

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, August 16, 2018

9:00 a.m. – Advisory Committee Meeting

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

CHINO BASIN WATERMASTER

Thursday, August 16, 2018

9:00 a.m. – Advisory Committee Meeting

AGENDA

**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – August 16, 2018

WITH

Mr. Jeff Pierson, Chair

Mr. Todd Corbin, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA – ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

1. Minutes of the Advisory Committee Meeting held July 26, 2018 (*Page 1*)

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of June 2018 (*Page 7*)
2. Watermaster VISA Check Detail for the month of June 2018 (*Page 19*)
3. Combining Schedule for the Period July 1, 2017 through June 30, 2018 (*Page 23*)
4. Treasurer's Report of Financial Affairs for the Period June 1, 2018 through June 30, 2018 (*Page 27*)
5. Budget vs. Actual Report for the Period July 1, 2017 through June 30, 2018 (*Page 31*)

C. WATER TRANSACTIONS

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

1. The transfer of 80.000 acre-feet of water from West End Consolidated Water Company to Golden State Water Company. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. (*Page 59*)
2. The transfer of 853.677 acre-feet of water from West End Consolidated Water Company to City of Upland. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. (*Page 67*)

D. APPLICATION FOR RECHARGE *(Page 75)*

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

II. BUSINESS ITEMS**A. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND THE CITY OF POMONA FOR CONSTRUCTION AND OPERATION OF THE POMONA EXTENSOMETER** *(Page 93)*

Approve the Right of Entry Agreement between the Chino Basin Watermaster and the City of Pomona for Construction and Operation of the Pomona Extensometer.

B. TASK ORDER NO. 3 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS: POMONA EXTENSOMETER CONTRACT ADMINISTRATION *(Page 103)*

Approve Task Order No. 3 Under Master Agreement for Collaborative Projects: Pomona Extensometer Contract Administration.

C. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CHINO REAL ESTATE 13799 LLC (MONITORING WELL PRESERVATION AT FORMER CROWN COACH FACILITY) *(Page 109)*

Approve the Right of Entry Agreement between the Chino Basin Watermaster and Chino Real Estate 13799, LLC.

D. ADVISORY COMMITTEE REQUEST FOR CONTINUED WATERMASTER ASSISTANCE *(Page 119)*

Discuss and possibly take action.

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

1. Appeal of April 28, 2017 Order
2. August 17, 2018 Hearing
3. Overlying (Agricultural) Pool Committee's Consolidated and Amended Contest

B. ENGINEER REPORT

1. Storage Framework
2. Fiscal Year 2017/18 GLMC Annual Report

C. CFO REPORT

None

D. GM REPORT

1. 2018 RMPU
2. Storage Management Plan Development Schedule
3. Other

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written) *(Page 216)*
2. State and Federal Legislative Reports (Written) *(Page 225)*
3. Community Outreach/Public Relations Report (Written) *(Page 251)*

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Cash Disbursements for July 2018 (*Page 255*)

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

8/16/18	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
8/16/18	Thu	9:00 a.m.	Advisory Committee
8/16/18	Thu	9:30 a.m.	2018 RMPU Workshop
8/16/18	Thu	10:30 a.m.	Recharge Investigations and Projects Committee
8/23/18	Thu	9:00 a.m.	Ground-Level Monitoring Committee
8/23/18	Thu	11:00 a.m.	Watermaster Board
8/28/18	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee

ADJOURNMENT

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting held on July 26, 2018

DRAFT MINUTES
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING
July 26, 2018

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on July 26, 2018.

ADVISORY COMMITTEE MEMBERS PRESENT

AGRICULTURAL POOL

Bob Feenstra
Pete Hall
Lawrence Dimock
Marilyn Levin

Dairy
State of California – CIM
State of California – CIM
State of California – DOJ

APPROPRIATIVE POOL

Todd Corbin, Vice-Chair
Teri Layton
Ron Craig
Cris Fealy
Eric Tarango
John Bosler for Marty Zvirbulis
Van Jew
Rosemary Hoerning
Dave Crosley
Katie Gienger for Scott Burton
Darron Poulsen

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

NON-AGRICULTURAL POOL

Brian Geye, 2nd Vice-Chair

California Speedway Corporation

WATERMASTER BOARD MEMBERS PRESENT

Robert DiPrimio
Eunice Ulloa
Bob Kuhn
Bob Bowcock
Gino Filippi

Fontana Water Company
City of Chino
Three Valleys Municipal Water District
CalMat Co.
City of Upland

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

Brad Herrema
Mark Wildermuth
Andy Malone
Erik Gaiser

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

OTHERS PRESENT

Curtis Paxton
Tracy Egoscue
Steve Sentes

Chino Basin Desalter Authority
Egoscue Law Group, Inc.
Chino Basin Water Conservation District

Amanda Coker
Raul Garibay
Art Kidman
Jimmy Gutierrez

City of Chino
City of Pomona
Kidman Gagen Law, LLP
Jimmy L. Gutierrez, A Law Corporation

CALL TO ORDER

Vice-Chair Corbin chaired the meeting and called the Advisory Committee meeting to order at 9:05 a.m.

AGENDA – ADDITIONS/REORDER

(0:00:27) Vice-Chair Corbin requested for Business Item II.B. to be taken into closed session.

I. CONSENT CALENDAR

A. MINUTES

Approve as presented:

1. Minutes of the Advisory Committee Meeting held June 21, 2018

B. FINANCIAL REPORTS

Receive and file as presented:

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

C. APPLICATION FOR RECHARGE

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

(0:01:22)

Motion by Mr. Bob Feenstra seconded by Mr. Brian Geye and by unanimous vote

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. FISCAL YEAR 2017/18 BUDGET TRANSFER (FORM T-18-06-01)

Approve Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) as presented.

(0:01:43) Mr. Joswiak gave a report.

(0:02:45)

Motion by Mr. Ron Craig seconded by Ms. Teri Layton and by unanimous vote

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

Vice-Chair Corbin called for a recess at 9:12 a.m. to discuss Business Item II.B., Advisory Committee Request for Watermaster Assistance. The meeting was reconvened at 9:38 a.m.

B. ADVISORY COMMITTEE REQUEST FOR WATERMASTER ASSISTANCE

Discuss and possibly take action.

1. Exhibit "G" Transfer Rate Amendment
2. Peace Agreement Paragraph 5.3(e) Interpretation
3. Amendments to Judgment and CAMA to Implement Settlement Agreement Regarding Appeal From April 28, 2017 Order

(0:07:22) Vice-Chair Corbin clarified that the discussion of Business Item II.B. was not a Confidential Session of the Advisory Committee.

(0:10:35) Vice-Chair Corbin requested Mr. Kavounas to give an update on the item.

(0:10:43) Mr. Kavounas gave a report. A discussion ensued.

(0:20:35) Mr. Feenstra introduced a motion and was seconded by Mr. Geye.

(0:22:07) Ms. Hoerning introduced a substitute motion and was seconded by Ms. Layton. A discussion ensued.

(0:27:18) Ms. Hoerning retracted the substitute motion. Additional discussion ensued.

(0:49:10) Vice-Chair Corbin called for a second recess at 10:20 a.m. and reconvened the meeting at 10:35 a.m.

(0:49:21) Mr. Feenstra called for the question on his motion.

(0:50:07) Mr. Poulsen introduced a substitute motion. A discussion ensued.

(0:54:07) Mr. Jew called for a volume vote on the first motion. A discussion ensued.

(0:55:29) *Volume vote was taken and results are attached to these minutes.*

Motion by Mr. Bob Feenstra, seconded by Mr. Brian Geye and failed with 25% "Yes" votes.

Moved to approve the request for continued Watermaster assistance with a response to the feedback from the Agricultural and Non-Agricultural Pools on documents regarding Business Items II.B.1 – II.B.3. A revised version of the documents that is responsive to the two Pools should be developed and brought back to Pools and Watermaster process next month.

(0:58:09) Mr. Poulsen reintroduced his substitute motion, seconded by Mr. Cris Fealy. Additional discussion ensued.

(1:05:10) Mr. Poulsen distributed a document representing work product of the six parties to the appeal; Watermaster was requested to distribute the document to all parties. A discussion ensued.

(1:20:38) *Vote Taken*

Motion by Mr. Darron Poulsen, seconded by Mr. Cris Fealy, and by unanimous vote.

Moved to approve the request for continued Watermaster assistance responsive to feedback from the Agricultural Pool, the Non-Agricultural Pool, and the Appropriative Pool, on documents regarding Business Items II.B.1 – II.B.3 (including the document from Mr. Poulsen). Bring back a revised version of a document to the Pools and Advisory Committee next month for discussion and possible action; a draft document that would address substance and process on how to resolve all the known issues regarding the Safe Yield Reset.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. July 24, 2018 Hearing
3. Overlying (Agricultural) Pool Committee's Consolidated and Amended Contests
4. General Manager Performance Evaluation

(0:03:30) Mr. Herrema gave a report.

B. ENGINEER REPORT

- 1. Storage Framework
- 2. Ground-Level Monitoring Committee Annual Report

(0:05:45) Mr. Malone announced that the Engineer's Report is unchanged from the Pool meetings last week, and the reports will be given at the Board meeting.

C. CFO REPORT

- 1. Audit of FY 2016/17 Groundwater Recharge O&M Expenses
- 2. Watermaster FTP Site

(0:06:02) Mr. Joswiak announced that his items are also unchanged since the Pool meetings last week.

D. GM REPORT

- 1. SGMA Update
- 2. Recharge Master Plan Update
- 3. RMPU Project 23a Grant
- 4. Other

(0:06:18) Mr. Kavounas announced that the GM's Report is unchanged since the Pool meetings last week.

E. INLAND EMPIRE UTILITIES AGENCY

- 1. MWD Update (Written)
- 2. State and Federal Legislative Reports (Written)
- 3. Community Outreach/Public Relations Report (Written)

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

None

IV. INFORMATION

- 1. Cash Disbursements for June 2018

V. COMMITTEE MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

None

ADJOURNMENT

Vice-Chair Corbin adjourned the Advisory Committee meeting at 11:07 a.m.

Secretary: _____

Approved: _____



2018 ADVISORY COMMITTEE VOLUME VOTE

Assessment Year 2017-2018 (Production Year 2016-2017)

**QUORUM
MET?**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Available	Quorum	Total Yes
Minor 1	Y	N	3.064				0.000
Minor 2	Y	N	3.064				0.000
Chino Hills, City Of	Y	N	2.425				0.000
Chino, City Of	Y	N	2.936				0.000
Cucamonga Valley Water District	Y	N	10.025				0.000
Fontana Union Water Company	Y	N	4.371				0.000
Fontana Water Company	Y	N	6.041				0.000
Jurupa Community Services District	Y	N	6.434				0.000
Monte Vista Water District	Y	N	6.428				0.000
Ontario, City Of	Y	N	16.425				0.000
Pomona, City Of	Y	N	11.347				0.000
Upland, City Of	Y	N	2.439				0.000
AGRICULTURAL POOL	Y	Y	20.000				20.000
NON-AGRICULTURAL POOL	Y	Y	5.000				5.000
			100.000				25.000

P5

CALCULATE QUORUM	CALCULATE VOTES
RESET ALL	RESET VOTES

"YES" VOTES
25.000%

"NO" VOTES
75.000%

NOT PASSED

LESS THAN 50 YES VOTES

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CHINO BASIN WATERMASTER

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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: August 16, 2018
TO: Advisory Committee
SUBJECT: Cash Disbursement Report - Financial Report B1 (June 30, 2018)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – August 16, 2018: Receive and File

Watermaster Board – August 23, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – August 9, 2018: Received and filed

Non-Agricultural Pool – August 9, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – August 9, 2018: Received and filed

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 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 June 2018 were \$338,727.66.

The most significant expenditure during the month was to Brownstein Hyatt Farber Schreck in the amount of \$113,690.22 (check number 20857 dated June 22, 2018).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	06/02/2018	06/02/2018	Payroll and Taxes for 05/20/18-06/02/18	Payroll and Taxes for 05/20/18-06/02/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 05/20/18-06/02/18	1012 · Bank of America Gen'l Ckg	30,882.64
				Payroll Taxes for 05/20/18-06/02/18	1012 · Bank of America Gen'l Ckg	10,647.12
			ICMA-RC	457(b) Employee Deductions for 05/20/18-06/02/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 05/20/18-06/02/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						47,571.08
Bill Pmt -Check	06/05/2018	06/05/2018	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	05/14/2018	1394905143		1394905143	60182.1 · Medical Insurance	8,440.38
TOTAL						8,440.38
Bill Pmt -Check	06/07/2018	20828	ACCENT COMPUTER SOLUTIONS, INC.	Miscellaneous Computer Services	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	121853		Wilson desktop - balance due	6055 · Computer Hardware	936.22
Bill	06/01/2018	121702		Monthly Service - June 2018	6052.4 · IT Managed Services	4,226.00
				Overwatch - June 2018	6052.5 · IT Data Backup/Storage	699.00
				OmniCloud - June 2018	6052.5 · IT Data Backup/Storage	108.00
				Office 365 subscriptions - June 2018	6054 · Computer Software	33.20
TOTAL						6,002.42
Bill Pmt -Check	06/07/2018	20829	APPLIED COMPUTER TECHNOLOGIES	2975	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	2975		Database Consulting Services - May 2018	6052.2 · Applied Computer Technol	3,315.40
TOTAL						3,315.40
Bill Pmt -Check	06/07/2018	20830	CENTURYLINK	70631970	1012 · Bank of America Gen'l Ckg	
Bill	05/25/2018	70631970		5/17/18-6/16/18	6053 · Internet Expense	1,051.36
TOTAL						1,051.36
Bill Pmt -Check	06/07/2018	20831	CHEF DAVE'S CAFE & CATERING	8265	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2018	8265		Lunch for 5/24/18 Watermaster Board meeting	6312 · Meeting Expenses	619.54
TOTAL						619.54
Bill Pmt -Check	06/07/2018	20832	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/07/2018	5/07 Conf Call		5/07/18 Call w/GM, attorneys re Settlement Propose	6311 · Board Member Compensation	125.00
Bill	05/16/2018	5/16 Conf Call		5/16/18 Call w/GM, attorneys re Settlement Propose	6311 · Board Member Compensation	125.00
Bill	05/21/2018	5/21 Conf Call		5/21/18 Call w/GM, attorneys re Settlement Propose	6311 · Board Member Compensation	125.00
Bill	05/22/2018	5/22 Personnel Comm		5/22/18 Personnel Committee meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2018	5/24 Board Meeting		5/24/18 Board meeting	6311 · Board Member Compensation	125.00
Bill	05/31/2018	5/31 Personnel Comm		5/31/18 Personnel Committee meeting	6311 · Board Member Compensation	125.00
TOTAL						750.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/07/2018	20833	EGOSCUE LAW GROUP, INC.	11967	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	11967		Ag Pool Legal Services - May 2018	8467 · Ag Legal & Technical Services	28,862.50
TOTAL						28,862.50
Bill Pmt -Check	06/07/2018	20834	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2018	5/11 AG Pool Mtg		5/11/18 Ag Pool meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/17/2018	5/17 Advisory Comm		5/17/18 Advisory Committee meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/22/2018	5/22 Personnel Comm		5/22/18 Personnel Committee meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	05/31/2018	5/31 Personnel Comm		5/31/18 Personnel Committee meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	06/07/2018	20835	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/07/2018	5/07 Admin Mtg w/GM		5/07/18 meeting w/GM	6311 · Board Member Compensation	125.00
Bill	05/21/2018	5/21 Admin mtg w/GM		5/21/18 meeting w/GM, J.Pierson	6311 · Board Member Compensation	125.00
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
P10						
Bill Pmt -Check	06/07/2018	20836	GEYE, BRIAN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2018	5/01 Budget Mtg		5/01/18 Budget meeting	6311 · Board Member Compensation	125.00
Bill	05/17/2018	5/17 RMPU Comm		5/17/18 RMPU Steering Committee meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	06/07/2018	20837	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2018	5/11 Ag Pool mtg		5/11/18 Ag Pool Meeting	8411 · Compensation	25.00
				5/11/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	06/07/2018	20838	PARKER, KATHERINE	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	06/07/2018	20839	PAYCHEX	1018053100	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	2018053100		May 2018	6012 · Payroll Services	329.26
TOTAL						329.26
Bill Pmt -Check	06/07/2018	20840	PETTY CASH	2723-2736	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	2723-2736		Purchase miscellaneous office supplies	6031.7 · Other Office Supplies	133.81
				Lunch for Storage Framework Workshop	6909.1 · OBMP Meetings	74.74

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				Supplies for staff meetings	6141.3 · Admin Meetings	62.00
				AT and PK meetings w/TVMWD	8312 · Meeting Expenses	66.45
TOTAL						337.00
Bill Pmt -Check	06/07/2018	20841	PIERSON, JEFFREY	Board and Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2018	5/11 Ag Pool Mtg		5/11/18 Ag Pool meeting	8411 · Compensation	125.00
Bill	05/17/2018	5/17 Advisory Comm		5/17/18 Advisory Committee meeting	8411 · Compensation	125.00
Bill	05/17/2018	5/17 RIPCom Mtg		5/17/18 RIPCom meeting	8411 · Compensation	125.00
Bill	05/21/2018	5/21 Admin mtg w/GM		5/21/18 Administrative meeting w/GM	8411 · Compensation	125.00
Bill	05/22/2018	5/22 Personnel Comm		5/22/18 Personnel Committee meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board meeting	6311 · Board Member Compensation	125.00
Bill	05/31/2018	5/31 Personnel Comm		5/31/18 Personnel Committee meeting	6311 · Board Member Compensation	125.00
TOTAL						875.00
Bill Pmt -Check	06/07/2018	20842	PREMIERE GLOBAL SERVICES	25886809	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	25886809		DRO water transfer call on 4/27	6909.1 · OBMP Meetings	22.85
				Pomona extensometer call on 4/30	6909.1 · OBMP Meetings	6.20
				Pomona extensometer call on 4/30	6909.1 · OBMP Meetings	13.38
				Pools agenda prep call on 5/01	8312 · Meeting Expenses	3.42
				Pools agenda prep call on 5/01	8412 · Meeting Expenses	3.41
				Pools agenda prep call on 5/01	8512 · Meeting Expense	3.41
				WM matters call on 5/03	6909.1 · OBMP Meetings	9.72
				WM coordination call on 5/07	6909.1 · OBMP Meetings	6.21
				Non-Ag Pool mtg call on 5/10	8512 · Meeting Expense	18.03
				WM coordination call on 5/14	6909.1 · OBMP Meetings	6.20
				Pomona extensometer call on 5/21	6909.1 · OBMP Meetings	7.61
				HCP call on 5/23	6909.1 · OBMP Meetings	14.26
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				WM coordination call on 4/30	6909.1 · OBMP Meetings	15.47
				Pomona extensometer call on 5/07	6909.1 · OBMP Meetings	17.40
				Board agenda preview call on 5/15	6312 · Meeting Expenses	8.91
				WM coordination call on 5/16	6909.1 · OBMP Meetings	6.22
				GSA Summit Session prep call on 5/21	6909.1 · OBMP Meetings	11.36
				WM coordination call on 5/21	6909.1 · OBMP Meetings	6.21
				Board agenda preview call on 5/22	6312 · Meeting Expenses	14.98
				Review court ruling re independent contractors on 5	6909.1 · OBMP Meetings	11.30
				Service fee	6022 · Telephone	11.36
TOTAL						315.91

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/07/2018	20843	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	05/24/2018	0023230253		Office Water Bottle - May 2018	6031.7 · Other Office Supplies	55.88
TOTAL						55.88
Bill Pmt -Check	06/07/2018	20844	RR FRANCHISING, INC.	56796	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2018	56796		Monthly service June 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	06/07/2018	20845	STAPLES BUSINESS ADVANTAGE	Miscellaneous office supplies	1012 · Bank of America Gen'l Ckg	
Bill	05/19/2018	8049974710		Miscellaneous office supplies	6031.7 · Other Office Supplies	125.82
Bill	05/26/2018	8050056620		Miscellaneous office supplies	6031.7 · Other Office Supplies	46.32
TOTAL						172.14
Bill Pmt -Check	06/07/2018	20846	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2018	1970970-17		Monthly premium 5/26/18-6/26/18	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	06/07/2018	20847	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	7076224530355049		May 2018	6175 · Vehicle Fuel	99.33
TOTAL						99.33
Bill Pmt -Check	06/07/2018	20848	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2018	001017890001		Vision Insurance Premium - June 2018	60182.2 · Dental & Vision Ins	88.20
TOTAL						88.20
Bill Pmt -Check	06/07/2018	20849	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2018	08-k2 213849		June 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						117.14
Bill Pmt -Check	06/08/2018	ACH 060818	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/02/2018	06/02/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 05/20/18-06/02/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	06/14/2018	20850	TELLEZ-FOSTER, EDGAR	Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018			Promissory note per agreement June 13, 2018	6011 · WM Staff Salaries	3,000.00
TOTAL						3,000.00
Bill Pmt -Check	06/14/2018	ACH 071018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	15331254		1959 Survivor Billing-Plan 3299	60180 · Employers PERS Expense	312.00
Bill	06/14/2018	15332302		1959 Survivor Billing-Plan 27239	60180 · Employers PERS Expense	249.60

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						561.60
Check	06/15/2018	06/15/2018	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	599.63
TOTAL						599.63
Bill Pmt -Check	06/15/2018	20851	ACCENT COMPUTER SOLUTIONS, INC.	Miscellaneous Computer Services	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	122017		Zapien laptop - balance due	6055 · Computer Hardware	1,395.74
Bill	05/31/2018	122016		Cloud storage - FTP replacement	6052.5 · IT Data Backup/Storage	75.00
TOTAL						1,470.74
Bill Pmt -Check	06/15/2018	20852	ACWA JOINT POWERS INSURANCE AUTHORITY\0557000		1012 · Bank of America Gen'l Ckg	
Bill	06/10/2018	0557000		Prepayment - July 2018	1409 · Prepaid Life, BAD&D & LTD	230.31
				June 2018	60191 · Life & Disab.Ins Benefits	221.93
TOTAL						452.24
Bill Pmt -Check	06/15/2018	20853	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	XXXX-XXXX-XXXX-9341		Wilson desktop-50% deposit	6055 · Computer Hardware	792.83
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.75
				ViewSonic monitors-replacement for CFO	6055 · Computer Hardware	295.97
				Winzip 22 software for CFO	6054 · Computer Software	26.62
				Fastrack account replenishment	6174 · Public Transportation	26.67
				ViewSonic monitors-replacement for Sr. Accountant	6055 · Computer Hardware	252.39
				Miscellaneous office supplies	6031.7 · Other Office Supplies	313.52
				JJ reg.-10/22-10/24, CalPers Educational Forum	6193.2 · Conference - Registration Fee	310.21
				Parking for PK to travel to Sacramento	6191 · Conferences - General	16.00
				PK meeting w/G. Filippi	6312 · Meeting Expenses	40.34
				Lunch for 5/10/18 Ag and Non-Ag Pool discussion	8412 · Meeting Expenses	51.55
				Lunch for 5/10/18 Ag and Non-Ag Pool discussion	8512 · Meeting Expense	51.55
				Parking for PK to travel to ACWA Spring Conference	6191 · Conferences - General	32.00
				Hotel for PK to attend ACWA Spring Conference	6191 · Conferences - General	574.01
				Order deposit stamp for office	6031.7 · Other Office Supplies	49.77
				Lunch for Ag Pool meeting on 5/11/18	8412 · Meeting Expenses	84.75
				PK meeting w/B. Kuhn	6312 · Meeting Expenses	24.43
				Miscellaneous office supplies	6031.7 · Other Office Supplies	14.63
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.11
				PK meeting w/C. Berch, IEUA	8312 · Meeting Expenses	24.55
				Miscellaneous office supplies	6031.7 · Other Office Supplies	12.39
				Charged a second time - refund above	8312 · Meeting Expenses	24.55
				PK meeting w/D. Poulsen	8312 · Meeting Expenses	38.23

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				PK meeting w/S. Burton, G. Gienger	8312 · Meeting Expenses	31.61
				PK registration for 6/06/18 First Annual Groundwater	6193.2 · Conference - Registration Fee	191.11
				PK parking for 5/23/18 meeting w/RWQCB	8312 · Meeting Expenses	3.33
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.98
				Laptop bag and external CD drive	6031.7 · Other Office Supplies	67.53
				Renew Costco membership	6111 · Membership Dues	159.99
				Miscellaneous office supplies	6031.7 · Other Office Supplies	42.84
				Miscellaneous office supplies	6031.7 · Other Office Supplies	13.63
				PK meeting w/T. Sandoval, D. Poulsen	8312 · Meeting Expenses	36.88
				PK meeting w/R. Hoerning	8312 · Meeting Expenses	24.04
				Miscellaneous office supplies	6031.7 · Other Office Supplies	8.88
TOTAL						3,659.64
Bill Pmt -Check	06/15/2018	20854	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/11/2018	5/11 Ag Pool mtg		5/11/18 Ag Pool Meeting	8411 · Compensation	25.00
				5/11/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
P14 Bill Pmt -Check	06/15/2018	20855	FIRST LEGAL NETWORK LLC	40018300	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	40018300		Court filings on 5/01/18 and 5/25/18	6061.5 · Court Filing Services	155.88
TOTAL						155.88
Bill Pmt -Check	06/15/2018	20856	JOHN J. SCHATZ	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018			April 2018	8367 · Legal Service	4,056.00
				May 2018	8367 · Legal Service	3,324.00
TOTAL						7,380.00
General Journal	06/16/2018	06/16/2018	Payroll and Taxes for 06/03/18-06/16/18	Payroll and Taxes for 06/03/18-06/16/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/03/18-06/16/18	1012 · Bank of America Gen'l Ckg	29,693.30
				Payroll Taxes for 06/03/18-06/16/18	1012 · Bank of America Gen'l Ckg	9,752.73
			ICMA-RC	457(b) Employee Deductions for 06/03/18-06/16/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 06/03/18-06/16/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						45,487.35
Bill Pmt -Check	06/21/2018	ACH 062118	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/16/2018	06/16/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/03/18-06/16/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	06/22/2018	20857	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	723347		723347	6078 · BHFS Legal - Miscellaneous	22,011.75

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				NRG BK	6078 · BHFS Legal - Miscellaneous	71.10
				Angelica BK	6078 · BHFS Legal - Miscellaneous	106.20
				Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool	18.39
				Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool	18.39
				Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool	36.78
				Federal Express	6078 · BHFS Legal - Miscellaneous	26.68
Bill	05/31/2018	723348		Employee Handbook	6073 · BHFS Legal - Personnel Matters	11,450.25
				Personnel	6073 · BHFS Legal - Personnel Matters	1,756.80
				GM Evaluation	6073 · BHFS Legal - Personnel Matters	6,107.40
				1099 Independent Contractors	6073 · BHFS Legal - Personnel Matters	2,543.40
Bill	05/31/2018	723349		723349	6907.32 · Chino Airport Plume	9,169.65
				Employee Handbook	6073 · BHFS Legal - Personnel Matters	81.00
Bill	05/31/2018	723350		723350	6907.36 · Santa Ana River Habitat	425.25
Bill	05/31/2018	723351		723351	6275 · BHFS Legal - Advisory Committee	935.55
				Mileage/Parking Expense	6275 · BHFS Legal - Advisory Committee	36.78
Bill	05/31/2018	723352		723352	6375 · BHFS Legal - Board Meeting	6,901.20
				Delivery/Ground Transportation	6375 · BHFS Legal - Board Meeting	300.00
Bill	05/31/2018	723353		723353	8375 · BHFS Legal - Appropriative Pool	1,381.05
Bill	05/31/2018	723354		723354	8475 · BHFS Legal - Agricultural Pool	2,227.50
Bill	05/31/2018	723355		723355	8575 · BHFS Legal - Non-Ag Pool	1,381.05
Bill	05/31/2018	723356		723356	6071 · BHFS Legal - Court Coordination	3,589.20
Bill	05/31/2018	723357		723357	6077 · BHFS Legal - Party Status Maint	2,871.45
Bill	05/31/2018	723358		723358	6907.39 · Recharge Master Plan	7,255.80
				Mileage/Parking Expense	6907.39 · Recharge Master Plan	62.17
Bill	05/31/2018	723359		723359	6907.40 · Storage Agreements	5,945.40
				Mileage/Parking Expense	6907.40 · Storage Agreements	36.78
Bill	05/31/2018	723360		723360	6907.41 · Prado Basin Habitat Sustain	2,155.95
Bill	05/31/2018	723361		723361	6907.42 · Safe Yield Recalculation	14,648.85
				Lodging	6907.42 · Safe Yield Recalculation	225.00
Bill	05/31/2018	723362		723362	6907.44 · SGMA Compliance	9,870.75
				Airfare	6907.44 · SGMA Compliance	8.00
				Delivery/Ground Transportation	6907.44 · SGMA Compliance	10.70
				Mileage/Parking Expense	6907.44 · SGMA Compliance	24.00
TOTAL						113,690.22
Bill Pmt -Check	06/22/2018	20858	CORELOGIC INFORMATION SOLUTIONS	81894141	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	81894141		81894141	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81894141	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/22/2018	20859	CUCAMONGA VALLEY WATER DISTRICT	Office Lease	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2018			Office lease due July 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						6,608.80
Bill Pmt -Check	06/22/2018	20860	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	90948438900509145		Office fax	6022 · Telephone	142.52
TOTAL						142.52
Bill Pmt -Check	06/22/2018	20861	GREAT AMERICA LEASING CORP.	22838246	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	22838246		Invoice for June 2018	6043.1 · Ricoh Lease Fee	2,605.07
TOTAL						2,605.07
Bill Pmt -Check	06/22/2018	20862	KESSLER ALAIR INSURANCE SERVICES, INC.	723750	1012 · Bank of America Gen'l Ckg	
Bill	06/18/2018	723750		D&O for June 2018	6085 · Business Insurance Package	1,051.07
				D&O for July 2018-May 2019	1401 · Prepaid Insurance-Pkg	11,736.93
TOTAL						12,788.00
Bill Pmt -Check	06/22/2018	20863	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/07/2018	5/07 JPIA Mtg		5/07/18 JPIA meeting in Sacramento	6311 · Board Member Compensation	125.00
Bill	05/15/2018	5/15 Admin Mtg		5/15/18 Administrative meeting w/PK	6311 · Board Member Compensation	125.00
Bill	05/17/2018	5/17 Advisory Comm		5/17/18 Advisory Committee meeting	6311 · Board Member Compensation	125.00
Bill	05/22/2018	5/22 Exec Comm Call		5/22/18 Conference call w/Personnel Committee	6311 · Board Member Compensation	125.00
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	05/31/2018	5/31 Personnel Comm		5/31/18 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	06/22/2018	20864	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	0111802		Employee deductions - June 2018	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	06/22/2018	20865	LOEB & LOEB LLP	Non-Ag Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	05/30/2018	1769687		April 2018	8567 · Non-Ag Legal Service	3,693.60
Bill	05/31/2018	1774977		May 2018	8567 · Non-Ag Legal Service	2,052.00
TOTAL						5,745.60
Bill Pmt -Check	06/22/2018	20866	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	786.43
TOTAL						786.43
Bill Pmt -Check	06/22/2018	20867	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
June 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2018			Retiree Medical	60182.4 · Retiree Medical	25.17
TOTAL						<u>25.17</u>
Bill Pmt -Check	06/22/2018	20868	ULLOA, EUNICE	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	05/01/2018	5/01 Budget Workshop		5/01/18 Budget Workshop	6311 · Board Member Compensation	125.00
Bill	05/09/2018	5/09 Prado Basin		5/09/18 Prado Basin Habitat Sustainability Comm.	6311 · Board Member Compensation	125.00
Bill	05/10/2018	5/10 Appropriative		5/10/18 Appropriative Pool meeting	6311 · Board Member Compensation	125.00
Bill	05/24/2018	5/24 Board Mtg		5/24/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	06/22/2018	20869	UNITED HEALTHCARE	052584525743	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	052584525743		Dental Insurance Premium - July 2018	60182.2 · Dental & Vision Ins	749.75
TOTAL						<u>749.75</u>
Bill Pmt -Check	06/22/2018	20870	VERIZON WIRELESS	9808454769	1012 · Bank of America Gen'l Ckg	
Bill	06/19/2018	9808454769		Acct #470810953-00001	6022 · Telephone	297.55
TOTAL						<u>297.55</u>
Bill Pmt -Check	06/22/2018	20871	MONTE VISTA WATER DIST	SCADA Installation, Monitoring Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018			SCADA Installation, Monitoring Reim. - May 2018	7107.63 · Grd Level-MVWD SCADA Reimburse	9,906.25
TOTAL						<u>9,906.25</u>
Bill Pmt -Check	06/26/2018	ACH 062618	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	06/01/2018	15313066		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	4,348.52
TOTAL						<u>4,348.52</u>
General Journal	06/30/2018	06/30/2018	Wage Works FSA Direct Debits - June 2018	Wage Works FSA Direct Debits - June 2018	1012 · Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - June 2018	1012 · Bank of America Gen'l Ckg	696.15
				Wage Works FSA Direct Debits - June 2018	1012 · Bank of America Gen'l Ckg	696.15
				Wage Works FSA Direct Debits - June 2018	1012 · Bank of America Gen'l Ckg	81.50
TOTAL						<u>1,473.80</u>
					Total Disbursements:	<u><u>338,727.66</u></u>

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: VISA Check Detail Report - Financial Report B2 (June 30, 2018)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – August 16, 2018: Receive and File

Watermaster Board – August 23, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – August 9, 2018: Received and filed

Non-Agricultural Pool – August 9, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – August 9, 2018: Received and filed

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 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 June 2018 were \$3,659.64. The payment was processed in the amount of \$3,659.64 (by check number 20853 dated June 15, 2018). The monthly charges for June 2018 of \$3,659.64 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
 VISA Check Detail Report
 June 2018

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	06/15/2018	20853	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	XXXX-XXXX-XXXX-9341		Wilson desktop-50% deposit	6055 · Computer Hardware	792.83
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.75
				ViewSonic monitors-replacement for CFO	6055 · Computer Hardware	295.97
				Winzip 22 software for CFO	6054 · Computer Software	26.62
				Fastrack account replenishment	6174 · Public Transportation	26.67
				ViewSonic monitors-replacement for Sr. Accountant	6055 · Computer Hardware	252.39
				Miscellaneous office supplies	6031.7 · Other Office Supplies	313.52
				JJ reg.-10/22-10/24, CalPers Educational Forum	6193.2 · Conference - Registration Fee	310.21
				Parking for Pk to travel to Sacramento	6191 · Conferences - General	16.00
				PK meeting w/G. Filippi	6312 · Meeting Expenses	40.34
				Lunch for 5/10/18 Ag and Non-Ag Pool discussion	8412 · Meeting Expenses	51.55
				Lunch for 5/10/18 Ag and Non-Ag Pool discussion	8512 · Meeting Expense	51.55
				Parking for PK to travel to ACWA Spring Conference	6191 · Conferences - General	32.00
				Hotel for PK to attend ACWA Spring Conference	6191 · Conferences - General	574.01
				Order deposit stamp for office	6031.7 · Other Office Supplies	49.77
				Lunch for Ag Pool meeting on 5/11/18	8412 · Meeting Expenses	84.75
				PK meeting w/B. Kuhn	6312 · Meeting Expenses	24.43
				Miscellaneous office supplies	6031.7 · Other Office Supplies	14.63
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.11
				PK meeting w/C. Berch, IEUA	8312 · Meeting Expenses	24.55
				Miscellaneous office supplies	6031.7 · Other Office Supplies	12.39
				Charged a second time - refund above	8312 · Meeting Expenses	24.55
				PK meeting w/D. Poulsen	8312 · Meeting Expenses	38.23
				PK meeting w/S. Burton, G. Gienger	8312 · Meeting Expenses	31.61
				PK reg.-6/06/18 First Annual GW Sustainability Agency Summit	6193.2 · Conference - Registration Fee	191.11
				PK parking for 5/23/18 meeting w/RWQCB	8312 · Meeting Expenses	3.33
				Miscellaneous office supplies	6031.7 · Other Office Supplies	7.98
				Laptop bag and external CD drive	6031.7 · Other Office Supplies	67.53
				Renew Costco membership	6111 · Membership Dues	159.99
				Miscellaneous office supplies	6031.7 · Other Office Supplies	42.84
				Miscellaneous office supplies	6031.7 · Other Office Supplies	13.63
				PK meeting w/T. Sandoval, D. Poulsen	8312 · Meeting Expenses	36.88
				PK meeting w/R. Hoerning	8312 · Meeting Expenses	24.04
				Miscellaneous office supplies	6031.7 · Other Office Supplies	8.88
				Total Disbursements:		3,659.64

TOTAL

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through June 30, 2018 - Financial Report B3 (June 30, 2018)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – August 16, 2018: Receive and File

Watermaster Board – August 23, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – August 9, 2018: Received and filed

Non-Agricultural Pool – August 9, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – August 9, 2018: Received and filed

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2017 through June 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 JUNE 30, 2018

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER REPLENISHMENT	LAIF VALUE ADJ.	GASB 68 BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2017-2018
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL					
Administrative Revenues:										
Administrative Assessments			8,407,584		360,243			8,767,827	11,607,166	
Interest Revenue			152,265	6,931	1,757			160,953	39,906	
Mutual Agency Project Revenue	193,622							193,622	191,626	
Miscellaneous Income	87							87	0	
Total Revenues	193,709	-	8,559,849	6,931	362,000	-	-	9,122,489	11,838,698	
Administrative & Project Expenditures:										
Watermaster Administration	1,823,566							1,823,566	1,587,994	
Watermaster Board-Advisory Committee	172,281							172,281	197,454	
Ag Pool Misc. Expense - Ag Fund				57				57	400	
Pool Administration			113,185	371,750	93,678			578,613	621,405	
Optimum Basin Mgmt Administration		1,118,624						1,118,624	1,191,142	
OBMP Project Costs		3,211,873						3,211,873	5,544,630	
Debt Service		457,644						457,644	515,375	
Basin Recharge Improvements		857,731						857,731	6,692,293	
Total Administrative/OBMP Expenses	1,995,848	5,645,872	113,185	371,750	93,678	-	-	8,220,389	16,350,693	
Net Administrative/OBMP Expenses	(1,802,138)	(5,645,872)								
Allocate Net Admin Expenses To Pools	<u>1,802,138</u>		1,308,296	427,185	66,657			-	-	
Allocate Net OBMP Expenses To Pools		4,330,497	3,143,805	1,026,516	160,176			-	-	
Allocate Debt Service to App Pool		457,644	457,644					-	-	
Allocate Basin Recharge to App Pool		857,731	857,731					-	-	
Agricultural Expense Transfer*			1,825,452	(1,825,452)				-	-	
Total Expenses			7,706,112	57	320,510	-	-	8,220,389	16,350,693	
Net Administrative Income			853,737	6,874	41,489	-	-	902,100	(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							(8,556)	(8,556)	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	(8,556)	12,354	(392,216)	
Net Transfers To/(From) Reserves	914,454	0	776,977	6,874	41,552	97,607	(8,556)	914,454	(4,119,779)	
Net Assets, July 1, 2017			9,038,790	486,234	45,146	(102,141)	(11,905)	(740,195)	8,715,929	
Net Assets, End of Period			9,815,767	493,108	86,698	(4,534)	(20,461)	(740,195)	9,630,383	9,630,383
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
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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: Treasurer's Report of Financial Affairs for the Period June 1, 2018 through June 30, 2018
- Financial Report B4 (June 30, 2018)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – August 16, 2018: Receive and File

Watermaster Board – August 23, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – August 9, 2018: Received and filed

Non-Agricultural Pool – August 9, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – August 9, 2018: Received and filed

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period June 1, 2018 through June 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
JUNE 1, 2018 THROUGH JUNE 30, 2018**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash		\$		500
Bank of America				
Governmental Checking-Demand Deposits	\$	668,805		
Zero Balance Account - Payroll		-		668,805
Trust Account - County of San Bernardino				845
Local Agency Investment Fund - Sacramento				10,903,013
TOTAL CASH IN BANKS AND ON HAND	6/30/2018			\$ 11,573,163
TOTAL CASH IN BANKS AND ON HAND	5/31/2018			11,920,446
PERIOD INCREASE (DECREASE)				\$ (347,284)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:	Accounts Receivable	\$	(78,375)
	Assessments Receivable		-
	Prepaid Expenses, Deposits & Other Current Assets		(323)
(Decrease)/Increase in Liabilities	Accounts Payable		127,516
	Accrued Payroll, Payroll Taxes & Other Current Liabilities		25,716
	Long Term Liabilities		2,704
	Transfer to/(from) Reserves		(424,520)
PERIOD INCREASE (DECREASE)			\$ (347,284)

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 5/31/2018	\$ 500	\$ 557,532	\$ -	\$ 845	\$ 11,361,569	\$ 11,920,446
Deposits	-	450,000	-	-	-	450,000
Transfers	-	(121,371)	(80,976)	-	(450,000)	(652,347)
Withdrawals/Checks	-	(217,357)	80,976	-	(8,556)	(144,937)
Balances as of 6/30/2018	\$ 500	\$ 668,805	\$ -	\$ 845	\$ 10,903,013	\$ 11,573,163
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 111,272	\$ -	\$ -	\$ (458,556)	\$ (347,284)

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

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
6/28/2018	Withdrawal		(450,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (450,000)	\$0			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.90% was the effective yield rate at the Quarter ended June 30, 2018.

INVESTMENT STATUS
 June 30, 2018

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 10,903,013			
TOTAL INVESTMENTS	\$ 10,903,013			

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

P30



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: Budget vs. Actual Report for the Period July 1, 2017 through June 30, 2018 -
Financial Report B5 (June 30, 2018)

SUMMARY

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

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

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

Future Consideration

Advisory Committee – August 16, 2018: Receive and File

Watermaster Board – August 23, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – August 9, 2018: Received and filed

Non-Agricultural Pool – August 9, 2018: Moved unanimously to receive and file, without approval

Agricultural Pool – August 9, 2018: Received and filed

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2017 through June 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 – JUNE 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 ($\$15,958,477.24 + \$392,216 = \$16,350,693.24$).

Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) in the amount of \$372,000 was approved by the Advisory Committee and adopted by the Watermaster Board on July 26, 2018. Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) was developed to assist in closing the books as of June 30, 2018 and adjust the areas of the FY 2017/18 "Amended" budget which were over budget as of June 30, 2018. The (3) three budget adjustments required were as follows: (1) the Agricultural Pool Legal Services budget (account 8467) required an additional funding of \$100,000 which increased the total FY 2017/18 budget (account 8467) from \$205,000 to \$305,000; (2) the BHFS Legal Services budget (account 6078) required an additional funding of \$27,000 which increased the total FY 2017/18 BHFS Legal Services budget from \$964,783 to \$991,783; (3) the BHFS Legal Services budget (account 6078) required an additional funding of \$245,000 which was reallocated from other administrative and BHFS accounts.

The Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) was a zero-based document, which means the reductions and additions within the general ledger accounts were equal. The Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) was recorded during the accounting period of June 30, 2018. Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) does not change the overall "Amended" FY 2017/18 Budget of \$16,350,693.24.

Year-To-Date (YTD) for the twelve months ending June 30, 2018, all but two categories were at or below the projected budget. The categories over budget were: (1) the Administration Salary/Benefits expenses (6010's) which were over budget by \$73,873 or 7.2% 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. At fiscal year-end, the vacation, sick, and administrative leave accrued balances by employee were adjusted as increases to the accrual balances and the correct ending balances have been recorded on the Balance Sheet as a Current Liability. For fiscal year-end as of June 30, 2018 the general journal adjustment amount to reconcile the accruals was \$33,708. This is a standard accounting journal entry that is completed each fiscal year. These year-end journal entries of \$33,708 increased the Watermaster Salary categories of sick leave balances by \$28,291 (account 60186.1); administrative leave balances by \$525 (account 60185.2); and vacation leave balances by \$4,892 (account 60185.3) as of June 30, 2018.

The other category above budget was the Depreciation Expenses (9400's) over budget by \$10,057 or 100%. The Depreciation Expense (9400's) is booked at year-end as part of the financial reporting closing entries. Historically, Watermaster has not budgeted for the depreciation expense at year-end because

this expense is not a "cash" transaction (an expense paid to a vendor or entity), but an accounting adjustment to the balance sheet and the income statement.

Overall, the Watermaster (YTD) Actual Expenses were \$8,130,304 or 49.7% below the (YTD) Budgeted Expenses of \$16,350,693.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

May 2018:

Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) in the amount of \$372,000 has been prepared for approval by the Watermaster Pools, Advisory Committee, and Board for the meetings scheduled in July 2018 (See Business Item II.A.). Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) was developed to assist in closing the books as of June 30, 2018 and adjust the areas of the FY 2017/18 "Amended" budget which are currently over budget or projected to be over budget as of June 30, 2018. The (3) three budget adjustments required are the following: (1) the Agricultural Pool Legal Services budget (account 8467) requires an additional funding of \$100,000 which brings the total FY 2017/18 budget (account 8467) from \$205,000 to \$305,000; (2) the BHFS Legal Services budget (account 6078) requires an additional funding of \$27,000 which brings the total FY 2017/18 BHFS Legal Services budget from \$964,783 to \$991,783; (3) the BHFS Legal Services budget (account 6078) requires an additional funding of \$245,000 which is being reallocated from other administrative and BHFS accounts.

The Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) is a zero-based document, which means the reductions and additions within the general ledger accounts were equal. The Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) will be recorded during the accounting period of June 30, 2018.

Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) does not change the overall "Amended" FY 2017/18 Budget of \$16,350,693.24.

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 – JUNE 2018

As of June 30, 2018, the total (YTD) Watermaster salary expenses were \$20,097 or 1.1% below the (YTD) budgeted amount of \$1,771,347. 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 June 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 - Jun '18 Actual	Jul '17 - Jun '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	1,076,087.45	966,354.00	109,733.45	111.36%	966,354.00
6011.1 · WM Staff Salaries - Overtime	10,014.15	0.00	10,014.15	100.0%	0.00
6011.4 · 457(f) NQDC Plan	32,563.99	23,710.00	8,853.99	137.34%	23,710.00
6015 · Miscellaneous Payments	0.00	0.00	0.00	0.0%	0.00
6017 · Temporary Services	0.00	21,000.00	-21,000.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	20,742.22	24,708.00	-3,965.78	83.95%	24,708.00
6301 · Watermaster Board - WM Staff Salaries	36,097.92	37,863.00	-1,765.08	95.34%	37,863.00
8301 · Appropriative Pool - WM Staff Salaries	40,272.66	33,842.00	6,430.66	119.0%	33,842.00
8401 · Agricultural Pool - WM Staff Salaries	21,446.95	29,853.00	-8,406.05	71.84%	29,853.00
8501 · Non-Agricultural Pool - WM Staff Salaries	15,907.12	19,557.00	-3,649.88	81.34%	19,557.00
6901 · OBMP - WM Staff Salaries	60,673.64	91,832.00	-31,158.36	66.07%	91,832.00
7101.1 · Production Monitor - WM Staff Salaries	67,540.07	69,992.00	-2,451.93	96.5%	69,992.00
7102.1 · In-line Meter - WM Staff Salaries	1,565.02	10,197.00	-8,631.98	15.35%	10,197.00
7103.1 · Grdwater Quality - WM Staff Salaries	22,253.70	39,574.00	-17,320.30	56.23%	39,574.00
7104.1 · Grdwater Level - WM Staff Salaries	57,933.91	40,022.00	17,911.91	144.76%	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	5,271.71	0.00	5,271.71	100.0%	0.00
7108.1 · Hydraulic Control - WM Staff Salaries	430.12	3,356.00	-2,925.88	12.82%	3,356.00
7108.11 · Prado Basin - WM Staff Salaries	3,506.17	6,219.00	-2,712.83	56.38%	6,219.00
7201 · Comp Recharge - WM Staff Salaries	62,606.86	94,978.00	-32,371.14	65.92%	94,978.00
7301 · PE3&5 - WM Staff Salaries	0.00	16,017.00	-16,017.00	0.0%	16,017.00
7401 · PE4 - WM Staff Salaries	532.02	9,747.00	-9,214.98	5.46%	9,747.00
7501 · PE6&7 - WM Staff Salaries	7,318.95	4,759.00	2,559.95	153.79%	4,759.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	5,338.00	-5,338.00	0.0%	5,338.00
7601 · PE8&9 - WM Staff Salaries	11,974.11	47,656.00	-35,681.89	25.13%	47,656.00
Subtotal WM Staff Costs	1,554,738.74	1,596,574.00	-41,835.26	97.38%	1,596,574.00
60185 · Vacation	83,410.22	72,497.00	10,913.22	115.05%	72,497.00
60185.2 · Comp Time Accrual Adjustment	525.51	0.00	525.51	100.0%	0.00
60185.3 · Vacation Accrual Adjustment	4,891.88	0.00	4,891.88	100.0%	0.00
60186 · Sick Leave	25,503.07	51,138.00	-25,634.93	49.87%	51,138.00
60186.1 · Sick Leave Accrual Adjustment	28,291.07	0.00	28,291.07	100.0%	0.00
60187 · Holidays	53,889.53	51,138.00	2,751.53	105.38%	51,138.00
Subtotal WM Paid Leaves	196,511.28	174,773.00	21,738.28	112.44%	174,773.00
Total WM Salary Costs	1,751,250.02	1,771,347.00	-20,096.98	98.87%	1,771,347.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – JUNE 2018

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.

Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) in the amount of \$372,000 was approved by the Advisory Committee and adopted by the Watermaster Board on July 26, 2018. Fiscal Year 2017/18 Budget Transfer (Form T-18-06-01) was developed to assist in closing the books as of June 30, 2018 and adjust the areas of the FY 2017/18 "Amended" budget which were over budget or projected to be over budget as of June 30, 2018. The BHFS Legal Services budget (account 6078) required an additional funding of \$27,000 which increased the total FY 2017/18 BHFS Legal Services budget from \$964,783 to \$991,783. The BHFS Leal Services budget (account 6078) also required an additional funding of \$245,000 which was reallocated to the BHFS accounts.

As of June 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 \$390 or 0.04% below the (YTD) budgeted amount of \$991,783.

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of June 30, 2018, was \$27,431 or 6.1% below the budgeted amount of \$448,075. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the Rules and Regulations (6072) under budget by \$13,727 or 90.5%; Interagency Issues (6074) under budget by \$30,600 or 100.0%; and the Miscellaneous Category expenses (6078) under budget by \$22,564 or 7.3%. Please see Note 1 on the following page for a more detailed explanation of the miscellaneous types of expenses.

The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the expenses for the Court Coordination expenses (6071) over budget by \$5,642 or 13.7%; Personnel Matter (6073) over budget by \$30,817 or 123.3%; and Party Status Maintenance (6077) over budget by \$3,001 or 10.5%;

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 June 30, 2018 was \$28,343 or 17.8% below the budgeted amount of \$159,233. 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 above the budget for the month. As of June 30, 2018 the category of OBMP legal expenses were \$55,385 or 14.4% above the budgeted amount of \$384,475. 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 \$15,471 or 59.0%; the Recharge Master Plan expenses (6907.39) were over budget by \$7,773 or 30.2%; the Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$127,599 or 184.4%; the SGMA Compliance expenses (6907.44) were over budget by \$2,346 or 5.4%; 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 June 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 - Jun '18 Actual	Jul '17 - Jun '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	46,891.55	41,250.00	5,641.55	113.68%	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	55,817.42	25,000.00	30,817.42	223.27%	25,000.00
6074 · BHFS Legal - Interagency Issues	0.00	30,600.00	-30,600.00	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	31,700.65	28,700.00	3,000.65	110.46%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	284,786.30	307,350.00	-22,563.70	92.66%	307,350.00
Total 6070 · Watermaster Legal Services	420,643.57	448,075.00	-27,431.43	93.88%	448,075.00
6275 · BHFS Legal - Advisory Committee	10,609.47	18,700.00	-8,090.53	56.74%	18,700.00
6375 · BHFS Legal - Board Meeting	70,157.05	77,220.00	-7,062.95	90.85%	77,220.00
6375.1 · BHFS Legal - Board Workshop(s)	0.00	3,163.00	-3,163.00	0.0%	3,163.00
8375 · BHFS Legal - Appropriative Pool	16,031.67	16,050.00	-18.33	99.89%	16,050.00
8475 · BHFS Legal - Agricultural Pool	18,305.42	28,050.00	-9,744.58	65.26%	28,050.00
8575 · BHFS Legal - Non-Ag Pool	15,786.29	16,050.00	-263.71	98.36%	16,050.00
Total BHFS Legal Services	130,889.90	159,233.00	-28,343.10	82.2%	159,233.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	10,607.85	24,500.00	-13,892.15	43.3%	24,500.00
6907.33 · Desalter/Hydraulic Control	3,024.00	21,525.00	-18,501.00	14.05%	21,525.00
6907.34 · Santa Ana River Water Rights	41,670.97	26,200.00	15,470.97	159.05%	26,200.00
6907.36 · Santa Ana River Habitat	10,738.80	11,300.00	-561.20	95.03%	11,300.00
6907.38 · Reg. Water Quality Cntrl Board	5,918.15	14,350.00	-8,431.85	41.24%	14,350.00
6907.39 · Recharge Master Plan	31,772.84	24,400.00	7,372.84	130.22%	24,400.00
6907.40 · Storage Agreements	79,888.62	80,600.00	-711.38	99.12%	80,600.00
6907.41 · Prado Basin Habitat Sustainability	13,068.82	15,200.00	-2,131.18	85.98%	15,200.00
6907.42 · Safe Yield Recalculation	196,798.77	69,200.00	127,598.77	284.39%	69,200.00
6907.44 · SGMA Compliance	45,546.31	43,200.00	2,346.31	105.43%	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	29,500.00	-29,500.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	439,859.98	384,475.00	55,384.98	114.41%	384,475.00
Total Brownstein, Hyatt, Farber, Schreck Costs	991,393.45	991,783.00	-389.55	99.96%	991,783.00

Note 1: The types of legal activities that have been charged against the "Miscellaneous" legal category account 6078 are as follows:
 (1) Correspondence and discussions with Watermaster staff regarding current issues/topics; (2) Correspondence with Watermaster staff regarding special projects (assessment package, replenishment obligations, annual report, audit report, business plan, etc.); (3) Brownstein's status review of ongoing Watermaster projects and issues; (4) Brownstein's update of the outstanding issues list; (5) Coordination of ongoing Watermaster projects; (6) Review of draft documents and contracts; (7) Review transfer documents; (8) Ground-Level Monitoring Committee reports/meetings; (9) Review process and criteria for SGMA reporting; (10) MVWD SCADA Agreement and installation; (11) Angelica Corporation Bankruptcy matter; (12) NRG/GENON Bankruptcy matter; (13) Pomona extensometer project, CEQA review and compliance; (14) Desalter Replenishment obligations, assessment methodologies, and ongoing issues; (15) Master Cost Sharing Agreement with IEUA; (16) Estimation and adoption of an evaporative loss policy for Recharge; (17) CalMat intervention; (18) Angelica's water rights transfer; (19) Exhibit "G" rate issues; (20) Blomquist outline review; and (21) Miscellaneous legal research on current and pending issues.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – JUNE 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 twelve months ending June 30, 2018, the actual expenses of \$1,082,071 were below the budgeted amount of \$1,106,844 by \$24,773 or 2.2%. For a detailed discussion, the following is provided.

For June 30, 2018, the accounts 6901-6903 (Optimum Basin Mgmt. Program) section was below the Year-To-Date (YTD) budget by \$9,991 or 13.0%. 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 \$4,158 or 6.4%. 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 June 30, 2018.

For June 30, 2018, the accounts 6906 (Optimum Basin Mgmt. Program Engineering Services) section was below the Year-To-Date (YTD) budget by \$3,011 or 0.5%. 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 June 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 SGMA Reporting Requirement expenses (6906.23) which were over budget by \$567 or 2.3%; the HCMP Meetings/Technical Review-IEUA Cost expenses (6906.27) which were over budget by \$7,471 or 100.0%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$50,081 or 137.7%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$28,474 or 26.0%; and the OBMP-2018 RMPU Master Update expenses (6906.90) which were over budget by \$22,159 or 34.1%.

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 \$146,241 while some other line item activities were below the budget by \$152,856. Above the budget line items were the Santa Ana River Water Rights expenses of \$15,471; the Safe Yield Redetermination and Reset expenses of \$127,599; the SGMA Compliance expenses of \$2,346; 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 \$24,500; the Chino Airport Plume of \$13,892; the Desalter/Hydraulic Control of \$18,501; the Santa Ana River Habitat expenses of \$561; the Regional Water Quality Control Board of \$8,432; the Recharge Master Plan of \$54,627; Storage Agreements of \$712; the Prado Basin Habitat Sustainability of \$2,131; and the WM Unanticipated legal expenses of \$29,500. For the twelve months ended June 30, 2018, the overall cumulative (YTD) budget was \$446,475 and the actual (BHFS) legal expenses totaled \$439,860 which resulted in an under budget variance of \$6,615 or 1.5%.

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 June 30, 2018 this category of expenses was \$5,156 or 60.7% below the budgeted amount of \$8,500.

The WEI Support for IEUA expenses are categorized within the category (6910's). The individual general ledger accounts are as follows: IRP Groundwater Modeling-WEI expenses (6910.10); As Needed Support for Obtaining Grant Funding of RMPU Projects expenses (6910.11); Preparation of a Compliance Demonstration for Stormwater Recharge expenses (6910.12); Ground Water Velocity Field for the San Sevaime Improvement Project expenses (6910.13); Truing-Up the 2013 RMPU Estimates expenses (6910.14); WEI Support-HCP Modeling expenses (6910.15); and RMPU-MPI Analysis expenses (6910.20). These expenses are billed directly to IEUA on the following month once the payment has been issued to Wildermuth Environmental, Inc. per the agreement. As of June 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 \$1,082,071 compared to a (YTD) budget of \$1,106,844 for an under budget of \$24,773 or 2.2% as of June 30, 2018.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of June 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 - Jun '18 Actual	Jul '17 - Jun '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	60,673.64	64,832.00	-4,158.36	93.59%	64,832.00
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	67,094.64	77,086.00	-9,991.36	87.04%	77,086.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	43,356.60	59,164.00	-15,807.40	73.28%	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	25,528.00	-15,038.85	41.09%	25,528.00
6906.23 · SGMA Reporting Requirements	24,959.35	24,392.00	567.35	102.33%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	2,061.90	7,012.00	-4,950.10	29.41%	7,012.00
6906.27 · HCP Meetings/Tech. Review-IEUA Cost	7,471.50	0.00	7,471.50	100.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	83,151.06	96,950.00	-13,798.94	85.77%	96,950.00
6906.32 · OBMP - Other General Meetings	86,462.02	36,381.00	50,081.02	237.66%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	137,913.85	109,440.00	28,473.85	126.02%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	25,255.95	31,752.00	-6,496.05	79.54%	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	18,490.00	70,000.00	-51,509.90	26.41%	70,000.00
6906.75 · OBMP - Recharge Master Plan	0.00	0.00	0.00	0.0%	0.00
6906.81 · Prepare Annual Reports	15,890.65	20,000.00	-4,109.35	79.45%	20,000.00
6906.90 · OBMP - 2018 RMPU Master Update	87,158.54	65,000.00	22,158.54	134.09%	65,000.00
6906 · OBMP Engineering Services - Other	29,111.30	29,164.00	-52.70	99.82%	29,164.00
Total 6906 · OBMP Engineering Services	571,771.97	574,783.00	-3,011.03	99.48%	574,783.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	24,500.00	-24,500.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	10,607.85	24,500.00	-13,892.15	43.3%	24,500.00
6907.33 · Desalter/Hydraulic Control	3,024.00	21,525.00	-18,501.00	14.05%	21,525.00
6907.34 · Santa Ana River Water Rights	41,670.97	26,200.00	15,470.97	159.05%	26,200.00
6907.36 · Santa Ana River Habitat	10,738.80	11,300.00	-561.20	95.03%	11,300.00
6907.38 · Reg. Water Quality Cntrl Board	5,918.15	14,350.00	-8,431.85	41.24%	14,350.00
6907.39 · Recharge Master Plan	31,772.84	86,400.00	-54,627.16	36.77%	86,400.00
6907.40 · Storage Agreements	79,888.62	80,600.00	-711.38	99.12%	80,600.00
6907.41 · Prado Basin Habitat Sustainability	13,068.82	15,200.00	-2,131.18	85.98%	15,200.00
6907.42 · Safe Yield Recalculation	196,798.77	69,200.00	127,598.77	284.39%	69,200.00
6907.44 · SGMA Compliance	45,546.31	43,200.00	2,346.31	105.43%	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	29,500.00	-29,500.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	439,859.98	446,475.00	-6,615.02	98.52%	446,475.00
Total 6907 · OBMP Legal Fees	439,859.98	446,475.00	-6,615.02	98.52%	446,475.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	1,953.24	1,500.00	453.24	130.22%	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	5,000.00	-5,000.00	0.0%	5,000.00
Total 6909 · OBMP Other Expenses	3,344.24	8,500.00	-5,155.76	39.34%	8,500.00
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 Sevaime 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	1,082,070.83	1,106,844.00	-24,773.17	97.76%	1,106,844.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

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

CURRENT MONTH – JUNE 2018

As of June 30, 2018, the total (YTD) Engineering Services expenses were \$1,719,993 or 41.0% below the (YTD) budget amount of \$4,197,038. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of June 30, 2018, with the exception of the Ground Level-SAR Imagery expenses (7107.3) which were over budget by \$10,492 or 12.1%; Hydraulic Control-PBHSP expenses (7108.31 and 7108.41) which were over budget by \$1,885 or 2.3% and \$896 or 7.5% respectively; Hydraulic Control-Laboratory Services expenses (7108.4) which were over budget by \$2,977 or 29.8%; PE4-Engineering expenses (7402) which were over budget by \$4,218 or 4.1%; and PE6&7-Cooperative Efforts/Salt Management expenses (7502) which were over budget by \$17,479 or 22.1%.

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 final year-end report as of June 30, 2018 showed the total Engineering Services expenses under budget by \$1,719,993 (\$1,594,653 + \$125,340 = \$1,719,993) and of that balance, \$1,594,653 would be "Carried-Over" into the FY 2018/19 budget.

Table 1
Chino Basin Watermaster: Budget Summary for Engineering Tasks for Fiscal Year 2017/18
As of June 30, 2018

Acct #	Description	Original Budget	Revised Budget	Total Previously Billed	IEUA Cost Share Previously Billed	Watermaster Previously Billed	Total June Invoices	IEUA Cost Share June Invoices	Watermaster June Invoices	Watermaster Total Billed	Requested Carryover to FY 2018/19	Under / (Over) Revised Budget
6906	OBMP Engineering	450,619	450,619	412,551	-	412,551	21,234	-	21,234	433,785	-	16,834
6906.1	OBMP - Watermaster Model Applications	59,164	59,164	43,357	-	43,357	-	-	-	43,357	-	15,807
6906.9	2018 RMPU Recharge Master Update	65,000	65,000	87,159	-	87,159	-	-	-	87,159	-	(22,159)
6906.27	IEUA - HCP Meetings and Technical Review	-	-	4,892	2,446	2,446	2,580	1,280	1,290	3,736	-	(3,736)
6906.15	IEUA - Integrated Model Meetings and Technical Review	-	-	-	-	-	-	-	-	-	-	-
7103.3	GW and SW Quality - Engineering Services	193,714	193,714	180,552	-	180,552	12,953	-	12,953	193,505	-	209
7103.5	GW and SW Quality - Laboratory Services	80,653	80,653	59,800	-	59,800	4,449	-	4,449	64,249	-	16,404
7104.3	GW Level - Engineering Services	237,548	237,548	200,036	-	200,036	20,284	-	20,284	220,320	-	17,228
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-	-	10,000
7104.9	GW Level - Capital Services	8,000	8,000	9,492	-	9,492	7,345	-	7,345	18,837	-	(8,837)
7107.2	Ground Level - Engineering Services	48,795	69,497	30,193	-	30,193	13,988	-	13,988	44,180	24,822	485
7107.3	Ground Level - SAR Imagery	86,609	86,609	97,100	-	97,100	-	-	-	97,100	-	(10,492)
7107.6	Ground Level - Contract Services	144,356	168,552	145,825	-	145,825	-	-	-	145,825	20,727	2,000
7107.8	Ground Level - Capital Equipment	5,359	5,359	150	-	150	-	-	-	150	-	5,209
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,929	157,785	78,893	78,893	985	492	492	79,365	-	2,544
7108.6	IEUA - PBHSP - Outside Prio	5,000	5,000	8,858	4,429	4,429	-	-	-	4,429	-	571
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,377	23,377	20,359	-	20,359	-	-	-	20,359	-	3,018
7202.2	Comp Recharge - Engineering Services	161,976	161,976	79,905	-	79,905	587	-	587	60,492	-	81,484
7303	OBMP - Engineering Services - Desalters	9,640	9,640	-	-	-	-	-	-	-	-	9,640
7402	OBMP - Engineering Services - MZ1	103,290	103,290	94,929	-	94,929	12,579	-	12,579	107,508	-	(4,218)
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,576	1,649,785	123,851	-	123,851	4,840	-	4,840	128,691	1,530,279	(8,185)
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-	-	20,000
7502	OBMP - Engineering Services - WQC	79,113	79,113	96,592	-	96,592	-	-	-	96,592	-	(17,479)
7610	IEUA - Update Recycled Water Permit - Salinity	125,806	125,806	297,945	188,623	98,322	26,241	17,581	8,659	106,981	18,825	0
7602	Storage Management/Conjunctive Use	192,207	502,408	479,659	-	479,659	22,748	-	22,748	502,407	-	1
Totals		3,683,730	4,197,038	2,630,987	285,390	2,345,597	150,812	19,364	131,448	2,477,045	1,594,653	125,340

Note: Billed includes IEUA laboratory invoices paid directly by Watermaster.
 (1) Carryover budget to FY2018/19 to perform GL surveys for the long-term pumping test.
 (2) Carryover budget to FY2018/19 to complete the Potomac eductor and monitoring program for the Northwest MZ1 area.
 (3) Carryover Watermaster's portion of the unused budget to FY2018/19 to finalize the 2.5 year project to Update Recycled Water Permit with IEUA.



The explanations regarding the Carry-Over amount of \$1,594,653 from FY 2017/18 to the FY 2018/19 budget is provided as follows:

- 7107.2 Ground-Level - Engineering Services of \$24,822. The Watermaster's Subsidence Management Plan includes a "long-term pumping test" in the Managed Area to test the Guidance Level that was budgeted for in FY 2017/18. The test was not performed in FY 2017/18. This

carryover budget will support the monitoring of injection, production, groundwater levels, and ground motion associated with the test, if it is performed in FY 2018/19.

2. 7107.6 Ground-Level - Contract Services of \$20,727. The Watermaster's Subsidence Management Plan includes a "long-term pumping test" in the Managed Area to test the Guidance Level that was budgeted for in FY 2017/18. The test was not performed in FY 2017/18. This carryover budget will support the monitoring of injection, production, groundwater levels, and ground motion associated with the test, if it is performed in FY 2018/19.
3. 7402.1 OBMP Engineering Services Northwest MZ-1 for \$1,530,279. The installation of the Pomona Extensometer has been delayed until FY 2018/19 and the monitoring program in Northwest MZ-1 has not yet been fully implemented. The carryover request will support the efforts to drill, construct, equip, test, and document the installation of the Pomona Extensometer, and complete the installation of the monitoring network in Northwest MZ-1.
4. 7510 IEUA - Update Recycled Water Permit-Salinity for \$18,825. The Salinity Management effort is a 2.5-year project and is being cost shared with IEUA. FY 2017/18 was the first year of implementation. The unspent budget in FY 2017/18 is necessary to complete the total project.

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 June 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 - Jun '18	Jul '17 - Jun '18	\$ Over Budget	% of Budget	FY 2017/18
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	29,111.30	29,164.00	-52.70	99.82%	29,164.00
6906.1 · OBMP - Watermaster Model Update	43,356.60	59,164.00	-15,807.40	73.28%	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	25,528.00	-15,038.85	41.09%	25,528.00
6906.23 · SGMA Reporting Requirements	24,959.35	24,392.00	567.35	102.33%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	2,061.90	7,012.00	-4,950.10	29.41%	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	7,471.50	0.00	7,471.50	100.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	83,151.06	96,950.00	-13,798.94	85.77%	96,950.00
6906.32 · OBMP - Other General Meetings	86,462.02	36,381.00	50,081.02	237.66%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	132,885.85	109,440.00	23,445.85	121.42%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	25,255.95	31,752.00	-6,496.05	79.54%	31,752.00
6906.74 · OBMP - Mat'l Physical Injury Requests	18,490.10	70,000.00	-51,509.90	26.41%	70,000.00
6906.81 · Prepare Annual Reports	15,890.65	20,000.00	-4,109.35	79.45%	20,000.00
6906.90 · OBMP - 2018 RMPU Master Update	87,158.54	65,000.00	22,158.54	134.09%	65,000.00
7103.3 · Grdwtr Qual-Engineering	193,504.50	193,714.00	-209.50	99.89%	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	237,157.22	237,548.00	-390.78	99.84%	237,548.00
7104.8 · Grdwtr Level-Contracted Services	0.00	10,000.00	-10,000.00	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	843.20	8,000.00	-7,156.80	10.54%	8,000.00
7107.2 · Grd Level-Engineering	44,329.53	69,497.00	-25,167.47	63.79%	69,497.00
7107.3 · Grd Level-SAR Imagery	97,100.00	86,608.00	10,492.00	112.11%	86,608.00
7107.6 · Grd Level-Contract Svcs	145,824.87	168,552.00	-22,727.13	86.52%	168,552.00
7107.8 · Grd Level-Capital Equipment	0.00	5,359.00	-5,359.00	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	83,813.66	81,929.00	1,884.66	102.3%	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	12,977.00	10,000.00	2,977.00	129.77%	10,000.00
7108.41 · Hydraulic Control-PBHSP	12,896.00	12,000.00	896.00	107.47%	12,000.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	5,000.00	-5,000.00	0.0%	5,000.00
7109.3 · Recharge & Well - Engineering	20,359.20	23,377.00	-3,017.80	0.0%	23,377.00
7202.2 · Comp Recharge-Engineering Services	80,492.25	161,976.00	-81,483.75	49.69%	161,976.00
7303 · PE3&5-Engineering - Other	0.00	9,640.00	-9,640.00	0.0%	9,640.00
7402 · PE4-Engineering	107,508.12	103,290.00	4,218.12	104.08%	103,290.00
7402.10 · PE4-MZ1 Pomona Project	128,690.75	1,649,785.00	-1,521,094.25	7.8%	1,649,785.00
7403 · PE4-Contract Svcs	0.00	20,000.00	-20,000.00	0.0%	20,000.00
7502 · PE6&7-Engineering	96,591.67	79,113.00	17,478.67	122.09%	79,113.00
7510 · PE6&7-IEUA Salinity Mgmt. Plan	106,981.22	125,806.00	-18,824.78	85.04%	125,806.00
7602 · PE8&9-Engineering	502,406.69	502,408.00	-1.31	100.0%	502,408.00
Total Engineering Services Costs	2,477,044.85	4,197,038.00	-1,719,993.15	59.02%	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)

May 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	YTD % Billed	Projected %
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	(22,159)	134%	134%
7103.3	GW and SW Quality - Engineering Services	6,382	22,048	11,000	23,200	21,800	205,234	206,234	(12,520)	78%	106%
7103.5	GW and SW Quality - Laboratory Services	-	4,216	2,132	-	4,500	64,400	64,400	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	5,997	27,592	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	-	62,406	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	30,644	23,450	5,250	1,600	193,645	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	-	-	-	-	-	-	-	9,640	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	(14,205)	6%	101%
7403	OBMP - Contract Services - MZ1	-	-	-	-	-	-	-	20,000	0%	0%
7502	OBMP - Engineering Services - WQC	9,747	12,875	7,000	1,150	-	96,421	96,421	(17,305)	112%	122%
7510	IEUA - Update Recycled Water Permit - Salinity	33,295	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	26,293	502,408	502,408	(0)	82%	100%
Totals		\$ 210,497	\$ 281,947	\$ 282,767	\$ 238,164	\$ 1,808,075	\$ 4,491,591	\$ 4,162,415	\$ 44,623	62%	99%

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

5/2/2018-11:36 AM
2017-18CBWM_Invoice_Summary_ISBM_20180411--Projection 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	\$ 41,680	\$ 53,951	\$ 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	80,653	80,653	2,032	14,256	9,850	5,785	8,788	10,411	2,432
7104.3	GW Level - Engineering Services	237,548	237,548	12,010	14,070	10,271	18,191	24,964	42,169	11,592
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	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	4,487
7107.3	Ground Level - SAR Imagery	86,608	86,608	-	-	12,000	-	-	-	-
7107.6	Ground Level - Contract Services	144,356	168,552	14,286	-	-	-	-	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	4,686	2,909	4,307	24,006	5,480
7510	IEUA - Update Recycled Water Permit - Salinity	125,806	125,806	10,850	2,187	51,346	54,156	5,260	12,753	31,562
7602	Storage Management/Conjunctive Use	182,207	502,408	24,218	46,296	54,690	65,131	64,981	49,697	48,107
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--Projection 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:

<https://cbwm.syncedtool.com/shares/file/f8d9025d3e1f4c/>

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

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	\$ 41,580	\$ 53,951	\$ 40,854	\$ 39,367	\$ 34,242
6906.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,605	-	30,262	-	-	-
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	14,255	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	42,169	15,600
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.9	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	4,359
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	28,638	6,145	13,179	3,387	653	1,106	2,000
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,576	1,649,765	3,149	27,000	16,680	14,693	19,327	12,119	226,679
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,866	2,909	4,307	24,006	19,000
7510	IEUA - Update Recycled Water Permit - Salinity	125,806	125,806	10,850	2,187	51,346	54,156	5,260	12,753	28,253
7602	Storage Management/Conjunctive Use	182,207	182,207	24,218	46,286	54,680	65,131	64,991	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 Projection 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	Undr / (Over) Rev Budget	YTD % Billed Rev Budget	Projected % Rev Budget
6906	OBMP Engineering	\$ 39,504	\$ 40,208	\$ 35,300	\$ 32,504	\$ 32,504	\$ 464,818	\$ 464,818	\$ (14,193)	56%	103%
6906.1	OBMP - Watermaster Model Applications	-	-	-	-	-	42,867	42,867	16,288	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	19,600	201,919	201,919	(6,205)	50%	104%
7103.5	GW and SW Quality - Laboratory Services	2,500	4,688	2,132	-	4,688	67,260	67,260	13,393	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	11,900	18%	93%
7107.8	Ground Level - Capital Equipment	1,000	500	1,000	500	1,000	4,619	4,619	740	2%	66%
7108.31	IEUA - Prado Basin Habitat Monitoring	43,400	20,448	13,746	4,480	2,078	157,210	78,605	3,324	47%	96%
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	12,569	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	10,640	116,379	116,379	(13,088)	51%	113%
7402.1	OBMP - Engineering Services - Northwest MZ1	237,122	234,549	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	0	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 MMH Laboratory invoices paid directly by Watermaster.

1/24/2018-10:17 AM
2017-18CBWM_Invoice_Summary_ISBM_20180108-P 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 December 31, 2017 report from Wildermuth Environmental, Inc. is provided. Please access this link:

<https://cbwm.syncedtool.com/shares/file/adc6714cf187d0/>

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
6005	OBMP Engineering	\$ 450,619	\$ 450,619	\$ 35,695	\$ 39,218	\$ 41,580	\$ 52,665	\$ 42,004	\$ 28,609	\$ 29,882
6005.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,605	-	30,000	2,070	2,070	2,070
6009.0	2018 RMPU Recharge Master Update	85,000	85,000	18,580	21,059	-	10,000	1,623	1,623	1,623
7103.3	GW and SW Quality - Engineering Services	193,714	193,714	10,928	22,150	10,985	23,910	13,044	21,328	11,687
7103.5	GW and SW Quality - Laboratory Services	80,653	80,653	2,932	14,258	8,690	12,342	10,600	14,697	2,132
7104.3	GW Level - Engineering Services	237,548	237,548	12,910	14,070	10,271	16,349	28,760	22,156	16,159
7104.9	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.90	GW Level - Capital Services	9,000	9,000	599	579	-	-	-	-	1,700
7107.2	Ground Level - Engineering Services	49,795	49,497	3,393	4,032	1,401	3,050	9,461	7,193	8,359
7107.3	Ground Level - SAR Imagery	89,609	89,609	-	-	12,000	-	12,167	-	-
7107.8	Ground Level - Contract Services	144,359	149,552	14,298	-	-	-	-	11,900	-
7107.9	Ground Level - Capital Equipment	5,359	5,359	-	-	119	500	500	500	500
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,929	7,635	857	-	16,465	16,619	24,490	27,480
7108.6	IEUA - PBHSP - Outside Pro	5,000	5,000	-	-	-	8,958	-	-	-
7109.3	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	9,664	12,353	9,854
7303	OBMP - Engineering Services - Desalters	9,840	9,840	-	-	-	-	1,071	1,071	1,071
7402	OBMP - Engineering Services - MZ1	103,290	103,290	29,635	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	16,690	15,450	241,353	232,447	228,979
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,896	3,000	2,356	2,000	7,978
7510	IEUA - Update Recycled Water Permit - Salinity	125,809	125,809	10,850	2,197	51,349	55,000	40,644	40,644	18,000
7602	Storage Management/Conjunctive Use	182,207	182,207	24,218	48,296	54,690	85,000	21,693	21,693	21,283
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
8908	OBMP Engineering	\$ 37,204	\$ 44,004	\$ 32,604	\$ 32,604	\$ 32,604	\$ 458,075	\$ 458,075	\$ (5,458)	26%	101%
8908.1	OBMP - Watermaster Model Applications	2,070	2,070	2,070	2,070	2,069	59,164	59,164	-	21%	100%
8908.9	2018 RMPU Recharge Master Update	1,823	1,823	1,823	1,823	1,820	65,000	65,000	-	81%	100%
7103.3	GW and SW Qaity - Engineering Services	14,725	19,500	7,494	4,725	22,848	190,878	160,878	3,038	27%	89%
7103.5	GW and SW Quality - Laboratory Services	-	4,688	2,132	-	4,688	78,937	78,937	3,718	32%	95%
7104.3	GW Level - Engineering Services	22,810	23,598	14,058	23,199	21,194	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	16%	100%
7107.2	Ground Level - Engineering Services	9,127	7,049	9,198	9,044	2,588	67,852	67,852	1,645	13%	89%
7107.3	Ground Level - SAR Imagery	19,608	-	59,000	-	-	98,775	98,775	(12,187)	14%	114%
7107.3	Ground Level - Contract Services	32,325	32,325	39,853	25,902	12,951	188,552	188,552	-	8%	100%
7107.9	Ground Level - Capital Equipment	500	459	600	1,000	600	5,278	5,278	81	2%	89%
7108.31	IEUA - Prado Basin Habitat Monitoring	24,829	12,448	13,746	4,450	2,078	158,371	79,185	2,744	10%	87%
7108.9	IEUA - PBHSP - Outside Pro	-	-	-	-	-	8,959	4,429	571	0%	89%
7109.3	Recharge & Well Monitoring - Engineering Serv.	2,709	1,200	4,000	2,700	1,477	21,079	21,079	2,288	4%	89%
7202.2	Corp Recharge - Engineering Services	12,163	14,654	14,654	17,154	15,793	161,978	161,978	-	31%	100%
7303	OBMP - Engineering Services - Desalters	1,071	1,071	1,071	1,071	1,071	8,569	8,569	1,071	0%	89%
7402	OBMP - Engineering Services - MZ1	11,032	10,800	15,000	14,000	10,500	115,093	115,093	(11,833)	-6%	111%
7402.1	OBMP - Engineering Services - Northwest MZ1	229,029	234,649	163,796	223,354	6,500	1,827,274	1,827,274	22,511	3%	89%
7403	OBMP - Contract Services - MZ1	-	5,000	5,000	9,500	500	20,000	20,000	-	0%	100%
7502	OBMP - Engineering Services - WQC	10,365	13,880	8,030	1,850	1,100	76,113	76,113	-	36%	100%
7510	IEUA - Update Recycled Water Permit - Salinity	15,015	22,647	22,647	22,647	22,647	324,375	182,437	(38,831)	51%	92%
7602	Storage Management/Conjunctive Use	21,683	21,683	21,683	21,680	-	344,081	344,081	(181,874)	56%	182%
Totals		\$ 466,313	\$ 476,634	\$ 431,729	\$ 435,084	\$ 168,075	\$ 4,299,917	\$ 4,053,868	\$ (177,029)	84%	111%

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

11/15/2017-9:18 AM
2017-18 CBWM_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:

<https://cbwm.syncedtool.com/shares/file/0e803abbb2f7e4/>

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:

1. 7107.2 Ground-Level – Engineering Services of \$20,702. This budget was for work to identify and install a new horizontal extensometer in the Managed Area. This work was not performed in FY 2016/17 because the GLMC did not recommend the installation of a horizontal extensometer as of yet, and may not recommend the installation in FY 2017/18. The budget is recommended to be carried over because the GLMC may recommend the use of this budget in FY 2017/18 to install additional benchmark monuments across the historical fissure zone for monitoring of ground motion via traditional leveling surveys and electronic distance measurements.
2. 7107.6 Ground-Level – Contract Services of \$24,196. This budget was for Outside Professional services to assist with identifying and installing a new horizontal extensometer in the Managed Area. This work was not performed in FY 2016/17 because the GLMC did not recommend the installation of a horizontal extensometer as of yet, and may not recommend the installation in FY 2017/18. The budget is recommended to be carried over because the GLMC may recommend the use of this

budget in FY 2017/18 to install additional benchmark monuments across the historical fissure zone for monitoring of ground motion via traditional leveling surveys and electronic distance measurements.

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

PRADO BASIN HABITAT SUSTAINABILITY PROGRAM

Ongoing Costs

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

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

c. Project administration and financial reporting

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

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

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

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

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

	Wildermuth Environmental, Inc.	50% Billing "TO" IEUA	50% Billing "FROM" IEUA	Costs For Watermaster
Jul. 2017 - Jun. 2018	\$ 167,627.35	\$ (83,813.66)	\$ -	\$ 83,813.70
Totals	\$ 167,627.35	\$ (83,813.66)	\$ -	\$ 83,813.70
	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

Since June 30, 2018 was the fiscal year-end, there are a number of year-end closing general journals that must be entered into the accounting system. The following closing entries were booked to the financial statements and balance sheet:

1. Recorded Budget Transfer Form T-18-06-01 in the amount of \$372,000 which was approved by the Advisory Committee and adopted by the Watermaster Board on July 26, 2018. The Budget Transfer Form T-18-06-01 did not increase the overall budget amount for FY 2017/18.
2. Recorded the quarterly LAIF interest earned in the amount of \$57,428.81 as of June 30, 2018 but not posted to the account by LAIF until July 13, 2018.
3. Recorded the reversal of the prior fiscal year's Fair Market Value adjustment in the amount of (\$11,905.10) as of June 30, 2018 for the cash balances invested at LAIF.
4. Recorded the current fiscal year's Fair Market Value adjustment in the amount of (\$20,461.10) as of June 30, 2018 for the cash balances invested at LAIF.
5. Recorded the accrued payroll liability of \$34,632.92 as of June 30, 2018.
6. Recorded the year-end reconciliation of accrual to actual for vacation, sick and administrative/comp leave balances in the amount of \$33,708.46 for all active Watermaster employees.
7. Recorded the Nonqualified Deferred Compensation expenses as of June 30, 2018.
8. Recorded the interest earned on the Nonqualified Deferred Compensation accounts in the amount of \$505.85 as of June 30, 2018.
9. Recorded the accrued business insurance expenses of \$199.73 as of June 30, 2018.
10. Recorded the FY 2017/18 depreciation expense of \$10,056.54 as of June 30, 2018.

There were no other significant items to report within the category of Other Income and Expenses for the month ending June 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 – JUNE 2018

As of June 30, 2018, the total (YTD) amount remaining of the "Carried Over" funding is \$3,082,459.07 (\$4,119,779.24 - \$1,037,320.17 = \$3,082,459.07).

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	\$ (128,690.75)	D	7402.1 ⁵	FY 2016/17	ENG
RMPU Amendment (TO #1)	\$ (615,340.12)	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 June 30, 2018	\$ 3,082,459.07				

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 Declez Basin [H] in the amount of \$1,171.33 (account 7690.16); Hickory Basin Recharge Improvement Project [I] in the amount of \$3,877.00 (account 7690.3); and CB20 Turnout Noise Abatement Project [K] in the amount of \$859.80 (account 7690.5). The total amount available is \$79,286.99 ($\$37,981.33 + \$35,397.53 + \$1,171.33 + \$3,877.00 + \$859.80 = \$79,286.99$).

ONGOING RECHARGE IMPROVEMENT PROJECTS:

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

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

AUDIT FIELD WORK

FY 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 – JUNE 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				12/12th (100.00%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2018				Year-To-Date as of June 30, 2018				Fiscal Year End as of June 30, 2018			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	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%	8,407,583.88	11,279,242.00	-2,871,658.12	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	57,440.04	11,971.00	45,469.04	479.83%	161,040.75	39,906.00	121,134.75	403.55%	161,040.75	39,906.00	121,134.75	403.55%
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	57,440.04	11,971.00	45,469.04	479.83%	9,122,489.27	11,838,698.00	-2,716,208.73	77.06%	9,122,489.27	11,838,698.00	-2,716,208.73	77.06%
Gross Profit	57,440.04	11,971.00	45,469.04	479.83%	9,122,489.27	11,838,698.00	-2,716,208.73	77.06%	9,122,489.27	11,838,698.00	-2,716,208.73	77.06%
Expense												
6010 · Admin. Salary/Benefit Costs	117,702.35	82,153.00	35,549.35	143.27%	1,096,437.24	1,022,564.00	73,873.24	107.22%	1,096,437.24	1,022,564.00	73,873.24	107.22%
6020 · Office Building Expense	8,867.44	4,774.00	4,093.44	185.74%	103,131.34	107,914.00	-4,782.66	95.57%	103,131.34	107,914.00	-4,782.66	95.57%
6030 · Office Supplies & Equip.	930.18	2,375.00	-1,444.82	39.17%	19,729.56	22,000.00	-2,270.44	89.68%	19,729.56	22,000.00	-2,270.44	89.68%
6040 · Postage & Printing Costs	3,517.97	3,054.00	463.97	115.19%	38,250.92	45,693.00	-7,442.08	83.71%	38,250.92	45,693.00	-7,442.08	83.71%
6050 · Information Services	13,009.26	10,291.00	2,718.26	126.41%	149,236.12	152,912.00	-3,675.88	97.6%	149,236.12	152,912.00	-3,675.88	97.6%
6060 · Contract Services	4,250.00	12,800.00	-8,550.00	33.2%	77,145.01	77,500.00	-354.99	99.54%	77,145.01	77,500.00	-354.99	99.54%
6070 · Watermaster Legal Services	38,552.52	283,325.00	-244,772.48	13.61%	420,643.57	448,075.00	-27,431.43	93.88%	420,643.57	448,075.00	-27,431.43	93.88%
6080 · Insurance	1,250.80	0.00	1,250.80	100.0%	26,814.91	29,768.00	-2,953.09	90.08%	26,814.91	29,768.00	-2,953.09	90.08%
6110 · Dues and Subscriptions	324.72	0.00	324.72	100.0%	24,727.77	24,885.00	-157.23	99.37%	24,727.77	24,885.00	-157.23	99.37%
6140 · WM Admin Expenses	173.47	375.00	-201.53	46.26%	1,739.88	2,350.00	-610.12	74.04%	1,739.88	2,350.00	-610.12	74.04%
6150 · Field Supplies	675.02	0.00	675.02	100.0%	917.69	1,450.00	-532.31	63.29%	917.69	1,450.00	-532.31	63.29%
6170 · Travel & Transportation	1,612.36	-26,869.00	28,481.36	-6.0%	17,671.58	19,070.00	-1,398.42	92.67%	17,671.58	19,070.00	-1,398.42	92.67%
6190 · Training, Conferences, Seminars	2,616.40	2,354.00	262.40	111.15%	34,598.88	37,428.00	-2,829.12	92.44%	34,598.88	37,428.00	-2,829.12	92.44%
6200 · Advisory Comm - WM Board	2,408.31	3,696.00	-1,287.69	65.16%	31,399.75	43,908.00	-12,508.25	71.51%	31,399.75	43,908.00	-12,508.25	71.51%
6300 · Watermaster Board Expenses	14,361.42	-9,047.00	23,408.42	-158.74%	140,881.52	153,546.00	-12,664.48	91.75%	140,881.52	153,546.00	-12,664.48	91.75%
8300 · Appr PI-WM & Pool Admin	9,547.57	-467.00	10,014.57	-2,044.45%	113,184.54	125,642.00	-12,457.46	90.09%	113,184.54	125,642.00	-12,457.46	90.09%
8400 · Agri Pool-WM & Pool Admin	6,403.60	5,186.00	1,217.60	123.48%	42,864.80	60,903.00	-18,038.20	70.38%	42,864.80	60,903.00	-18,038.20	70.38%
8467 · Ag Legal & Technical Services	17,850.00	117,083.00	-99,233.00	15.25%	304,757.50	305,000.00	-242.50	99.92%	304,757.50	305,000.00	-242.50	99.92%
8470 · Ag Meeting Attend -Special	1,300.00	1,850.00	-550.00	70.27%	12,975.00	22,200.00	-9,225.00	58.45%	12,975.00	22,200.00	-9,225.00	58.45%
8471 · Ag Pool Expense	0.00	-73,847.00	73,847.00	0.0%	11,153.00	11,153.00	0.00	100.0%	11,153.00	11,153.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	57.02	400.00	-342.98	14.26%	57.02	400.00	-342.98	14.26%
8500 · Non-Ag PI-WM & Pool Admin	12,633.26	-2,795.00	15,428.26	-452.0%	93,677.80	96,507.00	-2,829.20	97.07%	93,677.80	96,507.00	-2,829.20	97.07%
9400 · Depreciation Expense	10,056.54	0.00	10,056.54	100.0%	10,056.54	0.00	10,056.54	100.0%	10,056.54	0.00	10,056.54	100.0%
9500 · Allocated G&A Expenditures	-17,917.03	-33,635.00	15,717.97	53.27%	-197,534.76	-403,615.00	206,080.24	48.94%	-197,534.76	-403,615.00	206,080.24	48.94%
6900 · Optimum Basin Mgmt Plan	73,018.82	-74,020.33	147,039.15	-98.65%	1,082,070.83	1,106,844.00	-24,773.17	97.76%	1,082,070.83	1,106,844.00	-24,773.17	97.76%
9501 · G&A Expenses Allocated-OBMP	2,826.48	7,025.00	-4,198.52	40.24%	36,553.02	84,298.00	-47,744.98	43.36%	36,553.02	84,298.00	-47,744.98	43.36%
7101 · Production Monitoring	5,579.61	20,423.00	-14,843.39	27.32%	68,290.07	70,742.00	-2,451.93	96.53%	68,290.07	70,742.00	-2,451.93	96.53%
7102 · In-line Meter Installation	164.23	7,159.00	-6,994.77	2.29%	1,565.02	68,072.00	-66,506.98	2.3%	1,565.02	68,072.00	-66,506.98	2.3%
7103 · Grdwtr Quality Monitoring	16,673.14	5,141.00	11,532.14	324.32%	258,127.01	298,051.00	-39,923.99	86.61%	258,127.01	298,051.00	-39,923.99	86.61%
7104 · Gdwtr Level Monitoring	33,286.78	25,508.00	7,778.78	130.5%	301,899.35	307,320.00	-5,420.65	98.24%	301,899.35	307,320.00	-5,420.65	98.24%
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	14,385.36	18,267.00	-3,881.64	78.75%	309,090.86	403,627.00	-94,536.14	76.58%	309,090.86	403,627.00	-94,536.14	76.58%

	1/12th (8.33%) of the Total Budget				12/12th (100.00%) of the Total Budget				100% of the Total Budget			
	For The Month of June 2018				Year-To-Date as of June 30, 2018				Fiscal Year End as of June 30, 2018			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	4,941.40	9,852.00	-4,910.60	50.16%	113,622.95	118,504.00	-4,881.05	95.88%	113,622.95	118,504.00	-4,881.05	95.88%
7109 · Recharge & Well Monitoring Prog	0.00	1,948.00	-1,948.00	0.0%	20,359.20	23,377.00	-3,017.80	87.09%	20,359.20	23,377.00	-3,017.80	87.09%
7200 · PE2- Comp Recharge Pgm	7,323.40	10,582.00	-3,258.60	69.21%	1,015,570.56	1,386,710.86	-371,140.30	73.24%	1,015,570.56	1,386,710.86	-371,140.30	73.24%
7300 · PE3&5-Water Supply/Desalate	0.00	2,680.00	-2,680.00	0.0%	0.00	32,657.00	-32,657.00	0.0%	0.00	32,657.00	-32,657.00	0.0%
7400 · PE4- Mgmt Plan	17,950.92	136,752.00	-118,801.08	13.13%	236,730.89	1,785,322.00	-1,548,591.11	13.26%	236,730.89	1,785,322.00	-1,548,591.11	13.26%
7500 · PE6&7-CoopEfforts/SaltMgmt	9,262.46	16,392.00	-7,129.54	56.51%	210,891.84	215,016.00	-4,124.16	98.08%	210,891.84	215,016.00	-4,124.16	98.08%
7600 · PE8&9-StorageMgmt/Conj Use	22,775.00	-31,122.00	53,897.00	-73.18%	514,743.82	515,414.00	-670.18	99.87%	514,743.82	515,414.00	-670.18	99.87%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	1,315,374.92	7,207,668.38	-5,892,293.46	18.25%	1,315,374.92	7,207,668.38	-5,892,293.46	18.25%
7700 · Inactive Well Protection Prgm	0.00	42.00	-42.00	0.0%	0.00	500.00	-500.00	0.0%	0.00	500.00	-500.00	0.0%
9502 · G&A Expenses Allocated-Projects	15,090.55	26,610.00	-11,519.45	56.71%	160,981.74	319,317.00	-158,335.26	50.41%	160,981.74	319,317.00	-158,335.26	50.41%
Total Expense	473,404.31	565,894.67	-92,490.36	83.66%	8,220,389.26	16,350,693.24	-8,130,303.98	50.28%	8,220,389.26	16,350,693.24	-8,130,303.98	50.28%
Net Ordinary Income	-415,964.27	-553,923.67	137,959.40	75.09%	902,100.01	-4,511,995.24	5,414,095.25	-19.99%	902,100.01	-4,511,995.24	5,414,095.25	-19.99%
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%	2,258.82	0.00	2,258.82	100.0%
4226 · LAIF Fair Market Value	-8,556.00	0.00	-8,556.00	100.0%	-8,556.00	0.00	-8,556.00	100.0%	-8,556.00	0.00	-8,556.00	100.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4715 · 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	-8,556.00	0.00	-8,556.00	100.0%	853,920.54	0.00	853,920.54	100.0%	853,920.54	0.00	853,920.54	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	-8,556.00	0.00	-8,556.00	100.0%	12,354.14	392,216.00	-379,861.86	3.15%	12,354.14	392,216.00	-379,861.86	3.15%
Net Income	-424,520.27	-553,923.67	129,403.40	76.64%	914,454.15	-4,119,779.24	5,034,233.39	-22.2%	914,454.15	-4,119,779.24	5,034,233.39	-22.2%

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: August 16, 2018

TO: Advisory Committee

SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.1)

SUMMARY

Issue: Notice of Sale or Transfer – The transfer of 80.000 acre-feet of water from West End Consolidated Water Company to Golden State Water Company. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Financial Impact: None

Future Consideration

Advisory Committee – August 16, 2018: Advice and assistance.

Watermaster Board – August 23, 2018: Approval (within Watermaster Duties and Powers).

ACTIONS:

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

Non-Agricultural Pool – June 14, 2018: Unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve, subject to changes which they deem appropriate.

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

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 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 May 10, 2018. Notice of the transaction was transmitted electronically and mailed on June 8, 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.

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

All three Pool Committees unanimously recommended Advisory Committee approval at their June 14 and 15, 2018 meetings, respectively.

ATTACHMENTS

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

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2017 - 2018

DATE REQUESTED: May 10, 2018

AMOUNT REQUESTED: 80 Acre-Feet

<p>TRANSFER FROM (SELLER / TRANSFEROR):</p> <p><u>West End Consolidated Water Company</u> Name of Party</p> <p><u>1370 Benson Avenue</u> Street Address</p> <p><u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code</p> <p><u>(909) 291-2931</u> Telephone</p> <p>Facsimile</p>	<p>TRANSFER TO (BUYER / TRANSFEREE):</p> <p><u>Golden State Water Company</u> Name of Party</p> <p><u>630 E. Foothill Blvd</u> Street Address</p> <p><u>San Dimas</u> <u>CA</u> <u>91733</u> City State Zip Code</p> <p><u>(909) 394-3600</u> Telephone</p> <p>Facsimile</p>
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Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes No

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

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

PLACE OF USE OF WATER TO BE RECAPTURED:

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

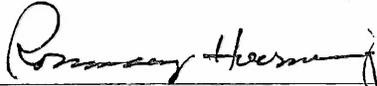
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Rosemary Hoernig, GENERAL MANAGER
Seller / Transferor Representative Name (Printed)



Digitally signed by prscanlo
DN: cn=prscanlo
Date: 2018.05.18 11:48:40
-07'00'

Buyer / Transferee Representative Signature

Patrick Scanlon/ VP-Operations
Buyer / Transferee Representative Name (Printed)

egtang@gswater.com
Digitally signed by
egtang@gswater.com
DN: cn=egtang@gswater.com
Date: 2018.05.23 16:28:07 -07'00'

Buyer/Transferee Representative Signature

Eva Tang/ Sr. VP-Finance & CFO

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:

June 8, 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: **May 10, 2018**

Date of this notice: **June 8, 2018**

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

Notice of Sale or Transfer – The transfer of 80.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This transfer is made from West End Consolidated Water Company’s Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: June 14, 2018

Non-Agricultural Pool: June 14, 2018

Agricultural Pool: June 15, 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

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: August 16, 2018
TO: Advisory Committee
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.C.2)

SUMMARY

Issue: Notice of Sale or Transfer – The transfer of 853.677 acre-feet of water from West End Consolidated Water Company to City of Upland. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Financial Impact: None

Future Consideration

Advisory Committee – August 16, 2018: Advice and assistance.

Watermaster Board – August 23, 2018: Approval (within Watermaster Duties and Powers).

ACTIONS:

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

Non-Agricultural Pool – June 14, 2018: Unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve, subject to changes which they deem appropriate.

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

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 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 May 31, 2018. Notice of the transaction was transmitted electronically and mailed on June 8, 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.

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

All three Pool Committees unanimously recommended Advisory Committee approval at their June 14 and 15, 2018 meetings, respectively.

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: 5/31/18

AMOUNT REQUESTED: 853.677 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR): <u>West End Consolidated Water Company</u> Name of Party <u>1370 N. Benson Avenue</u> Street Address <u>Upland</u> <u>CA.</u> <u>91786</u> City State Zip Code <u>(909) 291-2931</u> Telephone Facsimile	TRANSFER TO (BUYER / TRANSFEREE): <u>City of Upland</u> Name of Party <u>460 N. Euclid Avenue</u> Street Address <u>Upland</u> <u>CA.</u> <u>91786</u> City State Zip Code <u>(909) 931-4102</u> Telephone Facsimile
---	--

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

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:

700 -1,100 gpm

Projected Rate of Recapture

Projected Duration of Recapture

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular production wells

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate ~ 56 ppm & DBCP ~ 0.35 ppb

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

Static Water Level 555 to 610 bgs

MATERIAL PHYSICAL INJURY

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

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

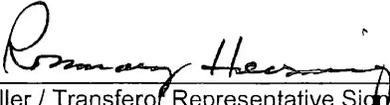
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Rosemary Hoerning, General Manager

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Bill R. Manis, City 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:

June 8, 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: **May 31, 2018**

Date of this notice: **June 8, 2018**

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

Notice of Sale or Transfer – The transfer of 853.677 acre-feet of water from West End Consolidated Water Company by City of Upland. This transfer is made from West End Consolidated Water Company’s Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: June 14, 2018

Non-Agricultural Pool: June 14, 2018

Agricultural Pool: June 15, 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. APPLICATION FOR RECHARGE**



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: Application for Recharge - Fontana Water Company (Consent Item I.D.)

SUMMARY

Issue: On June 7, 2018, Fontana Water Company submitted an Application for Recharge for up to 300.000 acre-feet to be recharged into the Vulcan Basin.

Recommendation: Recommend to the Watermaster Board to approve Fontana Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage account.

Financial Impact: None

Future Consideration

Advisory Committee – August 16, 2018: Recommend Board to approve
Watermaster Board – August 23, 2018: Approval [Within WM Duties and Powers]

ACTIONS:

Appropriative Pool – July 19, 2018: Unanimously Recommended Advisory Committee to recommend to the Watermaster Board to approve

Non-Agricultural Pool – July 19, 2018: Unanimously Recommended Advisory Committee to recommend to the Watermaster Board to approve, subject to changes which they deem appropriate.

Agricultural Pool – July 19, 2018: Unanimously Recommended Advisory Committee to recommend to the Watermaster Board to approve

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

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

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

DISCUSSION

On June 7, 2018, Fontana Water Company (FWC) submitted an Application for Recharge for up to 300 acre-feet, valid from September 1, 2018 and expiring September 1, 2019. The Application states that the method of recharge is percolation into the Vulcan basin (Attachment 1). The Application identifies the source of water to be treated Lytle Creek Surface Water, meaning, water from the Lytle creek water will be treated to potable standards at FWC's treatment plant and delivered through their distribution system. Attached to the Application is a Certificate of Analysis for the water quality (Attachment 2).

If approved, FWC intends recharge the water in to the Vulcan Basin as a test project to monitor and determine percolation rates of an existing basin not currently being utilized to recharge supplemental water within the Chino Basin. This recharge, consistent with that of other Parties that have submitted Applications for Recharge and that have Local Storage Agreements, will be placed in its Local Supplemental Storage account and will be tracked by Watermaster. Per the Peace II Agreement and the pending 2015 Safe Yield Reset Agreement before the Court, losses will be applied to all water placed into a Local Supplemental Storage Account in a manner consistent with all other water held in storage. The total volume held in local storage accounts is pending a future determination, and the recommendation as written is intended to be consistent with prior recharge and storage application recommendations.

FWC intends to use the captured water to offsets its overproduction within the current fiscal year. Wildermuth Environmental, Inc. (WEI) performed a Material Physical Injury analysis of the Application for Recharge. WEI prepared a letter, dated July 10, 2018, which states that there will be no Material Physical Injury from the proposed Application for the recharge of treated Lytle Creek Surface Water (Attachment 3). The letter states that Watermaster should require the Fontana Water Company to keep the recharge confined to a previously established one-acre area within the Vulcan Basin. FWC will also need to monitor the amount of water discharged to the Vulcan Basin, as well as sample and analyze the water quality at the point of delivery to the Vulcan Basin. These data should be provided to Watermaster as they are required for Watermaster accounting, regulatory reporting, and other groundwater management purposes.

The item was presented to the three Pools and was unanimously recommended for Advisory to recommend Board approval.

ATTACHMENTS

1. Form 2a: Application for Recharge
2. Weck Laboratories, Inc Certificate of Analysis, Title 22 Monitoring Report
3. July 10, 2018 letter from WEI to Watermaster: "Analysis of Material Physical Injury for the Fontana Water Company (FWC) Recharge Application, Submitted to the Chino Basin Watermaster on June 7, 2018

FONTANA WATER COMPANY

A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY

15966 ARROW ROUTE • P.O. BOX 987, FONTANA, CALIFORNIA 92334 • (909) 822-2201

June 7, 2018

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

Subject: Fiscal Year 2018/2019 Recharge Application - Fontana Water Company

Dear Mr. Kavounas:

Enclosed herewith is Fontana Water Company's Application for Recharge dated June 7, 2018.

In order to provide Fontana Water Company with the most flexibility to utilize its water supply assets, we respectfully request Watermaster to recharge supplemental water treated at Fontana Water Company's Sandhill Surface Water Treatment Plant (Sandhill) and delivered into the Chino Basin. The quantity of water recharged by Fontana Water Company may include up to 300 acre feet. This application to recharge water into the Vulcan Basin is intended to offset a portion of Fontana Water Company's over-production during the 2018-2019 fiscal year.

The supplemental water that Fontana Water Company is requesting to be recharged is currently treated at Fontana Water Company's Sandhill Treatment Plant. The water will be delivered through the company's distribution system to the recharge facility. The supplemental water is treated to potable standards and is not anticipated to pose any adverse impacts to existing water quality.

Please acknowledge receipt of this letter and enclosure by signing the enclosed copy. If you have any question or need additional information please contact me at (909) 201-7338.

Very truly yours,



Christopher I. Fealy, P.E.
Water Resources Manager

CIF:bf
Enclosure
ACKNOWLEDGEMENT
Receipt of this letter and enclosure
is hereby acknowledged.

CHINO BASIN WATERMASTER

By: _____

Title: _____

Date: _____

Form 2a - Application for Supplemental Water Recharge

Applicant Information and Recharge Request			
Person	Fontana Water Company (FWC)	Date Requested	6/7/18
Contact (individual)	Cris Fealy	Date Approved	
Street Address	15966 Arrow Route	Proposed Period of Time Covered by	09/2018 to 09/2019
City	Fontana Water Comapny	Recharge Application (mm/yyyy to mm/yyyy)	
State	CA		
Zip Code	92335	Requested Total Amount of Recharge	up to 300
Telephone	909-822-2201	Over the Application Period (AF)	
Fax	909-823-5046	Approved Total Amount of Recharge	
Email	cifealy@fontanawater.com	Over the Application Period (AF)	

Source(s) of Supply (check box and provide supporting information)	
<input type="checkbox"/>	State Water Project
<input type="checkbox"/>	Colorado River Aqueduct
<input checked="" type="checkbox"/>	Local Supplemental (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary) Treated Lytle Creek Water from Sandhill Treatment Plant (F14)
<input type="checkbox"/>	Recycled Water (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary)
<input type="checkbox"/>	Other (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary)

Method of Recharge (check box and provide supporting information)	
<input checked="" type="checkbox"/>	Surface Spreading
	Recharge Basin Name(s) Vulcan Basin
	Expected Period of Recharge (mm/dd to mm/dd) Varies
	Depth to Water in Recharge Area (ft-bgs) Unknown
	Water Quality in Recharge Area (attach characterization) Treated to Potable Standards.
<input type="checkbox"/>	Injection
	Well Names and Locations (attach well completion report if not on file with the Watermaster)
	Expected Period of Recharge (mm/dd to mm/dd)
	Depth to Water in Recharge Area (ft-bgs)
	Water Quality in Recharge Area (attach characterization)
<input type="checkbox"/>	In-Lieu Exchange
	Treatment Plant and Turnout
	Share of Safe Yield (percent and AFY)
	Carryover Right, if Applicable (AF)
	Water in Storage (AF)
	Pumping Capacity (mgd or AFM)
	Expected Period of Recharge (mm/dd to mm/dd)
	Depth to Water in Area Impacted by In-Lieu Recharge (ft-bgs)
	Water Quality in Area Impacted by In-Lieu Recharge (attach characterization)

Form 2a - Application for Supplemental Water Recharge

Material Physical Injury

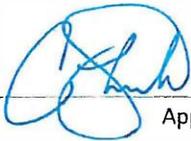
Is the applicant aware of any potential material physical injury to a Party to the Judgment or the Basin that may be caused by the action covered by the Application?

YES NO

If yes what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a Party or the Basin (provide list of mitigation measures and rationale either below or attach one to this application)

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

BY: _____



Applicant

6/7/2018
Date

To Be Completed by Watermaster

Is the Person a Party to the Judgment that has:

Previously contributed to the implementation of the OBMP?

YES NO

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

YES NO

(If answer to previous question is NO)

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

YES NO

Promised continued future compliance with Watermaster Rules and Regulations?

YES NO

Date of Approval from Appropriative Pool (mm/dd/yyyy) _____

Date of Approval from Overlying Non-Ag Pool (mm/dd/yyyy) _____

Date of Approval from Overlying Ag Pool (mm/dd/yyyy) _____

Hearing Date (if any) (mm/dd/yyyy) _____

Date of Approval by Advisory Committee (mm/dd/yyyy) _____

Date of Approval from Board (mm/dd/yyyy) _____

Recharge Agreement Number _____

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WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Work Orders: 8A19068

Report Date: 2/12/2018

Project: Title 22 Monitoring

Received Date: 1/19/2018

Turnaround Time: Normal

Phones: (909) 201-7331

Fax: (626) 582-1571

Attn: John Catone

P.O. #:

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

Billing Code:

Dear John Catone :

Enclosed are the results of analyses for samples received 1/19/2018 with the Chain-of-Custody document. The samples were received in good condition, at 2.5 °C and on ice. All analysis met the method criteria except as noted in the case narrative or in the report with data qualifiers.

Sample Results

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: _Various	Batch ID: [CALC]	Instr: [CALC]	Prepared: 01/24/18 08:00			Analyst: dil	
Total Anions	4		0.070	meq/l	1	01/20/18 17:59	
Total Cations	3.9		0.038	meq/l	1	01/24/18 16:24	
Total hardness as CaCO3	124		0.662	mg/l	1	01/24/18 16:24	
Method: AWWA	Batch ID: W8A1506	Instr: Inst	Prepared: 01/25/18 10:38			Analyst: jck	
Aggressive Index	12.1			N/A	1	01/25/18 10:42	
Method: EPA 140.1	Batch ID: W8A1222	Instr: WB05	Prepared: 01/19/18 17:22			Analyst: mnq	
Threshold Odor Number	1.0		1.0	T.O.N.	1	01/19/18 18:03	
Method: EPA 1613B	Batch ID: W8A1648	Instr: GCMS15	Prepared: 01/29/18 09:04			Analyst: EFC	
2,3,7,8-TCDD (Dioxin)	ND		5.00	pg/l	1	02/06/18 22:04	
Method: EPA 180.1	Batch ID: W8A1206	Instr: TURB01	Prepared: 01/19/18 15:33			Analyst: stg	
Turbidity	ND		0.10	NTU	1	01/19/18 16:03	
Method: EPA 200.7	Batch ID: W8A1277	Instr: ICPO3	Prepared: 01/24/18 08:00			Analyst: JCK	
Boron, Total	69		10	ug/l	1	01/24/18 16:24	
Calcium, Total	34.2		0.100	mg/l	1	01/24/18 16:24	
Iron, Total	ND		10	ug/l	1	01/24/18 16:24	
Magnesium, Total	9.35		0.100	mg/l	1	01/24/18 16:24	
Potassium, Total	2.6		0.10	mg/l	1	01/24/18 16:24	
Sodium, Total	31		0.50	mg/l	1	01/24/18 16:24	
Method: EPA 200.8	Batch ID: W8A1731	Instr: ICPSM05	Prepared: 01/30/18 10:07			Analyst: jea	
Aluminum, Total	80		5.0	ug/l	1	01/31/18 12:51	
Antimony, Total	ND		0.50	ug/l	1	01/31/18 12:51	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Sample Results

(Continued)

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 200.8 (Continued)	Batch ID: W8A1731	Instr: ICPMS05	Prepared: 01/30/18 10:07			Analyst: jea	
Arsenic, Total	0.49		0.40	ug/l	1	01/31/18 17:18	
Barium, Total	27		0.50	ug/l	1	01/31/18 12:51	
Beryllium, Total	ND		0.10	ug/l	1	01/31/18 12:51	
Cadmium, Total	ND		0.10	ug/l	1	01/31/18 12:51	
Chromium, Total	ND		0.20	ug/l	1	01/31/18 17:18	
Copper, Total	0.99		0.50	ug/l	1	01/31/18 12:51	
Lead, Total	ND		0.20	ug/l	1	01/31/18 12:51	
Manganese, Total	0.32		0.20	ug/l	1	01/31/18 12:51	
Nickel, Total	1.2		0.80	ug/l	1	01/31/18 12:51	
Selenium, Total	ND		0.40	ug/l	1	01/31/18 17:18	
Silver, Total	ND		0.20	ug/l	1	01/31/18 12:51	
Thallium, Total	ND		0.20	ug/l	1	01/31/18 12:51	
Zinc, Total	ND		5.0	ug/l	1	01/31/18 12:51	
Method: EPA 218.6	Batch ID: W8A1208	Instr: LC13	Prepared: 01/19/18 15:55			Analyst: dil	
Chromium 6+	0.40		0.020	ug/l	1	01/19/18 19:27	
Method: EPA 245.1	Batch ID: W8A1334	Instr: HG03	Prepared: 01/23/18 10:32			Analyst: mtt	
Mercury, Total	ND		0.050	ug/l	1	01/26/18 13:35	
Method: EPA 300.0	Batch ID: W8A1225	Instr: LC12	Prepared: 01/20/18 08:40			Analyst: dil	
Chloride, Total	47		0.50	mg/l	1	01/20/18 17:59	
Fluoride, Total	0.16		0.10	mg/l	1	01/20/18 17:59	
Sulfate as SO4	31		0.50	mg/l	1	01/20/18 17:59	
Method: EPA 314.0	Batch ID: W8A1380	Instr: LC08_Chan	Prepared: 01/23/18 15:52			Analyst: blg	
Perchlorate	ND		2.0	ug/l	1	01/24/18 01:35	
Method: EPA 335.4	Batch ID: W8A1432	Instr: AA01	Prepared: 01/24/18 10:04			Analyst: nat	
Cyanide, Total	ND		5.0	ug/l	1	01/24/18 15:43	
Method: EPA 353.2	Batch ID: W8A1188	Instr: Inst	Prepared: 01/19/18 15:00			Analyst: ajk	
Nitrate as N	0.54		0.20	mg/l	1	01/19/18 16:57	
Nitrite as N	ND		100	ug/l	1	01/19/18 17:36	
NO2+NO3 as N	550		200	ug/l	1	01/19/18 16:57	
Method: EPA 504.1	Batch ID: W8A1348	Instr: GC03	Prepared: 01/23/18 16:30			Analyst: cam	
1,2-Dibromo-3-chloropropane	ND		0.010	ug/l	1	01/23/18 23:24	
1,2-Dibromoethane (EDB)	ND		0.020	ug/l	1	01/23/18 23:24	
Method: EPA 508	Batch ID: W8A1568	Instr: GC07	Prepared: 01/26/18 08:56			Analyst: rmr	
4,4'-DDD	ND		0.010	ug/l	1	02/01/18 01:15	
4,4'-DDE	ND		0.010	ug/l	1	02/01/18 01:15	
4,4'-DDT	ND		0.010	ug/l	1	02/01/18 01:15	
Aldrin	ND		0.010	ug/l	1	02/01/18 01:15	
alpha-BHC	ND		0.010	ug/l	1	02/01/18 01:15	
Aroclor 1016	ND		0.10	ug/l	1	02/01/18 01:15	
Aroclor 1221	ND		0.10	ug/l	1	02/01/18 01:15	



Certificate of Analysis

FINAL REPORT

WECK LABORATORIES, INC.

Sample Results

(Continued)

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 508 (Continued)	Batch ID: W8A1568	Instr: GC07	Prepared: 01/26/18 08:56			Analyst: rmr	
Aroclor 1232	ND		0.10	ug/l	1	02/01/18 01:15	
Aroclor 1242	ND		0.10	ug/l	1	02/01/18 01:15	
Aroclor 1248	ND		0.10	ug/l	1	02/01/18 01:15	
Aroclor 1254	ND		0.10	ug/l	1	02/01/18 01:15	
Aroclor 1260	ND		0.10	ug/l	1	02/01/18 01:15	
beta-BHC	ND		0.010	ug/l	1	02/01/18 01:15	
Chlordane (tech)	ND		0.10	ug/l	1	02/01/18 01:15	
Chlorothalonil	ND		0.050	ug/l	1	02/01/18 01:15	
delta-BHC	ND		0.010	ug/l	1	02/01/18 01:15	
Dieldrin	ND		0.010	ug/l	1	02/01/18 01:15	
Endosulfan I	ND		0.010	ug/l	1	02/01/18 01:15	
Endosulfan II	ND		0.010	ug/l	1	02/01/18 01:15	
Endosulfan sulfate	ND		0.010	ug/l	1	02/01/18 01:15	
Endrin	ND		0.010	ug/l	1	02/01/18 01:15	
Endrin aldehyde	ND		0.010	ug/l	1	02/01/18 01:15	
gamma-BHC (Lindane)	ND		0.010	ug/l	1	02/01/18 01:15	
Heptachlor	ND		0.010	ug/l	1	02/01/18 01:15	
Heptachlor epoxide	ND		0.010	ug/l	1	02/01/18 01:15	
Hexachlorobenzene	ND		0.050	ug/l	1	02/01/18 01:15	
Hexachlorocyclopentadiene	ND		0.050	ug/l	1	02/01/18 01:15	
Methoxychlor	ND		0.010	ug/l	1	02/01/18 01:15	
PCBs, Total	ND		0.50	ug/l	1	02/01/18 01:15	
Propachlor	ND		0.050	ug/l	1	02/01/18 01:15	
Toxaphene	ND		1.0	ug/l	1	02/01/18 01:15	
Trifluralin	ND		0.010	ug/l	1	02/01/18 01:15	
<i>Surrogate(s)</i>							
Decachlorobiphenyl	96%		70-130	Conc: 0.0963		02/01/18 01:15	
Tetrachloro-meta-xylene	93%		70-130	Conc: 0.0926		02/01/18 01:15	
Method: EPA 515.3	Batch ID: W8A1493	Instr: GC08	Prepared: 01/25/18 08:39			Analyst: rmr	
2,4,5-T	ND		0.20	ug/l	1	02/01/18 05:41	
2,4,5-TP (Silvex)	ND		0.20	ug/l	1	02/01/18 05:41	
2,4-D	ND		0.40	ug/l	1	02/01/18 05:41	
2,4-DB	ND		2.0	ug/l	1	02/01/18 05:41	
3,5-Dichlorobenzoic acid	ND		1.0	ug/l	1	02/01/18 05:41	
Acifluorfen	ND		0.40	ug/l	1	02/01/18 05:41	
Bentazon	ND		2.0	ug/l	1	02/01/18 05:41	
Dalapon	ND		0.40	ug/l	1	02/01/18 05:41	
DCPA	ND		0.10	ug/l	1	02/01/18 05:41	
Dicamba	ND		0.60	ug/l	1	02/01/18 05:41	
Dichloroprop	ND		0.30	ug/l	1	02/01/18 05:41	



WECK LABORATORIES, INC.

Certificate of Analysis

FINAL REPORT

Sample Results

(Continued)

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 515.3 (Continued)							
Batch ID: W8A1493							
Instr: GC08							
Prepared: 01/25/18 08:39							
Analyst: rmr							
Dinoseb	ND		0.40	ug/l	1	02/01/18 05:41	
Pentachlorophenol	ND		0.20	ug/l	1	02/01/18 05:41	
Picloram	ND		0.60	ug/l	1	02/01/18 05:41	
<i>Surrogate(s)</i>							
2,4-DCAA	101%		70-130	Conc: 10.1		02/01/18 05:41	
Method: EPA 524.2							
Batch ID: W8A1435							
Instr: GCMS08							
Prepared: 01/24/18 10:32							
Analyst: rdt							
1,1,1,2-Tetrachloroethane	ND	0.10	0.50	ug/l	1	01/25/18 17:30	
1,1,1-Trichloroethane	ND	0.11	0.50	ug/l	1	01/25/18 17:30	
1,1,1,2-Tetrachloroethane	ND	0.20	0.50	ug/l	1	01/25/18 17:30	
1,1,2-Trichloroethane	ND	0.19	0.50	ug/l	1	01/25/18 17:30	
1,1-Dichloroethane	ND	0.12	0.50	ug/l	1	01/25/18 17:30	
1,1-Dichloroethene	ND	0.16	0.50	ug/l	1	01/25/18 17:30	
1,1-Dichloropropene	ND	0.14	0.50	ug/l	1	01/25/18 17:30	
1,2,3-Trichlorobenzene	ND	0.19	0.50	ug/l	1	01/25/18 17:30	
1,2,4-Trichlorobenzene	ND	0.17	0.50	ug/l	1	01/25/18 17:30	
1,2,4-Trimethylbenzene	ND	0.20	0.50	ug/l	1	01/25/18 17:30	
1,2-Dichloroethane	ND	0.12	0.50	ug/l	1	01/25/18 17:30	
1,2-Dichloropropane	ND	0.13	0.50	ug/l	1	01/25/18 17:30	
1,3,5-Trimethylbenzene	ND	0.17	0.50	ug/l	1	01/25/18 17:30	
1,3-Dichloropropane	ND	0.11	0.50	ug/l	1	01/25/18 17:30	
1,3-Dichloropropene, Total	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
2,2-Dichloropropane	ND	0.17	0.50	ug/l	1	01/25/18 17:30	
2-Butanone	ND	0.72	5.0	ug/l	1	01/25/18 17:30	
2-Chloroethyl vinyl ether	ND	0.61	1.0	ug/l	1	01/25/18 17:30	
2-Chlorotoluene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
2-Hexanone	ND	1.2	5.0	ug/l	1	01/25/18 17:30	
4-Chlorotoluene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
4-Methyl-2-pentanone	ND	0.56	5.0	ug/l	1	01/25/18 17:30	
Benzene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
Bromobenzene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
Bromochloromethane	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
Bromodichloromethane	8.4	0.090	0.50	ug/l	1	01/25/18 17:30	
Bromoform	2.0	0.19	0.50	ug/l	1	01/25/18 17:30	
Bromomethane	ND	0.49	0.50	ug/l	1	01/25/18 17:30	
Carbon tetrachloride	ND	0.12	0.50	ug/l	1	01/25/18 17:30	
Chlorobenzene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
Chloroethane	ND	0.17	0.50	ug/l	1	01/25/18 17:30	
Chloroform	9.6	0.12	0.50	ug/l	1	01/25/18 17:30	
Chloromethane	ND	0.11	0.50	ug/l	1	01/25/18 17:30	
cis-1,2-Dichloroethene	ND	0.11	0.50	ug/l	1	01/25/18 17:30	



Certificate of Analysis

FINAL REPORT

WECK LABORATORIES, INC.

Sample Results

(Continued)

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 524.2 (Continued)	Batch ID: W8A1435	Instr: GCMS08	Prepared: 01/24/18 10:32			Analyst: rdt	
cis-1,3-Dichloropropene	ND	0.11	0.50	ug/l	1	01/25/18 17:30	
Dibromochloromethane	5.9	0.20	0.50	ug/l	1	01/25/18 17:30	
Dibromomethane	ND	0.20	0.50	ug/l	1	01/25/18 17:30	
Dichlorodifluoromethane (Freon 12)	ND	0.12	0.50	ug/l	1	01/25/18 17:30	
Di-isopropyl ether	ND	0.80	2.0	ug/l	1	01/25/18 17:30	
Ethyl tert-butyl ether	ND	0.40	2.0	ug/l	1	01/25/18 17:30	
Ethylbenzene	ND	0.21	0.50	ug/l	1	01/25/18 17:30	
Freon 113	ND	0.27	5.0	ug/l	1	01/25/18 17:30	
Hexachlorobutadiene	ND	0.40	0.50	ug/l	1	01/25/18 17:30	
Isopropylbenzene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
m,p-Xylene	ND	0.33	0.50	ug/l	1	01/25/18 17:30	
m-Dichlorobenzene	ND	0.14	0.50	ug/l	1	01/25/18 17:30	
Methyl tert-butyl ether (MTBE)	ND	0.19	2.0	ug/l	1	01/25/18 17:30	
Methylene chloride	ND	0.14	0.50	ug/l	1	01/25/18 17:30	
Naphthalene	ND	0.42	0.50	ug/l	1	01/25/18 17:30	
n-Butylbenzene	ND	0.29	0.50	ug/l	1	01/25/18 17:30	
n-Propylbenzene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
o-Dichlorobenzene	ND	0.19	0.50	ug/l	1	01/25/18 17:30	
o-Xylene	ND	0.20	0.50	ug/l	1	01/25/18 17:30	
p-Dichlorobenzene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
p-Isopropyltoluene	ND	0.25	0.50	ug/l	1	01/25/18 17:30	
sec-Butylbenzene	ND	0.24	0.50	ug/l	1	01/25/18 17:30	
Styrene	ND	0.19	0.50	ug/l	1	01/25/18 17:30	
Tert-amyl methyl ether	ND	0.59	2.0	ug/l	1	01/25/18 17:30	
tert-Butylbenzene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
Tetrachloroethene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
THMs, Total	26	0.60	2.0	ug/l	1	01/25/18 17:30	
Toluene	ND	0.14	0.50	ug/l	1	01/25/18 17:30	
trans-1,2-Dichloroethene	ND	0.11	0.50	ug/l	1	01/25/18 17:30	
trans-1,3-Dichloropropene	ND	0.15	0.50	ug/l	1	01/25/18 17:30	
Trichloroethene	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
Trichlorofluoromethane	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
Vinyl chloride	ND	0.18	0.50	ug/l	1	01/25/18 17:30	
Xylenes, Total	ND	0.33	1.0	ug/l	1	01/25/18 17:30	
<i>Surrogate(s)</i>							
1,2-Dichlorobenzene-d4	89%		70-130	Conc: 8.89		01/25/18 17:30	
4-Bromofluorobenzene	85%		70-130	Conc: 8.52		01/25/18 17:30	
Method: EPA 525.2	Batch ID: W8A1574	Instr: GCMS16	Prepared: 01/26/18 09:30			Analyst: etn	
Alachlor	ND		0.10	ug/l	1	02/08/18 10:00	
Atrazine	ND		0.10	ug/l	1	02/08/18 10:00	

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FINAL REPORT

WECK LABORATORIES, INC.

Sample Results

(Continued)

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 525.2 (Continued)	Batch ID: W8A1574	Instr: GCMS16	Prepared: 01/26/18 09:30	Analyst: etn			
Benzo (a) pyrene	ND		0.10	ug/l	1	02/08/18 10:00	
Bis(2-ethylhexyl)adipate	ND		5.0	ug/l	1	02/08/18 10:00	
Bis(2-ethylhexyl)phthalate	ND		3.0	ug/l	1	02/08/18 10:00	
Bromacil	ND		0.50	ug/l	1	02/08/18 10:00	
Butachlor	ND		0.10	ug/l	1	02/08/18 10:00	
Captan	ND		1.0	ug/l	1	02/08/18 10:00	
Chlorpropham	ND		0.10	ug/l	1	02/08/18 10:00	
Cyanazine	ND		0.10	ug/l	1	02/08/18 10:00	
Diazinon	ND		0.10	ug/l	1	02/08/18 10:00	
Dimethoate	ND		0.20	ug/l	1	02/08/18 10:00	
Diphenamid	ND		0.10	ug/l	1	02/08/18 10:00	
Disulfoton	ND		0.10	ug/l	1	02/08/18 10:00	
EPTC	ND		0.10	ug/l	1	02/08/18 10:00	
Metolachlor	ND		0.10	ug/l	1	02/08/18 10:00	
Metribuzin	ND		0.10	ug/l	1	02/08/18 10:00	
Molinate	ND		0.10	ug/l	1	02/08/18 10:00	
Prometon	ND		0.10	ug/l	1	02/08/18 10:00	
Prometryn	ND		0.10	ug/l	1	02/08/18 10:00	
Simazine	ND		0.10	ug/l	1	02/08/18 10:00	
Terbacil	ND		2.0	ug/l	1	02/08/18 10:00	
Thiobencarb	ND		0.10	ug/l	1	02/08/18 10:00	
Trithion	ND		0.10	ug/l	1	02/08/18 10:00	
<i>Surrogate(s)</i>							
1,3-Dimethyl-2-nitrobenzene	74%		70-130	Conc: 3.71		02/08/18 10:00	
Perylene-d12	77%		50-120	Conc: 3.84		02/08/18 10:00	
Triphenyl phosphate	110%		70-130	Conc: 5.49		02/08/18 10:00	
Method: EPA 531.1	Batch ID: W8A1483	Instr: LC10	Prepared: 01/24/18 17:20	Analyst: pjs			
3-Hydroxycarbofuran	ND		2.0	ug/l	1	01/25/18 04:39	
Aldicarb	ND		2.0	ug/l	1	01/25/18 04:39	
Aldicarb sulfone	ND		2.0	ug/l	1	01/25/18 04:39	
Aldicarb sulfoxide	ND		2.0	ug/l	1	01/25/18 04:39	
Carbaryl	ND		2.0	ug/l	1	01/25/18 04:39	
Carbofuran	ND		2.0	ug/l	1	01/25/18 04:39	
Methiocarb	ND		2.0	ug/l	1	01/25/18 04:39	
Methomyl	ND		2.0	ug/l	1	01/25/18 04:39	
Oxamyl	ND		2.0	ug/l	1	01/25/18 04:39	
Propoxur (Baygon)	ND		2.0	ug/l	1	01/25/18 04:39	
Method: EPA 547	Batch ID: W8A1270	Instr: LC10	Prepared: 01/22/18 11:18	Analyst: pjs			
Glyphosate	ND		5.0	ug/l	1	01/22/18 16:56	
Method: EPA 548.1	Batch ID: W8A1242	Instr: GCMS06	Prepared: 01/22/18 15:38	Analyst: etn			

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WECK LABORATORIES, INC.

(Continued)

Sample Results

Sample: 3003 - Sandhill - Treated, RegID: 3610041-076
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango
(Continued)

Analyte	Result	MDL	MRL	Units	Dil	Analyzed	Qualifier
Method: EPA 548.1 (Continued) Endothall	Batch ID: W8A1242	Instr: GCMS06	Prepared: 01/22/18 15:38			Analyst: etn	
		ND	45	ug/l	1	01/30/18 05:55	
Method: EPA 549.2 Diquat	Batch ID: W8A1243	Instr: LC11	Prepared: 01/22/18 07:40			Analyst: pjs	
		ND	4.0	ug/l	1	01/24/18 16:00	
Method: SM 2120B Color	Batch ID: W8A1223	Instr: inst	Prepared: 01/19/18 17:24			Analyst: mnq	
		ND	3.0	Color Units	1	01/19/18 17:59	
Method: SM 2320B Alkalinity as CaCO3	Batch ID: W8A1194	Instr: AA02	Prepared: 01/19/18 12:45			Analyst: stg	
		100	2.0	mg/l	1	01/19/18 16:14	
Bicarbonate Alkalinity as HCO3		120	2.0	mg/l	1	01/19/18 16:14	
Carbonate Alkalinity as CaCO3		ND	2.0	mg/l	1	01/19/18 16:14	
Hydroxide Alkalinity as CaCO3		ND	2.0	mg/l	1	01/19/18 16:14	
Method: SM 2330B Langelier Index @ 60 C	Batch ID: W8A1607	Instr: inst	Prepared: 01/26/18 15:11			Analyst: jck	
		0.830	-10.0	N/A	1	01/26/18 15:17	
Langelier Index @ Source Temp		0.252	-10.0	N/A	1	01/26/18 15:17	
Method: SM 2510B Specific Conductance (EC)	Batch ID: W8A1353	Instr: AA02	Prepared: 01/23/18 12:00			Analyst: stg	
		420	2.0	umhos/cm	1	01/23/18 14:00	
Method: SM 2540C Total Dissolved Solids	Batch ID: W8A1395	Instr: OVEN01	Prepared: 01/23/18 17:32			Analyst: ymt	
		240	10	mg/l	1	01/24/18 18:50	
Method: SM 4500H+-B pH	Batch ID: W8A1207	Instr: AA02	Prepared: 01/19/18 15:35			Analyst: stg	
		8.18	0.10	Units	1	01/19/18 17:09	*
Method: SM 5540C MBAS	Batch ID: W8A1217	Instr: UVVIS03	Prepared: 01/19/18 16:32			Analyst: ajk	
		ND	0.050	mg/l	1	01/19/18 17:15	
Method: SM 7110C Gross Alpha	Batch ID: W8A1413	Instr: MPC 9604-	Prepared: 01/24/18 08:43			Analyst: sap	
		0.587		pCi/L	1	01/25/18 08:09	

Uncertainty: 0.105

MDA: 0.033

Sample Results CA-ELAP #2283, Non-NELAP

Sample: 3003 - Sandhill - Treated
8A19068-01 (Water)

Sampled: 01/19/18 8:00 by Eric Tarango

Analyte	Result	MRL	Units	Dil	Analyzed	Qualifier
Subcontracted Analyses						
Method: EPA 100.2 Asbestos	Batch ID: W8B0112		Prepared: 01/31/18 09:20			Analyst: _sub
	ND	0.200	MFL	1	02/02/18	S_LAT



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FINAL REPORT

WECK LABORATORIES, INC.



Notes and Definitions

Item	Definition
*	The recommended holding time for this analysis is only 15 minutes. The sample was analyzed as soon as it was possible but it was received and analyzed past holding time.
MS-05	The spike recovery and/or RPD were outside acceptance limits for the MS and/or MSD due to possible matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
Q-08	High bias in the QC sample does not affect sample result since analyte was not detected or below the reporting limit.
Q-ME	Acceptable QC with marginal exceedance
S_LAT	Analysis subcontracted to LA Testing South Pasadena., non NELAP certified, but is ELAP certified (CA-ELAP Certificate 2283).
ND	NOT DETECTED at or above the Method Reporting Limit (MRL). If Method Detection Limit (MDL) is reported, then ND means not detected at or above the MDL.
Dil	Dilution
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference
% Rec	Percent Recovery
Source	Sample that was matrix spiked or duplicated.
MDL	Method Detection Limit
MRL	The minimum levels, concentrations, or quantities of a target variable (e.g., target analyte) that can be reported with a specified degree of confidence. The MRL is also known as Limit of Quantitation (LOQ) and Detection Limit for Reporting (DLR)
MDA	Minimum Detectable Activity
NR	Not Reportable
TIC	Tentatively Identified Compound (TIC) using mass spectrometry. The reported concentration is relative concentration based on the nearest internal standard. If the library search produces no matches at, or above 85%, the compound is reported as unknown.

Any remaining sample(s) will be disposed of one month from the final report date unless other arrangements are made in advance.

An Absence of Total Coliform meets the drinking water standards as established by the California State Water Resources Control Board (SWRCB)

All results are expressed on wet weight basis unless otherwise specified.

All samples collected by Weck Laboratories have been sampled in accordance to laboratory SOP Number MIS 002.



Not Certified Analyses Summary

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

Reviewed by:

Valerie Rejuso
Project Manager



DoD-ELAP #L2457 • ELAP-CA #1132 • EPA-UCMR #CA00211 • Guam-EPA #17-008R • ISO 17025 #L2457.01 • LACSD #10143 • NJ-DEP #CA015

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



July 10, 2018

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

Subject: Analysis of Material Physical Injury for the Fontana Water Company (FWC) Recharge Application, as submitted to the Chino Basin Watermaster on June 7, 2018 (hereafter June 7, 2018 recharge application)

Dear Mr. Kavounas,

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of the FWC's June 7, 2018 recharge application. This MPI analysis has been done pursuant to the Watermaster Rules and Regulations and the Peace Agreement. Specifically, Article 10 of Watermaster Rules and Regulations (paragraph 10.10) requires that:

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

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

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

The MPI analysis presented herein is based on our professional experience and judgment in the Chino Basin, including the collection and analysis of monitoring data, past

evaluation of Chino Basin storage programs, groundwater modeling of various groundwater management alternatives in the Chino Basin, and prior MPI analyses.

FWC's Recharge Application of June 7, 2018

The FWC proposes to recharge up to 300 acre-feet (af) of Lytle Creek water into the Vulcan Basin during the period September 2018 through September 2019. The water would be treated to potable standards and diverted into the Vulcan Basin from the FWC distribution system. The FWC proposes to use the same one to two-acre part of the basin that was used by Vulcan and FWC for a recharge event in 2015. Note that FWC submitted, and Watermaster approved, a similar application in July 2017 to recharge up to 300 af of Lytle Creek water into the Vulcan Basin during the period September 2017 through September 2018. As of July 9, 2018, FWC has not recharged any water in the Vulcan Basin as part of their July 2017 recharge application.

The scope of this analysis is to determine if the proposed recharge event of up to 300 af of Lytle Creek water by the FWC, as proposed in its June 7, 2018 recharge application, has the potential to cause MPI.

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

The proposed recharge event will produce a localized increase in groundwater levels in the vicinity of the Vulcan Basin where the recharge occurs, followed by a return to the groundwater levels that would occur had the water not been recharged. The current depth to groundwater beneath the Vulcan Basin is presently about 490 feet below ground surface (bgs).¹ There will be no adverse liquefaction or land subsidence impacts from the groundwater level changes caused by the recharge and storage proposed by the FWC.

Balance of Recharge and Discharge in Every Area and Subarea

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

¹ Note that that the latest groundwater-level data available at the nearest well to the Vulcan Basin (Fontana Well 3A) is from January 2017. An analysis of other wells in the vicinity suggests that groundwater-level elevations in April 2018 are similar to those observed in January 2017.

Total Dissolved Solids and Nitrate Concentration of the Recharge Water

The 2004 Regional Water Quality Control Plan (Basin Plan) for the Santa Ana River Watershed has total dissolved solids (TDS) and nitrate (expressed as nitrogen) concentration objectives in the Chino-North Groundwater Management Zone (GMZ) of 420 milligrams per liter (mg/L) and 5 mg/L, respectively. The proposed recharge event will occur in the Chino-North GMZ. Pursuant to the Basin Plan, Watermaster and the IEUA are required to manage recharge in spreading basins in the Chino Basin such that the five-year, volume-weighted average TDS and nitrate concentration of the recycled water, imported water, supplemental native water, and new stormwater recharged across all recharge basins will not exceed the Basin Plan objectives. The FWC provided a recent characterization of Lytle Creek water quality in their June 7, 2018 recharge application. This characterization indicates that the TDS and nitrate concentrations of the water proposed to be recharged are generally less than 250 mg/L and 1 mg/L, respectively. The current ambient TDS and nitrate concentrations in the Chino-North GMZ are 360 mg/L and 10.3 mg/L, respectively, and therefore the proposed recharge event will not encroach on the current assimilative capacity or interfere with Watermaster and the IEUA's regulatory obligations. In fact, the proposed recharge event will be helpful in complying with the Basin Plan. There will be no adverse TDS or nitrate concentration impacts caused by the proposed recharge event.

Water Quality Impacts on Other Pumpers

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

Conclusion and Recommendations

There will be no MPI due to the FWC proposed recharge event as described in their June 7, 2018 recharge application.

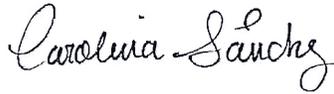
We recommend that Watermaster consider requiring the following conditions on the approval of the recharge application:

1. The berm system used to constrain the recharge area be improved such that it will not fail due to seepage pressure or overtopping during the FWC proposed recharge event. The berm system failed during the 2015 recharge event.
2. Require the recharge water be conveyed from the source to the proposed recharge area in a closed system to ensure that the recharge water does not contact soil outside of the proposed recharge area.

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

Very truly yours,

Wildermuth Environmental, Inc.



Carolina Sanchez, PE
Senior Engineer



Mark Wildermuth, PE
President, Principal Engineer

CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND THE CITY OF POMONA FOR CONSTRUCTION AND OPERATION OF THE POMONA EXTENSOMETER



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: August 16, 2018
TO: Advisory Committee
SUBJECT: Right of Entry Agreement between the Chino Basin Watermaster and the City of Pomona for Construction and Operation of the Pomona Extensometer (Business Item II.A.)

SUMMARY

Issue: Access to the project site is required for construction and future operation of the Pomona Extensometer

Recommendation: Approve the Right of Entry Agreement between the Chino Basin Watermaster and the City of Pomona for Construction and Operation of the Pomona Extensometer.

Financial Impact: None

Future Consideration

Advisory Committee – August 16, 2018: Approval

Watermaster Board – August 23, 2018: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve

Non-Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve, subject to changes which they deem appropriate.

Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

Under Program Element 1.E. of the Optimum Basin Management Program Implementation Plan, the Ground Level Monitoring Committee has recommended the installation of a vertical extensometer in the North West Area of Management Zone 1 to collect information about water levels and ground level movement.

In order to allow access to the Montvue Park project location to Watermaster staff and its contractors, an access agreement between the Chino Basin Watermaster and the City of Pomona is required.

The item was presented to the three Pools and was unanimously recommended for Advisory Committee approval.

DISCUSSION

The extensometer facility consists of two boreholes (drilled by a well drilling rig) installation and development of two piezometers within each borehole, installation of a cable extensometer within each piezometer, completion of the wellheads within underground vaults, installation of monitoring and recording equipment, initial testing of the facility, and ongoing monitoring and maintenance activities. Watermaster and its engineer, Wildermuth Environmental Inc (WEI) will provide construction and project management. IEUA will conduct the bidding and awarding of the contract process and some administrative tasks related to invoicing.

The City of Pomona will retain ownership of the site, Chino Basin Watermaster will own the monitoring equipment.

The proposed Right of Entry Agreement will allow Chino Basin Watermaster and its contractors access to the property located in Montvue Park in the City of Pomona for construction and operation of the Pomona Extensometer.

ATTACHMENTS

1. Right of Entry Agreement between Chino Basin Watermaster and the City of Pomona for the Construction and Operation of the Pomona Extensometer.

RIGHT OF ENTRY AGREEMENT

THIS RIGHT OF ENTRY AGREEMENT (“Agreement”) is made as of the [REDACTED] day of August 2018 (“Effective Date”) by and between City of Pomona (“City”) and Chino Basin Watermaster (“Watermaster”). City and Watermaster are sometimes individually referred to herein as a “Party” and collectively referred to as the “Parties.”

WHEREAS, City is the owner of that certain real property commonly referred to as Montvue Park, located south of San Bernardino Avenue and west of Cordova Street in City, and as further depicted in Exhibit A attached hereto and incorporated by reference herein (“Property”);

WHEREAS, historically, land subsidence has been identified in the Northwest Management Zone (MZ-1) Area of the Chino Basin;

WHEREAS, Watermaster intends to research this land subsidence, with the goal of more fully understanding the cause of the subsidence, and thereby enabling a reduction in the risk of such future subsidence;

WHEREAS, to conduct such research, Watermaster desires to have a right of entry over portions of the Property for installation and operation of an extensometer facility, which includes two boreholes, dual-nested piezometers, cable extensometers, below ground vaults and monitoring-recording equipment (“Project”);

WHEREAS, to install and operate the Project, City, through this Agreement, intends to permit use of a portion of the Property (“Project Site”), as depicted in Exhibit A, by Watermaster, its employees, agents, contractors, subcontractors, and persons acting on Watermaster’s behalf.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, City and Watermaster agree as follows:

- 1) **Right of Entry.** City hereby agrees to grant to Watermaster, including Watermaster’s employees, agents, contractors, subcontractors, and persons acting on Watermaster’s behalf, authorization and the right to enter and have access upon, in, across, over, under and through the Project Site for the construction, operation and maintenance of the Project.
- 2) **Permitted Uses.** Permitted Uses of the Project Site include construction, operation and maintenance of the Project, as well as vehicular and pedestrian ingress and egress to the Project Site.
- 3) **City’s Right to Data.** Watermaster hereby agrees to provide all information and data collected from the Project, as well as any analysis and reports prepared therefrom, to City.
- 4) **Term.** This Agreement shall be coterminous with the Peace Agreement dated June 29, 2000, whose initial term expires on December 31, 2030 pursuant to Peace Agreement Section 8.2. To the extent the term of the Peace Agreement is extended, so shall the term of this

Agreement be extended. The Agreement and all rights granted in the Agreement are irrevocable during the Term of the Agreement; provided, however, that Watermaster may terminate this Agreement if, in Watermaster's sole discretion, it determines the Property is an inappropriate location for the Project, the Project is no longer necessary or the Project is no longer operating. Upon making such a determination, Watermaster shall notify City in writing of Watermaster's termination of this Agreement.

- 5) **Conditions.** Watermaster agrees to the following terms and conditions to its Right of Entry:
- a) During the construction of the Project, and at Watermaster's expense, Watermaster shall fully enclose and secure the Project Site with six (6) foot high chain-link fencing and with a lockable gate to prevent unauthorized entry onto the Project Site. Said fencing and gate shall be enhanced with a non-see-through green covering (i.e. slats or opaque mesh) to fully screen from public view any and all activity carried on at the Project Site. The use of barbed wire on the required fence is expressly prohibited. Watermaster shall comply with any and all Ordinances, resolutions, orders, rules or other regulations of the City, in effect at the time this Agreement takes effect, and which are not inconsistent or in conflict with the provisions of this Agreement, in the erection and maintenance of the enclosure required under this provision. The gate will be secured and locked during times when Watermaster is not constructing the Project.
 - b) Throughout the Term of this Agreement, Watermaster shall maintain the Project Site in good condition and repair, and shall keep the Project Site free of trash and shall maintain dust control measures satisfactory to City's Director of Public Works, or his/her designee, over portions of the Project Site not covered with impervious materials.
 - c) Watermaster shall take all measures necessary to prevent the introduction of any hazardous materials, as may be defined by any state or federal laws, onto the Property. In the event any hazardous materials are introduced onto the Property as the result of the Permitted Uses, Watermaster shall cause the removal of such hazardous materials in accordance with all applicable laws and regulations within thirty (30) days of the termination of this Agreement at Watermaster's sole expense. The indemnity provisions of this Agreement shall include the hazardous materials obligation of this Section 5(c).
 - d) Watermaster shall not allow persons entry onto the Project Site who are not Watermaster employees, agents, contractors, subcontractors, or persons acting on Watermaster's behalf for the purpose of performing work, including improvements or maintenance of any kind.
 - e) Watermaster agrees to obtain executed indemnity agreements with provisions substantially identical to those set forth in Section 7 below from each and every subcontractor, or any other person or entity involved with, or on behalf of, Watermaster in the performance of the subject matter of this Agreement. In the event Watermaster fails to obtain such indemnity obligations from others as required here, Watermaster agrees to be fully responsible according to the terms of Section 7.

- f) Upon or before the termination of the Agreement, Watermaster shall abandon all boreholes and remove all structures and equipment from the Project Site in accordance with applicable state law and restore the Project Site to the same or better condition as the Effective Date.
 - g) If the Project Site is not cleared by the termination of the Agreement, as required in Section 5(f), City may remove all structures and materials from the Project Site and charge Watermaster the costs incurred for undertaking such removal. Any costs owed to the City, pursuant to this subsection, shall be paid directly to City within sixty (60) days of Watermaster's receipt of an invoice itemizing such costs.
 - h) Nothing in this Right of Entry Agreement shall serve as a waiver of the requirements of Pomona City Code section 18-301 *et seq.* relating to noise and vibration (the Noise Ordinance). Watermaster shall obtain a variance of such code pursuant to Pomona City Code section 18-306 prior to undertaking any on-site activity which may violate the Noise Ordinance.
- 6) **Waiver and Release.** For and in consideration of permitting Watermaster to use the Project Site, Watermaster hereby voluntarily releases, discharges, waives and relinquishes any and all actions or causes of action for personal injury, property damage or wrongful death occurring to Watermaster or its employees, agents, contractors, subcontractors, and persons acting on Watermaster's behalf, arising as a result of entering the Project Site and engaging in the Permitted Uses or any activities incidental thereto wherever or however the same may occur and for whatever period said activities may continue.

Watermaster does for itself, its employees, agents, contractors, subcontractors and persons acting on Watermaster's behalf hereby release, waive, discharge and relinquish any action or causes of action, aforesaid, which may hereafter arise and agrees that under no circumstances will Watermaster, its employees, agents, contractors, subcontractors and persons acting on Watermaster's behalf prosecute, present any claim for personal injury, property damage or wrongful death against City or any of its elected and appointed City Council members, Mayor, employees, volunteers, attorneys and agents for any of said causes of action, whether the same shall arise by the negligence of any of said persons, or otherwise.

- 7) **Indemnity.** Parties agree that City, its employees, agents and officials (collectively, "Indemnitees") should, to the extent permitted by law and subject to the limitations set forth herein, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorney's fees, litigation costs, defense costs, court costs or any other cost arising out of or in any way related to the performance of this Agreement. Watermaster acknowledges that City would not enter into this Agreement in the absence of the commitment of Watermaster to indemnify and protect Indemnitees as set forth herein.

To the full extent permitted by law, Watermaster shall indemnify and hold harmless Indemnitees from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees and costs incurred by Indemnitees, incurred in relation to, as a consequence of or arising out of or in any way attributable

actually, allegedly or impliedly, in whole or in part to the performance of this Agreement; provided, however, that Watermaster's indemnity obligations shall be comparatively reduced to the extent the claim is caused in part by the negligent, grossly negligent, or intentional act of Indemnitees, any contractor of Indemnitees or any other Party indemnified hereunder; and provided further, that Watermaster's indemnity obligations will not apply if the claim is caused in whole by Indemnitees, any contractor of Indemnitees, or any other Party indemnified hereunder. All obligations under this provision are to be paid by Watermaster as they are incurred by Indemnitees.

Without affecting the rights of City under any provision of this Agreement or this section, Watermaster shall not be required to indemnify and hold harmless Indemnitees as set forth above for liability attributable, in whole or in part, to the fault of Indemnitees, provided such fault is determined by agreement between the Parties or the findings of a court of competent jurisdiction.

The obligations of City under this or any other provision of this Agreement will not be limited by the provisions of any workers' compensation act or similar act. Watermaster expressly waives its statutory immunity under such statutes or laws as to City, their employees and officials.

This indemnity obligation is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Agreement or any additional insured endorsements that may extend to Indemnitees.

- 8) **Insurance.** Watermaster shall furnish or shall cause to be furnished, to the City, duplicate originals or appropriate certificates of Comprehensive General Liability Insurance, insuring the City, including its elected or appointed officials, directors, officers, agents, employees, volunteers, and contractors against losses, costs, liabilities, claims, causes of action and damages for bodily injury and property damage of any kind or form whatsoever arising from this Agreement, including, but not limited to, contamination from spills or discharges of any hazardous material, liquid, or substance of any kind or description on the Project Site, in the amount of at least two million dollars (\$2,000,000). Such insurance shall include Blanket Contractual Liability Coverage. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add City as additional insureds, and to provide that such coverage shall be primary and that any insurance maintained by the City shall be excess insurance only. Such coverage shall be endorsed to waive the insurer's rights of subrogation against City. The address for the Project Site shall be included on both the Certificate of Insurance and the Additional Insured Endorsement.

Watermaster shall also furnish or cause to be furnished to City evidence satisfactory to City that any contractor with whom it has contracted to work on the Project Site carries workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits, and shall be endorsed with a waiver of subrogation clause for City. Watermaster shall also furnish or cause to be furnished to City evidence that any and all employees or agents of Watermaster hired to work on the Project Site are covered

by Watermaster's workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits.

All insurance policies required by this Section shall be written by insurers authorized to do business in the State of California and with a minimum "Best's" Insurance Guide rating of "A:VII", shall be non-assessable and shall contain language to the effect that (a) the policies are primary and noncontributing with any insurance that may be carried by City, (b) the policies cannot be canceled or materially changed except after thirty (30) days written notice by the insurer to City, and (c) City shall not be liable for any premiums or assessments. All such insurance shall have deductible limits reasonably satisfactory to City and shall contain cross liability endorsements.

9) **General Provisions.**

- a) **Good Faith.** Except where expressly set forth to the contrary, wherever in this Agreement a Party has the right to approve an act of another Party, the former shall exercise such discretion in good faith and according to reasonable commercial standards. Similarly, where a Party is required to satisfy a condition or complete an act in a certain fashion or within a specified time period, that Party shall pursue such objectives in good faith and make all reasonable efforts to accomplish the same; the other Party shall likewise in good faith cooperate and assist the other Party in accomplishing this task to cause the consummation of the Agreement as intended by the Parties and evidenced by this Agreement.
- b) **Other Instruments.** The Parties shall, whenever and as often as reasonably requested by the other Party, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered any and all documents and instruments as may be necessary, expedient or proper in the reasonable opinion of the requesting Party to carry out the intent and purposes of this Agreement.
- c) **Construction.** The provisions of this Agreement shall be liberally construed to effectuate its purposes. The language of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against any Party, as each Party has participated in the drafting of this Agreement and has had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.
- d) **Severability.** If any term, provision, covenant or condition of this Agreement shall be or become illegal, null, void or against public policy, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated thereby. The term, provision, covenant or condition that is so invalidated, voided or held to be unenforceable shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives stated in this Agreement.

- e) **Assignment and/or Transfer.** The Parties will not assign, transfer or sell this Agreement or any privilege hereunder in whole or in part without the prior written consent of the non-assigning, non-transferring or non-selling Party. Any attempt to do so will be void and confer no right on any third party.
- f) **Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of each of the Parties hereto and their respective legal representatives, successors and assigns, as permitted herein.
- g) **Notices.** Any notices regarding this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during the Parties' regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the Parties may, from time to time, designate in writing).

If to City:

If to Watermaster:

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

- h) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- i) **Attorney's Fees.** If either Party brings an action or files a proceeding in connection with the enforcement of its respective rights or as a consequence of any breach by the other Party of its obligations hereunder, then the prevailing Party in such action or proceeding shall be entitled to have its reasonable attorneys' fees and costs paid by the losing Party.
- j) **Modification.** This Agreement may not be amended except in a writing executed by all of the Parties to the Agreement.
- k) **Entire Agreement.** This Agreement represents the entire agreement of the Parties with respect to the matters set forth herein and supersedes any prior written or oral agreements between them respecting the subject matter herein.
- l) **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and of equal force and effect.
- m) **Execution of Agreement.** Each of the undersigned hereby represents and warrants that it is authorized to execute this Agreement on behalf of the respective Party to the Agreement and that this Agreement, when executed by those Parties, shall become a valid and binding obligation, enforceable in accordance with its terms.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth below, but it is effective as of the Effective Date.

CHINO BASIN WATERMASTER

CITY OF POMONA

By _____
PETER KAVOUNAS, P.E.
General Manager

By: _____
LINDA LOWRY
City Manager

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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. TASK ORDER NO. 3 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS: POMONA EXTENSOMETER CONTRACT ADMINISTRATION



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: August 16, 2018
TO: Advisory Committee
SUBJECT: Task Order No. 3 Under Master Agreement for Collaborative Projects: Pomona Extensometer Contract Administration (Business Item II.B.)

SUMMARY

Issue: Watermaster requires assistance from IEUA for contract administration regarding the construction and installation of the Pomona Extensometer.

Recommendation: Approve Task Order No. 3 Under Master Agreement for Collaborative Projects: Pomona Extensometer Contract Administration.

Financial Impact: For Fiscal Year 2018/19 the maximum estimated cost of \$1,463,581.30 for Watermaster has been included in the FY 2018/2019 budget.

Future Consideration

Advisory Committee – August 16, 2018: Approval

Watermaster Board – August 23, 2018: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – August 9, 2018: Unanimously recommended Advisory Committee to Approve

Non-Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve, subject to changes which they deem appropriate.

Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to Approve

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

Under Program Element 1.E. of the Optimum Basin Management Program Implementation Plan, the Ground Level Monitoring Committee has recommended the installation of a vertical extensometer in the North West Area of Management Zone 1 to collect information about water levels and ground level movement.

The extensometer facility consists of two boreholes (drilled by a well drilling rig) installation and development of two piezometers within each borehole, installation of a cable extensometer within each piezometer, completion of the wellheads within underground vaults, installation of monitoring and recording equipment, initial testing of the facility, and ongoing monitoring and maintenance activities. Watermaster and its engineer, Wildermuth Environmental Inc (WEI) will provide construction and project management. Watermaster would like to engage IEUA to conduct the bidding and awarding of the contract and some administrative tasks related to invoicing.

On September 28, 2017 Watermaster and IEUA entered into a Master Agreement for Collaborative Projects. New Task Orders are issued when a new project is identified.

The item was presented to the three Pools and was unanimously recommended for Advisory Committee approval.

DISCUSSION

The proposed task order (Attachment 1) under the Master Agreement includes the scope of work, schedule, estimated expenses, and deliverables. The anticipated expense has been included in the Engineering Services Budget for FY 2018/19.

The attachment has been updated to reflect the final amount of the task order after the opening of bids on August 9, 2018. The amount reflected in the Task Order No. 3 includes bid for the amount of \$1,267,462.00 plus a 15% contingency (\$190,119.30), plus \$6,000.00 for IEUA's contract administration costs for a total of \$1,463,581.30.

ATTACHMENTS

1. Task Order No. 3 Under Master Agreement for Collaborative Projects: Pomona Extensometer Contract Administration

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

TASK ORDER NO. 3
Pomona Extensometer Contract Administration

This Task Order is made and entered into as of the ____ day of August, 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 management and administration of the construction of the Pomona Extensometer.

Under Program Element 1.E. of the Optimum Basin Management Program Implementation Plan, the Ground Level Monitoring Committee has recommended the installation of a vertical extensometer in the North West Area of Management Zone 1 to collect information about water levels and ground level movement. Pursuant to this recommendation, the Parties intend to construct the Pomona Extensometer at Montvue Park in the City of Pomona.

2. SCOPE

As related to this Task Order, the extensometer facility consists of two boreholes (drilled by a well drilling rig), installation and development of two piezometers within each borehole, installation of a cable extensometer within each piezometer, completion of the wellheads within underground vaults, installation of monitoring and recording equipment, and initial testing of the facility. Watermaster and its engineer, Wildermuth Environmental Inc (WEI), will provide construction and project management administration. IEUA will conduct the bidding and awarding of the contract process and some administrative tasks related to invoicing.

3. IEUA RESPONSIBILITIES

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

- Assisting in the creation of the bid package;
- Conducting the bidding process according to the existing laws and regulations;
- Awarding the construction contract;
- Providing WEI with access to the contract administration software;
- Processing invoices and submitting them to Watermaster for payment

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

4. WATERMASTER RESPONSIBILITIES

Watermaster, with the assistance of WEI, will manage and administer the construction of the Pomona Extensometer. 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. Watermaster will also reimburse IEUA for services described in Section 3.

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 one million four hundred sixty three thousand five hundred and eighty one 30/100 (\$1,463,581.30). The Parties agree that the Budget is carried in its entirety by Watermaster and that IEUA will bear no costs related to the project.

Entity	Fiscal Year 2018/19
Watermaster	\$1,463,581.30
IEUA	\$0
Total	\$1,463,581.30

6. TOTAL BUDGETED COST

The Parties agree to pay their respective portions of the total costs. The Parties shall not be required to pay more than \$1,463,581.30 ("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 \$1,463,581.30.

8. MAXIMUM COSTS TO IEUA

The costs to be required of IEUA under this Agreement shall not exceed \$6,000 for contract administration services and will be reimbursed entirely by Watermaster.

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 to 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. 3 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

C. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CHINO REAL ESTATE 13799, LLC (MONITORING WELL PRESERVATION AT FORMER CROWN COACH FACILITY)



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: August 16, 2018
TO: Advisory Committee
SUBJECT: Right of Entry Agreement between the Chino Basin Watermaster and Chino Real Estate 13799, LLC (Monitoring Well Preservation at Former Crown Coach Facility) (Business Item II.C.)

SUMMARY

Issue: A Right of Entry Agreement is required for accessing, monitoring and maintaining a monitoring well at the former Crown Coach Facility in order for Watermaster to maintain the well as part of its groundwater quality monitoring program.

Recommendation: Approve the Right of Entry Agreement between the Chino Basin Watermaster and Chino Real Estate 13799, LLC.

Financial Impact: Monitoring water quality and water levels at this well is estimated at \$800 dollars a year.

Future Consideration

Advisory Committee – August 16, 2018: Approval

Watermaster Board – August 23, 2018: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve

Non-Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve, subject to changes which they deem appropriate.

Agricultural Pool – August 9, 2018: Unanimously recommended Advisory Committee to approve

Advisory Committee – August 16, 2018:

Watermaster Board – August 23, 2018:

BACKGROUND

The former Crown Coach facility is located at 13799 Monte Vista Ave in Chino, CA. Historical Operations at the site included the use of chlorinated solvents, petroleum, fuel hydrocarbons, paints, sandblast materials, radiator fluids and lubrication oils. The site has been monitored for Volatile Organic Compounds (VOCs) since 1987. On June 25, 2018 the Regional Water Quality Control Board issued a Draft Closure Summary for the property after it was demonstrated that there is a decreasing trend in concentrations of VOCs in the deeper regional aquifer. Watermaster requested to the Regional Board and the owners of the property (Chino Real Estate 13799, LLC) that one well will be preserved for future monitoring. The Regional Board and the property owner have been willing to accommodate Watermaster's request.

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

DISCUSSION

Under Program Element 1.B. of the Optimum Basin Management Program Implementation Plan, the Chino Basin Watermaster will preserve, monitor and maintain the well to continue its groundwater quality monitoring program. Chino Real Estate 13799, LLC will retain ownership of the well and the site.

In order to allow access to Watermaster staff and its contractors, a Right of Entry Agreement between the Chino Basin Watermaster and Chino Real Estate 13799, LLC is necessary.

ATTACHMENTS

1. Right of Entry Agreement between Chino Basin Watermaster and Chino Real Estate 13799, LLC.
2. Exhibit A

RIGHT OF ENTRY AGREEMENT

This RIGHT OF ENTRY Agreement is made and entered into this ____ day of August, 2018, by and between CHINO REAL ESTATE 13799 LLC (“CRE 13799 LLC”), and the CHINO BASIN WATERMASTER, its officers, employees, agents, contractors, subcontractors, and volunteers (“Watermaster”). CRE 13799 LLC and Watermaster are sometimes individually referred to herein as a “Party” and collectively referred to as the “Parties.”

RECITALS

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

WHEREAS, pursuant to paragraph 41 of the Judgment, Watermaster developed an Optimum Basin Management Program (“OBMP”), which, by order of July 13, 2000, the Court ordered Watermaster to implement.

WHEREAS, pursuant to the OBMP Implementation Plan, Watermaster conducts integrated groundwater monitoring programs. These include basin-wide groundwater elevation and groundwater quality monitoring programs and a more focused key well monitoring program to demonstrate whether or not hydraulic control has been attained by the desalter wells (Hydraulic Control Monitoring Program [hereinafter, “HCMP”]).

WHEREAS, CRE 13799 LLC owns monitoring wells that are used or may be considered for use in Watermaster’s monitoring programs. At this time, however, CRE 13799 LLC intends to abandon or destroy certain of these wells.

WHEREAS, to preserve its use as part of the monitoring programs, Watermaster has requested that one of CRE 13799 LLC’s wells be retained for use in Watermaster’s monitoring programs. As such, Watermaster seeks a Right of Entry to the well as set forth below.

NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, CRE 13799 LLC AND WATERMASTER ENTER INTO THIS RIGHT OF ENTRY AGREEMENT (“RIGHT OF ENTRY”) PURSUANT TO THE FOLLOWING TERMS AND CONDITIONS:

1. **Right of Entry and Use.** CRE 13799 LLC hereby grants to Watermaster, including its officers, employees, agents, contractors, subcontractors, and volunteers, authorization to enter upon those lands containing the groundwater well identified in Section 2 below (“Property”) for the purposes of access and monitoring. Access to the Property shall be reasonably designated by CRE 13799 LLC. Watermaster shall restrict travel to such roads or routes within the Property necessary to access the well identified in Section 2. Use of said roads or routes by Watermaster shall be restricted to that use which is reasonably necessary to carry out the Right of Entry.
2. **Monitoring Well Retention.** CRE 13799 LLC will retain and not decommission the monitoring well listed below (“Well”) and shall not take any actions to interfere with the use of the Well by Watermaster for monitoring purposes. The Well is provided by CRE 13799 LLC on an as-is, where-is basis. Watermaster is solely responsible for any costs to maintain and repair the Well. The Well is identified on a map attached hereto as **Exhibit A**, and is listed as follows:

M-101D

3. **Well Monitoring.** CRE 13799 LLC will provide Watermaster reasonable access to the Well for the purpose of conducting groundwater monitoring, which may include groundwater elevation monitoring and water quality monitoring. Such monitoring may begin immediately.

a. Watermaster shall notify CRE 13799 LLC of any planned activities anticipated for the Well, including installation of testing or monitoring equipment (e.g., pressure and temperature sensors with data loggers, etc.), a list of sample analyses anticipated for groundwater sample testing and potential other well testing activities, and identify the consultants who will perform the work.

b. Watermaster will maintain the Well and surface completions in accordance with California Department of Water Resources Bulletin Nos. 74-81 and 74-90 as may be updated, amended or replaced ("California Well Standards"). Any rehabilitation of the Well that may be required for Watermaster's monitoring program activities will be the sole responsibility, and at the sole expense, of Watermaster and, if needed, will be conducted in accordance with the California Well Standards.

c. Watermaster may include the Well in its Key Well Monitoring Program and the HCMP.

d. Nothing within this Right of Entry precludes or prevents CRE 13799 LLC from using the Well to conduct monitoring, sampling, or other testing. The parties will cooperate to ensure that they may each undertake monitoring, sampling, and testing.

Watermaster shall conduct all activities pursuant to this Right of Entry in a manner which protects the public health, safety, and welfare.

4. **Indemnification.** The Parties agree that CRE 13799 LLC, its employees and agents (collectively, "Indemnitees") should, to the extent permitted by law and subject to the limitations set forth herein, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorney's fees, litigation costs, defense costs, court costs or any other cost arising out of or in any way related to the performance of this Right of Entry. Watermaster acknowledges that CRE 13799 LLC would not enter into this Right of Entry in the absence of the commitment of Watermaster to indemnify and protect Indemnitees as set forth herein.

To the full extent permitted by law, Watermaster shall indemnify and hold harmless Indemnitees from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees and costs incurred by Indemnitees, incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Right of Entry; provided, however, that Watermaster's indemnity obligations shall be comparatively reduced to the extent the claim is caused in part by the negligent, grossly negligent, or intentional act of Indemnitees, any contractor of Indemnitees or any other Party indemnified hereunder; and provided further, that Watermaster's indemnity obligations will not apply if the claim is caused in whole by Indemnitees, any contractor of Indemnitees, or any other Party indemnified hereunder. All obligations under this provision are to be paid by Watermaster as they are incurred by Indemnitees.

Without affecting the rights of CRE 13799 LLC under any provision of this Right of Entry or this section, Watermaster shall not be required to indemnify and hold harmless Indemnitees as set forth above for liability attributable, in whole or in part, to the fault of Indemnitees, provided such fault is determined by agreement between the Parties or the findings of a court of competent jurisdiction.

The obligations of CRE 13799 LLC under this or any other provision of this Right of Entry will not be limited by the provisions of any workers' compensation act or similar act. Watermaster expressly waives its statutory immunity under such statutes or laws as to CRE 13799 LLC and their employees.

This indemnity obligation is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Right of Entry or any additional insured endorsements that may extend to Indemnitees.

5. **Decommissioning of Wells Upon Completion of Monitoring Activities**. At the completion of Watermaster's monitoring activities, including pursuant to a Termination of Right of Entry as set forth in Section 6, below, Watermaster shall, at its sole expense, properly decommission the Well if approved in writing by CRE 13799 LLC for decommissioning in accordance with the California Well Standards. Notwithstanding the foregoing, if CRE 13799 LLC terminates this Right of Entry within the first five years after its execution, Watermaster shall be responsible only for the removal of any equipment installed in the Well, and CRE 13799 LLC will, at its sole expense, properly decommission the Well if it identifies the Well is not necessary for its monitoring programs or other purposes, in accordance with the California Well Standards.

6. **Termination**. Except upon notice by either Party as provided herein, this Right of Entry shall continue until the Well is decommissioned pursuant to Section 5 above. Watermaster may terminate this Right of Entry by providing at least ninety (90) days' written notice to CRE 13799 LLC. Upon such notice of termination, Watermaster shall commence and complete, prior to the effective date of termination, all work necessary to decommission the Well, at its own cost and expense and in a manner according to all applicable laws, regulations and orders of state agencies having jurisdiction. CRE 13799 LLC may terminate this Right of Entry by providing at least one hundred eighty (180) days' written notice to Watermaster. Upon such notice of termination, Watermaster shall commence and complete all work necessary to decommission the Well prior to the effective date of such termination, at the sole cost and expense of the Watermaster, except as provided in Section 5 above. CRE 13799 LLC agrees to cooperate with Watermaster to permit reasonable access to perform the decommissioning work.

8. **Insurance**. Watermaster shall furnish or shall cause to be furnished, to CRE 13799 LLC, duplicate originals or appropriate certificates of Comprehensive General Liability Insurance, insuring CRE 13799 LLC, including its directors, officers, agents, employees, volunteers, and contractors against losses, costs, liabilities, claims, causes of action and damages for bodily injury and property damage of any kind or form whatsoever arising from this Right of Entry, including, but not limited to, contamination from spills or discharges of any hazardous material, liquid, or substance of any kind or description on the Property, in the amount of at least two million dollars (\$2,000,000). Such insurance shall include Blanket Contractual Liability Coverage. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add CRE 13799 LLC as additional insureds, and to provide that such coverage shall be primary and that any

insurance maintained by CRE 13799 LLC shall be excess insurance only. Such coverage shall be endorsed to waive the insurer's rights of subrogation against CRE 13799 LLC. The address for the Property shall be included on both the Certificate of Insurance and the Additional Insured Endorsement.

Watermaster shall also furnish or cause to be furnished to CRE 13799 LLC evidence satisfactory to CRE 13799 LLC that any contractor with whom it has contracted to work on the Well carries workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits, and shall be endorsed with a waiver of subrogation clause for CRE 13799 LLC. Watermaster shall also furnish or cause to be furnished to CRE 13799 LLC evidence that any and all employees or agents of Watermaster hired to work on the Well are covered by Watermaster's workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits.

All insurance policies required by this Section shall be written by insurers authorized to do business in the State of California and with a minimum "Best's" Insurance Guide rating of "A:VII", shall be non-assessable and shall contain language to the effect that (a) the policies are primary and noncontributing with any insurance that may be carried by CRE 13799 LLC, (b) the policies cannot be canceled or materially changed except after thirty (30) days written notice by the insurer to CRE 13799 LLC, and (c) CRE 13799 LLC shall not be liable for any premiums or assessments. All such insurance shall have deductible limits reasonably satisfactory to CRE 13799 LLC and shall contain cross liability endorsements.

9. **No Assignment.** This Right of Entry shall not be assigned without the express written consent of the non-assigning Party.

10. **Successors and Assigns.** This Right of Entry shall be binding on and shall inure to the benefit of each of the Parties hereto and their respective legal representatives, successors and assigns, as permitted herein.

11. **Recordation.** This Right of Entry, or any other appropriate document, shall be recorded in the Official Records of San Bernardino County, California concurrently with the execution of this Right of Entry. Any amendment or modification thereof may, at the request of either party, also be recorded in the Official Records of San Bernardino County, California.

12. **Modification.** This Right of Entry may only be modified in a writing executed by both Watermaster and CRE 13799 LLC.

13. **Compliance with Laws.** The Parties shall comply with all local, state and federal laws and regulations while exercising their rights found herein.

14. **Severance.** If a Court of law rules that any provision of this Right of Entry is void or voidable, it shall be deemed severed from the Right of Entry and the remaining terms shall remain effective and enforceable.

15. **Notice.** Written notices required by this Right of Entry shall be delivered as follows:

To CRE 13799 LLC:
Christopher M. Burns
Regional Senior Vice President

200 Spectrum Center Drive, Suite 1600
Irvine, CA 92618

With copy to:

California Market Attorney
c/o Joseph P. Hawkins
Vice President, Legal & Assistant Secretary
600 East 96th Street, Suite 100
Indianapolis, IN 46240

To Chino Basin Watermaster:

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

16. **Integration.** This Right of Entry constitutes the ~~entire agreement~~ of the Parties with regard to the subject matter herein, and ~~supersedes any prior understanding~~ between the parties with respect to the matters covered by this Right of Entry.

17. **Counterparts.** This Right of Entry ~~may be executed in counterparts~~, each of which shall constitute an original.

18. **Enforceability.** ~~The terms of~~ this Right of Entry shall be governed by and construed in accordance with the laws of the State of California. This Right of Entry shall be specifically enforceable in the ~~Court maintaining jurisdiction over the case~~ Chino Basin Municipal Water District v. City of Chino, San Bernardino Superior Court Case No. RCV RS51010.

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

20. **Attorney's Fees.** If either Party brings an action or files a proceeding in connection with the enforcement of its ~~respective~~ rights or as a consequence of any breach by the other Party of its obligations hereunder, ~~then~~ the prevailing Party in such action or proceeding shall be entitled to have its reasonable attorneys' fees and costs paid by the losing Party.

SIGNATURES:

CHINO BASIN WATERMASTER

By _____
PETER KAVOUNAS
General Manager
Chino Basin Watermaster

CHINO REAL ESTATE 13799 LLC, a Delaware Limited Liability Company

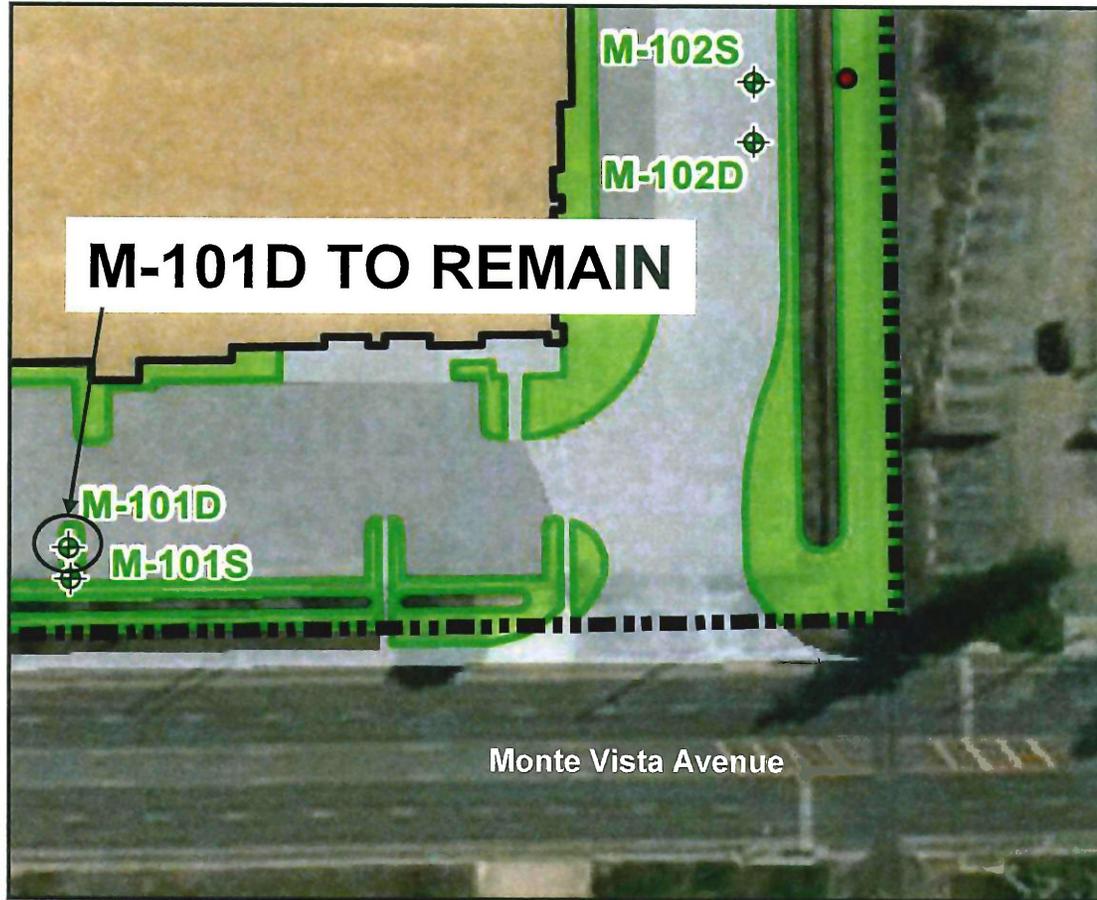
By: Duke Realty Limited Partnership, an Indiana Limited Partnership, its sole Member

By: Duke Realty Corporation, and Indiana Corporation, its sole General Partner

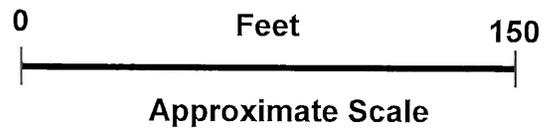
By Christopher M. Burns, Regional Senior Vice President

16951235

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TITLE:		M-101D Location Map	
LOCATION:		13799 Monte Vista Avenue, Chino, CA	
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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

D. ADVISORY COMMITTEE REQUEST FOR CONTINUED
WATERMASTER ASSISTANCE



CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: August 16, 2018
TO: Advisory Committee
SUBJECT: Advisory Committee Request For Continued Watermaster Assistance
(Business Item II.D.)

SUMMARY

Issue: During its July 26, 2018 meeting, the Advisory Committee, by unanimous vote, requested continued assistance from Watermaster toward creating a document that could be considered to resolve all pending matters related to the Safe Yield Reset appeal.

Recommendation: Discuss and possibly take action.

Financial Impact: Legal expenses for these activities are included in the overall legal services budget for FY 2018/19.

Future Consideration

Advisory Committee - August 16, 2018: Discussion and possible action

Watermaster Board - August 23, 2018: Discussion and possible action

ACTIONS:

Appropriative Pool - August 9, 2018: Unanimously approved the following: "The Pool supports the MOU and the agreement moving separately but does recognize them being linked. We appreciate Watermaster's assistance in providing some help with the agreements; however, we feel like there is further language consideration. We are reaching out to the other Pools, Ag and Non-Ag, so we can all move this together in unison. We hope to have possibly a final document at the next Pool process. So, we are asking to not continue this forward to the Advisory until we all can get into agreement."

Non-Agricultural Pool - August 9, 2018: Unanimously approved to direct pool counsel and pool chair to work with the six-pack attorneys to finalize language covering changes to Exhibit G regarding water transfer pricing & desalter transfers, including follow up negotiations with the Appropriative Pool, Ag Pool, and Advisory Committee as necessary.

Agricultural Pool - August 9, 2018: Unanimously voted to approve the following: "In the absence of a proposed final document, the Ag Pool has determined that the prior approval by the Pool is moot and has been nullified by the subsequent revisions to the operative proposed settlement, as well as the Parties apparent rejection of the Ag Pool's edits upon which the approval was contingent."

Advisory Committee - August 16, 2018:

Watermaster Board - August 23, 2018:

BACKGROUND

The July 26, 2018 staff report on this matter is attached (Attachment 1) to provide background.

DISCUSSION

The Advisory Committee's request on July 26, 2018 was to continue developing a document that would reflect comments received by all Pools on the three documents presented in July which (i) contain the necessary changes to the Judgment and Court-ordered agreements that accomplish the objectives of the Term Sheet distributed by the six parties to the Appeal, (ii) clarify the interpretation of paragraph 5.3(e) of the Peace Agreement, and (iii) describe edits to Paragraph 9 of Exhibit "G" of the Judgment.

As of the preparation of this report, Watermaster has received comments from the Overlying (Agricultural) Pool (Attachment 2), the Overlying (Non-Agricultural) Pool (Attachment 3), and some individual comments from Appropriators (Attachment 4). In response to these comments, Watermaster has prepared two alternatives which contain the same substance, and yet present a different process.

The first document (Attachment 5) presents a consolidated document for consideration by all three Pool Committees, as suggested by the Overlying Pools' comments. The second (Attachment 6) presents an agreement that would incorporate all language changes to governing documents, and a separate Memorandum of Understanding capturing the interpretation of Peace 5.3(e). The second attachment is offered by Watermaster in furthering its effort to respond to the Advisory Committee, as an alternative process for consideration by the Pools consistent with the revised Appropriative Pool agenda.

All three Pools discussed this item during the August 9, 2018 Pool meetings. As noted in the front page of this staff report the Appropriative Pool requested this item be deferred to a later Pool meeting and not be presented at this Advisory Committee meeting; the Appropriative Pool's request is respectfully acknowledged however, the request for continued Watermaster support came from the Advisory Committee, and the latter may determine how it wishes to handle this item.

A presentation may be made by Watermaster staff as to the status of this effort.

ATTACHMENTS

1. July 26, 2018 Staff Report with attachments
2. July 19, 2018 Agricultural Pool motion on Business Item II.B.
3. July 20, 2018 email describing the Non-Agricultural Pool comments
4. Comments by individual Appropriators received as of 9:00AM on Friday August 3, 2018
5. Watermaster response to Advisory Committee request for continued assistance
6. Watermaster response to Advisory Committee request for continued assistance - Alternative



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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: July 26, 2018

TO: Advisory Committee Members
Board Members

SUBJECT: Advisory Committee Request for Watermaster Assistance: 1. Exhibit "G" Transfer Rate Amendment; 2. Peace Agreement Paragraph 5.3(e) Interpretation 3. Amendments to Judgment and CAMA to Implement Settlement Agreement Regarding Appeal From April 28, 2017 Order (Business Item II.B.)

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. At its June 28, 2018 meeting, the Board instructed legal counsel to prepare a draft agreement in response to the Advisory Committee's request.

Recommendation: Discuss and possibly take action.

Financial Impact: Legal expenses for these activities are included in the overall legal services budget for FY 2018/19.

Future Consideration

ACTIONS:

Appropriative Pool – July 19, 2018: Discussion only, no action

Non-Agricultural Pool – July 19, 2018: Discussion only, no action

Agricultural Pool – July 19, 2018: Unanimously voted to approve the process and the documents contingent on some modifications

Advisory Committee – July 26, 2018: Unanimously voted to request continued Watermaster assistance with the feedback received from the Agricultural, Non-Agricultural, and Appropriative Pools on the document prepared by Watermaster in response to the June 21, 2018 Advisory Committee request; and to develop a revised version of a document and bring back to the Pools for their consideration in August. The Advisory Committee also requested that a document titled "Agreement Settling Appeal" and its associated Appendix A delivered at the meeting by the City of Pomona be distributed to all parties and be added to the Pool agendas for discussion in August.

Watermaster Board – July 26, 2018: No action taken

BACKGROUND AND DISCUSSION

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.

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, 2017 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. During its June 28, 2018 meeting the Watermaster Board authorized staff and Counsel to proceed with the requested effort.

During the July 19, 2018 Pool meetings, under Business Item II.B., Watermaster staff and Counsel presented three documents (Attachments 4, 5, and 6) that are responsive to the Advisory Committee's request for assistance to the three Pools; these documents constitute a response to the Advisory Committee's request for assistance and do not represent endorsement or support by the Watermaster Board. The documents contain the necessary changes to the Judgment and Court-ordered agreements that accomplish the objectives of the Term Sheet distributed by the six parties to the Appeal; clarify the interpretation of paragraph 5.3(e) of the Peace Agreement; and describe edits to Paragraph 9 of Exhibit "G" of the Judgment. The first document also describes a process that would lead to a resolution of the ongoing appeal.

The three Pools considered the matter during the July 19, 2018 meetings. The Appropriative and Non-Agricultural Pools took no action. The Agricultural Pool voted unanimously to approve the process and the documents contingent on some modifications. The full text of the Agricultural Pool motion is shown in Attachment 7.

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"
4. Document titled "2018 Acknowledgment and Consent to CAMA Amendments"
5. Document titled "Memorandum of Understanding Regarding Contributions of Safe Yield For Desalter Replenishment"
6. Amendments to subparagraphs (a) – (d) of Paragraph 9 of Exhibit "G"
7. July 19, 2018 Agricultural Pool motion on Business Item II.B.

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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

ATTACHMENT 1 TO 8/16/18 STAFF REPORT

ATTACHMENT 1 TO 6/21/18 STAFF REPORT

EXHIBIT "G" TRANSFER RATE AMENDMENT

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)



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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 MEASURESSummary

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

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(h) 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.

DRAFT LSGK 6/6/2018

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:

DRAFT LSGK 6/6/2018

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.*

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- (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)								
ReOp Water	(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)							
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)							
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

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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

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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)	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	4.568%	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

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)	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	4.455%	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
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

Appropriative Pool Party	Production Years				
	2013/14	2014/15	2015/16	2016/17	TOTAL
Arrowhead Mtn Spring Water Co	-	-	-	-	0.000
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

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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

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

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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 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	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):

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

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	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

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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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2018 Acknowledgement and Consent to CAMA Amendments

THIS Acknowledgement and Consent dated _____, of July 2018 regarding the Chino Basin provides for the consensual and unopposed amendment of the Judgment, the Peace Agreement, and the Peace II Agreement (Court Approved Management Agreements “CAMAs”).

WHEREAS, the parties to the appeal from Judge Reichert’s April 28, 2017 Order have petitioned the Court of Appeal for a limited remand to allow the trial court to approve proposed amendments;

WHEREAS, the proposed amendments set forth in paragraphs 2-7 of this Acknowledgement and Consent (“Amendments”) are intended to provide a grounds for the dismissal of the pending appeal and to provide further direction to Watermaster and the parties to the Judgment;

WHEREAS, the Overlying (Agricultural) Pool, Overlying (Non-Agricultural) Pool, Appropriative Pool and Watermaster have agreed to the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment (“MOU”) dated _____ July 2018 and the amendments to subparagraphs (a)-(d) of Paragraph 9 of Exhibit “G” regarding the price at which water is made available for transfer to Appropriative Pool parties;

NOW THEREFORE, in consideration for the mutual promises specified herein and by conditioning their performance upon the express conditions precedent set forth herein, and for other good and valuable consideration the Parties agree as follows:

1. Conditions Precedent. Each Party’s obligations under this Instrument are subject to the satisfaction of the following conditions on or before December 31, 2018, unless the satisfaction of the conditions are waived in writing by all other Parties:

- (a) Approval and execution by each of the signatories set forth below;
- (b) Approval of the proposed amendments set forth in paragraphs 2-7 by the Advisory Committee;
- (c) Approval of Watermaster Board Resolution whereby it commits to the administration of the decree in accordance with the Amendments set forth in paragraphs 2-7 herein;
- (d) A final order by the trial court approving the Amendments set forth and ordering that Watermaster proceed to implement the Judgment in accordance with these proposed amendments as set forth herein.
- (e) Dismissal of the pending Appeal from the trial court order dated April 27, 2017 in *Chino Basin Municipal Water District v. City of Chino* Court of Appeal Case No. E068640 (Superior Court, Case No. RCVRS 510100).

2. Safe Yield

(a) Judgment paragraph 6 shall be amended to read as follows:

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

(b) Exhibit H, ¶10 of the Judgment is amended to read as follows:

“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. Early Transfer

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

“(o) “Early Transfer” means the reallocation of Safe Yield is 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~~ *five year* increment described in Paragraph 10 of Exhibit “H” of the Judgment.”

(b) 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.

4. **Agricultural Conversion.** 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.”

5. **Controlled Overdraft.** 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.” □

6. **New Yield.** 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 in section 7 below below. □

7. **Desalter Replenishment.** 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. □

(iii) 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, 2017.¹

(vi) ~~(iii)~~ The quantification of any Party's share of Operating Safe Yield does not include either land use conversions or *Early Transfers*.

¹ Should amendments to paragraph 9 of Exhibit "G" to the Restated Judgment regarding "Physical Solution Transfers" and the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment be accepted, this new subparagraph 6.2(b)(v) may be eliminated.

8. **Authority.** The signatories represent that they have the authority to bind the respective Parties identified below to the terms of this Acknowledgement and Consent.

9. **Counterparts Permissible.** This Acknowledgement and Consent may be executed in counterparts, each of which shall be deemed an original against the Party whose signature is provided, and all of which shall be considered an original and together shall constitute one agreement binding on all Parties. Facsimile and email copies, are treated as original signatures and have the same binding effect.

10. **Amendment.** The Amendments set forth in paragraphs 2-7 may not be modified, altered, or changed except in writing and signed by all Parties wherein specific reference is made to this Acknowledgement and Consent.

11. **Advice of Counsel.** In executing into this Acknowledgement and Consent, Parties agree that they have relied upon the legal advice of their respective attorneys, who are their attorneys of their own choice, and that the terms of this Acknowledgement and Consent have been completely read and explained by the respective attorneys, and that those terms are fully understood and voluntarily accepted by the parties hereto. The Parties hereby further represent that neither Party relies, nor has relied upon any representation or statement by any Party or any other person with regard to the subject matter, basis or effect of this Acknowledgement and Consent, other than the express provisions contained herein.

12. **Non-Severability.** Each of the provisions of this Acknowledgment and Consent is integrated with and integral to the whole and shall not be severable from the remainder of the Acknowledgment and Consent.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED:

CITY OF ONTARIO

By: _____

[Signatures continued on following pages]

ATTACHMENT 1 TO 8/16/18 STAFF REPORT

DATED: CITY OF POMONA

By: _____

DATED: CITY OF UPLAND

By: _____

DATED: STATE OF CALIFORNIA D

By: _____

DATED: CITY OF CHINO

By: _____

DATED: CUCAMONGA VALLEY
WATER DISTRICT

By: _____

DATED: MONTE VISTA WATER
DISTRICT

By: _____

DATED: FONTANA UNION WATER
COMPANY

By: _____

[Signatures continued on following pages]

DATED: **CITY OF CHINO HILLS**

By: _____

DATED: **JURUPA COMMUNITY SERVICES DISTRICT**

By: _____

DATED: **AGRICULTURAL POOL**

By: _____

DATED: **APPROPRIATIVE POOL**

By: _____

DATED: **NON-AGRICULTURAL POOL**

By: _____

DATED: **INLAND EMPIRE UTILITIES AGENCY**

By: _____

DATED: **THREE VALLEYS MUNICIPAL WATER DISTRICT**

By: _____

[Signatures continued on following pages]

DATED:

**WESTERN MUNICIPAL
WATER DISTRICT**

By: _____

DATED:

**SAN ANTONIO WATER
COMPANY**

By: _____

DATED:

**CHINO BASIN WATER
CONSERVATION DISTRICT**

By: _____

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CHINO BASIN WATERMASTER

MEMORANDUM OF UNDERSTANDING REGARDING CONTRIBUTIONS OF SAFE YIELD
FOR DESALTER REPLENISHMENT

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this ____ day of July, 2018, by and between Chino Basin Watermaster, (herein "Watermaster"), the Overlying (Agricultural) Pool, the Overlying (Non-Agricultural) Pool ("Non-Ag Pool"), and the Appropriative Pool pursuant to the Judgment entered January 27, 1978.

WHEREAS, Watermaster is charged with responsibility to administer the Judgment and the Optimum Basin Management Program Implementation Plan;

WHEREAS, pursuant to Peace II Agreement section 9.2., the members of the Non-Ag Pool have annually contributed a portion of their Save Yield rights to off-set Production by the Desalters;

WHEREAS, Watermaster has delayed assessing Appropriative Pool members in order to replenish for Desalter Production until the initial reset of the Basin's Safe Yield has been completed. The Watermaster Court's April 28, 2017 order regarding the reset of the Safe Yield is presently on appeal before the Fourth Appellate District as Case No. E068640. Following resolution of the appeal, Watermaster anticipates the assessment of a substantial Replenishment Obligation for the Chino Basin Desalters as soon as the current fiscal year;

WHEREAS, the Judgment acknowledged the need for flexibility so that Watermaster would be free to take advantage of technological, social, institutional, and economic options to implement the Physical Solution (Restated Judgment, ¶ 40);

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." Section 5.3 (e) of the Peace Agreement 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, 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, each member of the Appropriative Pool has a prospective Replenishment Obligation attributable to the Desalters, which it may desire to offset through the contribution of Safe Yield;

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

WHEREAS, for the avoidance of doubt, Watermaster, the members of the Non-Ag Pool, and the members of the Appropriative Pool wish to acknowledge and announce their common interpretation of the Peace Agreement as to the contribution of Safe Yield by members of the Non-Ag Pool to off-set the replenishment obligations for Desalter Production of members of the Appropriative Pool.

NOW THEREFORE, in consideration of the mutual promises specified herein and for other good and valuable consideration, Watermaster, the Non-Ag Pool, and the Appropriative Pool agree as follows:

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

2. No Prejudice. The execution of this Agreement will be without prejudice to or limitation upon a member of the Non Ag Pool's right to use water pursuant to its Safe Yield rights for any other permissible purpose under the Judgment.

3.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers.

WATERMASTER

OVERLYING (AGRICULTURAL) POOL

Dated: _____

Dated: _____

OVERLYING (NON-AGRICULTURAL) POOL

APPROPRIATIVE POOL

Dated: _____

Dated: _____

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Physical Solution Transfers. Subparagraphs (a), (b), (c), and (d) of Paragraph 9 of Exhibit "G" to the Restated Judgment are amended to read as follows: □

(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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Ag Pool Report from Closed Session 071918

Regarding Business Item B.

“ADVISORY COMMITTEE REQUEST FOR WATERMASTER ASSISTANCE”

By a motion made by Pietersma with a second by LaBrucherie,

The Ag Pool voted unanimously to approve the process and the following documents provided in advance of the meeting by Watermaster staff:

1. 2018 Acknowledgment and Consent to CAMA Amendments
2. Physical Solution Transfers
3. Chino Basin Watermaster Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment

The Ag Pool approval is contingent upon the following modifications to the above documents:

1. All three documents should be merged into one inclusive document.
2. On page 2, paragraph 2 please add the effective date of the Safe Yield reset.
3. On page 2, paragraph 2 please clarify that the safe yield process that was part of the Judge’s order including peer review and the reset process remains in effect.
4. Page 4, (iv) please clarify what is meant by the term “particular year.”
5. Page 8, the State requests that they be removed as a signatory.

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Ag Pool Report from Closed Session 071918

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Non-Ag Pool Comments 072018

Fri 7/20/2018 2:04 PM
BG Geye, Brian <BGeye@autoclubspeedway.com>
Moving forward...

To Peter Kavounas
Cc Bob Bowcock (bbowcock@irmwater.com)

Peter -

While the Non-Ag pool did not take specific action at yesterday's meeting, based on the direction provided at our June meeting for pool chair and pool counsel to work with Watermaster, the Appropriate Pool, and counsel to facilitate the Exhibit G transfer rate amendment and implement procedures for individual desalter replenishment transfers between NAP and AP parties, I support the process moving forward contingent on the following:

1. All three documents (CAMA amendments, Exhibit G amendments, & MOU) should be merged into one inclusive document
2. On page 5, paragraph 7 of the CAMA amendments— revised Section 6.2(b)(v) should be reflective of the MOU agreement on individual desalter replenishment transfers between Non-Ag Pool parties and Appropriate Pool parties
3. For clarity in the Exhibit G amendment, include language outlining that the price may be established annually by either affirmative action of the Non-Ag Pool, or by the Non-Ag Pool determining a method by which the price per acre foot of Exhibit G water will be established.

Regards,
Brian



Brian Geye
Senior Director, Operations | Auto Club Speedway
9300 Cherry Avenue | Fontana, CA 92335
w | (909) 429-5651 f | (909) 429-5590
www.autoclubspeedway.com |    

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Comments by Individual Parties on documents circulated by Watermaster on
07/19/18

City of Upland; submitted via email dated 08/02/2018

Gentleman-

I reached out to CBWM and Peter referred me to you all for a clarification on the intent of the following provision. I spoke briefly to Todd about this a couple of weeks ago. I would recommend some additional language to make sure it is clear what is intended for this amendment to the CAMA. I have included Peter, so he knows I have requested you to look at a few items in the document.

Here are my comments and questions re: the CBWM Prepared Document:

There appears to be a Typo 3 (g) at the end of the sentence "...5.3(hi)below."

Under 7(iv)(2) as presented, I think there are some numbering issues? It looks like (i), (ii), (iii), (iii), (iv), (v), (vi)

Concern.

Under 7(iv)(4) as presented, again I think there are some numbering issues.

"(4) Production that is subsequently recharged to the groundwater basin within the same year in not counted in the Adjusted Physical Production."

I spoke with Todd Corbin and he said, the intent is "MVWD's Pump to Waste is not counted"

It is not clear to me by the language presented what this is. I would propose some additional language to reflect Todd's expressed intent for the provision, as follows for your discussion today..

"(4) Production that is *itself* subsequently recharged to the groundwater basin within the same year in not counted in the Adjusted Physical Production."

Thanks, Rosemary

County of San Bernardino; submitted verbally

Regarding document titled "2018 Acknowledgement and Consent to CAMA Amendments" 7(iv)(1)

the term "beneficiary" should be clarified. Suggest "the party making beneficial use of the water" instead

City of Ontario; submitted verbally

Regarding document titled "2018 Acknowledgement and Consent to CAMA Amendments" 7(v)

In case this provision is removed because of separate adoption of language interpreting Peace Agreement Paragraph 5.3(e), then language should be inserted in the document clearly indicating that the interpretation language was adopted as part of an overall settlement agreement and is non-severable from the agreement.

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2018 Acknowledgement and Consent to CAMA Amendments

THIS Acknowledgement and Consent dated _____, of July 2018 regarding the Chino Basin provides for the consensual and unopposed amendment of the Judgment, the Peace Agreement, and the Peace II Agreement (Court Approved Management Agreements "CAMAs").

WHEREAS, the parties to the appeal from Judge Reichert's April 28, 2017 Order have petitioned the Court of Appeal for a limited remand to allow the trial court to approve proposed amendments;

WHEREAS, the proposed amendments set forth in paragraphs 2-7-8 of this Acknowledgement and Consent ("Amendments") are intended to provide a grounds for the dismissal of the pending appeal and to provide further direction to Watermaster and the parties to the Judgment;

WHEREAS, the Overlying (Agricultural) Pool, Overlying (Non-Agricultural) Pool, Appropriative Pool and Watermaster have agreed to the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment ("MOU") dated _____ July 2018 and the amendments to subparagraphs (a) (d) of Paragraph 9 of Exhibit "G" regarding the price at which water is made available for transfer to Appropriative Pool parties;

WHEREAS, Watermaster is charged with responsibility to administer the Judgment and the Optimum Basin Management Program Implementation Plan;

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WHEREAS, pursuant to Peace II Agreement section 9.2., the members of the Non-Ag Pool have annually contributed a portion of their Save Yield rights to off-set Production by the Desalters;

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WHEREAS, Watermaster has delayed assessing Appropriative Pool members in order to replenish for Desalter Production until the initial reset of the Basin's Safe Yield has been completed. The Watermaster Court's April 28, 2017 order regarding the reset of the Safe Yield is presently on appeal before the Fourth Appellate District as Case No. E068640. Following resolution of the appeal, Watermaster anticipates the assessment of a substantial Replenishment Obligation for the Chino Basin Desalters as soon as the current fiscal year;

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WHEREAS, the Judgment acknowledged the need for flexibility so that Watermaster would be free to take advantage of technological, social, institutional, and economic options to implement the Physical Solution (Restated Judgment, ¶ 40);

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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

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rights "to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000." Section 5.3 (e) of the Peace Agreement 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:

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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.

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WHEREAS, each member of the Appropriative Pool has a prospective Replenishment Obligation attributable to the Desalters, which it may desire to offset through the contribution of Safe Yield:

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

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WHEREAS, for the avoidance of doubt, the Parties wish to acknowledge and announce their common interpretation of the Peace Agreement as to the contribution of Safe Yield by members of the Non-Ag Pool to off-set the replenishment obligations for Desalter Production of members of the Appropriative Pool.

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NOW THEREFORE, in consideration for the mutual promises specified herein and by conditioning their performance upon the express conditions precedent set forth herein, and for other good and valuable consideration the Parties agree as follows:

1. Conditions Precedent. Each Party's obligations under this Instrument are subject to the satisfaction of the following conditions on or before December 31, 2018, unless the satisfaction of the conditions are waived in writing by all other Parties:

- (a) Approval and execution by each of the signatories set forth below;
- (b) A final order by the trial court approving the Amendments set forth and ordering that Watermaster proceed to implement the Judgment in accordance with these proposed amendments as set forth herein.
- (c) Dismissal of the pending Appeal from the trial court order dated April 28, 2017 in *Chino Basin Municipal Water District v. City of Chino* Court of Appeal Case No. E068640 (Superior Court, Case No. RCVRS 510100).

Commented The Ag Pool has asked that it be clarified that the reset of the Safe Yield includes the Court approval of the entirety of Article IV of the Safe Yield Reset Agreement. See subsection 2.(b) which is consistent with the January 11, 2018 Chino Basin Safe Yield Reset and Accounting Compromise Term Sheet

2. Safe Yield

- (a) Judgment paragraph 6 shall be amended to read as follows:

Commented The Ag Pool has asked that the effective date of the reset be added. If the reference in 2.(b) is included, this not be added as it is so provided in the Order.

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

(b) Safe Yield will be set pursuant to Court Order dated April 28, 2017, including the Reset Technical Memorandum.

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~~(b)~~(c) Exhibit H, ¶10 of the Judgment is amended to read as follows:

"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. Early Transfer

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

"(o) "Early Transfer" means the reallocation of Safe Yield is 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.~~

(b) 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(h) below.~~

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(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.

4. **Agricultural Conversion.** 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.”

5. **Controlled Overdraft.** 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.” □

6. **New Yield.** 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 in section 7 below-below. □

7. **Desalter Replenishment.** 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.* □

(iii) *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:*

Commented The Ag Pool has requested clarification as to the term "particular year" and the request clarifies but does not change the meaning of the sentence. Watermaster could suggest clarifying language if requested to do so.

(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. □

Commented . A comment has been received that "beneficiary" should be clarified. Watermaster could suggest clarifying language if requested to do so.

(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.

Commented . The City of Upland has requested that the word "itself" be inserted here.

(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

Commented . The Non-Ag Pool has commented that this section should be reflective of the MOU agreement on individual desalter replenishment transfers. Section 9 of this document addresses this issue and it is possible that this section (6.2.(b)(v) may be removed.

the Non-Agricultural Pool pursuant to Exhibit G, ¶9(i) of the Judgment after June, 2017.³

(vi) (iii) The quantification of any Party's share of Operating Safe Yield does not include either land use conversions or *Early Transfers*.

³ Should amendments to paragraph 9 of Exhibit "G" to the Restated Judgment regarding "Physical Solution Transfers" and the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment be accepted, this new subparagraph 6.2(b)(v) may be eliminated.

8. Physical Solution Transfers. Subparagraphs (a), (b), (c), and (d) of Paragraph 9 of Exhibit "G" to the Restated Judgment are amended to read as follows: □

Commented [redacted] This has been included in response to the Overlying Pools' request that the three documents be consolidated into a single document.

Commented [redacted] ; The Overlying (Non-Agricultural) Pool has indicated that it may have additional language suggestions for this section. Watermaster is happy to assist if requested to do so.

(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.

9. Contributions of Safe Yield for Desalter Replenishment.

Commented [redacted] This has been included in response to the Overlying Pools' request that the three documents be consolidated into a single document.

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(a) Contributions. At any time after the date of execution of this Acknowledgement and Consent, if a Replenishment Obligation arises that is attributable to Desalter Production, a member of the Non-Ag Pool may contribute Safe Yield, attributable to its overlying rights in the Non-

Agricultural Pool to Watermaster for the purpose of offsetting the individual Replenishment Obligation of a member of the Appropriative Pool. Upon such contribution by a member of the Non-Ag Pool, Watermaster will make a corresponding adjustment to the designated member of Appropriative Pool's assessment and thereby reduce the Replenishment obligation of the member of Appropriative Pool in an amount equal to the number of acre-feet contributed by the member of the Non-Ag Pool in that year.

(b) No Prejudice. The execution of this Acknowledgement and Consent will be without prejudice to or limitation upon a member of the Non Ag Pool's right to use water pursuant to its Safe Yield rights for any other permissible purpose under the Judgment.

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10. Authority. The signatories represent that they have the authority to bind the respective Parties identified below to the terms of this Acknowledgement and Consent.

10. Counterparts Permissible. This Acknowledgement and Consent may be executed in counterparts, each of which shall be deemed an original against the Party whose signature is provided, and all of which shall be considered an original and together shall constitute one agreement binding on all Parties. Facsimile and email copies, are treated as original signatures and have the same binding effect.

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10. Amendment. The Amendments set forth in paragraphs 2-7 may not be modified, altered, or changed except in writing and signed by all Parties wherein specific reference is made to this Acknowledgement and Consent.

10. Advice of Counsel. In executing into this Acknowledgement and Consent, Parties agree that they have relied upon the legal advice of their respective attorneys, who are their attorneys of their own choice, and that the terms of this Acknowledgement and Consent have been completely read and explained by the respective attorneys, and that those terms are fully understood and voluntarily accepted by the parties hereto. The Parties hereby further represent that neither Party relies, nor has relied upon any representation or statement by any Party or any other person with regard to the subject matter, basis or effect of this Acknowledgement and Consent, other than the express provisions contained herein.

10. Non-Severability. Each of the provisions of this Acknowledgement and Consent is integrated with and integral to the whole and shall not be severable from the remainder of the Acknowledgment and Consent.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED: CITY OF ONTARIO
By: _____

[Signatures continued on following pages]

DATED: CITY OF POMONA
By: _____

DATED: CITY OF UPLAND
By: _____

DATED: _____ STATE OF CALIFORNIA
By: _____

Commented . The State has asked that it be removed as a signatory as it desires to sign through the Ag Pool. The State has asked that it be removed as a signatory as it desires to sign through the Ag Pool. This could be done provided that the State makes this assurance and representation.

DATED: CITY OF CHINO
By: _____

DATED: CUCAMONGA VALLEY
WATER DISTRICT
By: _____

DATED: MONTE VISTA WATER
DISTRICT

By: _____

DATED: **FONTANA UNION WATER
COMPANY**

By: _____

[Signatures continued on following pages]

DATED: **CITY OF CHINO HILLS**

By: _____

DATED: **JURUPA COMMUNITY
SERVICES DISTRICT**

By: _____

DATED: **AGRICULTURAL POOL**

By: _____

DATED: **APPROPRIATIVE POOL**

By: _____

DATED: **NON-AGRICULTURAL POOL**

By: _____

DATED: **INLAND EMPIRE UTILITIES
AGENCY**

By: _____

DATED:

**THREE VALLEYS MUNICIPAL
WATER DISTRICT**

By: _____

[Signatures continued on following pages]

DATED:

**WESTERN MUNICIPAL
WATER DISTRICT**

By: _____

DATED:

**SAN ANTONIO WATER
COMPANY**

By: _____

DATED:

**CHINO BASIN WATER
CONSERVATION DISTRICT**

By: _____

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2018 Acknowledgement and Consent to CAMA Amendments

THIS Acknowledgement and Consent dated _____, of July 2018 regarding the Chino Basin provides for the consensual and unopposed amendment of the Judgment, the Peace Agreement, and the Peace II Agreement (Court Approved Management Agreements "CAMAs").

WHEREAS, the parties to the appeal from Judge Reichert's April 28, 2017 Order have petitioned the Court of Appeal for a limited remand to allow the trial court to approve proposed amendments;

WHEREAS, the proposed amendments set forth in paragraphs 2-7-8 of this Acknowledgement and Consent ("Amendments") are intended to provide a grounds for the dismissal of the pending appeal and to provide further direction to Watermaster and the parties to the Judgment;

WHEREAS, the Overlying (Agricultural) Pool, Overlying (Non-Agricultural) Pool, Appropriative Pool and Watermaster have agreed to the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment ("MOU") dated ~~July August 2018 and the amendments to subparagraphs (a)-(d) of Paragraph 9 of Exhibit "C"~~ regarding the price at which water is made available for transfer to Appropriative Pool parties;

NOW THEREFORE, in consideration for the mutual promises specified herein and by conditioning their performance upon the express conditions precedent set forth herein, and for other good and valuable consideration the Parties agree as follows:

1. **Conditions Precedent.** Each Party's obligations under this Instrument are subject to the satisfaction of the following conditions on or before December 31, 2018, unless the satisfaction of the conditions are waived in writing by all other Parties:

- (a) Approval and execution by each of the signatories set forth below;
- (b) A final order by the trial court approving the Amendments set forth and ordering that Watermaster proceed to implement the Judgment in accordance with these proposed amendments as set forth herein.
- (c) Dismissal of the pending Appeal from the trial court order dated April 27~~28~~, 2017 in *Chino Basin Municipal Water District v. City of Chino* Court of Appeal Case No. E068640 (Superior Court, Case No. RCVRS 510100).

2. **Safe Yield** _____

- (a) Judgment paragraph 6 shall be amended to read as follows: _____

Commented : The Ag Pool has asked that it be clarified that the reset of the Safe Yield includes the Court approval of the entirety of Article IV of the Safe Yield Reset Agreement. See subsection 2.(b) which is consistent with the January 11, 2018 Chino Basin Safe Yield Reset and Accounting Compromise Term Sheet

Commented : The Ag Pool has asked that the effective date of the reset be added. If the reference in 2(b) is included, this not be added as it is so provided in the Order.

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

(b) Safe Yield will be set pursuant to Court Order dated April 28, 2017, including the Reset Technical Memorandum.

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(b)(c) Exhibit H, ¶10 of the Judgment is amended to read as follows:

"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. Early Transfer

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

(o) "Early Transfer" means the reallocation of Safe Yield is 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.~~

(b) 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(h) below.~~

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(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.

4. **Agricultural Conversion.** 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.”

5. **Controlled Overdraft.** 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.” □

6. **New Yield.** 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 in section 7 below-below. □

7. **Desalter Replenishment.** 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.* □

(iii) *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:*

Commented ; : The Ag Pool has requested clarification as to the term "particular year" and the request clarifies but does not change the meaning of the sentence. Watermaster could suggest clarifying language if requested to do so.

(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.* □

Commented [] A comment has been received that "beneficiary" should be clarified. Watermaster could suggest clarifying language if requested to do so.

(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.*

Commented [] The City of Upland has requested that the word "itself" be inserted here.

(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*

Commented [] The Non-Ag Pool has commented that this section should be reflective of the MOU agreement on individual desalter replenishment transfers between Non-Ag Pool parties and Appropriative Pool parties.

The City of Ontario has commented "In case this provision is removed because of separate adoption of language interpreting Peace Agreement Paragraph 5.3(e), then language should be inserted in the document clearly indicating that the interpretation language was adopted as part of an overall settlement agreement and is non-severable from the agreement."

the Non- Agricultural Pool pursuant to Exhibit G, ¶9(i) of the Judgment after June, 2017.¹

(vi) ~~(iii)~~ The quantification of any Party's share of Operating Safe Yield does not include either land use conversions or *Early Transfers*.

¹ Should amendments to paragraph 9 of Exhibit "G" to the Restated Judgment regarding "Physical Solution Transfers" and the Memorandum of Understanding Regarding Contributions of Safe Yield for Desalter Replenishment be accepted, this new subparagraph 6.2(b)(v) may be eliminated.

8. Physical Solution Transfers. Subparagraphs (a), (b), (c), and (d) of Paragraph 9 of Exhibit "G" to the Restated Judgment are amended to read as follows: □

Commented: This has been included in response to the Overlying Pools' request that the three documents be consolidated into a single document.

Commented: The Overlying (Non-Agricultural) Pool has indicated that it may have additional language suggestions for this section. Watermaster is happy to assist if requested to do so.

(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.

9. Authority. The signatories represent that they have the authority to bind the respective Parties identified below to the terms of this Acknowledgement and Consent.

10. Counterparts Permissible. This Acknowledgement and Consent may be executed in counterparts, each of which shall be deemed an original against the Party whose signature is provided, and all of which shall be considered an original

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and together shall constitute one agreement binding on all Parties. Facsimile and email copies, are treated as original signatures and have the same binding effect.

1011. **Amendment.** The Amendments set forth in paragraphs 2-7 may not be modified, altered, or changed except in writing and signed by all Parties wherein specific reference is made to this Acknowledgement and Consent.

1112. **Advice of Counsel.** In executing into this Acknowledgement and Consent, Parties agree that they have relied upon the legal advice of their respective attorneys, who are their attorneys of their own choice, and that the terms of this Acknowledgement and Consent have been completely read and explained by the respective attorneys, and that those terms are fully understood and voluntarily accepted by the parties hereto. The Parties hereby further represent that neither Party relies, nor has relied upon any representation or statement by any Party or any other person with regard to the subject matter, basis or effect of this Acknowledgement and Consent, other than the express provisions contained herein.

1213. **Non-Severability.** Each of the provisions of this Acknowledgment and Consent is integrated with and integral to the whole and shall not be severable from the remainder of the Acknowledgment and Consent.

IN WITNESS WHEREOF, the Parties hereto have set forth their signatures as of the date written below:

DATED: CITY OF ONTARIO

By: _____

[Signatures continued on following pages]

DATED: CITY OF POMONA

By: _____

DATED: CITY OF UPLAND

By: _____

DATED: _____ ~~STATE OF CALIFORNIA~~

Commented | The State has asked that it be removed as a signatory as it desires to sign through the Ag Pool. This could be done provided that the State makes this assurance and representation.

By: _____

DATED: CITY OF CHINO

By: _____

DATED: CUCAMONGA VALLEY
WATER DISTRICT

By: _____

DATED: MONTE VISTA WATER
DISTRICT

By: _____

DATED: FONTANA UNION WATER
COMPANY

By: _____

[Signatures continued on following pages]

DATED: CITY OF CHINO HILLS

By: _____

DATED: JURUPA COMMUNITY
SERVICES DISTRICT

By: _____

DATED: **AGRICULTURAL POOL**

By: _____

DATED: **APPROPRIATIVE POOL**

By: _____

DATED: **NON-AGRICULTURAL POOL**

By: _____

DATED: **INLAND EMPIRE UTILITIES
AGENCY**

By: _____

DATED: **THREE VALLEYS MUNICIPAL
WATER DISTRICT**

By: _____

[Signatures continued on following pages]

DATED: **WESTERN MUNICIPAL
WATER DISTRICT**

By: _____

DATED:

SAN ANTONIO WATER
COMPANY

By: _____

DATED:

CHINO BASIN WATER
CONSERVATION DISTRICT

By: _____

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CHINO BASIN WATERMASTER

MEMORANDUM OF UNDERSTANDING REGARDING CONTRIBUTIONS OF SAFE YIELD FOR DESALTER REPLENISHMENT

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this ___ day of July, 2018, by and between Chino Basin Watermaster, (herein "Watermaster"), the Overlying (Agricultural) Pool, the Overlying (Non-Agricultural) Pool ("Non-Ag Pool"), and the Appropriative Pool pursuant to the Judgment entered January 27, 1978.

WHEREAS, Watermaster is charged with responsibility to administer the Judgment and the Optimum Basin Management Program Implementation Plan;

WHEREAS, pursuant to Peace II Agreement section 9.2, the members of the Non-Ag Pool have annually contributed a portion of their Safe Yield rights to off-set Production by the Desalters;

WHEREAS, Watermaster has delayed assessing Appropriative Pool members in order to replenish for Desalter Production until the initial reset of the Basin's Safe Yield has been completed. The Watermaster Court's April 28, 2017 order regarding the reset of the Safe Yield is presently on appeal before the Fourth Appellate District as Case No. E068640. Following resolution of the appeal, Watermaster anticipates the assessment of a substantial Replenishment Obligation for the Chino Basin Desalters as soon as the current fiscal year;

WHEREAS, the Judgment acknowledged the need for flexibility so that Watermaster would be free to take advantage of technological, social, institutional, and economic options to implement the Physical Solution (Restated Judgment, ¶ 40);

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." Section 5.3 (e) of the Peace Agreement 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, 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, each member of the Appropriative Pool has a prospective Replenishment Obligation attributable to the Desalters, which it may desire to offset through the contribution of Safe Yield;

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

WHEREAS, for the avoidance of doubt, Watermaster, the members of the Non-Ag Pool, and the members of the Appropriative Pool wish to acknowledge and announce their common interpretation of the Peace Agreement as to the contribution of Safe Yield by members of the Non-Ag Pool to off-set the replenishment obligations for Desalter Production of members of the Appropriative Pool.

NOW THEREFORE, in consideration of the mutual promises specified herein and for other good and valuable consideration, Watermaster, the Non-Ag Pool, and the Appropriative Pool agree as follows:

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

2. No Prejudice. The execution of this Agreement will be without prejudice to or limitation upon a member of the Non Ag Pool's right to use water pursuant to its Safe Yield rights for any other permissible purpose under the Judgment.

3.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers.

WATERMASTER

OVERLYING (AGRICULTURAL) POOL

Dated: _____

Dated: _____

OVERLYING (NON-AGRICULTURAL) POOL

APPROPRIATIVE POOL

Dated: _____

Dated: _____

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CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written)
2. State and Federal Legislative Reports (Written)
3. Community Outreach/Public Relations Report (Written)



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

August 16, 2018

INLAND EMPIRE UTILITIES AGENCY REPORTS

The following items are provided for receive and file.

- IEUA Updates (Written)
- Water Supply Conditions
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report

**CBWM Advisory Committee Meeting
August 16, 2018**

Inland Empire Utilities Agency
Water Resources Updates

MWD:

- MWD received two potential Brown Act violation claims regarding the CA Water Fix Project. This was in regard to the action that the MWD Board took in April. MWD denied these allegations and to allow for complete transparency and public involvement, they took the Water Fix vote back to the board in July for approval. The project was passed again without any changes to the vote.
- DRY YEAR YIELD (DYY): The Chino Basin DYY program for FY 17/18 concluded with a total of 41,388.3 AF stored in the DYY account. The program will not move forward in FY 18/19. A letter agreement to enable parties to voluntarily extract water from the DYY account with credits in non MWD “call years” is under consideration by the parties.

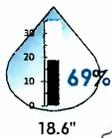


Water Supply Conditions Report

As of: 07/31/2018

2018 Colorado River

837,627 AF
67% of full CRA
Does not include storage withdrawals



18.6"

Upper Colorado River Basin
74% Peak Snowpack % of Normal April 1

46% Runoff Forecast (WY)

24.3 MAF

50%

POWELL
12.12 MAF

26.1 MAF

37%

MEAD
9.8 MAF
1077.43 FT

Peak Snowpack % of Normal April 1

Runoff Forecast WY

Turn page for more CRA Data

Flip Over for SWP



Highlights

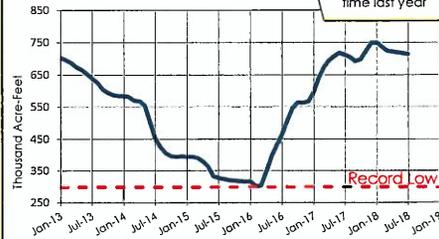
- Statewide snowpack peaked at 58% of April 1 normal
- Sacramento River Runoff forecast is 72% of normal
- Snowpack in the Upper Colorado River Basin peaked at 74% of April 1 normal
- Lake Powell inflow forecast is at 46% of normal



Diamond Valley Lake Storage

Capacity: 810 TAF

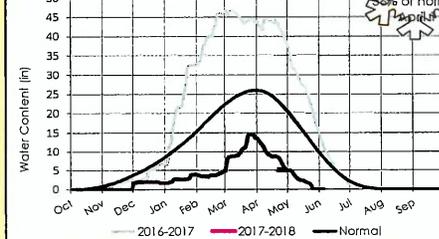
1 TAF more in storage than this time last year



Record Low

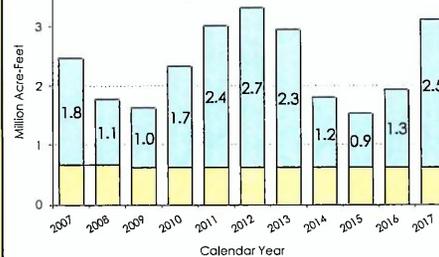
Southern Sierra Snowpack

Peak: 14.6" (58% of normal)



MWD Storage Reserve Levels

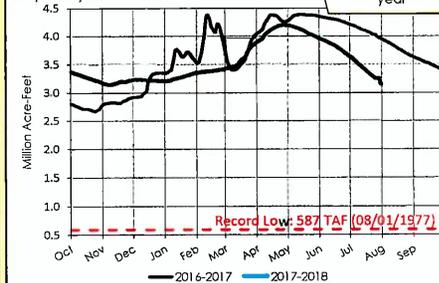
Storage Balance
Emergency Storage



Lake Shasta Reservoir Storage

Capacity: 4.55 MAF

795 TAF less in storage than this time last year



Record Low: 587 TAF (08/01/1977)



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

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

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



Water Supply Conditions Report

As of: 07/31/2018

2018 SWP Allocation

669,025 AF
35% of Table A

3.5 MAF

55%

OROVILLE
1.94 MAF

2.04 MAF

44%

SAN LUIS
TOT: 906.21 TAF
SWP: 543 TAF

325 TAF

87%

CASTAIC
283 TAF

810 TAF

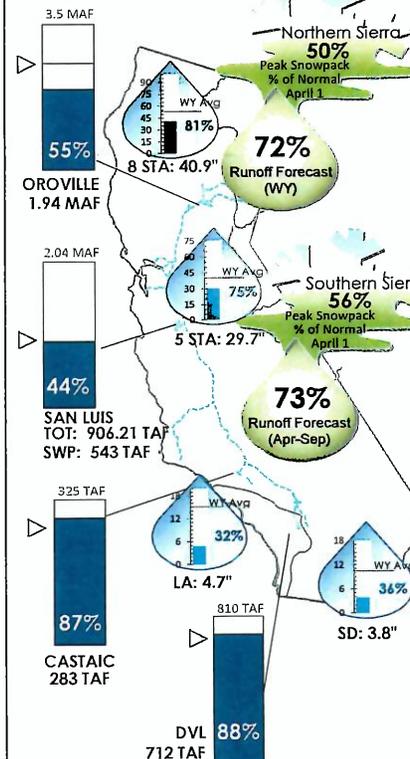
DVL
712 TAF

WY Avg
% Normal WY to Date
Rainfall to Date (in)

Capacity
Average EOM
Current Storage (% Capacity)

Flip Over for CRA Data

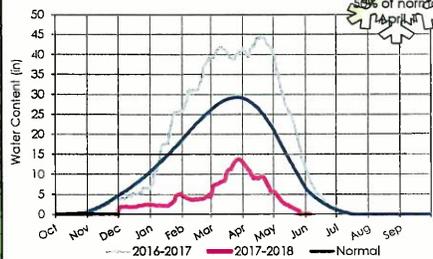
Turn page for more SWP Data



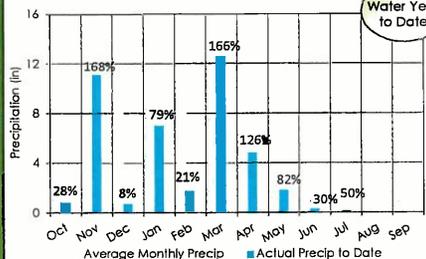
As of: 07/31/2018

State Water Project Resources

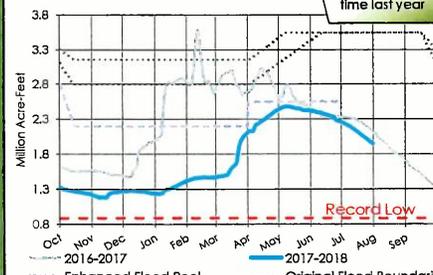
Northern Sierra Snowpack



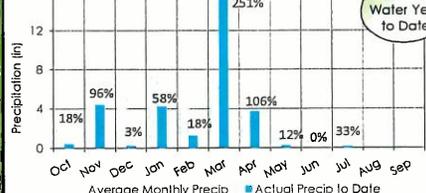
8 Station Index Precip



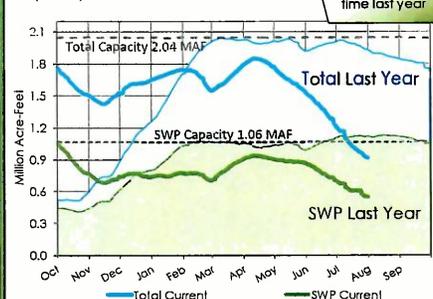
Orville Reservoir Storage



5 Station Index Precip



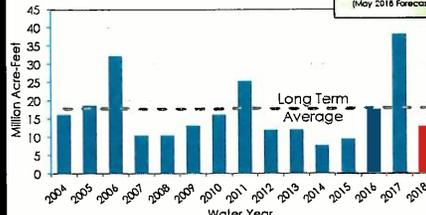
San Luis Reservoir Storage



Other SWP Contract Supplies for 2018 (AF)

Transfer/Exchanges	16,500
Article 14b	27,500
Pool A/B (Purchased)	TBD
Carryover Supplies	297,000

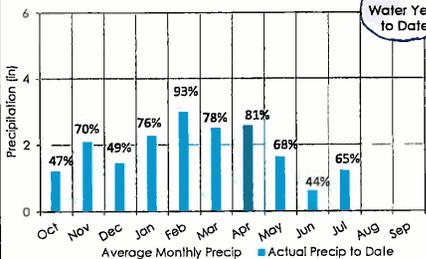
Sacramento River Runoff



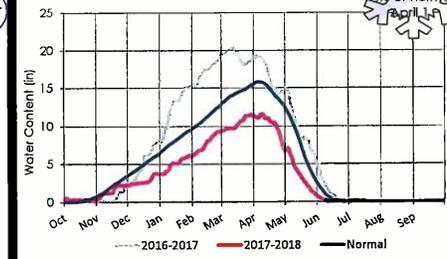
Colorado River Resources

As of: 07/31/2018

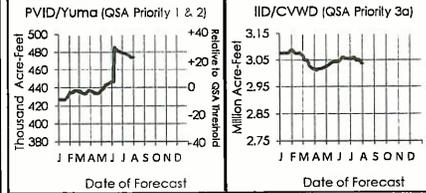
Upper Colorado Basin Precip



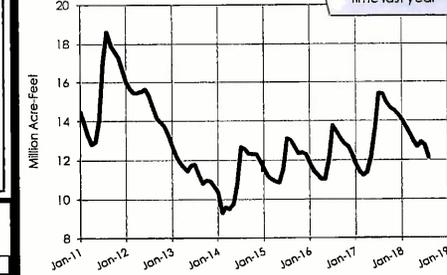
Upper Colorado Basin Snowpack



2017 Colorado River Ag Use



Lake Powell Storage

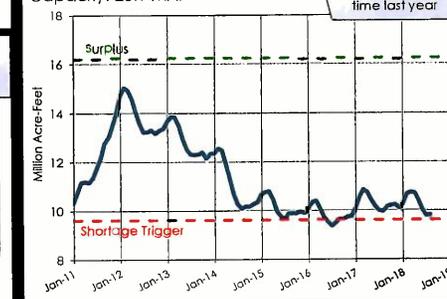


Lake Mead Shortage/Surplus Outlook

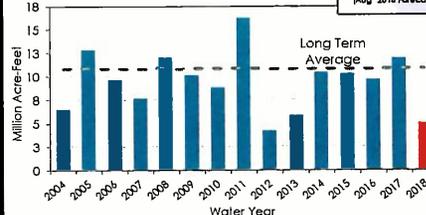
	2019	2020	2021	2022	2023
Shortage	0%	52%	64%	68%	65%
Surplus	0%	0%	3%	6%	10%

Likelihood based on results from the April 2018 U.S.G.P. MTRM/CMS model run.

Lake Mead Storage



Powell Unregulated Inflow



Federal Legislation of Significance

Bill Number	Sponsor	Title and/or Summary	Summary/Status
H.R. 8	Rep. Bill Shuster(R-PA)	Water Resources Development Act	<p>The bill authorizes proposed U.S. Army Corps of Engineers civil works activities and provides reforms to the Corps . WARDA authorizes locally driven, but nationally vital, investments in the Nation’s water resources infrastructure. It strengthens economic growth and competitiveness, helps move goods throughout the country and abroad, and protects our communities.</p> <p>The legislation passed the House on by a vote of 408 to 2.</p>
H.R.5895	Rep. Mike Simpson (R-ID)	Fiscal 2019 Energy and Water Development, Legislative Branch, and MilCon-VA Appropriations Minibus	<p>Provides FY2019 appropriations for U.S. Army Corps of Engineers civil works projects, the Department of the Interior's Bureau of Reclamation, the Department of Energy (DOE), and independent agencies such as the Nuclear Regulatory Commission. The legislative branch section, would provide additional funds for the Office of Compliance for training and higher caseloads. The office handles workplace protection complaints for the legislative branch. It also would block the automatic cost-of-living increase for members of Congress. The legislation would also appropriate funding for military construction and the Department of Veteran’s Affairs.</p> <p>The legislation was passed through both the House and the Senate and both chambers are conferencing together in order to reconcile discrepancies between each chambers version.</p>
H.R. 6147	Rep. Ken Calvert(R-CA)	Fiscal 2019 Interior-Environment, Financial Services Appropriations "Minibus"	<p>The legislation includes funding for the Department of the Interior, the Environmental Protection Agency (EPA), the Forest Service, the Indian Health Service, and various independent and related agencies. These funds are targeted to important investments in the nation’s natural resources, including \$3.4 billion for the Department of the Interior and U.S. Forest Service to prevent and combat devastating wildfires.</p> <p>The legislation also contains several policy provisions to rein in unnecessary regulations at the EPA and other agencies. The Financial Services bill would provide funding for the United States Department of the Treasury, as well as the United States federal courts, the Executive Office of the President of the United States,</p> <p>The legislation was passed in the House with a vote of 217 – 199 and is now being considered in the Senate.</p>

P 219

S.2800	Sen. John Barrasso (R-WY)	America's Water Infrastructure Act of 2018	<p>The bill provides for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States. This is the Senate counterpart to the House's Water Resources Development Act.</p> <p>The legislation was marked and reported favorably out of committee on Tuesday, May 22, 2018</p>
H.R. 5609	Rep. Keith Ellison (D-MN)	Water Affordability, Transparency, Equity, and Reliability Act of 2018	<p>The legislation would establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.</p> <p>The bill was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit on Tuesday, June 22, 2018 and no further action has been taken.</p>
H.R. 5003	Rep. Randy Hultgren (R-IL)	To amend the Internal Revenue Code of 1986 to reinstate advance refunding bonds	The legislation was referred to the House Committee on Ways and Means on Tuesday, February 23, 2018 and no further action has been taken.
H.R.4902	Rep. John Katko (R-NY)	Securing Required Funding for Water Infrastructure Now Act	<p>The legislation would amend the Water Infrastructure Finance and Innovation Act of 2014 to provide to State infrastructure financing authorities additional opportunities to receive loans under that Act to support drinking water and clean water State revolving funds to deliver water infrastructure to communities across the United States.</p> <p>The bill was introduced on Tuesday, January 30, 2018 and referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce.</p>
S. 2364	Sen. John Boozman	Securing Required Funding for Water Infrastructure Now Act	<p>The intention of the bill is to amend the Water Infrastructure Finance and Innovation Act of 2014 to provide to State infrastructure financing authorities additional opportunities to receive loans under that Act to support drinking water and clean water State revolving funds to deliver water infrastructure to communities across the United States, and for other purposes.</p> <p>The legislation was introduced on Tuesday, January 30, 2018 and referred to the Committee on Environment and Public Works.</p>
S.2329	Sen. John Hoeven (R-ND)	Water Infrastructure Finance and Innovation Reauthorization Act of 2018	This measure is designed to spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects — including wastewater treatment, flood control and storm water management — with long-term, low-cost loans and loan guarantees, reauthorize and amend the Water Infrastructure

			<p>Finance and Innovation Act of 2014, and double the Environmental Protection Agency's fiscal year 19 WIFIA authorization to \$90 million and extend the program for five years, through 2024.</p> <p>The legislation was introduced Tuesday, January 23, 2018 was referred to the Committee on Environment and Public Works</p>
H.R.4492	Rep. Brian Mast (R-FL)	Water Infrastructure Finance and Innovation Reauthorization Act of 2017	<p>H.R. 4492 is a companion bill to S.2329 and would spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects.</p> <p>This bill was introduced Thursday, November 30, 2017 and was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce.</p>
H.R. 5127	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	<p>The legislation would assist water agencies with the expansion, planning, designing, and building of water recycling plants and modernizing water infrastructure by making changes to the WIIN Act Title XVI water recycling and reuse program by removing the requirement of funding projects that are in drought or disaster areas, increasing the authorization from \$50 million to \$500 million, making the program permanent rather than sun-setting in 2021, and taking away the requirement that the projects need to be designated in an appropriations legislation.</p> <p>The bill was introduced on Tuesday, February 27, 2018 and referred to the Committee on Natural Resources, and in addition to the Committee on Transportation and Infrastructure.</p>
S.1	Sen. Mike Enzi	Tax Cuts and Jobs Act	<p>This bill provides for the reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2018. Tax rates would be reduced, dozens of breaks would be eliminated, and the individual mandate from the Affordable Care Act would be eliminated. The corporate income tax rate would be set at 20 percent. Related to H.R. 1.</p> <p>S.1 was introduced by the Senate Budget Committee on Tuesday, November 28, 2017. It was placed on the Senate Legislative Calendar under General Orders.</p>
H.R. 3711	Reps. Lamar Smith (R-TX)/Ken Calvert (R-CA) /Bob	Legal Workforce Act	<p>A bill that would require all U.S. employers to use the E-Verify electronic employment verification system. The requirement would be phased over a two-year period, starting with the largest employers. The agriculture industry would have an additional six months (or 30 months total) to come into compliance.</p>

	Goodlatte (R-VA)		H.R. 3711 was referred to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce on Friday, September 8 th . On Wednesday, September 27 th , H.R.3711 was referred to Judiciary Subcommittee on Immigration and Border Security. Judiciary Committee Consideration and Mark-up Session was held on Wednesday, October 25 th . H.R. 3711 was ordered and reported (amended) by the yeas and nays: 20-10 on October 25, 2017.
H.R. 23	Rep. David Valadao (R-CA)	Gaining Responsibility on Water Act of 2017	<p>Among other things the legislation would require regulators to comply with the Bay-Delta Accord and make changes to the state's Central Valley and State Water projects and streamline permitting processes. The bill included provisions from multiple other bills previously passed by the House that sought to increase the flow of water to areas of California that have experienced drought over the past five years. The measure was referred to the House Committee on Natural Resources and the Committee on Agriculture.</p> <p>By a vote of 230-190, the House passed H.R. 23, as amended, on July 12, 2017. H.R. 23 was received in Senate, read twice and referred to the Committee on Energy and Natural Resources on July 18, 2017.</p>
H.R. 4	Rep. Bill Shuster (R-PA)	FAA Reauthorization Act of 2018	<p>Among other issues this legislation would reauthorizes the Federal Aviation Administration for five years. Among other things the FAA reauthorization funds aviation programs, Airport Planning and Development and Noise Compatibility Planning and Programs and authorizes FAA's Airport Improvement Program (AIP) account at \$3.350 billion annually for each of fiscal years 2018-2023.</p> <p>By a voted of 393 – 13, the House passed H.R.4, the Senate has yet to take up the House version of the bill.</p>
H.R. 1663	Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R-VA)	Water Resources Research Amendments Act	<p>This legislation would extend a Federal-State partnership aimed at addressing state and regional water problems, promoting distribution and application of research results, and providing training and practical experience for water-related scientists and engineers. H.R. 1663 would authorize \$9,000,000 annually over five years for grants to water resources research institutes and require two-to-one matching with non-federal funds. It would also promote exploration of new ideas, expand research to reduce energy consumption, and bolster reporting and accountability requirements.</p> <p>The bill has been introduced in the House Committee on Natural Resources and referred to the Subcommittee on Water, Power and Oceans on March 27, 2017.</p>

H.R. 497/ S.357	Rep. Paul Cook (R-CA)/ Sen. Dianne Feinstein (D-CA)	Santa Ana River Wash Plan Land Exchange Act	<p>This bill directs the Department of the Interior: (1) to quitclaim to the San Bernardino Valley Water Conservation District in California approximately 327 acres of identified federal land administered by the Bureau of Land Management, and (2) in exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>On April 27th H.R. 497 passed through the House Natural Resources Committee by unanimous consent, and was schedule for the House Floor Consideration on June 2nd.</p> <p>This bill was passed by the House on June 27th by a vote of 424-0. The bill was referred to the Senate Committee on Energy and Natural Resources on June 28th and no further action has been taken.</p> <p>The Senate Environment and Public Works Committee held a hearing on S. 357 on July 26, 2017.</p> <p>On May 15, 2018 the Senate Committee on Energy and Natural Resources ordered H.R. 497 to be reported without amendment favorably.</p>
S. 32	Sen. Dianne Feinstein (D-CA)	California Desert Protection and Recreation Act	<p>This bill would designate important wilderness in the California desert and protect lands for recreation, wildlife and tourism. Aspects of the bill include:</p> <ul style="list-style-type: none"> • Mandate study and protection of Native American cultural trails along the Colorado River. • Designate 230,000 acres of additional wilderness area between the Avawatz Mountains near Death Valley to Imperial County's Milpitas Wash. • Add 43,000 acres to Death Valley and Joshua Tree national parks. • Create a 75,000-plus acre special management area at Imperial County's Vinagre Wash. • Designate Inyo County's Alabama Hills as a National Scenic Area. • Prohibit new mining claims on 10,000 acres in Imperial County considered sacred by the Quechan Tribe. <p>Additionally, the bill protects 140,000 acres of existing off-road vehicle riding areas from mining, energy development, military base expansion or other decisions that would close them to vehicle use.</p>

			<p>The Senate Environment and Public Works Committee held a hearing on S.32 on July 26, 2017.</p> <p>H.R. 857, California Off-Road Recreation and Conservation Act, is a similar bill and largely aims to address similar issues.</p>
H.R. 2510	Rep. Peter DeFazio (D-OR)	Water Quality Protection and Job Creation Act of 2017	<p>This bill would amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds.</p> <p>This bill has been introduced to the House Transportation and Infrastructure subcommittee on Water resources and Environment on May 19, 2017.</p>
H.R. 1654	Rep. Tom McClintock (R-CA)	Water Supply Permitting Coordination Act	<p>This bill would allow water project sponsors the opportunity to use an expedited permitting process for new or expanded surface non-federal storage facilities through the Bureau of Reclamation, which would be the lead and central agency coordinating the review process.</p> <p>The House Natural Resources Committee approved the bill by a vote of 24-16 on April 27. The House Rules Committee on June 20th dictated final amendments for passage on the House Floor; this bill passed the House on June 22 by a vote of 233-180. H.R. 1654 was referred to the Senate Committee on Energy and Natural Resources on June 26 and not further action has been taken.</p>

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MEMORANDUM

To: Halla Razak and Kathy Besser

From: Letitia White, Jean Denton, Shavenor Winters, Drew Tatum

Date: July 27, 2018

Re: July Monthly Legislative Update

Appropriations Move Forward

The House has now passed six of its 12 fiscal year 2019 appropriations bills, with a 217-199 vote July 19 on a two-bill minibus package (H.R. 6147) that included the Financial Services and Interior-Environment measures. Fifteen Republicans joined all Democrats present in opposing the package. The measure would provide \$35.3 billion for Interior-Environment and \$23.4 billion for Financial Services. The bill included provisions that would roll back Obama-era climate policies, including a repeal of the “waters of the United States” regulation, which led Democrats to uniformly oppose the spending bill.

The White House offered a mixed review in a Statement of Administration Policy, stopping short of threatening to veto the legislation. The White House criticizing the fact that the measure did not meet all the goals of the President’s Budget by failing to eliminate funds for the National Endowment for the Arts, National Endowment for the Humanities and the Woodrow Wilson International Center for Scholars. The administration praised some measures in the bill, including a \$585 million savings account in the Financial Services bill, which is a means of avoiding spending all the funds allocated to the bill.

The Senate began considering the House-passed package during the week of July 23, removing the House-passed language, and insert its own Financial Services, Interior-Environment, Agriculture-FDA and Transportation-HUD funding bills to create a four-bill minibus. Consideration is expected to be completed during the week of July 30th.

Once the Senate completes consideration of the legislation, the House and Senate will have each passed the following five FY19 appropriations bills: Energy and Water Development; Military Construction and Veterans Affairs; Legislative Branch; Interior; and Financial Services and General Government. As you will recall, the House and Senate are currently working to conference the first three of those appropriations bills that passed both chambers as a minibus

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appropriations package. A table of the priority programs from the Energy and Water Development Appropriations bill is included below. The House and Senate Appropriations Committees have now agreed to the topline 302(b) subcommittee allocations for that minibus package, and committee staff are planning to work through the August recess to finalize the conference report so it can be brought to the floor of the House and Senate in September. Priority programs within the FY19 Energy and Water Appropriations bill:

Program	FY18 Enacted	FY19 PB Request	FY19 House Recommendation	FY19 Senate Recommendation
WaterSMART Program:				
WaterSMART Grants	\$34 million	\$10 million	\$34 million	\$34 million
Cooperative Watershed Management	\$2.25 million	\$0.25 million	\$2.25 million	\$2.25 million
Water Conservation Field Services Program	\$4.179 million	\$1.75 million	\$4.179 million	\$4.179 million
Basin Studies	\$5.2 million	\$2.0 million	\$5.2 million	\$5.2 million
Title XVI - Water Recycle and Reuse Program	\$54.406 million	\$3.0 million	\$65 million **	\$54.406 million **
Resilient Infrastructure				
Drought Response		\$2.901		
**\$20 million is for water recycling and reuse projects authorized in the WIIN Act.				

While the House has passed the Defense Appropriations bill and the Senate is expected to pass the four-bill minibus that includes Agriculture and Transportation-HUD, the alternate chamber has not yet passed those measures, meaning Congress will not officially be able to begin conference negotiations. However, the House and Senate have already begun conversations on how to fund the government beyond September 30, 2018 when the current fiscal year ends.

Both the House and Senate Appropriations Committees have advanced all twelve FY19 appropriations bills out of their respective Committees. A table with the status of the 12 annual spending bills is included below:

Spending Bill	Approved by the House Appropriations Committee	Approved by Senate Appropriations Committee	Passed Full House	Passed Full Senate	Became Law
Agriculture	5/16	5/24	n/a	n/a	n/a

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CJS	5/17	6/14	n/a	n/a	n/a
Defense	6/13	6/28	6/28	n/a	n/a
Energy and Water	5/16	5/24	6/8	6/25	n/a
Financial Services	6/13	6/21	7/19	n/a	n/a
Homeland Security	7/25	6/21	n/a	n/a	n/a
Interior	6/6	6/14	7/19	n/a	n/a
Labor/HHS	7/11	6/28	n/a	n/a	n/a
Legislative Branch	5/8	6/14	6/8	6/25	n/a
MilCon/VA	5/8	6/8	6/7	6/25	n/a
State-Foreign Ops	6/20	6/21	n/a	n/a	n/a
Transportation-HUD	5/23	6/7	n/a	n/a	n/a

Senate to Revise Scope of Water Authorization Bill Before Floor Vote

Senate Environment and Public Works Committee Chairman John Barrasso (R-WY) acknowledged that the America's Water Infrastructure Act of 2018 (S. 2800), as written cannot move forward after an analysis from the Congressional Budget Office (CBO) found it would boost the deficit by more than \$3 billion over the next decade. This legislation was previously referred to as the Water Resources Development Act. Sen. Barrasso said the scope of the bill, S. 2800, would be reined in before it heads to the Senate floor, which he is hopeful could happen when the Senate returns from its one-week August recess.

The bill won approval from the Environment and Public Works Committee on Tuesday, May 22, but the recent CBO score has forced committee leaders to reexamine authorization levels. The main source of this deficit spending in the current bill is a section that would dramatically expand a program at the Environmental Protection Agency that subsidizes loans for large water infrastructure projects under the Water Infrastructure Finance and Innovation Act (WIFIA). The provision would establish an innovative financing for state loan funds program authorized at \$100 million in FY19 and FY20 and expresses the "sense of Congress" that the program should be authorized at \$5 billion in future fiscal years. Sen. Barrasso has stated that this section would be targeted to get the budget score for the water resources legislation down to a reasonable level.

If the Committee reduces the authorization level for the innovative financing for state loan funds program, it would not impact the authorization levels for the existing state loan revolving funds. The Senate has not yet scheduled a time to bring the bill up on the floor. The House's version of the water resource bill, H.R. 8, is much more narrow in scope than the Senate's. It cleared the House on Wednesday, June 6 on a 408-2 vote.

House to Consider Water Infrastructure Transfers

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The House passed H.R. 3281, Water Infrastructure Transfers during on Wednesday, July 18. Under the legislation, the Bureau of Reclamation could transfer ownership of its water facilities to nonfederal entities. The Bureau of Reclamation owns 492 dams and 1,901 facilities, according to the House Natural Resources Committee. Under current law, it can contract out operation and maintenance to nonfederal entities such as water districts but cannot transfer ownership without an act of Congress.

The bill, now headed to the Senate, would authorize the Bureau to transfer ownership to other entities administratively and provide Congress a window to disapprove of the transfer. Congress has authorized 30 transfers over the past two decades. According to the Congressional Budget Office, an additional 15 nonfederal entities are currently pursuing transfers.

“Transferring these low hanging fruit facilities is often a win-win allowing water districts to leverage nonfederal financing through ownership equity while also decreasing federal liability,” said the bill’s sponsor, Rep. Doug Lamborn (R-CO), in a news release.

If enacted into law, facilities could be transferred to state agencies, water associations, tribes or tribal utilities, and other entities that hold a contract with the facility and could continue managing it in accordance with reclamation law. If the entity operating a facility is eligible, it would have the right of first refusal to take ownership. Facilities that generate hydropower for the power marketing administrations could not be transferred.

According to the House Natural Resources Committee, the bill would reduce the federal backlog of infrastructure repairs and upgrades by allowing local entities to finance projects themselves instead of waiting for federal appropriations.

The Interior Department would have to establish facility eligibility criteria within one year of the bill’s enactment.

The nonfederal entity would have to agree to accept the property, maintain its current use, and pay the federal government the equivalent of the present value of any repayment obligation or other income stream. The transfer couldn’t increase power rates or repayment obligations. The Interior Department would have to notify Congress 90 days before making a transfer and could only make the transfer if Congress didn’t pass a joint resolution to disapprove it. The Interior Department would have to include a description of actions taken to implement the bill and a list of transfers as part of its annual budget request.

Federal interests in facilities’ water rights would have to be conveyed via written agreements. Agreement negotiations would have to involve water or power customers that would be affected by the transfer.

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Once transferred, the federal government would only be liable for damages resulting from acts of negligence it committed prior to the transfer. Conveyed properties would no longer receive benefits, including project power, that are available to other Bureau of Reclamation projects. The legislation mirrors a proposal the Interior Department provided to Congress, according to a news release from the House Natural Resources Committee. President Donald Trump's infrastructure plan also included a title transfer proposal.

Court Pick Likely to Receive Late August / Early September Hearing

With President's Trump's announcement of a Supreme Court Justice nominee on Monday, July 9, attention remains focused on the confirmation process in the Senate. Senate Majority Whip John Cornyn (R-TX) said he hopes President Trump's nominee will get a hearing before the Senate Judiciary Committee in late August or early September.

With the Senate cancelling much of its traditional August state work period, the Senate will likely be in session for much of the month, meaning it could be in session at the end of the month for confirmation hearings. Much of the timing will be impacted by how quickly a nominee returns paperwork to the committee after his or her nomination.

The White House has confirmed that former Senator John Kyle (R-AZ) will serve as the Sherpa for President Trump's nominee to the Supreme Court. He represented Arizona in the Senate from 1995 to 2013, serving on the Judiciary Committee during confirmations of four of the last five justices to serve on the court.

Supreme Court nominee Brett Kavanaugh has returned a questionnaire to the Senate Judiciary Committee, bringing him closer to a scheduled confirmation hearing.

Mr. Kavanaugh returned a more than 100-page questionnaire dealing with his professional background, legal career and published writings to the Judiciary Committee. The accompanying appendices include hundreds of pages of speeches, writings and public statements that Mr. Kavanaugh has given over decades.

The judicial pick responded in the negative when asked on the forms if anyone in the President's office, the Justice Department, presidential campaign team or transition or Senate staff discussed with him "any currently pending or specific case, legal issue, or question in a manner that could reasonably be interpreted as seeking any express or implied assurances concerning your position on such case, issue, or question."

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Sen. Cory Booker (D-N.J.), a member of the Judiciary Committee, joined several other Senate Democrats who have been calling for Mr. Kavanaugh to recuse himself in cases relating to special counsel Robert Mueller's investigation. In the questionnaire and accompanying appendix, Mr. Kavanaugh also identified times when he has recused himself.

Trump Administration Seeks to Adjust Endangered Species Act

The Trump administration announced major changes it wants to make to parts of the Endangered Species Act (ESA). The Endangered Species Act was passed by Congress in 1973 and has been credited with saving the American alligator, which had been hunted to near extinction for the use of its skin in purses and other goods; the gray whale, depleted by commercial fishing in parts of the Pacific Ocean; and the bald eagle, which is flourishing again after nearly disappearing from much of the United States.

The administration intends to loosen regulations while providing the best conservation results. Among the proposed changes announced by the US Fish and Wildlife Service and National Oceanic Atmospheric Administration Fisheries would allow officials to consider potential economic impact when enforcing the ESA. An additional provision would also redefine several parts of the law that protect polar bears and other endangered species in the U.S.

The proposal was announced by both the Interior and Commerce departments- both departments are tasked with protecting endangered wildlife. If the proposal is finalized, possibly late this year, species that remain on the endangered list would still see their habitats protected, but it would become more difficult to list a new species for protection and easier to remove those now on the list.

At the same time, the Congressional Western Caucus, a group of House lawmakers has also been coordinating a strategy in support of these ESA changes. Chairman of the Natural Resources Committee, Rep. Rob Bishop (R-UT), has been supportive of five bills that would force the federal government to consider the economic impact of saving a species rather than making a decision based solely on science. Legislation that is passed by Congress and signed into law by the president is less easily undone than regulatory changes.

Environmentalists warn the suggested changes to the 45-year-old law could harm species that need protection.

U.S. Citizenship and Immigration

Immigration continues to be a focal point in both congress and the Administration.

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A bipartisan provision to give undocumented immigrants brought to the U.S. as children a one-year reprieve was included in a House Homeland Security spending measure that also would fund President Donald Trump's border barrier in a move that could become Congress's substitute for a broader immigration compromise.

The House Appropriations Committee approved an amendment by Rep. Pete Aguilar (D-CA) to their FY19 Homeland Security spending bill that would bar Immigrations and Customs Enforcement from detaining or deporting undocumented immigrants under the Deferred Action for Childhood Arrivals program who retain their eligibility for the program by maintaining a clean criminal record. The provision would protect the so-called Dreamers from the threat of deportation for the fiscal year from through Sept. 30, 2019. The House bill also includes \$5 billion to fund the border wall requested by the President.

It's also a roadmap for the larger compromise between DACA supporters, who have sought permanent protections for immigrants, and Trump, who wants \$25 billion overall to pay for an extensive border wall with Mexico.

The protections for the young immigrants still must be agreed to by the full House and the Senate. The Senate's Homeland Security spending bill does not include a provision protecting those in the DACA program and only includes \$1.6 billion for a border wall and fencing. Lawmakers have previously said a final deal on contentious bills, including Homeland Security spending, may have to wait until after the midterm elections in November.

The Trump administration has taken a series of actions in recent weeks that could lead to reevaluating cases of legal immigration.

The director of the U.S. Citizenship and Immigration Services (USCIS) — an office established in 2003 to process immigrant applications for visas, work permits, green cards and citizenship is hiring dozens of lawyers and immigration officers to review cases of immigrants who are suspected of having lied to officials during the naturalization process. The office shared a memo earlier this month announcing its plan to start issuing notices to appear for a wider range of cases. USCIS says the policy changes are an effort to ensure the nation's immigration laws are faithfully executed to keep communities safe and secure.

The change is the byproduct of an investigation completed in 2016 by the Department of Homeland Security Office of Inspector General after Immigration and Customs Enforcement (ICE) discovered in 2011 that it was missing fingerprint records of immigrants who were fugitives or convicted criminals, as well as those who had deportation orders.

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While the Administration continues to reunite detained families, growing concern around these families being immediately deported caused a federal judge on Monday, July 9 to order the US government to temporarily pause deportations of these families to allow attorneys time to debate whether the judge should permanently extend that order.

San Diego-based US District Court Judge Dana Sabraw addressed the issue at the top of a status hearing in a continuing family separations case filed by the American Civil Liberties Union. Sabraw is the federal judge who is overseeing a wide-ranging lawsuit over the US policy of separating children of undocumented immigrants from their parents.

Judge Sabraw ordered the pause to allow for a full written argument on the ACLU's request to pause deportations of parents for a week after reunification.

FAA Reauthorization Remains Grounded

Sen. John Thune (R-S.D.), Chairman of the Senate Commerce, Science and Transportation Committee, began checking with all of his fellow Republicans, through a process known as the hotline, for potential objections to a package of amendments to the Federal Aviation Administration bill (S. 1405) and had hoped Democrats would do the same.

Democrats' fear the Senate aviation bill could be used to make tax changes kept them from polling their members on a package of possible amendments, which has likely temporarily pushed back consideration of the legislation until at least mid-August. Democrats are seeking assurances on procedural changes to ensure Republicans will not use the tax sections to patch parts of the 2017 tax overhaul legislation.

Sen. Bill Nelson (D-FL), Ranking Member of the Senate Commerce, Science and Transportation Committee, said the tax title submitted as an amendment "looks clean," meaning it had no non-aviation provisions, but he said he was working with Minority Leader Chuck Schumer's (D-NY) office to decide how to proceed.

The clean tax title was included in the manager's package grouping of 46 amendments. Democrats want the tax title instead to be in the text of the underlying bill brought to the floor that the amendments would change. Sen. Thune handled controversial language on pilot flight hours in this manner and, the last time the FAA bill went to the floor, the tax title was in the substitute text.

The concern over taxes means the process to hotline and whittle down the number of potential amendments will take longer than Thune originally projected. Members will submit new amendments and re-submit amendments that didn't make it into the initial grouping proposed to move with the bill.

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The goal would be to reduce the number of amendments that need individual votes to fewer than a dozen, said Thune. That process will take up at least next week, meaning the soonest the bill could find floor time would be the week of August 13, when the Senate returns from its truncated August recess.

Government Reshuffle

The Trump administration released a proposal in late June for a massive reorganization of the federal government that could make it easier to make cuts to key social safety net programs. However, the plan could be a tough sell in Congress.

Details on the proposed reorganization were put released by the U.S. Office of Budget and Management (OMB), which produces the president's budget and monitors agencies to ensure compliance with the president's policies. The proposal pitches sweeping changes for agencies ranging from the U.S. Postal Service to NASA. As expected, it would move the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Program for Women, Infants, and Children from the U.S. Department of Agriculture (USDA) to the U.S. Department of Health and Human Services (HHS).

Senate Democrats during a hearing focused on the reorganization plan, accused an Office of Management and Budget official of withholding data from Congress that justifies the sweeping Trump administration proposal to overhaul the federal government, including merging some departments and shifting some programs for different agencies.

The consolidations would affect multiple offices at both departments. The proposed overhaul includes moving the National Marine Fisheries Service from the Commerce Department, where it currently sits, back to Interior. It would then merge with the U.S. Fish and Wildlife Service. Oversight and enforcement of the Endangered Species Act or the Marine Mammal Protection Act. The proposal also consolidates the U.S. Army Corps of Engineers civil works programs into the Transportation Department.

Both the House and Senate included in their fiscal 2019 appropriations bills provisions to block unilateral efforts to reshape the Office of Personnel Management, General Services Administration and other agencies covered in the general government spending measure. Bicameral pushback aside, with the gridlock in U.S. Congress it would be difficult to pass the sheer volume of bills required to implement the full range of reorganizations in the OMB proposal.

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Stormwater Task Force

The Environmental Protection Agency (EPA) would have to establish a task force on stormwater infrastructure funding under H.R. 3906.

Stormwater runoff can be a major source of water pollution, especially in cities with a lot of impermeable surfaces and drainage systems connected to their sewers. Many cities and towns are spending large amounts of money to comply with court orders that force them to upgrade their water infrastructure.

The task force would include federal, state, and local government officials, and representatives from private and nonprofit entities.

It would identify existing public and private sources of funding for stormwater infrastructure. Within 18 months of the bill's enactment, the EPA would have to provide Congress with a report from the task force on:

- Existing federal, state, local, and private sources of funding for stormwater infrastructure.
- How states have used stormwater funding for water treatment works.
- How sources of funding affect the affordability of infrastructure for municipalities, which would be evaluated by considering current sewer rates, stormwater fees, other revenue, and additional factors identified by the EPA in 2012 guidelines.
- Whether existing funding can support municipalities' capital expenditures and long-term operation and maintenance costs.

Infrastructure Plan Released

On Monday, July 23 Chairman Bill Shuster (R-PA) of the House Transportation and Infrastructure Committee introduced a discussion draft of an infrastructure plan that would implement a fuel tax increase in the short term while planning to eliminate fuel taxes in a decade in order to shore up the Highway Trust Fund.

Under his plan, the Highway Trust Fund solvency issue will be addressed using a fuel tax increase, including a 20 cent tax increase on diesel fuel over three years and a 3-year 15 cent increase in the gasoline tax. After 2021, fuel taxes will be adjusted to inflation until 2028. On Sept. 30, 2028, those user fees will drop to zero. Alternative fuels have similar increases, including compressed natural gas.

In addition to addressing traditional road infrastructure projects, the discussion draft includes a subtitle on water resources. The legislation would reauthorize the Water Infrastructure Finance and Innovation Act (WIFIA) program. It would also allow the Army Corps of Engineers (Corps) to enter into an agreement with the Environmental Protection Agency (EPA) to service loans for

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the Corps WIFIA program. Additionally, this section would ease administrative burdens on State Infrastructure Financing Authorities when applying for WIFIA loans and makes other improvements to the program.

Given the reality of the House's short timetable for remaining days in session prior to the lame duck session, the legislation is unlikely to gain much traction. As Chairman Shuster's term as chairman sunsets this plan serves as suggested list of guidelines and ideas for the next incoming chairman to craft what could be the next infrastructure package. Often outgoing chairman leave legislation as a 'pass down' guide.

Outlook for the Coming Month

The House is scheduled to be in recess for the month of August for the traditional district work period.

The Senate is scheduled to be in session the week of July 30 to finish consideration of the four-bill minibus appropriations package consisting of the following FY19 appropriations bills: Interior; Financial Services and General Government; Transportation, Housing and Urban Development; and Agriculture. The Senate is also expected to pass the FY19 National Defense Authorization Act Conference Report and pass a reauthorization bill for the National Flood Insurance Program before taking a week-long recess.

As the Senate's traditional August recess has been truncated to one week, the Senate is scheduled to return on Monday, August 13. While no schedule has been announced for the remainder of August, the following items could be considered during the month:

- FY19 Appropriations bills (including Defense and Labor, Health, and Human Services);
- The Water Resources Development Act (now known as the America's Water Infrastructure Act of 2018);
- Federal Aviation Administration Reauthorization; and
- Possible Committee hearings on the nomination of Brett Kavanaugh to serve as an Associate Justice of the United States Supreme Court.

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State Legislation

Bill Number	Sponsor	Title and/or Summary	Summary/Status	IEUA Position
AB 1668	Friedman	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	SUPPORT Signed by Governor
AB 1654	Rubio	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life. Bill gutted and now has nothing to do with water.	WATCH Senate Natural Resources and Water
AB 1876	Frazier	Sacramento-San Joaquin Delta: Delta Stewardship Council	The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which consists of 7 members, and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. This bill would increase the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified.	OPPOSE DEAD
AB 869	Rubio	Sustainable water use and demand reduction: recycled water	Excludes, from the calculation of any water use or water efficiency target established after 2020, recycled water, as specified, delivered within the service area of an urban retail or wholesale water supplier	WATCH Senate Natural Resources and Water- not expected to move.
AB 3037	Chiu	Community Redevelopment Law of 2018	Would authorize a city or county to propose the formation of a redevelopment housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, and providing that resolution to each affected taxing entity. The bill would require the city or county that adopted that resolution to hold a public hearing on the proposal to consider all written and oral objections to the formation, as well as any recommendations of the affected taxing entities, and would authorize that city or	WATCH, and work with CSDA Died on Suspense

P237

			county to adopt a resolution of formation at the conclusion of that hearing.	
SB 606	Skinner/Hertzberg	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	SUPPORT Signed by Governor
SB 623	Monning	Water Quality: Safe and Affordable Drinking Water Fund	Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.	WATCH Assembly Rules Committee
AB 2697	Gallagher	Wildlife, bird, and waterfowl habitat: idled agricultural lands	Would require the Wildlife Conservation Board to establish a program, which may include direct payments or other incentives, to encourage landowners to voluntarily cultivate or retain cover crops or other upland vegetation on idled lands to provide waterfowl, upland game bird, and other wildlife habitat cover for purposes, including, but not limited to, encouraging the use of idle agricultural lands for wildlife habitat. The bill would also authorize the department to provide incentives pursuant to the program for the creation or enhancement of waterfowl brood habitat, and to develop guidelines and criteria for the program as it deems appropriate.	WATCH Senate Appr 5/25 Amends removed opposition.

AB 1778	Holden	Transit-Oriented Redevelopment Law of 2018	Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Transit-Oriented Redevelopment Law of 2018, would authorize a city or county to propose the formation of a redevelopment agency by adopting a resolution of intention that meets specified requirements, and submitting that resolution to each affected taxing entity and to each owner of land within the district.	WATCH Asm. Local Gov. Never heard in policy committee DEAD
AB 327	Gibson	South Coast Air Quality Management District: Fleets	Would authorize the governing board of the south coast district to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of 15 or more vehicles to purchase the cleanest commercially available vehicles, as defined, that will meet the operator's operational needs; to require the replacement of no more than 15% of existing vehicles per calendar year, as specified; and to require those cleanest commercially available vehicles to be operated, to the maximum extent feasible, in the south coast district.	WATCH Sen Trans. & Housing Failed in committee

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July 27, 2018

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso
Maddie Dunlap

RE: July Report

Overview:

As temperatures heat up during summer months dry conditions have plunged most of the state into mild drought conditions, but major reservoir levels continue to remain healthy.

After several years of work and public meetings, the State Water Resources Control Board (SWRCB) has announced that it intends consider whether to adopt the proposed Bay-Delta Water Quality Control Plan Update in August. If adopted, the proposal would update water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers. The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June.

Metropolitan Water District of Southern California has reaffirmed their commitment to fund not only their portion of California WaterFix, but will also pay the “unallocated” portion should no other user come forward with a commitment to finance.

CARB announced that after analyzing all the data from 2016, that total statewide carbon emissions fell to 1990 levels, and did so a full four years before the target year of 2020 as outlined in AB 32 (2006, Pavley). As the state moves towards its 2030 goals, there will be a large focus on the transportation sector, which accounts for over 40 percent of emissions in the state.

The Legislature has been adjourned since July 6 for their yearly Summer Recess. They will return on August 6 and will have until August 31 to take action on all bills prior to concluding the 2017-2018 Legislative Session. Energy issues continue to be one of the most critical topics as legislators consider proposals on the renewable portfolio standard, a western regional grid, and appropriate utility response to the recent wildfires in wine country and Southern California. The wildfire legislation could add significantly to electricity rates of utility customers. Additionally, the legislature has yet to resolve proposals for a clean drinking water fund. The last month of the 2017-2018 legislative session is sure to be jam packed.

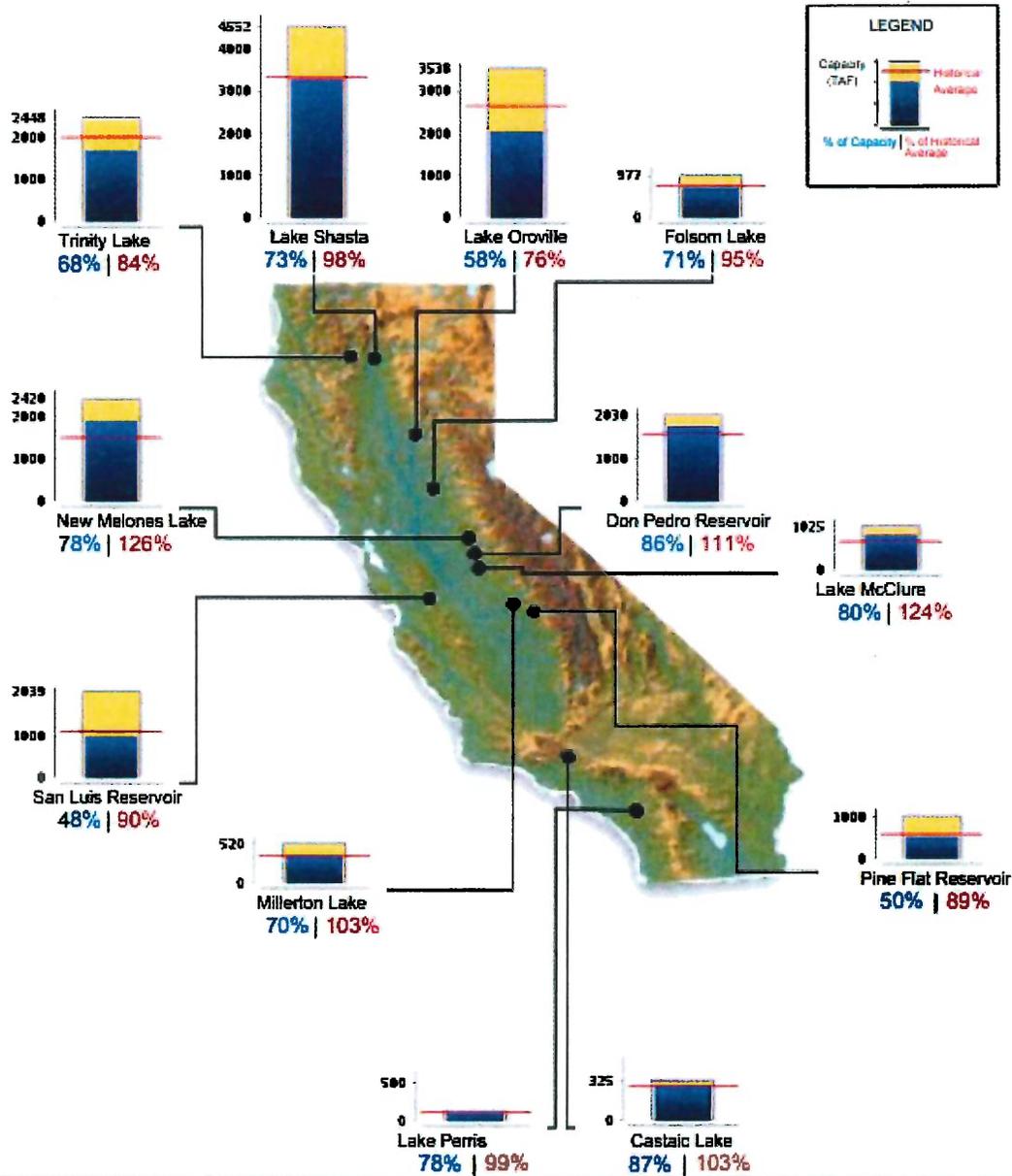
Inland Empire Utilities Agency Status Report – July 2018

Water Supply Conditions

As temperatures heat up during summer months, major reservoir levels have continued to remain healthy. The historically high precipitation levels from last winter continue to hold strong, supplemented by moderate rain and snowpack levels this year.

Ending At Midnight - July 22, 2018

CURRENT RESERVOIR CONDITIONS



Graph Updated 07/23/2018 11:18 AM

While carryover storage from last year is mitigating the impacts of a slower precipitation year, drought conditions have increased throughout the state with 85 percent of the state experiencing drought, as opposed to only 23 percent of the state experiencing drought at the same time last year.

SWRCB Released Final Draft of Phase One of Delta Water Quality Control Plan Update

After several years the State Water Resources Control Board (SWRCB) has announced that it will begin to consider whether to adopt the proposed Bay-Delta Water Quality Control Plan Update – Phase 1 in August. If adopted, the proposal would update water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers.

The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June. There aren't currently any unimpaired flow requirements for these rivers. Southern Delta salinity objectives would also be adjusted but have not faced controversy.

The most significant impacts of the plan are on agriculture, with a roughly 38 percent reduction in surface water supplies during critically dry years. The SWRCB's analysis shows for agricultural and municipal water users in the Central Valley, that proposal could result in an average increase in groundwater pumping of 105 thousand acre-feet per year (TAF/yr). Some parts of the region are already in overdraft situations, which will likely result in limited groundwater pumping resulting in agricultural and municipal water users having a water supply deficit.

Phase II of the Delta Water Quality Control Plan update covers the Sacramento River and its tributaries. The preliminary Phase II documents include a range of 35-75 percent unimpaired flows for Sacramento River Delta inflow, among other proposed changes. This would also constitute a significant change over current operations.

Phase III of the process will be water rights proceedings to align existing water rights permits with whatever the revised Water Quality Control Plan ends up being. This will undoubtedly be marked by years of litigation.

WaterFix and State Water Project Contracts

As widely reported, the Metropolitan Water District of Southern California (MWD) recently revoted to support California WaterFix at the same levels previously authorized. Accusations of Brown Act violations triggered the revote. While the outcome did not change, the hearing was another opportunity for opponents to raise concerns about the price of the project and concerns about MWD picking up the "unallocated" costs of the project. Days later, the Delta Conveyance Finance Authority, led by the regional water agencies backing the tunnels project announced that it plans to apply for \$1.6 billion in federal water infrastructure loan funds administered by the US Environmental Protection Agency.

Natural Resources Secretary John Laird recently sent a letter to the Congressional Senate and House Committees on Appropriations opposing the "rider" that would exempt WaterFix from judicial review.

Also on the water conveyance topic, the Senate Natural Resources and Water Committee recently held a hearing to discuss extending the contract between DWR and the State Water Contractors. While the current agreement is not up for a number of years, DWR and the water contractors both agree that they need to extend the contract beyond 2035 so that long-term bonds can be issued. DWR Director Karla Nemeth reiterated several times that this contract extension was not an authorization of WaterFix. Instead, bonds would be issued for system improvements not related to WaterFix or Oroville Dam repair. There is a separate contract amendment process already underway to deal with WaterFix. There were not many members of the committee in attendance, but Chair Hertzberg (D-Van Nuys) had done his homework and asked some detailed questions. Ultimately, he said that the contract was very well written, but there was no action taken by the committee, as the law only requires the committee to have an informational hearing on the issue.

State Meets 2020 GHG Reduction Goal Early

Recently, the California Air Resources Board announced that the state has beaten its self-imposed goals for reducing greenhouse gas emissions. **CARB announced that after analyzing all the data from 2016, that total statewide carbon emissions fell below 1990 levels, and did so a full four years before the target year of 2020 as outlined in AB 32 (2006, Pavley).**

CARB said the reduction in emissions is the equivalent of taking 12 million cars off the road.

The state will now work towards new goals of 40 percent below 1990 levels by 2030. The 2030 goal is ambitious and will require some more drastic programs and initiatives to meet the new targets.

As illustrated in the chart, over 40 percent of emissions come from the transportation sector, a two percent increase in 2016. It is clear that the state will move towards more aggressive policies to reduce transportation-related emissions. We have already seen initiatives to regulate medium and heavy-duty vehicles in the South Coast Air District (AB 327). While that measure ultimately failed, it is reasonable to assume that measures will continue to be pursued in the Legislature, while CARB works to implement the 2030 Scoping Plan, which calls for reduced transportation emissions. There is significant funding available to help convert fleets from gasoline to electric.

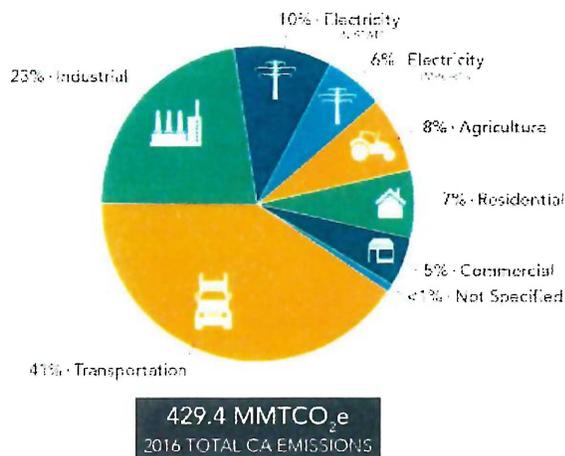


Figure 3. 2016 GHG Emissions by Sector.** This figure shows the relative size of 2016 emissions by sector. Emissions are organized by the categories in the AB 32 Scoping Plan.

Legislative Update

The Legislature adjourned for summer recess on July 6 and will return August 6 for the final four weeks of the 2017-2018 Legislative Session.

Clean Drinking Water Fund

The conversation around SB 623 (Monning) has slowed in recent weeks. After the Brown Administration released a budget trailer bill with their proposal for implementing a Safe Drinking Water Fee, the water community mobilized to oppose the proposal. The proposed language is consistent with SB 623 which would establish the Safe and Affordable Drinking Water Fund to provide operating and maintenance funds for disadvantaged communities with contaminated groundwater sources. The account would be funded by fees from all water users with an exemption for low income customers, an assessment on fertilizer, and an assessment on milk production and livestock operations. The Legislature elected not to move forward with the Administration's proposal for a Safe and Affordable Drinking Water Fund as part of the larger budget package. However, the Governor indicated that he is still supportive of the measure and would like to see something move in August.

Whether the final proposal comes in the form of a trailer bill or SB 623, a 2/3 vote would be required to pass the fee. The recall of Senator Josh Newman (D-Fullerton) over his vote for the gas tax will influence the final vote in several ways. For Democrats in fairly moderate districts, the recall shows them that they too could be vulnerable if they vote for a tax. Additionally, Newman was replaced by a Republican, who is very very unlikely to vote on any tax increase. Activity and discussion is likely to pick up after the July recess with a vote not expected until after the special election to fill the vacancy left by Senator Tony Mendoza's resignation. The runoff election features two Democrats.

AB 2050 (Caballero)

Eastern Municipal Water District and the California Municipal Utilities Association have introduced AB 2050 (Caballero, D-Salinas) as a complementary way to begin addressing drinking water challenges in disadvantaged communities. Their bill looks at how to consolidate failing water agencies under a larger umbrella to provide cost effective technical, managerial and financial support. The bill is supported by Metropolitan Water District of Southern California, the Association of California Water Agencies, the Santa Ana Watershed Project Authority and many local water agencies. The measure has passed both of its Senate policy committees and now moves to Appropriations Committee, where it will face a steep hill as the bill has been tagged with a significant price tag.

SB 998 (Dodd)

A coalition of opponents to SB 998, Senator Dodd's (D-Napa) bill regarding water shutoffs, continue to meet with the author's staff to present an initial list of amendments. Currently, the bill prohibits a water agency from shutting off water service to a residential customer, under certain conditions. Concerns among stakeholders remain on how the whole shutoff process would work including any Proposition 218 issues that would arise as other customers have to assume the cost of service to any residential property that does not pay their bill. The bill has been making its way through three different policy committees with members wanting to support access to clean drinking water for all Californians, but also understanding the Proposition 218 issues water agencies face. Negotiations look to be reaching a stalemate with the author not willing to take amendments proposed by a coalition of water interests. ACWA, CMUA and

others have all moved to a straight oppose position. The bill is in Assembly Appropriations Committee.

SB 831 (Wieckowski)

This bill looks to make it easier for accessory dwelling units to be permitted and constructed as one part of a package of bills aiming to ease California's lack of affordable housing. Many water agencies are concerned that they would not be able to charge to add a second meter, monthly or capacity charges to the accessory dwelling unit. The author seems to have agreed to amendments that would remove this provision and allow water agencies to charge the second unit.

Amendments are not in print, so final confirmation is necessary. The bill failed in the Assembly Local Government Committee. However, there is another vehicle, AB 2890 (Ting) that is similar to SB 831 that could take the concepts of SB 831 and add them to the Assembly bill. It remains unclear what will ultimately happen with this legislation.

SB 100 (deLeon): 100 Percent Clean Energy Standard

Senator Kevin de Leon's (D-Los Angeles) bill to establish a 100 percent clean energy standard by 2045 has gained renewed momentum. SB 100 also expedites the current 50 percent RPS target to December 31, 2026 (currently 2030) and adds a new 60 percent target for December 31, 2030. The bill also creates a goal for the state to meet all of its retail electric supply with a mix of RPS-eligible and zero carbon resources by 2045. The inclusion of large hydro will be a major discussion point as the bill moves forward.

The bill previously stalled in the Assembly Utilities and Energy Committee last September after committee chair, Assemblymember Chris Holden (D-Pasadena) refused to set the bill for a hearing. Recently, Senator de Leon revived the bill and it was heard in Assembly Utilities and Energy Committee in early July. While the bill passed out of the committee, there is still a very strong coalition in opposition to the bill. It is likely that the bill will move along until the end of the session where a larger package of energy bills will be negotiated and considered together as part of a broad deal between stakeholders.

Western Grid Regionalization

Another controversial energy bill, AB 813 (Holden, D-Pasadena) to establish a Western region transmission system, has also began to move again after many months of inaction. AB 813 stalled in the Senate last year but has taken some amendments in recent months, prompting recent hearings in the Senate.

The bill outlines a process for creating the bylaws and governing rules of a multistate regional transmission system organization, that would need to be reviewed and approved by the Energy Commission with consultation from the Air Resources Board (ARB) and the Public Utilities Commission (PUC). The proposed rules and documents would have to meet existing Federal Energy Regulatory Commission (FERC) requirements.

Stakeholders remain concerned with the unknown consequences of creating a regional grid. It is still unclear what the potential costs and benefits might be.

Utility Response to Catastrophic Wildfires

One of the most complicated and delicate issues this legislative session has been in response to last year's catastrophic wildfires. With a tangled web of interests including fire victims, utilities,

insurance companies, trial attorneys, labor unions, and ratepayers, the legislature has not been able to come to an agreement on how policies related to these types of natural disaster should be handled moving forward.

In the months since the fires, Cal Fire has released various investigative reports finding PG&E's transmission lines, other equipment, and less than satisfactory maintenance to be to blame for much of the damage. This has prompted PG&E to announce this month that claims will likely exceed \$2.5 billion. Some have speculated that the property damage alone could be as high as \$12 billion. PG&E's insurance would only cover up to \$840 million in damage. Damage estimates have not yet been released for the fires in the Southern California Edison (SCE) territory, but the issue of who is responsible for those costs, shareholders or ratepayers, will be a significant discussion.

The utilities have expressed significant concern and urgency to the legislature, shareholders and others over declining credit ratings and raising the possibility of bankruptcy. As such, the utilities have been lobbying the legislature to reduce wildfire liability by changing a state policy known as "inverse condemnation." Similar to eminent domain and other takings doctrine, inverse condemnation occurs when a citizen's property is taken by a government entity, or in this case the utility which has similar eminent domain powers. The utility could be required to pay damages caused by their equipment, even if they aren't proven to be negligent. Some legal professionals have speculated that even if the utilities are successful in getting this policy changed, it is unlikely to be retroactive.

The main legislative proposal right now is SB 1088 (Dodd, D-Napa). The bill claims to be a safety measure, protecting residents. However, the language of the bill currently requires the CPUC to more or less rubber stamp whatever safety plan the utility develops. Additionally, the utilities would be able to pass the increased costs of the new safety measures along to ratepayers without the current, rigorous process required at the CPUC. The bill has been controversial but continues to move through the legislative process with strong backing from utilities and their labor unions.

After several informal working groups comprised of moderate Assembly Democrats and Republicans formed to work on solutions without success, the Governor called for a Conference Committee to work on the issue. SB 901 is the Conference Committee vehicle. Time is quickly running out in the legislative session and members are feeling pressure to act before the legislature adjourns for the year. With the involvement of the Governor's office the issue could also emerge as a critical discussion before the legislature adjourns the two-year session at the end of August. The Governor's office recently released draft bill language to reduce the current strict liability standard for utilities for future fires.

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CALIFORNIA STRATEGIES, LLC

Date: July 25, 2018
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: July Activity Report

1. This month Senator Brulte and John Withers held their monthly meeting on July 2nd with the senior staff of the agency to discuss various District activities.
2. Regional Contract
 - The revised scope was accepted by the TAC and approved by IEUA BOD for activities through 2019
3. Proposition One Grant Application
 - Meeting held at CWC and application raised to Second Tier ranking
 - Obtained delegation letters of support
4. Chino Basin Water Bank
 - JPA is engaged
 - Board officers were selected
5. USBR Grant Award
 - Pursuing \$700K planning grant for Wineville and Jurupa Basins

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Date: August 15, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Community & Legislative Affairs

08/08/18

Executive Contact: Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

Subject: Public Outreach and Communication

Executive Summary:

This is an informational item that provides highlights of the External Affairs team's monthly outreach, education and communication programs and updates.

- August 10 is the San Bernardino County Water Conference at the DoubleTree Hotel, 222 N. Vineyard Ave., Ontario, 91764, from 9:00 a.m. – 1:00 p.m.

Halla Razak and Kathy Besser will both be serving on panels at the San Bernardino County Water Conference.

- August 15 is the IEUA Employee Recognition Picnic at IEUA (behind Building A), from 11:30 a.m. – 3:00 p.m.

Staff has created a Chino Creek Wetlands and Educational Park Instagram page that will feature park information, events, programs, and habitat.

Staff is creating a geocache for the Chino Creek Wetlands and Educational Park.

Staff is developing a self-guided tour brochure for the Chino Creek Wetlands and Educational Park, which will coincide with QR codes and park signage.

Staff's Recommendation:

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

Budget Impact: ^N *Budgeted* (^{Y/N}): ^N *Amendment* (^{Y/N}): ^N *Requested Amount:*

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Not Applicable

Business Goal:

IEUA is committed to providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.

Attachments:

Attachment 1 - Background

Background

Subject: Public Outreach and Communication

August

- August 1, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.
- August 10, San Bernardino County Water Conference, DoubleTree Hotel, 222 N. Vineyard Ave., Ontario, 91764, 9:00 a.m. – 1:00 p.m.
- August 15, IEUA Employee Recognition Picnic, IEUA (behind Building A), 11:30 a.m. – 3:00 p.m.

October

- October 20, Landscape & Water Conservation Festival, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m. – 2:00 p.m.
- October 30, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.

Media and Outreach

- Staff is working with member agencies to develop messages and outreach focused on specialized topics and water-related issues.
- A Chino Jr. Fair ad ran in the *Chino Champion* on July 7.
- A Back to School ad ran in the *Chino Champion* on July 21.
- External Affairs staff is working with Agency department leads to update the Agency's external website.
- Staff promoted July as Smart Irrigation Month through a free hose nozzle giveaway to those within our service area (limit two per household, while supplies last).
- Staff is working with the Facilities and Lab Departments on developing educational signage throughout the newly built lab building.
- July: 25 posts were published to the IEUA Facebook page, 12 Instagram posts and 25 tweets were sent on the @IEUAWater Twitter handle.
 - The top three Facebook posts, based on reach and engagement, in the month of July were:
 - 7/10: Hose Nozzle Giveaway
 - 7/18: #SmartIrrigationMonth tip
 - 7/11: Smart Irrigation Month video
 - The top three tweets, based on reach and engagement, in the month of July were:
 - 7/1: July is #SmartIrrigationMonth
 - 7/10: Hose Nozzle Giveaway
 - 7/11: Smart Irrigation Month video
 - The top three Instagram posts, based on reach and engagement, in the month of July were:
 - 7/19: #ThursdayThoughts
 - 7/10: Hose Nozzle Giveaway
 - 7/11: Smart Irrigation Month video
- Staff has created a Chino Creek Wetlands and Educational Park Instagram page that will feature park information, events, programs, and habitat.
- Staff is creating a geocache for the Chino Creek Wetlands and Educational Park.

Education and Outreach Updates

- Staff will begin program outreach for the new school year this month. Principal meetings will be scheduled in addition to digital and postal outreach methods.
- Staff is developing a self-guided tour brochure for the Chino Creek Wetlands and Educational Park, which will coincide with QR codes and park signage.

CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for July 2018

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/03/2018	ACH 070318	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	1394905143		1394905143	60182.1 · Medical Insurance	8,440.38
TOTAL						8,440.38
General Journal	07/06/2018	07/06/2018	Payroll and Taxes for 06/17/18-06/30/18	Payroll and Taxes for 06/17/18-06/30/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 06/17/18-06/30/18	1012 · Bank of America Gen'l Ckg	26,280.94
				Payroll Taxes for 06/17/18-06/30/18	1012 · Bank of America Gen'l Ckg	8,351.98
			ICMA-RC	457(b) Employee Deductions for 06/17/18-06/30/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 06/17/18-06/30/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						40,674.24
Bill Pmt -Check	07/06/2018	ACH 070618	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	06/30/2018	06/30/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 06/17/18-06/30/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	07/12/2018	20872	ACCENT COMPUTER SOLUTIONS, INC.		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	122435		Nakano desktop - balance due	6055 · Computer Hardware	899.20
Bill	06/30/2018	122520		Cloud Storage - FTP Replacement	6052.5 · IT Data Backup/Storage	712.50
Bill	07/01/2018	122283		Monthly Service - July 2018	6052.4 · IT Managed Services	4,275.00
				Overwatch - July 2018	6052.5 · IT Data Backup/Storage	699.00
				OmniCloud - July 2018	6052.5 · IT Data Backup/Storage	96.00
				Office 365 subscriptions - July 2018	6054 · Computer Software	33.20
TOTAL						6,714.90
Bill Pmt -Check	07/12/2018	20873	ACWA JOINT POWERS INSURANCE AUTHORIT	0562305	1012 · Bank of America Gen'l Ckg	
Bill	07/02/2018	0562305		Prepayment - August 2018	1409 · Prepaid Life, BAD&D & LTD	238.02
				July 2018	60191 · Life & Disab.Ins Benefits	230.00
TOTAL						468.02
Bill Pmt -Check	07/12/2018	20874	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	XXXX-XXXX-XXXX-9341		Nakano desktop-50% deposit	6055 · Computer Hardware	899.20
				Work uniforms for staff	6154 · Uniforms	552.12
				Replacement microwave for lunchroom	6031.7 · Other Office Supplies	129.29
				Work uniforms for staff	6154 · Uniforms	122.90
				Recruitment ad through Brown and Caldwell	6016 · New Employee Search Costs	200.00
				Recruitment ad through Water District Jobs	6016 · New Employee Search Costs	175.00
				HR meeting with PK, ATN, JJ	6141.3 · Admin Meetings	53.59
				GSA Summit-Sacramento-PK lunch	6191 · Conferences - General	15.54
				GSA Summit-Sacramento-PK Ontario parking	6191 · Conferences - General	72.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2018

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Type	Date	Num	Name	Memo	Account	Paid Amount
				GSA Summit-Sacramento-PK hotel	6191 · Conferences - General	679.40
				PK meeting with S. Elie	6312 · Meeting Expenses	37.85
				PK meeting with T. Layton, V. Jew	8312 · Meeting Expenses	53.12
				Lunch for 6/14/18 Appropriative and Non-Ag Pool	8512 · Meeting Expense	50.00
				Lunch for 6/14/18 Appropriative and Non-Ag Pool	8312 · Meeting Expenses	50.00
				Lunch for 6/15/18 Ag Pool discussion	8412 · Meeting Expenses	143.20
				SGMA-Sacramento-Airflight-EFT	6191 · Conferences - General	348.96
				Early check-in for flight to Sacramento-EFT	6191 · Conferences - General	15.00
				Early check-in for flight to Sacramento-EFT	6191 · Conferences - General	15.00
				PK meeting with Pierro	6141.3 · Admin Meetings	23.30
				PK meeting with Razak	8312 · Meeting Expenses	51.01
				Attention To Detail Training-CG	6191 · Conferences - General	97.00
				PK meeting with Ulloa	6312 · Meeting Expenses	34.36
				Book-Prosperity in the Age of Decline	6031.7 · Other Office Supplies	28.29
				Flowers for staff in hospital	6141.3 · Admin Meetings	70.01
TOTAL						3,916.14
P256	Bill Pmt -Check	07/12/2018	20875	BROWNSTEIN HYATT FARBER SCHRECK	1012 · Bank of America Gen'l Ckg	
	Bill	06/30/2018	725017		725017	6078 · BHFS Legal - Miscellaneous 22,062.15
					Angelica BK	6078 · BHFS Legal - Miscellaneous 26.55
					Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool 18.33
					Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous 36.67
					Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool 36.67
					Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool 18.34
	Bill	06/30/2018	725018		RHS Plan	6073 · BHFS Legal - Personnel Matters 1,652.40
					1099 Independent Contractors	6073 · BHFS Legal - Personnel Matters 4,040.55
					Personnel	6073 · BHFS Legal - Personnel Matters 969.75
					GM Evaluation/Contract	6073 · BHFS Legal - Personnel Matters 5,768.55
					Employee Handbook	6073 · BHFS Legal - Personnel Matters 1,972.35
					Research - Westlaw	6073 · BHFS Legal - Personnel Matters 67.40
	Bill	06/30/2018	725019		725019	6907.34 · Santa Ana River Water Rights 89.10
	Bill	06/30/2018	725020		725020	6907.32 · Chino Airport Plume 1,438.20
	Bill	06/30/2018	725021		725021	6907.33 · Desalter/Hydraulic Control 1,069.20
	Bill	06/30/2018	725022		725022	6275 · BHFS Legal - Advisory Committee 668.25
	Bill	06/30/2018	725023		725023	6375 · BHFS Legal - Board Meeting 7,423.65
	Bill	06/30/2018	725024		725024	8375 · BHFS Legal - Appropriative Pool 2,182.95
	Bill	06/30/2018	725025		725025	8475 · BHFS Legal - Agricultural Pool 3,073.95
Bill	06/30/2018	725026		725026	8575 · BHFS Legal - Non-Ag Pool 2,049.30	
Bill	06/30/2018	725027		725027	6071 · BHFS Legal - Court Coordination 1,449.90	
Bill	06/30/2018	725028		725028	6077 · BHFS Legal - Party Status Maint 506.25	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2018	725029		725029	6907.38 · Reg. Water Quality Cntrl Board	52.65
Bill	06/30/2018	725030		725030	6907.39 · Recharge Master Plan	4,384.80
Bill	06/30/2018	725031		725031	6907.40 · Storage Agreements	3,530.70
Bill	06/30/2018	725032		725032	6907.41 · Prado Basin Habitat Sustain	558.45
Bill	06/30/2018	725033		725033	6907.42 · Safe Yield Recalculation	29,786.40
Bill	06/30/2018	725034		725034	6907.44 · SGMA Compliance	3,885.75
TOTAL						98,819.21
Bill Pmt -Check	07/12/2018	20876	CENTURYLINK	71184178	1012 · Bank of America Gen'l Ckg	
Bill	06/26/2018	71184178		6/17/18-7/16/18	6053 · Internet Expense	1,051.36
TOTAL						1,051.36
Bill Pmt -Check	07/12/2018	20877	EGOSCUE LAW GROUP, INC.	11995	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	11995		Ag Pool Legal Service - June 2018	8467 · Ag Legal & Technical Services	17,850.00
TOTAL						17,850.00
Bill Pmt -Check	07/12/2018	20878	ESRI	93478421	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	93478421		ESRI maintenance 8/19/2018-8/18/2019	6054 · Computer Software	1,038.75
TOTAL						1,038.75
Bill Pmt -Check	07/12/2018	20879	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	6/14 Personnel Comm		6/14/18 Personnel Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/15/2018	6/15 Ag Pool Meeting		6/15/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/21/2018	6/21 Advisory Comm.		6/21/18 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/21/2018	6/21 Recharge Comm		6/21/18 Recharge Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/28/2018	6/28 Board Meeting		6/28/18 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	07/12/2018	20880	GRAINGER	9818007958	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	9818007958		Miscellaneous supplies	7103.6 · Grdwtr Qual-Supplies	429.92
TOTAL						429.92
Bill Pmt -Check	07/12/2018	20881	INLAND EMPIRE UTILITIES AGENCY	90022391	1012 · Bank of America Gen'l Ckg	
Bill	07/02/2018	90022391		Groundwater Recharge O&M Cost Reimbursement	7206 · Comp Recharge-O&M	293,578.73
TOTAL						293,578.73
Bill Pmt -Check	07/12/2018	20882	JOHN J. SCHATZ	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018			June 2018	8367 · Legal Service	4,024.00
TOTAL						4,024.00

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Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/12/2018	20883	KAVOUNAS, PETER	Travel Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018			Travel Expense Reimbursement	6191 · Conferences - General	103.63
TOTAL						103.63
Bill Pmt -Check	07/12/2018	20884	LOS ANGELES NEWS GROUP	900421820	1012 · Bank of America Gen'l Ckg	
Bill	06/28/2018	900421820		Inland Valley Daily Bulletin newspaper-26 weeks	6112 · Subscriptions/Publications	324.72
TOTAL						324.72
Bill Pmt -Check	07/12/2018	20885	PAYCHEX	2018062800	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	2018062800		June 2018	6012 · Payroll Services	336.24
TOTAL						336.24
Bill Pmt -Check	07/12/2018	20886	PHILADELPHIA INSURANCE COMPANY	Insurance Package	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	16028326249		Commercial General Liability 06/26/18-06/26/19	6085 · Business Insurance Package	4,094.00
				Commercial Auto Coverage 06/26/18-06/26/19	6085 · Business Insurance Package	4,717.28
				UltimateCover Property Coverage 06/26/18-06/26/19	6085 · Business Insurance Package	2,600.00
				Employee Benefits Coverage 06/26/18-06/26/19	6085 · Business Insurance Package	300.00
Bill	07/01/2018	16028326263		Commercial Umbrella 06/26/18-06/26/19	6085 · Business Insurance Package	2,868.00
TOTAL						14,579.28
Bill Pmt -Check	07/12/2018	20887	PREMIERE GLOBAL SERVICES	26051074	1012 · Bank of America Gen'l Ckg	
Bill	06/26/2018	26051074		Pomona extensometer call on 05/29	6909.1 · OBMP Meetings	8.59
				Pomona extensometer call on 6/04	6909.1 · OBMP Meetings	7.87
				Pomona extensometer call on 6/11	6909.1 · OBMP Meetings	7.01
				Non-Ag Pool mtg call on 06/14	8512 · Meeting Expense	27.50
				Pomona extensometer call on 06/18	6909.1 · OBMP Meetings	6.20
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				WM coordination call on 5/29	6909.1 · OBMP Meetings	6.22
				Personnel Committee call on 5/31	6909.1 · OBMP Meetings	7.90
				WM coordination call on 6/04	6909.1 · OBMP Meetings	27.05
				WM coordination call on 6/05	6909.1 · OBMP Meetings	6.22
				WM coordination call on 6/11	6909.1 · OBMP Meetings	11.85
				WM coordination call on 6/13	6909.1 · OBMP Meetings	6.22
				WM coordination call on 6/13	6909.1 · OBMP Meetings	21.03
				Advisory agenda call on 6/18	6212 · Meeting Expense	18.46
				RMPU Section 6 call on 6/19	6909.1 · OBMP Meetings	15.93
				WM coordination call on 6/25	6909.1 · OBMP Meetings	13.94
				Board agenda call on 6/26	6312 · Meeting Expenses	16.43
				Service Fee	6022 · Telephone	11.43

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

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Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						317.85
Bill Pmt -Check	07/12/2018	20888	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	06/22/2018	8000909000168851		Postage refill	6042 · Postage - General	500.00
				Supplies	6042 · Postage - General	10.99
TOTAL						510.99
Bill Pmt -Check	07/12/2018	20889	R&D PEST SERVICES	0230753	1012 · Bank of America Gen'l Ckg	
Bill	07/05/2018	0230753		Pest control - inside and outside	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	07/12/2018	20890	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	06/26/2018	0023230253		Office Water Bottle - June 2018	6031.7 · Other Office Supplies	29.32
TOTAL						29.32
Bill Pmt -Check	07/12/2018	20891	SANTA ANA WATERSHED PROJECT AUTHORITY		1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	9341		FY 2018-19 Basin Monitoring Program Task Force 6903 · OBMP SAWPA Group		6,421.00
Bill	07/01/2018	9339		FY 2018-19 Middle SAR Pathogen TMDL Task For 8471 · Ag Pool Expense		14,018.00
TOTAL						20,439.00
Bill Pmt -Check	07/12/2018	20892	STAPLES BUSINESS ADVANTAGE	8050398742	1012 · Bank of America Gen'l Ckg	
Bill	06/23/2018	8050398742		Miscellaneous office supplies	6031.7 · Other Office Supplies	75.17
TOTAL						75.17
Bill Pmt -Check	07/12/2018	20893	STATE COMPENSATION INSURANCE FUND	1970970-18	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	1970970-18		Deposit premium 6/26/18-6/26/19	60183 · Worker's Comp Insurance	300.99
TOTAL						300.99
Bill Pmt -Check	07/12/2018	20894	TELLEZ-FOSTER, EDGAR	Expense Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	06/25/2018	SGMA 062518		SGMA-Flight change	6173 · Airfare/Mileage	94.00
				SGMA-lunch	6141.2 · Committee Meetings	26.57
				SGMA-parking	6173 · Airfare/Mileage	10.00
				SGMA-transportation	6173 · Airfare/Mileage	38.36
TOTAL						168.93
Bill Pmt -Check	07/12/2018	20895	VERIZON WIRELESS	9808989254	1012 · Bank of America Gen'l Ckg	
Bill	06/22/2018	9808989254		Acct #642073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.04
TOTAL						100.04
Bill Pmt -Check	07/12/2018	20896	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/28/2018	001017890001		Vision Insurance Premium - July 2018	60182.2 · Dental & Vision Ins	88.20
TOTAL						88.20
Bill Pmt -Check	07/12/2018	20897	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	05/31/2018	2018750		2018750	6906.31 · OBMP-Pool, Adv. Board Mtgs	6,614.38
Bill	05/31/2018	2018151		2018151	6906.32 · OBMP-Other General Meetings	5,319.11
Bill	05/31/2018	2018152		2018152	6906.74 · OBMP-Mat'l Phy. Injury Requests	130.50
Bill	05/31/2018	2018153		2018153	6906.71 · OBMP-Data Req.-CBWM Staff	3,780.85
Bill	05/31/2018	2018154		2018154	6906.72 · OBMP-Data Req.-Non CBWM Staff	917.20
Bill	05/31/2018	2018155		2018155	6906 · OBMP Engineering Services	1,966.00
Bill	05/31/2018	2018156		2018156	7103.3 · Grdwtr Qual-Engineering	15,489.95
Bill	05/31/2018	2018157		2018157	7104.3 · Grdwtr Level-Engineering	13,317.78
Bill	05/31/2018	2018158		Neva Ridge Technologies, Inc.	7107.3 · Grd Level-SAR Imagery	65,300.00
Bill	05/31/2018	2018159		WSP USA	7107.6 · Grd Level-Contract Svcs	16,630.67
				2018159	7107.2 · Grd Level-Engineering	1,939.98
Bill	05/31/2018	2018160		2018160	7108.31 · Hydraulic Control - PBHSP	7,594.92
Bill	05/31/2018	2018161		2018161	7109.3 · Recharge & Well - Engineering	4,040.10
Bill	05/31/2018	2018162		2018162	7202.2 · Engineering Svc	2,464.09
Bill	05/31/2018	2018163		2018163	7402 · PE4-Engineering	10,957.15
Bill	05/31/2018	2018164		2018164	7402.10 · PE4 - Northwest MZ1 Area Proj.	11,243.75
Bill	05/31/2018	2018165		2018165	7502 · PE6&7-Engineering	562.80
Bill	05/31/2018	2018166		2018166	7510 · PE6&7-IEUA Salinity Mgmt. Plan	60,322.73
Bill	05/31/2018	2018167		2018167	7602 · PE8&9-Engineering	33,681.02
Bill	05/31/2018	2018168		2018168	6906.27 · HCP Mtgs/Tech. Review-IEUA Cost	822.50
TOTAL						263,095.48
Bill Pmt -Check	07/12/2018	20898	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	08-k2 213849		July 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						117.14
General Journal	07/14/2018	07/14/2018	Payroll and Taxes for 07/01/18-07/14/18	Payroll and Taxes for 07/01/18-07/14/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 07/01/18-07/14/18	1012 · Bank of America Gen'l Ckg	26,045.91
				Payroll Taxes for 07/01/18-07/14/18	1012 · Bank of America Gen'l Ckg	8,509.06
			ICMA-RC	457(b) Employee Deductions for 07/01/18-07/14/18	1012 · Bank of America Gen'l Ckg	4,541.43
			ICMA-RC	401(a) Employee Deductions for 07/01/18-07/14/18	1012 · Bank of America Gen'l Ckg	1,311.76
TOTAL						40,408.16
General Journal	07/17/2018	07/17/2018	Payroll and Taxes for 07/01/18-07/17/18	Payroll and Taxes for 07/01/18-07/17/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 07/01/18-07/17/18	1012 · Bank of America Gen'l Ckg	3,232.99
				Payroll Taxes for 07/01/18-07/17/18	1012 · Bank of America Gen'l Ckg	638.95

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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
			ICMA-RC	401(a) Employee Deductions for 07/01/18-07/17/18	1012 · Bank of America Gen'l Ckg	43.60
TOTAL						3,915.54
Bill Pmt -Check	07/20/2018	ACH 071918	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	07/14/2018	07/14/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/01/18-07/14/18	2000 · Accounts Payable	6,887.13
General Journal	07/17/2018	07/17/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/01/18-07/17/18	2000 · Accounts Payable	285.42
TOTAL						7,172.55
Bill Pmt -Check	07/23/2018	20899	APPLIED COMPUTER TECHNOLOGIES	2991	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	2991		Database Consulting Services - June 2018	6052.2 · Applied Computer Technol	4,380.80
TOTAL						4,380.80
Bill Pmt -Check	07/23/2018	20900	BOWCOCK, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/21/2018	6/21 Advisory Comm		6/21/18 Advisory Committee	6311 · Board Member Compensation	125.00
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	07/23/2018	20901	CHEF DAVE'S CAFE & CATERING	8299	1012 · Bank of America Gen'l Ckg	
Bill	06/28/2018	8299		Lunch for 6/28/18 Watermaster Board meeting	6312 · Meeting Expenses	600.69
TOTAL						600.69
Bill Pmt -Check	07/23/2018	20902	CORELOGIC INFORMATION SOLUTIONS	81902142	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	81902142		81902142	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81902142	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	07/23/2018	20903	CUCAMONGA VALLEY WATER DISTRICT		1012 · Bank of America Gen'l Ckg	
Bill	07/17/2018			Office lease due August 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						6,608.80
Bill Pmt -Check	07/23/2018	20904	DE BOOM, NATHAN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2018	6/15 Ag Pool Mtg		6/15/18 Ag Pool Meeting	8411 · Compensation	25.00
				6/15/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	07/23/2018	20905	DE HAAN, HENRY	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2018	6/15 Ag Pool Mtg		6/15/18 Ag Pool Meeting	8411 · Compensation	25.00
				6/15/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/23/2018	20906	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	6/14 Personnel Comm		6/14/18 Personnel Committee meeting	6311 · Board Member Compensation	125.00
Bill	06/26/2018	6/26 Board Agenda		6/26/18 Board Agenda preview mtg	6311 · Board Member Compensation	125.00
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	07/23/2018	20907	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/08/2018	6/08 Admin Mtg		6/08/18 Administrative meeting w/PK	6311 · Board Member Compensation	125.00
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	07/23/2018	20908	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	L0396911		L0396911	7108.4 · Hydraulic Control-Lab Svcs	496.00
Bill	06/30/2018	L0398557		L0398557	7108.4 · Hydraulic Control-Lab Svcs	1,225.00
Bill	06/30/2018	L0398558		L0398558	7108.4 · Hydraulic Control-Lab Svcs	1,488.00
TOTAL						3,209.00
Bill Pmt -Check	07/23/2018	20909	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	07/23/2018	20910	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	07/17/2018	90948438900509145		Office fax	6022 · Telephone	145.02
TOTAL						145.02
Bill Pmt -Check	07/23/2018	20911	GREAT AMERICA LEASING CORP.	23007135	1012 · Bank of America Gen'l Ckg	
Bill	07/17/2018	23007135		Invoice for July 2018	6043.1 · Ricoh Lease Fee	2,605.07
TOTAL						2,605.07
Bill Pmt -Check	07/23/2018	20912	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	6/14 Personnel Comm		6/14/18 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/21/2018	6/21 Advisory Comm		6/21/18 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	06/26/2018	6/26 Board Conf Call		6/26/18 Board conference call	6311 · Board Member Compensation	125.00
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	07/23/2018	20913	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	07/17/2018	0111802		Employee deductions - July 2018	60194 · Other Employee Insurance	79.70
TOTAL						79.70

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/23/2018	20914	PIERSON, JEFFREY	Board and Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/14/2018	6/14 Personnel Comm		6/14/18 Personnel Committee Mtg	6311 · Board Member Compensation	125.00
Bill	06/15/2018	6/15 Ag Pool Mtg		6/15/18 Ag Pool Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	06/21/2018	6/21 Advisory Comm		6/21/18 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/21/2018	6/21 RIPCom Mtg		6/21/18 RIPCom Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	06/26/2018	6/26 Admin Mtg		6/26/18 Admin mtg w/GM, Board conference call	6311 · Board Member Compensation	125.00
Bill	06/28/2018	6/28 Board Mtg		6/28/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						750.00
Bill Pmt -Check	07/23/2018	20915	PIETERSMA, RONALD	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	06/15/2018	6/15 Ag Pool Mtg		6/15/18 Ag Pool Meeting	8411 · Compensation	25.00
				6/15/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	07/23/2018	20916	PITNEY BOWES CREDIT CORPORATION	3102280437	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	3102280437		Postage meter lease	6044 · Postage Meter Lease	401.91
TOTAL						401.91
P2663 Bill Pmt -Check	07/23/2018	20917	PRINTING RESOURCES	65182	1012 · Bank of America Gen'l Ckg	
Bill	07/03/2018	65182		Business cards - Anna Truong Nelson qty: 250	6031.7 · Other Office Supplies	131.25
TOTAL						131.25
Bill Pmt -Check	07/23/2018	20918	RR FRANCHISING, INC.		1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	59118		Carpet cleaning on 6/30/18	6024 · Building Repair & Maintenance	600.00
Bill	07/01/2018	58144		Monthly service July 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						1,340.00
Bill Pmt -Check	07/23/2018	20919	STAPLES BUSINESS ADVANTAGE	8050481445	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2018	8050481445		Miscellaneous office supplies	6031.7 · Other Office Supplies	68.48
TOTAL						68.48
Bill Pmt -Check	07/23/2018	20920	STATE COMPENSATION INSURANCE FUND	1970970-18	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	1970970-18		Monthly premium 6/26/18-7/26/18	60183 · Worker's Comp Insurance	552.42
TOTAL						552.42
Bill Pmt -Check	07/23/2018	20921	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2018			Retiree Medical	60182.4 · Retiree Medical	25.17
TOTAL						25.17
Bill Pmt -Check	07/23/2018	20922	VERIZON WIRELESS	9810303037	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2018

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/17/2018	9810303037		Acct #470810953-00001	6022 · Telephone	297.37
TOTAL						<u>297.37</u>
Bill Pmt -Check	07/25/2018	20923	INLAND EMPIRE UTILITIES AGENCY	90022465	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	90022465		FY 2018/19 Debt Service Payment	7690.1 · Recharge Improvement Debt Pymts	580,585.00
TOTAL						<u>580,585.00</u>
Bill Pmt -Check	07/25/2018	ACH 072518	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	15345636		Annual Lump Sum Prepayment for Plan 27239	60180 · Employers PERS Expense	621.00
TOTAL						<u>621.00</u>
Bill Pmt -Check	07/26/2018	ACH 072618	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	07/01/2018	15345627		Annual Unfunded Accrued Liability for Plan 3299	60180 · Employers PERS Expense	5,456.55
TOTAL						<u>5,456.55</u>
					Total Disbursements:	<u><u>1,446,397.19</u></u>

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