.539
Nicholson Trust	0.168	0.207	0.152	0.142	0.669
Norco, City of	8.456	10.449	7.668	7.143	33.715
Ontario, City of	1,228.639	1,295.997	1,187.335	1,150.221	4,862.192
Pomona, City of	1,012.163	1,230.551	805.807	683.386	3,731.907
San Antonio Water Company	111.857	154.801	96.552	72.463	435.673
San Bernardino, County of (Shooting Park)	0.688	0.563	0.357	0.462	2.071
Santa Ana River Water Company	56.634	67.467	49.513	46.121	219.735
Upland, City of	238.070	324.993	207.473	139.080	909.614
West End Consolidated Water Co	39.761	49.132	36.057	33.587	158.538
West Valley Water District	27.032	33.403	24.514	22.835	107.784
	6,742.552	7,490.000	5,663.000	5,018.000	24,913.552

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for May 2018

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/03/2018	ACH 050318	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	04/18/2018	1394905143		1394905143	60182.1 · Medical Insurance	8,440.38
TOTAL						8,440.38
General Journal	05/05/2018	05/05/2018	Payroll and Taxes for 04/22/18-05/05/18	Payroll and Taxes for 04/22/18-05/05/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 04/22/18-05/05/18	1012 · Bank of America Gen'l Ckg	26,160.26
				Payroll Taxes for 04/22/18-05/05/18	1012 · Bank of America Gen'l Ckg	8,423.45
			ICMA-RC	457(b) Employee Deductions for 04/22/18-05/05/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 04/22/18-05/05/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						40,625.03
Bill Pmt -Check	05/10/2018	20775	ACCENT COMPUTER SOLUTIONS, INC.	IT Managed Services - Hardware Purchases	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	121316		ETF laptop-balance due	6055 · Computer Hardware	1,431.91
Bill	04/30/2018	121411		Wireless access points-balance due	6055 · Computer Hardware	1,680.89
TOTAL						3,112.80
Bill Pmt -Check	05/10/2018	20776	APPLIED COMPUTER TECHNOLOGIES	2973	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	2973		Database Consulting - April 2018	6052.2 · Applied Computer Technol	4,815.40
TOTAL						4,815.40
Bill Pmt -Check	05/10/2018	20777	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2018	XXXX-XXXX-XXXX-9341		Toner cartridges for CFO's printer	6031.7 · Other Office Supplies	249.00
				Overwatch/firewall - 50% deposit	6055 · Computer Hardware	1,750.00
				Cloud/FTP replacement - 50% deposit	6055 · Computer Hardware	900.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	327.68
				Office Timeline software	6054 · Computer Software	59.00
				Microsoft software	6054 · Computer Software	99.00
				Reception desk phone headset	6031.7 · Other Office Supplies	15.99
				RZ laptop-50% deposit	6055 · Computer Hardware	1,217.94
				Miscellaneous office supplies	6031.7 · Other Office Supplies	311.10
				Registration-RZ-AWWA Sampling Wkshp	6193.2 · Conference - Registration Fee	375.00
				Registration-JN & ETF-AWWA Sampling Wkshp	6193.2 · Conference - Registration Fee	550.00
				Books for office - shorthand	6031.7 · Other Office Supplies	33.40
				Books for office - business writing / minute taking	6031.7 · Other Office Supplies	38.25
				Lunch for storage framework meeting	7604 · PE8&9-Supplies	105.44
				PK flight to ACWA Spring Conference	6191 · Conferences - General	141.96
				Early-bird check in on above flight	6191 · Conferences - General	15.00
				Early-bird check in on above flight	6191 · Conferences - General	15.00
				Laptop bag - ETF	6031.7 · Other Office Supplies	49.99

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				Webcam cover - ETF	6031.7 · Other Office Supplies	6.99
				Toner cartridges for office	6031.7 · Other Office Supplies	80.79
				PK meeting w/Geye	8512 · Meeting Expense	64.73
				Lunch for team prep for OBMP Scope Workshop	6909.1 · OBMP Meetings	85.00
				Lunch for WM meeting w/Ag Pool reps	8412 · Meeting Expenses	64.88
				Lunch for WM counsel for meeting w/Ag Pool reps	8412 · Meeting Expenses	13.60
				Lunch for OBMP Scope Workshop	6909.1 · OBMP Meetings	221.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	52.89
				PK mtg w/Elie	6312 · Meeting Expenses	50.87
				PK mtg w/Hoerning	8312 · Meeting Expenses	32.51
				PK mtg w/Bowcock	6312 · Meeting Expenses	37.42
				PK registration-First Annual Groundwater Sustaina	6193.2 · Conference - Registration Fee	430.00
				PK meeting w/Layton, Jew	8312 · Meeting Expenses	59.78
TOTAL						7,454.21
Bill Pmt -Check	05/10/2018	20778	CORELOGIC INFORMATION SOLUTIONS	81888867	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	81888867		81888867	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81888867	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	05/10/2018	20779	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool mtg		4/12/18 Ag Pool Meeting	8411 · Compensation	25.00
				4/12/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/10/2018	20780	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool Meeting	8411 · Compensation	25.00
				4/12/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/10/2018	20781	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/11/2018	4/11 Admin Mtg		4/11/18 meeting w/PK & attorneys re Settlement Pi	6311 · Board Member Compensation	125.00
Bill	04/16/2018	4/16 Admin Mtg		4/16/18 meeting w/PK & attorneys re Settlement Pi	6311 · Board Member Compensation	125.00
Bill	04/23/2018	4/23 Admin Mtg		4/23/18 meeting w/PK & attorneys re Settlement Pi	6311 · Board Member Compensation	125.00
Bill	04/26/2018	4/26 Board Mtg		4/26/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	04/30/2018	4/30 Admin Mtg		4/30/18 meeting w/PK & attorneys re Settlement Pi	6311 · Board Member Compensation	125.00
TOTAL						625.00
Bill Pmt -Check	05/10/2018	20782	EGOSCUE LAW GROUP, INC.	11938	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	11938		Ag Pool Legal Service - April 2018	8467 · Ag Legal & Technical Services	34,362.50

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						34,362.50
Bill Pmt -Check	05/10/2018	20783	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2018	4/25 Admin Mtg		4/25/18 Administrative meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2018	4/26 Board Mtg		4/26/18 Board meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	05/10/2018	20784	FEDAK & BROWN LLP	Audit Services	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018			Progress Billing - April 2018	6062 · Audit Services	5,160.00
TOTAL						5,160.00
Bill Pmt -Check	05/10/2018	20785	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/23/2018	4/23 Admin Mtg		4/23/18 Administrative meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/26/2018	4/26 Board Mtg		4/26/18 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	05/10/2018	20786	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/26/2018	4/26 Board Meeting		4/26/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	05/10/2018	20787	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/19/2018	4/19 RMPU Mtg		4/19/18 RMPU Steering Committee meeting	6311 · Board Member Compensation	125.00
Bill	04/24/2018	4/24 Budget Mtg		4/24/18 Budget meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2018	4/26 Board Mtg		4/26/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	05/10/2018	20788	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018			Travel Expense Reimbursement	6191 · Conferences - General	125.61
TOTAL						125.61
Bill Pmt -Check	05/10/2018	20789	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/02/2018	4/02/18 Conf Call		4/02/18 conference call w/attorneys and board	6311 · Board Member Compensation	125.00
Bill	04/19/2018	4/19 Advisory Comm		4/19/18 Advisory Committee meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	05/10/2018	20790	McMASTER-CARR SUPPLY CO	62299210	1012 · Bank of America Gen'l Ckg	
Bill	05/02/2018	62299210		GW level supplies	7104.7 · Grdwtr Level-WM Staff-Cap Equip	48.34
TOTAL						48.34

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/10/2018	20791	PAYCHEX	201802600	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	2018042600		April 2018	6012 · Payroll Services	327.50
TOTAL						327.50
Bill Pmt -Check	05/10/2018	20792	PIERSON, JEFFREY	Ag Pool and Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool meeting	8411 · Compensation	25.00
				4/12/18 Ag Pool meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/19/2018	4/19 Advisory Comm		4/19/18 Advisory Committee meeting	8411 · Compensation	25.00
				4/19/18 Advisory Committee meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/19/2018	4/19 RIPCom Mtg		4/19/18 RIPCom meeting	8411 · Compensation	25.00
				4/19/18 RIPCom meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/23/2018	4/23 Admin Mtg		4/23/18 Administrative meeting	8411 · Compensation	25.00
				4/23/18 Administrative meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/24/2018	4/24 Board Agena		4/24/18 Board Agenda Meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2018	4/26 Board Meeting		4/26/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	05/10/2018	20793	PIETERSMA, RONALD	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool Meeting	8411 · Compensation	25.00
				4/12/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/10/2018	20794	PREMIERE GLOBAL SERVICES	25716466	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2018	25716466		Pools agenda prep call on 4/03	8312 · Meeting Expenses	7.16
				Pools agenda prep call on 4/03	8412 · Meeting Expenses	7.16
				Pools agenda prep call on 4/03	8512 · Meeting Expense	7.15
				Non-Ag Pool mtg call on 4/12	8512 · Meeting Expense	9.08
				WM coordination call on 4/23	6909.1 · OBMP Meetings	6.22
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				Call on 3/28	6909.1 · OBMP Meetings	6.69
				OP Bands 3 and 4 scenario dev. call on 3/29	6909.1 · OBMP Meetings	9.53
				Attorney/GM call on 4/02	6909.1 · OBMP Meetings	6.20
				WM coordination call on 4/02	6909.1 · OBMP Meetings	13.08
				Attorney/GM call on 4/02	6909.1 · OBMP Meetings	25.62
				Pools agends prep call on 4/03	8312 · Meeting Expenses	2.07
				Pools agenda prep call on 4/03	8412 · Meeting Expenses	2.07
				Pools agenda prep call on 4/03	8512 · Meeting Expense	2.06
				WM coordination call on 4/09	6909.1 · OBMP Meetings	17.07
				Pool mtgs check call on 4/11	8312 · Meeting Expenses	5.92

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				Pool mtgs check call on 4/11	8412 · Meeting Expenses	5.92
				Pool mtgs check call on 4/11	8512 · Meeting Expense	5.91
				WM coordination call on 4/16	6909.1 · OBMP Meetings	10.35
				WM coordination call on 4/16	6909.1 · OBMP Meetings	6.50
				WM coordination call on 4/23	6909.1 · OBMP Meetings	6.22
				Pomona extensometer call on 4/23	6909.1 · OBMP Meetings	20.65
				Board agenda preview call on 4/24	6312 · Meeting Expenses	6.22
				Board agenda preview call on 4/24	6312 · Meeting Expenses	6.22
				PK prep for mtg call on 4/26	6909.1 · OBMP Meetings	6.20
				Service fee	6022 · Telephone	11.18
TOTAL						310.45
Bill Pmt -Check	05/10/2018	20795	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	0023230253		Office Water Bottle - April 2018	6031.7 · Other Office Supplies	19.37
TOTAL						19.37
Bill Pmt -Check	05/10/2018	20796	RR FRANCHISING, INC.	55382	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2018	55382		Monthly service - May 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	05/10/2018	20797	STAPLES BUSINESS ADVANTAGE	8049701668	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2018	8049701668		Miscellaneous office supplies	6031.7 · Other Office Supplies	82.27
TOTAL						82.27
Bill Pmt -Check	05/10/2018	20798	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2018	1970970-17		Monthly premium 4/26/18-5/26/18	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	05/10/2018	20799	TELLEZ-FOSTER, EDGAR	Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2018	04/25/18 Meeting		Meeting w/Andy Campbell (IEUA)	6312 · Meeting Expenses	56.00
TOTAL						56.00
Bill Pmt -Check	05/10/2018	20800	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	7076224530355049		Vehicle Fuel - April 2018	6175 · Vehicle Fuel	347.81
TOTAL						347.81
Bill Pmt -Check	05/10/2018	20801	VANDEN HEUVEL, GEOFFREY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool Mtg	8411 · Compensation	25.00
				4/12/18 Ag Pool Mtg	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

TOTAL
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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
May 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/10/2018	20802	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	001017890001		Vision Insurance Premium - May 2018	60182.2 · Dental & Vision Ins	88.20
TOTAL						<u>88.20</u>
Bill Pmt -Check	05/10/2018	20803	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/26/2018	4/26 Board Mtg		4/26/18 Board Meeting - Galleano attendance	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	05/10/2018	20804	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	05/03/2018	08-k2 213849		May 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						<u>117.14</u>
Bill Pmt -Check	05/10/2018	ACH 051018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/05/2018	05/05/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/22/18-05/05/18	2000 · Accounts Payable	6,725.08
TOTAL						<u>6,725.08</u>
P 1 7 8	General Journal	05/19/2018	05/19/2018	Payroll and Taxes for 05/06/18-05/19/18	1012 · Bank of America Gen'l Ckg	
				Payroll and Taxes for 05/06/18-05/19/18	1012 · Bank of America Gen'l Ckg	29,236.95
				Direct Deposits for 05/06/18-05/19/18	1012 · Bank of America Gen'l Ckg	9,441.12
				Payroll Taxes for 05/06/18-05/19/18	1012 · Bank of America Gen'l Ckg	4,738.05
				ICMA-RC 457(b) Employee Deductions for 05/06/18-05/19/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						<u>44,719.39</u>
Bill Pmt -Check	05/22/2018	20805	ACWA JOINT POWERS INSURANCE AUTHORIT	0551579	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2018	0551579		Prepayment - June 2018	1409 · Prepaid Life, BAD&D & LTD	217.89
				May 2018	60191 · Life & Disab.Ins Benefits	217.89
TOTAL						<u>435.78</u>
Bill Pmt -Check	05/22/2018	20806	BLOMQUIST, WILLIAM A.	Manuscript Update	1012 · Bank of America Gen'l Ckg	
Bill	05/09/2018			Payment number 3 of 4 for Blomquist report	6061.6 · Blomquist Report - Update	7,500.00
TOTAL						<u>7,500.00</u>
Bill Pmt -Check	05/22/2018	20807	CHEF DAVE'S CAFE & CATERING	8221	1012 · Bank of America Gen'l Ckg	
Bill	04/26/2018	8221		Lunch for 4/26/18 Watermaster Board meeting	6312 · Meeting Expenses	600.69
TOTAL						<u>600.69</u>
Bill Pmt -Check	05/22/2018	20808	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	L0387827		L0387827	7108.4 · Hydraulic Control-Lab Svcs	440.00
Bill	04/30/2018	L0387828		L0387828	7108.4 · Hydraulic Control-Lab Svcs	1,592.00
						<u>1,592.00</u>

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						2,032.00
Bill Pmt -Check	05/22/2018	20809	FIRST LEGAL NETWORK LLC	40017534	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	40017534		Court filings on 4/02/18 and 4/24/18	6061.5 · Court Filing Services	155.88
TOTAL						155.88
Bill Pmt -Check	05/22/2018	20810	RON SHELLEY'S AUTOMOTIVE	10287	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2018	10287		Maintenance for Expendition	6177 · Vehicle Repairs & Maintenance	67.52
TOTAL						67.52
Bill Pmt -Check	05/22/2018	20811	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	2018101		2018101	6906.31 · OBMP-Pool, Adv. Board Mtgs	6,551.17
Bill	04/30/2018	2018102		2018102	6906.32 · OBMP-Other General Meetings	9,903.46
Bill	04/30/2018	2018103		2018103	6906.71 · OBMP-Data Req.-CBWM Staff	3,948.45
Bill	04/30/2018	2018104		2018104	6906.72 · OBMP-Data Req.-Non CBWM Staff	1,275.90
Bill	04/30/2018	2018105		2018105	6906 · OBMP Engineering Services	3,469.40
Bill	04/30/2018	2018106		2018106	7103.3 · Grdwtr Qual-Engineering	14,827.53
Bill	04/30/2018	20018107		2018107	7104.3 · Grdwtr Level-Engineering	15,663.20
Bill	04/30/2018	2018108		2018108	7107.2 · Grd Level-Engineering	2,682.79
				WSP USA, Inc.	7107.6 · Grd Level-Contract Svcs	32,027.09
Bill	04/30/2018	2018109		2018109	7108.31 · Hydraulic Control - PBHSP	21,845.30
Bill	04/30/2018	2018110		2018110	7109.3 · Recharge & Well - Engineering	5,156.50
Bill	04/30/2018	2018111		2018111	7202.2 · Engineering Svc	1,563.40
Bill	04/30/2018	2018112		2018112	7402 · PE4-Engineering	7,764.25
Bill	04/30/2018	2018113		2018113	7402.10 · PE4 - Northwest MZ1 Area Proj.	10,810.55
Bill	04/30/2018	2018114		2018114	7502 · PE6&7-Engineering	7,758.37
Bill	04/30/2018	2018115		2018115	7510 · PE6&7-IEUA Salinity Mgmt. Plan	20,105.40
Bill	04/30/2018	2018116		2018116	7602 · PE8&9-Engineering	33,852.00
Bill	04/30/2018	2018117		2018117	6906.27 · HCP Mtgs/Tech. Review-IEUA Cost	4,069.50
TOTAL						203,274.26
Bill Pmt -Check	05/24/2018	ACH 052418	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2018	15280080		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	4,348.52
TOTAL						4,348.52
Bill Pmt -Check	05/24/2018	ACH 052418	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/19/2018	05/19/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/06/18-05/19/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	05/25/2018	20812	CUCAMONGA VALLEY WATER DISTRICT	Rent Expense	1012 · Bank of America Gen'l Ckg	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	05/22/2018			Office lease due June 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						6,608.80
Bill Pmt -Check	05/25/2018	20813	GREAT AMERICA LEASING CORP.	22664379	1012 · Bank of America Gen'l Ckg	
Bill	05/21/2018	22664379		Invoice for May 2018	6043.1 · Ricoh Lease Fee	2,605.07
TOTAL						2,605.07
Bill Pmt -Check	05/25/2018	20814	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2018	4/12 Ag Pool Mtg		4/12/18 Ag Pool Meeting	8411 · Compensation	25.00
				4/12/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/25/2018	20815	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2018	0111802		Employee deductions - May 2018	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	05/25/2018	20816	R&D PEST SERVICES	0228458	1012 · Bank of America Gen'l Ckg	
Bill	05/21/2018	0228458		Pest control	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	05/25/2018	20817	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2018	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	786.43
TOTAL						786.43
Bill Pmt -Check	05/25/2018	20818	STAPLES BUSINESS ADVANTAGE	8049892481	1012 · Bank of America Gen'l Ckg	
Bill	05/12/2018	8049892481		Miscellaneous office supplies	6031.7 · Other Office Supplies	46.68
TOTAL						46.68
Bill Pmt -Check	05/25/2018	20819	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018			Retiree Medical	60182.4 · Retiree Medical	25.17
TOTAL						25.17
Bill Pmt -Check	05/25/2018	20820	VERIZON WIRELESS	9807138773	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2018	9807138773		Acct #642073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.10
TOTAL						100.10
Bill Pmt -Check	05/25/2018	20821	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2018	90948438900509145		Office fax	6022 · Telephone	142.78
TOTAL						142.78

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/25/2018	20822	UNITED HEALTHCARE	052581674102	1012 · Bank of America Gen'l Ckg	
Bill	05/14/2018	052581674102		Dental Insurance Premium - June 2018	60182.2 · Dental & Vision Ins	749.75
TOTAL						749.75
Bill Pmt -Check	05/25/2018	20823	VERIZON WIRELESS	9806600051	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2018	9806600051		Acct #470810953-00001	6022 · Telephone	297.55
TOTAL						297.55
Bill Pmt -Check	05/30/2018	20824	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2018	720859		720859	6078 · BHFS Legal - Miscellaneous	31,360.50
				Angelica BK	6078 · BHFS Legal - Miscellaneous	149.40
				NRG BK	6078 · BHFS Legal - Miscellaneous	925.65
				Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous	73.56
				Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool	12.26
				Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool	12.26
				Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool	49.04
Bill	04/30/2018	720860		Employee Handbook	6073 · BHFS Legal - Personnel Matters	3,181.95
				GM Evaluation	6073 · BHFS Legal - Personnel Matters	1,474.20
				Personnel	6073 · BHFS Legal - Personnel Matters	1,579.50
Bill	04/30/2018	720861		720861	6907.34 · Santa Ana River Water Rights	222.75
Bill	04/30/2018	720862		720862	6907.33 · Desalter/Hydraulic Control	1,553.85
Bill	04/30/2018	720863		720863	6275 · BHFS Legal - Advisory Committee	935.55
Bill	04/30/2018	720864		720864	6375 · BHFS Legal - Board Meeting	5,208.30
				Delivery/Ground Transportation	6375 · BHFS Legal - Board Meeting	300.00
Bill	04/30/2018	720865		720865	8375 · BHFS Legal - Appropriative Pool	1,291.95
Bill	04/30/2018	720866		720866	8475 · BHFS Legal - Agricultural Pool	1,291.95
Bill	04/30/2018	720867		720867	8575 · BHFS Legal - Non-Ag Pool	1,291.95
Bill	04/30/2018	720868		720868	6071 · BHFS Legal - Court Coordination	3,513.60
Bill	04/30/2018	720869		720869	6077 · BHFS Legal - Party Status Maint	3,429.90
Bill	04/30/2018	720870		720870	6907.39 · Recharge Master Plan	7,114.95
				Mileage/Parking Expense	6907.39 · Recharge Master Plan	62.17
Bill	04/30/2018	720871		720871	6907.40 · Storage Agreements	911.25
Bill	04/30/2018	720872		720872	6907.41 · Prado Basin Habitat Sustain	2,272.05
Bill	04/30/2018	720873		720873	6907.42 · Safe Yield Recalculation	14,884.65
				Lodging for 04/10/18	6907.42 · Safe Yield Recalculation	225.00
				Lodging for 04/26/18	6907.42 · Safe Yield Recalculation	225.00
Bill	04/30/2018	720874		720874	6907.44 · SGMA Compliance	6,675.30
				Airfare	6907.44 · SGMA Compliance	280.96
TOTAL						90,509.45

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/30/2018	20825	NAKANO, JUSTIN	Exp. Report 051118	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2018	Exp. Report 051118		Lunch with JCSD	6141.3 · Admin Meetings	43.02
TOTAL						43.02
Bill Pmt -Check	05/30/2018	20826	TELLEZ-FOSTER, EDGAR	Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	05/08/2018	ACWA 050818		ETF - ACWA Conference	6191 · Conferences - General	42.53
TOTAL						42.53
Bill Pmt -Check	05/31/2018	20827	INLAND EMPIRE UTILITIES AGENCY	1800003725	1012 · Bank of America Gen'l Ckg	
Bill	05/10/2018	1800003725		RMPU Yield Enhancement Projects Invoice #7	7690.15 · RMPU Amend. Yield (TO #1)	459,262.50
TOTAL						459,262.50
					Total Disbursements:	948,362.24

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