

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, March 22, 2018

11:00 a.m. – Watermaster Board Meeting

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

CHINO BASIN WATERMASTER

Thursday, March 22, 2018

11:00 a.m. – Watermaster Board Meeting

AGENDA

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – March 22, 2018

WITH

Mr. Robert DiPrimio – Chair

Mr. Jeff Pierson – Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Watermaster Board Meeting held February 22, 2018 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of January 2018 *(Page 5)*
2. Watermaster VISA Check Detail for the month of January 2018 *(Page 17)*
3. Combining Schedule for the Period July 1, 2017 through January 31, 2018 *(Page 21)*
4. Treasurer's Report of Financial Affairs for the Period December 1, 2017 through January 31, 2018 *(Page 25)*
5. Budget vs. Actual Report for the Period July 1, 2017 through January 31, 2018 *(Page 29)*

C. CONSIDERATION OF LOCAL STORAGE AGREEMENTS *(Page 53)*

Approve the storage agreements as presented.

D. WATER TRANSACTIONS

Approve the proposed transactions:

1. The purchase of 4.375 acre-feet of water from San Antonio Water Company by CalMat Co. This purchase is made from San Antonio Water Company's Excess Carryover Account. CalMat Co. is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: December 19, 2017. *(Page 65)*
2. The transfer of 4.000 acre-feet of water from CalMat Co. to NCL Co., LLC. This transfer is made from CalMat Co.'s Local Supplemental Storage Account. Date of application: December 19, 2017. *(Page 73)*

E. OBMP SEMI-ANNUAL STATUS REPORT 2017-2 (*Page 81*)

Adopt the Semi-Annual OBMP Status Report 2017-2, along with filing a copy with the Court, subject to any necessary non-substantive changes.

F. CHINO BASIN WATERMASTER SUBMITTAL IN COMPLIANCE WITH ANNUAL REPORTING REQUIREMENTS FOR ADJUDICATED BASINS PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) (*Page 99*)

Approve and direct staff to file the information/reports with the DWR.

G. PROPOSAL FOR INDEPENDENT AUDITOR SERVICES FROM THE OUTSIDE AUDIT FIRM OF FEDAK & BROWN, LLP (*Page 105*)

Accept Proposal for Independent Auditor Services for Five Years (with Optional Two Years) to the Outside Audit Firm of Fedak & Brown LLP and authorize the General Manager to execute the annual engagement letters for the duration of the proposal on behalf of Watermaster.

II. BUSINESS ITEMS

NONE

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. April 13, 2018 Hearing

B. ENGINEER REPORT

1. Storage Framework
2. 2018 RMPU
3. Prado Basin Habitat Sustainability Program
4. Other Efforts

C. CFO REPORT

1. Fiscal Year 2017/18 Mid-Year Review

D. GM REPORT

1. SGMA Update
2. Other

IV. INFORMATION

1. Cash Disbursements for February 2018 (*Page 115*)

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

3/22/18	Thu	11:00 a.m.	Watermaster Board
3/27/18	Tue	11:00 a.m.	Fiscal Year 2018/19 Budget Distribution
3/29/18	Thu	9:00 a.m.	Ground-Level Monitoring Committee
4/12/18	Thu	9:00 a.m.	Appropriative Pool
4/12/18	Thu	11:00 a.m.	Non-Agricultural Pool
4/12/18	Thu	1:30 p.m.	Agricultural Pool
4/19/18	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
4/19/18	Thu	9:00 a.m.	Advisory Committee
4/19/18	Thu	9:30 a.m.	2018 RMPU Steering Committee #3 and Recharge Investigations and Projects Committee (meetings will be combined)
4/24/18	Tue	1:00 p.m.	Fiscal Year 2018/19 Budget Workshop #1
4/26/18	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting held on February 22, 2018

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

February 22, 2018

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on February 22, 2018.

WATERMASTER BOARD MEMBERS PRESENT

Jeff Pierson, Vice-Chair
Bob Kuhn, Secretary/Treasurer
Josh Swift for Robert DiPrimio
Bob Bowcock
Eunice Ulloa
Paul Hofer
Steve Elie
Gino Filippi
Don Galleano

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

WATERMASTER BOARD MEMBERS ABSENT

Robert DiPrimio

Fontana Water Company

WATERMASTER STAFF PRESENT

Peter Kavounas
Edgar Tellez Foster
Anna Truong

General Manager
Senior Environmental Engineer
Executive Services Director/Board Clerk

WATERMASTER CONSULTANTS PRESENT

Scott Slater
Andy Malone

Brownstein Hyatt Farber Schreck, LLP
Wildermuth Environmental, Inc.

OTHERS PRESENT

Teri Layton
Brian Geye
Bob Feenstra
Pete Hall
Todd Corbin
Ron Craig
Curtis Paxton
Katie Gienger
Cris Fealy
Betty Anderson
Raul Garibay
Van Jew
David De Jesus
Kati Parker
Art Kidman
Amanda Coker
Eduardo Espinoza
Manny Martinez
Dave Crosley
Craig Miller

San Antonio Water Company
California Speedway Corporation
Agricultural Pool – Dairy
State of California – CIM
Jurupa Community Services District
City of Chino Hills
Chino Basin Desalter Authority
City of Ontario
Fontana Water Company
Jurupa Community Services District
City of Pomona
Monte Vista Water District
Three Valleys Municipal Water District
Inland Empire Utilities Agency
Kidman Law, LLP
City of Chino
Cucamonga Valley Water District
Monte Vista Water District
City of Chino
Western Municipal Water District

CALL TO ORDER

Vice-Chair Jeff Pierson called the Watermaster Board meeting to order at 11:00 a.m.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

(0:00:52) Mr. Corbin introduced Ms. Betty Anderson, Jurupa Community Services District's Board President.

AGENDA – ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Watermaster Board Meeting held January 25, 2018

B. FINANCIAL REPORTS

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

C. WATER TRANSACTIONS

Approve the proposed transaction as presented:

The permanent transfer of 55.239 acre-feet of Safe Yield rights, 55.239 acre-feet of Excess Carryover, and 388.081 acre-feet of stored water from Ameron International Corporation to City of Ontario (Non-Ag). Date of application: October 31, 2017.

(0:01:32)

Motion by Mr. Bob Kuhn, seconded by Mr. Don Galleano, and by unanimous vote.

Moved to approve Consent Calendar as presented.

II. BUSINESS ITEMS

NONE

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. 40th Annual Report Court Filing (April 13, 2018 Hearing)

(0:02:00) Mr. Slater gave a report and announced the 40th Annual Report court hearing is scheduled for 1:30 p.m. on April 13, 2018. A discussion ensued.

B. ENGINEER REPORT

1. Storage Framework Workshop
2. 2018 RMPU
3. Salinity Management
4. Prado Basin Habitat Sustainability Program
5. Ground-Level Monitoring Committee
6. Other Efforts

(0:06:08) Mr. Malone gave a report and discussed the last Storage Framework meeting, reminded the parties that feedback regarding the Storage Framework are due on February 28, 2018, and presented the Prado Basin Habitat Sustainability Program meeting schedule which is located on Watermaster's website. A discussion ensued.

C. CFO REPORT

- 1. Fiscal Year 2018/19 Budget Schedule

(0:26:37) Mr. Kavounas gave a report in Mr. Joswiak's absence and presented the budget schedule which is located on Watermaster's website. A discussion ensued.

D. GM REPORT

- 1. SGMA Update on Fringe Areas and Annual Filing
- 2. CGC Membership
- 3. RMPU Process
- 4. Storage in Chino Basin
- 5. Other

(0:28:08) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.1. Mr. Tellez Foster also reported on Item III.D.2. A discussion ensued.

(0:45:10) Mr. Kavounas asked for the Board's direction regarding Item III.D.2. Additional discussion ensued.

(0:49:27) Vice-Chair Pierson proposed that staff meet with the three municipal agencies and their representatives to further discuss, and bring back Item III.D.2. for further discussion and possible action during the next Board meeting.

(0:50:19) Mr. Kavounas gave a report on Item III.D.3. and presented Item III.D.4.

(0:56:37) Mr. Kavounas introduced Mr. Malone to expand on how exercising storage in the various storage programs may result in material physical injury within the basin. A discussion ensued.

IV. INFORMATION

- 1. Cash Disbursements for January 2018
- 2. Recharge Investigations and Projects Committee (RIPCom)
- 3. Ground-Level Monitoring Status Report (Semi-Annual)
- 4. South Archibald and Chino Airport Plumes Status Reports (Semi-Annual)
- 5. RMPU Status Report (Semi-Annual)
- 6. Santa Ana River Watershed Status Report (Semi-Annual)

V. BOARD MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

None

ADJOURNMENT

Vice-Chair Pierson adjourned the Watermaster Board meeting at 12:17 p.m.

Secretary: _____

Approved: _____

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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: March 22, 2018
TO: Board Members
SUBJECT: Cash Disbursement Report - Financial Report B1 (January 31, 2018)

SUMMARY

Issue: Record of Cash Disbursements for the month of January 31, 2018.

Recommendation: Receive and file Cash Disbursements for January 31, 2018 as presented.

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

Future Consideration

Watermaster Board – March 22, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Non-Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Advisory Committee – March 15, 2018: Unanimously approved
Watermaster Board – March 22, 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 January 2018 were \$456,304.84.

The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$219,387.52 (check number 20614 dated January 22, 2018); and Brownstein Hyatt Farber Schreck in the amount of \$37,376.73 (check number 20616 dated January 26, 2018).

ATTACHMENTS

1. Financial Report - B1

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/03/2018	ACH 010318	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
Bill	12/14/2017	1394905143		1394905143	60182.1 - Medical Insurance	8,440.38
TOTAL						8,440.38
Bill Pmt -Check	01/04/2018	ACH 010418	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	12/30/2017	12/30/2017	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement For 12/17/17-12/30/17	2000 - Accounts Payable	6,560.22
TOTAL						6,560.22
Bill Pmt -Check	01/03/2018	20566	SIGNARAMA ONTARIO		1012 - Bank of America Gen'l Ckg	
Bill	01/03/2018			Watermaster decals for new F-150 truck	6031.7 - Other Office Supplies	140.76
TOTAL						140.76
Bill Pmt -Check	01/04/2018	20567	ACCENT COMPUTER SOLUTIONS, INC.		1012 - Bank of America Gen'l Ckg	
Bill	01/01/2018			Monthly billing for January 2018	6052.4 - IT Managed Services	3,883.00
TOTAL						3,883.00
Bill Pmt -Check	01/04/2018	20568	APPLIED COMPUTER TECHNOLOGIES	2943	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2017	2943		Database Consulting Services - December 2017	6052.2 - Applied Computer Technol	3,314.20
TOTAL						3,314.20
Bill Pmt -Check	01/04/2018	20569	CASTRO, LINDY	12/15/17 Hearing Transcript	1012 - Bank of America Gen'l Ckg	
Bill	12/15/2017			12/15/17 Hearing Transcript	6046 - Legal Publications/Services	105.00
TOTAL						105.00
Bill Pmt -Check	01/04/2018	20570	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
Bill	12/31/2017	L0363723		L0363723	7103.5 - Grdwtr Qual-Lab Svcs	2,014.00
Bill	12/31/2017	L0364251		L0364251	7103.5 - Grdwtr Qual-Lab Svcs	1,974.00
Bill	12/31/2017	L0364276		L0364276	7103.5 - Grdwtr Qual-Lab Svcs	758.00
Bill	12/31/2017	L0364799		L0364799	7103.5 - Grdwtr Qual-Lab Svcs	758.00
Bill	12/31/2017	L0364801		L0364801	7103.5 - Grdwtr Qual-Lab Svcs	848.00
Bill	12/31/2017	L0363944		L0363944	7103.5 - Grdwtr Qual-Lab Svcs	966.00
Bill	12/31/2017	L0364802		L0364802	7103.5 - Grdwtr Qual-Lab Svcs	483.00
TOTAL						7,801.00
Bill Pmt -Check	01/04/2018	20571	IPSWITCH, INC.	IN611026	1012 - Bank of America Gen'l Ckg	
Bill	12/20/2017	IN611026		1 year support-WS_FTP server 68RH425C3H136M	6055 - Computer Hardware	297.00
				1 year support-WS_FTP server 740F5EFCRIE1055	6055 - Computer Hardware	297.00
TOTAL						594.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/04/2018	20572	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	12/19/2017	0111802		Employee deductions - December 2017	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	01/04/2018	20573	LEVEL 3 COMMUNICATIONS	64469733	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	64469733		12/17/17-1/16/18	6053 · Internet Expense	1,050.32
TOTAL						1,050.32
Bill Pmt -Check	01/04/2018	20574	PAYCHEX	2017122800	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	2017122800		December 2017	6012 · Payroll Services	454.85
TOTAL						454.85
Bill Pmt -Check	01/04/2018	20575	PHILADELPHIA INSURANCE COMPANY	Account Number 04027609052	1012 · Bank of America Gen'l Ckg	
Bill	01/02/2018			Premium for new 2018 F-150	6085 · Business Insurance Package	731.76
TOTAL						731.76
Bill Pmt -Check	01/04/2018	20576	PITNEY BOWES CREDIT CORPORATION	3101838949	1012 · Bank of America Gen'l Ckg	
Bill	12/21/2017	3101838949		Postage meter lease property tax	6043.3 · Ricoh Property Tax Fees	6.91
TOTAL						6.91
Bill Pmt -Check	01/04/2018	20577	PREMIERE GLOBAL SERVICES	25021827	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	25021827		SGMA compliance call on 11/28	6909.1 · OBMP Meetings	65.21
				Appropriative Pool call on 12/20	8312 · Meeting Expenses	11.61
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				WM coordination call on 12/11	6909.1 · OBMP Meetings	10.99
				Service fee	6022 · Telephone	7.24
TOTAL						193.05
Bill Pmt -Check	01/04/2018	20578	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	8000909000168851		Postage refill - 11/30/17	6042 · Postage - General	500.00
TOTAL						500.00
Bill Pmt -Check	01/04/2018	20579	RAUCH COMMUNICATION CONSULTANTS, LLC Dec-1703		1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	Dec-1703		AR40 - November 2017	6061.3 · Rauch	2,016.25
TOTAL						2,016.25
Bill Pmt -Check	01/04/2018	20580	RON SHELLEY'S AUTOMOTIVE	10033	1012 · Bank of America Gen'l Ckg	
Bill	12/18/2017	10033		Maintenance for 2003 F-150	6177 · Vehicle Repairs & Maintenance	340.21
TOTAL						340.21

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/04/2018	20581	RR FRANCHISING, INC.	49843	1012 · Bank of America Gen'l Ckg	
Bill	01/02/2018	49843		Monthly service January 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						740.00
Bill Pmt -Check	01/04/2018	20582	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	765.80
TOTAL						765.80
Bill Pmt -Check	01/04/2018	20583	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	01/01/2018	1970970-17		Monthly premium 12/26/17-1/26/18	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	01/04/2018	20584	VERIZON WIRELESS	9797999909	1012 · Bank of America Gen'l Ckg	
Bill	12/20/2017	9797999909		Acct #648073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.06
TOTAL						100.06
Bill Pmt -Check	01/04/2018	20585	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	001017890001		Vision Insurance Premium - January 2018	60182.2 · Dental & Vision Ins	88.20
TOTAL						88.20
Bill Pmt -Check	01/04/2018	20586	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	01/02/2018	08-k2 213849		January 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						117.14
General Journal	01/13/2018	01/13/2018	Payroll and Taxes for 12/31/17-01/13/18	Payroll and Taxes for 12/31/17-01/13/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 12/31/17-01/13/18	1012 · Bank of America Gen'l Ckg	26,380.12
				Payroll Taxes for 12/31/17-01/13/18	1012 · Bank of America Gen'l Ckg	9,575.84
			ICMA-RC	457(b) Employee Deductions for 12/31/17-01/13/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 12/31/17-01/13/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						41,997.28
Check	01/16/2018	01/16/2018	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6039.1 · Banking Service Charges	1,042.32
TOTAL						1,042.32
Bill Pmt -Check	01/18/2018	20587	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	7076224530355049		December 2017	6175 · Vehicle Fuel	153.70
TOTAL						153.70

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/19/2018	ACH 011918	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	01/13/2018	01/13/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 12/31/17-01/13/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	01/22/2018	20588	ACWA JOINT POWERS INSURANCE AUTHORITY	0528647	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2018	0528647		Prepayment - February 2018	1409 · Prepaid Life, BAD&D & LTD	154.21
				January 2018	60191 · Life & Disab.Ins Benefits	154.20
TOTAL						308.41
Bill Pmt -Check	01/22/2018	20589	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	XXXX-XXXX-XXXX-9341		Holiday luncheon for staff	6141.3 · Admin Meetings	311.63
				Quickbooks software annual update	6054 · Computer Software	1,925.43
				Miscellaneous office supplies	6031.7 · Other Office Supplies	422.23
				Flowers for Board member S. Elie	6312 · Meeting Expenses	60.76
				Lunch-12/20/17 Special Appropriative Pool mtg.	8312 · Meeting Expenses	82.22
				PK meeting w/C. Berch, M. Norton, R. Haller	8312 · Meeting Expenses	58.87
TOTAL						2,861.14
P10 Bill Pmt -Check	01/22/2018	20590	CASTRO, LINDY	1/12/18 Hearing Transcript	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2018			1/12/2018 Hearing Transcript	6046 · Legal Publications/Services	60.00
TOTAL						60.00
Bill Pmt -Check	01/22/2018	20591	CORELOGIC INFORMATION SOLUTIONS	81860128	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	81860128		81860128	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81860128	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	01/22/2018	20592	CUCAMONGA VALLEY WATER DISTRICT		1012 · Bank of America Gen'l Ckg	
Bill	01/16/2018			Office lease due February 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						6,608.80
Bill Pmt -Check	01/22/2018	20593	EGOSCUE LAW GROUP	11829	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	11829		Ag Pool Legal Services - December 2017	8467 · Ag Legal & Technical Services	6,600.00
TOTAL						6,600.00
Bill Pmt -Check	01/22/2018	20594	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	L0365254		L0365254	7103.5 · Grdwtr Qual-Lab Svcs	628.00
Bill	12/31/2017	L0365255		L0365255	7103.5 · Grdwtr Qual-Lab Svcs	758.00
Bill	12/31/2017	L0366653		L0366653	7103.5 · Grdwtr Qual-Lab Svcs	848.00
Bill	12/31/2017	L0366218		L0366218	7103.5 · Grdwtr Qual-Lab Svcs	628.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/31/2017	L0356666		L0356666	7103.5 · Grdwtr Qual-Lab Svcs	1,869.00
Bill	12/31/2017	L0363945		L0363945	7108.41 · Hydraulic Control - PBHSP	992.00
Bill	12/31/2017	L0364252		L0364252	7108.41 · Hydraulic Control - PBHSP	1,240.00
Bill	12/31/2017	L0366650		L0366650	7108.41 · Hydraulic Control - PBHSP	1,240.00
Bill	12/31/2017	L0366651		L0366651	7108.41 · Hydraulic Control - PBHSP	992.00
TOTAL						9,195.00
Bill Pmt -Check	01/22/2018	20595	FIRST LEGAL NETWORK LLC	40014499	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	40014499		Filings on 12/01/17, 12/15/17	6061.5 · Court Filing Services	200.42
TOTAL						200.42
Bill Pmt -Check	01/22/2018	20596	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
Bill	01/16/2018	90948438900503145		Office fax	6022 · Telephone	143.76
TOTAL						143.76
Bill Pmt -Check	01/22/2018	20597	GREAT AMERICA LEASING CORP.	2983599	1012 · Bank of America Gen'l Ckg	
Bill	01/17/2018	21983599		Invoice for January 2018	6043.1 · Ricoh Lease Fee	2,605.07
TOTAL						2,605.07
P 11						
Bill Pmt -Check	01/22/2018	20598	HR DIRECT / GNEIL	INV6004786	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2018	INV6004786		Poster guard protection for Federal HR Posters	6031.7 · Other Office Supplies	94.81
TOTAL						94.81
Bill Pmt -Check	01/22/2018	20599	JOHN J. SCHATZ	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017			November 2017	8367 · Legal Service	2,640.00
Bill	12/31/2017			December 2017	8367 · Legal Service	3,184.00
TOTAL						5,824.00
Bill Pmt -Check	01/22/2018	20600	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
Bill	01/16/2018	0111802		Employee deductions - January 2018	60194 · Other Employee Insurance	79.70
TOTAL						79.70
Bill Pmt -Check	01/22/2018	20601	LOEB & LOEB LLP	1753895	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	1753895		Non-Ag Pool Legal Services - December 2017	8567 · Non-Ag Legal Service	2,479.50
TOTAL						2,479.50
Bill Pmt -Check	01/22/2018	20602	MINDSHIFT	Final Service Billings	1012 · Bank of America Gen'l Ckg	
Bill	01/15/2018	0261963		Backup & Recovery - January 2018	6052.5 · IT Data Backup/Storage	792.00
Bill	01/15/2018	0262488		January - IT Managed Services @ 50%	6052.4 · IT Managed Services	1,885.00
				February - IT Managed Services @ 50%-19 days	6052.4 · IT Managed Services	1,193.77

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
				February - Backup Services @ 50%-19 days	6052.5 · IT Data Backup/Storage	220.80
TOTAL						4,091.57
Bill Pmt -Check	01/22/2018	20603	PITNEY BOWES CREDIT CORPORATION	3101865802	1012 · Bank of America Gen'l Ckg	
Bill	01/10/2018	3101865802		Postage meter lease	6044 · Postage Meter Lease	401.91
TOTAL						401.91
Bill Pmt -Check	01/22/2018	20604	R&D PEST SERVICES	0224058	1012 · Bank of America Gen'l Ckg	
Bill	01/15/2018	0224058		Pest control - inside/outside office building	6024 · Building Repair & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	01/22/2018	20605	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	0023230253		Office Water Bottle - December 2017	6031.7 · Other Office Supplies	127.14
TOTAL						127.14
Bill Pmt -Check	01/22/2018	20606	SIGNARAMA ONTARIO		1012 · Bank of America Gen'l Ckg	
Bill	01/10/2018			Install office hour decals-front office door	6031.7 · Other Office Supplies	99.99
TOTAL						99.99
P12						
Bill Pmt -Check	01/22/2018	20607	SKILLPATH SEMINARS	STAR 12 All Access Pass	1012 · Bank of America Gen'l Ckg	
Bill	01/10/2018			STAR12 All Access Passes for AT, JW, CG	6192 · Seminars - General	897.00
TOTAL						897.00
Bill Pmt -Check	01/22/2018	20608	STAPLES BUSINESS ADVANTAGE	8047913203	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	8047913203		Miscellaneous office supplies	6031.7 · Other Office Supplies	69.61
TOTAL						69.61
Bill Pmt -Check	01/22/2018	20609	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018			Retiree Medical	60182.4 · Retiree Medical	25.17
TOTAL						25.17
Bill Pmt -Check	01/22/2018	20610	TRUONG, ANNA	Notary	1012 · Bank of America Gen'l Ckg	
Bill	01/15/2018			Reimburse for Notary Recertification	6192 · Seminars - General	107.89
TOTAL						107.89
Bill Pmt -Check	01/22/2018	20611	UNITED HEALTHCARE	0044881867	1012 · Bank of America Gen'l Ckg	
Bill	01/15/2018	0044881867		Dental Insurance Premium - February 2018	60182.2 · Dental & Vision Ins	749.75
TOTAL						749.75
Bill Pmt -Check	01/22/2018	20612	VERIZON WIRELESS	9799279497	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	01/12/2018	97992979497		Acct #470810953-00001	6022 · Telephone	337.42
TOTAL						337.42
Bill Pmt -Check	01/22/2018	20613	ZAPIEN, ENRIQUE	Mileage Reimbursement	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017			Mileage reimbursement-water quality samples	6173 · Airfare/Mileage	125.19
TOTAL						125.19
Bill Pmt -Check	01/22/2018	20614	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	2017406		2017406	6906.32 · OBMP-Other General Meetings	3,231.73
Bill	12/31/2017	2017407		2017407	6906.71 · OBMP-Data Req.-CBWM Staff	19,331.00
Bill	12/31/2017	2017408		2017408	6906.72 · OBMP-Data Req.-Non CBWM Staff	4,404.25
Bill	12/31/2017	2017409		2017409	6906.23 · SGMA Reporting Requirements	8,729.75
Bill	12/31/2017	2017410		2017410	6906 · OBMP Engineering Services	2,065.30
Bill	12/31/2017	2017411		2017411	6906.9 · OBMP-2018 RMPU Master Update	2,656.50
Bill	12/31/2017	2017412		2017412	6906.81 · Prepare Annual Reports	1,604.60
Bill	12/31/2017	2017413		2017413	7103.3 · Grdwtr Qual-Engineering	9,206.57
Bill	12/31/2017	2017414		2017414	7104.3 · Grdwtr Level-Engineering	42,672.97
Bill	12/31/2017	2017415		2017415	7107.2 · Grd Level-Engineering	629.84
				WSP USA Inc.	7107.6 · Grd Level-Contract Svcs	16,457.90
Bill	12/31/2017	2017416		2017416	7108.31 · Hydraulic Control - PBHSP	6,354.00
Bill	12/31/2017	2017417		2017417	7202.2 · Engineering Svc	2,363.76
Bill	12/31/2017	2017418		2017418	7402 · PE4-Engineering	1,105.50
Bill	12/31/2017	2017419		2017419	7402.10 · PE4 - Northwest MZ1 Area Proj.	12,118.71
Bill	12/31/2017	2017420		2017420	7502 · PE6&7-Engineering	24,006.00
Bill	12/31/2017	2017421		2017421	7510 · PE6&7-IEUA Salinity Mgmt. Plan	12,752.64
Bill	12/31/2017	2017422		2017422	7602 · PE8&9-Engineering	49,696.50
TOTAL						219,387.52
Bill Pmt -Check	01/24/2018	ACH 012418	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	01/01/2018	15156337		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	4,348.52
TOTAL						4,348.52
Bill Pmt -Check	01/26/2018	20615	ACCENT COMPUTER SOLUTIONS, INC.	119647	1012 · Bank of America Gen'l Ckg	
Bill	02/01/2018	119647		Monthly billing for February 2018	6052.4 · IT Managed Services	4,128.00
TOTAL						4,128.00
Bill Pmt -Check	01/26/2018	20616	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	707924		707924	6078 · BHFS Legal - Miscellaneous	11,550.60
				NRG BK	6078 · BHFS Legal - Miscellaneous	1,247.40
				Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous	36.10

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/31/2017	707925		707925	6073 · BHFS Legal - Personnel Matters	596.25
Bill	12/31/2017	707926		707926	6907.34 · Santa Ana River Water Rights	4,172.40
Bill	12/31/2017	707927		707927	6907.36 · Santa Ana River Habitat	1,111.95
Bill	12/31/2017	707928		707928	8375 · BHFS Legal - Appropriative Pool	153.00
Bill	12/31/2017	707929		707929	8475 · BHFS Legal - Agricultural Pool	153.00
Bill	12/31/2017	707930		707930	8575 · BHFS Legal - Non-Ag Pool	153.00
Bill	12/31/2017	707931		707931	6071 · BHFS Legal - Court Coordination	3,426.30
				Research-Lexis	6071 · BHFS Legal - Court Coordination	66.36
				Mileage/Parking Expense	6071 · BHFS Legal - Court Coordination	55.19
Bill	12/31/2017	707932		707932	6077 · BHFS Legal - Party Status Maint	807.30
Bill	12/31/2017	707933		707933	6907.38 · Reg. Water Quality Cntrl Board	1,822.95
Bill	12/31/2017	707934		707934	6907.40 · Storage Agreements	2,548.80
				Mileage/Parking Expense	6907.40 · Storage Agreements	35.88
Bill	12/31/2017	707935		707935	6907.42 · Safe Yield Recalculation	7,058.25
				Delivery/Ground Transportation	6907.42 · Safe Yield Recalculation	150.00
Bill	12/31/2017	707936		707936	6907.44 · SGMA Compliance	2,232.00
TOTAL						37,376.73
P14						
Bill Pmt -Check	01/26/2018	20617	LEVEL 3 COMMUNICATIONS	65563678	1012 · Bank of America Gen'l Ckg	
Bill	01/23/2018	65563678		1/17/18-2/16/18	6053 · Internet Expense	1,051.70
TOTAL						1,051.70
Bill Pmt -Check	01/26/2018	20618	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
Bill	01/23/2018	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	786.43
TOTAL						786.43
Bill Pmt -Check	01/26/2018	20619	VERIZON WIRELESS	9799801686	1012 · Bank of America Gen'l Ckg	
Bill	01/23/2018	9799801686		Acct #642073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.04
TOTAL						100.04
Bill Pmt -Check	01/26/2018	20620	INLAND EMPIRE UTILITIES AGENCY	90021513	1012 · Bank of America Gen'l Ckg	
Bill	01/23/2018	90021513		GW Recharge O&M Cost Reimbursement-3rd Qtr	7206 · Comp Recharge-O&M	13,358.89
TOTAL						13,358.89
General Journal	01/27/2018	01/27/2018	Payroll and Taxes for 01/14/18-01/27/18	Payroll and Taxes for 01/14/18-01/27/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 01/14/18-01/27/18	1012 · Bank of America Gen'l Ckg	26,779.63
				Payroll Taxes for 01/14/18-01/27/18	1012 · Bank of America Gen'l Ckg	8,692.32
			ICMA-RC	457(b)Employee Deductions for 01/14/18-01/27/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a)Employee Deductions for 01/14/18-01/27/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						41,513.27

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
January 2018

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	01/31/2018	01/31/2018	Wage Works FSA Direct Debits - Jan. 2018	Wage Works FSA Direct Debits - Jan. 2018	1012 - Bank of America Gen'l Ckg	
				Wage Works FSA Direct Debits - January 2018	1012 - Bank of America Gen'l Ckg	696.15
				Wage Works FSA Direct Debits - January 2018	1012 - Bank of America Gen'l Ckg	696.15
				Wage Works FSA Direct Debits - January 2018	1012 - Bank of America Gen'l Ckg	81.50
TOTAL						1,473.80
					Total Disbursements:	456,304.84

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CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: March 22, 2018
TO: Board Members
SUBJECT: VISA Check Detail Report - Financial Report B2 (January 31, 2018)

SUMMARY

Issue: Record of VISA credit card payment disbursed for the month of January 31, 2018.

Recommendation: Receive and file VISA Check Detail Report for January 31, 2018 as presented.

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

Future Consideration

Watermaster Board – March 22, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Non-Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Advisory Committee – March 15, 2018: Unanimously approved
Watermaster Board – March 22, 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 January 2018 were \$2,861.14. The payment was processed in the amount of \$2,861.14 (by check number 20589 dated January 22, 2018). The monthly charges for January 2018 of \$2,861.14 were for routine and customary expenditures and properly documented with receipts.

ATTACHMENTS

1. Financial Report - B2

CHINO BASIN WATERMASTER
VISA Check Detail Report
January 2018

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/22/2018	20589	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	12/31/2017	XXXX-XXXX-XXXX-9341		Holiday luncheon for staff	6141.3 · Admin Meetings	311.63
				Quickbooks software annual update	6054 · Computer Software	1,925.43
				Miscellaneous office supplies	6031.7 · Other Office Supplies	422.23
				Flowers for Board member S. Elie	6312 · Meeting Expenses	60.76
				Lunch-12/20/17 Special Appropriative Pool mtg.	8312 · Meeting Expenses	82.22
				PK meeting w/C. Berch, M. Norton, R. Haller	8312 · Meeting Expenses	58.87
TOTAL					Total Disbursements:	<u>2,861.14</u>

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: March 22, 2018
TO: Board Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through January 31, 2018 - Financial Report B3 (January 31, 2018)

SUMMARY

Issue: Record of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through January 31, 2018.

Recommendation: Receive and file Combining Schedule of Revenue, Expenses and Changes in Net Assets for the Period July 1, 2017 through January 31, 2018 as presented.

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

Future Consideration

Watermaster Board – March 22, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Non-Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Advisory Committee – March 15, 2018: Unanimously approved
Watermaster Board – March 22, 2018:

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Net Assets for the period July 1, 2017 through January 31, 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 JANUARY 31, 2018

	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			48,365	2,786	287				51,438	39,906
Mutual Agency Project Revenue	193,622								193,622	191,626
Miscellaneous Income	48								48	0
Total Revenues	193,670	-	8,455,949	2,786	360,529	-	-	-	9,012,935	11,838,698
Administrative & Project Expenditures:										
Watermaster Administration	1,069,885								1,069,885	1,339,393
Watermaster Board-Advisory Committee	95,050								95,050	219,454
Ag Pool Misc. Expense - Ag Fund				57					57	400
Pool Administration			72,662	208,161	59,386				340,209	619,252
Optimum Basin Mgmt Administration		678,696							678,696	1,374,142
OBMP Project Costs		1,927,811							1,927,811	5,198,168
Debt Service		457,644							457,644	515,375
Basin Recharge Improvements		259,551							259,551	6,692,293
Total Administrative/OBMP Expenses	1,164,935	3,323,702	72,662	208,161	59,386	-	-	-	4,828,903	15,958,477
Net Administrative/OBMP Expenses	(971,265)	(3,323,702)								
Allocate Net Admin Expenses To Pools	971,265		705,108	230,232	35,925					
Allocate Net OBMP Expenses To Pools		2,606,507	1,892,242	617,856	96,409					
Allocate Debt Service to App Pool		457,644	457,644							
Allocate Basin Recharge to App Pool		259,551	259,551							
Agricultural Expense Transfer*			1,056,248	(1,056,248)						
Total Expenses			4,443,455	57	191,720	-	-	-	4,828,903	15,958,477
Net Administrative Income			4,012,494	2,729	168,809	-	-	-	4,184,032	(4,119,779)
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						792			792	0
MWD Water Purchases									-	0
Non-Ag Stored Water Purchases									-	0
Exhibit "G" Non-Ag Pool Water									-	0
MWD Water Purchases									-	0
Groundwater Replenishment						(763,169)			(763,169)	0
LAIF - Fair Market Value Adjustment							-		-	0
Other Post-Employment Benefits (OPEB)									-	0
Refund-Excess Reserves									-	0
Refund-Recharge Debt			(78,397)						(78,397)	0
Funding To/(From) Reserves									-	0
Net Other Income/(Expense)			(78,397)	-	-	96,141	-	-	17,744	0
Net Transfers To/(From) Reserves	4,201,776		3,934,097	2,729	168,809	96,141	-	-	4,201,776	(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			12,972,887	488,963	213,955	(6,000)	(11,905)	(740,195)	12,917,705	12,917,705
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

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PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: March 22, 2018

TO: Board Members

SUBJECT: Treasurer's Report of Financial Affairs for the Period January 1, 2018 through January 31, 2018 - Financial Report B4 (January 31, 2018)

SUMMARY

Issue: Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of January 1, 2018 through January 31, 2018.

Recommendation: Receive and file Treasurer's Report of Financial Affairs for the Period January 1, 2018 through January 31, 2018 as presented.

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

Future Consideration

Watermaster Board – March 22, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings

Non-Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings

Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings

Advisory Committee – March 15, 2018: Unanimously approved

Watermaster Board – March 22, 2018:

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period January 1, 2018 through January 31, 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
JANUARY 1, 2018 THROUGH JANUARY 31, 2018**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	770,008		
Zero Balance Account - Payroll		-		770,008
Trust Account - County of San Bernardino				15,000
Local Agency Investment Fund - Sacramento				14,683,016
TOTAL CASH IN BANKS AND ON HAND				\$ 15,468,524
TOTAL CASH IN BANKS AND ON HAND	1/31/2018			15,796,932
	12/31/2017			15,796,932
PERIOD INCREASE (DECREASE)				\$ (328,408)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$	76,310
Assessments Receivable				577
Prepaid Expenses, Deposits & Other Current Assets				1,374
(Decrease)/Increase in Liabilities: Accounts Payable				853,708
Accrued Payroll, Payroll Taxes & Other Current Liabilities				14,212
Long Term Liabilities				2,198
Transfer to/(from) Reserves				(1,276,787)
PERIOD INCREASE (DECREASE)				\$ (328,408)

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SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Trust Account County of San Bernardino	Local Agency Investment Funds	Totals
Balances as of 12/31/2017	\$ 500	\$ 625,489	\$ -	\$ 15,000	\$ 15,155,943	\$ 15,796,932
Deposits	-	600,824	-	-	27,073	627,897
Transfers	-	(112,452)	(71,806)	-	(500,000)	(684,258)
Withdrawals/Checks	-	(343,853)	71,806	-	-	(272,047)
Balances as of 1/31/2018	\$ 500	\$ 770,008	\$ -	\$ 15,000	\$ 14,683,016	\$ 15,468,524
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 144,519	\$ -	\$ -	\$ (472,927)	\$ (328,408)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JANUARY 1, 2018 THROUGH JANUARY 31, 2018**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
1/12/2018	Deposit		\$ 27,073				
1/30/2018	Withdrawal		(500,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (472,927)	\$0			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.20% was the effective yield rate at the Quarter ended December 31, 2017.

**INVESTMENT STATUS
January 31, 2018**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 14,683,016			
TOTAL INVESTMENTS	\$ 14,683,016			

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

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

Respectfully submitted,



Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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: March 22, 2018
TO: Board Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2017 through January 31, 2018 -
Financial Report B5 (January 31, 2018)

SUMMARY

Issue: Record of revenues and expenses of Watermaster for the Period of July 1, 2017 through January 31, 2018.

Recommendation: Receive and file Budget vs. Actual Report for the Period July 1, 2017 through January 31, 2018 as presented.

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

Future Consideration

Watermaster Board – March 22, 2018: Receive and File (Normal Course of Business)

ACTIONS:

Appropriative Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Non-Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Agricultural Pool – March 8, 2018: No action due to cancellation of the March 2018 Pool meetings
Advisory Committee – March 15, 2018: Unanimously approved
Watermaster Board – March 22, 2018:

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2017 through January 31, 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 – JANUARY 2018

Year-To-Date (YTD) for the seven months ending January 31, 2018, all but five categories were at or below the projected budget. The categories over budget were (1) Administration Salary/Benefits expenses (6010's) which were over budget by \$57,967 or 9.6% as a result of increased staff time and activities in the administrative functions. Please note that the overage is only in the administrative section, not with the entire consolidated staffing budget; (2) Watermaster Legal Services expenses (6070's) over budget by \$100,590 or 87.9% as a result of miscellaneous legal matters as detailed in the BHFS section; (3) Agricultural Pool Legal Services (8467's) over budget by \$46,499 or 38.9% as a result of increased legal services performed during the months of July 2017 through January 2018; (4) Groundwater Level Monitoring expenses (7104's) over budget by \$2,799 or 1.7% as a result of increased activities in the engineering services area; and (5) PE 8&9-Storage Management/Conjunctive Use expenses (7600's) over budget by \$149,745 or 71.1% 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 \$344,081 (or more depending upon the scope of work) could be spent within the FY 2017/18 period.

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

Overall, the Watermaster (YTD) Actual Expenses were \$7,982,661 or 62.3% below the (YTD) Budgeted Expenses of \$12,811,564.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

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 – JANUARY 2018

As of January 31, 2018, the total (YTD) Watermaster salary expenses were \$64,534 or 6.1% below the (YTD) budgeted amount of \$1,052,026. 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 January 31, 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 - Jan '18 Actual	Jul '17 - Jan '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
WM Salary Expense					
6011 · WM Staff Salaries	622,825.52	566,662.00	56,163.52	109.91%	966,354.00
6011.1 · WM Staff Salaries - Overtime	6,687.52	0.00	6,687.52	100.0%	0.00
6011.4 · 457(f) NQDC Plan	20,545.96	13,830.00	6,715.96	148.56%	23,710.00
6015 · Miscellaneous Payments	0.00	0.00	0.00	0.0%	0.00
6017 · Temporary Services	0.00	12,250.00	-12,250.00	0.0%	21,000.00
6201 · Advisory Committee - WM Staff Salaries	10,944.90	14,539.00	-3,594.10	75.28%	24,708.00
6301 · Watermaster Board - WM Staff Salaries	17,993.80	22,281.00	-4,287.20	80.76%	37,863.00
8301 · Appropriative Pool - WM Staff Salaries	24,316.17	19,915.00	4,401.17	122.1%	33,842.00
8401 · Agricultural Pool - WM Staff Salaries	12,044.29	17,568.00	-5,523.71	68.56%	29,853.00
8501 · Non-Agricultural Pool - WM Staff Salaries	9,560.30	11,508.00	-1,947.70	83.08%	19,557.00
6901 · OBMP - WM Staff Salaries	32,640.16	54,040.00	-21,399.84	60.4%	91,832.00
7101.1 · Production Monitor - WM Staff Salaries	31,384.01	31,772.00	-387.99	98.78%	53,992.00
7102.1 · In-line Meter - WM Staff Salaries	620.69	6,000.00	-5,379.31	10.35%	10,197.00
7103.1 · Grdwater Quality - WM Staff Salaries	16,370.32	32,703.00	-16,332.68	50.06%	55,574.00
7104.1 · Grdwater Level - WM Staff Salaries	27,724.72	23,551.00	4,173.72	117.72%	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	1,076.09	0.00	1,076.09	100.0%	0.00
7108.1 · Hydraulic Control - WM Staff Salaries	0.00	1,975.00	-1,975.00	0.0%	3,356.00
7108.11 · Prado Basin - WM Staff Salaries	1,200.75	3,660.00	-2,459.25	32.81%	6,219.00
7201 · Comp Recharge - WM Staff Salaries	30,769.95	55,890.00	-25,120.05	55.05%	94,978.00
7301 · PE3&5 - WM Staff Salaries	0.00	9,425.00	-9,425.00	0.0%	16,017.00
7401 · PE4 - WM Staff Salaries	0.00	5,736.00	-5,736.00	0.0%	9,747.00
7501 · PE6&7 - WM Staff Salaries	3,109.20	2,801.00	308.20	111.0%	4,759.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	0.00	3,141.00	-3,141.00	0.0%	5,338.00
7601 · PE8&9 - WM Staff Salaries	6,862.60	28,043.00	-21,180.40	24.47%	47,656.00
Subtotal WM Staff Costs	876,676.95	937,290.00	-60,613.05	93.53%	1,596,574.00
60185 · Vacation	50,279.11	42,290.00	7,989.11	118.89%	72,497.00
60186 · Sick Leave	12,881.79	29,830.00	-16,948.21	43.18%	51,138.00
60187 · Holidays	47,654.55	42,616.00	5,038.55	111.82%	51,138.00
Subtotal WM Paid Leaves	110,815.45	114,736.00	-3,920.55	96.58%	174,773.00
Total WM Salary Costs	987,492.40	1,052,026.00	-64,533.60	93.87%	1,771,347.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

LEGAL SERVICES
BROWNSTEIN HYATT FARBER SCHRECK EXPENSES

CURRENT MONTH – JANUARY 2018

As of January 31, 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 \$50,373 or 9.0% below the (YTD) budgeted amount of \$561,193.

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

WATERMASTER ADMINISTRATIVE LEGAL SERVICES:

Overall, the Watermaster Administrative Legal Services expense (6070's) as of January 31, 2018, was \$100,590 or 88.0% above the budgeted amount of \$114,449. The specific items within the Administrative Legal Services expenses (6070's) which were under budget were the expenses for Court Coordination (6071) under budget by \$1,723 or 7.2%; Rules and Regulations (6072) under budget by \$13,727 or 90.5%; Personnel Matter (6073) under budget by \$14,153 or 70.8%; Interagency Issues (6074) under

budget by \$17,850 or 100.0%; and Party Status Maintenance (6077) under budget by \$239 or 1.4%. The specific items within the Administrative Legal Services expenses (6070's) which were over budget were the Miscellaneous Category expenses (6078) over budget by \$148,282 or 719.1%. Please see Note 1 on the following page for a more detailed explanation of the miscellaneous types of expenses.

WATERMASTER POOLS, ADVISORY AND BOARD LEGAL SERVICES:

The Pools, Advisory Committee and the Board meeting legal expenses from BHFS are captured by month within the accounts (6275, 6375, 6375.1, 8375, 8475 and 8575). The legal service costs associated with the Board Workshop(s) are also included as part of this group. Overall, this category of legal expenses as of January 31, 2018 was \$23,265 or 23.7% below the budgeted amount of \$98,220. 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, adding additional cost savings to this category.

OBMP LEGAL SERVICES:

The OBMP legal expenses (accounts 6907.31 through 6907.90) were below the budget for the month. As of January 31, 2018 the category of OBMP legal expenses were \$127,698 or 36.6% below the budgeted amount of \$348,524. 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 \$6,802 or 44.5%; and Safe Yield Redetermination and Reset legal expenses (6907.42) were over budget by \$76,761 or 190.2%.

The table listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of January 31, 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 - Jan '18 Actual	Jul '17 - Jan '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6070 · Watermaster Legal Services					
6071 · BHFS Legal - Court Coordination	22,341.35	24,064.00	-1,722.65	92.84%	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	5,847.30	20,000.00	-14,152.70	29.24%	25,000.00
6074 · BHFS Legal - Interagency Issues	0.00	17,850.00	-17,850.00	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	16,500.55	16,740.00	-239.45	98.57%	28,700.00
6078 · BHFS Legal - Miscellaneous (Note 1)	168,902.10	20,620.00	148,282.10	819.12%	35,350.00
Total 6070 · Watermaster Legal Services	215,038.95	114,449.00	100,589.95	187.89%	176,075.00
6275 · BHFS Legal - Advisory Committee	5,331.33	10,200.00	-4,868.67	52.27%	18,700.00
6375 · BHFS Legal - Board Meeting	41,044.75	42,120.00	-1,075.25	97.45%	77,220.00
6375.1 · BHFS Legal - Board Workshop(s)	0.00	0.00	0.00	0.0%	11,163.00
8375 · BHFS Legal - Appropriative Pool	9,409.32	15,300.00	-5,890.68	61.5%	28,050.00
8475 · BHFS Legal - Agricultural Pool	9,908.89	15,300.00	-5,391.11	64.76%	28,050.00
8575 · BHFS Legal - Non-Ag Pool	9,260.80	15,300.00	-6,039.20	60.53%	28,050.00
Total BHFS Legal Services	74,955.09	98,220.00	-23,264.91	76.31%	191,233.00
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	14,291.00	-14,291.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	14,291.00	-14,291.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	12,556.00	-12,556.00	0.0%	21,525.00
6907.34 · Santa Ana River Water Rights	22,086.26	15,284.00	6,802.26	144.51%	26,200.00
6907.36 · Santa Ana River Habitat	10,224.45	40,425.00	-30,200.55	25.29%	69,300.00
6907.38 · Reg. Water Quality Cntrl Board	4,605.44	8,370.00	-3,764.56	55.02%	14,350.00
6907.39 · Recharge Master Plan	4,827.60	50,400.00	-45,572.40	9.58%	86,400.00
6907.40 · Storage Agreements	44,483.61	101,266.00	-56,782.39	43.93%	173,600.00
6907.41 · Prado Basin Habitat Sustainability	2,969.75	8,866.00	-5,896.25	33.5%	15,200.00
6907.42 · Safe Yield Recalculation	117,127.47	40,366.00	76,761.47	290.16%	69,200.00
6907.44 · SGMA Compliance	14,501.60	25,200.00	-10,698.40	57.55%	43,200.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	17,209.00	-17,209.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	220,826.18	348,524.00	-127,697.82	63.36%	597,475.00
Total Brownstein, Hyatt, Farber, Schreck Costs	510,820.22	561,193.00	-50,372.78	91.02%	964,783.00

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)
None

OBMP ENGINEERING SERVICES AND LEGAL COSTS

CURRENT MONTH – JANUARY 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 seven months ending January 31, 2018, the actual expenses of \$659,401 were below the budgeted amount of \$764,238 by \$104,837 or 13.7%. For a detailed discussion, the following is provided.

For January 31, 2018, the accounts 6901-6903 (Optimum Basin Mgmt. Program) section was below the Year-To-Date (YTD) budget by \$33,654 or 50.8%. 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 \$21,400 or 39.6%. The remaining expense was the Santa Ana Watershed Project Authority (SAWPA) FY 2017/18 Basin Monitoring Program Task Force Contribution which was budgeted at \$12,254 but actual expenses have not yet been received or booked and resulted in an under budget variance of \$12,254 or 100.0% as of January 31, 2018.

For January 31, 2018, the accounts 6906 (Optimum Basin Mgmt. Program Engineering Services) section was above the Year-To-Date (YTD) budget by \$59,933 or 17.4%. For FY 2017/18, the OBMP-Safe Yield Redetermination and Reset expenses (6906.73) did not have a budget amount authorized and for the month of January there were no expenses charged to the OBMP-Safe Yield Redetermination and Reset account. The majority of expenses within this OBMP category were under budget (YTD), however, the accounts which were over budget were as follows; the OBMP-Watermaster Model Update expenses (6906.1) which were over budget by \$8,844 or 25.6%; the SGMA Reporting Requirements expenses (6906.25) which were over budget by \$5,613 or 39.4%; the OBMP-Other General Meetings Engineering Services expenses (6906.32) which were over budget by \$36,235 or 170.7%; the OBMP-Data Requests-CBWM Staff Engineering Services expenses (6906.71) which were over budget by \$42,819 or 67.0%; and the OBMP-2018 RMPU Master Update expenses (6906.90) which were over budget by \$19,121 or 50.4%.

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 \$83,563 while some other line item activities were below the budget by \$211,261. Above the budget line items were the Santa Ana River Water Rights expenses of \$6,802; and the Safe Yield Redetermination and Reset expenses of \$76,761. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the Archibald South Plume of \$14,291; the Chino Airport Plume of \$14,291; the Desalter/Hydraulic Control of \$12,556; the Santa Ana River Habitat expenses of \$30,201; the Regional Water Quality Control Board of \$3,765 the Recharge Master Plan of \$45,572; Storage Agreements of \$56,782; the Prado Basin Habitat Sustainability of \$5,896; the SGMA Compliance of \$10,698; and the WM Unanticipated legal expenses of \$17,209. For the seven months ended January 31, 2018, the overall cumulative (YTD) budget was \$348,524 and the actual (BHFS) legal expenses totaled \$220,826 which resulted in an under budget variance of \$127,698 or 36.6%.

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 January 31, 2018 this category of expenses was \$3,418 or 59.0% below the budgeted amount of \$5,792.

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 January 31, 2018 this category of expenses was fully invoiced in the amount of \$0 to IEUA.

Overall, the Optimum Basin Management Program (OBMP) category was \$659,401 compared to a (YTD) budget of \$764,238 for an under budget of \$104,837 or 13.7% as of January 31, 2018.

The table listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of January 31, 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 - Jan '18 Actual	Jul '17 - Jan '18 Budget	\$ Over Budget	% of Budget	FY 2017/18 Annual Budget
6900 · Optimum Basin Mgmt Plan					
6901 · WM Staff Salaries	32,640.16	54,040.00	-21,399.84	60.4%	91,832.00
6903 · OBMP SAWPA Group	0.00	12,254.00	-12,254.00	0.0%	12,254.00
Total 6901-6903 · OBMP WM Staff/SAWPA	32,640.16	66,294.00	-33,653.84	49.24%	104,086.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	43,356.60	34,513.00	8,843.60	125.62%	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	14,892.00	-4,402.85	70.44%	25,528.00
6906.23 · SGMA Reporting Requirements	19,841.70	14,229.00	5,612.70	139.45%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	0.00	4,091.00	-4,091.00	0.0%	7,012.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	0.00	0.00	0.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	45,663.82	56,555.00	-10,891.18	80.74%	96,950.00
6906.32 · OBMP - Other General Meetings	57,456.96	21,222.00	36,234.96	270.74%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	106,659.45	63,840.00	42,819.45	167.07%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	13,283.30	18,522.00	-5,238.70	71.72%	31,752.00
6906.73 · OBMP - Safe Yield Recalculation	0.00	0.00	0.00	0.0%	0.00
6906.74 · OBMP - Mat'l Phy. Injury Requests	16,273.00	40,834.00	-24,561.00	39.85%	70,000.00
6906.75 · OBMP - Recharge Master Plan	0.00	0.00	0.00	0.0%	0.00
6906.81 · Prepare Annual Reports	15,770.15	20,000.00	-4,229.85	78.85%	20,000.00
6906.82 · Support for Assessment Package	0.00	0.00	0.00	0.0%	0.00
6906.90 · OBMP - 2018 RMPU Master Update	57,037.50	37,917.00	19,120.50	150.43%	65,000.00
6906 · OBMP Engineering Services - Other	17,729.00	17,013.00	716.00	104.21%	29,164.00
Total 6906 · OBMP Engineering Services	403,560.63	343,628.00	59,932.63	117.44%	574,783.00
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.31 · Archibald South Plume	0.00	14,291.00	-14,291.00	0.0%	24,500.00
6907.32 · Chino Airport Plume	0.00	14,291.00	-14,291.00	0.0%	24,500.00
6907.33 · Desalter/Hydraulic Control	0.00	12,556.00	-12,556.00	0.0%	21,525.00
6907.34 · Santa Ana River Water Rights	22,086.26	15,284.00	6,802.26	144.51%	26,200.00
6907.36 · Santa Ana River Habitat	10,224.45	40,425.00	-30,200.55	25.29%	69,300.00
6907.38 · Reg. Water Quality Cntrl Board	4,605.44	8,370.00	-3,764.56	55.02%	14,350.00
6907.39 · Recharge Master Plan	4,827.60	50,400.00	-45,572.40	9.58%	86,400.00
6907.40 · Storage Agreements	44,483.61	101,266.00	-56,782.39	43.93%	173,600.00
6907.41 · Prado Basin Habitat Sustainability	2,969.75	8,866.00	-5,896.25	33.5%	15,200.00
6907.42 · Safe Yield Recalculation	117,127.47	40,366.00	76,761.47	290.16%	69,200.00
6907.44 · SGMA Compliance	14,501.60	25,200.00	-10,698.40	57.55%	43,200.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	17,209.00	-17,209.00	0.0%	29,500.00
Total 6907 · WM Legal Counsel	220,826.18	348,524.00	-127,697.82	63.36%	597,475.00
Total 6907 · OBMP Legal Fees	220,826.18	348,524.00	-127,697.82	63.36%	597,475.00
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	983.00	875.00	108.00	112.34%	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	2,916.66	-2,916.66	0.0%	10,000.00
Total 6909 · OBMP Other Expenses	2,374.00	5,791.66	-3,417.66	40.99%	13,500.00
6910 · WEI Support for IEUA					
6910.10 · IRP Groundwater Modeling - WEI	0.00	0.00	0.00	0.0%	0.00
6910.11 · WEI Support-Grant Funding-RMPU	0.00	0.00	0.00	0.0%	0.00
6910.12 · WEI Support-Stormwater Recharge	0.00	0.00	0.00	0.0%	0.00
6910.13 · IEUA-San 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	659,400.97	764,237.66	-104,836.69	86.28%	1,289,844.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

None

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

CURRENT MONTH – JANUARY 2018

As of January 31, 2018, the total (YTD) Engineering Services expenses were \$1,063,641 or 41.1% below the (YTD) budget amount of \$2,586,060. The OBMP Implementation Projects (consolidated accounts 7100's – 7700's) were all under budget as of January 31, 2018, with the exception of Groundwater Level Monitoring-Engineering expenses (7104's) and PE 8&9-Storage Management/Conjunctive Use account (7602).

The Groundwater Level Monitoring-Engineering expenses (7104.3) were over budget by \$15,135 or 12.6% as a result of continued measurement activities from about 150 wells along with their related subtasks. This category is projected to level out over the next few months.

PE 8&9-Storage Management/Conjunctive Use account (7602) was over budget by \$170,912 or 93.8% 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 \$607,756 (depending upon the scope of work) could be spent within the FY 2017/18 period.

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

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

The table listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget as of January 31, 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 - Jan '18	Jul '17 - Jan '18	\$ Over Budget	% of Budget	FY 2017/18
	Actual	Budget			Annual Budget
6906 · OBMP Engineering Services - Other	17,729.00	17,013.00	716.00	104.21%	29,164.00
6906.1 · OBMP - Watermaster Model Update	43,356.60	34,513.00	8,843.60	125.62%	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	14,892.00	-4,402.85	70.44%	25,528.00
6906.23 · SGMA Reporting Requirements	19,841.70	14,229.00	5,612.70	139.45%	24,392.00
6906.24 · Compliance - SB88 and SWRCB	0.00	4,091.00	-4,091.00	0.0%	7,012.00
6906.25 · Initial Assessment - Section 4.5-SYRA	0.00	0.00	0.00	0.0%	0.00
6906.31 · OBMP - Pool, Advisory, Board Mtgs.	45,663.82	56,555.00	-10,891.18	80.74%	96,950.00
6906.32 · OBMP - Other General Meetings	57,456.96	21,222.00	36,234.96	270.74%	36,381.00
6906.71 · OBMP - Data Requests - CBWM Staff	106,659.45	63,840.00	42,819.45	167.07%	109,440.00
6906.72 · OBMP - Data Requests - Non CBWM	13,283.30	18,522.00	-5,238.70	71.72%	31,752.00
6906.74 · OBMP - Mat'l Physical Injury Requests	16,273.00	40,834.00	-24,561.00	39.85%	70,000.00
6906.81 · Prepare Annual Reports	15,770.15	20,000.00	-4,229.85	78.85%	20,000.00
6906.90 · OBMP - 2018 RMPU Master Update	57,037.50	37,917.00	19,120.50	150.43%	65,000.00
7103.3 · Grdwtr Qual-Engineering	119,804.14	92,015.00	27,789.14	130.2%	128,595.00
7103.5 · Grdwtr Qual-Lab Svcs	38,825.00	49,109.00	-10,284.00	79.06%	49,109.00
7104.3 · Grdwtr Level-Engineering	135,218.60	120,084.00	15,134.60	112.6%	205,859.00
7104.8 · Grdwtr Level-Contracted Services	0.00	5,834.00	-5,834.00	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equipment	843.20	4,666.00	-3,822.80	18.07%	8,000.00
7107.2 · Grd Level-Engineering	18,311.41	50,251.00	-31,939.59	36.44%	71,356.00
7107.3 · Grd Level-SAR Imagery	12,000.00	64,956.00	-52,956.00	18.47%	86,608.00
7107.6 · Grd Level-Contract Svcs	34,761.17	108,403.00	-73,641.83	32.07%	168,552.00
7107.8 · Grd Level-Capital Equipment	0.00	2,041.00	-2,041.00	0.0%	3,500.00
7108.3 · Hydraulic Control-Engineering	0.00	115,510.00	-115,510.00	0.0%	19,800.00
7108.31 · Hydraulic Control-PBHSP	36,379.46	77,259.00	-40,879.54	47.09%	128,159.00
7108.32 · Hydraulic Control-Adaptive Mgmt Plan	0.00	0.00	0.00	0.0%	0.00
7108.4 · Hydraulic Control-Lab Svcs	6,496.00	14,038.00	-7,542.00	46.27%	24,064.00
7108.41 · Hydraulic Control-PBHSP	8,680.00	10,791.00	-2,111.00	80.44%	18,500.00
7108.6 · Hydraulic Control-Outside Professionals	0.00	2,916.00	-2,916.00	0.0%	5,000.00
7109.3 · Recharge & Well - Engineering	8,868.80	13,637.00	-4,768.20	0.0%	23,377.00
7202.2 · Comp Recharge-Engineering Services	70,788.81	94,486.00	-23,697.19	74.92%	161,976.00
7303 · PE3&5-Engineering - Other	0.00	5,624.00	-5,624.00	0.0%	9,640.00
7402 · PE4-Engineering	58,378.75	60,252.00	-1,873.25	96.89%	103,290.00
7402.10 · PE4-MZ1 Pomona Project	95,358.13	1,033,153.00	-937,794.87	9.23%	1,669,543.00
7403 · PE4-Contract Svcs	0.00	11,666.00	-11,666.00	0.0%	20,000.00
7502 · PE6&7-Engineering	65,548.25	50,148.00	15,400.25	130.71%	79,113.00
7510 · PE6&7-IEUA Salinity Mgmt. Plan	55,477.01	73,386.00	-17,908.99	75.6%	125,806.00
7602 · PE8&9-Engineering	353,119.42	182,207.00	170,912.42	193.8%	182,207.00
Total Engineering Services Costs	1,522,418.78	2,586,060.00	-1,063,641.22	58.87%	3,876,837.00 *

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

PREVIOUSLY REPORTED ACTIONS (Descending Order)

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.

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
0900	OBMP Engineering	\$ 460,619	\$ 460,619	\$ 35,665	\$ 39,218	\$ 41,580	\$ 52,665	\$ 42,004	\$ 26,809	\$ 39,682
0900.1	OBMP - Watermaster Model Applications	59,164	59,164	-	12,805	-	30,000	2,070	2,070	2,070
0900.9	2018 RMPU Recharge Master Update	65,000	65,000	19,660	21,059	-	10,000	1,923	1,923	1,923
7103.3	GW and SW Quality - Engineering Services	193,714	193,714	10,926	22,150	19,365	23,910	13,044	21,326	11,667
7103.5	GW and SW Quality - Laboratory Services	80,653	80,653	2,032	14,258	9,880	12,642	10,000	14,887	2,132
7104.3	GW Level - Engineering Services	237,548	237,548	12,010	14,070	10,271	16,349	28,760	22,156	18,158
7104.8	GW Level - Contract Services	10,000	10,000	-	-	-	-	-	-	-
7104.90	GW Level - Capital Services	8,000	8,000	599	579	-	-	-	-	1,700
7107.2	Ground Level - Engineering Services	48,795	69,497	3,383	4,032	1,401	3,050	9,461	7,183	8,359
7107.3	Ground Level - SAR Imagery	86,008	86,008	-	-	12,000	-	12,167	-	-
7107.6	Ground Level - Contract Services	144,358	168,552	14,298	-	-	-	-	11,800	-
7107.8	Ground Level - Capital Equipment	5,359	5,359	-	-	119	500	500	500	500
7108.31	IEUA - Prado Basin Habitat Monitoring	75,929	81,929	7,835	857	-	16,465	16,818	24,480	27,480
7108.6	IEUA - PBHSP - Outside Pro	5,000	5,000	-	-	-	8,858	-	-	-
7109.3	Recharge & Well Monitoring - Engineering Serv.	23,377	23,377	-	902	-	3,000	2,700	1,200	1,200
7202.2	Comp Recharge - Engineering Services	181,978	181,978	14,432	17,759	17,227	6,503	9,854	12,353	9,654
7303	OBMP - Engineering Services - Desalters	9,940	9,940	-	-	-	-	1,071	1,071	1,071
7402	OBMP - Engineering Services - MZ1	103,290	103,290	28,838	6,145	13,179	1,500	1,000	1,500	2,000
7402.1	OBMP - Engineering Services - Northwest MZ1	1,507,576	1,649,785	3,149	27,000	16,890	15,460	241,353	232,447	228,879
7403	OBMP - Contract Services - MZ1	20,000	20,000	-	-	-	-	-	-	-
7502	OBMP - Engineering Services - WQC	79,113	79,113	11,419	12,542	4,886	3,000	2,358	2,000	7,678
7510	IEUA - Update Recycled Water Permit - Salinity	125,808	125,808	10,850	2,187	51,346	55,000	40,944	40,944	18,000
7602	Storage Management/Conjunctive Use	182,207	182,207	24,218	46,296	54,690	65,000	21,683	21,983	21,983
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
6906	OBMP Engineering	\$ 37,204	\$ 44,004	\$ 32,504	\$ 32,504	\$ 32,504	\$ 456,075	\$ 456,075	\$ (5,456)	26%	101%
6906.1	OBMP - Watermaster Model Applications	2,070	2,070	2,070	2,070	2,070	59,164	59,164	-	21%	100%
6906.9	2018 RMPU Recharge Master Update	1,823	1,823	1,823	1,823	1,823	65,000	65,000	-	51%	100%
7103.3	GW and SW Quality - Engineering Services	14,725	18,500	7,494	4,725	22,848	180,678	180,678	3,038	27%	98%
7103.5	GW and SW Quality - Laboratory Services	-	4,898	2,132	-	4,898	76,937	76,937	-	32%	95%
7104.3	GW Level - Engineering Services	22,610	20,508	14,058	28,199	21,164	224,340	224,340	13,209	15%	94%
7104.8	GW Level - Contract Services	-	-	-	10,000	-	10,000	10,000	-	0%	100%
7104.9	GW Level - Capital Services	-	-	-	-	5,100	7,978	7,978	22	15%	100%
7107.2	Ground Level - Engineering Services	9,127	7,048	8,198	6,044	2,668	67,852	67,852	1,645	13%	98%
7107.3	Ground Level - SAR Imagery	18,608	-	59,000	-	-	98,775	98,775	(12,167)	14%	114%
7107.6	Ground Level - Contract Services	32,325	32,325	36,853	25,902	12,951	188,552	188,552	-	8%	100%
7107.8	Ground Level - Capital Equipment	500	459	600	1,000	600	5,278	5,278	81	2%	98%
7108.31	IEUA - Prado Basin Habitat Monitoring	24,826	19,448	13,746	4,460	2,078	158,371	79,185	2,744	10%	97%
7108.6	IEUA - PBHSP - Outside Pro	-	-	-	-	-	8,659	4,429	571	0%	99%
7109.3	Recharge & Well Monitoring - Engineering Serv.	2,700	1,200	4,000	2,700	1,477	21,079	21,079	2,298	4%	90%
7202.2	Comp Recharge - Engineering Services	12,109	14,854	14,854	17,154	15,783	181,878	181,878	-	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	10,600	15,000	14,000	10,500	115,093	115,093	(11,803)	46%	111%
7402.1	OBMP - Engineering Services - Northwest MZ1	228,029	234,649	163,766	229,354	6,500	1,627,274	1,627,274	22,511	3%	99%
7403	OBMP - Contract Services - MZ1	-	5,000	5,000	5,000	500	20,000	20,000	-	0%	100%
7502	OBMP - Engineering Services - WQC	10,385	13,860	8,030	1,850	1,100	79,113	79,113	-	39%	100%
7510	IEUA - Update Recycled Water Permit - Salinity	15,015	22,047	22,047	22,047	22,047	324,875	162,437	(38,631)	51%	129%
7602	Storage Management/Conjunctive Use	21,983	21,983	21,983	21,983	-	344,081	344,081	(181,874)	89%	189%
Totals		\$ 496,313	\$ 476,634	\$ 431,729	\$ 435,084	\$ 168,075	\$ 4,289,917	\$ 4,053,866	\$ (177,029)	84%	111%

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

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



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

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

[http://www.cbwm.org/FTP/ECAC%20Reports/2017-18%201st%20Quarter%20Narrative%20Review July%201,%202017%20to%20September%2030,%202017.PDF](http://www.cbwm.org/FTP/ECAC%20Reports/2017-18%201st%20Quarter%20Narrative%20Review%20July%201,%202017%20to%20September%2030,%202017.PDF)

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

July 2017:

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

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

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 - Jan. 2018	\$ 72,758.94	\$ (36,379.46)	\$ -	\$ 36,379.48
Totals	\$ 72,758.94	\$ (36,379.46)	\$ -	\$ 36,379.48
	7108.31	7108.31	7108.31	
Maximum Costs	\$ 150,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00

PREVIOUSLY REPORTED ACTIONS (Descending Order)

July 2017:

Start-up Costs

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

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

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

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

OTHER INCOME AND EXPENSE

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).

There were no other significant items to report within the category of Other Income and Expenses for the month ending January 31, 2018.

PREVIOUSLY REPORTED ACTIONS (Descending Order)

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 – JANUARY 2018

As of January 31, 2018, the total (YTD) amount remaining of the "Carried Over" funding is \$3,716,362.27 (\$4,119,779.24 - \$403,416.97 = \$3,716,362.27).

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	\$ (18,311.41)	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	\$ (95,358.13)	D	7402.1 ⁵	FY 2016/17	ENG
RMPU Amendment (TO #1)	\$ (156,077.62)	G	7690.15	FY 2016/17	PROJ
San Sevaine Recharge Improvement Project (TO #8)	\$ (19,261.77)	J	7690.4	FY 2014/15	PROJ
GWR SCADA Upgrades (TO #4)	\$ (28,458.62)	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)	\$ (37,979.42)	N	7690.8	FY 2016/17	PROJ
Updated Balance as of January 31, 2018	\$ 3,716,362.27				

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 start of the interim field work by Fedak & Brown LLP for the period of July 1, 2017 through January 31, 2018 is planned for April 2018. The final field work for the period of February 1, 2018 through June 30, 2018 is planned for August 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 – JANUARY 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				7/12th (58.33%) of the Total Budget				100% of the Total Budget			
	For The Month of January 2018				Year-To-Date as of January 31, 2018				Fiscal Year End as of June 30, 2018			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7108 · Hydraulic Control Monitoring	0.49	16,640.00	-16,639.51	0.0%	52,756.21	122,189.00	-69,432.79	43.18%	180,511.44	205,098.00	-24,586.56	88.01%
7109 · Recharge & Well Monitoring Prog	0.00	1,948.00	-1,948.00	0.0%	8,868.80	13,637.00	-4,768.20	65.04%	20,737.60	23,377.00	-2,639.40	88.71%
7200 · PE2- Comp Recharge Pgm	79,992.62	286,474.00	-206,481.38	27.92%	709,535.54	1,025,644.86	-316,109.32	69.18%	1,294,085.84	1,397,464.86	-103,379.02	92.6%
7300 · PE3&5-Water Supply/Desalte	0.00	2,805.00	-2,805.00	0.0%	0.00	19,133.00	-19,133.00	0.0%	25,000.00	32,657.00	-7,657.00	76.55%
7400 · PE4- Mgmt Plan	7,652.40	138,621.00	-130,968.60	5.52%	153,736.88	1,112,266.00	-958,529.12	13.82%	1,792,168.96	1,805,080.00	-12,911.04	99.29%
7500 · PE6&7-CoopEfforts/SaltMgmt	16,320.55	17,968.00	-1,647.45	90.83%	124,134.46	129,476.00	-5,341.54	95.87%	214,127.82	215,016.00	-888.18	99.59%
7600 · PE8&9-StorageMgmt/Conj Use	49,304.74	4,246.00	45,058.74	1,161.2%	360,199.83	210,455.00	149,744.83	171.15%	485,895.09	230,213.00	255,682.09	211.06%
7690 · Recharge Improvement Debt Pymt	-57,732.00	0.00	-57,732.00	100.0%	717,194.93	7,207,668.38	-6,490,473.45	9.95%	4,368,668.38	7,207,668.38	-2,839,000.00	60.61%
7700 · Inactive Well Protection Prgm	0.00	41.00	-41.00	0.0%	0.00	291.00	-291.00	0.0%	350.00	500.00	-150.00	70.0%
9502 · G&A Expenses Allocated-Projects	14,512.18	26,609.00	-12,096.82	54.54%	78,901.50	186,267.00	-107,365.50	42.36%	143,778.64	319,317.00	-175,538.36	45.03%
Total Expense	513,623.75	893,703.66	-380,079.91	57.47%	4,828,902.57	12,811,563.90	-7,982,661.33	37.69%	13,307,546.53	15,958,477.24	-2,650,930.71	83.39%
Net Ordinary Income	-513,617.20	-893,703.66	380,086.46	57.47%	4,184,032.22	-996,809.90	5,180,842.12	-419.74%	-4,243,170.47	-4,119,779.24	-123,391.23	103.0%
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%	792.22	0.00	792.22	100.0%	2,384.44	0.00	2,384.44	100.0%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4500 · Groundwater Sales	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%	859,309.94	0.00	859,309.94	100.0%	860,902.16	0.00	860,902.16	100.0%
Other Expense												
5010 · Groundwater Replenishment	763,169.40	0.00	763,169.40	100.0%	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	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Expense	763,169.40	0.00	763,169.40	100.0%	841,566.40	0.00	841,566.40	100.0%	841,566.40	0.00	841,566.40	100.0%
Net Other Income	-763,169.40	0.00	-763,169.40	100.0%	17,743.54	0.00	17,743.54	100.0%	19,335.76	0.00	19,335.76	100.0%
Net Income	-1,276,786.60	-893,703.66	-383,082.94	142.87%	4,201,775.76	-996,809.90	5,198,585.66	-421.52%	-4,223,834.71	-4,119,779.24	-104,055.47	102.53%

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

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. CONSIDERATION OF LOCAL STORAGE AGREEMENTS



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: March 22, 2018
TO: Watermaster Board Members
SUBJECT: Consideration of Local Storage Agreements (Consent Calendar Item I.C.)

SUMMARY

Issue: Consideration of Local Storage Agreements – Storage of Excess Carryover Water and Local Supplemental Water by members of Appropriative Pool and the Overlying (Non Agricultural) Pool in amounts as shown in the Assessment Package approved on November 16, 2017.

Recommendation: Approve the storage agreements as presented.

Financial Impact: None

Future Consideration.

Watermaster Board – March 22, 2018: Approval [Within WM Duties and Powers]

ACTIONS:

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

Non-Agricultural Pool – January 11, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

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

Appropriative Pool – February 8, 2018: Unanimously recommended to Advisory Committee to recommend to the Watermaster Board to approve.

Non-Agricultural Pool – February 8, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings subject to changes which they deem appropriate.

Agricultural Pool – February 8, 2018: Unanimously recommended to Advisory Committee to recommend to the Watermaster Board to approve.

Advisory Committee – March 15, 2018: Unanimously recommended to the Watermaster Board to approve.

Watermaster Board – March 22, 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 following applications for a Local Storage Agreement based on quantities as approved in the Fiscal Year 2017/18 Assessment Package are provided for reference (See Attachment 1) and were also included with the notices of consideration that were distributed on January 5 and February 2, 2018.

- Consideration of Local Storage Agreements – Storage of Excess Carryover Water and Local Supplemental Water by members of Appropriative Pool and the Overlying (Non Agricultural) Pool (See Attachment 2) in amounts as shown in the Assessment Package approved on November 16, 2017.

DISCUSSION

On June 22, 2017 the Watermaster Board approved Local Storage Agreements for all members of the Overlying (Non-Agricultural) and Appropriative Pools. On November 16, 2017, after the Board approval of the Assessment Package for Fiscal Year 2017/2018, parties with increased storage balances are required to apply for an updated Local Storage Agreement pursuant to the Peace Agreement §5.2; Restated Judgment, Exhibit G, Non-Agricultural Pool Pooling Plan ¶7; Restated Judgment Exhibit H, and Appropriative Pool Pooling Plan ¶12 (See Attachment 3). Certain parties have submitted requests for storage agreements for the increased quantities in their stored water accounts, as shown in the approved Assessment Package. Parties without storage agreements for these increased quantities are not in compliance with the Restated Judgment, the Peace Agreement, and the Watermaster Rules and Regulations.

The agreements as noticed on January 5 and February 2, 2018 included all three types of local storage agreements on one "universal" application for Overlying (Non-Agricultural) Pool Excess Carryover, Appropriative Pool Excess Carryover, and Appropriative Pool Supplemental Water.

The 500,000 ac-ft Safe Storage Capacity threshold analyzed in the OBMP Implementation Plan PEIR has been re-examined and revised to 600,000 ac-ft, through June 30, 2021. The total water in stored water accounts, as of June 30, 2017, is 533,920.721 ac-ft.

Paragraph 5.2(b)(iv) of the Peace Agreements states "Watermaster shall approve the Local Storage agreement so long as: (1) the total quantity of Supplemental Water authorized to be held in Local Storage under all then existing Local Storage agreements for all parties to the Judgment does not exceed the cumulative total of 50,000 acre-feet... Watermaster may approve a proposed agreement with conditions that mitigate any threatened or potential Material Physical Injury." The Second Amendment to Peace Agreement Section 2 increases the cumulative total from 50,000 acre-feet to 100,000 acre-feet. The water held in local supplemental storage accounts is 104,276.848 ac-ft.

Pursuant to the Peace Agreement, standard losses will be applied to all water placed into Local Supplemental Storage Accounts in a manner consistent with all other water held in storage.

The storage applications to be considered at this time are for all the parties with increases in their Local Storage Accounts as shown in the approved Assessment Package for Fiscal Year 2016/2017 and were submitted, noticed, and presented to the three Pools in two batches, the first one considered during the January 2018 Pool Committee meetings and the second one considered during the February 2018 Pool Committee meetings. The consideration of two batches was due to some parties not submitting their signed Storage Agreement on time for the January 2018 Pool Committee meetings.

This item was considered by the Advisory Committee on its March 15th , 2018 meeting and it was unanimously recommended for approval by the Watermaster Board.

ATTACHMENTS

1. Storage Agreements as noticed on January 5 and February 2, 2018 (click on link below to access): <http://www.cbwm.org/FTP/Storage%20Agreements/>
2. Form 1 – Application for Local Storage Agreement
3. Parties with increased Storage Account balances that require new Storage Agreements

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Storage Agreements as noticed on January 5 and February 2, 2018 (click on link below to access):

<http://www.cbwm.org/FTP/Storage%20Agreements/>

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**APPLICATION
FOR
LOCAL STORAGE AGREEMENT**

APPLICANT

Watermaster Non-Agricultural and Appropriative Pool Parties With Stored Water Accounts - see attached Table A

Name of Party	<u>Various</u>	Date Requested	_____	Date Approved	_____
Street Address	<u>Various</u>	Amount Requested	<u>Various</u> Acre-feet	Amount Approved	_____ Acre-feet
City	<u>Various</u>	State	<u>CA</u>	Zip Code	<u>Various</u>
Telephone:	<u>Various</u>	Facsimile:	<u>Various</u>		

TYPE OF WATER TO BE PLACED IN STORAGE

Excess Carry Over Local Supplemental or Imported Both

PURPOSE OF STORAGE - Check all that may apply

- Stabilize or reduce future water costs/assessments.
- Facilitate utilization of other available sources of supply.
- Facilitate replenishment under certain well sites.
- Preserve pumping right for a changed future potential use.
- Other, explain Any other purpose not listed above and as approved by Watermaster.

METHOD AND LOCATION OF PLACEMENT IN STORAGE - Check and attach all that may apply

- Recharge (Form 2)
 - Transfer of Right to Water in Storage (Form 3)
 - Transfer from another party to the Judgment (Form 5)
- [N/A] This water has already been accounted for in the annual Assessment Package.

METHOD AND LOCATION OF RECAPTURE FROM STORAGE - Check and attach all that may apply

- Pump from my wells (Form 4)
 - Transfer to another party to the Judgment (Form 3)
- The Method and Location of Recapture from Storage varies by party and is subject to the provisions of the storage agreement.

WATER QUALITY AND WATER LEVELS

What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

The latest existing water quality and water levels throughout the basin are shown in the latest State of the Basin Report.

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 to the Judgment or the Basin?

ADDITIONAL INFORMATION ATTACHED

Yes [] No []

Various Parties _____
Applicant

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

FORM 1 - TABLE A (Agreements considered in January 2018)

NEW STORAGE ACCOUNT BALANCES BY PARTY (APPROVED 2017/18 ASSESSMENT PACKAGE)

PARTY NAME	PARTY ADDRESS	CONTACT PERSON	EXCESS CARRYOVER	SUPPLEMENTAL-RECYCLED WATER	SUPPLEMENTAL-IMPORTED WATER
	POOL 3				
Arrowhead Mountain Spring Water	405 N. Indian Hill Blvd., Claremont, CA 91711-4614	Kevin Sage	524.339	N/A	N/A
Chino Hills, City of	3210 E. Guasti Road, Suite 100, Ontario, CA 91761	Ron Craig	10,582.170	7,614.460	N/A
Chino, City of	5050 Schaefer Ave., Chino, CA 91710-5549	Dave Crosley	87,497.220	N/A	N/A
Cucamonga Valley Water District	10440 Ashford St., Rancho Cucamonga, CA 91729	Martin Zvirbulis	N/A	20,224.810	N/A
Jurupa Community Services District	11201 Harrel St., Mira Lorna, CA 91752	Todd Corbin	26,010.970	5,311.650	N/A
Monte Vista Irrigation Company	PO Box 71, Montclair, CA 91763	Van Jew	8,000.610	N/A	N/A
Monte Vista Water District	PO Box 71, Montclair, CA 91763	Van Jew	9,949.210	N/A	N/A
Nicholson Trust	PO Box 987, Fontana, CA 92334	Cris Fealy	4.688	N/A	N/A
Ontario, City of	1425 S. Bon View Ave., Ontario, CA 91761	Scott Burton	40,526.790	34,463.790	N/A
San Antonio Water Company	139 N. Euclid Ave., Upland, CA 91786	Teri Layton	N/A	N/A	2,201.850
Upland, City of	PO Box 460, Upland, CA 91785-0460	Rosemary Hoerning	N/A	8,396.950	N/A
	POOL 2				
California Speedway Corporation	9300 Cherry Ave., Fontana, CA 92335	Brian Geye	1,157.800	N/A	N/A
California Steel Industries, Inc.	PO Box 5080, Fontana, CA 92335	Ramsey Haddad	1,754.600	N/A	N/A
Hamner Park Associates, a California Limited Partnership	1801 E. Edinger Ave., Suite 230, Santa Ana, CA 92705	Natalie Costaglio	1,327.520	N/A	N/A
Monte Vista Water District (Non-Ag)	PO Box 71, Montclair, CA 91763	Mark Kinsey	9.634	N/A	N/A
Ontario, City of (Non-Ag)	1425 S. Bon View, Ontario, CA 91761-4406	Tom O'Neill	4,940.480	N/A	N/A
TAMCO	12459-B Arrow Route, Rancho Cucamonga, CA 91739	Jesse White	169.358	N/A	N/A

FORM 1 - TABLE A (Agreements considered in February 2018)

NEW STORAGE ACCOUNT BALANCES BY PARTY (APPROVED 2017/18 ASSESSMENT PACKAGE)

PARTY NAME	PARTY ADDRESS	CONTACT PERSON	EXCESS CARRYOVER	SUPPLEMENTAL-RECYCLED WATER	SUPPLEMENTAL - IMPORTED WATER
POOL 3					
Marygold Mutual Water Company	9725 Alder Ave., Bloomington, CA 92316	Justin Brokaw	642.633	N/A	N/A
Pomona, City of	148 N.Huntington St., Pomona, CA 91768	Darron Poulsen	39,531.200	N/A	N/A
Santa Ana River Water Company	10530 54th Street, Jurupa Valley, CA 91752	Arnold Rodriguez	4,344.300	N/A	N/A
West Valley Water District	PO Box 920, Rialto, CA 92377	Greg Gage	7,697.810	N/A	N/A
POOL 2					
Praxair, Inc.	5735 East Airport Drive, Ontario, CA 91761	David LeValley	60.884	N/A	N/A
San Bernardino, County of	385 North Arrowhead Ave., 5th Floor, San Bernardino, CA 92415	Bob Page	89.741	N/A	N/A



Parties with changes in their Storage Account balances that require new Storage Agreements (FY 2016/2017)

Appropriative Pool	Excess Carryover (AF)	Local Supplemental (Imported) (AF)	Local Supplemental (Recycled) (AF)	Signed
Arrowhead Mtn Spring Water Co	524.339			X
Chino Hills, City of	10,582.17		7,614.46	X
Chino, City of	87,497.22			X
Cucamonga Valley Water District			20,224.81	X
Jurupa Community Services District	26,010.97		5,311.65	X
Marygold Mutual Water Company	642.633			X
Monte Vista Irrigation Company	8,000.61			X
Monte Vista Water District	9,949.21			X
Nicholson Trust	4.688			X
Ontario, City of	40,526.79		34,463.79	X
Pomona, City of	39,531.20			X
San Antonio Water Company		2,201.85		X
Santa Ana River Water Company	4,344.30			X
Upland, City of			8,396.95	X
West Valley Water District	7,697.81			X

Non-Agricultural Pool	Excess Carryover (AF)	Signed
California Speedway Corporation	1,157.80	X
California Steel Industries, Inc.	1,754.60	X
Hamner Park Associates, a California Limited Partnership	1,327.52	X
Monte Vista Water District (Non-Ag)	9.634	X
Ontario, City of (Non-Ag)	4,940.48	X
Praxair, Inc	60.884	X
San Bernardino, County of	89.741	X
TAMCO	169.358	X

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CHINO BASIN WATERMASTER

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



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: March 22, 2018
TO: Watermaster Board Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.D.1)

SUMMARY

Issue: Notice of Sale or Transfer – The purchase of 4.375 acre-feet of water from San Antonio Water Company by CalMat Co. This purchase is made from San Antonio Water Company's Excess Carryover Account. CalMat Co. is utilizing this transaction to produce its San Antonio Water Company shares.

Recommendation: Approve the proposed transaction.

Financial Impact: None

Future Consideration

Watermaster Board – March 22, 2018: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – February 8, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve, subject to Watermaster review of the appropriateness of the accounts involved.

Non-Agricultural Pool – February 8, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings, subject to changes which they deem appropriate.

Agricultural Pool – February 8, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Advisory Committee – March 15, 2018: Unanimously recommended to the Watermaster Board to approve, subject to Watermaster review of the appropriateness of the accounts involved.

Watermaster Board – March 22, 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 December 19, 2017. Notice of the transaction was transmitted electronically and mailed on February 2, 2018, along with the materials submitted by the requestors.

DISCUSSION

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

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

All three Pool Committees unanimously recommended Advisory Committee approval at their February 8, 2018 meetings, with the Appropriate Pool's approval subject to Watermaster review of the appropriateness of the accounts involved. The Advisory Committee unanimously approved the transaction at the March 15, 2018 meeting, subject to Watermaster review of the appropriateness of the accounts involved.

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: December 19, 2017

AMOUNT REQUESTED: 4,375 Acre-Feet

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

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

Consolidated Forms 3, 4 & 5 cont.

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.):	
Exchange, future pumping _____	
PLACE OF USE OF WATER TO BE RECAPTURED:	

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

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY

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

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


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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED


Yes No



 Seller / Transferor Representative Signature

Charles Moorrees

 Seller / Transferor Representative Name (Printed)



 Buyer / Transferee Representative Signature

Kevin Sage

 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

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

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

February 2, 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: **December 19, 2017** Date of this notice: **February 2, 2018**

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

- Notice of Sale or Transfer – The purchase of 4.375 acre-feet of water from San Antonio Water Company by CalMat Co. This purchase is made from San Antonio Water Company's Excess Carryover Account. CalMat Co. is utilizing this transaction to produce its San Antonio Water Company shares.

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

Appropriative Pool: February 8, 2018

Non-Agricultural Pool: February 8, 2018

Agricultural Pool: February 8, 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: March 22, 2018
TO: Watermaster Board Members
SUBJECT: Summary and Analysis of Application for Water Transaction
(Consent Calendar Item I.D.2)

SUMMARY

Issue: Notice of Sale or Transfer – The transfer of 4.000 acre-feet of water from CalMat Co. to NCL Co., LLC. This transfer is made from CalMat Co.'s Local Supplemental Storage Account.

Recommendation: Approve the proposed transaction.

Financial Impact: None

Future Consideration

Watermaster Board – March 22, 2018: Approval (Upon Advisory Committee recommendation)

ACTIONS:

Appropriative Pool – February 8, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve, subject to Watermaster review of the appropriateness of the accounts involved.

Non-Agricultural Pool – February 8, 2018: Unanimously recommended Pool representatives to support at the Advisory Committee and Board meetings, subject to changes which they deem appropriate.

Agricultural Pool – February 8, 2018: Unanimously recommended to the Advisory Committee to recommend to the Watermaster Board to approve.

Advisory Committee – March 15, 2018: Unanimously recommended to the Watermaster Board to approve, subject to Watermaster review of the appropriateness of the accounts involved.

Watermaster Board – March 22, 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 December 19, 2017. Notice of the transaction was transmitted electronically and mailed on February 2, 2018, along with the materials submitted by the requestors.

DISCUSSION

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

The 85/15 Rule does not apply since neither CalMat Co. nor NCL Co., LLC are 85/15 parties.

All three Pool Committees unanimously recommended Advisory Committee approval at their February 8, 2018 meetings, with the Appropriative Pool's approval subject to Watermaster review of the appropriateness of the accounts involved. The Advisory Committee unanimously approved the transaction at the March 15, 2018 meeting.

ATTACHMENTS

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

ATTACHMENT 1

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2017 - 2018

DATE REQUESTED: December 19, 2017

AMOUNT REQUESTED: 4 Acre-Feet

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

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

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture _____ Projected Duration of Recapture _____

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

Exchange _____

PLACE OF USE OF WATER TO BE RECAPTURED:

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

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY

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

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

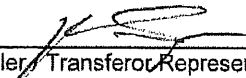
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes No



 Seller / Transferor Representative Signature

Kevin Sage

 Seller / Transferor Representative Name (Printed)



 Buyer / Transferee Representative Signature

Robert Bowcock

 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

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

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

February 2, 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: **December 19, 2017** Date of this notice: **February 2, 2018**

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

- Notice of Sale or Transfer – The transfer of 4.000 acre-feet of water from CalMat Co. to NCL Co., LLC. This transfer is made from CalMat Co.'s Local Supplemental Storage Account.

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

Appropriative Pool:	February 8, 2018
Non-Agricultural Pool:	February 8, 2018
Agricultural Pool:	February 8, 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, 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

E. OBMP SEMI-ANNUAL STATUS REPORT 2017-2



CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: March 22, 2018
TO: Board Members
SUBJECT: Semi-Annual Optimum Basin Management Program Status Report 2017-2
(Consent Calendar Item I.E.)

SUMMARY

Issue: Watermaster produces the Semi-Annual Optimum Basin Management Program (OBMP) Status Reports. The report for the period July to December 2017 has been drafted.

Recommendation: Recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2017-2, along with filing a copy with the Court, subject to any necessary non-substantive changes.

Financial Impact: The costs of preparing the Semi-Annual OBMP Status Report and filing it with the Court are included in the Watermaster budget.

Future Consideration

Watermaster Board – March 22, 2018: Approval [Discretionary Function].

ACTIONS:

Appropriative Pool – March 8, 2018: No recommendation due to cancellation of the March 2018 Pool meetings.

Non-Agricultural Pool – March 8, 2018: No recommendation due to cancellation of the March 2018 Pool meetings.

Agricultural Pool – March 8, 2018: No recommendation due to cancellation of the March 2018 Pool meetings.

Advisory Committee – March 15, 2018: Unanimously recommended to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2017-2 along with filing a copy with the Court, subject to any necessary non-substantive changes.

Watermaster Board – March 22, 2018:

BACKGROUND

Semi-Annual OBMP Status Report 2017-2 covers the period from July to December 2017. The report describes work conducted, and the current status of the nine Program Elements of the Optimum Basin Management Program during the six-month period.

DISCUSSION

Semi-Annual OBMP Status Report 2017-2 has been drafted. Once adopted by the Board, the Semi-Annual OBMP Status Report will be filed with the Court.

This item was not considered by the Pool Committees due to the cancellation of the March 2018 Pool Committee meetings.

ATTACHMENT

1. Semi-Annual Optimum Basin Management Program Status Report 2017-2

Optimum Basin Management Program

Staff Status Report 2017-2: July to December 2017



CHINO BASIN WATERMASTER

Optimum Basin Management Program

Highlighted Activities

- During this reporting period, Watermaster manually measured 400 water levels at about 70 private wells throughout the Chino Basin, conducted two quarterly download events at about 125 wells containing pressure transducers, collected 102 groundwater-quality samples from private and dedicated monitoring wells, and collected four surface-water quality samples.
- Pursuant to a monitoring and mitigation requirement of the Peace II Subsequent Environmental Impact Report, Watermaster, the Inland Empire Utilities Agency (IEUA), and the Orange County Water District (OCWD) continued to implement the Prado Basin Habitat Sustainability Program (PBHSP). During this reporting period, Watermaster collected two quarters of groundwater-quality samples, conducted two quarterly downloads of pressure transducers that measure water levels at the 18 PBHSP monitoring wells, and collected climatic and riparian habitat monitoring data for water year 2017.
- Pursuant to the *Chino Basin Subsidence Management Plan*, Watermaster continued to implement the Ground-Level Monitoring Program and finalized the *2016 Annual Report of the Ground-Level Monitoring Committee*, which analyzes and interprets data from the monitoring program and recommends future monitoring and testing activities. Watermaster also developed the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area* report, which was finalized in December 2017.
- Watermaster and the IEUA are continuing to implement the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU) pursuant to the October 2013 Court Order authorizing its implementation. During the reporting period, the IEUA selected contractors to install monitoring wells and construct the San Sevaine Basin improvements. This construction is anticipated to begin in early 2018. The 30 and 50 percent design plans and specifications were completed for the Wineville/Jurupa/RP3 Basins, Montclair Basins, Lower Day Basin, and Victoria Basin projects from the 2013 RMPU.
- During this reporting period, Watermaster and the IEUA recharged a total of 38,709 acre-feet of water: 575 acre-feet of stormwater, 7,523 acre-feet of recycled water, and 30,611 acre-feet of imported water.
- Watermaster staff, at the direction of the Watermaster Board, began an investigation to assess the groundwater basin response to the planned use of managed storage (storage space used by the Watermaster parties that includes excess carryover, local supplemental and carryover waters) and potential storage and recovery plans. Watermaster updated its modeling tools and planning projections, and subsequently completed an assessment of material physical injury for managed storage.

Important Court Hearings and Orders

- DECEMBER 15, 2017—
CHINO BASIN WATERMASTER
COURT HEARING
- DECEMBER 15, 2017—
ORDER REGARDING
WATERMASTER'S REQUEST FOR
THE COURT TO: (1) APPROVE
THE INTERVENTIONS OF
CALMAT CO. AND NCL CO.,
LLC INTO THE APPROPRIATE
POOL; AND (2) RECEIVE AND
FILE THE 39TH ANNUAL
REPORT, THE 2016 ANNUAL
REPORT OF THE GROUND-
LEVEL MONITORING
COMMITTEE, AND THE SEMI-
ANNUAL OBMP STATUS
REPORTS.



Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program

Fundamental to the implementation of each of the OBMP Program Elements are the monitoring and data collection efforts performed in accordance with Program Element 1, which includes monitoring basin hydrology, production, recharge, groundwater levels, groundwater quality, and ground-level movement. Various monitoring programs have and will continue to be refined over time to satisfy the evolving needs of Watermaster and the IEUA, such as new regulatory requirements and improved data coverage. Monitoring is performed by basin pumpers, Watermaster staff and other cooperating entities as follows.

Groundwater Level Monitoring

The basin-wide groundwater-level monitoring program initiated by Watermaster supports many of the Watermaster functions, such as the periodic reassessment of Safe Yield, the monitoring and management of ground-level movement, the analysis of desalter pumping impacts at private wells, the analysis of the implementation of the Peace II Agreement on groundwater levels and riparian vegetation in Prado Basin, the triennial re-computation of ambient water quality mandated by the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan), and the assessment of hydraulic control—a maximum-benefit commitment in the Basin Plan. The data are also used to update and recalibrate Watermaster's computer-simulation groundwater-flow model, to understand groundwater flow directions, to compute storage changes, to support interpretations of water quality data, and to identify areas of the basin where recharge and discharge are not in balance.

The current groundwater-level monitoring program is comprised of about 1,100 wells. At about 900 of these wells, water levels are measured by well owners, which include municipal water agencies, the California Department of Toxic Substances Control (DTSC), the Counties, and various private consulting firms. Watermaster collects these water level data at least semi-annually. At the remaining 200 wells, water levels are measured by Watermaster staff using manual methods once per month or by using pressure transducers that record data once every 15 minutes. These wells are mainly Agricultural Pool wells or dedicated monitoring wells located south of the 60 freeway.

All groundwater-level data are checked and uploaded to a centralized database management system that can be accessed online through HydroDaVEsm. During this reporting period, Watermaster measured about 400 manual water levels at about 70 wells throughout the Chino Basin and conducted two quarterly downloads of 125 pressure transducers installed in private, municipal, and monitoring wells. Additionally, Watermaster compiled all available groundwater-level data from well owners in the basin for the April 2017 to October 2017 period.

Groundwater Quality Monitoring

Watermaster initiated a comprehensive groundwater-quality monitoring program in which the obtained data may be used by Watermaster for: the biennial State of the Basin report; the triennial ambient water quality update; the demonstration of hydraulic control, monitoring nonpoint-source groundwater contamination and plumes associated with point-source discharges, and assessing the overall health of the groundwater basin. Groundwater-quality data are also used in conjunction with numerical models to assist Watermaster and other parties in evaluating proposed salinity management and groundwater remediation strategies. The details of the groundwater-quality monitoring programs as of fiscal year 2017/18 are described below.

Chino Basin Data Collection (CBDC). Watermaster routinely and proactively collects groundwater-quality data from well owners, such as municipal producers and government agencies. Groundwater-quality data are also obtained from special studies and monitoring that takes place under orders of the Santa Ana Regional Water Quality Control Board (Regional Board)—such as for landfills and other groundwater quality investigations, the Department of Toxic Substances Control (DTSC), the US Geological Survey (USGS), and others. These data are collected from well owners and monitoring entities at least twice per year. Data is collected for about 840 wells as part of the CBDC program. During this reporting period, Watermaster compiled data collected for the CBDC program for the January to June 2017 period.

Watermaster Field Groundwater Quality Monitoring Programs. Watermaster continues to sample privately owned wells and its own monitoring wells on a routine basis as follows:

1. *Private Wells.* About 95 private wells, located predominantly in the southern portion of the basin, are sampled at various frequencies based on their proximity to known point-source contamination plumes. 75 wells are sampled on a triennial basis, and 20 wells near contaminant plumes are sampled on an annual basis.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

2. *Watermaster Monitoring Wells.* Watermaster collects groundwater quality samples from a total of 21 multi-nested monitoring wells located throughout the Chino Basin. These nested wells include nine HCMP monitoring well sites constructed to support the demonstration of Hydraulic Control in the southern Chino Basin, nine sites constructed to support the PBHSP in the Prado Basin region, and three sites that fill spatial data gaps near contamination plumes in MZ-3. Each nested well site contains up to three wells in the borehole. Additionally, Watermaster samples one single-casing well in MZ-3. Currently, the HCMP and MZ-3 wells are sampled annually, and the PBHSP wells are sampled quarterly.
3. *Other wells.* Watermaster collects quarterly samples from four near-river wells to characterize the interaction of the Santa Ana River and groundwater. These shallow monitoring wells along the Santa Ana River consist of two former USGS National Water Quality Assessment Program wells (Archibald 1 and Archibald 2) and two Santa Ana River Water Company wells (well 9 and well 11).

During this reporting period, Watermaster collected 102 groundwater-quality samples from private and dedicated monitoring wells. All groundwater-quality data are checked by Watermaster staff and uploaded to a centralized database management system that can be accessed online through HydroDaVEsm.

Groundwater Production Monitoring

As of the end of this reporting period, there were a total of 515 producing wells, 302 of which were for agricultural uses. Many active agricultural production wells are metered. Watermaster reads the meters on a quarterly basis and enters the production data into Watermaster's relational database, which can be accessed online through HydroDaVEsm.

Surface Water Monitoring in the Santa Ana River

Watermaster collects grab water quality samples at two sites along the Santa Ana River (Santa Ana River at River Road and Santa Ana River at Etiwanda) on a quarterly basis. Along with data collected at four wells near the Santa Ana River, these data are used to characterize the interaction between the Santa Ana River and nearby groundwater. During this reporting period, Watermaster collected four surface-water quality samples.

Prado Basin Habitat Sustainability Program (PBHSP)

Mitigation Measure 4.4-3 from the Peace II SEIR requires that Watermaster and the IEUA, in collaboration with OCWD, form a committee, the PBHSC, and develop and implement an Adaptive Management Plan for the PBHSP. The PBHSC is open to all interested participants, including the Watermaster Parties, IEUA member agencies, OCWD, and other interested stakeholders. The objective of the PBHSP is to ensure that riparian habitat in the Prado Basin is not adversely impacted by the implementation of Peace II activities. Currently, the PBHSP consists of a monitoring program and annual reporting on the results of the monitoring program. The monitoring program includes an assessment of the riparian habitat and all factors that could potentially impact the riparian habitat, including those factors affected by Peace II activities, such as changes in groundwater levels. Sixteen monitoring wells at nine sites were constructed in 2015 to support the PBHSP. Two existing wells are also monitored as part of the PBHSP. The PBHSC developed the Adaptive Management Plan of the PBHSP to describe an initial monitoring program and a process to modify the monitoring program and/or implement mitigation strategies, as necessary.



Prado Wetlands

During the reporting period, Watermaster performed the following tasks:

- Conducted the groundwater monitoring program, which included the quarterly collection of groundwater-level and groundwater-quality data from the PHBSP monitoring wells.
- Collected surface-water quality and daily discharge data for POTWs and USGS stream gage locations tributary to Prado Basin for water year 2017.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

- Collected climatic data near Prado Basin for water year 2017.
- Collected and reviewed the following riparian habitat monitoring data:
 - Historical Normalized Difference Vegetation Index (NDVI) remote sensing data collected from Landsat satellites for 1982 to 2017.
 - Performed a custom flight to collect high-resolution air photos of the Prado Basin region.

Chino Basin Groundwater Recharge Monitoring Program

Watermaster, the IEUA, the Chino Basin Water Conservation District, and the San Bernardino County Flood Control District jointly sponsor the Chino Basin Groundwater Recharge Program. This is a comprehensive water supply program to enhance water supply reliability and improve groundwater quality in local drinking water wells by increasing the recharge of storm, imported, and recycled waters. The recharge program is regulated under Regional Board Order No. R8-2007-0039 and Monitoring and Reporting Program No. R8-2007-0039.

Watermaster and the IEUA measure the quantity of storm and supplemental water that enters recharge basins using pressure transducers or staff gauges. Staff also collect weekly water quality samples from recharge basins actively recharging recycled water and from lysimeters installed within those recharge basins. Imported water quality data for State Water Project water are obtained from the Metropolitan Water District of Southern California (MWDSC) and recycled water quality data for RP-1 and RP-4 treatment plant effluents are obtained from the IEUA. Combining measured flow data with respective water quality data enables the calculation of the blended water quality of the recharge sources in each recharge basin and the assessment of adequate dilution of recycled water, as required by the recycled water recharge permits held with the Department of Drinking Water (DDW). The recharge measurements are also used to estimate the New Yield to the Chino Basin due to recharge activities.



College Heights Basin receiving imported water.

Monitoring Activities. During this reporting period, the IEUA performed its ongoing monitoring program to measure and record recharge volumes and to collect stormwater quality samples pursuant to its permit requirements. Also, during this reporting period, approximately 64 recharge basin and lysimeter samples were collected for water quality analysis, and 28 recycled water samples were collected for alternative water quality monitoring plans, including the application of a correction factor for soil-aquifer treatment, determined from each recharge basin's startup period. Monitoring wells located downgradient of the recharge basins were sampled, at a minimum, on a quarterly basis; that said, some monitoring wells were sampled more frequently during the reporting period for a total of 125 samples.

Reporting. Watermaster and the IEUA completed the following compliance reports concerning the recharge program during the reporting period:

- 2Q-2017 Quarterly Report, submitted to the RWQCB – August 2017
- 3Q-2017 Quarterly Report, submitted to the RWQCB – November 2017

Ground-Level Monitoring

To address the historical occurrence of land subsidence and ground fissuring in the Chino Basin, Watermaster prepared and submitted a subsidence management plan (known as the MZ-1 Plan) to the Court for approval, and in November 2007, the Court ordered its implementation (see Program Element 4 in this report for more on the MZ-1 Plan implementation). The MZ-1 Plan required several monitoring and mitigation measures to minimize or abate the future occurrence of land subsidence and ground fissuring. These measures and activities included:

- Continuing the scope and frequency of monitoring within the so-called Managed Area that was conducted during the period when the MZ-1 Plan was being developed.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

- Expanding the monitoring of the aquifer system and ground-level movement into other areas of MZ-1 and the Chino Basin where data indicate concern for future subsidence and ground fissuring (Areas of Subsidence Concern).
- Monitoring of horizontal strain across the historical zone of ground fissuring.
- Conducting additional testing and monitoring to refine the MZ-1 Guidance Criteria for subsidence management (e.g. the Long-Term Pumping Test).
- Developing alternative pumping plans for the MZ-1 producers impacted by the MZ-1 Plan.
- Constructing and testing a lower-cost cable extensometer facility at Ayala Park.
- Evaluating and comparing ground-level surveying and Interferometric Synthetic Aperture Radar (InSAR), and recommending future monitoring protocols for both techniques.
- Conducting an aquifer storage recovery (ASR) feasibility study at a City of Chino Hills production well within the MZ-1 Managed Area (Well 16).

Since the initial MZ-1 Plan was adopted in 2007, Watermaster has conducted the annual Ground-Level Monitoring Program (GLMP). The main results of the GLMP are: very little permanent land subsidence has occurred in the MZ-1 Managed Area, indicating that subsidence is being successfully managed in this area, and land subsidence has been occurring in the Northwest MZ-1 Area. One concern is that subsidence in Northwest MZ-1 has occurred differentially across the San Jose Fault, following the same pattern of differential subsidence that occurred in the MZ-1 Managed Area during the time of ground fissuring.

Based on these observations, Watermaster determined that the subsidence management plan needed to be updated to include a *Subsidence Management Plan for the Northwest MZ-1 Area* with the long-term objective of minimizing or abating the occurrence of the differential land subsidence. Thus, Watermaster expanded the GLMP into the Northwest MZ-1 Area and prepared an updated *Chino Basin Subsidence Management Plan (SMP)*, which included the *Work Plan to Develop a Subsidence-Management Plan for the Northwest MZ-1 Area (Work Plan)* as an appendix.

During this reporting period, Watermaster undertook the following SMP activities:

- Continued high-resolution water-level monitoring at wells within the Managed Area and within the Areas of Subsidence Concern. All monitoring equipment is inspected at least quarterly and is repaired and/or replaced as necessary. The data collected were checked and analyzed to assess the functionality of the monitoring equipment and for compliance with the SMP.
- Performed monthly routine maintenance, data collection, and verification at the Ayala Park and Chino Creek extensometer facilities.
- Established and installed a new ground-level survey (vertical) network in the Northeast Area.
- Continued implementation of the Work Plan:
 - Collected, processed, and checked groundwater level data and production data from wells in the Northwest MZ-1 Study Area monthly.
 - Finalized the SCADA Installation, Monitoring, and Reimbursement Letter Agreement between Monte Vista Water District (MVWD) and Watermaster, and began coordinating with MVWD and SCADA Integrations to install water level monitoring devices and connect the devices to MVWD's SCADA system.
 - Corresponded and conducted an in-person meeting with City of Pomona staff to discuss the list of wells with repeated water level monitoring equipment installation issues. Discussed with City of Pomona staff other technologies that can be used to measure water levels (i.e. sonar).
 - Drafted a work plan to describe the "proof of concept" to test the sonar water level measuring technique in the City of Pomona well P-27. The draft work plan was distributed to Watermaster and City of Pomona staff for review and comment.

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

- Corresponded and conducted an in-person meeting with City of Pomona staff to discuss the technical specifications, permitting, environmental review, and the bidding contract for the Pomona Extensometer facility's two dual-nested piezometers.
- The Long-Term Pumping Test, described in the SMP, was developed by the GLMC to test and refine the Guidance Level for the Managed Area. The test requires the City of Chino Hills to pump wells CH-15B and CH-17 such that they cause water levels at PA-7 to decline below the Guidance Level. The recovery phase of the test includes groundwater injection cycles at City of Chino Hills well CH-16. The following work was performed during this reporting period:
 - The City of Chino Hills wells CH-15B and Ch-16 were not operational between July 1, 2017 and December 31, 2017. Only CH-17 pumped during this time-period.
 - Pumping at wells in the MZ-1 Managed Area did not result in water levels to decline below the Guidance Level at PA-7.

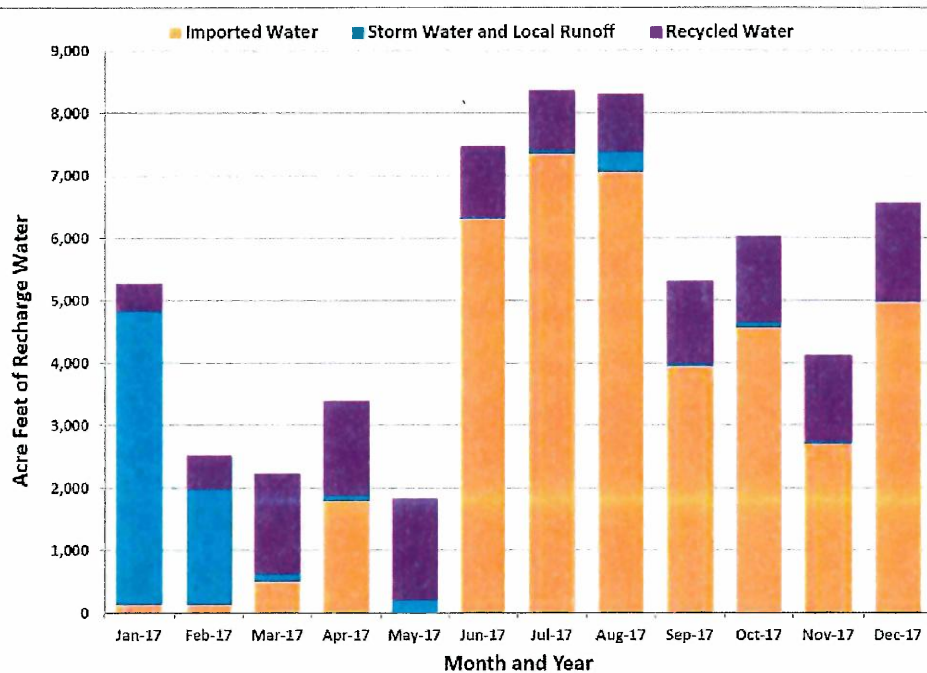
Program Element 2: Develop and Implement a Comprehensive Recharge Program

The objectives of the comprehensive recharge program include enhancing the yield of the Chino Basin through the development and implementation of a Recharge Master Plan to improve, expand, and construct recharge facilities that enable the recharge of storm, recycled, and imported waters; to ensure a balance of recharge and discharge in the Chino Basin management zones; and to ensure that sufficient storm and imported waters are recharged to comply with the recycled water dilution requirements in Watermaster and the IEUA's recycled water recharge permits.

Pursuant to PE2 of the OBMP, Watermaster and the IEUA partnered with the San Bernardino County Flood Control District and the Chino Basin Water Conservation District to construct and/or improve eighteen recharge sites. This project is known as the Chino Basin Facilities

Improvement Project (CBFIP). The average annual stormwater recharge of the CBFIP facilities is approximately 10,000 acre-feet per year, the supplemental "wet"¹ water recharge capacity ranges from 56,600 to 70,200 acre-feet per year, and the in-lieu supplemental water recharge capacity ranges from 25,000 to 40,000 acre-feet per year. In addition to the CBFIP facilities, the Monte Vista Water District has five ASR wells with a demonstrated well injection capacity of 5,500 acre-feet per year. The current total supplemental water recharge capacity ranges from 87,100 to 115,700 acre-feet per year, which is greater than the projected supplemental water recharge capacity required by Watermaster.

In 2008, Watermaster began preparing the *2010 Recharge Master Plan Update* (2010 RMPU) pursuant to the December 21, 2007 Court Order (the Peace II Agreement) to complete a Recharge Master Plan Update by July 1, 2010. In October 2010, the Court accepted the 2010 RMPU as satisfying the condition and ordered that certain recommendations of the 2010 RMPU be implemented. In November 2011, Watermaster reported its progress to the Court pursuant to the October 2010 Court Order, and in December 2011, the Court issued an order directing Watermaster to continue with its implementation of the 2010 RMPU per its October 2010 order but with a revised schedule. On December 15, 2011, the Watermaster Board moved to:



¹The modifier "wet" means actual physical water is being recharged in spreading basins as opposed to the dedication of water from storage or in-lieu recharge.

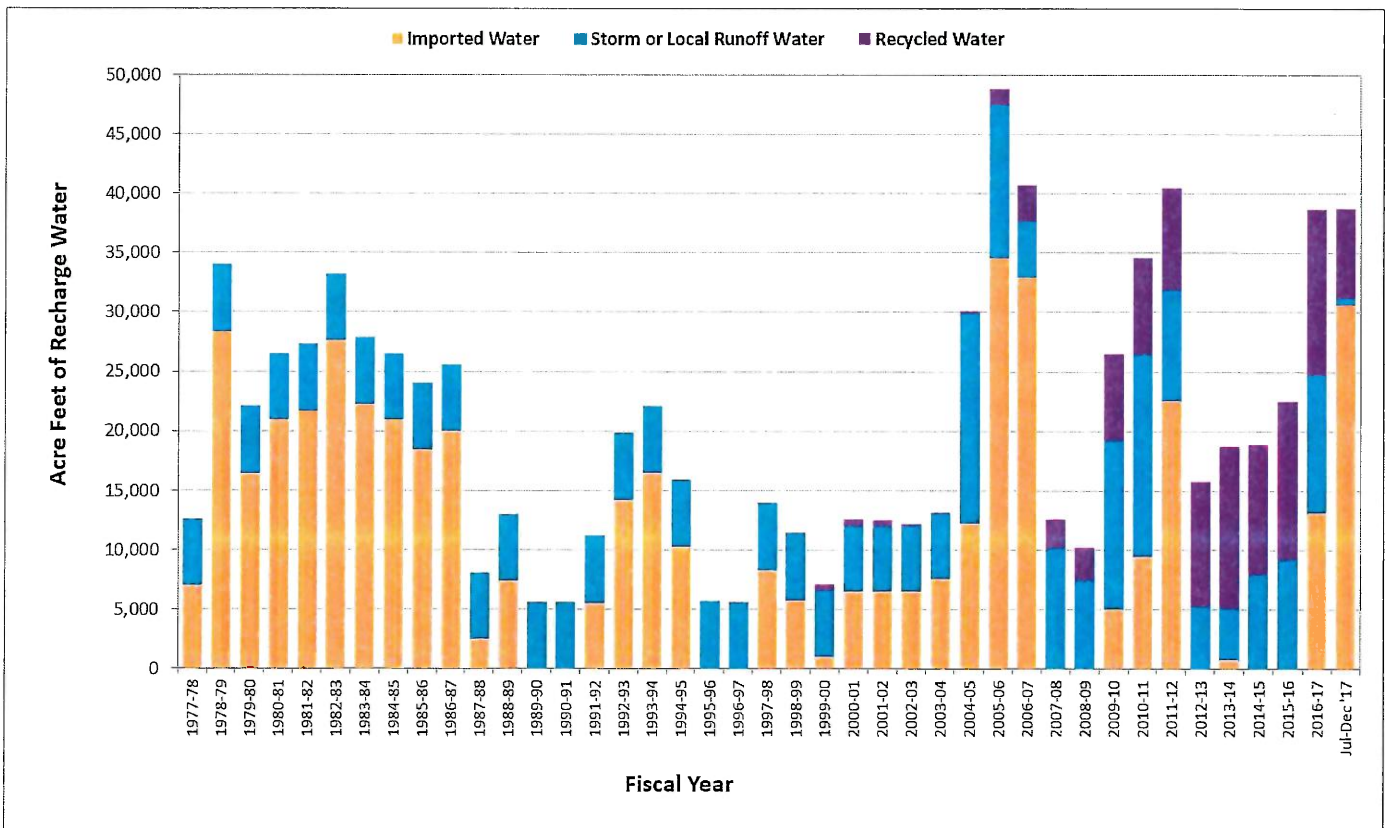
Optimum Basin Management Program

Program Element 2: Develop and Implement a Comprehensive Recharge Program (Continued)

“approve that within the next year there will be the completion of [a] Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented.”

This motion led to the development of an update to the 2010 RMPU, and in 2012, Watermaster staff sent out a “call for projects” to the Watermaster parties, seeking their recommendations for recharge improvement projects that should be considered in the update. The 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU) outlines the recommended projects to be implemented by Watermaster and the IEUA and lays out the implementation and financing plans. The 2013 RMPU report was approved by the Watermaster Board in September 2013 and filed with the Court in October 2013. In December 2013, the Court approved the 2013 RMPU except for Section 5, which dealt with the accounting for new recharge from Municipal Separate Stormwater Sewer Systems; Section 5 was later approved by the Court in April 2014.

During this reporting period, Watermaster staff refined the budget and schedule to complete the forthcoming 2018 Recharge Master Plan Update (2018 RMPU), which is due to the Court by October 2018. Work on the 2018 RMPU is expected to begin in early 2018.



2013 RMPU Implementation. Watermaster and the IEUA are continuing to carry out the October 2013 Court Order, which authorizes them to implement the 2013 RMPU. During the reporting period, the IEUA selected contractors to install monitoring wells and construct the San Sevaine Basin improvements. This construction is anticipated to begin in early 2018. In June 2017, a design consultant was chosen to design five of the chosen 2013 RMPU projects: CSI Basin, Wineville/Jurupa/RP3 Basins, Montclair Basins, Lower Day Basin, and Victoria Basin. During this reporting period, the 30 and 50 percent design plans and specifications were completed for four of the five projects, excluding CSI Basin. Watermaster stakeholders chose to defer both the CSI Basin project and the remaining 2013 RMPU projects for consideration in a future RMPU.

Optimum Basin Management Program

Program Element 2: Develop and Implement a Comprehensive Recharge Program (Continued)

Additionally, Watermaster and the IEUA continued to develop a series of projects outside of the 2013 RMPU effort that will increase and/or facilitate stormwater and supplemental water recharge and have jointly funded these projects, including monitoring upgrades and habitat conservation. Watermaster's share of the cost of these projects was included in the budget adopted by Watermaster for fiscal year 2017/18.

The Recharge Improvements Project Committee met quarterly on the progress of implementing the 2013 RMPU Projects and other recharge-related projects.

Recharge for Dilution of Recycled Water. In fiscal year 2009/10, Watermaster and the IEUA's recharge permit was amended to allow for existing underflow dilution and extended the period for calculating dilution from a running 60-month to a running 120-month period. Additionally, the IEUA has worked with the DDW to obtain approval to increase the allowable recycled water contribution (RWC) at wells to 50 percent. These permit amendments allow for increased recycled water recharge without having to increase the amount of imported and storm waters required for dilution. The IEUA projects its dilution requirements as part of its annual reporting to the DDW. Based on the latest Annual Report (May 2017), the IEUA projects that dilution requirements will be met through 2027 even if no imported water is available for dilution.

Recharge Activities. During this reporting period, ongoing recycled water recharge occurred in the Brooks, 7th Street, 8th Street, Turner, Ely, RP-3, Victoria, Hickory, and Banana Basins; stormwater was recharged at 18 recharge basins across all management zones of the Chino Basin; and imported water was recharged in 17 recharge basins, primarily in MZ-1. Watermaster and the IEUA recharged a total of 38,709 acre-feet of water: 575 acre-feet of stormwater, 7,523 acre-feet of recycled water, and 30,611 acre-feet of imported water.

Balance of Recharge and Discharge in MZ-1. The total amount of supplemental water recharged in MZ-1 since the Peace II Agreement through December 31, 2017 was approximately 84,170 acre-feet, which is about 15,920 acre-feet more than the 68,250 acre-feet required by that date (annual requirement of 6,500 acre-feet). The amount of supplemental water recharged into MZ-1 during the reporting period was approximately 20,539 acre-feet.



MWD Delivery North of the San Sevaire Basins.

Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and Program Element 5: Develop and Implement Regional Supplemental Water Program

As stated in the OBMP, "the goal of Program Elements 3 and 5 is to develop a regional, long range, cost-effective, equitable, water supply plan for producers in the Chino Basin that incorporates sound basin management." One element of the water supply plan is the development of a way to replace the decline in groundwater production to prevent significant amounts of degraded groundwater from discharging to the Santa Ana River and violating the Basin Plan. Replacing the decline in agricultural groundwater production will mitigate the reduction of the Safe Yield of the basin and allow for more flexibility in the basin's supplemental water supplies if the produced groundwater is treated. This is achieved through the operation of the Chino Basin Desalter facilities, which comprise a series of wells and treatment facilities in the southern Chino Basin that are designed to replace the decline in production of the agricultural groundwater producers and to treat and serve this groundwater to various Appropriative Pool members.

The Chino I Desalter Expansion and the Chino II Desalter facilities were completed in February 2006. As currently configured, the Chino I Desalter produces about 13,500 acre-feet of groundwater per year (12.1 million gallons per day [MGD]) at 15 wells (I-1 through I-15). This water is treated through air stripping (volatile organic compound [VOC] removal), ion exchange (nitrate removal), and/or reverse osmosis (for nitrate and TDS removal). The Chino II Desalter produces about 15,800 acre-feet of groundwater per year (14.1 MGD) at eight wells (II-1 through II-4 and II-6 through II-9). This water is treated through ion exchange and/or reverse osmosis. Development and planning continues between the CDA and Watermaster to expand the production and treatment capacity of the Chino Desalters by about 10,500 acre-feet per year (9.5 MGD). More than \$77 million in grant funds have been secured toward this expansion.

Optimum Basin Management Program

Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and

Program Element 5: Develop and Implement Regional Supplemental Water Program (Continued)

The most recently completed expansion project included the construction of five wells for the new Chino Creek Well Field (CCWF): wells I-16, I-17, I-18, I-20, and I-21. These wells were constructed to meet the hydraulic control commitment associated with the maximum benefit (see the Program Element 7 update in this status report) and provide additional raw water to the Chino I Desalter. Production began at wells I-16 and I-17 in mid-2014 and at wells I-20 and I-21 in early 2016. Well I-18 is not planned for operation by the CDA due to high concentrations of VOCs.

Three final wells (II-10, II-11, and II-12) are planned for construction to provide additional raw water to the Chino II Desalter and are required to meet the maximum-benefit commitment to produce a total of 40,000 acre-feet per year from the combined desalter well fields. These wells are also being constructed as part of the remediation action plan to clean-up the South Archibald Plume (See the Program Element 6 update in this status report). The construction of wells II-10 and II-11 was completed in late-2015, and equipping the wells were completed in November 2017. Acquisition of property for the third well will be completed by March 2018. After that land is acquired, a monitoring well will be constructed to support the design of the production well. The CDA has retained consultants for the construction and design of Well II-12, which is anticipated to be completed and operational by July 2019. The dedicated pipeline to convey groundwater from the three new wells and existing well I-11 is under construction and is anticipated to be complete in June 2019. The overall project is anticipated to be operational by December 2019. During this reporting period, the CDA continued with the land acquisition process for Well II-12.

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1

Because of the historical occurrence of pumping-induced land subsidence and ground fissuring in southwestern Chino Basin (Managed Area), the OBMP required the development and implementation of an Interim Management Plan (IMP) for MZ-1 that would:

- Minimize subsidence and fissuring in the short-term.
- Collect the information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring.
- Formulate a management plan to reduce to tolerable levels or abate future subsidence and fissuring.

From 2001-2005, Watermaster developed, coordinated, and conducted an IMP under the guidance of the MZ-1 Technical Committee. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Plan. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, and an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation. Watermaster has implemented the MZ-1 Plan since that time, including the ongoing Ground-Level Monitoring Program (GLMP) called for by the MZ-1 Plan (refer to the update in this report under Program Element 1).

The MZ-1 Plan states that if data from existing monitoring efforts in the so-called Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan pursuant to the process outlined in Section 3 of the MZ-1 Plan. In early 2015, Watermaster prepared an update to the MZ-1 Plan, which included a name change to the *2015 Chino Basin Subsidence Management Plan (SMP)* and a *Work Plan to Develop the Subsidence Management Plan for the Northwest MZ-1 Area (Work Plan)* as an appendix. The SMP and the Work Plan were adopted through the Watermaster Pool process during July 2015.

The data, analysis, and reports generated through the implementation of the MZ-1 Plan, SMP, and Work Plan are reviewed and discussed by the Ground-Level Monitoring Committee (GLMC), which meets on a periodic basis throughout the year. The GLMC is open to all interested participants, including the Watermaster Parties and their consultants. During this reporting period, Watermaster undertook the following data analysis and reporting tasks:

- Finalized the *2016 Annual Report of the Ground-Level Monitoring Committee* report. The final report was submitted to Watermaster in September 2017 and filed with the Court in November 2017. The Court received and filed the report at a December 2017 hearing.

Optimum Basin Management Program

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1 (Continued)

- For the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area*:
 - Finalized the *Initial Hydrogeologic Conceptual Model and the Monitoring and Testing Program for the Northwest MZ-1 Area* report. The final report was submitted to Watermaster in December 2017.
 - Finalized the technical memorandum: *Development and Characterization of the Baseline Management Alternative and Initial Subsidence-Management Alternative for the Northwest MZ-1 Area*. The technical memorandum was submitted to Watermaster in December 2017.
 - Updated the final technical specifications: Detailed Technical Specifications for the Drilling and Construction of Two Dual-Nested Piezometers for the Pomona Extensometer Facility per preliminary comments from the City of Pomona staff. The technical specifications will be incorporated in the Pomona Extensometer Piezometers construction bid package at the completion of CEQA.
- Three GLMC meetings were conducted during the reporting period:
 - The July 27, 2017 meeting agenda included the following items:
 - Review the draft 2016 Annual Report of the Ground-Level Monitoring Committee.
 - Review and discuss the Ground-Level Monitoring Program activities for fiscal year 2017-18.
 - The September 28, 2017 meeting agenda included the following items:
 - Scope and Schedule: Fiscal year 2017-18 Ground-Level Monitoring Program and Annual Report.
 - Scope and Schedule: Implementation of the Northwest MZ-1 Work Plan.
 - The October 26, 2017 meeting agenda included the following items:
 - Review of the draft technical memorandum - Task 3 and Task 4 of the Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area: Development and Evaluation of Baseline and Initial Subsidence-Management Alternatives.

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management

Program Elements 6 and 7 are necessary to address the water quality management problems that occur in the Chino Basin. During the development of the OBMP, it was identified that Watermaster did not have sufficient information to determine whether point and non-point sources of groundwater contamination are being adequately addressed, including the various contaminant plumes in the Chino Basin. With the Regional Board and other agencies, Watermaster has worked to address the following major point source contaminant plumes in the Chino Basin:

South Archibald Plume

In July 2005, the Regional Board prepared draft Cleanup and Abatement Orders (CAOs) for six parties who were tenants on the Ontario Airport with regard to the South Archibald TCE Plume. The draft CAOs required the parties to “submit a work plan and time schedule to further define the lateral and vertical extent of the TCE and related VOCs that are discharging, have been discharged, or threaten to be discharged from the site” and to “submit a detailed remedial action plan, including an implementation schedule, to cleanup or abate the effects of the TCE and related VOCs.” Four of the six parties (Aerojet-General Corporation, The Boeing Company, General Electric, and Lockheed Martin) voluntarily formed a group known as ABGL to work jointly on a remedial investigation. Northrop Grumman declined to participate in the group. The US Air Force, in cooperation with the US Army Corps of Engineers, funded the installation of one of the four clusters of monitoring wells installed by the ABGL Parties.

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management (Continued)

In 2008, Regional Board staff conducted research pertaining to the likely source of the TCE contamination and identified discharges of wastewater that may have contained TCE to the RP-1 treatment plant and associated disposal areas to be a potential source. The Regional Board identified several industries, including some previously identified tenants of the Ontario Airport property, that likely used TCE solvents before and during the early-1970s, and discharged wastes to the Cities of Ontario and Upland's sewage systems and subsequently to the RP-1 treatment plant and disposal areas. In 2012, an additional Draft CAO was issued by the Regional Board jointly to the City of Ontario, City of Upland, and the IEUA as the previous and current operators of the RP-1 treatment plant and disposal area (collectively, the RP-1 parties). In part, the draft CAOs require that RP-1 parties "supply uninterrupted replacement water service [...] to all residences south of Riverside Drive that are served by private domestic wells at which TCE has been detected at concentrations at or exceeding 5 µg/L [...]" and to report this information to the Regional Board. In addition, the RP-1 parties are to "prepare and submit [a] [...] feasibility study" and "prepare, submit and implement the Remedial Action Plan" to mitigate the "effects of the TCE groundwater plume."

Under the Regional Board's oversight, sampling at private residential wells and taps has been conducted approximately every two years (2007-2008, 2009, 2011, 2013-2014) by multiple parties in the region where groundwater is potentially contaminated with TCE. By 2014, all private wells and/or taps in the area of the plume had been sampled at least once since 2007. Alternative water systems (tanks) have been installed at residences in the area where well water contains TCE at or above 80% of the MCL for TCE. Residents who declined tank systems are being provided bottled water. Watermaster also routinely samples for water quality at private wells in the area and uses data obtained from this monitoring to delineate the spatial extent of the plume.

In July 2015, the RP-1 parties completed the Draft Feasibility Study Report for the South Archibald Plume (Feasibility Study). The Feasibility Study established cleanup objectives for both domestic water supply and plume remediation and evaluates alternatives to accomplish these objectives. In August 2015, a Draft Remedial Action Plan (RAP) was concurrently prepared by the RP-1 parties to present the preferred plume remediation and domestic water supply alternatives. A public review period followed along with two community meetings to educate the public about the plume, the Feasibility Study, and the RAP, and to solicit comments on these reports. In November 2015, a revised Draft Feasibility Study, RAP, and Responses to Comments were completed to address input from the public, the ABGL, and others. In September 2016, the Regional Board issued the Final CAO R8-2016-0016 collectively to the RP-1 parties and the ABGL parties. The Final CAO was adopted by all parties in November 2016, thus approving the preferred plume remediation and domestic water supply alternatives identified in the RAP. The parties also reached a settlement agreement that aligns with the Final CAO and authorizes funding to initiate implementation of the plume remediation alternative.

The plume remediation alternative involves the use of existing and proposed CDA production wells and facilities. The RP-1 parties reached a Joint Facility Development Agreement with the CDA for implementation of a project designed to remediate the South Archibald Plume. The proposed project includes the operation of three new CDA desalter wells (II-10, II-11, and II-12) and a dedicated pipeline to convey produced groundwater from the three new wells and existing CDA well I-11 to the Desalter II treatment facility. As noted previously in this status report, the CDA has completed construction of two of the three wells, which will be operational by April 2018. The property acquisition for the third well will be completed by March 2018. The dedicated pipeline to convey groundwater from the three new wells and existing well I-11 is under construction and is anticipated to be complete in June 2019. The overall project is anticipated to be operational by December 2019.

The domestic water supply alternative for those private residences affected by TCE groundwater contamination is a hybrid between the installation of tank systems for some residences, where water is delivered from the City of Ontario potable supply via truck deliveries, and the installation of a temporary pipeline to connect some residences to the City of Ontario potable water system. The Cities of Ontario and Upland have assumed responsibility for implementing the domestic water supply alternative. In February 2017, the Cities of Ontario and Upland submitted the Domestic Water Supply Work Plan to the Regional Board to outline the approach to provide water tank systems or connection to the City of Ontario municipal water supply system for affected residences currently receiving bottled water.

During the reporting period, the Cities of Ontario and Upland submitted an Annual Groundwater Monitoring Report to the Regional Board summarizing monitoring conducted between September and November 2017. 42 samples were collected from 41 residential or agricultural locations located within or downgradient of the plume. Based on the results of this sampling event, no additional residences were recommended for participation in the alternative water supply program. Currently, 37 residences are supplied water by tank systems. Multiple residences remain on bottled water supply and will be re-evaluated for the need for an alternative water supply offer in the next sampling event scheduled for Fall 2018.

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region and Other Agencies to Improve Basin Management (Continued)

Chino Airport Plume

In 1990, the Regional Board issued CAO No. 90-134 to the County of San Bernardino, Department of Airports (County) to address groundwater contamination originating from the Chino Airport. During 1991 to 1992, ten underground storage tanks and 310 containers of hazardous waste were removed, and 81 soil borings were drilled and sampled on the airport property. From 2003 to 2005, nine onsite monitoring wells were installed and used to collect groundwater quality samples. In 2007, the County conducted its first offsite monitoring effort, and in 2008, the Regional Board issued CAO No. R8-2008-0064, requiring the County to define the lateral and vertical extent of the plume and prepare a remedial action plan. From 2009 to 2012, Tetra Tech, the consultant to the County, conducted several off-site plume characterization studies to delineate the areal and vertical extent of the plume and constructed 33 offsite monitoring wells. From 2013 to early-2015, Tetra Tech conducted an extensive investigation of several areas identified for additional characterization of soil and groundwater contamination; and at the conclusion of the work, they constructed an additional 33 groundwater monitoring wells on and adjacent to the Airport property. In August 2016, the County completed a Draft Feasibility Study to identify remedial action objectives and evaluate remediation alternatives for mitigation. In January 2017, the Regional Board issued CAO R8-2017-0011, which requires the County to prepare a Final Feasibility Study that incorporates comments from the Regional Board and to prepare, submit, and implement a Remedial Action Plan. The County submitted a Final Feasibility Study for the Chino Airport on June 6, 2017, and it was approved by the Regional Board on June 7, 2017. The recommended remediation alternative is a groundwater pump-and-treat system to provide hydraulic containment and treatment of both the West Plume and the East Plume originating from the Chino Airport. The system consists of ten extraction wells that combined will produce approximately 900 gallons per minute of groundwater for onsite treatment using carbon adsorption. Included among the 10 wells is CDA well I-18, which is no longer planned for use by the CDA. Once treated, the preferred option is to discharge the treated groundwater to the CDA's Chino-I Desalter influent pipeline via a newly constructed pipeline. If this discharge option is not available at the time the system is constructed, the alternative options are to discharge the treated groundwater to either the local surface-water channels or wastewater treatment plants or to inject the treated groundwater back into the basin with six injection wells at the northeast corner of the Chino Airport.

The County conducts quarterly and/or annual monitoring events at all 75 of their monitoring wells constructed to date. The conclusions from this monitoring program can be found in reports posted on the Regional Board's GeoTracker website. Watermaster also routinely samples for water quality at private and monitoring wells in the area and uses this and other data obtained from its data collection programs to independently delineate the spatial extent of the plume. The most recent characterization of the plume completed by Watermaster was in June 2017 for the 2016 *State of the Basin Report*.

During this reporting period, The County submitted a *Preliminary Draft Remedial Action Plan (RAP)* to the Regional Board on August 7, 2017. The Regional Board submitted comments on the Preliminary Draft RAP via email on October 17, 2017. The County submitted responses to the Regional Board's comments along with a revised Draft RAP on November 28, 2017. The Regional Board reviewed the revised Draft RAP and accepted the proposed changes and responses on December 14, 2017. The County submitted a *Draft Interim Remedial Action Plan* for public review and comment on December 18, 2017.

Other Water Quality Issues

Watermaster continues to track monitoring programs and mitigation measures associated with other point sources in the Chino Basin, including: Alumax Aluminum Recycling, Alger Manufacturing Facility, the Former Crown Coach Facility, General Electric Test Cell and Flatiron, Former Kaiser Steel Mill, Milliken Landfill, Upland Landfill, and the Stringfellow National Priorities List sites. During the reporting period, Watermaster prepared updated delineations of the extent of the VOC plumes for GE Test Cell, GE Flatiron, Milliken Landfill, and the so-called Pomona VOC plume. The updated plume delineations were published on June 30, 2017 as part of the 2016 *Chino Basin State of the Basin Report*.

Program Element 7: Develop and Implement a Salt Management Program

Maximum Benefit Salinity Management Plan

In January 2004, the Regional Board amended the Basin Plan to incorporate an updated total dissolved solids (TDS) and nitrogen (N) management plan. The Basin Plan amendment includes both "antidegradation" and "maximum benefit" objectives for TDS and nitrate-N for the Chino-North and Cucamonga groundwater management zones (GMZs). The maximum benefit objectives allow for the reuse and recharge of recycled water and the recharge of imported water without mitigation; these activities are an integral part

Optimum Basin Management Program

Program Element 7: Develop and Implement a Salt Management Program (Continued)

of the OBMP. The application of the maximum-benefit objectives is contingent on Watermaster and the IEUA's implementation of specific projects and requirements termed the maximum-benefit commitments. There are a total of nine commitments, and Watermaster and the IEUA report the status of compliance with each commitment to the Regional Board annually in April. Specific details of the commitments and related activities are described below.

Monitoring Programs. Two of the maximum-benefit commitments are to implement surface and groundwater monitoring programs. On April 15, 2005, the Regional Board adopted resolution R8-2005-0064, approving Watermaster and the IEUA's surface and groundwater monitoring programs. These monitoring programs were conducted pursuant to the 2005 work plan until 2012, when the Basin Plan was amended to remove all references to the specific monitoring locations and sampling frequencies required for groundwater and surface water monitoring. The Basin Plan amendment allows for the monitoring programs to be modified over time on a go-forward basis, subject to the approval of the Executive Officer of the Regional Board. The Basin Plan amendment was approved by the Regional Board on February 12, 2012 and by the State Office of Administrative Law on December 6, 2012. This amendment was adopted based on demonstrations made by Watermaster and the IEUA, showing that the surface water monitoring program, as explicitly described in the Basin Plan, was not meaningfully adding to the body of evidence required to demonstrate hydraulic control. In the place of specific monitoring requirements, the Basin Plan required that Watermaster and the IEUA submit a new surface water monitoring program work plan by February 25, 2012 and a new groundwater monitoring program work plan by December 31, 2013. In February 2012, Watermaster and the IEUA submitted, and the Regional Board approved, a new surface water monitoring program that reduced the 2005 monitoring program from bi-weekly surface water quality measurements at 17 sites and direct discharge measurements at six sites to quarterly surface water quality sampling at two sites.

In December 2013, Watermaster and the IEUA submitted an updated Maximum Benefit Monitoring Program Work Plan and Proposed Schedule for Achieving Hydraulic Control to the Regional Board. The updated Work Plan states that Watermaster and the IEUA will recalibrate the Chino Basin groundwater model every five years and use the model to estimate groundwater discharge from the Chino-North GMZ to the Santa Ana River (i.e. annual underflow past the CCWF) and determine whether hydraulic control has been achieved. The new Maximum Benefit Monitoring Program Work Plan was adopted by the Regional Board in April 2014. Maximum benefit monitoring is incorporated as part of the groundwater level, groundwater quality, and surface water monitoring programs described in Program Element 1. During this reporting period, Watermaster continued implementing the monitoring programs (see Program Element 1 of this report for details).

Hydraulic Control and Chino Desalters. One of the main maximum-benefit commitments is to achieve and maintain "hydraulic control" of the Chino Basin through operation of the Chino Basin Desalters to protect downstream beneficial uses of the Santa Ana River. The Chino Basin Desalters are required to replace the diminishing agricultural production that previously prevented the outflow of high TDS and nitrate groundwater. Hydraulic control is defined by the Basin Plan as the elimination of groundwater discharge from the Chino-North GMZ to the Santa Ana River or its reduction to a de minimus level. In October 2011, the Regional Board indicated that groundwater discharge from the Chino-North GMZ to the Prado Basin surface water management zone (Prado Basin) in an amount less than 1,000 acre-feet per year is considered de minimus. Watermaster and the IEUA have demonstrated, in Annual Reports to the Regional Board, that complete hydraulic control has been achieved at and east of Chino-I Desalter Well 5. The construction and operation of the CCWF (see Program Element 5), which began in 2010, is intended to achieve hydraulic control in the area west of Chino-I Desalter Well 5. In February 2016, the CCWF commenced full-scale operation with production at wells I-16, I-17, I-20, and I-21. The CCWF wells produced a total of about 1,665 acre-feet in 2016, which is more than the model-estimated production needed to achieve hydraulic control to the de minimus standard west of Chino-I Desalter Well 5. With this accomplishment, Watermaster has achieved full hydraulic control of the Chino Basin.

Although full hydraulic control has been achieved, future agricultural groundwater production in the southern part of the basin is expected to continue to decline, necessitating future expansion of the desalters to sustain hydraulic control. In a letter dated January 23, 2014, the Regional Board required that by May 31, 2014, Watermaster and the IEUA submit a plan detailing how hydraulic control will be sustained in the future as agricultural production in the southern region of Chino-North continues to decrease—specifically, how the Chino Basin Desalters will achieve the required total groundwater production level of 40,000 acre-feet per year. On June 30, 2015 Watermaster and the IEUA submitted a final plan and schedule for the construction and operation of the three new desalter wells. These wells are under construction. During this reporting period, Watermaster coordinated with the CDA to track the progress of construction of the desalter expansion facilities. A full status report on the desalter expansion facilities is described in this status report under Program Element 3.

Recycled Water Recharge. The maximum benefit commitments require Watermaster and the IEUA to construct and operate expanded facilities for the recharge of storm and recycled waters and to report on the quality of the individual and combined sources of water used for recharge. Commitment number 7 requires that the use of recycled water for artificial recharge be limited to the amount that

Optimum Basin Management Program

Program Element 7: Develop and Implement a Salt Management Program (Continued)

can be blended on a volume-weighted basis with other sources of recharge to achieve five-year running-average concentrations of no more than the maximum-benefit objectives (420 mg/L for TDS and 5 mg/L for nitrate-nitrogen). This data is compiled and analyzed each year for reporting to the Regional Board. During this reporting period, Watermaster and the IEUA continued their monitoring programs to collect the data required for analysis and reporting to the Regional Board.

Recycled Water Quality. Commitment number 6 requires that recycled water quality be managed to ensure that the agency-wide, 12-month running average wastewater effluent quality does not exceed 550 mg/L and 8 mg/L for TDS and total inorganic nitrogen (TIN), respectively. Watermaster and the IEUA must submit a plan and schedule to the Regional Board for the implementation of measures to ensure long-term compliances with these limits when either the 12-month running-average IEUA agency-wide effluent TDS concentration exceeds 545 mg/L for three consecutive months, or the TIN concentration exceeds 8 mg/L in any one month. During 2015, a historical-high 12-month running-average IEUA agency-wide effluent TDS concentration of 534 mg/L was calculated for three consecutive months: June, July and August. This 12-month running-average IEUA agency-wide effluent TDS concentration of 534 mg/L was only 11 mg/L below the trigger. In Winter 2015, the increasing trend reversed, and by December 2016, the 12-month running-average IEUA agency-wide effluent TDS concentration decreased to 504 mg/L. Through analysis of water supply and wastewater data, Watermaster and the IEUA concluded that drought conditions have a meaningful impact on the short-term TDS concentration of the water supplies available to the IEUA agencies and that future droughts similar to the 2012-2016 period could lead to short term exceedances of the 12-month running-average IEUA agency-wide effluent TDS. For this reason, in October 2016, Watermaster and the IEUA petitioned the Regional Board to consider modifying the TDS compliance metric for recycled water to a longer-term averaging period. The Regional Board agreed that an evaluation of the compliance metric is warranted and directed Watermaster and the IEUA to develop a technical scope of work to support the adoption of a longer-term averaging period. The proposed technical scope of work to support a Basin Plan amendment to revise the recycled water compliance metric was submitted to the Regional Board for approval in May 2017. During this reporting period, Watermaster and the IEUA began implementing the scope of work (following approval to proceed from the Regional Board). The technical work is scheduled to be completed in April 2019. The Basin Plan amendment is scheduled to be completed in December 2019.



Recycled Water Line at the San Sevaime Basin #5.

Ambient Water Quality. Commitment number 9 requires that Watermaster and the IEUA recompute ambient TDS and nitrate concentrations for the Chino Basin and Cucamonga GMZs every three years. The recomputation of ambient water quality is performed for the entire Santa Ana River Watershed, and the technical work is contracted, managed, and directed by the Santa Ana Watershed Project Authority's Basin Monitoring Program Task Force. Watermaster and the IEUA have participated in each triennial, watershed-wide ambient water quality determination as members of the Task Force. The most recent recomputation, covering the 20-year period from 1993 to 2015, was completed in September 2017.

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program

Groundwater storage is critical to the Chino Basin stakeholders. The OBMP outlines Watermaster's commitments to investigate the technical and management implications of Local Storage Agreements, improve related policies and procedures, and then revisit all pending Local Storage Agreement applications.

The existing Watermaster/IEUA/MWDSC/Three Valleys Municipal Water District Dry-Year Yield (DYY) program continues to be implemented. By April 30, 2011, all DYY program construction projects and a full "put" and "take" cycle had been completed, leaving the DYY storage account with a zero balance. Another DYY cycle began in June 2017. During the reporting period, 29,465 acre-feet of water was recharged through the DYY program.

Safe Yield Recalculation

The Basin's Safe Yield was initially set by the Judgment at 140,000 acre-feet per year. The Safe Yield was based in on the hydrology for the period of 1965 through 1974. Pursuant to the Judgment, the Chino Basin Safe Yield is to be recalculated

Optimum Basin Management Program

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program (Continued)

periodically but not for at least ten years following 1978. Pursuant to the OBMP Implementation Plan and Watermaster's Rules and Regulations, in year 2010/11 and every ten years thereafter, Watermaster is to recalculate the Safe Yield. The 2011 Safe Yield recalculation was to be based in part on the information obtained in the prior ten-year period.

In 2011, Watermaster authorized its staff to compile the necessary data and update the model of the basin and to recalculate the Safe Yield. The model calibration was completed in 2012, and the evaluation of Safe Yield began in 2013. During fiscal year 2014/15, the Watermaster parties, pursuant to the Watermaster Board's direction, met intensively in a facilitated process, resulting in a majority consensus regarding the implementation of the recalculated Safe Yield, and drafted the 2015 Safe Yield Reset Agreement. At its September 24, 2015 meeting, the Board adopted Resolution 2015-06, endorsing the 2015 Safe Yield Reset Agreement, and directed Watermaster legal counsel to file the Agreement with the Court. Resolution 2015-06 was adopted by a majority vote with two of the nine Board members opposing the action. The agreement was filed with the Court on October 23, 2015 with a motion recommending that the Court reset the Safe Yield of the Chino Basin to 135,000 acre-feet per year. The hearing on this motion was originally scheduled for December 18, 2015. The Court continued the hearing and conducted it on September 23, 2016; the Court heard oral arguments from various parties and Watermaster legal counsel, requested further briefing from the interested parties, and scheduled a hearing in early 2017. On April 28, 2017, the Court issued a final order, resetting the Safe Yield to 135,000 acre-feet per year. By late June 2017, some parties had filed notices of appeal to the Court's order.

Groundwater Storage Management

Addendum to PEIR. The OBMP storage management plan was temporarily revised in March 2017. The original OBMP storage management program consists of managing groundwater production, replenishment, recharge, and storage such that the total storage within the basin would range from a low of 5,300,000 acre-feet to a high of 5,800,000 acre-feet. The following storage-related definitions are included in the OBMP Implementation Plan:

- **Operational Storage Requirement** – The Operational Storage Requirement is the storage or volume in the Chino Basin that is necessary to maintain the Safe Yield. [Author's note: This is an average value with the storage oscillating around this value due to dry and wet periods in precipitation. The Operational Storage Requirement was estimated in the development of the OBMP to be about 5.3 million acre-feet. This storage value was set at the estimated storage in the basin in 1997.]
- **Safe Storage** – Safe Storage is an estimate of the maximum storage in the basin that will not cause significant water-quality and high-groundwater related problems. [Author's note: Safe storage was estimated in the development of the OBMP to be about 5.8 million acre-feet.]
- **Safe Storage Capacity** – Safe Storage Capacity is the difference between the Safe Storage and the Operational Storage Requirement. The allocation and use of storage space in excess of the Safe Storage Capacity will preemptively require mitigation; mitigation must be defined, and resources committed to mitigation prior to allocation and use.

Water occupying the Safe Storage Capacity includes Local Storage Account Water, Carryover Water, and water that was anticipated to be stored in future groundwater storage programs. This storage management program was evaluated in the OBMP programmatic environmental impact report (PEIR) in 2000.

Subsequent to the OBMP PEIR, Watermaster and the Parties developed revisions to the OBMP based on: new monitoring and borehole data collected since 1998, an improved hydrogeologic conceptualization of the basin, new numerical models that have improved the understanding of basin hydrology since 2000, and the need to expand the Chino Basin Desalters (desalters) to the 40,000 acre-feet per year of groundwater production required in the OBMP Implementation Plan. These investigations included a recalculation of the total water in storage in the basin, based on the improved hydrogeologic understanding. The total storage in the Chino Basin for 2000 was estimated to be about 5,935,000 acre-feet.

The Peace II Agreement was negotiated by the Parties to implement, among other things, the expansion of the desalters, the dedication of 400,000 acre-feet of groundwater in storage to desalter replenishment, and changes in the Judgment to implement the Peace II Agreement. However, there was no change to the storage management plan in the OBMP Implementation Plan even though the revised storage estimated for 2000 was greater than the Safe Storage and the implementation of the Peace II Agreement would result in 400,000 acre-feet of new controlled overdraft. The IEUA completed and subsequently adopted a supplemental environmental impact report (SEIR) for the Peace II Agreement in 2010.

Optimum Basin Management Program

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program (Continued)

There is a significant difference in what is known today regarding storage management and basin conditions compared to what was known in 2000 when the OBMP storage management plan was developed and evaluated in the PEIR. Watermaster and the IEUA proposed a temporary change in the Safe Storage Capacity, increasing it from 500,000 acre-feet to 600,000 acre-feet for the period July 1, 2017 through June 30, 2021. This temporary increase in Safe Storage Capacity was found to not cause Material Physical Injury and/or loss of Hydraulic Control, and it will provide Watermaster and the IEUA time to develop a new storage management plan and agreements to implement it. The IEUA adopted an addendum to the 2000 PEIR, increasing the Safe Storage Capacity from 500,000 acre-feet to 600,000 acre-feet for the period July 1, 2017 through June 30, 2021. The addendum was approved by the IEUA Board of Directors on March 15, 2017.

Storage Framework Investigation. Watermaster staff, at the direction of the Watermaster Board, began an investigation to assess the groundwater basin response to the planned use of managed storage (storage space used by the Watermaster parties that includes excess carryover, local supplemental and carryover waters) and potential storage and recovery plans. During the reporting period, Watermaster updated its modeling tools and planning projections, and subsequently completed an assessment of the possibility of MPI for different scenarios of managed storage. A similar evaluation will be completed in the next reporting period for various storage utilization schemes.

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

- F. CHINO BASIN WATERMASTER SUBMITTAL IN COMPLIANCE WITH ANNUAL REPORTING REQUIREMENTS FOR ADJUDICATED BASINS PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)**



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: March 22, 2018

TO: Watermaster Board Members

SUBJECT: Chino Basin Watermaster Submittal in Compliance with Annual Reporting Requirements for Adjudicated Basins Pursuant to the Sustainable Groundwater Management Act (SGMA) (Consent Calendar Item I.F.)

SUMMARY

Issue: Pursuant to the SGMA, Water Code Section 10720.8(f), the Chino Basin Watermaster is required to submit specific data, information and reports to the Department of Water Resources (DWR) by April 1, 2018.

Recommendation: Approve and direct staff to file the information/reports with the DWR.

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

Future Consideration

Watermaster Board – March 22, 2018; Approval [Within WM Duties and Powers].

ACTIONS:

Appropriative Pool – March 8, 2018: No recommendation due to cancelation of March Pool meeting

Non-Agricultural Pool – March 8, 2018: No recommendation due to cancelation of March Pool meeting

Agricultural Pool – March 8, 2018: No recommendation due to cancelation of March Pool meeting

Advisory Committee – March 15, 2018: Unanimously recommended to the Watermaster Board to approve.

Watermaster Board – March 22, 2018:

BACKGROUND

California Water Code Section 10720.8(a) identifies 26 adjudicated areas, including the Chino Basin, which are exempt from the requirements of the SGMA except for the reporting requirements listed in Water Code Section 10720.8(f). A Watermaster or local agency within an adjudicated area listed under Water Code 10720.8(a) is required to report the following:

- (1) *By April 1, 2016, submit to the department a copy of a governing final judgement, or other judicial order or decree, and amendments entered before April 1, 2016.*
- (2) *Within 90 days of entry by court, submit to the department a copy of any amendment made and entered by the court to the governing final judgment or other judicial order or decree on or after April 1, 2016.*
- (3) *By April 1, 2016, and annually thereafter, submit to the department a report containing the following information to the extent available for the portion of the basin subject to the adjudication:*
 - (A) *Groundwater elevation data unless otherwise submitted pursuant to Section 10932.*
 - (B) *Annual aggregated data identifying groundwater extraction for the preceding water year.*
 - (C) *Surface water supply used for or available for use for groundwater recharge or in-lieu use*
 - (D) *Total water use*
 - (E) *Change in groundwater storage*
 - (F) *The annual report submitted to the court.*

DISCUSSION

Pursuant to Water Code 10720.8(a), the Chino Basin Watermaster submitted items (1), (2), and (3) listed above by April 1, 2016. Item (3) information was submitted for water year 2015. Water year 2016 information was submitted by April 1, 2017 and was the second such submittal by the Chino Basin Watermaster to the DWR for Water Code 10720.8(a) item (3). The submittal of information for water year 2017 by April 1, 2018 will be the third such submittal.

The DWR has implemented an on-line submission system, which is accessible with secure login credentials, to facilitate the transmittal of all the required data and reports for adjudicated basins pursuant to the SGMA. The online system, called the *Adjudicated Basin Annual Reporting System*, consists of a specialized reporting template to populate all the required information and to upload supporting documents and reports. The attached Memorandum, prepared by Wildermuth Environmental Inc (WEI) explicitly describes the information and reports that will be submitted by the Chino Basin Watermaster to the DWR's *Adjudicated Basin Annual Reporting System* for water year 2017 by April 1, 2018.

This item was not considered by the Pools due to the cancelation of the March 2018 Pool Committee meetings. At the March 22nd, 2018 the Advisory Committee considered this item and unanimously recommended to the Watermaster Board to approve.

ATTACHMENTS

1. Memorandum: Chino Basin Watermaster submittal of the water year 2017 reporting requirements for adjudicated basins pursuant to the Sustainable Groundwater Management Act



Memorandum

To:	Chino Basin Watermaster
From:	Veva Weamer
Date:	March 1, 2018
Subject:	Chino Basin Watermaster submittal of the water year 2017 reporting requirements for adjudicated basins pursuant to the Sustainable Groundwater Management Act

Pursuant to the Sustainable Groundwater Management Act (SGMA) requirements for adjudicated basins, as described in California Water Code (CWC) Section 10720.8(f), the Chino Basin Watermaster (Watermaster) is preparing to submit information pursuant to the annual reporting requirements for Chino Basin for water year 2017 (October 1, 2016 to September 30, 2017). The water year 2017 submittal is the third such submittal by the Watermaster to the California Department of Water Resources (DWR). The SGMA requires that the following six categories of data be submitted to the DWR by April 1 of each year: (A) groundwater elevation data, unless otherwise submitted pursuant to Section 10932¹; (B) annual aggregated data identifying total groundwater extractions for the preceding water year; (C) surface water supply used, or available for use, for groundwater recharge or in-lieu use; (D) total water use; (E) change in groundwater storage; and (F) the annual report submitted to the court.

The annual reporting data are submitted to the DWR using its Adjudicated Basin Annual Reporting System—a password-secured, online submission system accessible at <http://sgma.water.ca.gov/adjudbasins>. The DWR Adjudicated Basin Annual Reporting System facilitates the submission of all reporting requirements for adjudicated basins and consists of a standardized reporting template to enter all of the required information, including the ability to upload supporting documents and reports. The standardized reporting template includes sections to upload specific required information for reporting under the SGMA legislation, as well as sections for including optional information.

This memorandum describes all of the information that Wildermuth Environmental, Inc. (WEI) proposes to submit to the DWR using the Adjudicated Basin Annual Reporting System on behalf of the Watermaster, to satisfy the water year 2017 reporting requirements for the Chino Basin.

¹ CWC Section 10932 requires reporting of groundwater levels for the California State Groundwater Elevation Monitoring (CASGEM) Program.

If the information and/or reports proposed for submittal to the DWR are not required, it is specified as such within this memorandum.

Water Data for Water Year 2017

The following Chino Basin water year 2017 data and digital documents will be submitted. The DWR Adjudicated Basin Annual Reporting System language is in ***bold italics*** and the information for submittal is shown in regular text. All volume data are reported in acre-feet (AF).

(A) Groundwater elevation data unless otherwise submitted pursuant to Section 10932.

Is water level data submitted to the CASGEM Program? Yes

Does the watermaster collect or receive additional groundwater levels? Yes

Does the watermaster measure groundwater levels? Yes

(B) Annual aggregated data identifying groundwater extraction for the preceding water year

Total Groundwater Extraction (AF): 137,515

Groundwater extraction by water use sector (if available):

The submittal of this information is optional; the following information will be submitted:

<i>Sector</i>	<i>Volume (AF)</i>	<i>Explanation</i>
<i>Urban</i>	116,629	Appropriative Pool (Pool 3)
<i>Agricultural</i>	17,176	Agricultural Pool (Pool 1)
<i>Other Sector</i>	3,710	Non-Agricultural Pool (Pool 2)

(C) Surface water supply used for or available for use for groundwater recharge or in-lieu use.

Surface Water Supply (AF): 158,319

Method used to determine: The submittal of this information is optional; the following information will be submitted:

The value reported represents total surface water used for direct consumption and for groundwater recharge. Imported water and recycled water deliveries to recharge basins are metered and recorded daily. Storm water and urban runoff recharge volumes are measured by stage sensors in the recharge basins. Imported water, recycled water, and local surface water amounts used for direct consumption are provided by the individual parties in the Chino Basin. For parties that have service areas not entirely within the Chino Basin adjudicated boundary, the proportion of the surface water supply used for consumption inside the Chino Basin adjudicated boundary is not quantified. The portion of the reported volumes that were used for recharge, were recharged entirely within the Chino Basin adjudicated boundary.

Water available for recharge or in-lieu use by source type (if available):

The submittal of this information is optional; the following information will be submitted:

<i>Source Type</i>	<i>Volume (AF)</i>	<i>Explanation</i>
<i>Local Surface Deliveries</i>	28,896	This includes 12,017 AF of storm water and urban runoff for groundwater recharge, and 16,879 AF of native surface water for direct consumption.
<i>State Water Project Deliveries</i>	94,147	This includes 31,128 AF for groundwater recharge, and 63,019 AF for direct consumption.
<i>Recycled Water</i>	35,276	This includes 13,688 AF for groundwater recharge, and 21,588 AF for direct consumption.

(D) Total Water Use (report water use in the basin as data is available and/or as reported in the annual report)

Total Water Use (AF): 333,500

Method used to determine: The submittal of this information is optional; the following information will be submitted:

Total water use data includes water used for direct consumption and for groundwater recharge. Data were obtained from Watermaster records, and/or collected from the parties in the Chino Basin. The total water use represents the sum of total water use by parties to the Chino Basin judgment. Many of the Chino Basin appropriative pool parties have service areas that extend outside the Chino Basin adjudicated boundary. The proportion of the total water use for direct consumption that is used inside the Chino Basin adjudicated boundary is not quantified by Watermaster.

Total water use is reported using the pre-defined categories by the DWR under the **Water use met by source type** below, and is apportioned as follows: **Groundwater** is groundwater produced from Chino Basin and other basins used for direct use; **Surface water** is imported State Water Project water and native surface water used for direct use; **Recycled or reused water** is recycled

water used for direct use; and *Other* is water used for groundwater recharge which includes storm water and urban runoff, imported State Water Project water, and recycled water.

Water Use met by source type:

The submittal of this information is optional; the following information will be submitted:

<i>Type</i>	<i>Volume (AF)</i>
<i>Groundwater</i>	175,180
<i>Surface water</i>	79,899
<i>Recycled or reused water</i>	21,588
<i>Other</i>	56,833

(E) Annual change in groundwater storage

Change in storage (AF): 47,600

Method used to determine: The submittal of this information is optional; the following information will be submitted:

The change in storage over the period of October 1, 2016 through September 30, 2017 was estimated using the Chino Basin groundwater model, which was updated by extending the calibration period from July 1, 1960 through September 30, 2017.

Time period for change: *Start date:* 10/1/2016 *End date:* 9/30/2017

(F) The annual report submitted to the court

Start date: 7/1/2016 **End date:** 6/30/2017

Please submit an electronic (PDF preferred) copy of your annual report:

Watermaster published two Annual Reports since the last the SGMA annual reporting requirements for the Chino Basin were submitted on April 1, 2017. The Chino Basin Watermaster Annual Reports for fiscal year 2015/2016 and 2016/2017 are submitted herein. Subsequent Annual Reports will be submitted for succeeding April 1 annual reporting requirements as they are completed.

Please submit additional reports or documents:

The submittal of this information is optional; this memorandum will be submitted herein. Additional Chino Basin Watermaster engineering and legal reports are available for public download on Watermaster’s website at www.cbwm.org

CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

**G. PROPOSAL FOR INDEPENDENT AUDITOR SERVICES
FROM THE OUTSIDE AUDIT FIRM OF FEDAK & BROWN, LLP**



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: March 22, 2018
TO: Board Members
SUBJECT: Proposal for Independent Auditor Services from the Outside Audit Firm of Fedak & Brown LLP (Consent Calendar Item I.G.)

SUMMARY

Issue: Fedak & Brown LLP has been providing independent auditor services to Watermaster since June 1, 2011. The prior proposal for annual audit services covered the period ending in Fiscal Year 2016/17

Recommendation: Accept Proposal For Independent Auditor Services For Five Years (with Optional Two Years) from the outside Audit Firm of Fedak & Brown LLP and authorize the General Manager to execute the annual engagement letters for the duration of the proposal on behalf of Watermaster.

Financial Impact: The proposal for independent auditor services for FY 2017/18 is \$13,625; FY 2018/19 is \$14,250; FY 2019/20 is \$14,875; FY 2020/21 is \$15,500; and FY 2021/22 is \$16,125. The additional/optional two years is FY 2022/23 of \$16,750 and FY 2023/24 of \$17,175. The overall total cost for five years is \$74,375 and the overall cost for seven years is \$108,300.

Future Consideration

Watermaster Board – March 22, 2018: Approval [Normal Course of Business]

ACTIONS:

Watermaster Board – March 22, 2018:

BACKGROUND

Chino Basin Watermaster (Watermaster) is required to have an annual audit of its financial records. Several financial reports and statements are included as part of Watermaster's Annual Report. These reports and statements are the Independent Auditors' Report; Management's Discussion and Analysis; Statement of Net Assets; Statement of Revenues, Expenses and Changes in Net Assets; Statement of Cash Flows; Notes to the Basic Financial Statements; and Supplemental Information.

The audit firm's responsibility is to express an opinion on the basic financial statements based upon their audit. The audit firm conducts their audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that the audit firm plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

DISCUSSION

From fiscal year end June 30, 1999 until June 30, 2005, the annual audit was performed by Conrad and Associates, located in Irvine, California. During 2005, Conrad and Associates was merged with Mayer Hoffman McCann. The Mayer Hoffman McCann office (located in Irvine, California) performed the annual audit from June 30, 2006 through June 30, 2010.

To confirm the quality and pricing of the financial audit services and ensure competitiveness, Watermaster developed and issued a Request For Proposal (RFP) for independent auditing services. An (RFP) was issued to sixteen local and regional audit firms on March 1, 2011. Watermaster received six signed proposals on or before April 1, 2011 and by action of the Watermaster Board on May 26, 2011, Charles Z. Fedak & Company was awarded the independent auditing services agreement for five years (including an optional two additional years). The services agreement period was for five years (including an optional two additional years) which were FY 2010/11 through and including FY 2016/17. The total audit fees (including not-to-exceed estimated out-of-pocket costs) for the approved agreement for FY 2010/11 through and including FY 2016/17 was \$71,400. The cost breakdown of the fees of \$71,400 were \$68,390 for audit service fees and \$3,010 for not-to-exceed estimated out-of-pocket costs. The Financial Auditing Services proposal has now expired and is due for renewal.

Watermaster has utilized the services of Fedak & Brown LLP since June 1, 2011 and Staff recommends to continue the professional working relationship and renew the engagement of independent auditor services with Fedak & Brown LLP by accepting the five year proposal (including an optional two years) for Financial Auditing Services.

The total audit fees (including not-to-exceed estimated out-of-pocket costs) for the proposed agreement for FY 2017/18 through and including FY 2023/24 is \$108,300. The cost breakdown of the fees of \$108,300 are \$104,100 for audit service fees and \$4,200 for not-to-exceed estimated out-of-pocket costs.

ATTACHMENTS

1. Cost Proposal for Financial Auditing Services from Fedak & Brown LLP dated March 7, 2018

Cost Proposal for Financial Auditing Services



Chino Basin Watermaster

Prepared by:

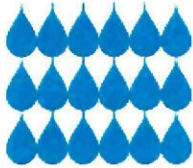
Fedak & Brown LLP

Certified Public Accountants
Cypress, California & Riverside, California
(657) 214-2307 (951) 783-9149



Contact Person:

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1945 Chicago Avenue, Suite C-1
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March 7, 2018

Mr. Joseph S. Joswiak, CFO
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, California 91730

Re: Proposal for Independent Auditor Services

Dear Mr. Joswiak:

Based on our understanding of the Chino Basin Watermaster's (Watermaster) requirements, our fee for audit services at our discounted rates for the fiscal year ending June 30, 2018 will be **\$13,100**. This fee is based on our understanding of the Watermaster's requirements.

Assuming there is no substantial change in the Watermaster's activities and operations, our fee for audit services for the fiscal years ending June 30, 2019 through 2022, and the optional fiscal years ending 2023 and 2024 will be **\$13,700, \$14,300, \$14,900, \$15,500, \$16,100, and \$16,500**, respectively.

Our estimate for out-of-pocket expenses is a separate estimate and may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services proposal and out-of-pocket costs for the fiscal years ending June 30, 2018 through 2022 and optional fiscal years ending June 30, 2023 and 2024 are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the Watermaster.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the Watermaster.

Christopher J. Brown, CPA CGMA

March 7, 2018

Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2018 through 2022, and optional fiscal years ending June 30, 2023 and 2024, the financial audit of the Watermaster will require approximately 120 audit hours. These hours, by major area, are summarized as follows:

Chino Basin Watermaster					
Audit Steps	Partner	Manager	Supervisor	Staff	Total
Planning	2	2	4	4	12
Control Testwork	4	4	8	16	32
Substantive Testwork	4	6	16	16	42
Reporting	10	8	12	4	34
Total Hours	20	20	40	40	120

As shown above, we expect approximately 67% of engagement hours to come from the Partners, Managers, and Supervisors assigned to all the engagements.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the Watermaster at fees as stated in the attached Cost Proposal Schedule by Year on Page 2 for the fiscal years ending June 30, 2018 through 2022, and optional fiscal years ending June 30, 2023 and 2024, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of Watermaster’s personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the Watermaster, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for at least seven years and make them available to the Watermaster, state agencies, the General Accounting Office, and other parties upon the direction of the Watermaster. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees and Expenses on Pages 4 through 6 of this cost proposal.

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the Watermaster’s staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Watermaster’s activities and issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the Watermaster. Because of our experience, we will provide you with accounting updates (FASB & GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Cost Proposal Schedule by Year

Chino Basin Watermaster			
Engagement Fees By Fiscal Year	Audit Service Fees*	Not-to-Exceed Estimate of Out- of-Pocket Costs**	Total Audit
Fiscal Year 2018	\$ 13,100	525	13,625
Fiscal Year 2019	13,700	550	14,250
Fiscal Year 2020	14,300	575	14,875
Fiscal Year 2021	14,900	600	15,500
Fiscal Year 2022	15,500	625	16,125
Total	\$ 71,500	2,875	74,375
Optional Years			
Fiscal Year 2023	\$ 16,100	650	16,750
Fiscal Year 2024	\$ 16,500	675	17,175

* Professional audit services fees - labor only.

** Estimate of Out-of-Pocket Costs consist of: travel, mileage, postage and printing costs.
Out-pocket costs may not be fully utilized.

Exhibit III – Schedule of Professional Fees and Expenses

Chino Basin Watermaster Fiscal Year 2018

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2018 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 155.00	\$ 2,480
Partner - Technical	4	155.00	620
Manager	20	130.00	2,600
Supervisor	40	100.00	4,000
Staff	40	85.00	3,400
Total Financial Statement Audit for 2018	120		\$ 13,100
Out-of-Pocket Expenses (Travel, Printing etc..)			\$ 525
Total Maximum for 2018			\$ 13,625

Chino Basin Watermaster Fiscal Year 2019

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2019 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 160.00	\$ 2,560
Partner - Technical	4	160.00	640
Manager	20	135.00	2,700
Supervisor	40	105.00	4,200
Staff	40	90.00	3,600
Total Financial Statement Audit for 2019	120		\$ 13,700
Out-of-Pocket Expenses (Travel, Printing etc..)			\$ 550
Total Maximum for 2019			\$ 14,250

Chino Basin Watermaster Fiscal Year 2020

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2020 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 165.00	\$ 2,640
Partner - Technical	4	165.00	660
Manager	20	140.00	2,800
Supervisor	40	110.00	4,400
Staff	40	95.00	3,800
Total Financial Statement Audit for 2020	120		\$ 14,300
Out-of-Pocket Expenses (Travel, Printing etc..)			\$ 575
Total Maximum for 2020			\$ 14,875

Exhibit III – Schedule of Professional Fees and Expenses

Chino Basin Watermaster Fiscal Year 2021

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2021 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 170.00	\$ 2,720
Partner - Technical	4	170.00	680
Manager	20	145.00	2,900
Supervisor	40	115.00	4,600
Staff	40	100.00	4,000
Total Financial Statement Audit for 2021	120		\$ 14,900
Out-of-Pocket Expenses (Travel, Printing etc.)			\$ 600
Total Maximum for 2021			\$ 15,500

Chino Basin Watermaster Fiscal Year 2022

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2022 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 175.00	\$ 2,800
Partner - Technical	4	175.00	700
Manager	20	150.00	3,000
Supervisor	40	120.00	4,800
Staff	40	105.00	4,200
Total Financial Statement Audit for 2022	120		\$ 15,500
Out-of-Pocket Expenses (Travel, Printing etc.)			\$ 625
Total Maximum for 2022			\$ 16,125

Chino Basin Watermaster OPTIONAL YEAR - Fiscal Year 2023

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2023 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 180.00	\$ 2,880
Partner - Technical	4	180.00	720
Manager	20	155.00	3,100
Supervisor	40	125.00	5,000
Staff	40	110.00	4,400
Total Financial Statement Audit for 2023	120		\$ 16,100
Out-of-Pocket Expenses (Travel, Printing etc.)			\$ 650
Total Maximum for 2023			\$ 16,750

Exhibit III – Schedule of Professional Fees and Expenses

**Chino Basin Watermaster
OPTIONAL YEAR - Fiscal Year 2024**

Breakdown of Fees by Hours

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total</u>
Fiscal Year 2024 Audit of:			
Watermaster's Basic Financial Statements			
Partner - Engagement	16	\$ 185.00	\$ 2,960
Partner - Technical	4	185.00	740
Manager	20	160.00	3,200
Supervisor	40	130.00	5,200
Staff	40	110.00	4,400
Total Financial Statement Audit for 2024	<u>120</u>		\$ 16,500
Out-of-Pocket Expenses (Travel, Printing etc..)			\$ 675
Total Maximum for 2024			\$ <u>17,175</u>

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for February 2018

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
February 2018

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/01/2018	ACH 020118	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	01/27/2018	01/27/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 01/14/18-01/27/18	2000 · Accounts Payable	6,725.08
TOTAL						<u>6,725.08</u>
Bill Pmt -Check	02/05/2018	ACH 020518	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	01/16/2018	1394905143		1394905143	60182.1 · Medical Insurance	8,440.38
TOTAL						<u>8,440.38</u>
Bill Pmt -Check	02/06/2018	20621	ACWA JOINT POWERS INSURANCE AUTHORIT	0534625	1012 · Bank of America Gen'l Ckg	
Bill	02/06/2018	0534625		Prepayment - March 2018	1409 · Prepaid Life, BAD&D & LTD	363.87
				February 2018	60191 · Life & Disab.Ins Benefits	199.28
TOTAL						<u>563.15</u>
Bill Pmt -Check	02/06/2018	20622	APPLIED COMPUTER TECHNOLOGIES	2944	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	2944		Database Consulting Services - January 2018	6052.2 · Applied Computer Technol	4,064.20
TOTAL						<u>4,064.20</u>
P115 Bill Pmt -Check	02/06/2018	20623	BOWCOCK, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	01/31/2018	1/31 Storage Wkshp		1/31/18 Storage Workshop	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	02/06/2018	20624	DI PRIMIO, ROBERT	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/05/2018	1/05 GM Meeting		1/05/18 Status of court filings meeting w/GM	6311 · Board Member Compensation	125.00
Bill	01/16/2018	1/16 Pre Board Mtg		1/16/18 Pre-Board meeting w/GM	6311 · Board Member Compensation	125.00
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>375.00</u>
Bill Pmt -Check	02/06/2018	20625	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/11/2018	1/11 Ag Pool Mtg		1/11/18 Ag Pool Meeting	8411 · Compensation	25.00
				1/11/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/22/2018	1/22 Special Ag Mtg		1/22/18 Special Ag Pool Meeting	8411 · Compensation	25.00
				1/22/18 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	02/06/2018	20626	INLAND EMPIRE UTILITIES AGENCY	90021542	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	90021542		1,145.900 AF @ \$666 Untreated Water	5011 · Replenishment Water	763,169.40
TOTAL						<u>763,169.40</u>
Bill Pmt -Check	02/06/2018	20627	KUHN, BOB	Board Member Compensation	1012 · Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
February 2018

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	01/08/2018	1/08 Admin Mtg		1/08/18 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	01/11/2018	1/11 Appro Pool Mtg		1/11/18 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	01/23/2018	1/23 Board DeBrief		1/11/18 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	02/06/2018	20628	PREMIERE GLOBAL SERVICES	25198466	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	25198466		Pomona extensometer call on 1/08	6909.1 · OBMP Meetings	6.27
				Non-Ag Pool meeting call on 1/11	8512 · Meeting Expense	45.52
				Pomona extensometer call on 1/22	6909.1 · OBMP Meetings	6.27
				Basin Monitoring Task Force call on 1/24	6909.1 · OBMP Meetings	6.80
				Fee - General	6022 · Telephone	49.00
				Fee - Confidential	6022 · Telephone	49.00
				Court filing call on 1/03	6909.1 · OBMP Meetings	6.28
				Court filing call on 1/03	6909.1 · OBMP Meetings	7.08
				WM coordination call on 1/08	6909.1 · OBMP Meetings	17.94
				WM coordination call on 1/15	6909.1 · OBMP Meetings	15.50
				SY term sheet call on 1/19	8312 · Meeting Expenses	13.03
				WM coordination call on 1/22	6909.1 · OBMP Meetings	18.62
				Board agenda preview call on 1/23	6312 · Meeting Expenses	6.28
				SGMA call on 1/26	6909.1 · OBMP Meetings	6.27
				Service fee	6022 · Telephone	9.56
TOTAL						263.42
Bill Pmt -Check	02/06/2018	20629	PRINTING RESOURCES	64653	1012 · Bank of America Gen'l Ckg	
Bill	01/19/2018	64653		New Pool/Board Member Nameplates	6031.7 · Other Office Supplies	244.81
TOTAL						244.81
Bill Pmt -Check	02/06/2018	20630	PURCHASE POWER	8000-9090-0016-8851	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	8000909000168851		Cleaning kit for postage meter	6042 · Postage - General	61.54
TOTAL						61.54
Bill Pmt -Check	02/06/2018	20631	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	0023230253		Office Water Bottle - January 2018	6031.7 · Other Office Supplies	102.36
TOTAL						102.36
Bill Pmt -Check	02/06/2018	20632	RR FRANCHISING, INC.		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	51040		Carpet cleaning on 01/06/18	6024 · Building Repair & Maintenance	600.00
Bill	02/01/2018	51285		Monthly service February 2018	6024 · Building Repair & Maintenance	740.00
TOTAL						1,340.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/06/2018	20633	STATE COMPENSATION INSURANCE FUND	1970970-17	1012 · Bank of America Gen'l Ckg	
Bill	02/01/2018	1970970-17		Monthly premium 1/26/18-2/26/18	60183 · Worker's Comp Insurance	520.50
TOTAL						520.50
Bill Pmt -Check	02/06/2018	20634	UNION 76	7076-2245-3035-5049	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	7076224530355049		Vehicle Fuel - January 2018	6175 · Vehicle Fuel	164.12
TOTAL						164.12
Bill Pmt -Check	02/06/2018	20635	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	001017890001		Vision Insurance Premium - February 2018	60182.2 · Dental & Vision Ins	88.20
TOTAL						88.20
Bill Pmt -Check	02/06/2018	20636	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	08-k2 213849		February 2018	6024 · Building Repair & Maintenance	117.14
TOTAL						117.14
Bill Pmt -Check	02/06/2018	20637	FEENSTRA, BOB	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/30/2018	9/14/17 Ag Pool Mtg		9/14/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	9/21/17 Advis Comm		9/21/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	9/28/17 Board Mtg		9/28/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	10/12/17 Ag Pool Mtg		10/12/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	10/19/17 Advis Comm		10/19/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	10/26/17 Board Mtg		10/26/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	11/13/17 Ag Pool Mtg		11/13/17 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	11/16/17 Advis Comm		11/16/17 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	11/16/17 Board Mtg		11/16/17 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	01/30/2018	1/11/18 Ag Pool Mtg		1/11/18 Ag Pool Meeting	8411 · Compensation	25.00
				1/11/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/30/2018	1/18 Advisory Comm		1/18/18 Advisory Committee Meeting	8411 · Compensation	25.00
				1/18/18 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/30/2018	1/22 Special Ag Pool		1/22/18 Special Ag Pool Meeting	8411 · Compensation	25.00
				1/22/18 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/30/2018	1/25 Board mtg		1/25/18 Board Meeting	8411 · Compensation	25.00
				1/25/18 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/31/2018	11/20/17 Special Ag		11/20/17 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						1,750.00
Bill Pmt -Check	02/06/2018	20638	PIERSON, JEFFREY	Ag Pool and Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/11/2018	1/11 Ag Pool Mtg		1/11/18 Ag Pool Meeting	8411 · Compensation	25.00

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Type	Date	Num	Name	Memo	Account	Paid Amount
				1/11/18 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/18/2018	1/19 Advisory Comm		1/18/18 Advisory Committee Meeting	8411 · Compensation	25.00
				1/18/18 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/18/2018	1/18 RIPCom Mtg		1/18/18 RIPCom Meeting	8411 · Compensation	25.00
				1/18/18 RIPCom Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/22/2018	1/22 Special Ag Pool		1/22/18 Special Ag Pool Meeting	8411 · Compensation	25.00
				1/22/18 Special Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
Bill	01/31/2018	1/31 Storage Wkshp		1/31/18 Storage Workshop	8411 · Compensation	25.00
				1/31/18 Storage Workshop	8470 · Ag Meeting Attend -Special	100.00
TOTAL						750.00
General Journal	02/10/2018	02/10/2018	Payroll and Taxes for 01/28/18-02/10/18	Payroll and Taxes for 01/28/18-02/10/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 01/28/18-02/10/18	1012 · Bank of America Gen'l Ckg	26,172.98
				Payroll Taxes for 01/28/18-02/10/18	1012 · Bank of America Gen'l Ckg	8,435.29
			ICMA-RC	457(b) Employee Deductions for 01/28/18-02/10/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 01/28/18-02/10/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						40,649.59
Bill Pmt -Check	02/15/2018	ACH 021518	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	02/10/2018	02/10/2018	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 01/28/18-02/10/18	2000 · Accounts Payable	6,725.08
TOTAL						6,725.08
Bill Pmt -Check	02/16/2018	20639	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	XXXX-XXXX-XXXX-9341		1099 Forms for 2017	6031.7 · Other Office Supplies	31.24
				CompPackage software renewal	6031.7 · Other Office Supplies	299.00
				Miscellaneous office supplies	6031.7 · Other Office Supplies	258.62
				Laminating sheets for office	6031.7 · Other Office Supplies	12.49
				PK meeting w/R. Craig	8312 · Meeting Expenses	18.71
				Meeting pre-Ag Pool mtg	8412 · Meeting Expenses	88.53
				PK meeting w/H. Razak	8312 · Meeting Expenses	31.91
				PK meeting w/City of Chino	8312 · Meeting Expenses	57.52
				Miscellaneous office supplies	6031.7 · Other Office Supplies	86.98
				PK meeting w/Filippi	6312 · Meeting Expenses	17.51
				Lunch for meeting w/City of Montclair	8312 · Meeting Expenses	210.11
				PK meeting w/Curatalo, Tieg	8312 · Meeting Expenses	45.27
				PK meeting w/T. Corbin	8312 · Meeting Expenses	37.33
				Dessert for staff meeting	6141.3 · Admin Meetings	29.07
				Photographer for staff, Board, Pool members	6031.7 · Other Office Supplies	400.00
				PK meeting w/T. Layton, V. Jew	8312 · Meeting Expenses	59.28

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				Miscellaneous office supplies	6031.7 · Other Office Supplies	64.71
				PK meeting w/Zvirbulis, Poulson, Burton	8312 · Meeting Expenses	41.48
				PK-Registration-ACWA 2018 Spring Conference	6193.2 · Conference - Registration Fee	699.00
TOTAL						<u>2,488.76</u>
Bill Pmt -Check	02/16/2018	20640	CHEF DAVE'S CAFE & CATERING	8032	1012 · Bank of America Gen'l Ckg	
Bill	01/25/2018	8032		Lunch for 1/25/18 Watermaster Board meeting	6312 · Meeting Expenses	600.69
TOTAL						<u>600.69</u>
Bill Pmt -Check	02/16/2018	20641	CORELOGIC INFORMATION SOLUTIONS	81865845	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	81865845		81865845	7103.7 · Grdwtr Qual-Computer Svc	62.50
				81865845	7101.4 · Prod Monitor-Computer	62.50
TOTAL						<u>125.00</u>
Bill Pmt -Check	02/16/2018	20642	CUCAMONGA VALLEY WATER DISTRICT	Office Lease	1012 · Bank of America Gen'l Ckg	
Bill	02/13/2018			Office lease due March 1, 2018	1422 · Prepaid Rent	6,608.80
TOTAL						<u>6,608.80</u>
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Bill Pmt -Check	02/16/2018	20643	EGOSCUE LAW GROUP	11860	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	11860		Ag Pool Legal Services - January 2018	8467 · Ag Legal & Technical Services	21,362.50
TOTAL						<u>21,362.50</u>
Bill Pmt -Check	02/16/2018	20644	ELIE, STEVEN	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/05/2018	1/05 Admin Mtg		1/05/18 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	01/25/2018	1/25 Board Meeting		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	02/16/2018	20645	EUROFINS EATON ANALYTICAL		1012 · Bank of America Gen'l Ckg	
Bill	01/16/2018	L0371461		L0371461	7108.4 · Hydraulic Control-Lab Svcs	440.00
Bill	01/16/2018	L0371462		L0371462	7108.4 · Hydraulic Control-Lab Svcs	1,992.00
TOTAL						<u>2,432.00</u>
Bill Pmt -Check	02/16/2018	20646	FILIPPI, GINO	Board Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	02/16/2018	20647	FIRST LEGAL NETWORK LLC	40014882	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	40014882		Filings on 01/02/18, 01/05/18 and 01/12/18	6061.5 · Court Filing Services	298.10
TOTAL						<u>298.10</u>

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Bill Pmt -Check	02/16/2018	20648	GREAT AMERICA LEASING CORP.	22151803	1012 - Bank of America Gen'l Ckg	
Bill	02/14/2018	22151803		Invoice for February 2018	6043.1 - Ricoh Lease Fee	2,605.07
TOTAL						<u>2,605.07</u>
Bill Pmt -Check	02/16/2018	20649	PAYCHEX	2018020100	1012 - Bank of America Gen'l Ckg	
Bill	01/31/2018	2018020100		January 2018	6012 - Payroll Services	633.26
TOTAL						<u>633.26</u>
Bill Pmt -Check	02/16/2018	20650	PIETERSMA, RONALD	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	01/11/2018	1/11 Ag Pool Mtg		1/11/18 Ag Pool Meeting	8411 - Compensation	25.00
				1/11/18 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	01/22/2018	1/22 Special Ag Pool		1/22/18 Special Ag Pool Meeting	8411 - Compensation	25.00
				1/22/18 Special Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						<u>250.00</u>
Bill Pmt -Check	02/16/2018	20651	STAPLES BUSINESS ADVANTAGE	8048582078	1012 - Bank of America Gen'l Ckg	
Bill	02/03/2018	8048582078		Miscellaneous office supplies	6031.7 - Other Office Supplies	107.64
TOTAL						<u>107.64</u>
Bill Pmt -Check	02/16/2018	20652	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	
Bill	02/28/2018				60182.4 - Retiree Medical	25.17
TOTAL						<u>25.17</u>
Bill Pmt -Check	02/16/2018	20653	UNITED HEALTHCARE	0044990053	1012 - Bank of America Gen'l Ckg	
Bill	02/13/2018	0044990053		Dental Insurance Premium - March 2018	60182.2 - Dental & Vision Ins	749.75
TOTAL						<u>749.75</u>
Bill Pmt -Check	02/16/2018	20654	VANDEN HEUVEL, GEOFFREY	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	01/11/2018	1/11 Ag Pool Mtg		1/11/18 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	01/22/2018	1/22 Special Ag Mtg		1/22/18 Special Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	01/25/2018	1/25 Board Mtg		1/25/18 Board Meeting	6311 - Board Member Compensation	125.00
Bill	01/31/2018	1/31 Storage Wkshp		1/31/18 Storage Workshop	6311 - Board Member Compensation	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	02/16/2018	20655	VERIZON WIRELESS	9801081294	1012 - Bank of America Gen'l Ckg	
Bill	02/13/2018	9801081294		Acct #470810953-00001	6022 - Telephone	337.42
TOTAL						<u>337.42</u>
Bill Pmt -Check	02/16/2018	20656	WESTERN MUNICIPAL WATER DISTRICT	Board Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	01/25/2018	1/25 Board Meeting		1/25/18 Board Meeting - Galleano	6311 - Board Member Compensation	125.00

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TOTAL							125.00
	Bill Pmt -Check	02/23/2018	20657	ACCENT COMPUTER SOLUTIONS, INC.	120124	1012 · Bank of America Gen'l Ckg	
	Bill	02/22/2018	120124		Monthly billing for March 2018	6052.4 · IT Managed Services	4,128.00
TOTAL							4,128.00
	Bill Pmt -Check	02/23/2018	20658	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	1012 · Bank of America Gen'l Ckg	
	Bill	02/21/2018	90948438900509145		Office fax	6022 · Telephone	142.83
TOTAL							142.83
	Bill Pmt -Check	02/23/2018	20659	LEGAL SHIELD	0111802	1012 · Bank of America Gen'l Ckg	
	Bill	02/21/2018	0111802		Employee deductions -February 2018	60194 · Other Employee Insurance	79.70
TOTAL							79.70
	Bill Pmt -Check	02/23/2018	20660	PETTY CASH	2709-2722	1012 · Bank of America Gen'l Ckg	
	Bill	02/21/2018	2709-2722		Miscellaneous office supplies	6031.7 · Other Office Supplies	48.75
					Travel reimbursement - PK	6174 · Public Transportation	24.47
					Supplies for admin. meetings	6141.3 · Admin Meetings	76.32
					Reimbursement for Notary expense - AT	6192 · Seminars - General	29.94
					Supplies for 01/25 Board meeting	6312 · Meeting Expenses	3.89
					Supplies-01/31 Appro Pool strategic planning mtg	8312 · Meeting Expenses	125.52
					Delivery tip for pre Ag Pool staff meeting	8412 · Meeting Expenses	4.99
					Lunch for In Situ water quality presentation	7103.6 · Grdwtr Qual-Supplies	47.39
TOTAL							361.27
	Bill Pmt -Check	02/23/2018	20661	STANDARD INSURANCE CO.	Policy # 00-649299-0009	1012 · Bank of America Gen'l Ckg	
	Bill	02/21/2018	006492990009		Policy # 00-649299-0009	60191 · Life & Disab.Ins Benefits	786.43
TOTAL							786.43
	Bill Pmt -Check	02/23/2018	20662	STAPLES BUSINESS ADVANTAGE	8048680083	1012 · Bank of America Gen'l Ckg	
	Bill	02/10/2018	8048680083		Miscellaneous office supplies	6031.7 · Other Office Supplies	93.29
TOTAL							93.29
	Bill Pmt -Check	02/23/2018	20663	VERIZON WIRELESS	9801607491	1012 · Bank of America Gen'l Ckg	
	Bill	02/21/2018	9801607491		Acct #642073270-00001	7103.7 · Grdwtr Qual-Computer Svc	100.06
TOTAL							100.06
	Bill Pmt -Check	02/23/2018	20664	XLNT TINT OF ANAHEIM, INC.		1012 · Bank of America Gen'l Ckg	
	Bill	02/15/2018			Tinting-windows-field staff & Tellez Foster's office	6031.7 · Other Office Supplies	550.00
TOTAL							550.00

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For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	02/24/2018	02/24/2018	Payroll and Taxes for 02/11/18-02/24/18	Payroll and Taxes for 02/11/18-02/24/18	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 02/11/18-02/24/18	1012 · Bank of America Gen'l Ckg	26,118.37
				Payroll Taxes for 02/11/18-02/24/18	1012 · Bank of America Gen'l Ckg	8,315.62
			ICMA-RC	457(b) Employee Deductions for 02/11/18-02/24/18	1012 · Bank of America Gen'l Ckg	4,738.05
			ICMA-RC	401(a) Employee Deductions for 02/11/18-02/24/18	1012 · Bank of America Gen'l Ckg	1,303.27
TOTAL						40,475.31
Bill Pmt -Check	02/26/2018	ACH 022618	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	02/01/2018	15184428		Annual Unfunded Accrued Liability	60180 · Employers PERS Expense	4,348.52
TOTAL						4,348.52
Bill Pmt -Check	02/28/2018	20665	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	710890		710890	6078 · BHFS Legal - Miscellaneous	33,454.50
				Angelica BK	6078 · BHFS Legal - Miscellaneous	1,010.00
				NRG BK	6078 · BHFS Legal - Miscellaneous	980.50
				Delivery/Ground Transportation	6078 · BHFS Legal - Miscellaneous	150.00
				Research	6078 · BHFS Legal - Miscellaneous	2.78
				Mileage/Parking Expense	6078 · BHFS Legal - Miscellaneous	129.70
				Mileage/Parking Expense	8375 · BHFS Legal - Appropriative Pool	12.26
				Mileage/Parking Expense	8475 · BHFS Legal - Agricultural Pool	12.26
				Mileage/Parking Expense	8575 · BHFS Legal - Non-Ag Pool	12.26
Bill	01/31/2018	710891		710891	6073 · BHFS Legal - Personnel Matters	796.50
Bill	01/31/2018	710892		710892	6907.34 · Santa Ana River Water Rights	4,823.00
Bill	01/31/2018	710893		710893	6907.36 · Santa Ana River Habitat	594.00
Bill	01/31/2018	710894		710894	6275 · BHFS Legal - Advisory Committee	940.50
				Mileage/Parking Expense	6275 · BHFS Legal - Advisory Committee	36.78
Bill	01/31/2018	710895		710895	6375 · BHFS Legal - Board Meeting	6,615.00
				Delivery/Ground Transportation	6375 · BHFS Legal - Board Meeting	150.00
Bill	01/31/2018	710896		710896	8375 · BHFS Legal - Appropriative Pool	2,227.50
Bill	01/31/2018	710897		710897	8475 · BHFS Legal - Agricultural Pool	2,079.00
Bill	01/31/2018	710898		710898	8575 · BHFS Legal - Non-Ag Pool	2,079.00
Bill	01/31/2018	710899		710899	6071 · BHFS Legal - Court Coordination	7,498.50
Bill	01/31/2018	710900		710900	6077 · BHFS Legal - Party Status Maint	8,054.50
Bill	01/31/2018	710901		710901	6907.39 · Recharge Master Plan	2,938.50
Bill	01/31/2018	710902		710902	6907.40 · Storage Agreements	12,579.00
				Mileage/Parking Expense	6907.40 · Storage Agreements	36.78
Bill	01/31/2018	710903		710903	6907.41 · Prado Basin Habitat Sustain	533.00
Bill	01/31/2018	710904		710904	6907.42 · Safe Yield Recalculation	22,148.00
				Delivery/Ground Transportation	6907.42 · Safe Yield Recalculation	150.00

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**CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
February 2018**

For Informational Purposes Only

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	01/31/2018	710905		Lodging - Various days 710905	6907.42 · Safe Yield Recalculation 6907.44 · SGMA Compliance	675.00 3,944.25
TOTAL						<u>114,663.07</u>
Bill Pmt -Check	02/28/2018	20666	CORO NORTHERN CALIFORNIA	Refundable Deposit	1012 · Bank of America Gen'l Ckg	
Bill	02/23/2018			Refundable deposit-ETF-Water Solutions Network	6192 · Seminars - General	1,000.00
TOTAL						<u>1,000.00</u>
Bill Pmt -Check	02/28/2018	20667	JOHN J. SCHATZ		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018			Appropriative Pool Legal Services - January 2018	8367 · Legal Service	4,454.00
TOTAL						<u>4,454.00</u>
Bill Pmt -Check	02/28/2018	20668	LEVEL 3 COMMUNICATIONS	67073977	1012 · Bank of America Gen'l Ckg	
Bill	02/27/2018	67073977		2/17/18-3/16/18	6053 · Internet Expense	1,051.67
TOTAL						<u>1,051.67</u>
Bill Pmt -Check	02/28/2018	20669	LOEB & LOEB LLP	1757421	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	1757421		Non-Ag Pool Legal Services - January 2018	8567 · Non-Ag Legal Service	15,868.80
TOTAL						<u>15,868.80</u>
Bill Pmt -Check	02/28/2018	20670	READY REFRESH BY NESTLE	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	02/27/2018	0023230253		Office Water Bottle - February 2018	6031.7 · Other Office Supplies	57.45
TOTAL						<u>57.45</u>
Bill Pmt -Check	02/28/2018	20671	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2018	2018001		2018001	6906.31 · OBMP-Pool, Adv. Board Mtgs	13,009.44
Bill	01/31/2018	2018002		2018002	6906.32 · OBMP-Other General Meetings	8,408.24
Bill	01/31/2018	2018003		2018003	6906.71 · OBMP-Data Req.-CBWM Staff	21,011.60
Bill	01/31/2018	2018004		2018004	6906.72 · OBMP-Data Req.-Non CBWM Staff	3,383.45
Bill	01/31/2018	2018005		2018005	6906.23 · SGMA Reporting Requirements	1,942.70
Bill	01/31/2018	2018006		2018006	6906 · OBMP Engineering Services	4,856.60
Bill	01/31/2018	2018007		2018007	6906.1 · OBMP-Watermaster Model Update	490.10
Bill	01/31/2018	2018008		2018008	6906.9 · OBMP-2018 RMPU Master Update	5,216.90
Bill	01/31/2018	2018009		2018009	7103.3 · Grdwtr Qual-Engineering	23,210.38
Bill	01/31/2018	2018010		2018010	7104.3 · Grdwtr Level-Engineering	11,592.33
Bill	01/31/2018	2018011		2018011	7107.2 · Grd Level-Engineering	4,497.05
				WSP USA Inc.	7107.6 · Grd Level-Contract Svcs	4,007.39
Bill	01/31/2018	2018012		2018012	7108.31 · Hydraulic Control - PBHSP	25,323.50
Bill	01/31/2018	2018013		2018013	7202.2 · Engineering Svc	2,678.82
Bill	01/31/2018	2018014		2018014	7402 · PE4-Engineering	5,271.15

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
February 2018

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	01/31/2018	2018015			7402.10 · PE4 - Northwest MZ1 Area Proj.	2,381.25
Bill	01/31/2018	2018016			7502 · PE6&7-Engineering	5,479.60
Bill	01/31/2018	2018017			7510 · PE6&7-IEUA Salinity Mgmt. Plan	31,561.63
Bill	01/31/2018	2018018			7602 · PE8&9-Engineering	48,106.96
TOTAL						<u>222,429.09</u>
					Total Disbursements:	<u><u>1,287,327.62</u></u>

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