

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, November 16, 2023

9:00 a.m. – Advisory Committee Meeting
11:00 a.m. – Watermaster Board Meeting

**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – November 16, 2023

Mr. Brian Geye, Chair

Mr. Jeff Pierson, Vice-Chair

Mr. Chris Berch, Second Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

(Meeting can also be taken remotely via Zoom at this [link](#))

AGENDA

CALL TO ORDER

ROLL CALL

AGENDA – ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

Minutes of the Advisory Committee Meeting held October 19, 2023 *(Page 1)*

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Report for the Reporting Period Ended September 30, 2023. *(Page 12)*

C. 2022/23 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING PROGRAM

Recommend to the Watermaster Board to approve the 2022/23 Annual Report of the Ground-Level Monitoring Program, and direct staff to file a copy with the Court. *(Page 29)*

D. APPLICATION: RECHARGE – FONTANA WATER COMPANY

Recommend to the Board to approve Fontana Water Company's application for recharge and direct staff to account for this recharge. *(Page 95)*

E. CALENDAR YEAR 2024 ADVISORY COMMITTEE VOLUME VOTE

Approve the Calendar Year 2024 Advisory Committee Volume Vote as presented subject to Board approval of the Fiscal Year 2023/24 Assessment Package. *(Page 95)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT

Recommend future Watermaster appointment. *(Page 105)*

B. FISCAL YEAR 2023/24 ASSESSMENT PACKAGE

Review Fiscal Year 2023/24 Assessment Package as presented and offer advice to Watermaster. *(Page 113)*

C. RESOLUTION 2023-07 TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2023/24, BASED ON PRODUCTION YEAR 2022/23

Recommend to the Watermaster Board to adopt Resolution 2023-07 as presented. *(Page 159)*

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OBMP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Kaiser Permanente Lawsuit

B. ENGINEER

1. Water Quality Committee
2. 2025 Safe Yield Reevaluation
3. Storage and Recovery Master Plan

C. GENERAL MANAGER

1. OBMPU CEQA Process
2. Annual Finding of Substantial Compliance with the Recharge Master Plan
3. December Meeting Schedule
4. Other

D. INLAND EMPIRE UTILITIES AGENCY (*Page 285*)

1. MWD Update (Written)
2. Water Supply Conditions (Written)
3. State and Federal Legislative Reports (Written)

E. METROPOLITAN MEMBER AGENCY REPORTS

IV. COMMITTEE MEMBER COMMENTS

V. OTHER BUSINESS

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

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

VII. FUTURE MEETINGS AT WATERMASTER

11/15/23	Wed	1:00 p.m.	Storage and Recovery Master Plan Committee
11/16/23	Thu	9:00 a.m.	Advisory Committee
11/16/23	Thu	11:00 a.m.	Watermaster Board*
12/05/23	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)

* The Watermaster Board meeting is being advanced by a week due to the Thanksgiving Holiday. Watermaster will be dark in December and can assist with any special meetings as requested. All regularly scheduled meetings will resume in January 2024.

ADJOURNMENT

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – November 16, 2023

Mr. Jim Curatalo, Chair

Mr. Jeff Pierson, Vice-Chair

Mr. Bob Kuhn, Secretary/Treasurer

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

FLAG SALUTE

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS

This is an opportunity for members of the public to address the Board on any short non-agenda items that are within the subject matter jurisdiction of the Chino Basin Watermaster. No discussion or action can be taken on matters not listed on the agenda, per the Brown Act. Each member of the public who wishes to comment shall be allotted three minutes, and no more than three individuals shall address the same subject.

AGENDA – ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

1. Minutes of the Watermaster Board Meeting held October 26, 2023 *(Page 5)*
2. Minutes of the Watermaster Board Special Meeting held November 2, 2023 *(Page 10)*

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Report for the Reporting Period Ended September 30, 2023. *(Page 12)*

C. 2022/23 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING PROGRAM

Approve the 2022/23 Annual Report of the Ground-Level Monitoring Program, and direct staff to file a copy with the Court. *(Page 29)*

D. APPLICATION: RECHARGE – FONTANA WATER COMPANY

Recommend to the Board to approve Fontana Water Company's application for recharge and direct staff to account for this recharge. *(Page 95)*

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT

Recommend future Watermaster appointment and direct Legal Counsel to prepare and file a motion with the Court. *(Page 105)*

B. FISCAL YEAR 2023/24 ASSESSMENT PACKAGE

Approve the Fiscal Year 2023/24 Assessment Package as presented. *(Page 113)*

C. RESOLUTION 2023-07 TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2023/24, BASED ON PRODUCTION YEAR 2022/23

Adopt Resolution 2023-07 as presented. *(Page 159)*

D. PROFESSIONAL SERVICES AGREEMENT BETWEEN WAVE HR SOLUTIONS AND CHINO BASIN WATERMASTER

Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster. *(Page 164)*

E. CHINO BASIN WATERMASTER NOVEMBER 2023 REVISED EMPLOYEE MANUAL

Adopt the updated Chino Basin Watermaster Employee Manual. *(Page 184)*

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OBMP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Kaiser Permanente Lawsuit

B. ENGINEER

1. Water Quality Committee
2. 2025 Safe Yield Reevaluation
3. Storage and Recovery Master Plan

C. GENERAL MANAGER

1. OBMPU CEQA Process
2. Annual Finding of Substantial Compliance with the Recharge Master Plan
3. December Meeting Schedule
4. Other

IV. BOARD MEMBER COMMENTS

V. OTHER BUSINESS

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

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

1. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTERS

VII. FUTURE MEETINGS AT WATERMASTER

11/15/23	Wed	1:00 p.m.	Storage and Recovery Master Plan Committee
11/16/23	Thu	9:00 a.m.	Advisory Committee
11/16/23	Thu	11:00 a.m.	Watermaster Board*
12/05/23	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
01/11/24	Thu	9:00 a.m.	Annual Appropriative Pool Committee
01/11/24	Thu	11:00 a.m.	Annual Non-Agricultural Pool Committee
01/11/24	Thu	1:30 p.m.	Annual Agricultural Pool Committee
01/18/24	Thu	9:00 a.m.	Advisory Committee Meeting
01/25/24	Thu	11:00 a.m.	Watermaster Board Meeting

* The Watermaster Board meeting is being advanced by a week due to the Thanksgiving Holiday. Watermaster will be dark in December and can assist with any special meetings as requested. All regularly scheduled meetings will resume in January 2024.

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

October 19, 2023

The Advisory Committee meeting was held at the Chino Basin Watermaster offices located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) on October 19, 2023.

ADVISORY COMMITTEE MEMBERS PRESENT

- **AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER**

Jeff Pierson, Vice-Chair	Crops
Jimmy Medrano	State of California – CDCR

- **AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM**

Marilyn Levin for Tariq Awan	State of California – DOJ
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- **APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER**

Chris Berch, Second Vice-Chair	Jurupa Community Services District
Chris Diggs	City of Pomona
Amanda Coker	Cucamonga Valley Water District
Marty Zvirbulis	Fontana Union Water Company
Cris Fealy	Fontana Water Company
Marty Zvirbulis	Nicholson Family Trust

- **APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT ON ZOOM**

Dave Crosley	City of Chino
Ron Craig	City of Chino Hills
Courtney Jones	City of Ontario
Braden Yu	City of Upland
Justin Scott-Coe	Monte Vista Irrigation Company
Justin Scott-Coe	Monte Vista Water District
Braden Yu	West End Consolidated Water Company

- **NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM**

Bob Bowcock	CalMat Co.
Alexis Mascarinas	City of Ontario

WATERMASTER BOARD MEMBERS PRESENT ON ZOOM

James Curatalo	Appropriative Pool – Minor Representative
Manny Martinez	Monte Vista Water District
Mike Gardner	Western Municipal Water District

WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Edgar Tellez Foster	Water Resources Mgmt. and Planning Dir.
Anna Nelson	Director of Administration
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Mgr.
Alexandria Moore	Executive Assistant I/Board Clerk
Ruby Favela Quintero	Administrative Analyst
Kelli Hills	Office Specialist/Receptionist
Alonso Jurado	Water Resource Associate

Jordan Garcia
Erik Vides

Senior Field Operations Specialist
Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	West Yost
Garrett Rapp	West Yost

OTHERS PRESENT AT WATERMASTER

Richard Rees	WSP USA
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OTHERS PRESENT ON ZOOM

Natalie Avila	City of Chino
Eunice Ulloa	City of Chino
Nicole deMoet	City of Upland
Eduardo Espinoza	Cucamonga Valley Water District
Rob Hills	Cucamonga Valley Water District
Peter Dopulos	Egoscue Law Group, Inc.
Derek Hoffman	Fennemore Law
Oscar Ramos	Fontana Union Water Company
Eddie Lin	Inland Empire Utilities Agency
John Russ	Inland Empire Utilities Agency
Jesse Pompa	Jurupa Community Services District
Bryan Smith	Jurupa Community Services District
Oscar Ramos	Nicholson Family Trust
Kevin O'Toole	Orange County Water District
David De Jesus	Three Valleys Municipal Water District
Nicole deMoet	West End Consolidated Water Company
Laura Roughton	Western Municipal Water District
Mallory Gandara	Western Municipal Water District

CALL TO ORDER

Vice-Chair Pierson called the Advisory Committee meeting to order at 9:04 a.m.

ROLL CALL

(0:00:11) Ms. Moore conducted the roll call and announced that a quorum was present.

AGENDA – ADDITIONS/REORDER

None

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

Minutes of the Advisory Committee Meeting held September 21, 2023

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Reports for the Reporting Periods Ended July 31, 2023 and August 31, 2023.

C. WATER TRANSACTION – CITY OF UPLAND TO GOLDEN STATE WATER COMPANY

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

D. WATER TRANSACTION – WEST END CONSOLIDATED WATER COMPANY TO GOLDEN STATE WATER COMPANY

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

(0:03:30)

Motion by Mr. Chris Diggs, seconded by Mr. Fealy, Vice-Chair Pierson called for dissent, and, none being noted, the motion was deemed passed unanimously among those present.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

None

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OMBP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Consolidated Case Nos. E080457 and E082127 (City of Ontario appeal re 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Kaiser Permanente Lawsuit

(0:04:03) Mr. Herrema gave a report.

B. ENGINEER

1. GLMC Update
2. Long Term Planning Activities
3. Mitigation Plan for the Temporary Loss of Hydraulic Control
4. Annual Streamflow Monitoring Report for Water Rights Permit 21225
5. Watermaster Model Application and Required Demonstrations
6. Annual Plumes Status Report

(0:06:46) Mr. Malone stated that his report remained unchanged from those given at the Pool Committee meetings last week.

C. GENERAL MANAGER

1. Court Tour of Chino Basin
2. Possible Extension of Dry Year Yield Program
3. OBMPU CEQA Process
4. Fiscal Year 2023/24 Assessment Package
5. Watermaster Reappointment
6. Other

(0:07:54) Mr. Kavounas gave an overview of Watermaster Newsletter that will be forthcoming monthly indicating that each newsletter will feature a current effort and also provide a look-ahead. He also mentioned the outcome of the Water Quality Committee meeting stating the last one was held in 2010 and the need for parties to create a water quality program, and not just a plan. A discussion ensued. He reminded the Advisory Committee that the Watermaster Reappointment will be coming up in January. The remainder of the items remain unchanged from the Pool Committee meetings last week.

D. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written)
2. Water Supply Conditions (Written)
3. State and Federal Legislative Reports (Written)

None

E. METROPOLITAN MEMBER AGENCY REPORTS

None

IV. COMMITTEE MEMBER COMMENTS

None

V. OTHER BUSINESS

None

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

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

None

ADJOURNMENT

Vice-Chair Pierson adjourned the Advisory Committee meeting at 9:25 a.m.

Secretary: _____

Approved: _____

**DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

October 26, 2023

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) On October 26, 2023.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Appropriative Pool – Minor Representative
Jeff Pierson, Vice Chair	Agricultural Pool – Crops
Bob Kuhn, Secretary/Treasurer	Three Valleys Municipal Water District
Bob Bowcock	Non-Agricultural Pool – CalMat Co.
Scott Burton	City of Ontario
Steve Elie	Inland Empire Utilities Agency
Bob Feenstra for Paul Hofer	Agricultural Pool – Dairy
Mike Gardner	Western Municipal Water District
Manny Martinez	Monte Vista Water District

WATERMASTER BOARD MEMBERS ABSENT

Paul Hofer	Agricultural Pool – Crops
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WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Edgar Tellez Foster	Water Resources Mgmt. & Planning Director
Anna Nelson	Director of Administration
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Mgr.
Alexandria Moore	Executive Assistant I/Board Clerk
Ruby Favela Quintero	Administrative Analyst
Kelli Hills	Office Specialist/Receptionist
Alonso Jurado	Water Resources Associate
Jordan Garcia	Senior Field Operations Specialist
Erik Vides	Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Scott Slater	Brownstein Hyatt Farber Schreck, LLP
Scott Nelsen	Eide Bailly
Andy Malone	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Garrett Rapp	West Yost
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OTHERS PRESENT AT WATERMASTER

Tariq Awan	Agricultural Pool – State of CA
Jimmy Medrano	Agricultural Pool – State of CA
Brian Geye	California Speedway Corporation
Hye Jin Lee	City of Chino
Ron Craig	City of Chino Hills
Chris Diggs	City of Pomona
Mikayla Coleman	CV Strategies
Jesse Pompa	Jurupa Community Services District

Bryan Smith
Alyssa Coronado
Kati Parker
David De Jesus
Laura Roughton

Jurupa Community Services District
Santa Ana River Water Company
San Antonio Water Company
Three Valleys Municipal Water District
Western Municipal Water District

OTHERS PRESENT ON ZOOM

Gino Filippi
Gregor Larabee
Marilyn Levin
Tom O'Neill
Natalie Avila
Dave Crosley
Alexis Mascarinas
Braden Yu
John Bosler
Cindy Cisneros
Amanda Coker
Eduardo Espinoza
Mark Gibboney
Rob Hills
Kevin Kenley
Tracy Egoscue
Derek Hoffman
Marty Zvirbulis
Ben Lewis
Eddie Lin
Stephanie Reimer
Stephanie Reimer
Marty Zvirbulis
Kevin O'Toole
John Lopez
Brian Lee
Braden Yu
Mallory O'Connor
Richard Rees

Agricultural Pool – Crops
Agricultural Pool – State of CA
Agricultural Pool – State of CA
Chino Desalter Authority
City of Chino
City of Chino
City of Ontario
City of Upland
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Egoscue Law Group, Inc.
Fennemore Law
Fontana Union Water Company
Golden State Water Company
Inland Empire Utilities Agency
Monte Vista Irrigation Company
Monte Vista Water District
Nicholson Family Trust
Orange County Water District
Santa Ana River Water Company
San Antonio Water Company
West End Consolidated Water Co.
Western Municipal Water District
WSP USA

FLAG SALUTE

Chair Curatalo led the Board in the flag salute.

CALL TO ORDER

Chair Curatalo called the Watermaster Board meeting to order at 11:00 a.m.

ROLL CALL

(00:00:53) Ms. Moore conducted the roll call and announced that a quorum was present.

PUBLIC COMMENTS

None

AGENDA – ADDITIONS/REORDER

(00:02:30) Chair Curatalo requested Watermaster Board have a confidential session at the end of the meeting regarding a personnel matter.

(00:02:17)

Motion by Vice-Chair Jeff Pierson, seconded by Mr. Bob Kuhn, there being no dissent, the item passed unanimously.

Moved to approve the Agenda – Addition/Reorder as shown above.

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

Minutes of the Watermaster Board Meeting held September 28, 2023

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Reports for the Reporting Periods Ended July 31, 2023 and August 31, 2023.

C. WATER TRANSACTION – CITY OF UPLAND TO GOLDEN STATE WATER COMPANY

Approve the proposed transaction.

D. WATER TRANSACTION – WEST END CONSOLIDATED WATER COMPANY TO GOLDEN STATE WATER COMPANY

Approve the proposed transaction.

(00:04:06)

Motion by Mr. Steve Elie, seconded by Mr. Mike Gardner, there being no dissent, the item passed unanimously.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. CHINO BASIN WATERMASTER ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022; AND THE CHINO BASIN WATERMASTER MANAGEMENT REPORT FOR JUNE 30, 2023

Receive and file (1) the Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022 and (2) the Chino Basin Watermaster Management Report for June 30, 2023.

(00:04:46) Mr. Kavounas invited Ms. Nelson prefaced the item and invited Mr. Jonathan Abedesco with C.J. Brown & Company to give a presentation. A discussion ensued.

(00:09:01)

Motion by Mr. Steve Elie, seconded by Mr. Scott Burton, there being no dissent, the item passed unanimously.

Moved to approve Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022; and The Chino Basin Watermaster Management Report for June 30, 2023 (Business Item II.A.) as presented.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OMBP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Kaiser Permanente Lawsuit

(00:09:58) Mr. Slater gave a report. A discussion ensued.

B. ENGINEER

1. GLMC Update
2. Long Term Studies, Analyses, and Planning
3. Mitigation Plan for the Temporary Loss of Hydraulic Control
4. Annual Streamflow Monitoring Report for Water Rights Permit 21225
5. Watermaster Model Application and Required Demonstrations
6. Annual Plumes Status Report

(00:14:31) Mr. Malone gave a report on items 1 and 6, Mr. Rapp gave a report on item 2 and 4, and Mr. Tellez Foster on item 3. A discussion ensued.

C. GENERAL MANAGER

1. Court Tour of Chino Basin
2. Possible Extension of Dry Year Yield Program
3. OBMPU CEQA Process
4. Fiscal Year 2023/24 Assessment Package
5. Watermaster Reappointment
6. Other

(00:45:13) Mr. Kavounas gave an overview of the Chino Basin Tour with Judge Ochoa and stated the recording and transcripts are available on Watermaster website. Mr. Kavounas introduced Mr. Tellez Foster to give a report on items 2 and 3. On item 4, Mr. Kavounas mentioned the Fiscal Year 2023/24 Assessment Package is under way with two workshops scheduled as done in prior years to allow stakeholders to ask any questions. He reminded the Watermaster Board that the Watermaster Reappointment will be coming up in January. He invited Mr. Jurado to introduce Watermaster's new staff member, Mr. Erik Vides, the Field Operations Specialist.

IV. BOARD MEMBER COMMENTS

(1:07:38) Mr. Mike Gardner encouraged the Board to attend the Watermaster Academy sessions as the meetings are informative and could be of value as a Board member.

V. OTHER BUSINESS

None

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

Pursuant to Article II, Section 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.

The Board convened into confidential session at 12:12 p.m. to discuss the following:

1. Personnel Matter

Confidential session concluded at 2:53 p.m. with no reportable action.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board meeting at 2:54 p.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD – SPECIAL MEETING

November 2, 2023

The Watermaster Board special meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) On November 2, 2023.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Appropriative Pool – Minor Representative
Jeff Pierson, Vice Chair	Agricultural Pool – Crops
Bob Kuhn, Secretary/Treasurer	Three Valleys Municipal Water District
Bob Bowcock	Non-Agricultural Pool – CalMat Co.
Scott Burton	City of Ontario
Steve Elie	Inland Empire Utilities Agency
Bob Feenstra for Paul Hofer	Agricultural Pool – Dairy
Mike Gardner	Western Municipal Water District
Manny Martinez	Monte Vista Water District

WATERMASTER BOARD MEMBERS ABSENT

Paul Hofer	Agricultural Pool – Crops
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WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
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WATERMASTER CONSULTANTS PRESENT ON ZOOM

Scott Slater	Brownstein Hyatt Farber Schreck, LLP
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OTHERS PRESENT AT WATERMASTER

Kati Parker	San Antonio Water Company
David De Jesus	Three Valleys Municipal Water District
Laura Roughton	Western Municipal Water District

OTHERS PRESENT ON ZOOM

Brian Geye	California Speedway Corporation
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FLAG SALUTE

Chair Curatalo led the Board in the flag salute.

CALL TO ORDER

Chair Curatalo called the Watermaster Board special meeting to order at 9:30 a.m.

ROLL CALL

(00:00:35) Ms. Moore conducted the roll call and announced that a quorum was present.

PUBLIC COMMENTS

None

AGENDA – ADDITIONS/REORDER

None

IV. CONFIDENTIAL SESSION – POSSIBLE ACTION

Pursuant to Article II, Section 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.

The Board convened into confidential session at 9:34 a.m. to discuss the following:

1. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTERS

Confidential session concluded at 10:23 a.m. with the following statement:

(00:02:40) Mr. Slater reported the Board decided to separate from the current General Manager, Mr. Kavounas. Mr. Tellez Foster has agreed to be the acting General Manager until further notice. The Board thanked Mr. Kavounas for his service as the General Manager of Watermaster over the past 11 years. During his tenure, Watermaster consistently met and exceeded its performance objectives and is positioned to continue to do so in the future. They also thank him for building an effective and responsive management team that the Board will rely upon in this transition. They wish Peter well in his future endeavors.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board special meeting at 10:25 a.m.

Secretary: _____

Approved: _____



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
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STAFF REPORT

DATE: November 2023
TO: Watermaster Committees and Board
SUBJECT: Monthly Financial Reports (For the reporting period ended September 30, 2023)
(Consent Calendar Item I.B.)

SUMMARY

Issue: Record of Monthly Financial Reports for the reporting period ended September 30, 2023)
[Normal Course of Business]

Recommendation: Receive and file Monthly Financials Reports for the reporting period ended September 30, 2023) as presented.

Financial Impact: None.

Future Consideration

Advisory Committee – November 16, 2023: Receive and File

Watermaster Board – November 16, 2023: Receive and File

ACTIONS:

Appropriative Pool – November 9, 2023: Received and Filed

Non-Agricultural Pool – November 9, 2023: Moved unanimously to receive and file, without approval

Agricultural Pool – November 9, 2023: Received and Filed

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

*Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court,
and to develop and implement an Optimum Basin Management Program*

BACKGROUND

A monthly reporting packet is provided to keep all members apprised of Watermaster revenues, expenditures, and other financial activity. Monthly reports include the following:

1. Cash Disbursements – Summarized report of all payments made during the reporting month.
2. Credit Card Expense Detail – Detail report of all credit card activity during the reporting month.
3. Combining Schedule of Revenues, Expenses & Changes in Net Assets – Detail report of all revenue and expense activity for the fiscal YTD, summarized by pool category.
4. Treasurer’s Report – Summary of Watermaster investments holdings and anticipated earnings as of month end.
5. Budget to Actual Report – Detail report of actual revenue and expense activity, shown for reporting month and YTD, comparatively to the adopted budget.
6. Monthly Variance Report & Supplemental Schedules – Supporting schedule providing explanation for major budget variances. Also provides several additional tables detailing pool fund balance, salaries expense, legal expense, and engineering expense.

DISCUSSION

Detailed explanation of major variances and other additional information can be found on the “Monthly Variance Report & Supplemental Schedules.”

Watermaster staff is happy to provide additional explanation or respond to any questions on these reports.

ATTACHMENTS

1. Monthly Financial Reports (September 30, 2023)



Chino Basin Watermaster

Cash Disbursements

September 2023

Date	Number	Vendor Name	Description	Amount
09/06/2023	24301	ACWA JOINT POWERS INSURANCE AUTHORITY	0700257	\$ 529.97
09/06/2023	24302	EIDE BAILLY LLP	EI01549824	2,536.75
09/06/2023	24303	EMPOWER LAB	2874	500.00
09/06/2023	24304	READY REFRESH	0023230253	107.03
09/06/2023	24305	STANDARD INSURANCE CO.	Policy # 00-649299-0009	996.57
09/06/2023	24306	UNION 76	7076-2245-3035-5049	194.34
09/06/2023	24307	UNITED HEALTHCARE	052583832657	1,085.51
09/06/2023	24308	USAFACT, INC.		114.27
09/06/2023	24309	VISION SERVICE PLAN	818618769	146.38
09/06/2023	ACH-9-06-23	CALPERS	CalPERS ACH payment 09.06.23	13,201.69
09/06/2023	ACH 9-15-23	ADP, LLC	ADP Tax Service for 08/05/23-639489531	282.85
09/06/2023	ACH 9-15-23	ADP, LLC	ADP Tax Service for 08/19/23-639489531	540.65
09/06/2023	ACH-9-06-23	HEALTH EQUITY	Health Equity Invoice	42.89
09/08/2023	24310	TOM DODSON & ASSOCIATES	CB271 23-7	19,072.30
09/08/2023	24311	WEST YOST		174,498.75
09/12/2023	24312	ACWA JOINT POWERS INSURANCE AUTHORITY	0700528	494.03
09/12/2023	24313	APPLIED COMPUTER TECHNOLOGIES	35827	4,250.00
09/12/2023	24314	C.J. BROWN & COMPANY, CPAs	August 2023 Services	6,440.00
09/12/2023	24315	CALIFORNIA BANK & TRUST	Account ending 6198	5,257.49
09/12/2023	24316	FIRST LEGAL NETWORK LLC	40078188	187.62
09/12/2023	24317	JURADO, ALONSO	Reimbursement - Judge Tour Dry-Run Van rental	290.57
09/12/2023	24318	LAW OFFICE OF ALLEN W. HUBSCH	Invoice 139	3,410.00
09/12/2023	24319	R&D PEST SERVICES	348242	100.00
09/12/2023	24320	SKILLPATH SEMINARS	8138308	698.00
09/12/2023	24321	STATE COMPENSATION INSURANCE FUND		4,202.37
09/12/2023	24322	STERICYCLE, INC.	Acct: 1000667601	2,855.32
09/12/2023	24323	TALENT ADVISERS, LLC	6013	3,000.00
09/12/2023	24324	TELLEZ-FOSTER, EDGAR	Reimbursement - CA Water Summit / Judge Tour Dry-Run	174.73
09/12/2023	24325	VANGUARD CLEANING SYSTEMS		1,355.00
09/12/2023	24326	VC3, INC.		8,157.59
09/12/2023	ACH-9-12-23	HEALTH EQUITY	Health Equity Invoice	70.00
09/14/2023	24327	EGOSCUE LAW GROUP, INC.	8467	13,450.00
09/15/2023	24328	BOWCOCK, ROBERT		750.00
09/15/2023	24329	BROWNSTEIN HYATT FARBER SCHRECK		130,232.23
09/15/2023	24330	BURRTEC WASTE INDUSTRIES, INC.	Customer 136525395	160.73
09/15/2023	24331	CORELOGIC INFORMATION SOLUTIONS	Invoice 82187173	125.00
09/15/2023	24332	CURATALO, JAMES		1,000.00
09/15/2023	24333	ELIE, STEVEN		250.00
09/15/2023	24334	FILIPPI, GINO		375.00
09/15/2023	24335	GEYE, BRIAN		1,000.00
09/15/2023	24336	KUHN, BOB		750.00
09/15/2023	24337	PIERSON, JEFFREY		750.00
09/15/2023	24338	SPECTRUM ENTERPRISE	6053	1,106.73
09/15/2023	24339	VERIZON WIRELESS	Acct: 470810953-00002	325.35
09/19/2023	ACH-9-19-23	HEALTH EQUITY	Health Equity Invoice	55.92
09/22/2023	ACH-9-22-23	HEALTH EQUITY	Health Equity Invoice	107.75
09/26/2023	24340	APTUS COURT REPORTING		895.00
09/26/2023	24341	BLUERIDGE SOFTWARE, INC.	Invoice 11034	629.82
09/26/2023	24342	CUCAMONGA VALLEY WATER DISTRICT		15,235.30
09/26/2023	24343	EMPOWER LAB	Invoice 2905	3,000.00
09/26/2023	24344	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	228.50
09/26/2023	24345	GREAT AMERICA LEASING CORP.	Inv. 34887808	1,794.74
09/26/2023	24346	LEGAL SHIELD	111802	161.40
09/26/2023	24347	PIERSON, JEFFREY		2,250.00
09/26/2023	24348	PITNEY BOWES GLOBAL FINANCIAL SERVICES	8000-9090-0016-8851	561.13
09/26/2023	24349	PITNEY BOWES GLOBAL FINANCIAL SVCS.	Inv. 3106278821	37.92
09/26/2023	24350	PRINTING RESOURCES	Invoice 68446	32.06
09/26/2023	24351	READY REFRESH	0023230253	\$ 43.08



Chino Basin Watermaster

Cash Disbursements

September 2023

Date	Number	Vendor Name	Description	Amount
09/26/2023	24352	SOUTHERN CALIFORNIA EDISON	6023	\$ 115.33
09/26/2023	24353	SPECTRUM ENTERPRISE	6053	1,106.73
09/26/2023	24354	STANDARD INSURANCE CO.	Policy # 00-649299-0009	762.72
09/26/2023	24355	VC3, INC.	Invoice. 159596	1,413.75
09/26/2023	24356	VERIZON WIRELESS	Acct: 642073270-00002	38.01
09/26/2023	ACH-9-26-23	HEALTH EQUITY	Health Equity Invoice	958.36
09/29/2023	24357	ALEXANDRIA MOORE	Reimbursement for Admin lunch with CVWD & IEUA	117.39
09/29/2023	24358	OFFICE & ERGONOMIC SOLUTIONS, INC.	Proposal #4355 Deposit Payment	1,509.21
09/29/2023	24359	TOM DODSON & ASSOCIATES	CB271 23-8	10,035.00
Total for Month \$				446,156.83



Chino Basin Watermaster

Credit Card Expense Detail

September 2023

Date	Number	Vendor Name	Description	Amount
09/01/2023	24315	CALIFORNIA BANK & TRUST		
		6031.7 · Other Office Supplies	Misc. Office Supplies	(251.60)
		6111 · Membership Dues	Amazon Membership	(189.44)
		6054 · Computer Software	Visio Plan 2	(14.74)
		6141 · Meeting Expenses	Water Quality Meeting - Jersey Mike's	(46.75)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(15.84)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(487.43)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(26.45)
		6111 · Membership Dues	Adobe membership	(235.60)
		6112 · Subscriptions/Publications	Yearly Fee - Doodle	(81.91)
		6112 · Subscriptions/Publications	Doodle transaction fee	(2.46)
		6141 · Meeting Expenses	Meeting - Coco's Bakery A/P	(45.00)
		6141 · Meeting Expenses	Meeting -Coco's Bakery	(45.28)
		6312 · Meeting Expenses	Meeting - S. Elie, P. Kavounas	(23.05)
		6141 · Meeting Expenses	Meeting - J. Bosler, P. Kavounas	(28.45)
		6141 · Meeting Expenses	Meeting - OPS	(124.89)
		6173 · Airfare/Mileage	Data Conference Airfare - ETF	(430.15)
		6191 · Conferences - General	CA Data Water Summit Conference Hotel - F. Yoo	(566.11)
		6111 · Membership Dues	SHRM - membership A. Nelson	(239.65)
		6061.2 · Bamboo HR Consultant	BambooHR	(219.35)
		6141 · Meeting Expenses	Payroll Lunch Meeting	(58.44)
		6031.7 · Other Office Supplies	Retirement meeting	(51.07)
		6154 · Uniforms	Lands End- Jordan Garcia uniform	(126.15)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(126.89)
		6312 · Meeting Expenses	CA Groundwater Coalition Board Meeting	(73.60)
		6031.7 · Other Office Supplies	Retirement gift	(238.64)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(360.57)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(298.16)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(9.47)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(702.65)
		6312 · Meeting Expenses	Board Orientation Meeting	(22.18)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(12.96)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(12.69)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(28.99)
		6141 · Meeting Expenses	Retirement meeting	(60.88)
				(5,257.49)
Total for Month \$				(5,257.49)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2023 through September 30, 2023

	TOTAL			POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2023-2024
	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	JUDGMENT ADMIN & OBMP	AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,314,915
Interest Revenue	-	50,548	50,548	209	7,093	302	9,004	67,157	312,500
Mutual Agency Project Revenue	186,412	-	186,412	-	-	-	-	186,412	186,412
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	186,412	50,548	236,960	209	7,093	302	9,004	253,569	9,813,827
Administrative & Project Expenditures:									
Watermaster Administration	912,675	-	912,675	-	-	-	-	912,675	2,993,430
Watermaster Board-Advisory Committee	49,174	-	49,174	-	-	-	-	49,174	366,923
Optimum Basin Mgmt Administration	-	247,203	247,203	-	-	-	-	247,203	1,215,309
OBMP Project Costs	-	482,280	482,280	-	-	-	-	482,280	5,409,723
Pool Legal Services	-	-	-	-	16,750	5,352	-	22,102	98,642
Pool Meeting Compensation	-	-	-	-	4,125	1,125	-	5,250	12,820
Pool Special Projects	-	-	-	-	-	-	-	-	10,994
Pool Administration	-	-	-	-	-	-	-	-	329,067
Debt Service	-	-	-	-	-	-	-	-	1,665,475
Agricultural Expense Transfer ¹	-	-	-	20,875	(20,875)	-	-	-	-
Total Administrative Expenses	961,849	729,482	1,691,331	20,875	-	6,477	-	1,718,683	12,102,382
Net Ordinary Income	(775,437)	(678,934)	(1,454,371)	(20,666)	7,093	(6,175)	9,004	(1,465,114)	(2,288,555)
Other Income/(Expense)									
Replenishment Water Assessments	-	-	-	-	-	-	-	-	-
RTS Charges from IEUA	-	-	-	-	-	-	-	-	-
Refund-Basin O&M Expenses	-	-	-	-	-	-	-	-	-
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Net Other Income/(Expense)	-	-	-	-	-	-	-	-	-
Net Transfers To/(From) Reserves	\$ (775,437)	\$ (678,934)	\$ (1,454,371)	\$ (20,666)	\$ 7,093	\$ (6,175)	\$ 9,004	\$ (1,465,114)	\$ (2,288,555)
Net Assets, July 1, 2023			9,768,099	41,205	1,343,226	57,841	1,715,286	12,925,657	
Net Assets, End of Period			8,313,728	20,539	1,350,319	51,666	1,724,290	11,460,543	
Ag Pool Assessments Outstanding ²					(731,123)				
Ag Pool Fund Balance				\$	619,196				

¹ Fund balance transfer as agreed to in the Peace Agreement.

² Outstanding balance of Agricultural Pool Special Assessments



Chino Basin Watermaster

Treasurer's Report

September 2023

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	3.53%	\$ 7,484,062	\$ 7,381,588	61.6%
CA CLASS Prime Fund **	Investment	5.48%	4,043,981	4,043,559	33.7%
Bank of America	Checking		563,422	563,422	4.7%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 12,091,465	\$ 11,988,569	100.0%

* The LAIF Market Value factor is updated quarterly in September, December, March, and June.

** The CLASS Prime Fund Net Asset Value factor is updated monthly.

Certification

I certify that (1) all investment actions executed since the last report have been made in full compliance with Chino Basin Watermaster's Investment Policy, and (2) Funds on hand are sufficient to meet all foreseen and planned administrative and project expenditures for the next six months.

Anna Nelson, Director of Administration

Prepared By:

Scott Nelsen, CGFM (Eide Bailly CPAs)



Chino Basin Watermaster

Budget to Actual

For the Period July 1, 2023 to September 30, 2023

	September 2024	YTD Actual	FY 24 Adopted Budget	\$ Over / (Under) Budget	% of Budget
1 Administration Revenue					
2 Local Agency Subsidies	\$ -	\$ 186,412	\$ 186,412	\$ -	100%
3 Admin Assessments-Appropriative Pool	-	-	8,886,165	(8,886,165)	0%
4 Admin Assessments-Non-Ag Pool	-	-	428,750	(428,750)	0%
5 Admin Assessments-Agricultural Pool	-	-	-	-	N/A
6 Total Administration Revenue	-	186,412	9,501,327	(9,314,915)	2%
7 Other Revenue					
8 Appropriative Pool-Replenishment	-	-	-	-	N/A
9 Non-Ag Pool-Replenishment	-	-	-	-	N/A
10 Interest Income	20,747	67,157	312,500	(245,343)	21%
11 Miscellaneous Income	-	-	-	-	N/A
12 Total Other Revenue	20,747	67,157	312,500	(245,343)	21%
13 Total Revenue	20,747	253,569	9,813,827	(9,560,258)	3%
14 Judgment Administration Expense					
15 Judgment Administration	59,368	99,823	721,698	(621,875)	14%
16 Admin. Salary/Benefit Costs	210,278	475,863	1,413,610	(937,747)	34%
17 Office Building Expense	17,998	57,635	208,510	(150,875)	28%
18 Office Supplies & Equip.	5,531	16,222	49,438	(33,216)	33%
19 Postage & Printing Costs	3,289	6,564	33,806	(27,242)	19%
20 Information Services	16,680	35,169	199,818	(164,649)	18%
21 Contract Services	9,388	17,311	60,200	(42,889)	29%
22 Watermaster Legal Services	85,534	166,127	565,964	(399,837)	29%
23 Insurance	-	46,256	50,468	(4,212)	92%
24 Dues and Subscriptions	763	17,133	40,027	(22,894)	43%
25 Watermaster Administrative Expenses	3,390	4,162	7,550	(3,388)	55%
26 Field Supplies	128	320	3,200	(2,880)	10%
27 Travel & Transportation	3,038	6,933	29,570	(22,637)	23%
28 Training, Conferences, Seminars	4,934	6,084	50,400	(44,316)	12%
29 Advisory Committee Expenses	8,449	13,835	105,823	(91,988)	13%
30 Watermaster Board Expenses	31,660	35,339	261,100	(225,761)	14%
31 ONAP - WM & Administration	3,401	4,173	108,194	(104,021)	4%
32 OAP - WM & Administration	6,021	7,454	108,700	(101,246)	7%
33 Appropriative Pool- WM & Administration	7,540	12,596	112,173	(99,577)	11%
34 Allocated G&A Expenditures	(31,270)	(67,151)	(440,829)	373,678	15%
35 Total Judgment Administration Expense	446,119	961,849	3,689,420	(2,727,570)	26%
36 Optimum Basin Management Plan (OBMP)					
37 Optimum Basin Management Plan	130,829	247,203	1,215,309	(968,107)	20%
38 Groundwater Level Monitoring	39,992	76,647	459,625	(382,978)	17%
39 Program Element (PE)2- Comp Recharge	24,345	58,390	1,672,577	(1,614,186)	3%
40 PE3&5-Water Supply/Desalte	850	1,484	105,677	(104,193)	1%
41 PE4- Management Plan	33,240	54,124	817,643	(763,519)	7%
42 PE6&7-CoopEfforts/SaltMgmt	63,843	99,115	1,117,623	(1,018,509)	9%
43 PE8&9-StorageMgmt/Conj Use	64,469	125,369	795,750	(670,381)	16%
44 Recharge Improvements	-	-	1,665,475	(1,665,475)	0%
45 Administration Expenses Allocated-OBMP	18,500	35,449	222,160	(186,711)	16%
46 Administration Expenses Allocated-PE 1-9	12,770	31,702	218,669	(186,967)	14%
47 Total OBMP Expense	388,837	729,482	8,290,508	(7,561,025)	9%
48 Pool Administration					
49 Appropriative Pool-Legal Services	-	-	-	-	N/A
50 OAP Legal & Technical Services	13,450	16,750	41,676	(24,926)	40%
51 OAP Meeting Compensation	2,625	4,125	11,945	(7,820)	35%
52 OAP Expense - Special Projects	-	-	10,994	(10,994)	0%
53 ONAP - Legal Services	3,410	5,352	56,966	(51,614)	9%
53 ONAP - Meeting Compensation	1,125	1,125	875	250	129%
54 Total Pool Administration	20,610	27,352	122,455	(95,103)	22%
56 Other Expense					
57 Groundwater Replenishment	-	-	-	-	N/A
58 Refund-Recharge Debt-Approp.	-	-	-	-	N/A
59 Total Other Expense	-	-	-	-	N/A
60 Total Expenses	855,566	1,718,683	12,102,382	(10,383,699)	14%
61 Increase / (Decrease) to Reserves	\$ (834,819)	\$ (1,465,114)	\$ (2,288,555)	\$ 823,441	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules For the period July 1, 2023 to September 30, 2023

Budget to Actual

The Budget to Actual report summarizes the operating and non-operating revenues and expenses of Chino Basin Watermaster for the fiscal year-to-date (YTD). Columns are included for current monthly and YTD activity shown comparatively to the FY 24 adopted budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of September 30th, the target budget percentage is generally 25%.

Revenues

Lines 1-6 Administration Revenue – Includes local agency subsidies and administrative assessment for the appropriate, agricultural and non-agricultural pools. Below is a summary of notable account variances at month end:

- Line 2 Local Agency Subsidies is at 100% of budget due to annual administrative assessment received from Metropolitan Water District.
- Lines 3-5 Administrative Assessments for the three pools have no activity YTD due to timing of annual assessments. Assessments for all pools are prepared in November of each year.

Lines 7-12 Other Revenue – Includes pool replenishment assessments, interest income and other miscellaneous income.

Expenses

Lines 14-35 Judgment Administration Expense – Includes Watermaster general administrative expenses, contract services, insurance, office and other administrative expenses. Below is a summary of notable account variances at month end:

- Line 23 Insurance includes general liability insurance, directors and officers liability, municipalities coverage, environmental pollution liability and other various insurance policies. YTD is at 92% of budget due to timing of annual renewals for the directors' and officers' policy and municipalities coverage.
- Line 24 Dues and Subscriptions is at 43% of budget due to timing of annual dues for ACWA and CA Groundwater Coalition.

Lines 36-47 Optimum Basin Management Plan (OBMP) Expense – Includes legal, engineering, groundwater level monitoring, allocated administrative expenses, and other expenses.

Lines 48-54 Pool Administration Expenses – Includes expense activity relating to pool specific fund balances. These include legal services for each pool, Ag pool meeting compensation, and Ag pool special projects.

Lines 56-59 Other Expense – Includes groundwater replenishment, and various refunds as appropriate. YTD there has been no activity.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to September 30, 2023

Pool Services Fund Accounting

Each Pool has a fund account created to pay their own legal service invoices. The legal services invoices are funded and paid using the fund accounts (8467 for the Overlying Agricultural Pool (OAP), 8567 for the Overlying Non-Agricultural Pool (ONAP), and 8367 for the Appropriate Pool (AP)). Along with the legal services fund account for the OAP (8467), the OAP also has two other fund accounts for Ag Pool Meeting Attendance expenses (8470), and Special Projects expenses (8471). The ONAP also have a meeting compensation fund account (8511) Additionally, the OAP has a reserve fund that is held by Watermaster and spent at the direction of the OAP. These fund accounts are replenished at the direction of each Pool, and the legal service invoices are approved by the Pool leadership and when paid by Watermaster, are deducted from the existing fund account balances. If the fund account for any pool reaches zero, no further payments can be paid from the fund and a replenishment action must be initiated by the pool.

The following tables detail the fund balance accounts as of August 31, 2023 (continued next page):

Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services		Fund Balance For Appropriative Pool Account 8367 - Legal Services																	
Beginning Balance July 1, 2023:	\$ 56,965.90	Beginning Balance July 1, 2023:	\$ (12,415.36)																
Additions:		Additions:																	
Interest Earnings	302.16	Interest Earnings	209.49																
Pool Invoices issued	-	Outstanding invoice payments received	-																
Subtotal Additions:	302.16	Subtotal Additions:	209.49																
Reductions:		Reductions:																	
Invoices paid July 2023 - September 2023	(5,352.00)	Invoices paid July 2023 - September 2023	-																
Subtotal Reductions:	(5,352.00)	Subtotal Reductions:	-																
Available Fund Balance as of August 31, 2023	\$ 51,916.06	Available Fund Balance as of August 31, 2023	\$ (12,205.87) *																
<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation</th> <th style="text-align: right;"></th> </tr> </thead> <tbody> <tr> <td>Beginning Balance July 1, 2020:</td> <td style="text-align: right;">\$ 875.00</td> </tr> <tr> <td>Additions:</td> <td></td> </tr> <tr> <td>Subtotal Additions:</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 1px solid black;">-</td> </tr> <tr> <td>Reductions:</td> <td></td> </tr> <tr> <td>Compensation paid July 2023 - September 2023</td> <td style="text-align: right;">(1,125.00)</td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 1px solid black;">(1,125.00)</td> </tr> <tr> <td>Available Fund Balance as of August 31, 2023</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ (250.00)</td> </tr> </tbody> </table>				Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation		Beginning Balance July 1, 2020:	\$ 875.00	Additions:		Subtotal Additions:	-	Reductions:		Compensation paid July 2023 - September 2023	(1,125.00)	Subtotal Reductions:	(1,125.00)	Available Fund Balance as of August 31, 2023	\$ (250.00)
Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation																			
Beginning Balance July 1, 2020:	\$ 875.00																		
Additions:																			
Subtotal Additions:	-																		
Reductions:																			
Compensation paid July 2023 - September 2023	(1,125.00)																		
Subtotal Reductions:	(1,125.00)																		
Available Fund Balance as of August 31, 2023	\$ (250.00)																		

*Negative due to accrued portion of legal services for June 2023



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to September 30, 2023

Pool Services Fund Accounting – Cont.

**Fund Balance for Agricultural Pool
Account 8467 - Legal Services**

Beginning Balance July 1, 2023:	\$ 41,675.63
Additions:	
Ag Pool Legal invoices issued FY23/24	-
Total Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023 - September 2023	<u>(16,750.00)</u>
Subtotal Reductions:	<u>(16,750.00)</u>
Available Fund Balance as of August 31, 2023	<u>\$ 24,925.63</u>

**Agricultural Pool Reserve Funds
As shown on the Combining Schedules**

Beginning Balance July 1, 2023:	\$ 612,103.32
Additions:	
YTD Interest earned on Ag Pool Funds FY 24	7,093.10
Transfer of Funds from AP to Special Fund for Legal Service Invoices	<u>16,750.00</u>
Total Additions:	<u>23,843.10</u>
Reductions:	
Invoices paid July 2023 - September 2023	<u>(16,750.00)</u>
Total Reductions	<u>(16,750.00)</u>
Agricultural Pool Reserve Funds Balance as of Aug. 31, 2023:	<u>\$ 619,196.42</u>

**Fund Balance For Agricultural Pool
Account 8470 - Meeting Compensation**

Beginning Balance July 1, 2023:	\$ 950.98
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Budget Transfers ¹	<u>10,993.67</u>
Subtotal Additions:	<u>10,993.67</u>
Reductions:	
Compensation paid July 2023 - September 2023	<u>(4,125.00)</u>
Subtotal Reductions:	<u>(4,125.00)</u>
Available Fund Balance as of August 31, 2023	<u>\$ 7,819.65</u>

**Fund Balance For Agricultural Pool
Account 8471 - Special Projects**

Beginning Balance July 1, 2023:	\$ 10,993.67
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Subtotal Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023 - September 2023	-
Budget Transfers ¹	<u>(10,993.67)</u>
Subtotal Reductions:	<u>(10,993.67)</u>
Available Fund Balance as of August 31, 2023	<u>\$ -</u>

¹Per action taken at September pool committee meeting.

¹Per action taken at September pool committee meeting.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to September 30, 2023

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened salary costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of September 30th, the target budget percentage is generally 25%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	12,888	82,794	(69,906)	15.6%
5901.3 · Judgment Admin - Field Work	2,314	7,760	(5,446)	29.8%
5901.5 · Judgment Admin - General	18,920	60,129	(41,209)	31.5%
5901.7 · Judgment Admin - Meeting	1,870	2,633	(763)	71.0%
5901.9 · Judgment Admin - Reporting	-	31,033	(31,033)	0.0%
5910 · Judgment Admin - Court Coord./Attendance	7,550	19,098	(11,548)	39.5%
5911 · Judgment Admin - Exhibit G	-	2,370	(2,370)	0.0%
5921 · Judgment Admin - Production Monitoring	2,892	11,322	(8,430)	25.5%
5931 · Judgment Admin - Recharge Applications	-	4,634	(4,634)	0.0%
5941 · Judgment Admin - Reporting	-	1,316	(1,316)	0.0%
5951 · Judgment Admin - Rules & Regs	-	12,726	(12,726)	0.0%
5961 · Judgment Admin - Safe Yield	612	26,330	(25,718)	2.3%
5971 · Judgment Admin - Storage Agreements	-	4,739	(4,739)	0.0%
5981 · Judgment Admin - Water Accounting/Datab	34,213	109,793	(75,580)	31.2%
5991 · Judgment Admin - Water Transactions	979	8,688	(7,709)	11.3%
6011.1 · WM Staff Salaries - Overtime	-	-	-	0.0%
6011.4 · 457(f) NQDC Plan	7,074	55,467	(48,393)	12.8%
6011.10 · Admin - Accounting	75,480	367,685	(292,205)	20.5%
6011.15 · Admin - Building Admin	1,399	18,359	(16,960)	7.6%
6011.20 · Admin - Conference/Seminars	7,407	57,083	(49,676)	13.0%
6011.25 · Admin - Document Review	531	6,846	(6,315)	7.8%
6011.50 · Admin - General	141,302	569,850	(428,548)	24.8%
6011.60 · Admin - HR	33,474	43,489	(10,015)	77.0%
6011.70 · Admin - IT	14,391	53,975	(39,584)	26.7%
6011.80 · Admin - Meeting	12,862	90,440	(77,578)	14.2%
6011.90 · Admin - Team Building	2,008	41,304	(39,296)	4.9%
6011.95 · Admin - Training (Give/Receive)	5,469	34,312	(28,843)	15.9%
6017 · Temporary Services	-	24,000	(24,000)	0.0%
6201 · Advisory Committee	11,956	55,149	(43,193)	21.7%
6301 · Watermaster Board	15,858	61,818	(45,960)	25.7%
8301 · Appropriative Pool	7,144	53,761	(46,617)	13.3%
8401 · Agricultural Pool	3,305	51,549	(48,244)	6.4%
8501 · Non-Agricultural Pool	1,806	50,443	(48,637)	3.6%
6901.1 · OBMP - Document Review	22,876	89,136	(66,260)	25.7%
6901.3 · OBMP - Field Work	257	7,003	(6,746)	3.7%
6901.5 · OBMP - General	16,283	124,049	(107,766)	13.1%
6901.7 · OBMP - Meeting	9,414	57,589	(48,175)	16.3%
6901.9 · OBMP - Reporting	3,226	2,370	856	136.1%
7104.1 · PE1 - Monitoring Program	31,198	171,515	(140,317)	18.2%
7201 · PE2 - Comprehensive Recharge	11,625	57,925	(46,300)	20.1%
7301 · PE3&5 - Water Supply/Desalter	-	4,791	(4,791)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm.	-	2,633	(2,633)	0.0%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	27	13,055	(13,028)	0.2%
7501 · PE6 - Coop. Programs/Salt Mgmt.	1,990	8,027	(6,037)	24.8%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	459	6,582	(6,123)	7.0%
7601 · PE8&9 - Storage Mgmt./Recovery	1,377	11,217	(9,840)	12.3%
Subtotal WM Staff Costs	522,434	2,576,787	(2,054,353)	20%
60184.1 · Administrative Leave	-	6,799	(6,799)	0.0%
60185 · Vacation	70,736	119,130	(48,394)	59.4%
60185.1 · Comp Time	1,194	-	1,194	100.0%
60186 · Sick Leave	4,396	83,123	(78,727)	5.3%
60187 · Holidays	-	-	-	0.0%
Subtotal WM Paid Leaves	76,326	209,052	(132,726)	37%
Total WM Salary Costs	598,760	2,785,839	(2,187,079)	21.5%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to September 30, 2023

Engineering

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of September 30th, the target budget percentage is generally 25%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · Judgment Admin - Meetings-Engineering Services	\$ -	\$ 45,097	\$ (45,097)	0.0%
5906.1 · Judgment Admin - Watermaster Model Update	-	41,235	(41,235)	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	8,413	126,204	(117,792)	6.7%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	146	42,832	(42,686)	0.3%
5925 · Judgment Admin - Ag Production & Estimation	7,165	34,376	(27,212)	20.8%
5935 · Judgment Admin - Mat'l Physical Injury Requests	929	36,072	(35,143)	2.6%
5945 · Judgment Admin - WM Annual Report Preparation	932	15,416	(14,484)	6.0%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	-	36,336	(36,336)	0.0%
6206 · Advisory Committee Meetings-WY Staff	1,414	23,466	(22,052)	6.0%
6306 · Watermaster Board Meetings-WY Staff	3,494	23,466	(19,972)	14.9%
8306 · Appropriate Pool Meetings-WY Staff	4,468	23,467	(18,999)	19.0%
8406 · Agricultural Pool Meetings-WY Staff	3,166	23,466	(20,300)	13.5%
8506 · Non-Agricultural Pool Meetings-WY Staff	1,384	23,466	(22,082)	5.9%
6901.8 · OBMP - Meetings-WY Staff	11,143	45,096	(33,953)	24.7%
6901.95 · OBMP - Reporting-WY Staff	13,008	57,316	(44,308)	22.7%
6906 · OBMP Engineering Services - Other	11,740	46,992	(35,252)	25.0%
6906.26 · 2020 OBMP Update	1,791	24,016	(22,225)	7.5%
7104.3 · Grdwtr Level-Engineering	43,833	256,445	(212,612)	17.1%
7104.8 · Grdwtr Level-Contracted Services	-	10,000	(10,000)	0.0%
7104.9 · Grdwtr Level-Capital Equipment	-	9,915	(9,915)	0.0%
7202 · PE2-Comp Recharge-Engineering Services	1,642	29,084	(27,443)	5.6%
7202.2 · PE2-Comp Recharge-Engineering Services	12,849	202,362	(189,513)	6.3%
7208 · SB88 Specs-Compliance-50% IEUA	-	54,012	(54,012)	0.0%
7210 · OBMP - 2023 RMPU	32,275	94,328	(62,054)	34.2%
7220 · Integrated Model Mtg./Tech. Review-50% IEUA	-	24,618	(24,618)	0.0%
7302 · PE3&5-PBHSP Monitoring Program	850	69,121	(68,271)	1.2%
7303 · PE3&5-Engineering - Other	635	15,632	(14,998)	4.1%
7306 · PE3&5-Engineering - Outside Professionals	-	6,500	(6,500)	0.0%
7402 · PE4-Engineering	17,196	262,544	(245,348)	6.6%
7402.10 · PE4-Northwest MZ1 Area Project	26,487	271,703	(245,217)	9.7%
7403 · PE4-Eng. Services-Contracted Services-InSar	10,365	175,000	(164,635)	5.9%
7406 · PE4-Engineering Services-Outside Professionals	-	76,552	(76,552)	0.0%
7408 · PE4-Engineering Services-Network Equipment	50	14,081	(14,031)	0.4%
7502 · PE6&7-Engineering	73,232	384,163	(310,931)	19.1%
7505 · PE6&7-Laboratory Services	6,510	49,164	(42,654)	13.2%
7508 · HC Mitigation Plan-50% IEUA (TO #6)	938	10,703	(9,765)	8.8%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	651	34,631	(33,980)	1.9%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	8,875	24,610	(15,735)	36.1%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	-	69,821	(69,821)	0.0%
7520 · Preparation of Water Quality Mgmt. Plan	1,326	157,692	(156,366)	0.8%
7610 · PE8&9-Support 2020 Mgmt. Plan	3,773	69,306	(65,533)	5.4%
7614 · PE8&9-Support Imp. Safe Yield Court Order	120,219	663,747	(543,528)	18.1%
7620 · OBMP - Evaluation of Extreme Future Planning Scenarios	-	51,130	(51,130)	0.0%
Total Engineering Services Costs	\$ 430,895	\$ 3,755,182	\$ (3,324,287)	11.5%

* West Yost and Subcontractor Engineering Budget of \$2,884,956 plus Carryover Funds from FY 2022/23 of \$870,226



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to September 30, 2023

Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of September 30th, the target budget percentage is generally 25%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ 98,367	\$ 171,260	\$ (72,893)	57.4%
6072 · BHFS Legal - Rules & Regulations	-	92,900	(92,900)	0.0%
6073 · BHFS Legal - Personnel Matters	34,310	10,820	23,490	317.1%
6074 · BHFS Legal - Interagency Issues	-	43,704	(43,704)	0.0%
6077 · BHFS Legal - Party Status Maintenance	1,205	13,730	(12,525)	8.8%
6078 · BHFS Legal - Miscellaneous (Note 1)	24,954	233,550	(208,596)	10.7%
Total 6070 · Watermaster Legal Services	158,836	565,964	(407,128)	28.1%
6275 · BHFS Legal - Advisory Committee	466	26,708	(26,242)	1.7%
6375 · BHFS Legal - Board Meeting	11,200	85,272	(74,072)	13.1%
6375.1 · BHFS Legal - Board Workshop(s)	-	18,499	(18,499)	0.0%
8375 · BHFS Legal - Appropriative Pool	983	33,385	(32,402)	2.9%
8475 · BHFS Legal - Agricultural Pool	983	33,385	(32,402)	2.9%
8575 · BHFS Legal - Non-Ag Pool	983	33,385	(32,402)	2.9%
Total BHFS Legal Services	14,616	230,634	(216,018)	6.3%
6907.3 · WM Legal Counsel				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	259	30,090	(29,831)	0.9%
6907.39 · Recharge Master Plan	16,813	30,495	(13,682)	55.1%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · OBMP Update	66,152	172,880	(106,728)	38.3%
6907.47 · 2020 Safe Yield Reset	3,905	33,920	(30,015)	11.5%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	37,395	(37,395)	0.0%
Total 6907 · WM Legal Counsel	87,129	579,635	(492,506)	15.0%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ 260,580	\$ 1,376,233	\$ (1,115,653)	18.9%



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Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of September 30th, the target budget percentage is generally 25%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	\$ 22,876	\$ 89,136	\$ (66,260)	25.7%
6901.3 · OBMP - Field Work-WM Staff	257	7,003	(6,746)	3.7%
6901.5 · OBMP - General-WM Staff	16,283	124,049	(107,766)	13.1%
6901.7 · OBMP - Meeting-WM Staff	9,414	57,589	(48,175)	16.3%
6901.8 · OBMP - Meeting-West Yost	11,143	45,096	(33,953)	24.7%
6901.9 · OBMP - Reporting-WM Staff	3,226	2,370	856	136.1%
6901.95 · OBMP - Reporting-West Yost	13,008	57,316	(44,308)	22.7%
Total 6901 · OBMP WM and West Yost Staff	76,207	382,559	(306,352)	19.9%
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	24,071	24,071	0	100.0%
Total 6903 · OBMP - SAWPA	24,071	24,071	0	100.0%
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	17,158	41,235	(24,077)	41.6%
6906.15 · Integrated Model Mtgs. - IEUA Costs	-	-	-	0.0%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906.26 · 2020 OBMP Update	1,791	24,016	(22,225)	7.5%
6906.71 · OBMP - Data Requests - CBWM Staff	-	-	-	0.0%
6906.72 · OBMP - Data Requests - Non CBWM	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	11,740	46,992	(35,252)	25.0%
Total 6906 · OBMP Engineering Services	30,688	112,243	(81,555)	27.3%
6907 · OBMP Legal Fees				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	259	30,090	(29,831)	0.9%
6907.39 · Recharge Master Plan	16,813	30,495	(13,682)	55.1%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · OBMP Update	66,152	172,880	(106,728)	38.3%
6907.47 · 2020 Safe Yield Reset	3,905	33,920	(30,015)	11.5%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	37,395	(37,395)	0.0%
Total 6907 · OBMP Legal Fees	87,129	579,635	(492,506)	15.0%
6908 · OBMP Updates				
6908.1 · 2020 OBMP Update-Dodson & Assoc.	29,107	107,578	(78,470)	27.1%
Total 6908 · OBMP Updates	29,107	107,578	(78,470)	27.1%
6909 · OBMP Other Expenses				
6909.1 · OBMP Meetings	-	1,500	(1,500)	0.0%
6909.3 · Other OBMP Expenses	-	2,724	(2,724)	0.0%
6909.6 · OBMP Expenses - Miscellaneous	-	5,000	(5,000)	0.0%
Total 6909 · OBMP Other Expenses	-	9,224	(9,224)	0.0%
Total 6900 · Optimum Basin Mgmt Plan	\$ 247,203	\$ 1,215,309	\$ (968,107)	20.3%



Chino Basin Watermaster

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For the period July 1, 2023 to September 30, 2023

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of September 30th, the target budget percentage is generally 25%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	\$ 12,888	\$ 82,794	\$ (69,906)	15.6%
5901.3 · Admin-Field Work-WM Staff	2,314	7,760	(5,446)	29.8%
5901.5 · Admin-General-WM Staff	18,920	60,129	(41,209)	31.5%
5901.7 · Admin-Meeting-WM Staff	1,870	2,633	(763)	71.0%
5901.8 · Admin-Meeting - West Yost	-	45,097	(45,097)	0.0%
5901.9 · Admin-Reporting-WM Staff	-	31,033	(31,033)	0.0%
Total 5901 · Admin-WM Staff	35,992	229,446	(193,454)	15.7%
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	8,413	126,204	(117,792)	6.7%
5906.72 · Admin-Data Req-Non CBWM Staff	146	42,832	(42,686)	0.3%
5910 · Court Coordination/Attend-WM	7,550	19,098	(11,548)	39.5%
5911 · Exhibit G-WM Staff	-	2,370	(2,370)	0.0%
5921 · Production Monitoring-WM Staff	2,892	11,322	(8,430)	25.5%
5925 · Ag Prod & Estimation-West Yost	7,165	34,376	(27,212)	20.8%
5931 · Recharge Applications-WM Staff	-	4,634	(4,634)	0.0%
5935 · Admin-Mat'l Phy Inj Requests	929	36,072	(35,143)	2.6%
5941 · Reporting-WM Staff	-	1,316	(1,316)	0.0%
5945 · WM Annual Report Prep-West Yost	932	15,416	(14,484)	6.0%
5951 · Rules & Regs-WM Staff	-	12,726	(12,726)	0.0%
5961 · Safe Yield-WM Staff	612	26,330	(25,718)	2.3%
5965 · Support Data Collect-West Yost	-	36,336	(36,336)	0.0%
5971 · Storage Agreements-WM Staff	-	4,739	(4,739)	0.0%
5981 · Water Acct/Database-WM Staff	34,213	109,793	(75,580)	31.2%
5991 · Water Transactions-WM Staff	979	8,688	(7,709)	11.3%
Total 5900 · Judgment Admin Other Expenses	63,830	492,252	(428,422)	13.0%
Total 5900 · Judgment Administration	\$ 99,823	\$ 721,698	\$ (621,875)	13.8%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules For the period July 1, 2023 to September 30, 2023

“Carry Over” Funding:

During the month of July 2023, the “Carry Over” funding was calculated. The Total “Carry Over” funding amount of \$2,277,561.54 has been posted to the general ledger accounts. The total amount consisted of \$870,226.24 from Engineering Services, \$816,709.78 from Capital Improvement Projects, \$464,627.66 from OBMP Activities, \$111,461.18 from Pool Funding Accounts, and \$14,536.68 from Administration Services. More detailed information is provided in the table below.

Carry Over Budget Detail - FY 23/24

Description	Amount	Account	Fiscal Year	Type
Other Office Equipment - Boardroom Upgrades	\$ 10,037.93	6038	FY 2020/21	ADMIN
Board Workshop Expenses - Misc.	4,498.75	6375.2	FY 2021/22	ADMIN
Meter Installation - New Meter Installation	175,400.00	7540	FY 2018/19	OBMP
Meter Installation - Calibration and Testing	181,650.00	7545	FY 2018/19	OBMP
2022 OBMP Update - Dodson & Asso.	107,577.66	6908.1	FY 2022/23	OBMP
Watermaster Model Update	34,206.75	5906.1	FY 2022/23	ENG
Groundwater Level Monitoring Program	2,700.00	7104.3	FY 2022/23	ENG
PE2 - Comprehensive Recharge - Eng. Services	27,943.64	7202.2	FY 2020/21	ENG
PE2 - Comprehensive Recharge - Eng. Services	18,441.85	7202.2	FY 2021/22	ENG
PE2 - Comprehensive Recharge - Eng. Services	72,788.26	7202.2	FY 2022/23	ENG
SB88-Specs-Ensure Compliance-50% IEUA	54,012.38	7208	FY 2020/21	ENG
OBMP - 2023 RMPU	60,000.00	7210	FY 2022/23	ENG
Integrated Model - Meetings - 50% IEUA Costs	24,617.63	7220	FY 2021/22	ENG
PBHSP - Monitoring, Data Analysis, Reporting	21,000.00	7302	FY 2022/23	ENG
OBMP - Engineering Services	65,208.75	7402	FY 2022/23	ENG
PE4 - Northwest MZ-1 Area Project	23,805.91	7402.1	FY 2021/22	ENG
PE4 - Northwest MZ-1 Area Project	126,194.09	7402.1	FY 2022/23	ENG
PE4/MZ-1: InSAR - Outside Pro	85,000.00	7403	FY 2022/23	ENG
Ground Level Monitoring - Capital Equipment	5,000.00	7408	FY 2022/23	ENG
PE6-7: Coop Efforts/Salt Management:	40,000.00	7502	FY 2022/23	ENG
Groundwater Quality Monitoring Program	16,194.00	7505	FY 2022/23	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	9,687.25	7508	FY 2021/22	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	1,016.00	7508	FY 2022/23	ENG
IEUA - Update Recycle Water Permit - Salinity	19,752.23	7510	FY 2021/22	ENG
PE8&9 - Support Imp. 2020 Storage Mgmt. Plan	42,657.50	7610	FY 2020/21	ENG
Support Implementation of the Safe Yield Court Order:	120,000.00	7614	FY 2022/23	ENG
Upper Santa Ana River HCP (TO #7)	15,062.88	7690.7	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	5,000.00	7690.7	FY 2015/16	PROJ
Lower Day Basin RMPU (TO #2)	238,646.90	7690.8	FY 2016/17	PROJ
Jurupa Basin Berm & Trash Boom	358,000.00	7690.23	FY 2022/23	PROJ
Funds on Hold for Projects/Refund	200,000.00	7690.9	FY 2017/18	PROJ
Agricultural Pool - Legal Services	41,675.63	8467	FY 2022/23	AP
Agricultural Pool - Mtg. Attendance Compensation	950.98	8470	FY 2022/23	OAP
Agricultural Pool - Special Project Funding	10,993.67	8471	FY 2021/22	OAP
Non-Agricultural Pool - Meeting Compensation	875.00	8511	FY 2022/23	ONAP
Non-Agricultural Pool - Legal Services	56,965.90	8567	FY 2022/23	ONAP
Balance at 7/31/23	\$ 2,277,561.54			



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: November 16, 2023
TO: Advisory Committee and Board Members
SUBJECT: 2022/23 Annual Report of the Ground-Level Monitoring Program
(Consent Calendar Item I.C.)

SUMMARY:

Issue: Watermaster is required annually to file a Ground-Level Monitoring report with the Court. The 2022/23 Annual Report has been drafted and reviewed by the Ground-Level Monitoring Committee. [Discretionary Function]

Recommendation:

Advisory: Recommend to the Watermaster Board to approve the 2022/23 Annual Report of the Ground-Level Monitoring Program, and direct staff to file a copy with the Court.

Board: Approve the 2022/23 Annual Report of the Ground-Level Monitoring Program, and direct staff to file a copy with the Court.

Financial Impact: Approval of the report does not result in additional expenses. All the recommendations in the 2022/23 Annual Report for the ongoing monitoring program are included in the approved FY 2023/24 amended budget.

Future Consideration

Advisory Committee – November 16, 2023: Advice and Assistance

Watermaster Board – November 16, 2023: Approve and file with the Court

ACTIONS:

Appropriative Pool – November 09, 2023: Unanimously recommended AC to recommend Board approval.

Non-Agricultural Pool – November 09, 2023: Unanimously recommended their representatives to support at AC and Board subject to any changes they deem necessary.

Agricultural Pool – November 09, 2023: Unanimously recommended AC to recommend Board approval.

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

In 1999, the OBMP Phase I Report identified pumping-induced drawdown and resultant aquifer-system compaction as the most likely cause of land subsidence and ground fissuring that had been observed in Management Zone 1 (MZ-1). Program Element 4 of the OBMP, “Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1,” called for the development and implementation of a long-term Subsidence Management Plan to minimize or abate the occurrence of subsidence and ground fissuring.

From 2001 to 2005, Watermaster developed, coordinated, and conducted a comprehensive investigation under the guidance of the MZ-1 Technical Committee (now called the Ground-Level Monitoring Committee or GLMC) to understand the causes of the subsidence and fissuring in the southwestern portion of MZ-1. The investigation provided enough information for Watermaster to develop Guidance Criteria for the producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the Subsidence Management Plan. The Guidance Criteria formed the basis for the Subsidence Management Plan, which was developed by the GLMC and approved by Watermaster in October 2007. The Court Order on November 15, 2007 approved the Subsidence Management Plan and ordered its implementation. The Subsidence Management Plan was updated in 2015 to include a recommendation to develop a Subsidence Management Plan specific to the northwestern portion of the Chino Basin where gradual and persistent subsidence is an ongoing concern.

The Subsidence Management Plan states that Watermaster will produce an annual report, which includes the results of ongoing monitoring efforts, interpretations of the data, recommendations for future monitoring efforts, and recommendations for adjustments to the Subsidence Management Plan, if any. The Court’s 2007 Order directed Watermaster to file the annual reports with the Court.

The item was presented to the three Pool Committees and it was unanimously recommended for Advisory Committee to recommend Board approval and filing with the Court.

DISCUSSION

The final 2022/23 Annual Report of the GLMP (Attachment 1) includes results and interpretations for data that were collected during FY 2022/23 and includes recommendations for Watermaster’s Ground-Level Monitoring Program for FY 2023/24.

The GLMC met on March 2, 2023 to review and discuss the recent monitoring results and to develop a scope of work and budget for FY 2023/24. Subsequently, an overview of the monitoring results and the proposed scope of work and budget for FY 2023/24 were presented to the Pool Committees in April 2023 and at Watermaster’s budget workshops.

The GLMC was provided with the draft annual report on September 22, 2023 for review and comment. The GLMC met on October 4, 2023 to review and discuss the draft annual report with Watermaster Staff and Engineer. The GLMC submitted comments during the comment window which were addressed in the final report attached.

ATTACHMENTS

1. 2022/23 Annual Report of the Ground-Level Monitoring Program
Click on this [link](#) to access the report.

2022/23 Annual Report for the Ground-Level Monitoring Program

PREPARED FOR

Ground-Level Monitoring Committee



PREPARED BY



2022/23 Annual Report for the Ground-Level Monitoring Program

Prepared for

Ground-Level Monitoring Committee

Project No. 941-80-23-25



Prepared By: Andrea Arevalo

November 2, 2023


Date



Prepared by: Lauren Salberg

November 2, 2023

Date



QA/QC Review: Andy Malone, PG

November 2, 2023

Date

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LIST OF ACRONYMS, ABBREVIATIONS, AND INITIALISMS

af	Acre-feet
Ayala Park	Rubin S. Ayala Park
Ayala Park Extensometer	Extensometer at Ayala Park
BMA	Baseline Management Alternative
CCX	Chino Creek Extensometer Facility
DHX	Daniels Horizontal Extensometer
EDM	Electronic distance measurement
ft	Feet
ft-amsl	Feet above mean sea level
ft-btoc	Feet below top of casing
ft-bgs	Feet below ground surface
ft/yr	Feet per year
FY	Fiscal Year
GLMC	Ground-Level Monitoring Committee
GLMP	Ground-Level Monitoring Program
IMP	Management Zone 1 Interim Monitoring Program
InSAR	Interferometric synthetic aperture radar
ISMA	Initial Subsidence Management Alternative
MVWD	Monte Vista Water District
MZ-1	Chino Basin Optimum Basin Management Plan Management Zone 1
MZ-1 Plan	Management Zone 1 Subsidence Management Plan
OBMP	Optimum Basin Management Plan
PA	Piezometer A (Ayala Park extensometer facility)
PC	Piezometer C (Ayala Park extensometer facility)
PFAS	Per – and polyfluoroalkyl substances
PX	Pomona Extensometer Facility
SAR	Synthetic Aperture Radar
SCADA	Supervisory Control and Data Acquisition
SMA-2	Second Subsidence-Management Alternative
Subsidence Management Plan	2015 Chino Basin Subsidence Management Plan
TCP	1,2,3-trichloropropane
USGS	United States Geological Survey
Watermaster	Chino Basin Watermaster
WEI	Wildermuth Environmental, Inc.
Work Plan	Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1

1.0 INTRODUCTION

This section describes:

- Background information on the history of land subsidence and ground fissuring in the Chino Basin.
- Information on the formation of the Ground-Level Monitoring Committee (GLMC) and its responsibilities.
- A description of the development and implementation of the Chino Basin Subsidence Management Plan (Subsidence Management Plan).
- The organization of this annual report.

1.1 Background

In general, land subsidence is the sinking or settlement of the Earth's surface due to the rearrangement of subsurface materials. In the United States, over 17,000 square miles in 45 states have experienced land subsidence (United States Geologic Survey [USGS], 1999). In many instances, land subsidence is accompanied by adverse impacts at the ground surface, such as sinkholes, earth fissures, encroachment of adjacent water bodies, modified drainage patterns, and others. In populated regions, these subsidence-related impacts can result in severe damage to man-made infrastructure and costly remediation measures. Over 80 percent of the documented cases of land subsidence in the United States have been caused by groundwater extractions from the underlying aquifer-system (USGS, 1999).

For purposes of clarification in this document, subsidence refers to the inelastic deformation (i.e., sinking) of the land surface. The term *inelastic* typically refers to the permanent, non-recoverable deformation of the land surface or the aquifer-system. The term *elastic* typically refers to fully reversible deformation of the land surface or the aquifer-system. A glossary of terms and definitions discussed in this report, as well as other terms related to basic hydrogeology and land subsidence is included in Section 5.0.

1.1.1 Subsidence and Fissuring in the Chino Basin

One of the earliest indications of land subsidence in the Chino Basin was the appearance of ground fissures within the City of Chino. These fissures appeared as early as 1973, but an accelerated occurrence of ground fissuring ensued after 1991 and resulted in damage to existing infrastructure. Figure 1-1 shows the locations of these fissures and the land subsidence that contemporaneously occurred in this area. Several scientific studies of the area attributed the fissuring phenomenon to differential land subsidence caused by pumping of the underlying aquifer-system and the consequent drainage and compaction of aquitard sediments (Fife et al., 1976; Kleinfelder, 1993, 1996; Geomatrix, 1994; GEOSCIENCE, 2002).

1.1.2 The Optimum Basin Management Program

In 1999, the *Optimum Basin Management Program Phase I Report* (OBMP Phase I Report) identified the pumping-induced decline of hydraulic heads and subsequent aquifer-system compaction as the most likely cause of the land subsidence and ground fissuring observed in the Chino Basin OBMP Management Zone 1 (MZ-1; Wildermuth Environmental Inc. [WEI], 1999). Program Element 4 of the OBMP Implementation Plan, *Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1*, called for the development and implementation of an interim management plan for MZ-1 that would:



2022/23 Annual Report for the GLMP

- Minimize subsidence and fissuring in the short-term
- Collect the information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring
- Abate future subsidence and fissuring or reduce it to tolerable levels

The OBMP called for an aquifer-system and land subsidence investigation in the southwestern region of MZ-1 to support the development of a management plan for MZ-1 (items 2 and 3 above). This investigation was titled the *MZ-1 Interim Monitoring Program* (WEI, 2003) and is described below.

The OBMP Phase I Report also identified that land subsidence was occurring in other parts of the basin besides in the City of Chino. Program Element 1 of the OBMP Implementation Plan, *Develop and Implement a Comprehensive Monitoring Program*, called for the collection of basin-wide data to characterize land subsidence, including ground-level surveys and remote-sensing (specifically, interferometric synthetic aperture radar [InSAR]), and for the development of an ongoing monitoring program based on the analysis of the collected data.

1.1.3 Interim Management Plan and the MZ-1 Summary Report

From 2001 to 2005, the Chino Basin Watermaster (Watermaster) developed, coordinated, and conducted the Interim Management Plan (IMP) under the guidance of the MZ-1 Technical Committee. The MZ-1 Technical Committee was comprised of representatives from all major MZ-1 producers and their technical consultants, including the Agricultural Pool; the Cities of Chino, Chino Hills, Ontario, Pomona, and Upland; the Monte Vista Water District (MVWD); the Golden State Water Company; and the California Institution for Men.

The IMP consisted of three main monitoring elements to analyze land subsidence: ground-level surveys, InSAR, and aquifer-system monitoring. The ground-level surveys and InSAR analyses were used to characterize vertical ground motion. Aquifer-system monitoring of hydraulic and mechanical changes within the aquifer system was used to characterize the causes of the ground motion.

The monitoring program was implemented in two phases: the Reconnaissance Phase and the Comprehensive Phase. The Reconnaissance Phase consisted of constructing 11 piezometers screened at various depths at Rubin S. Ayala Park (Ayala Park) in the City of Chino and installing pressure-transducers with integrated data loggers (transducers) in nearby pumping and monitoring wells to measure hydraulic head. Following installation of the monitoring network, several months of aquifer-system monitoring and testing were conducted. Testing included aquifer-system stress tests conducted at pumping wells in the area.

The Comprehensive Phase consisted of constructing a dual-borehole pipe extensometer at Ayala Park (Ayala Park Extensometer) near the area of historical fissuring. Figure 1-2 shows the location of the Ayala Park Extensometer. Following installation of the Ayala Park Extensometer, two aquifer-system stress tests were conducted followed by passive aquifer-system monitoring.

During implementation of the IMP, Watermaster's Engineer made the data available to the MZ-1 Technical Committee and prepared quarterly progress reports for the MZ-1 Technical Committee, the



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Watermaster Pools and Board, and the Court.¹ The progress reports contained data and analyses from the IMP and summarized the MZ-1 Technical Committee meetings.

The main conclusions derived from the IMP were:

- Groundwater pumping from the deep and confined aquifer-system in the southwestern region of MZ-1 causes the greatest stress to the aquifer-system. In other words, pumping of the deep aquifer-system causes a hydraulic head decline that is much greater in magnitude and lateral extent than the hydraulic head decline caused by pumping of the shallow aquifer-system.
- Hydraulic head decline due to pumping from the deep aquifer-system can cause inelastic compaction of the aquifer-system sediments, which results in land subsidence. The initiation of inelastic compaction within the aquifer-system was identified during the investigation when hydraulic heads in the deep aquifer-system at the Ayala Park PA-7 piezometer fell below a depth of about 250 feet (ft).
- The state of aquifer-system deformation in southern MZ-1 was essentially elastic during the Reconnaissance Phase of the IMP. Very little inelastic compaction was occurring in this area, which contrasted with the recent past when about 2.2 ft of land subsidence occurred from about 1987 to 1995 and resulted in ground fissuring.
- During the development of the IMP, a previously unknown barrier to groundwater flow was identified, shown on Figures 1-1. The barrier was named the “Riley Barrier” after Francis S. Riley, a retired USGS geologist who first detected the barrier during the IMP. This barrier is located within the deep aquifer-system and is aligned with the historical zone of ground fissuring. Pumping from the deep aquifer-system was limited to the area west of the barrier, and the resulting hydraulic head decline did not propagate eastward across the barrier. Thus, compaction occurred within the deep aquifer-system on the west side of the barrier but not on the east side, which caused concentrated differential subsidence across the barrier and created the potential for ground fissuring.
- The InSAR and ground-level surveys indicated that subsidence in Central MZ-1 had occurred in the past and was continuing to occur. InSAR also suggested that the groundwater barrier (Riley Barrier) extends northward into Central MZ-1 as shown in Figure 1-1. These observations suggested that the conditions that very likely caused ground fissuring near Ayala Park in the 1990s were also present in Central MZ-1. However, there was not enough historical hydraulic head data in this area to confirm this relationship. The IMP recommended that, if subsidence continued or increased in Central MZ-1, the mechanisms causing land subsidence should be studied in more detail.

The IMP provided enough information for Watermaster to develop Guidance Criteria for the Parties that pump from the southwestern region of MZ-1, that if followed, would minimize the potential for subsidence and fissuring in the investigation area. The methods, results, and conclusions of the IMP, including the Guidance Criteria, were described in detail in the *MZ-1 Summary Report* (WEI, 2006).

The Guidance Criteria consisted of:

¹ San Bernardino County Superior Court, which retains continuing jurisdiction over the Chino Basin Judgment.



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- A list of “Managed Wells” subject to the Guidance Criteria. Table 1-1 is a list of the Managed Wells that are subject to the Guidance Criteria. Figure 1-2 is a map that shows the locations of the Managed Wells. These wells have well screens that penetrate the deep aquifer-system.

Table 1-1. Managed Wells Screened in the Deep Aquifer and Subject to the Guidance Criteria^(a)

Well Name	CBWM ID	Owner	2023 Status	Well Screen Interval(s) ft-bgs
CIM-11A ^(b)	3602461	California Institution for Men	Active ^(c)	174-187; 240-283; 405-465
C-7	3600461	City of Chino	Abandoned ^(d)	180-780
C-15	600670		Abandoned	270-400; 626-820
CH-1B	600487	City of Chino Hills	Inactive ^(e)	440-470; 490-610; 720-900; 940-1,180
CH-7C	600687		Abandoned	550-950
CH-7D	600498		Destroyed	320-400; 410-450; 490-810; 850-930
CH-15B	600488		Active	360-440; 480-900
CH-16	600489		Inactive	430-940
CH-17	600499		Inactive	300-460; 500-680
CH-19	600500		Inactive	300-460; 460-760; 800-1,000

(a) The MZ-1 Subsidence Management Plan identified the Managed Wells that are subject to the Guidance Criteria for the Managed Area that, if followed, would minimize the potential for subsidence and fissuring.

(b) The original casing was perforated from 135-148, 174-187, 240-283, 405-465, 484-512, and 518-540 feet below ground surface (ft-bgs). This casing collapsed below 471 ft-bgs in 2011. A liner was installed to 470 ft-bgs with a screen interval from 155 to 470 ft-bgs.

(c) Active = Well is currently being used for water supply.

(d) Abandoned = Unable to pump the well without major modifications.

(e) Inactive = Well can pump groundwater with little or no modifications.

- The spatial extent of the “Managed Area.” Figures 1-1 and 1-2 show the boundary of the Managed Area where the Guidance Criteria apply. Within the boundaries of the Managed Area, both existing (Table 1-1) and newly constructed wells are subject to being classified as Managed Wells. This area was delineated based on the observed and/or predicted effects of pumping on hydraulic heads and aquifer-system deformation. The Managed Well designations were based on the effects measured at the Ayala Park Extensometer during the IMP or well construction and borehole lithology.
- A piezometric “Guidance Level.” The Guidance Level is a specified depth to water, as measured in feet below the top of casing (ft-btoc) at the Ayala Park PA-7 piezometer. The initial Guidance Level was established as 245 ft-btoc. It was defined as the threshold hydraulic head at the onset of inelastic compaction of the aquifer-system as recorded by the extensometer minus five feet. The five-foot reduction was meant to be a safety factor to ensure that inelastic compaction does not occur. The Guidance Level can be updated by Watermaster based on the periodic review of monitoring data.
- Criteria for recommending pumping curtailment. If the hydraulic head in PA-7 falls below the Guidance Level, Watermaster recommends that the MZ-1 Parties curtail their pumping



2022/23 Annual Report for the GLMP

- from designated Managed Wells as required to maintain hydraulic heads above the Guidance Level.
- Monitoring/reporting of hydraulic heads at PA-7. Watermaster was to provide the MZ-1 Parties with real-time hydraulic head data from PA-7.
 - Reporting of pumping operations at Managed Wells. The MZ-1 Parties were requested to maintain and provide Watermaster with accurate records of operations at the Managed Wells, including pumping rates and on-off dates and times. The MZ-1 Parties were requested to promptly notify Watermaster of all operational changes made to maintain the hydraulic head at PA-7 above the Guidance Level.
 - Request for ongoing monitoring at other monitoring wells. Watermaster recommended that the MZ-1 Parties allow it to continue to monitor hydraulic heads at the Managed Wells.
 - Process for adapting the Guidance Criteria. Watermaster and Watermaster's Engineer were to evaluate the data collected as part of the MZ-1 Monitoring Program (now called the Ground-Level Monitoring Program or GLMP) after each fiscal year and determine if modifications, additions, and/or deletions to the Guidance Criteria were necessary. Changes to the Guidance Criteria could include additions or deletions to the list of Managed Wells, re-delineation of the Managed Area, raising or lowering of the Guidance Level, or additions and/or deletions to the Guidance Criteria, including the need to have periods of hydraulic head recovery.
 - Acknowledgement of uncertainty. Watermaster cautioned that some subsidence and fissuring could occur in the future, even if the Guidance Criteria were followed. Watermaster made no warranties that faithful adherence to the Guidance Criteria would eliminate subsidence or fissuring.

1.1.4 MZ-1 Subsidence Management Plan

The Guidance Criteria formed the basis for the *MZ-1 Subsidence Management Plan* ([MZ-1 Plan]; WEI, 2007), which was developed by the MZ-1 Technical Committee and approved by the Watermaster Board in October 2007. In November 2007, the Court approved the MZ-1 Plan and ordered its implementation.

To minimize the potential for future subsidence and fissuring in the Managed Area, the MZ-1 Plan codified the Guidance Level and recommended that the MZ-1 Parties manage their groundwater pumping such that the hydraulic heads at PA-7 remain above the Guidance Level.

The MZ-1 Plan called for ongoing monitoring, data analysis, annual reporting, and adjustments to the MZ-1 Plan as warranted by the data. Implementation of the MZ-1 Plan began in 2008. The MZ-1 Plan called for the continued scope and frequency of monitoring implemented during the IMP within the Managed Area and expanded monitoring of the aquifer-system and land subsidence in other areas of the Chino Basin where the IMP indicated concern for future subsidence and ground fissuring. Figure 1-1 shows the location of these so-called Areas of Subsidence Concern: Central MZ-1, Northwest MZ-1, Northeast Area, and Southeast Area. The expanded monitoring efforts outside the Managed Area are consistent with the requirements of the OBMP Program Element 1 and its implementation plan contained in the Peace Agreement.²

² Source: http://www.cbwm.org/docs/legaldocs/Peace_Agreement.pdf.



2022/23 Annual Report for the GLMP

Potential future efforts listed in the MZ-1 Plan included: (i) more intensive monitoring of horizontal strain across the zone of historical ground fissuring to assist in developing management strategies related to fissuring; (ii) injection feasibility studies within the Managed Area; (iii) additional pumping tests to refine the Guidance Criteria; (iv) computer-simulation modeling of groundwater flow and subsidence; and (v) the development of alternative pumping plans for the MZ-1 Parties affected by the MZ-1 Plan. The MZ-1 Technical Committee (now called the Ground-Level Monitoring Committee or GLMC) discusses these potential future efforts, and if deemed prudent and necessary, they are recommended to Watermaster for implementation in future fiscal years.

1.1.5 2015 Chino Basin Subsidence Management Plan

The MZ-1 Plan stated that if data from existing monitoring efforts in the Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster would revise it to avoid those adverse impacts. The 2014 Annual Report of the GLMC recommended that the MZ-1 Plan be updated to better describe Watermaster's land subsidence efforts and obligations, including areas outside of MZ-1. As such, the update included a name change to the 2015 Chino Basin Subsidence Management Plan ([Subsidence Management Plan]; WEI 2015a) and a recommendation to develop a subsidence management plan for Northwest MZ-1.

Watermaster had been monitoring vertical ground motion in Northwest MZ-1 via InSAR during the development of the MZ-1 Plan. Land subsidence in Northwest MZ-1 was first identified as a concern in 2006 in the MZ-1 Summary Report and again in 2007 in the MZ-1 Plan. Of particular concern, the subsidence across the San Jose Fault in Northwest MZ-1 has occurred in a pattern of concentrated differential subsidence—the same pattern of differential subsidence that occurred in the Managed Area during the time of ground fissuring. Ground fissuring is the main subsidence-related threat to infrastructure. The issue of differential subsidence, and the potential for ground fissuring in Northwest MZ-1, has been discussed at prior GLMC meetings, and the subsidence has been documented and described as a concern in Watermaster's State of the Basin Reports, the annual reports of the GLMC, and in the *Initial Hydrologic Conceptual Model and Monitoring and Testing Program for the Northwest MZ-1 Area* (WEI, 2017a). Watermaster increased monitoring efforts in Northwest MZ-1 beginning in Fiscal Year (FY) 2012/13 to include ground elevation surveys and electronic distance measurements (EDM) to monitor ground motion and the potential for fissuring.

In 2015, Watermaster's Engineer developed the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area* ([Work Plan]; WEI 2015b). The Work Plan is characterized as an ongoing Watermaster effort and includes a description of a multi-year scope-of-work, a cost estimate, and an implementation schedule. The Work Plan was included in the Subsidence Management Plan as Appendix B. Implementation of the Work Plan began in July 2015.

The updated Subsidence Management Plan also addressed the need for hydraulic head "recovery periods" in the Managed Area by recommending that all deep aquifer-system pumping cease for a continuous six-month period between October 1 and March 31 of each year within the Managed Area. And, the Subsidence Management Plan recommends that every fifth year, all deep aquifer-system pumping cease for a continuous period until the hydraulic head at PA-7 reaches "full recovery" of 90 ft-btoc. These periodic cessations of pumping are intended to allow for sufficient hydraulic head recovery at PA-7 to recognize inelastic compaction, if any, at the Ayala Park Extensometer.



2022/23 Annual Report for the GLMP

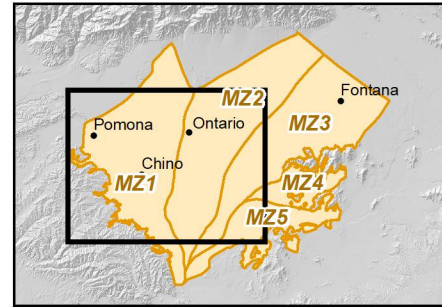
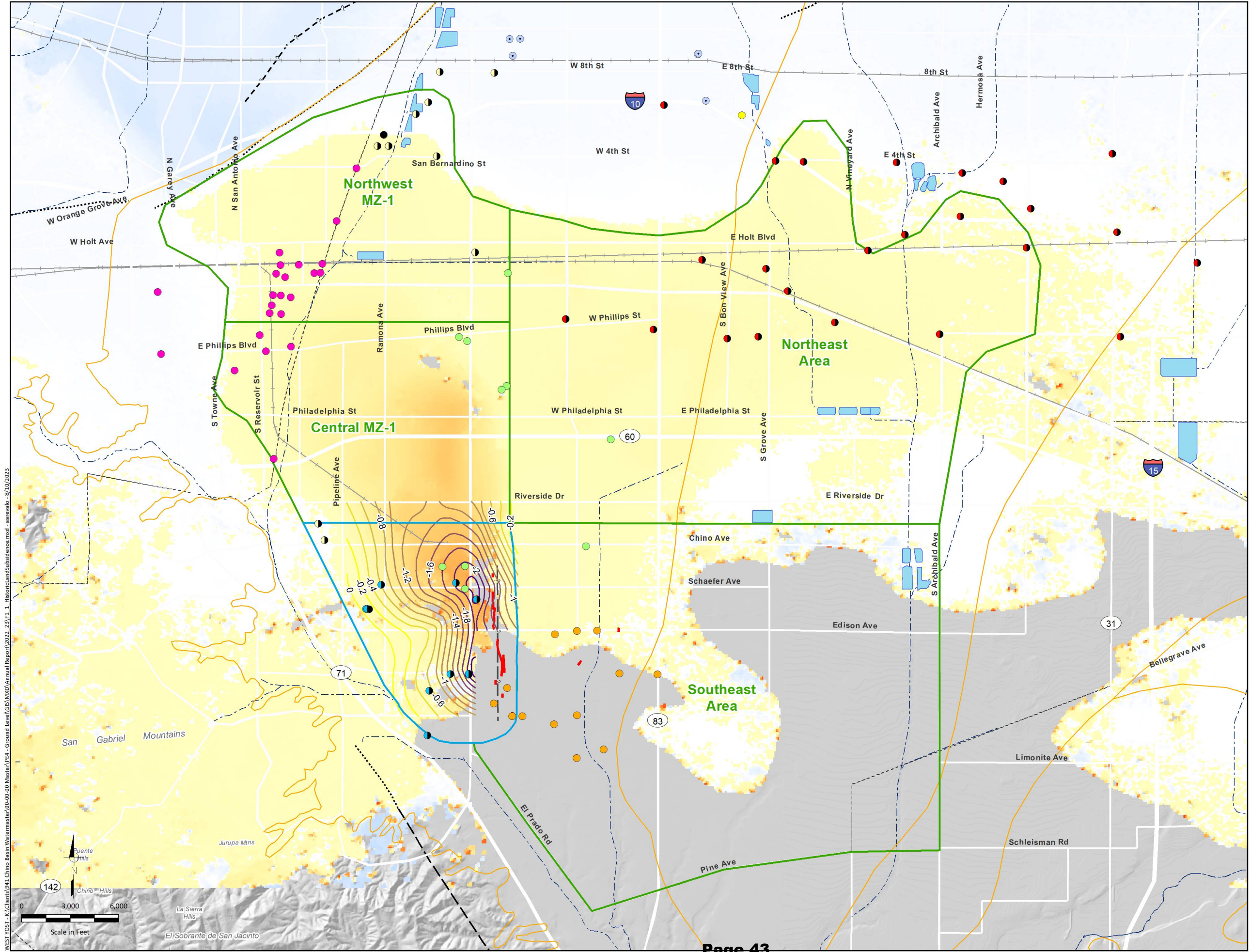
1.1.6 Annual Report of the Ground-Level Monitoring Committee

Pursuant to the Subsidence Management Plan, Watermaster prepares an annual report containing the results of ongoing monitoring efforts, interpretations of the data, and recommended adjustments to the Subsidence Management Plan, if any. This Annual Report of the GLMC includes the results and interpretations for the data collected between March 2022 through March 2023, as well as recommendations for Watermaster's GLMP for FY 2023/24.

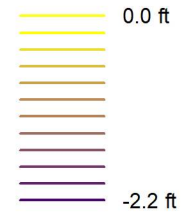
1.2 Report Organization

This report is organized into the following six sections:

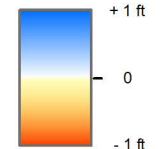
- **Section 1.0 – Introduction.** This section provides background information on the history of land subsidence and ground fissuring in Chino Basin, information on the formation of the GLMC and its responsibilities, and a description of the development and implementation of the Subsidence Management Plan, which calls for annual reporting.
- **Section 2.0 – Ground-Level Monitoring Program.** This section describes the monitoring and testing activities performed by Watermaster for its GLMP between March 2022 and March 2023.
- **Section 3.0 – Results and Interpretations.** This section discusses and interprets the monitoring data collected between March 2022 and March 2023, including basin stresses (groundwater pumping and recharge) and responses (changes in hydraulic heads, aquifer-system deformation, and ground motion).
- **Section 4.0 – Conclusions and Recommendations.** This section summarizes the main conclusions derived from the monitoring program between March 2022 and March 2023 and describes recommended activities for the GLMP for FY 2023/24.
- **Section 5.0 – Glossary.** This section is a glossary of the terms and definitions utilized within this report and in discussions at GLMC meetings.
- **Section 6.0 – References.** This section lists the publications and reports cited in this report.



Contours of Relative Change in Land Surface Elevation as Estimated by Leveling Surveys 1987 to 1999



Relative Change in Land Surface Elevation as Measured by InSAR Oct-1993 to Dec-1995



Grey box: InSAR absent or incoherent

Active Pumping Wells by Owner: 1987 to 1999

- CA Institution for Men
- City of Upland
- City of Chino
- City of Chino Hills
- City of Ontario
- City of Pomona
- Golden State WC
- Monte Vista WD
- San Antonio WC

Managed Areas

- Managed Area
- Areas of Subsidence Concern

Other Features

- Flood Control and Conservation Basins
- Fault (solid where accurately located; dashed where approximately located or inferred; dotted where concealed)

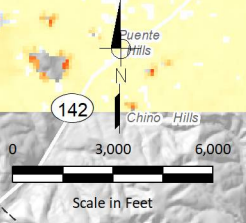


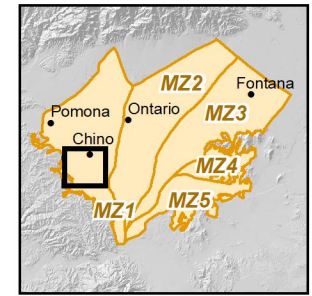
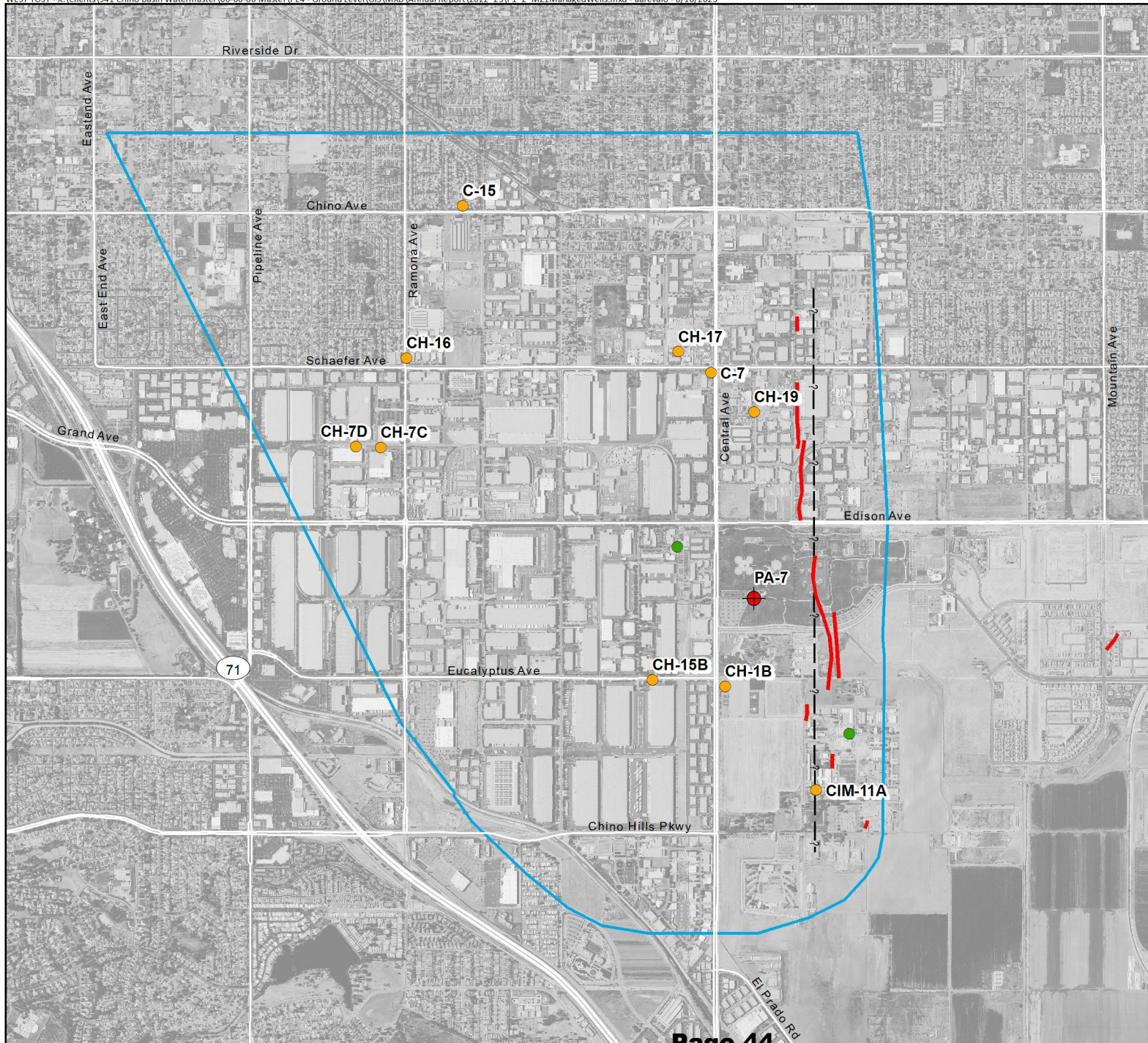
Figure 1-1

Historical Land Surface Deformation in Management Zone 1: 1987-1999

Chino Basin Watermaster
Ground-Level Monitoring Committee
2022/23 Annual Report

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- Managed Area
- ⊕ Ayala Park Extensometer Facility
- Managed Well
- Other Production Well
- Ground Fissures
- ?- Groundwater Barrier (Riley Barrier) approximate location

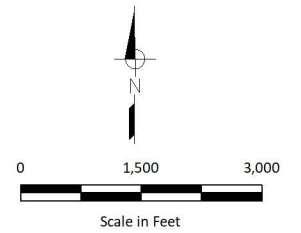


Figure 1-2

MZ-1 Managed Area and the Managed Wells

Chino Basin Watermaster
Ground-Level Monitoring Committee
2022/23 Annual Report

2.0 GROUND-LEVEL MONITORING PROGRAM

This section describes the activities performed by Watermaster for the GLMP between March 2022 and March 2023.

Figure 2-1 shows the groundwater pumping and recharge facilities in the western Chino Basin that impart pumping and recharge stresses to the aquifer-system. Figure 2-2 shows the locations of the monitoring facilities in Watermaster's ground-level monitoring network, including: wells equipped with a transducer; extensometers that measure vertical aquifer-system deformation; and benchmark monuments that are used to perform ground elevation and EDM surveys to measure vertical and horizontal deformation of the ground surface.

2.1 Ground-Level Monitoring Program

Watermaster conducts its GLMP in the Managed Area and other Areas of Subsidence Concern pursuant to the Subsidence Management Plan and the recommendations of the GLMC. The GLMP activities performed between March 2022 and March 2023 are described below.

2.1.1 Setup and Maintenance of the Monitoring Facilities Network

The Chino Basin extensometer facilities are key monitoring facilities for the GLMP. They require regular and as needed maintenance and calibration to remain in good working order and to ensure the recording of accurate measurements. During the reporting period, the following activities were performed at the Chino Basin extensometer facilities:

- Performed routine monthly maintenance at the Ayala Park, Chino Creek, and Pomona Extensometer (PX) Facilities. Noteworthy activities performed during the reporting period included:
 - Replaced the 12 volt deep-cycle battery for both PX Facility vaults to ensure power to the datalogger and continuous data collection.
 - Replaced the sump pump in the PA vault at Ayala Park to ensure that infiltrating irrigation or storm waters that periodically flood the vault are evacuated.
 - Replaced corroded door at the Ayala Park Extensometer Facility.
 - Repaired two CR1000 dataloggers at the PC vault and Ayala Park Extensometer Facility.
 - Replaced two direct read cables and two transducers at the PC vault.
- The following activities were performed in attempts to improve the accuracy of extensometer data that is being collected at the PX Facility:
 - Installed a dial gauge to manually measure aquifer-system deformation at the PX facility.
 - Adjusted the counterweights and extensometer cable at PX2-3.
 - Updated the software code for the datalogger at the at the PX facility.

2.1.2 Monitoring Activities

Changes in hydraulic heads are caused by the stresses of groundwater pumping and recharge. Changes in hydraulic head is the mechanism behind aquifer-system deformation, which in turn causes vertical and horizontal ground motion. Because of this cause-and-effect relationship, the Watermaster monitors groundwater pumping, recharge, hydraulic heads, aquifer-system deformation, and vertical and horizontal ground motion across the western portion of the Chino Basin. All data collected as part of the GLMP are compiled, checked, and stored in Watermaster databases.

The following sub-sections describe Watermaster's monitoring activities between March 2022 and March 2023, as called for in the Subsidence Management Plan and in accordance with the Watermaster-approved scope of work for the GLMP.

2.1.2.1 Monitoring of Pumping, Recharge, and Piezometric Levels

Watermaster staff collects and compiles groundwater pumping data on a quarterly basis from well owners in the Managed Area and Areas of Subsidence Concern. Figure 2-1 shows the well locations where groundwater was pumped between March 2022 and March 2023.

Watermaster staff collects data from the Inland Empire Utilities Agency on the volumes of imported water, stormwater, and recycled water that are artificially recharged at spreading basins, and the volumes of recycled water for direct use within the Chino Basin. Figure 2-1 shows the locations of the spreading basins.

The Watermaster Engineer collects hydraulic head data once every 15 minutes using transducers at 77 wells located within the Managed Area and the other Areas of Subsidence Concern. Figure 2-2 shows the locations of these wells. Watermaster staff and well owners also manually measure hydraulic heads at other wells in western Chino Basin, typically on a monthly time-step.

2.1.2.2 Monitoring Vertical Aquifer-System Deformation

The Watermaster Engineer collects data on the vertical component of aquifer-system deformation at the Ayala Park, Chino Creek, and Pomona extensometer facilities once every 15 minutes. The Pomona Extensometer facility does not appear to be measuring and recording accurate data for aquifer-system deformation. Adjustments and testing of this monitoring facility are ongoing to improve the accuracy of the measurements.

2.1.2.3 Monitoring Vertical Ground Motion

The Watermaster monitors vertical ground motion via ground-level surveys using InSAR and traditional leveling techniques.

For InSAR, the Watermaster has historically retained General Atomics (formerly Neva Ridge Technologies, Inc.) to acquire and post-process land-surface displacement data from the TerraSAR-X satellite operated by the German Aerospace Center. The width of the TerraSAR-X data frame covers the western half of the



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Chino Basin only.³ Typically each year, seven synthetic aperture radar (SAR) scenes are collected between March to March. The scenes are used to create 12 interferograms⁴ to estimate short- and long-term vertical ground motion.⁵

This year, General Atomics informed the Watermaster Engineer that it is discontinuing its InSAR services, and as such, it declined to perform InSAR services for the GLMC for Fiscal Year 2022/23 and beyond.

The GLMC recommended that monitoring of ground motion via InSAR using TerraSAR X data is a critical component of the GLMP; therefore, Watermaster staff and West Yost developed a solution to continue the InSAR time series over the Chino Basin at the same high resolution and high accuracy:

- West Yost hires Sean Yarborough (the General Atomics staff that has performed InSAR monitoring for the Watermaster in the past) as a part-time employee to perform the InSAR services going forward.
- West Yost purchases and sets up all the necessary software and hardware to enable Mr. Yarborough to perform the work.
- West Yost purchases the raw SAR imagery directly from Airbus, the vendor that acquires the TerraSAR-X satellite data from the German Aerospace Center.

This solution is being implemented and is allowing the work to continue in the same high-quality fashion and will be more cost efficient in the long run. However, there have been significant start up efforts, such as establishing the relationships with the satellite vendor (German Space Agency), purchasing and configuring the necessary software/hardware, and collecting, importing, and checking all raw historical data from General Atomics.

Mr. Yarborough is currently preparing the InSAR deliverable for 2022-23; however, for the reasons stated above, the InSAR monitoring data cannot be prepared in time for inclusion in this annual report. Hence, many of the figures that are typically included in the annual report will be deferred to the subsequent annual report for FY 2023-24. That said, in early 2024, the Watermaster Engineer will share the InSAR monitoring results of vertical ground motion for 2022-23 with the GLMC.

For the ground-level surveys, Watermaster retained Guida Surveying, Inc. to conduct traditional leveling surveys at selected benchmark monuments in the western part of the Chino Basin. Table 2-2 below shows

³ All historical InSAR data that were collected and analyzed by Watermaster from 1993 to 2010 indicate that very little vertical ground motion occurred in the eastern half of the Chino Basin. In 2012, the GLMC decided to acquire and analyze InSAR only in the western portion of the Chino Basin as a cost-saving strategy.

⁴ Two or more SAR scenes are used to generate grids of surface deformation (interferograms) over a given period. Typically, surfaces within a pixel will move up or down together as would be expected in recovery/subsidence scenarios. However, surfaces within the area of a pixel can move randomly and cause decorrelation in the radar signal. Examples of random motion within a pixel area are vegetation growing, urbanization, erosion of the ground surface, harvesting crops, plowing fields, and others. The magnitude of this decorrelation in the signal is measured mathematically and called incoherence. Based on the magnitude of decorrelation in an area, pixels will be rejected as “incoherent.”

⁵ Several factors can influence the accuracy of ground motion results as estimated by InSAR, such as satellite orbital uncertainties and atmospheric interference. On average, accuracy of ground motion results as estimated by InSAR are +/- 0.02 ft.



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the date of the most recent benchmark monument survey within the ground-level survey area. The locations of the ground-level survey areas are shown in Figure 2-2.

Ground-Level Survey Area	Date of Most Recent Survey
Managed Area ^(a)	January 2018
Central Area ^(a)	January 2018
Northwest Area	June 2023
San Jose Fault Zone Area	June 2023
Southeast Area ^(a)	May 2022
Northeast Area ^(a)	April 2020

(a) The entire benchmark monument survey network for the ground-level survey area was not surveyed in 2023 based on the GLMC scope and budget recommendations for FY 2022/23.

2.1.2.4 Monitoring of Horizontal Ground Motion

Watermaster measures horizontal ground motion between benchmarks across areas that are susceptible to ground fissuring via EDMs. The date of the most recent horizontal benchmark survey within the ground-level survey area are shown in Table 2-3. Horizontal benchmark surveys were not performed in 2022-23.

Ground-Level Survey Area	Date of Most Recent Survey
Fissure Zone Area ^(a)	February 2018
San Jose Fault Zone Area ^(a)	May 2021

(a) EDMs across the Fissure Zone Area and San Jose Fault Zone Area were not conducted in 2022 based on GLMC scope and budget recommendations for FY 2021/22.

2.2 Land-Subsidence Investigations

The Watermaster performs land subsidence investigations pursuant to the Subsidence Management Plan and/or recommendations from the GLMC that are approved in the annual Watermaster budget. The goals of these investigations are to refine the Guidance Criteria or assist in the development of subsidence management plans to minimize or abate land subsidence and maximize the prudent extraction of groundwater.

This section describes the land subsidence investigations conducted between March 2022 and March 2023 that are called for in the Subsidence Management Plan.

2.2.1 Subsidence Management Plan for Northwest MZ-1

In 2015, the GLMC developed the final Work Plan to develop a subsidence-management plan for Northwest MZ-1, which describes a multi-year effort with cost estimates to execute the Work Plan. The



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Work Plan was included in the Subsidence Management Plan as Appendix B.⁶ The background and objectives of the Work Plan are described in Section 1.1.5. The Watermaster began implementation of the Work Plan in July 2015. The Work Plan has evolved over time as new data and information has been collected and evaluated by the GLMC. The following describes the Work Plan tasks and status of each task:

Task 1. Describe Initial Hydrogeologic Conceptual Model and Monitoring and Testing Program – A final report was submitted to the GLMC and Watermaster in December 2017 that summarized the current state of knowledge of the hydrogeology of Northwest MZ-1, the data gaps needed to be filled to fully describe the occurrence and mechanisms of aquifer-system deformation and the pre-consolidation stress, and a strategy to fill the data gaps.

Task 2. Implement the Initial Monitoring and Testing Program – The Watermaster’s Engineer worked with the Watermaster, MVWD, City of Pomona, and SCADA Integrations, Inc. to identify and equip a set of wells with supervisory control and data acquisition (SCADA) monitoring capabilities and/or transducers. Through several field visits and technical meetings with the well owners, a protocol was developed to install monitoring equipment and collect pumping and piezometric data. For the City of Pomona, nine wells were equipped with transducers. For MVWD, seven wells were equipped with transducers, two wells with sonar units, and two wells with air-line units. Hydraulic heads are recorded once every 15 minutes. Nine of the 11 MVWD wells were connected to the MVWD’s existing SCADA system. The hydraulic head data from these wells are currently being collected and analyzed as part of the Northwest MZ-1 monitoring and testing program. These data will be used in future efforts to recalibrate the Chino Valley Model (MODFLOW model of Chino Basin) and the 1D Models at PX and MVWD-28.

Task 3. Develop and Evaluate the Baseline Management Alternative (BMA) and Task 4. Develop and Evaluate the Initial Subsidence-Management Alternative – A final technical memorandum was submitted to the GLMC and Watermaster in December 2017 that described the construction, calibration, and use of a numerical one-dimensional aquifer-system compaction model (1D compaction model) at MVWD-28. The objective of this memo was also to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater pumping and artificial recharge and to identify potential subsidence mitigation strategies.

Task 5. Design and Install the Pomona Extensometer (PX) Facility – The Watermaster’s Engineer completed construction of two dual-nested piezometers located in Montvue Park, Pomona, CA in August 2019. Each PX piezometer was equipped with transducers and cable extensometers in June and July 2020 and has been collecting preliminary depth-specific hydraulic head and aquifer-system deformation since December 2020.

The piezometers at the PX facility are providing accurate, depth-specific head data. These data will be used in future efforts to verify or recalibrate the 1D Models at PX. Unfortunately, the extensometers at PX are not recording reasonably accurate data for vertical aquifer-system deformation. The Watermaster Engineer is uncertain of the precise causes for the malfunction at PX extensometers and is proceeding with a stepwise methodology to test and improve the monitoring devices. This methodology was shared with the GLMC at the December 13, 2022 GLMC meeting. The Watermaster Engineer will provide updates on progress to improve the PX measurements at all future GLMC meetings until the problems are resolved.

⁶ Source: <http://www.cbwm.org/pages/reports/engineering/>



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Task 6. Design and Conduct Aquifer-System Stress Tests (if necessary) – The objective of this task is to perform controlled aquifer-system stress tests at pumping wells in Northwest MZ-1 and to monitor the depth-specific hydraulic head and aquifer-system deformation response at PX. This information, along with hydraulic head data collected as part of Task 2 will be used to help identify the subsidence mechanisms and the pre-consolidation stress(es) in Northwest MZ-1. The Watermaster Engineer has not yet identified specific questions that need to be answered with the controlled aquifer-system stress tests. It is recommended a period of “passive” data collection and assessment of the data over time to determine if a controlled aquifer-system stress test is recommended in the future.

Task 7/8. Update the Hydrogeologic Conceptual Model/Construct and Calibrate Subsidence Modeling Tools – The objectives of these tasks are: (i) to update the hydrogeologic conceptual model of Northwest MZ-1 based on new lithologic information from PX and an improved understanding of hydraulic head data across Northwest MZ-1; (ii) describe the subsidence mechanisms and the pre-consolidation head by aquifer-system layer in Northwest MZ-1; and (iii) develop modeling tools that can be used to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater production and artificial recharge and to identify potential subsidence mitigation strategies.

A new 1D compaction model was constructed and calibrated using the hydrogeologic information collected at the Pomona Extensometer. The 1D model at MVWD-28 was also updated and recalibrated using current information. This work was reviewed by the GLMC, and additional 1D model calibration refinements and sensitivity analyses were performed based on GLMC recommendations. In December 2022, the GLMC approved 1D model calibrations and deemed them sufficient for simulation of future land subsidence under prospective plans for pumping and recharge (see Task 9 below).

Task 9. Refine and Evaluate Subsidence-Management Alternatives – This task is beginning in FY 2023-24. The task will help answer the question: *What are potential methods to manage the land subsidence in Northwest MZ-1?*

The 1D compaction models at MVWD-28 and PX will be used to characterize the mechanical response of the aquifer-system to an initial Subsidence Management Alternative (SMA-1). The assumptions of the SMA-1, including the groundwater production and replenishment plans of the Chino Basin parties, will be described and reviewed by the GLMC before running the 1D Models. A draft technical memorandum will be prepared that summarizes the evaluation of the SMA-1, particularly, the ability of SMA-1 to raise and hold piezometric levels above the estimated pre-consolidation stresses. The draft memorandum may also include recommendations for (i) preliminary “guidance criteria” for subsidence management in Northwest MZ-1 and (ii) a subsequent Subsidence Management Alternative (SMA-2) if SMA-1 is not successful at raising and holding hydraulic heads above the estimated pre-consolidation stresses. A GLMC meeting will be held to review the model results and evaluation of the SMA-1, review any preliminary “guidance criteria” for subsidence management, review the recommended SMA-2, and to receive feedback on the draft technical memorandum.

After the recommended SMA-2 is reviewed by the GLMC, the Watermaster’s MODFLOW model will be updated to run SMA-2 and will be used to estimate the hydraulic head response to SMA-2 at the MVWD-28 and PX locations. The projected hydraulic heads generated from the MODFLOW model using SMA-2 will be extracted from the MODFLOW model results at the MVWD-28 and PX locations and will be used as input files for both 1D compaction models. The 1D compaction models will then be run to characterize the mechanical response of the aquifer-system to SMA-2 at both the MVWD-28 and PX locations.



2022/23 Annual Report for the GLMP

A draft technical memorandum will be prepared that summarizes the evaluation of SMA-2, particularly, the ability of SMA-2 to raise and hold piezometric levels above the estimated pre-consolidation stresses. The draft technical memorandum may also include recommendations for: revised “guidance criteria” for subsidence management and (ii) a subsequent Subsidence-Management Alternative (SMA-3), if SMA-2 is not successful at raising and holding hydraulic heads above the estimated pre-consolidation stresses. The assumptions of the SMA-3, including the groundwater production and replenishment plans of the Chino Basin parties, will be described and reviewed by the GLMC. A GLMC meeting will be held to review the model results and evaluation of the SMA-2, review any revised “guidance criteria” for subsidence management, review the recommended SMA-3, and to receive feedback on the technical memorandum. This task is anticipated to be completed in FY 2024/25. If necessary and recommended by the GLMC, additional subsidence management alternative scenarios may be run.

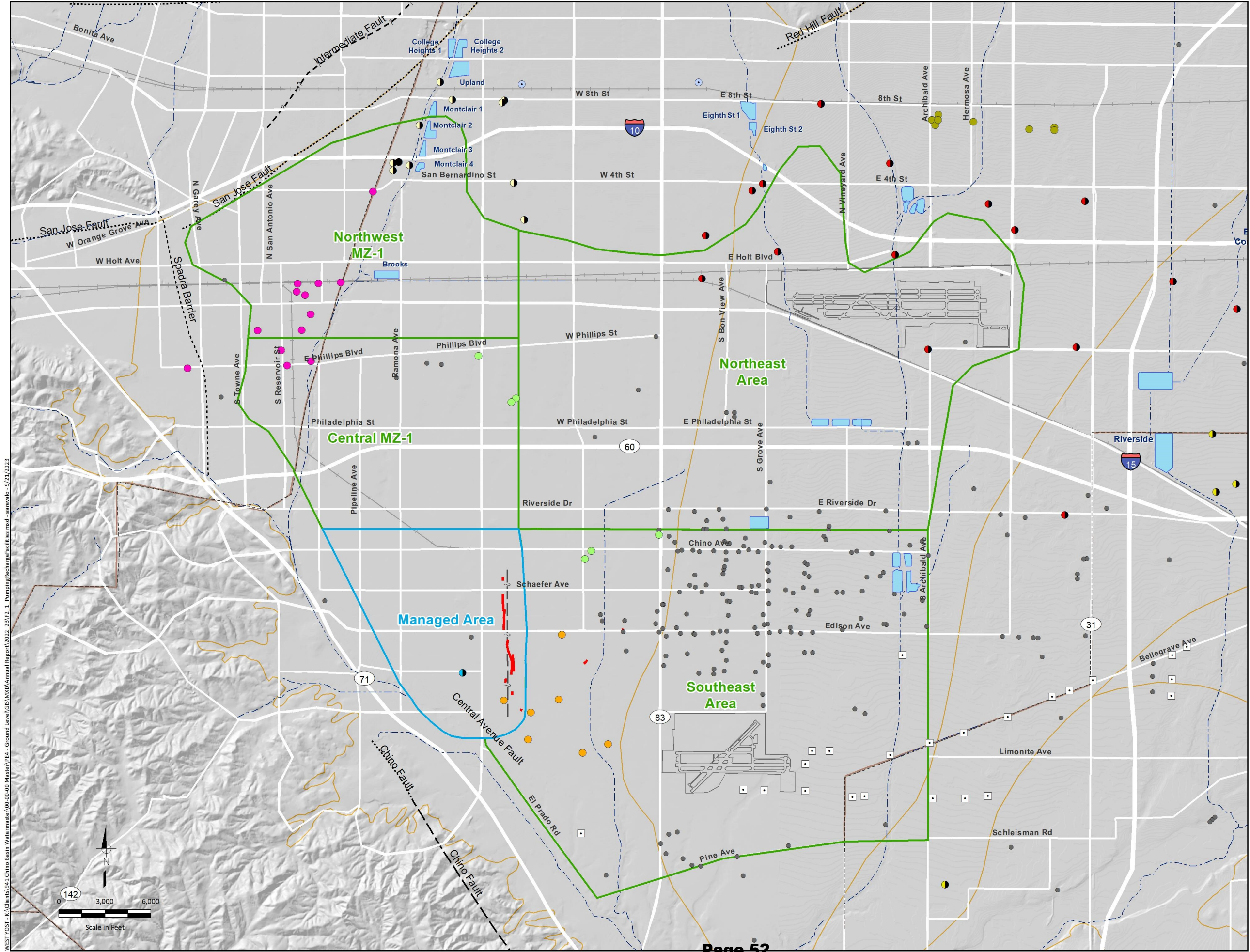
Task 10. Update the Chino Basin Subsidence Management Plan – The objective of this task is to incorporate a preferred subsidence-management alternative for Northwest MZ-1 into the Chino Basin Subsidence Management Plan. The updated Subsidence Management Plan will require review and input by the GLMC and the Watermaster Pools, Advisory Committee, and Board. The Watermaster will apprise the Court of revisions to the Subsidence Management Plan as part of its OBMP implementation status reporting. The updated Chino Basin Subsidence Management Plan is anticipated to be completed by the end of FY 2025/26.

2.2.2 Northeast Area Subsidence Investigation

In the Northeast Area, the long- and short-term InSAR estimates indicate that persistent downward ground motion has occurred in a concentrated area in the vicinity of Whispering Lakes Golf Course, south of the Ontario Airport between Vineyard Avenue and Archibald Avenue. The western and eastern edges of this subsiding area exhibit steep subsidence gradients (i.e., differential subsidence”).

In FY 2021/22, the GLMC conducted a reconnaissance-level subsidence investigation of the Northeast Area focusing on the Whispering Lakes Subsidence Feature. This investigation included collection, review, and analysis of available borehole and lithologic data, pumping and recharge data, hydraulic head measurements, and InSAR estimates of vertical ground motion. Figures and charts were prepared for the *2021-22 Annual Report of the GLMC* to support the data analysis, interpretations, and recommendations for future investigations and monitoring.

In 2022-23, efforts were made to collect hydrogeologic data, but without success. Additional efforts to collect hydrogeologic data in this area are occurring in 2023-24.



- Active Groundwater Pumping Wells
April 1, 2022 to March 31, 2023**
- Private
 - California Institution for Men
 - Chino Basin Desalter Authority
 - City of Chino
 - City of Chino Hills
 - City of Ontario
 - City of Pomona
 - City of Upland
 - Cucamonga Valley Water District
 - Golden State Water Company
 - Jurupa Community Services District
 - Monte Vista Water District
-
- Managed Area
 - ▭ Areas of Subsidence Concern
 - ▭ Flood Control and Conservation Basins

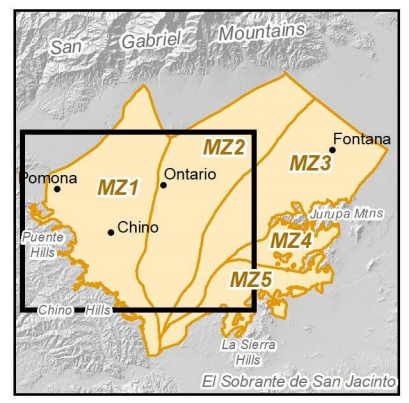
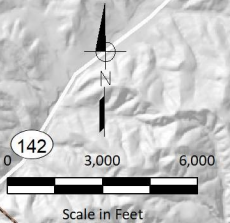


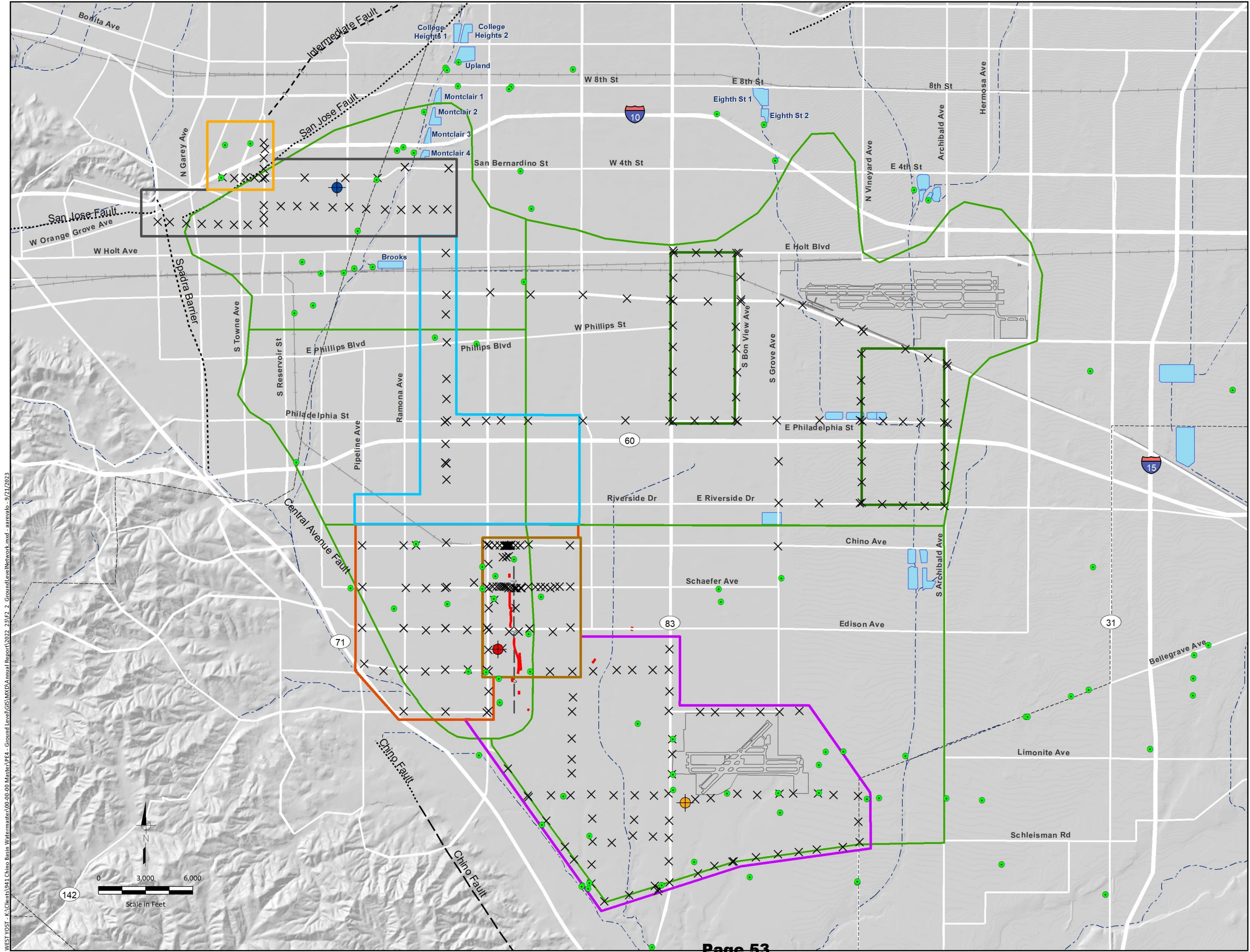
Figure 2-1

**Pumping and Recharge Facilities
Western Chino Basin: 2022/23**

Chino Basin Watermaster
Ground-Level Monitoring Committee
2022/23 Annual Report

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- Ground-Level Monitoring Network Facilities**
- Ground-Level Survey Benchmark (Measured June 3, 2023)
 - Pomona Extensometer
 - Ayala Park Extensometer
 - Chino Creek Extensometer
 - All Program Transducer Wells
 - × Ground-Level Survey Benchmark
-
- Ground-Level Survey Areas**
- Managed Area
 - Fissure Zone Area
 - Central Area
 - Northwest Area
 - Northeast Area
 - Southeast Area

- Areas of Subsidence Concern
- Flood Control and Conservation Basins

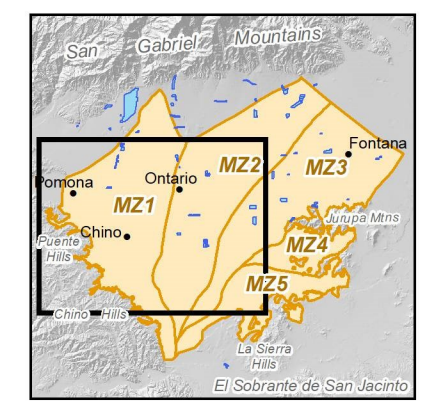


Figure 2-2
Ground-Level Monitoring Network
Western Chino Basin
 Chino Basin Watermaster
 Ground-Level Monitoring Committee
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3.0 RESULTS AND INTERPRETATIONS

This section describes the results and interpretations derived from the GLMP for the Managed Area and the other Areas of Subsidence Concern—particularly for the March 2022 to March 2023 reporting period. As described in Section 2, because of the lack of InSAR data caused by the vendor declining to perform InSAR services, some of the figures and analyses that are typically included in the annual report could not be prepared and will be deferred to the subsequent annual report for FY 2023-24. This annual report includes only the results and interpretations for data analyses that are not dependent upon InSAR.

3.1 Managed Area

The Managed Area is the primary focus of the Subsidence Management Plan. The discussion below describes the results and interpretations of the monitoring program in the Managed Area and, where appropriate, relative to the Guidance Criteria in the Subsidence Management Plan.

3.1.1 History of Stress and Strain in the Aquifer-System

Figure 3-1 illustrates the long-term history of groundwater pumping, hydraulic heads, and vertical ground motion in the Managed Area. Also shown is the volume of the direct use of recycled water in the Managed Area, which is an alternative water supply that can result in decreased groundwater pumping from the area. Recycled water is often used for irrigation purposes and can contribute to groundwater recharge to the shallow aquifer-system as well. General observations and interpretations from this chart are:

- Pumping from the shallow aquifer-system between the 1930s and about 1977 caused hydraulic heads to decline by about 150 ft. From 1978 to 1990, hydraulic heads recovered by about 50 ft.
- Pumping from the confined, deep aquifer-system during the 1990s caused the hydraulic heads to a decline, coinciding with high rates of land subsidence. About 2.5 ft of subsidence occurred from 1987 to 1999, and ground fissures opened within the City of Chino in the early 1990s.
- Since the early 2000s, groundwater pumping decreased, hydraulic heads in the deep aquifer-system recovered, and the rate of land subsidence declined significantly across the Managed Area. The decreases in groundwater pumping were mainly due to poor groundwater quality locally and the availability of alternative water supplies, such as recycled water and treated groundwater from the Chino Basin Desalter Authority.
- Since 2005, hydraulic heads at PA-7 have not declined below the Guidance Level, and very little inelastic compaction was recorded in the Managed Area. These observations demonstrate the effectiveness of the Subsidence Management Plan in the management of land subsidence in the Managed Area.

3.1.2 Recent Stress and Strain in the Aquifer-System

This section discusses the last 11 years of groundwater pumping, changes in hydraulic heads, and vertical ground motion in the Managed Area under the Subsidence Management Plan.

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3.1.2.1 Groundwater Pumping and Hydraulic Heads

Table 3-1 summarizes groundwater pumping by well within the Managed Area for fiscal year 2012 through March 2023. Groundwater pumping in the Managed Area declined from about 5,680 acre-feet (af) in fiscal year 2012 to almost negligible volumes in 2023. A total of about 47 af of groundwater pumping occurred in the Managed Area from July 1, 2022 to March 31, 2023—54 percent of the groundwater pumping was from wells screened across the deep aquifer-system.

Figure 3-2 displays the hydraulic stresses and mechanical strains that have occurred within the shallow and deep aquifer-systems in the Managed Area over the period January 2011 through March 2023. The figure includes three time-series charts: quarterly groundwater pumping (hydraulic stress to the aquifer-systems); the resultant head changes (hydraulic responses to pumping); and aquifer-system deformation as measured at the Ayala Park Extensometers (mechanical strain that occurred within the aquifer-system sediments in response to the head changes). The following are observations and interpretations regarding pumping and head changes:

- From 2011 to 2018, there was a seasonal pattern of pumping in the Managed Area – increased pumping during the spring to fall and decreased pumping during the winter. Since 2018, very little pumping has occurred in the Managed Area.
- Hydraulic heads respond differently to the pumping stresses in the shallow and deep aquifer-systems. Pumping from the deep confined aquifer-system causes a hydraulic head decline that is much greater in magnitude than the hydraulic head decline caused by pumping from the shallow aquifer-system, despite that more groundwater pumping has occurred from the shallow aquifer-system.
- The hydraulic head at PA-7 (deep aquifer-system) has fluctuated from a low of approximately 190 ft-btoc in August 2013 to a high of about 55 ft-btoc in January and May 2021 and has not declined below the Guidance Level of 245 ft-btoc.
- The recovery of hydraulic heads in the deep aquifer-system to above 90 ft-btoc in December 2022 represented “full recovery” of hydraulic head at PA-7 as defined in the Subsidence Management Plan.
- Since the first instance of full recovery in 2011, the hydraulic head at PA-7 recovered to 90 ft-btoc or greater in 2012, 2016, 2018, 2019, and 2022 which complies with the recommendation in the Subsidence Management Plan for full recovery within the deep aquifer-system at least once every five years.⁷
- Since 2018, hydraulic heads at PA-10 and PA-7 have increased to relatively high levels as a result of very little to almost zero pumping from the shallow and deep aquifer-systems. On April 1, 2023, heads were at about 51 ft-btoc in PA-10 and about 62 ft-btoc in PA-7.

⁷ Page 2-2 in the Subsidence Management Plan, Section 2.1.1.3—Recovery Periods: “Every fifth year, Watermaster recommends that all deep aquifer-system pumping cease for a continuous period until water-level recovery reaches 90 ft-btoc at PA-7. The cessation of pumping is intended to allow for sufficient water level recovery at PA-7 to recognize inelastic compaction, if any, at the Ayala Park Extensometer and at other locations where groundwater-level and ground-level data are being collected.”

3.1.2.2 Aquifer-System Deformation

Figure 3-2 also includes a time-series chart of vertical deformation of the aquifer-system as measured at the Ayala Park Extensometers for the period January 2011 through March 2023. The following are observations and interpretations regarding aquifer-system deformation in response to the pumping and head changes:

- There has been seasonal compression and expansion of the aquifer-system in response to the seasonal decline and recovery of hydraulic heads, which indicates that the vertical deformation of the aquifer-system was mainly elastic during this period.
- However, between April 6, 2011 and May 3, 2018 (dates of full recovery at PA-7 to 90 ft-btoc), the Deep Extensometer recorded about 0.034 ft of aquifer-system compression, which indicates that this compression was largely permanent compaction that occurred within the depth interval of 30-1,400 ft-bgs.⁸
- From May 3, 2018 to November 28, 2019 (dates of full recovery at PA-7), there was very little pumping in the Managed Area, and the Deep Extensometer recorded about 0.035 ft of aquifer-system expansion, indicating that the entire thickness of the aquifer system (shallow and deep) was experiencing elastic expansion.
- From November 28, 2019 to December 15, 2022 (dates of full recovery at PA-7), the Deep Extensometer recorded insignificant changes, indicating that the vertical deformation of the deep aquifer-system was entirely elastic.

Figure 3-3 is a stress-strain diagram of hydraulic heads measured at PA-7 (stress) versus vertical deformation of the aquifer-system sediments as measured at the Deep Extensometer (strain). This diagram provides additional information on the nature of the aquifer-system deformation (i.e., elastic versus inelastic deformation). The hysteresis loops on this figure represent cycles of hydraulic head decline-recovery and the resultant compression-expansion of the aquifer-system sediments. The diagram can be interpreted to understand the timing and magnitude of the occurrence of inelastic compaction within the depth interval of the aquifer-system that is penetrated by the Deep Extensometer. Hydraulic head decline (drawdown) is shown as increasing from bottom to top on the y-axis, and aquifer-system compression (compaction) is shown as increasing from left to right on the x-axis. The following are observations and interpretations regarding aquifer-system deformation in response to the head changes:

- From May 3, 2006 to May 3, 2018 (dates of full recovery at PA-7), the hysteresis loops progressively shifted to the right on this chart, indicating that about 0.065 ft of inelastic compaction occurred during this time-period. The rate of inelastic compaction appeared to gradually decline over this 12-year period.
- From May 3, 2018 to November 28, 2019 (dates of full recovery at PA-7), the hydraulic heads at PA-7 fluctuated between 65-120 ft-btoc. These were shallower depths to groundwater compared to the earlier period, and the hysteresis loops shifted to the left, indicating that the vertical deformation of the aquifer-system was mainly elastic expansion of the aquifer-system sediments.

⁸ The analysis of full recovery and inelastic compaction at Ayala Park was included in the 2016 Annual Report (WEI, 2016).



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- From November 28, 2019 to December 15, 2022 (dates of full recovery at PA-7), the hydraulic heads at PA-7 generally remained at or above 90 ft-btoc. By December 15, 2022, the hysteresis loops returned to virtually the same point as November 28, 2019, indicating that the vertical deformation of the aquifer-system was purely elastic.

3.2 Southeast Area

Historically, vertical ground motion has been measured across the Southeast Area via InSAR, traditional ground-level surveys, and the Chino Creek Extensometer Facility (CCX). As described in Section 2, InSAR results are not yet available for 2022-23 and ground-level surveys across the Southeast Area were not conducted in 2023. Hence, the interpretation of the monitoring program results in the Southeast Area are limited to data analysis from the CCX.

Figure 3-4 displays the time series of hydraulic heads and vertical aquifer-system deformation recorded at the CCX, which began collecting data in July 2012. Groundwater pumping began at the Chino Creek Well Field in 2014, but appears to have had little, if any, effect on hydraulic heads or aquifer-system deformation at the CCX through March 2022. In general, hydraulic heads at the CCX vary seasonally and have gradually increased since 2012, and a small amount of expansion of the aquifer-system has been measured by the CCX extensometers. In early 2023, hydraulic heads increased by more than 10 ft, probably in response to the wet winter of 2022-23 and a decrease in pumping, which caused additional expansion of the aquifer-system sediments as recorded by the CCX extensometers. These observations indicate that vertical deformation of the aquifer-system sediments at this location in the Southeast Area is mainly elastic expansion.

3.3 Other Areas of Subsidence Concern

Historically, vertical ground motion has been measured across Central MZ-1, Northwest MZ-1, and the Northeast Area via InSAR and traditional ground-level surveys. As described in Section 2, InSAR results are not yet available for 2022-23 and ground-level surveys across the Central MZ-1 and Northeast Area were not conducted in 2023. In addition, efforts were made in 2022-23 to collect hydrogeologic data to support the Northeast Area Subsidence Investigation, but without success. Hence, the interpretation of the monitoring program results in these other Areas of Subsidence Concern are deferred until the *2023-24 Annual Report of the GLMC*.

Table 3-1. Groundwater Pumping in the Managed Area -- Fiscal Year 2012 through 2023

Well Name	Aquifer Layer	Fiscal Year, af										Fiscal Year 2023, af				By Layer
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Qtr 1	Qtr 2	Qtr 3	Qtr 4 ^(a)	
C-4	Shallow	524	0	0	0	0	0	0	0	0	0	0	0	0	-	
C-6		1049	594	0	0	0	0	0	0	0	0	0	0	0	-	
CH-1A		1137	909	738	861	649	637	369	0	0	0	0	0	0	-	
CH-7A		530	380	170	286	156	66	0	0	0	0	0	0	0	-	
CH-7B		712	264	200	616	261	232	350	0	0	0	0	0	0	-	
CIM-1		724	1,109	1,127	878	911	908	586	0	0	0	0	0	0	-	
XRef 8730 ^(b)		3	5	5	4	3	35	29	29	29	30	7	7	7	-	
Sub-Totals	4,679	3,260	2,240	2,644	1,980	1,879	1,334	29	29	30	7	7	7	-	21	
CH-17	Deep ^(c)	758	1,444	937	1,142	567	624	571	0	0	0	0	0	0	-	
CH-15B		0	28	105	0	0	0	0	0	0	0	25	0	-		
CIM-11A		243	239	195	92	94	222	0	0	3	3	0	0	1	-	
Sub-Totals	1,001	1,711	1,237	1,234	662	846	571	0	3	3	0	25	1	-	26	
Totals	5,680	4,971	3,477	3,878	2,642	2,725	1,905	29	32	33	8	32	8	-	47	

"C" = City of Chino

"CH" = City of Chino Hills

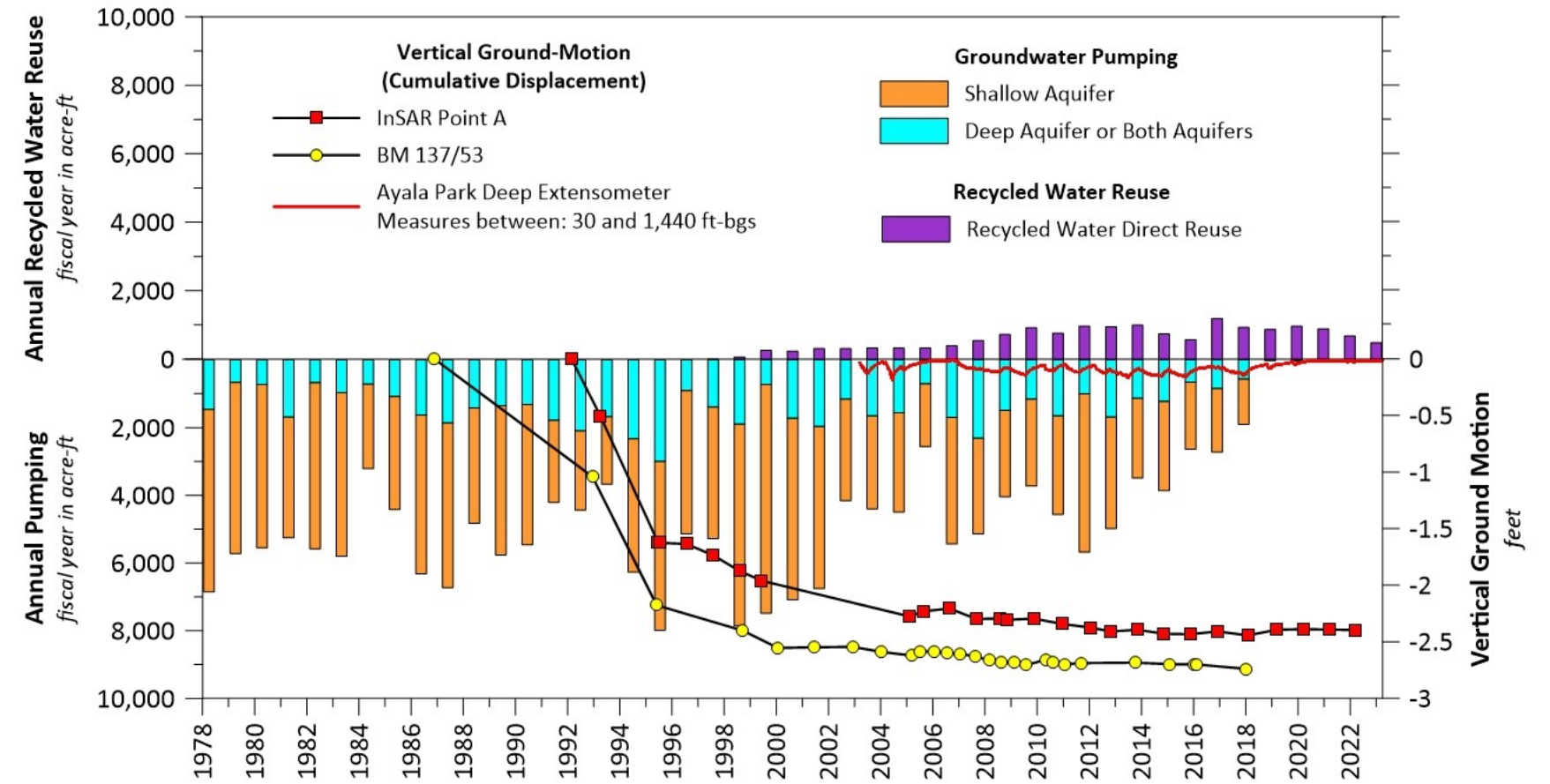
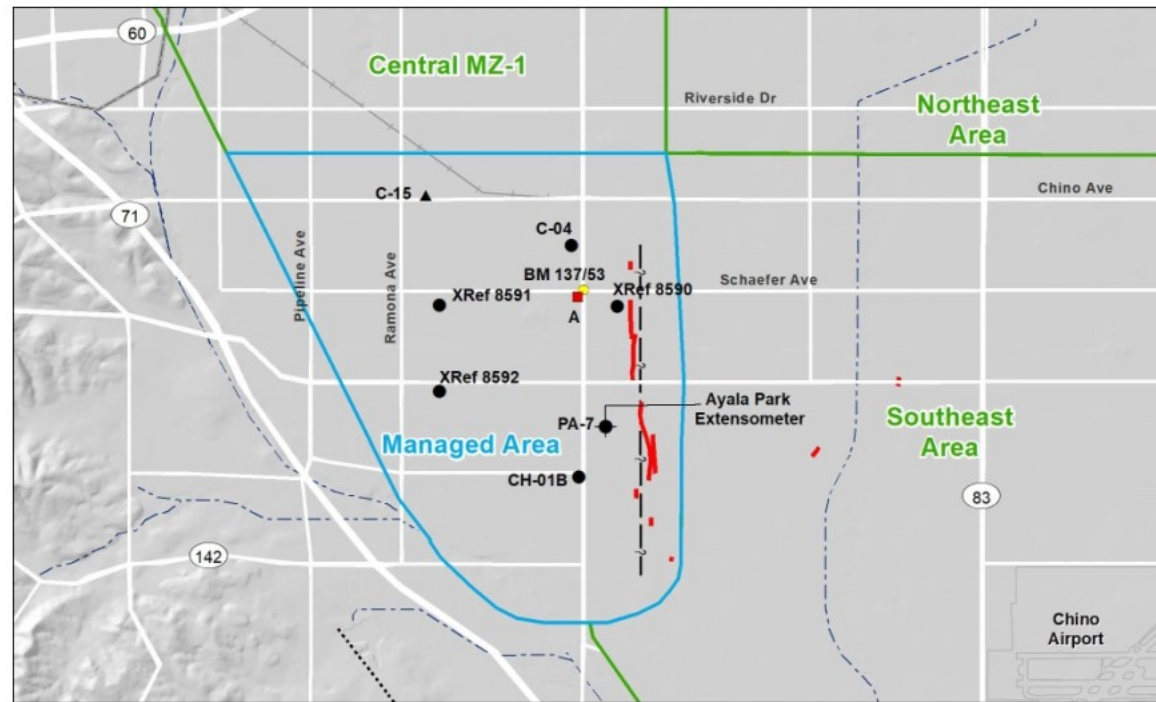
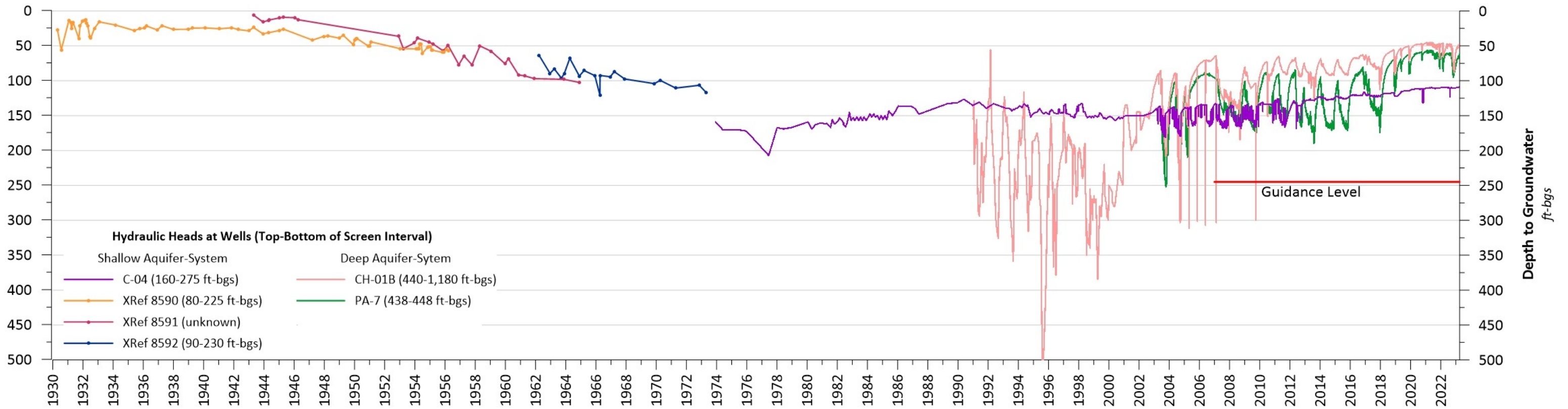
"CIM" = California Institution for Men

"XRef" = Private

(a) Data only available through March 2023.

(b) Well screen interval is unknown but assumed to be shallow based on typical well construction for other private wells in the vicinity.

(c) These wells have screen intervals that extend into the shallow-aquifer system, so a portion of the production comes from the shallow aquifer-system.



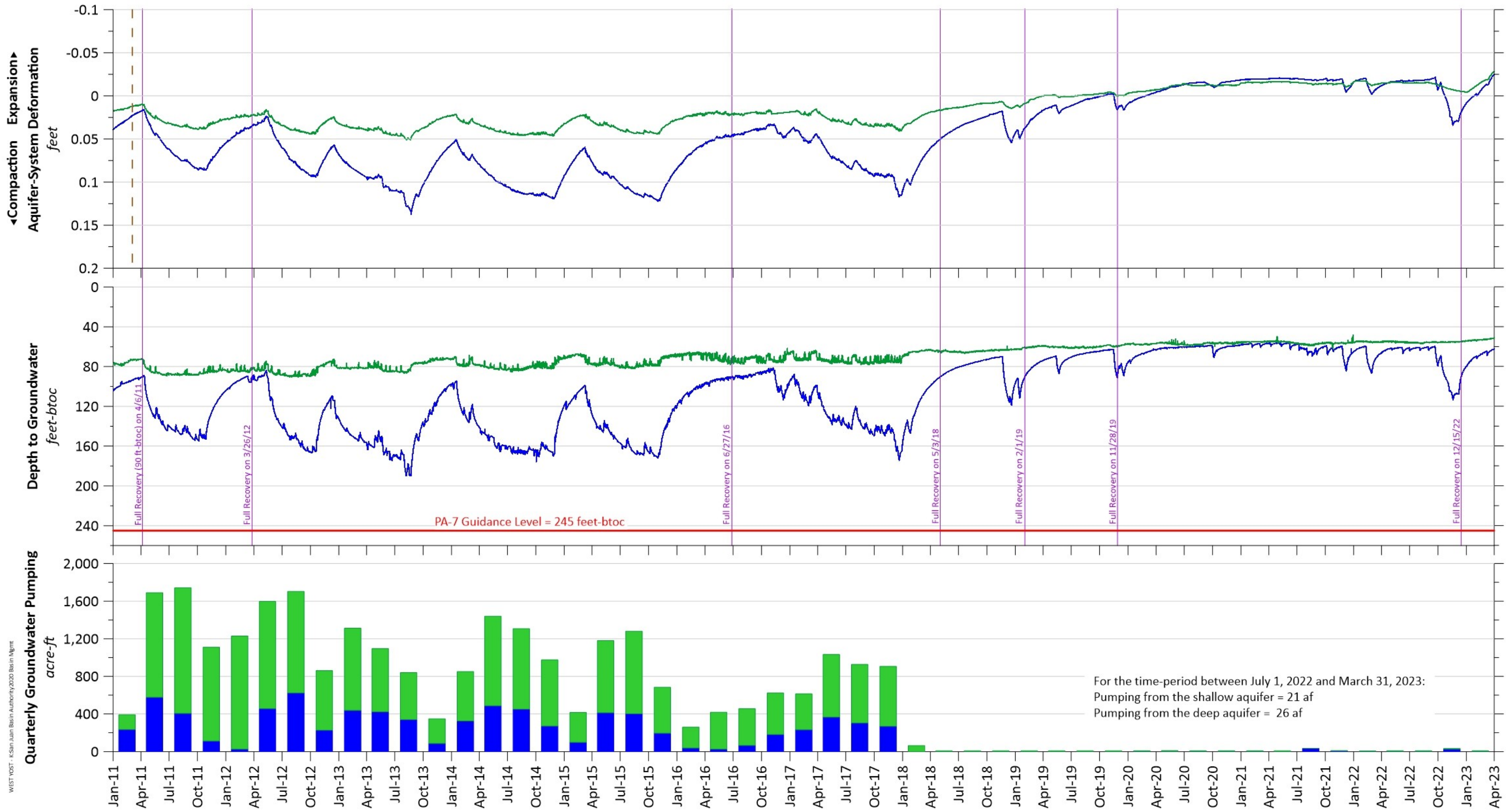
Recharge and pumping data through March 31, 2023

For the time-period between July 1, 2022 and March 31, 2023:
 Pumping from the shallow aquifer = 53 af
 Pumping from the deep aquifer = 2 af

Figure 3-1

**History of Land Subsidence
in the Managed Area**

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Aquifer-System Deformation at Ayala Park (Extensometer Depth Interval)

- Shallow Extensometer (30-550 ft-bgs)
- Deep Extensometer

Hydraulic Heads at Ayala Park (Screened Interval)

- Shallow Piezometer PA-10 (213-233 ft-bgs)
- Deep Piezometer PA-7 (438-448 ft-bgs)

Quarterly Groundwater Pumping (see Table 3-1 for groundwater pumping by well)

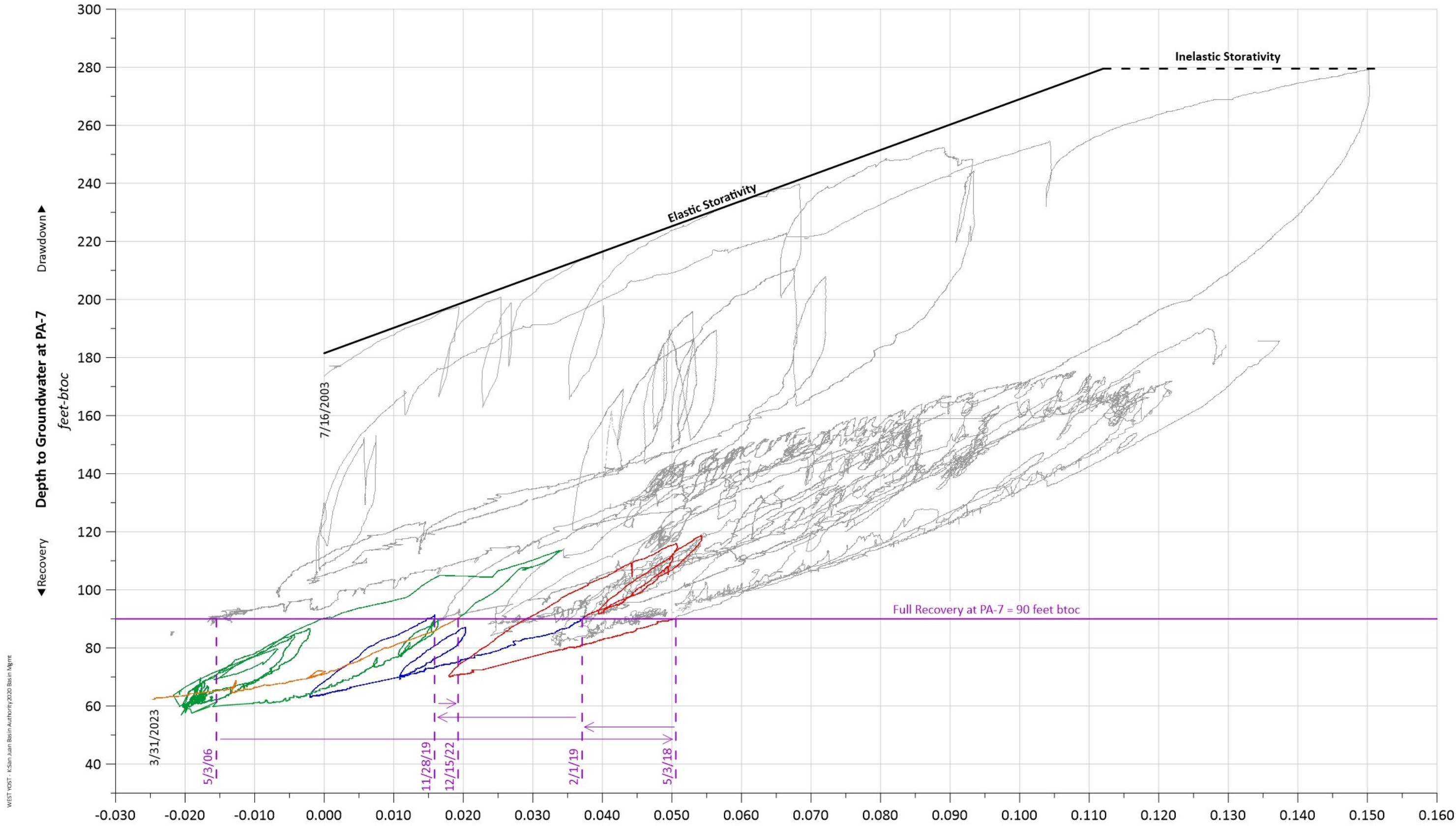
- Shallow Aquifer
- Deep Aquifer

Figure 3-2

Stress and Strain within the Managed Area

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- Stress - Strain Hysteresis Loops of Drawdown**
- Drawdown and recovery between 7/16/03 and 5/3/18
 - Drawdown and recovery between 5/3/18 to 2/1/19
 - Drawdown and recovery between 2/1/19 and 11/28/19
 - Drawdown and recovery between 11/28/19 and 12/15/22
 - Drawdown and recovery between 12/15/22 and 3/31/23

◀Expansion **Aquifer-System Deformation at the Deep Extensometer** ▶Compaction

feet

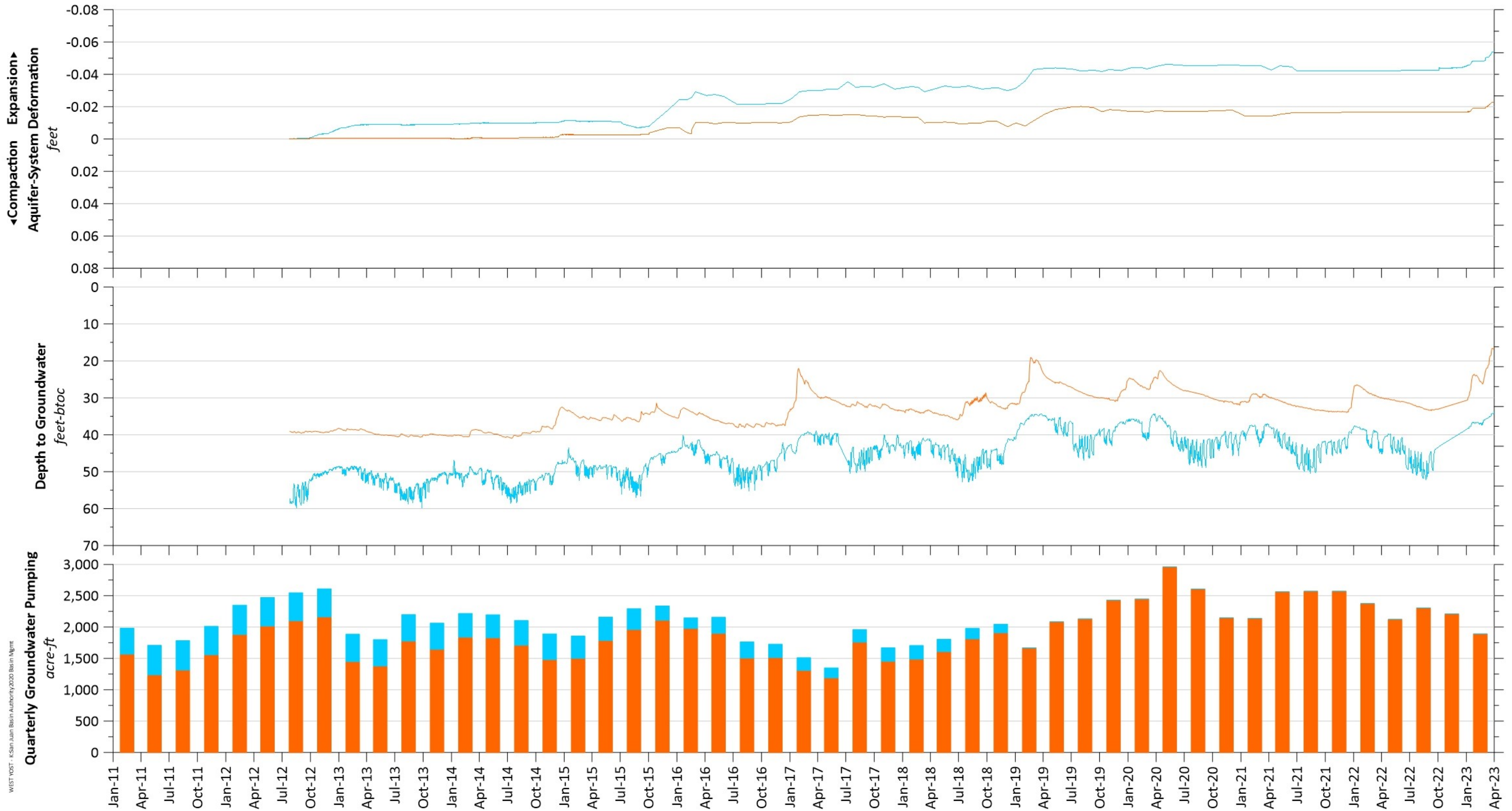
*PA-7 well-screen interval: 438-448 ft-bgs
 Depth interval of the Deep Extensometer: 30-1,400 feet-bgs

Figure 3-3

**Stress-Strain Diagram
 Ayala Park Extensometer**

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**Aquifer-System Deformation
(Extensometer Depth Interval)**

- CCX-1 with manuals
- CCX-2 (50-610 ft-bgs)
- - - Preliminary Data

**Hydraulic Heads
(Screened Interval)**

- CCPA-1 (100-130 ft-bgs)
- CCPA-2 (235-295 ft-bgs)

Quarterly Groundwater Pumping

- Shallow Aquifer
(CDA-5 to 11; 16, 17, 20 and 21)
- Deep Aquifer
(CDA-1 to 4)

Between April 2022 and March 2023:
There was no CDA pumping from the deep aquifer

Figure 3-4

**Stress and Strain
within the Southeast Area**

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4.0 CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusions and Recommendations

The major conclusions and recommendations of this *2022/23 Annual Report of the GLMC* are:

- At the Ayala Park Extensometer in the Managed Area, hydraulic heads within the shallow and deep aquifer-systems are near their highest levels since the inception of the GLMP in 2003, and the Ayala Park Extensometers recorded elastic compression and expansion of the aquifer-system during the current reporting period of March 2022 to March 2023. The elevated hydraulic heads were due to the virtual cessation of pumping in the Managed Area since 2018. The reduced pumping is largely due to the presence of water-quality contaminants in groundwater that constrain its use as drinking water and the availability of alternative water supplies. Hydraulic heads in the deep aquifer-system remain well above the Guidance Level, and the Ayala Park Extensometers recorded very little, if any, inelastic compaction of the aquifer-system during the current reporting period.

RECOMMENDATION: Continue the GLMP in the Managed Area with no changes to the monitoring network or monitoring/reporting protocols.

- At the CCX in the Southeast Area, hydraulic heads within the shallow and deep aquifer-systems are near their highest levels since monitoring began at the CCX in 2012, and the CCX extensometers recorded elastic expansion of the aquifer-system during the current reporting period of March 2022 to March 2023. The recent increases in hydraulic heads were due to the wet winter of 2022-23 and a decrease in pumping in the Southeast Area.

RECOMMENDATION: Continue the GLMP in the Southeast Area with no changes to the monitoring network or monitoring/reporting protocols.

- Across most of the other Areas of Subsidence Concern, prior annual reports have noted long-term trends of gradual land subsidence since 1992, even during periods of stable or increasing heads. The long-term trends in land subsidence have been of particular concern in Northwest MZ-1, where subsidence occurs differentially across the San Jose Fault and differential subsidence poses a threat for ground fissuring. The long-term trends of land subsidence have been attributed to the delayed drainage and compaction of aquitards as they slowly equilibrate with lower heads in the aquifers that were caused by historical pumping. As described in Section 2, InSAR data were not available for this annual report, so interpretation of the GLMP results in these other Areas of Subsidence Concern are deferred until the *2023-24 Annual Report of the GLMC*.

RECOMMENDATION: The GLMC should continue implementation of the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area* to develop management strategies to avoid future occurrences of subsidence. In FY 2023/24, this will include:

- Continuing aquifer-system monitoring and data analysis in Northwest MZ-1, including hydraulic head data and aquifer-system deformation data from the PX and hydraulic head data from Pomona and MVWD wells equipped with transducers. This includes efforts to improve the accuracy of the extensometer data being measured at the PX.
- Performing and evaluating 1D Model simulations of the potential future aquifer-system compaction (i.e., land subsidence) in Northwest MZ-1 at the PX and MVWD-28 locations. The 1D Model simulation results will be used to develop “Guidance Criteria” for

Northwest MZ-1 (e.g., recommended groundwater-level elevations) that will abate future subsidence in Northwest MZ-1 or reduce it to tolerable levels. The 1D Models should also be used to explore potential methods to achieve the Guidance Criteria, such as voluntary modification of pumping patterns; in-lieu recharge; wet-water recharge via spreading and/or injection; conducting Storage and Recover programs; or a combination of methods.

- The future scenarios for the 1D Model simulations could be developed during Watermaster’s upcoming groundwater modeling efforts associated with the *2025 Safe Yield Reevaluation* and the development of the *Storage and Recovery Master Plan*. The GLMC should participate in the scenario building exercises associated with these Watermaster efforts, so that the scenarios include various methods to achieve the Guidance Criteria. Then, the 1D Models should be used to evaluate the potential future subsidence in Northwest MZ-1 under these future scenarios, which could support the finalization of the Guidance Criteria and the *Subsidence Management Plan for Northwest MZ-1*.
- For the Northeast Area Subsidence Investigation, efforts were made in 2022-23 to collect hydrogeologic data as recommended in the *2021-22 Annual Report of the GLMC*, but without success. In addition, the InSAR data for 2022-23 are not yet available to confirm the ongoing occurrence of land subsidence in the vicinity of the Whispering Lakes Golf Course.
RECOMMENDATION: Efforts should continue to collect land subsidence and hydrogeologic data in this area in 2023-24 to further identify the primary cause(s) of the differential subsidence at the Whispering Lakes Subsidence Feature. Data collection should include: InSAR data; well information and data at the nearby Philadelphia Wells; and historical land use data and practices in the vicinity of the Whispering Lakes Golf Course.

4.2 Recommended Scope and Budget for Fiscal Year 2022/23

A scope-of-work for the GLMP for FY 2023/24 was reviewed by the GLMC in April 2023 and approved by Watermaster on May 25, 2023. Appendix A is the technical memorandum prepared by the Watermaster Engineer, titled: *Recommended Scope and Budget of the Ground-Level Monitoring Committee for FY 2023/24*.

In March 2024, the Watermaster Engineer will present the preliminary results of the GLMP through 2023 and a recommended FY 2024/25 scope and budget to the GLMC for consideration and feedback.

4.3 Changes to the Subsidence Management Plan

The Subsidence Management Plan calls for ongoing monitoring, data analysis, annual reporting, and adjustments to the Plan, as warranted by the data. The Subsidence Management Plan states that if data from existing monitoring efforts in the Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the Subsidence Management Plan pursuant to the process outlined in Section 4 of the Subsidence Management Plan. The recommendations described above to continue implementation of the *Work Plan to Develop a Subsidence-Management Plan for the Northwest MZ-1 Area* are consistent with the requirements of the OBMP Program Elements 1 and 4 and its implementation plan contained in the Peace Agreement.

5.0 GLOSSARY

The following glossary contains the terms and definitions used in this report and generally in the discussions at GLMC meetings.

Aquifer – A saturated, permeable, geologic unit that can transmit significant quantities of groundwater under ordinary hydraulic gradients and is permeable enough to yield economic quantities of water to wells.

Aquifer-system – A heterogeneous body of interbedded permeable and poorly permeable geologic units that function as a water-yielding hydraulic unit at a regional scale. The aquifer-system may comprise one or more aquifers within which aquitards are interspersed. Confining units may separate the aquifers and impede the vertical exchange of groundwater between aquifers within the aquifer-system.

Aquitard – A saturated, but poorly permeable geologic unit that impedes groundwater movement and does not yield water freely to wells but may transmit appreciable water to and from adjacent aquifers and, where sufficiently thick, may constitute an important groundwater storage unit. A really, extensive aquitards may function regionally as confining units within aquifer-systems.

Artesian – An adjective referring to confined aquifers. Sometimes the term artesian is used to denote a portion of a confined aquifer where the altitudes of the potentiometric surface are above land surface (flowing wells and artesian wells are synonymous in this usage). But, more generally, the term indicates that the altitudes of the potentiometric surface are above the altitude of the base of the confining unit (artesian wells and flowing wells are not synonymous in this case).

Compaction – Compaction of the aquifer-system reflects the rearrangement of the mineral grain pore structure and largely non-recoverable reduction of the porosity under stresses greater than the pre-consolidation stress. Compaction, as used here, is synonymous with the term “virgin consolidation” used by soils engineers. The term refers to both the process and the measured change in thickness. As a practical matter, a very small amount (1 to 5 percent) of compaction is recoverable as a slight elastic rebound of the compacted material if stresses are reduced.

Compression – A reversible compression of sediments under increasing effective stress; it is recovered by an equal expansion when aquifer-system heads recover to their initial higher values.

Consolidation – In soil mechanics, consolidation is the adjustment of a saturated soil in response to increased load, involving the squeezing of water from the pores and a decrease in the void ratio or porosity of the soil. For the purposes of this report, the term “compaction” is used in preference to consolidation when referring to subsidence due to groundwater extraction.

Confined Aquifer-system – A system capped by a regional aquitard that strongly inhibits the vertical propagation of head changes to or from an overlying aquifer. The heads in a confined aquifer-system may be intermittently or consistently different than in the overlying aquifer.

Deformation, Elastic – A fully reversible deformation of a material. In this report, the term “elastic” typically refers to the reversible (recoverable) deformation of the aquifer-system sediments or the land surface.



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Deformation, Inelastic – A non-reversible deformation of a material. In this report, the term “inelastic” typically refers to the permanent (non-recoverable) deformation of the aquifer-system sediments or the land surface.

Differential Land Subsidence – Markedly different magnitudes of subsidence over a short horizontal distance, which can be the cause of ground fissuring.

Drawdown – Decline in aquifer-system head typically due to pumping by a well.

Expansion – In this report, expansion refers to the expansion of sediments. A reversible expansion of sediments under decreasing effective stress.

Extensometer – A monitoring well housing a free-standing pipe or cable that can measure vertical deformation of the aquifer-system sediments between the bottom of the pipe and the land surface datum.

Ground Fissures – Elongated vertical cracks in the ground surface that can extend several tens of feet in depth.

Hydraulic Conductivity – A measure of the medium’s capacity to transmit a particular fluid. The volume of water at the existing kinematic viscosity that will move in a porous medium in unit time under a unit hydraulic gradient through a unit area. In contrast to permeability, it is a function of the properties of the liquid, as well as the porous medium.

Hydraulic Gradient – Change in head over a distance along a flow line within an aquifer-system.

Hydraulic Head – A measure of the potential for fluid flow. The height of the free surface of a body of water above a given subsurface point.

InSAR (Synthetic Aperture Radar Interferometry) – A remote-sensing method (radar data collected from satellites) that measures ground-surface displacement over time.

Linear Potentiometer – A highly sensitive electronic device that can generate continuous measurements of displacement between two objects. Used to measure movement of the land-surface datum with respect to the top of the extensometer measuring point.

Nested Piezometer – A single borehole containing more than one piezometer.

Overburden – The weight of overlying sediments, including their contained water.

Piezometer – A monitoring well that measures groundwater levels, or piezometric level, at a point, or in a very limited depth interval, within an aquifer-system.

Piezometric (Potentiometric) Surface – An imaginary surface representing the total head of groundwater within a confined aquifer-system, defined by the level to which the water will rise in wells or piezometers that are screened within the confined aquifer-system.

Pore pressure – Water pressure within the pore space of a saturated sediment.

Rebound – Elastic rising of the land surface.



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Stress, Effective – The difference between the geostatic stress and fluid pressure at a given depth in a saturated deposit, representing the portion of the applied stress that becomes effective as intergranular stress.

Stress, Pre-consolidation – The maximum antecedent effective stress to which a deposit has been subjected and can withstand without undergoing additional permanent deformation. Stress changes in the range less than the pre-consolidation stress produce elastic deformations of small magnitude. In fine-grained materials, stress increases beyond the pre-consolidation stress produce much larger deformations that are principally inelastic (non-recoverable). Synonymous with “virgin stress.”

Stress – Stress (pressure) that is borne by and transmitted through the grain-to-grain contacts of a deposit, thus affecting its porosity and other physical properties. In one-dimensional compression, effective stress is the average grain-to-grain load per unit area in a plane normal to the applied stress. At any given depth, the effective stress is the weight (per unit area) of sediments and moisture above the water table plus the submerged weight (per unit area) of sediments between the water table and a specified depth plus or minus the seepage stress (hydrodynamic drag) produced by downward or upward components, respectively, of water movement through the saturated sediments above the specified depth. Effective stress may also be defined as the difference between the geostatic stress and fluid pressure at a given depth in a saturated deposit and represents the portion of the applied stress that becomes effective as intergranular stress.

Subsidence – Permanent or non-recoverable sinking or settlement of the land surface due to any of several processes.

Transducer – An electronic device that can measure piezometric levels by converting water pressure to a recordable electrical signal. Typically, the transducer is connected to a data logger, which records the measurements.

Water Table – The surface of a body of unconfined groundwater at which the pressure is equal to atmospheric pressure and is defined by the level to which the water will rise in wells or piezometers that are screened within the unconfined aquifer-system.



6.0 REFERENCES

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Recommended Scope and Budget for the Ground-Level Monitoring Program for FY 2023/24

TECHNICAL MEMORANDUM

DATE: May 10, 2023 Project No.: 941-80-22-26

TO: Ground-Level Monitoring Committee

FROM: Andy Malone and Garrett Rapp

REVIEWED BY: Andy Malone

SUBJECT: Recommended Scope of Work and Budget of the Ground-Level Monitoring Committee for Fiscal Year 2023/24 **(FINAL)**

BACKGROUND AND PURPOSE

Pursuant to the Optimum Basin Management Program Implementation Plan and the Peace Agreement, the Chino Basin Watermaster (Watermaster) implements a Subsidence Management Plan (SMP) for the Chino Basin to minimize or stop the occurrence of land subsidence and ground fissuring. The Court approved the SMP and ordered its implementation in November 2007 (2007 SMP). The 2007 SMP was updated in 2015 (2015 SMP) and can be downloaded from the Watermaster [website](#). The SMP outlines a program of monitoring, data analysis, and annual reporting. A key element of the SMP is its adaptive nature—Watermaster can adjust the SMP as warranted by the data.

The Watermaster Engineer, with the guidance of the Ground-Level Monitoring Committee (GLMC), prepares annual reports which include the results of the monitoring program, interpretations of the data, recommendations for the Ground-Level Monitoring Program (GLMP) for the following fiscal year (FY), and recommendations for adjustments to the SMP, if any.

This Technical Memorandum (TM) describes the Watermaster Engineer’s recommended activities for the GLMP for FY 2023/24 in the form of a proposed scope of services and budget.

Members of the GLMC are asked to:

- Review this TM prior to March 2, 2023.
- Attend a meeting of the GLMC at 9:00 am on March 2, 2023 to discuss the proposed scope of services and budget for FY 2023/24.
- Submit comments and suggested revisions on the proposed scope of services and budget for FY 2023/24 to the Watermaster by March 24, 2023.
- Attend a meeting of the GLMC at 9:00 am on March 30, 2023 to discuss comments and revisions to the proposed scope of services and budget for FY 2023/24 (if necessary).

- Submit additional comments and suggested revisions on the proposed scope of services and budget for FY 2023/24 to the Watermaster by April 7, 2023.

The final scope of services and budget that is recommended by the GLMC will be included in the Watermaster’s FY 2023/24 budget. The final scope of services, budget, and schedule for FY 2023/24 will be included in Section 4 of the *2022/23 Annual Report of the GLMC*.

RECOMMENDED SCOPE OF SERVICES AND BUDGET – FY 2023/24

A proposed scope of services for the GLMP for FY 2023/24 is shown in Table 1 as a line-item cost estimate. The proposed scope of services is summarized below.

Task 1. Setup and Maintenance of the Monitoring Network

The Chino Basin extensometer facilities are key monitoring facilities for the GLMP. They require regular and as-needed maintenance and calibration to remain in good working order and to ensure the recording of accurate measurements.

Task 1.1. Maintain Extensometer Facilities

This subtask includes performing monthly visits to the Ayala Park, Chino Creek, and Pomona extensometer (PX) facilities to ensure functionality and calibration of the monitoring equipment and data loggers. One additional staff member is required at the PX site due to safety concerns.

Non-routine efforts to be performed during FY 2023/24 under this subtask include:

- Monthly adjustments to the PX extensometers to improve the accuracy of the measurements of aquifer-system deformation.
- Repair of the top of the rusted casings at the Ayala Park piezometers.

Task 1.2. Annual Lease Fees for the Chino Creek Extensometer Site

The County of San Bernardino (County) owns the land the Chino Creek extensometer facility is located on. As such, the Watermaster entered into a lease agreement with the County in 2012 and pays the County an annual rental payment of \$1,596.

Task 2. Aquifer-System Monitoring and Testing

This task involves the collection and compilation of hydraulic head and aquifer-system deformation data from the Ayala Park, Chino Creek, and Pomona extensometer facilities.

Task 2.1. Conduct Quarterly Monitoring at Extensometer Facilities

This subtask involves the routine quarterly collection and checking of data from the extensometer facilities. Quarterly data collection is necessary to ensure that the monitoring equipment is in good working order and to minimize the risk of losing data because of equipment malfunction. For this subtask, the complete extensometer and piezometer records from the Ayala Park, Chino Creek, and Pomona extensometer facilities will be loaded to HydroDaVESM (Hydrologic Database and Visual Explanations) and checked.

Table 1. Work Breakdown Structure and Cost Estimates for the Ground-Level Monitoring Program: FY 2023/24

Task Description	Notes	Labor (days)		Other Direct Costs					Totals				
		Person Days	Total	Travel	New Equip.	Equip. Rental	Outside Pro	Misc.	Total	Totals by Task	Recommended Budget 2023/24	Approved Budget 2022/23	Net Change from 2022/23
											a	b	a - b
Task 1. Setup and Maintenance of the Monitoring Network			\$39,821						\$7,968	\$47,789	\$47,789	\$35,470	\$12,319
1.1	Maintain Extensometer Facilities												
1.1.1	Routine maintenance of Ayala Park, Chino Creek, and Pomona extensometer facilities		25	\$32,509	\$649	\$250	\$300		\$1,199	\$33,707	\$33,707	\$22,380	\$11,327
1.1.2	Replacement/repair of equipment at extensometer facilities		4	\$7,312	\$173	\$2,500		\$2,500	\$5,173	\$12,485	\$12,485	\$11,494	\$992
1.2	Annual Lease Fees for the Chino Creek extensometer facility		0	\$0					\$1,596	\$1,596	\$1,596	\$1,596	\$0
Task 2. MZ-1: Aquifer-System Monitoring and Testing			\$30,552						\$904	\$31,456	\$31,456	\$30,687	\$768
2.1	Conduct Quarterly Monitoring at Extensometers Facilities												
2.1.1	Download data from the Ayala Park Extensometer facility		2	\$2,640	\$332		\$60		\$392	\$3,032	\$3,032	\$3,059	-\$27
2.1.2	Download data from the Chino Creek Extensometer facility		2	\$2,640			\$60		\$60	\$2,700	\$2,700	\$2,778	-\$78
2.1.3	Download data from Pomona Extensometer facility		8	\$10,040	\$332		\$120		\$452	\$10,492	\$10,492	\$5,853	\$4,639
2.1.4	Process, check, and upload data to database		10	\$15,232					\$0	\$15,232	\$15,232	\$18,997	-\$3,765
Task 3. Basin Wide Ground-Level Monitoring Program (InSAR)			\$6,560						\$90,000	\$96,560	\$96,560	\$90,472	\$6,088
3.1	Acquire TerraSAR-X data and prepare interferograms for 2023/24		1	\$2,336				\$90,000	\$90,000	\$92,336	\$92,336	\$86,892	\$5,444
3.2	Check and review InSAR results		2.5	\$4,224					\$0	\$4,224	\$4,224	\$3,580	\$644
Task 4. Perform Ground-Level Surveys			\$7,728						\$76,552	\$84,280	\$84,280	\$38,241	\$46,039
4.1	Conduct Spring-2024 Elevation surveys in Northwest MZ-1		0.5	\$1,168				\$27,192	\$27,192	\$28,360	\$28,360	\$26,259	\$2,101
4.2	Conduct Spring-2024 Elevation Survey in the Northeast Area		0	\$0				\$50,820	\$0	\$0	\$0	\$0	\$0
4.3	Conduct Spring-2024 Elevation Survey in the Southeast Area		0	\$0				\$53,812	\$0	\$0	\$0	\$0	\$0
4.4	Conduct Spring-2024 Elevation and EDM Surveys in the Managed Area/Fissure Zone		0.5	\$1,168				\$30,080	\$30,080	\$31,248	\$31,248	\$0	\$31,248
4.5	Replace Destroyed Benchmarks (if needed)		0	\$0				\$19,280	\$19,280	\$19,280	\$19,280	\$5,650	\$13,630
4.6	Process, Check, and Update Database		3	\$5,392					\$0	\$5,392	\$5,392	\$6,332	-\$940
Task 5. Data Analysis and Reporting			\$85,412						\$0	\$85,412	\$85,412	\$87,888	-\$2,476
5.1	Prepare Draft 2022/23 Annual Report of the Ground-Level Monitoring Committee		20	\$36,136					\$0	\$36,136	\$36,136	\$34,124	\$2,012
5.2	Prepare Final 2022/23 Annual Report of the Ground-Level Monitoring Committee		8.5	\$15,732					\$0	\$15,732	\$15,732	\$19,993	-\$4,261
5.3	Compile and Analyze Data from the 2023/24 Ground-Level Monitoring Program		14	\$23,544					\$0	\$23,544	\$23,544	\$21,643	\$1,901
5.4	Continue Whispering Lakes Subsidence Investigation		0	\$10,000					\$0	\$10,000	\$10,000	\$12,129	-\$2,129
Task 6. Develop a Subsidence-Management Plan for Northwest MZ-1			\$15,536						\$0	\$15,536	\$15,536	\$25,203	-\$9,667
6.1	Aquifer-System Monitoring												
6.1.1	Collect pumping and piezometric level data from agencies every three months; check and upload data to HDX		8	\$10,560					\$0	\$10,560	\$10,560	\$12,995	-\$2,435
6.1.2	Prepare and analyze charts and data graphics of pumping and recharge (Northwest MZ-1), piezometric levels, and aquifer-system deformation from PX		3	\$4,976					\$0	\$4,976	\$4,976	\$12,208	-\$7,232
Task 7. Construct and Calibrate Additional 1D Models Across Western Chino Basin			\$192,356						\$155	\$192,511	\$192,511	\$140,339	\$52,173
7.1	Prepare a draft TM summarizing the background, objectives, and methods; distribute to the GLMC		6.5	\$12,760					\$0	\$12,760	\$12,760		
7.2	Prepare for and conduct a GLMC meeting to receive feedback and comments on the draft TM	a	2.5	\$5,032	\$78				\$78	\$5,110	\$5,110		
7.3	Verify and/or recalibrate the 1D Model at Ayala Park Extensometer location		12.5	\$22,736					\$0	\$22,736	\$22,736		
7.4	Construct two additional 1D Models in the Southeast Area and Northeast Area		35	\$62,368					\$0	\$62,368	\$62,368		
7.5	Calibrate new 1D Models to derive properties of aquifers/aquitards and estimate the pre-consolidation stress(es)		25	\$45,472					\$0	\$45,472	\$45,472	\$140,339	\$52,173
7.6	Prepare a draft TM summarizing the construction/calibration of additional 1D Models; distribute to the GLMC		20	\$37,024					\$0	\$37,024	\$37,024		
7.7	Prepare for and conduct a GLMC meeting to receive feedback and comments on the draft TM	a	2.5	\$5,032	\$78				\$78	\$5,110	\$5,110		
7.8	Incorporate the GLMC comments and prepare a final technical memorandum		1	\$1,932					\$0	\$1,932	\$1,932		
Task 8. Meetings and Administration			\$58,866						\$362	\$59,228	\$59,228	\$54,559	\$4,669
8.1	Prepare for and Conduct Four Meetings of the Ground-Level Monitoring Committee	a	18	\$32,352	\$284				\$284	\$32,636	\$32,636	\$29,986	\$2,651
8.2	Prepare for and Conduct One As-Requested Ad-Hoc Meeting	a	3	\$5,392	\$78				\$78	\$5,470	\$5,470	\$5,025	\$445
8.3	Perform Monthly Project Management		6	\$11,592					\$0	\$11,592	\$11,592	\$10,740	\$852
8.4	Prepare a Recommended Scope and Budget for the GLMC for FY 2023/24		5.25	\$9,530					\$0	\$9,530	\$9,530	\$8,808	\$722
Totals				\$436,831					\$175,941		\$612,772	\$502,860	\$109,912

Notes:
a Assumes in-person meetings.

Task 3. Basin-Wide Ground-Level Monitoring Program (InSAR)

This task involves the annual collection and analysis of Synthetic Aperture Radar (SAR) scenes to estimate the vertical ground motion across the western portion of Chino Basin from March 2023 to March 2024.

Task 3.1. Acquire TerraSAR-X SAR Data and Prepare Interferograms for 2023/24

In this subtask, five SAR scenes that will be acquired by the TerraSAR-X satellite from March 2023 to March 2024 are purchased from the German Aerospace Center. General Atomics (formerly Neva Ridge Technologies) will use the SAR scenes to prepare 12 interferograms that describe the incremental and cumulative vertical ground motion that occurred from March 2023 to March 2024 and since 2011. The associated costs to task, acquire, purchase, and process the InSAR data is as follows:

- Task TerraSAR-X for five SAR acquisitions for the western Chino Basin (\$13,000)
- Purchase TerraSAR-X data (\$18,000)
- Prepare InSAR results, including GeoTIFFs and GIS raster datasets (\$59,000)

Task 3.2. Check and Review InSAR Results

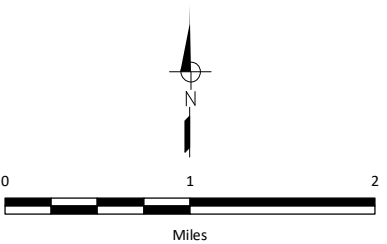
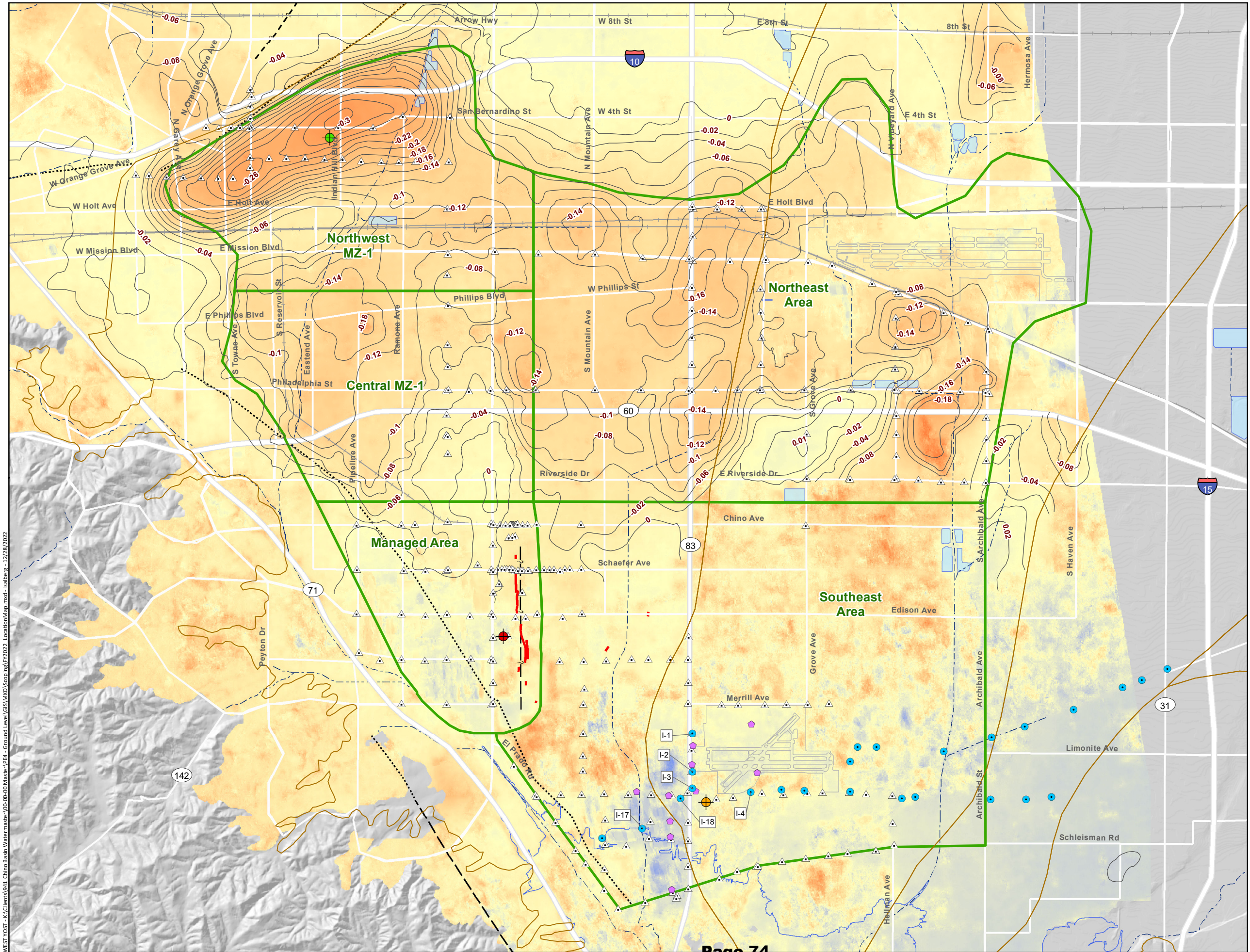
In this subtask, the Watermaster Engineer reviews the InSAR results with General Atomics, performs checks for reasonableness and accuracy of the InSAR estimates of vertical ground motion across the western Chino Basin, and uploads the InSAR results to the GIS database.

Task 4. Perform Ground-Level Surveys

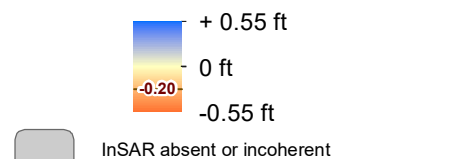
This task involves conducting elevation surveys at benchmark monuments across defined areas of western Chino Basin to estimate the vertical ground motion that occurred since the prior survey. Figure 1 shows the location of the benchmark monuments surveyed across the western Chino Basin. Electronic distance measurements (EDM surveys) are also performed periodically between monuments to estimate horizontal ground motion in areas where ground fissuring due to differential land subsidence is a concern. Table 2 documents the areas surveyed over the last six years as part of the GLMP.

Ground-Level Survey Area	Ground-Level Survey Completed (Y/N)?					
	2018	2019	2020	2021	2022	2023 ^(b)
Managed Area	Y	N	N	N	N	N
Fissure Zone Area ^(a)	Y	N	N	N	N	N
Central Area	N	N	N	N	N	N
Northwest Area	Y	Y	Y	Y	Y	Y
San Jose Fault Zone Area ^(a)	Y	Y	Y	Y	Y	N
Southeast Area	Y	N	N	N	Y	N
Northeast Area	Y	Y	Y	N	N	N

(a) Denotes EDM survey area (measurements of horizontal strain).
 (b) The 2023 ground-level surveys are scheduled to begin in early March 2023.



Relative Change in Land Surface Altitude as Estimated by InSAR (March 2011 to March 2022)



- Areas of Subsidence Concern
- Pomona Extensometer Facility
- Chino Creek Extensometer Facility
- Ayala Park Extensometer Facility
- Chino Desalter Authority Well
- SB County Proposed Extraction Well
- △ Ground-Level Survey Benchmark
- Ground Fissures
- - - Approximate Location of the Riley Barrier



Figure 1
Ground-Level Monitoring Program
Fiscal Year 2022/23
 Chino Basin Watermaster
 Ground-Level Monitoring Committee

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The ground-level surveys recommended for FY 2023/24 include the following:

Task 4.1. Conduct Spring-2024 Elevation surveys in Northwest MZ-1

In this subtask, the surveyor conducts elevation and EDM surveys at the established benchmarks in Northwest MZ-1 in Spring 2024. The elevation survey will begin at the Pomona Extensometer Facility and includes benchmarks across Northwest MZ-1. The elevation survey will be referenced to a newly established elevation datum at the Pomona Extensometer.

*The vertical elevation survey is recommended in FY 2023/24 because of the recent subsidence that has occurred in Northwest MZ-1 and because the survey will support the development of a subsidence management plan in Northwest MZ-1. The EDM survey is **not** recommended to be performed across the San Jose fault zone because past surveys (2013-2021) have demonstrated that the horizontal strain measured between benchmark pairs appears to behave elastically. The EDM surveys should be conducted less frequently than annual (e.g., once every five years).*

Task 4.4. Conduct Spring-2021 Elevation and EDM Surveys in the Managed Area/Fissure Zone Area

In this subtask, the surveyor conducts elevation and EDM surveys at the established benchmarks in across the Managed Area in Spring 2024. These surveys are recommended because (i) the Managed Area is the primary focus of the Subsidence Management Plan and (ii) the last survey performed in this area was during spring 2018 which, by spring 2024, will be six years between surveys.

Ground-Level Surveys Not Recommended for FY 2023/24

Ground-level surveys are **not** recommended for FY 2023/24 in the other Areas of Subsidence Concern (i.e., Central, Southeast, and Northeast Areas). This recommendation is justified because:

- InSAR is proving to be an accurate, more efficient, higher-resolution method to monitor vertical ground motion across the western Chino Basin.
- Hydraulic heads and vertical ground motion in some of these areas are stable or increasing.

Ground-level surveys should be conducted in these areas less frequently than annual (e.g., once every five years).

Task 4.5. Replace Destroyed Benchmarks (if needed)

In this subtask, the surveyor replaces benchmark monuments that have been destroyed since the last survey, if any.

Task 4.6. Process, Check, and Update Database

In this subtask, the Watermaster Engineer receives and catalogs the survey results provided by the surveyor, prepares the data for display as a GIS layer, and performs checks against InSAR and extensometer data for reasonableness and accuracy.

Task 5. Data Analysis and Reporting

Task 5.1. Prepare Draft 2022/23 Annual Report of the Ground-Level Monitoring Committee

Prepare the text, tables, and figures for a draft *2022/23 Annual Report of the GLMC* and submit the report to the GLMC by September 22, 2023 for review and comment.

Task 5.2. Prepare Final 2022/23 Annual Report of the Ground-Level Monitoring Committee

Update the text, tables, and figures based on the comments received from the GLMC and prepare a final *2022/23 Annual Report of the GLMC* by November 3, 2023. Responses to GLMC comments will be included as an appendix to the final report. The report will be included in the agenda packet for the November 2023 Watermaster meetings for approval.

Task 5.3. Compile and Analyze Data from the 2023/24 Ground-Level Monitoring Program

In this subtask, monitoring data generated from the GLMP during 2023/24 is checked, mapped, charted, and analyzed as the first step in the preparation of the subsequent annual report. Some of the maps, charts, and tables are shared with the GLMC at its meetings in early 2024 during the development of a recommended scope of services and budget for FY 2024/25.

Task 5.4. Conduct Whispering Lakes Subsidence Investigation of the Northeast Area

In the Northeast Area, the long-term and short-term InSAR estimates indicate that persistent downward ground motion has occurred in a concentrated area south of the Ontario International Airport between Vineyard Avenue and Archibald Avenue in the vicinity of Whispering Lakes Golf Course. The western edge of this subsiding area exhibits a steep subsidence gradient or “differential subsidence.”

In FY 2021/22, the Watermaster Engineer conducted a Reconnaissance-Level Investigation that included the review and analysis of readily-available borehole and lithologic data, historical air photos, pumping and recharge data, hydraulic head data, and InSAR estimates of vertical ground motion. Figures and charts were prepared and analyzed to derive interpretations and recommendations for future investigations and monitoring. The investigation and recommendations were included in the FY 2021/22 Annual Report of the GLMC. Plausible mechanisms for this subsidence feature include pumping-induced aquitard drainage and shallow soil consolidation associated with historical land uses. The investigation identified data gaps in available site-specific hydrogeologic data.

Potential next steps presented to the GLMC at its December 13, 2022 meeting included:

- Aquifer-system monitoring (e.g., collecting existing hydrogeologic data; installing transducers at wells in the study area; constructing an aquifer-system monitoring facility within the subsidence feature)
- Further investigation of the historical land use practices in the vicinity of the Whispering Lakes Golf Course (e.g., agricultural disturbance and augmentation of soils; historical sewage disposal and spreading of solids; golf course construction and maintenance activities)
- Perform field studies of shallow soil consolidation (i.e., develop a dataset of site-specific shallow soil compaction that could be compared to the rates of subsidence estimated by InSAR); and

The GLMC has recommended a stepwise, process-of-elimination approach to identify the subsidence mechanism(s). The GLMC approved a \$10,000 budget for FY 2022/23 to implement the recommendations derived from the Reconnaissance-Level Investigation. This budget is being used to collect and evaluate existing data (e.g., hydrogeologic data, well information, reports, historical land use data) and install transducers at nearby pumping wells. The results of these efforts will be documented in the GLMC Annual Report for 2022/23 along with recommendations for follow-on work.

The GLMC should consider dedicating contingency budget for FY 2023/24 (\$10,000) to continue the implementation of the recommendations derived Reconnaissance-Level Investigation and future recommendations based on results of work performed in 2022/23.

Task 6. Develop a Subsidence-Management Plan for Northwest MZ-1

The 2007 SMP called for ongoing monitoring and data analysis of the Managed Area; including annual reporting and adjustments to the SMP, as warranted by the data. The 2007 SMP also called for expanded monitoring of the aquifer-system and land subsidence in other areas of subsidence and ground fissuring concern. Figure 1 shows the location of these so-called Areas of Subsidence Concern: Central MZ-1, Northwest MZ-1, Northeast Area, and Southeast Area. The expanded monitoring efforts outside of the Managed Area are consistent with the requirements of OBMP Program Element 1 and its implementation plan contained in the Peace Agreement.¹

The 2007 SMP stated that if data from existing monitoring efforts in the Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, the Watermaster would revise the SMP to avoid those adverse impacts. The 2014 Annual Report of the GLMC recommended that the 2007 SMP be updated to better describe the Watermaster’s land subsidence efforts and obligations, including areas outside of MZ-1. As such, the update included a name change to the 2015 Chino Basin Subsidence Management Plan (2015 SMP) and a recommendation to develop a subsidence management plan for Northwest MZ 1.

The Watermaster had been monitoring vertical ground motion in Northwest MZ-1 via InSAR during the development of the 2007 SMP. Land subsidence in Northwest MZ-1 was first identified as a concern in 2006 in the MZ-1 Summary Report and again in 2007 in the 2007 SMP. Of particular concern was the occurrence of concentrated differential subsidence across the San Jose Fault in Northwest MZ-1—the same pattern of differential subsidence that occurred in the Managed Area during the time of ground fissuring. Ground fissuring is the main subsidence-related threat to infrastructure. The issue of differential subsidence, and the potential for ground fissuring in Northwest MZ-1, has been discussed at prior GLMC meetings, and the subsidence has been documented and described as a concern in the Watermaster’s State of the Basin Reports, the annual reports of the GLMC, and in the *Initial Hydrologic Conceptual Model and Monitoring and Testing Program for the Northwest MZ-1 Area* (WEI, 2017). The Watermaster increased monitoring efforts in Northwest MZ-1 beginning in FY 2012/13 to include ground elevation surveys and electronic distance measurements (EDM) to monitor ground motion and the potential for fissuring.

¹ http://www.cbwm.org/docs/legaldocs/Peace_Agreement.pdf.

In 2015, the Watermaster’s Engineer developed the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area* (Work Plan; WEI 2015b).² The Work Plan is characterized as an ongoing Watermaster effort and includes a description of a multi-year scope-of-work, a cost estimate, and an implementation schedule. The Work Plan was included in the 2015 SMP as Appendix B. Implementation of the Work Plan began in July 2015. On an annual basis, the GLMC analyzes the data and information generated by the implementation of the Work Plan. The results and interpretations generated from the analysis are documented in the annual report of the GLMC and used to prepare recommendations for future activities.

Progress to Implement Work Plan thru FY 2022/23

The progress that has been made to implement the Work Plan (through FY 2022/23) is described below:

- An initial hydrogeologic conceptual model of the Northwest MZ-1 Area was developed, and a report was published in 2017.³ This report described the hydrogeology of the area, speculated on the causes of the observed land subsidence, and included a recommended monitoring program.
- A preliminary one-dimensional (1D) compaction model, based on hydrogeologic information from the MVWD-28 well site, was constructed, calibrated, and used to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater production and artificial recharge and to identify potential subsidence mitigation strategies. A report⁴ was published to document the results of the modeling and included a recommendation to construct the Pomona Extensometer.
- The initial monitoring program was implemented to closely track groundwater-levels, groundwater production, recharge, and ground motion across Northwest MZ-1. This monitoring program included the construction of the Pomona Extensometer to measure and record depth-specific heads and aquifer-system deformation. Implementation of the monitoring program is ongoing.
- A new 1D model was constructed and calibrated using the hydrogeologic information collected at the Pomona Extensometer. The 1D model at MVWD-28 was also updated and recalibrated using current information. The objectives of this exercise were to: (i) describe the subsidence mechanisms and the pre-consolidation head by aquifer-system layer in Northwest MZ-1 and (ii) develop modeling tools that can be used to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater production and artificial recharge and to identify potential subsidence mitigation strategies. This work was reviewed by the GLMC, and additional model calibration refinements and sensitivity analyses were performed based on GLMC recommendations. In December 2022, the GLMC approved 1D Model calibrations and deemed them sufficient for simulation of future land subsidence under prospective plans for pumping and recharge.

² [Work Plan to Develop a Subsidence-Management Plan for Northwest MZ-1](#)

³ https://cbwm.synctool.com/shares/folder/PaauzoQapiZ/?folder_id=5150940

⁴ https://cbwm.synctool.com/shares/folder/PaauzoQapiZ/?folder_id=5150942

- In the first half of 2023, the GLMC is developing an initial “Subsidence Management Alternative” called SMA-1. SMA-1 is equivalent to the planning scenario that was simulated with the 2020 Chino Valley Model (CVM) to support the 2020 Safe Yield Recalculation (2020 SYR). The 2020 SYR was intended to represent and simulate the Parties’ projected pumping, recharge, and use of storage through 2050. The results of the 2020 SYR (projected hydraulic heads by CVM layer) will be used as input data for the 1D Model simulations to predict the potential future occurrence of subsidence through 2050. The GLMC will evaluate the predicted hydraulic heads versus the predicted compaction as simulated by the 1D Models, and then make the following determinations and/or recommendations:
 - a. Determine the “acceptableness” of the predicted land subsidence.
 - b. Recommend “subsidence management strategies” for Northwest MZ-1. These recommended strategies can be considered a preliminary or draft *Subsidence Management Plan for Northwest MZ-1*, and may come in the form of:
 - i. Recommended operating ranges for hydraulic heads by aquifer layer.
 - ii. Recommended groundwater management practices, such as pumping, recharge, the use of local storage, and/or the design of Storage and Recovery Programs.
 - c. Recommend the minimum recharge quantity of supplemental water in MZ-1.
 - d. Or, recommend additional work, such as developing additional SMAs, performing CVM and 1D Model simulations of the additional SMAs, and making revised determinations and/or recommendations based on the model results (*i.e.*, a. through c. above). Any additional SMAs must be approved by the GLMC before taking the next step to simulate the SMA with the CVM and the 1D Models.

Based on the expected progress through FY 2022/23, the following work is recommended for FY 2023/24 to develop the *Subsidence Management Plan for Northwest MZ-1*:

Task 6.1. Aquifer-System Monitoring

The established monitoring program of piezometric levels and pumping at wells in Northwest MZ-1 will continue through various techniques, including: (i) SCADA-based monitoring by the Monte Vista Water District; (ii) monitoring of piezometric levels via sonar⁵; (iii) monitoring of piezometric levels via pressure transducers at City of Pomona production wells; and (iv) manual measurements of piezometric levels. These data, along with data collected from the PX in Task 2.1, will improve the understanding of the hydrogeology in Northwest MZ-1, will be used to develop the *Subsidence Management Plan for Northwest MZ-1*, and in the future, will be used to adapt the Chino Basin Subsidence Management Plan, as appropriate.

⁵ The use of sonar technology to measure piezometric levels in wells in currently being used in Monte Vista Water District wells 28 and 31.

In this subtask, all data is collected, compiled, checked, and analyzed every three months. Charts and data graphics of pumping, piezometric levels, and aquifer-system deformation will be updated to support the data collection and analysis.

Task 6.5. Provide Advice in the Development of the 2025 SYR Scenarios

The forthcoming 2025 SYR will involve the development of multiple projection scenarios of future hydrology, pumping, managed recharge, and use of managed storage in the Chino Basin. These projection scenarios will be simulated with an updated CVM. The CVM results will be evaluated for MPI and then used to evaluate the current Safe Yield of the Chino Basin. The GLMC should advise in the development of the 2025 SYR scenarios, so that the 1D Models can be used to simulate the land subsidence and support in the evaluation of:

- Potential subsidence-related MPI associated with the Safe Yield estimates.
- The minimum recharge quantity of supplemental water in MZ-1 as required by the Peace II Agreement.

Providing GLMC advice on the projection scenarios should be conducted in conjunction with the 2025 SYR and can be discussed at regularly scheduled GLMC meetings at no additional cost.⁶ The model evaluations for MPI and for the minimum recharge quantity of supplemental water in MZ-1 would likely be conducted in FY 2024/25.

Task 7. Construct and Calibrate Additional 1D Models Across Western Chino Basin

At the conclusion of FY 2022/23, the GLMC will have used the 1D Models at PX and MVWD-28 to develop recommended “subsidence management strategies” that can be considered the draft *Subsidence Management Plan for Northwest MZ-1*. In this task, additional 1D Models are constructed and calibrated across other Areas of Subsidence Concern in western Chino Basin, so that Watermaster can use all the 1D Models to:

- Evaluate for MPI during the 2025 SYR evaluation.
- Refine the draft *Subsidence Management Plan for Northwest MZ-1*.
- Evaluate for the minimum recharge quantity of supplemental water in MZ-1 as required by the Peace II Agreement.

This task will include the work to:

- Verify and/or recalibrate the 1D Model that was prepared by the GLMC in the Managed Area at the Ayala Park Extensometer.
- Construct and calibrate additional 1D Models in other Areas of Subsidence Concern, such as the Southeast Area around the Chino Desalter well fields and in the Northeast Area (City of Ontario).

⁶ This is because most of these discussions will be occurring in the 2025 SYR peer review process with the same technical consultants that participate on the GLMC.

The deliverables of this task will be the following:

- A draft TM will be prepared to describe the background/objectives of the task and the methods to complete the task. The methods will include a description of the proposed locations for the additional 1D Models and the methods to construct and calibrate the models. A GLMC meeting will be held to review the draft TM and receive GLMC feedback.
- A draft TM will be prepared that summarizes the validation, construction, and calibration of the additional 1D Models. A GLMC meeting will be held to review the draft TM, and a final TM will be prepared based on GLMC feedback.

Task 8. Meetings and Administration

Task 8.1. Prepare for and Conduct Four Meetings of the Ground-Level Monitoring Committee

This subtask includes preparing for and conducting four meetings of the GLMC:

- July 2023 – Implementation of the GLMP for FY 2023/24
- September 2023 – Review the draft 2022/23 Annual Report of the Ground-Level Monitoring Committee
- Early March 2024 – Review the draft recommended scope and budget for FY 2024/25
- Late March 2024 – Review the final recommended scope and budget for FY 2024/25 (if needed)

Task 8.2. Prepare for and Conduct One As-Requested Ad-Hoc Meeting

This subtask includes preparing for and conducting one ad-hoc meeting of the GLMC, as requested by the GLMC or Watermaster staff.

Task 8.3. Perform Monthly Project Management

This subtask includes monthly project administration and management, including staffing, financial and schedule reporting to Watermaster and subcontractor coordination.

Task 8.4. Prepare a Recommended Scope and Budget for the GLMC for FY 2024/25

This subtask includes preparing a draft and final recommended scope of services and budget for FY 2024/25 for the GLMC to support the Watermaster’s budgeting process.

Comments and Responses to Comments

The comments received from the GLMC as of March 31, 2023 on the “Recommended Scope of Services and Budget of the Ground-Level Monitoring Committee for Fiscal Year 2023/24 (Draft)” and the Watermaster Engineer’s response to comments are documented below.

Comments from the City of Chino (Eric Fordham)

Comment 1 – Task 1. Setup and Maintenance of the Monitoring Network.

Concur with recommended scope and budget.

Response:

n/a

Comment 2 – Task 2. Aquifer System Monitoring and Testing.

Concur with recommended scope and budget.

Response:

n/a

Comment 3 – Task 3.1. Acquire TerraSAR-X SAR Data and Prepare Interferograms for 2023/24

Has General Atomics agreed to continue providing their InSAR services and for how long? What would be the contingency and financial impact should they decide to discontinue their services mid-year?

Response:

General Atomics has decided to terminate its subcontractor agreement with the Watermaster and will no longer provide InSAR services. General Atomics is in the process of transmitting to the Watermaster Engineer all historical SAR data and intermediate/final work products that have been generated for the GLMC since 2011.

The Watermaster Engineer is exploring other options to continue the InSAR time series of estimates of vertical ground motion across the western portion of Chino Basin using the same TerraSAR-X data and data-processing methods. Once a proposal and cost estimate has been prepared, the Watermaster Engineer will bring the proposal to the GLMC for review and comment.

Comment 4 –Task 4. Perform Ground-Level Surveys.

We concur with the recommendations and time frames for conducting the ground-level surveys.

Response:

n/a

Comment 5 –Task 5.4. Conduct Whispering Lakes Subsidence Investigation and the Northeast Area.

Concur with the approach of using a process of elimination to assess potential mechanisms for the observed subsidence. The study efforts and budget should be balanced with the potential for MPI for this relatively limited area.

Response:

We agree with the comment. Any additional recommended work on this task will be included in the draft 2022-23 Annual Report of the GLMC for review and comment by the GLMC.

Comment 6 –Task 6.5. Construct and Calibrate Additional 1D Models Across Western Chino Basin

Prior to constructing additional 1D models, areas where additional land subsidence evaluation could potentially identify the need to mitigate or abate MPI should be screened as to the actual or perceived potential for land subsidence. The need for additional 1D compaction models may not be warranted.

Response:

The additional 1D Models would only be proposed within the “Areas of Subsidence Concern” across the western Chino Basin, which are areas defined in the Chino Basin Subsidence Management Plan. These are areas where subsidence is currently and persistently occurring, or the underlying geology makes these areas susceptible to aquifer-system compaction and permanent land subsidence.

To address this comment, a TM has been added to the scope of work to describe the background and objectives of the task and the methods to complete the task. The methods will include a description of the proposed locations for the additional 1D Models and the methods to construct and calibrate the models. A GLMC meeting will be held to review the draft TM and receive feedback from the GLMC before proceeding with the construction and calibration of the additional 1D Models.

Comment 7 – Meetings and Administration.

Concur with recommended scope and budget.

Response:

n/a

Comment 8 – Table 1

The table should identify any unspent or carry-over budget from the approved 2022/23 budget.

Response:

Currently, it is too early to predict unspent budget from FY 2022/23 that could be carried over to FY 2023/24.

Comments from the State of California (Rick Rees)

Comment 1 – Task 6.5. Construct and Calibrate Additional 1D Models Across Western Chino Basin

We suggest that that Subtask 6.5, “Construct and Calibrate Additional 1D Models Across Western Chino Basin,” be broken out as a separate full task because it is not a component of Task 6, “Develop a Subsidence Management Plan for Northwest MZ-1.”

Response:

A new Task 7 has been added to the text and Table 1 for the task: “Construct and Calibrate Additional 1D Models Across Western Chino Basin.”

Response to GLMC Comments



STATE OF CALIFORNIA/WSP USA (RICHARD REES, PG, CHG)

Comment 1 – InSAR

The absence of processed InSAR data in the 2022/2023 Annual Report affirms how valuable this information is for ground-level monitoring. We look forward to seeing the processed InSAR information from West Yost next year.

Response:

We agree, and we look forward to sharing the InSAR results for 2022/23 as soon as they are available.

Comment 2 – General Comment

This comment is not related to the report but to the scope of future reports. It is our recollection that the GLMC has discussed obtaining ground level data in the eastern side of Chino Basin in the past. The committee has focused its monitoring on the western portions of the basin due to the finer grained sediments in this portion of the basin and the historical subsidence occurrence. However, as basin reoperation progresses and transfers result in more production from the east side of the basin, it seems prudent to check the eastern side of the basin for ground level changes periodically. We suggest that the committee consider adding this task to fiscal year 2024/2025 with an update every three or five years. The work could be done using InSAR data from the California Department of Water Resources or obtained separately and analyzed by Watermaster's Engineer.

Response:

We agree that the GLMC should discuss and consider this recommendation. The eastern portion of Chino Basin has experienced the greatest declines in head. The InSAR data available from the DWR could be used to perform the evaluation of vertical ground motion across the eastern portion of Chino Basin at relatively low cost to the Chino Basin parties.

MONTE VISTA WATER DISTRICT (JUSTIN SCOTT-COE)

Comment 1 – General Comment

“...as expressed by the District in prior correspondence and agreed to by Watermaster, the GLMC serves as a gathering of stakeholder representatives for the provision of advice to Watermaster. The GLMC has neither decision-making authority nor ability to generate or approve a report, adopt a budget, or take any other formal action. Therefore, this Report should be renamed to avoid its representation as the collective perspective of GLMC participants.

Response:

We agree with the comment on the role of the GLMC. The report has been retitled: *2022/23 Annual Report for the Ground-Level Monitoring Program*

Comment 2 – Section 1.1.5

How much historical ground movement has been experienced in Central MZ-1? How much is estimated in Northwest MZ-1.

Response:

In Central MZ-1, approximately 1.8 ft of land subsidence has been measured by InSAR and ground-level surveys from 1987-2022. Most of this subsidence occurred in the late 1980s and early 1990s and was associated with the high rates of subsidence that was occurring within the Managed Area in the City of Chino. 1D compaction models have not been constructed and calibrated in Central MZ-1 to provide estimates of land subsidence that occurred prior to 1987.

In Northwest MZ-1, approximately 1.3 ft of land subsidence has been measured by InSAR from 1992-2022. The calibration of the 1D compaction models in Northwest MZ-1 estimated that a maximum of about 8 feet of land subsidence occurred prior to 1992 (i.e., 1930-1992).

Comment 3 – Section 2.2.1

Why is the extensometer data for the Pomona location absent from the report?

Response:

As discussed and demonstrated at the December 13, 2022 GLMC meeting, the PX extensometers are not recording accurate data. For this reason, the PX data are not currently included in this year’s annual report.

The Watermaster Engineer is uncertain of the precise causes for the malfunction at PX and is proceeding with a stepwise methodology to test and improve the monitoring devices. This methodology was shared with the GLMC at the December 13, 2022 GLMC meeting. We will provide updates on progress to improve the PX measurements at all subsequent GLMC meetings.

Comment 4 – Section 2.2.1

How was the lithologic data interpreted for the model? How was it logged in the field? For example, how was a sandy silt or sandy clay represented in the model?

Response:

There is very little discussion in this annual report on the construction of the 1D Models at PX and MVWD-28. The discussions on construction of the 1D Models are in the following report which is located on the Watermaster’s website:

[Construction and Calibration of One-Dimensional Compaction Models in the Northwest MZ-1 Area of the Chino Basin](#)

In summary, the borehole sediments from the PX borehole were logged in the field using the Unified Soil Classification System. If the predominant grain size of a sediment sample was sand and/or gravel, then the sediment sample was considered a “sand layer” in the 1D Model. If the predominant grain size of a sediment sample was clay and/or silt, then the sediment sample was considered a “clay layer” in the 1D Model. The borehole geophysical logs were used to verify the assignments of “sand” and “clay” layers in the 1D Models.

Comment 5 – Section 2.2.2 – Northwest MZ-1 Efforts

Additional description should be added here describing 2022/23 efforts, issues, and remedies for next fiscal year. Collecting monitoring data is critical to understanding issues in Northwest MZ-1 and comparing with modeling estimates.

Response:

Section 2.2.1 on Northwest MZ-1 efforts was revised and augmented to address this comment. Text was added to better describe: (i) the efforts to improve the measurement/recording of aquifer-system deformation at the PX extensometers and (ii) the 1D modeling efforts to develop recommendations for “guidance criteria” for subsidence management in Northwest MZ-1.

Monitoring of vertical ground motion in Northwest MZ-1 via InSAR, ground-level surveys, and GPS are described in Section 2.1. We agree that monitoring data are critical for “ground-truthing” the model projections and improving the models over time through periodic recalibrations.

Comment 6 – Section 4.1

The District continues to be concerned that, while the 1D model shows 7 to 9 feet of historical land subsidence, no physical evidence of fissuring or infrastructure damage has been observed in Northwest MZ-1. Monitoring efforts are critical to understanding the issue and ground-truthing any model estimates.

Response:

We agree that there have been no published reports of subsidence-related damage to surface infrastructure. However, there are published historical leveling surveys that support the 1D model estimates of historical subsidence at these magnitudes (see Figure 1 in this TM and the [Initial Hydrologic](#)

[Conceptual Model and Monitoring and Testing Program for the Northwest MZ-1 Area \[WEI, 2017\]](#)). In addition, 1D Models indicate that the historical subsidence occurred over multiple decades since the early 1900s. It is possible that damage occurred (e.g., fissuring, broken pipes, etc.) but was repaired and never attributed to the gradual process of land subsidence across Northwest MZ-1. As an example, the City of Pomona had to rehabilitate its only two wells that are located within the main area of subsidence in Northwest MZ-1 (Well 27 and Well 30). Video logs of those wells showed that the well casings were compressed, damaged, and required repair. The damage to the well casings could have been caused by the compaction of the aquifer system but was never directly attributed.

We agree that monitoring data are critical for “ground-truthing” the model projections and improving the models over time through periodic recalibrations.

Comment 7 – Section 4.1 – Conceptual Model

Based on the fissures in Central MZ-1, would it be expected that fissures should have been expressed? Is subsidence solely attributed to groundwater extraction? In what way might the San Jose Fault play on the sense of motion for the various blocks? As the San Jose Fault is characterized as left lateral strike slip fault with northern dip angle and slight normal component, how can we rule that out as contributing to small levels of ground level change over time?

Response:

Fissuring. See response to Comment 6 above regarding the potential occurrence of historical ground fissuring. In short, ground-surface extension and/or fissuring may have occurred to some degree in Northwest MZ-1 since the early 1900s but was repaired and never attributed to the gradual process of land subsidence.

Tectonics. Years ago, tectonic displacement of the ground surface was recognized by the GLMC as a potential cause of the observed ground motion across the western Chino Basin. As a result, the GLMC recommended to prepare a map of seismicity versus InSAR results of vertical ground motion. These maps have been prepared in every GLMC annual report over the last several years. The maps show no seismicity in the vicinity of the San Jose Fault that suggests a relationship between tectonics and the observed vertical ground motion. The map was not prepared for this year’s annual report because of the absence of InSAR data in this annual report, but the map will be included in next year’s annual report.

Comment 8 – Section 4.1 – Extensometer Data

It is unclear why issues with the extensometer data in Northwest MZ-1 are not explored more fully in the report. The District recommends that any ongoing issues as well as remediations and next steps should be included in this report, as the extensometers are part of the monitoring program and under normal circumstances would be included. To ultimately establish confidence in the subsidence monitoring data and conceptual model, the GLMC needs to understand what issues were present initially and how they were remedied. Monitoring data is critical to validating the conceptual model, 1-D model, and mechanisms of subsidence in Northwest MZ-1.

Response:

As discussed and demonstrated at the December 13, 2022 GLMC meeting, the PX extensometers are not recording accurate data. For this reason, the PX data is not currently included in this year’s annual report.

The Watermaster Engineer is uncertain of the precise causes for the malfunction at PX and is proceeding with a stepwise methodology to test and improve the monitoring devices. This methodology was shared with the GLMC at the December 13, 2022 GLMC meeting. We will provide updates on progress to improve the PX measurements at all subsequent GLMC meetings. Section 2.2.1 on Northwest MZ-1 efforts was revised and augmented to describe this process.

We agree that monitoring data are critical to improve conceptual understanding of the subsidence, to “ground-truth” the model projections, and to improve the models over time through periodic recalibrations. Also note that monitoring of vertical ground motion in Northwest MZ-1 also includes techniques such as InSAR, ground-level surveys, and GPS as described in Section 2.1.

Comment 9 – Section 4.1 – Guidance Criteria

Given the lack of monitoring data, the proposal of draft or preliminary Guidance Criteria in Northwest MZ-1 is premature. Finalization of Guidance Criteria absent monitoring data to confirm key questions regarding conceptual understanding of subsidence mechanisms is premature. The District recommends removing suggestion of finalization of Guidance Criteria on page 58. Without complete data and an understanding of what the extensometer data is showing, preliminary (or otherwise) guidance criteria should be postponed until a better understanding of the observed data is achieved. Recommendations should come from recent and most accurate verified data.

Response:

The 1D Models were constructed and calibrated with measure data, including: detailed descriptions of the underlying geologic formations, the time-history of depth-specific hydraulic heads, and the time-history of vertical ground motion as measured by InSAR and ground-level surveys in Northwest MZ-1. The GLMC recommended, and the Watermaster Engineer performed, extensive calibration exercises and sensitivity analyses for the 1D Models. We believe the 1D Models are sufficiently calibrated for use as projection tools to explore the potential future occurrence of aquifer-system compaction in Northwest MZ-1, and importantly, to use these projections to develop recommended “guidance criteria” for depth-specific hydraulic heads in Northwest MZ-1 to reduce or abate the future occurrence of subsidence. We intend to classify the “guidance criteria” as “preliminary” with the understanding that the 1D Models can be used in the future to explore groundwater-management methods to achieve the recommended hydraulic heads and then refine the “guidance criteria” if necessary. Additional data collected in the future (e.g., heads, ground motion, etc.) will be used to verify and/or improve the 1D Models.



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: November 16, 2023
TO: Advisory Committee Members
SUBJECT: Calendar Year 2024 Advisory Committee Volume Vote (Consent Calendar Item I.E.)
SUMMARY:

Issue: Volume Vote Calculations for the new calendar year are performed annually and Parties are allocated a voting percentage.

Recommendation: Approve the Calendar Year 2024 Advisory Committee Volume Vote as presented subject to Board approval of the Fiscal Year 2023/24 Assessment Package.

Financial Impact: None.

Future Consideration
Advisory Committee – November 16, 2023: Approval

ACTIONS:
Advisory Committee – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Following the approval of the Assessment Package each year, Volume Vote calculations for the new calendar year are performed and Parties are allocated a voting percentage. The Fiscal Year 2023/2024 Assessment Package is scheduled for approval at the November 16, 2023 Board meeting.

The total voting power on the Advisory Committee is 100 votes, allocated among the three Pools in proportion to the total assessments paid to Watermaster during the preceding production year. The minimum voting power of each pool shall never be less than 20 votes for the Overlying (Agricultural) Pool, five (5) votes for the Overlying (Non-Agricultural) Pool, and 20 votes for the Appropriative Pool. Within the Appropriative Pool, the voting power is apportioned between the Major Appropriator representatives in proportion to their respective voting power in the Appropriative Pool Committee, the remaining two (Minor) representatives exercise equally the voting power proportion to the Appropriative Pool Committee voting power of all remaining Appropriators.

DISCUSSION

Water Activity Reports have now been received by all except for four, and the Advisory Committee's Calendar Year 2024 Volume Vote has been calculated. Attempts were made to collect the missing Water Activity Reports from one Appropriative Pool party and three Overlying (Non-Agricultural) Pool parties to no avail. Since we have not received responses from the parties, the numbers as prepared have been deemed to be final. The Fiscal Year 2023/24 Assessment Package is scheduled for approval on November 16, 2023, and the Calendar Year 2024 Volume Vote has been finalized for approval.

The Advisory Committee Volume Vote for Calendar Year 2024 allocation is shown in Attachment 1. The prior (Calendar Year 2023) Volume Vote is also attached for reference in Attachment 2.

ATTACHMENTS

1. Calendar Year 2024 Advisory Committee Volume Vote Basis
2. Calendar Year 2023 Advisory Committee Volume Vote Basis



Chino Basin Watermaster 2024 Advisory Committee Voting Power

Assessment Year 2023-2024 (Production Year 2022-2023)

	Pool 3 Vote	% Vote	Advisory Vote
Minor 1	42.555	4.256%	3.192
Minor 2	42.555	4.256%	3.192
Chino Hills, City Of	35.552	3.555%	2.666
Chino, City Of	60.087	6.009%	4.506
Cucamonga Valley Water District	134.181	13.418%	10.064
Fontana Union Water Company	58.285	5.828%	4.371
Fontana Water Company	65.299	6.530%	4.897
Jurupa Community Services District	72.381	7.238%	5.429
Monte Vista Water District	82.656	8.266%	6.199
Ontario, City Of	197.785	19.778%	14.834
Pomona, City Of	178.611	17.861%	13.396
Upland, City Of	30.053	3.005%	2.254
			75.000
AGRICULTURAL POOL			20.000
NON-AGRICULTURAL POOL			5.000
			25.000
TOTAL			100.000



Chino Basin Watermaster 2023 Advisory Committee Voting Power

Assessment Year 2022-2023 (Production Year 2021-2022)

	Pool 3 Vote	% Vote	Advisory Vote
Minor 1	43.770	4.377%	3.283
Minor 2	43.770	4.377%	3.283
Chino Hills, City Of	36.689	3.669%	2.752
Chino, City Of	57.077	5.708%	4.281
Cucamonga Valley Water District	95.130	9.513%	7.135
Fontana Union Water Company	58.285	5.828%	4.371
Fontana Water Company	75.523	7.552%	5.664
Jurupa Community Services District	95.731	9.573%	7.180
Monte Vista Water District	90.372	9.037%	6.778
Ontario, City Of	199.137	19.914%	14.935
Pomona, City Of	169.803	16.980%	12.735
Upland, City Of	34.713	3.471%	2.603
			75.000
AGRICULTURAL POOL			20.000
NON-AGRICULTURAL POOL			5.000
			25.000
TOTAL			100.000



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: November 16, 2023
TO: Advisory Committee and Board Members
SUBJECT: Application: Recharge - Fontana Water Company (Consent Calendar Item I.D.)
SUMMARY:

Issue: On September 19, 2023, Fontana Water Company submitted an application for recharge for up to 5,000 acre-feet from December 2023 until December 2028. [Within WM Duties and Powers]

Recommendation:

Advisory: Recommend to the Board to approve Fontana Water Company's application for recharge and direct staff to account for this recharge

Board: Approve Fontana Water Company's application for recharge and direct staff to account for this recharge

Financial Impact: None

Future Consideration

Advisory Committee – November 16, 2023: Advice and Assistance

Watermaster Board – November 16, 2023: Approval

ACTIONS:

Appropriative Pool – October 12, 2023: Unanimously recommended Advisory to recommend to the Watermaster Board to approve

Non-Agricultural Pool – October 12, 2023: Unanimously recommended its representatives to support at Advisory Committee and Watermaster Board approval subject to changes they deem appropriate

Agricultural Pool – October 12, 2023: Unanimously recommended Advisory to recommend to the Watermaster Board to approve

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

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

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

DISCUSSION

On September 19, 2023, Fontana Water Company (FWC) submitted an application for recharge for up to 5,000 acre-feet from December 2023 through December 2028. The application states that the method of recharge will be injection of treated local surface water from Lytle Creek through Well 18 located at 7706 Sierra Ave in Fontana. Recharge by injection is not subject to evaporative losses.

West Yost, Watermaster's Engineer, completed an MPI analysis on October 3, 2023, declaring no negative impacts to the Basin from this proposed recharge event (see Attachment 2).

Once approved, FWC must complete Form 2b *Request to Recharge Supplemental Water by a Person to Watermaster* for each recharge event during the application's proposed period. During the recharge event, Watermaster will collect data to ensure the water is properly accounted for. Upon completion of the recharge event, FWC will be required to submit Form 2c *Report of Supplemental Water Recharge by a Person to Watermaster* for final review and accounting.

At the October 12, 2023 Pool committee meetings, the three Pool Committees unanimously recommended Board approval of the Recharge Application.

ATTACHMENTS

1. Fontana Water Company Recharge Application Dated September 19, 2023
2. October 3, 2023 letter from West Yost to Watermaster: *Analysis of Material Physical Injury for a Recharge Application submitted by Fontana Water Company to the Chino Basin Watermaster on September 19, 2023*
3. Notice Forms

Form 2a - Application for Supplemental Water Recharge

Applicant Information and Recharge Request			
Person	Oscar Ramos	Date Requested	09/19/2023
Contact (individual)		Date Approved	
Street Address	15966 Arrow Route	Proposed Period of Time Covered by Recharge Application (mm/yyyy to mm/yyyy)	12/1/2023 to 12/1/2028
City	Fontana		
State	CA		
Zip Code	92335		
Telephone	909-822-2201	Requested Total Amount of Recharge Over the Application Period (AF)	5,000 AF
Fax		Approved Total Amount of Recharge Over the Application Period (AF)	TBD
Email	omramos@sgvwater.com		

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

Method of Recharge (check box and provide supporting information)		
<input type="checkbox"/>	Surface Spreading	
	Recharge Basin Name(s)	
	Expected Period of Recharge (mm/dd to mm/dd)	
	Depth to Water in Recharge Area (ft-bgs)	
	Water Quality in Recharge Area (attach characterization)	
<input checked="" type="checkbox"/>	Injection	
	Well Names and Locations (attach well completion report if not on file with the Watermaster)	Well F18A located at 7706 Sierra Avenue, Fontana, CA
	Expected Period of Recharge (mm/dd to mm/dd)	10-01 to 6/30
	Depth to Water in Recharge Area (ft-bgs)	579
	Water Quality in Recharge Area (attach characterization)	See attached WQ data. Well is out of service.
<input type="checkbox"/>	In-Lieu Exchange	
	Treatment Plant and Turnout	
	Share of Safe Yield (percent and AFY)	
	Carryover Right, if Applicable (AF)	
	Water in Storage (AF)	
	Pumping Capacity (mgd or AFM)	
	Expected Period of Recharge (mm/dd to mm/dd)	
	Depth to Water in Area Impacted by In-Lieu Recharge (ft-bgs)	
	Water Quality in Area Impacted by In-Lieu Recharge (attach characterization)	

Form 2a - Application for Supplemental Water Recharge

Material Physical Injury

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

YES NO

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

BY: 
Applicant

9/19/2023
Date

To Be Completed by Watermaster

Is the Person a Party to the Judgment that has:

Previously contributed to the implementation of the OBMP? YES NO

Is in compliance with their continuing covenants under the Peace Agreement? YES NO

(If answer to previous question is NO)

Paid or delivered to Watermaster "financial equivalent" consideration to offset the past performance prior to the OBMP implementation? YES NO

Promised continued future compliance with Watermaster Rules and Regulations? YES NO

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

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

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

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

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

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

Recharge Agreement Number _____



23692 Birtcher Drive
Lake Forest CA 92630

949.420.3030 phone
530.756.5991 fax
westyost.com

October 3, 2023

Project No.: 941-80-22-03
SENT VIA: EMAIL

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

SUBJECT: Analysis of Material Physical Injury for a Recharge Application submitted by Fontana Water Company to the Chino Basin Watermaster on September 19, 2023

Mr. Kavounas:

Pursuant to your direction, West Yost Associates, Inc. (West Yost) conducted a material physical injury (MPI) analysis on a Recharge Application submitted by the Fontana Water Company (FWC) to the Chino Basin Watermaster on September 19, 2023 (hereafter, September 19, 2023 recharge application). This MPI analysis was completed pursuant to the Watermaster Rules and Regulations and the Peace Agreement.

In 2016, Watermaster approved a procedure for the recharge of supplemental water. This procedure includes three main steps:

1. Apply for and obtain Watermaster approval to recharge Supplemental Water;
2. Plan, schedule, coordinate, and execute a Supplemental Water recharge event; and
3. Provide the monitoring and accounting necessary to enable the applicant and Watermaster to determine how much water was actually recharged during a recharge event and to account for the recharged water

Under Step 1, Any Person seeking to recharge Supplemental Water is required to complete Watermaster Form No. 2a *Application for Recharge*.¹ Watermaster staff reviews the completed application and conducts an analysis to determine if the proposed recharge as described in the recharge application will cause potential MPI.

Pursuant to the Peace Agreement (page 8), MPI is defined as:

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

¹ <https://www.cbwm.org/pages/forms/>

Article 10 of the Watermaster Rules and Regulations (paragraph 10.10) requires that:

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

The MPI analysis presented herein is based on our professional experience and judgment in the Chino Basin, including the past analyses of monitoring data, past evaluations of Chino Basin storage programs, past groundwater modeling of various groundwater management alternatives in the Chino Basin, and prior MPI analyses.

FWC SEPTEMBER 19, 2023 RECHARGE APPLICATION

The FWC proposes to recharge the Chino Basin by injection at its Well F18A with up to 5,000 acre-feet (af) of treated Lytle Creek water during the 5-year period of December 2023 through December 2028. The FWC expects the period of recharge each fiscal year to be between October and June, which equates to an approximate injection rate of 550 af per month. Watermaster classifies the water proposed to be recharged by the FWC as supplemental water.

West Yost evaluated for the following to determine the potential for MPI from the proposed recharge:

- Impacts to groundwater levels that could result in liquefaction, land subsidence, and/or increases in pump lifts at wells.
- Impacts to the balance of recharge and discharge in every area and subarea of the Chino Basin.
- Impacts to groundwater quality.

Potential Impacts to Groundwater Level

The proposed project will produce a localized increase in groundwater levels in the vicinity of Well F18A where the recharge will occur. The temporary increase in groundwater levels will be followed by a return to the groundwater levels that would occur had the water not been recharged. The impacts of these localized changes in groundwater levels are described below:

- *Liquefaction.* As of June 2023, the depth to groundwater at Well F18A was about 616 feet below ground surface (ft-bgs). Provided that FWC conducts injection at Well F18A such that groundwater levels remain below 50 ft-bgs,² there will be no threat of liquefaction due to the localized increases in groundwater levels.
- *Land subsidence.* Land subsidence due to changes in groundwater levels typically occurs with declining groundwater levels. Thus, there will be no threat of aquifer-system compaction and land subsidence due to the localized increases in groundwater levels caused by the recharge.

² Per the County of Riverside’s 2003 Riverside County Integrated Project (RCIP) Environmental Impact Report (EIR), areas with depth to groundwater of greater than 50 feet are considered low risk for liquefaction.

- *Pumping lifts.* Because of the temporary increases in groundwater levels, pumping lifts and pumping costs may be slightly reduced for wells in the vicinity of the recharge.

Balance of Recharge and Discharge in Every Area and Subarea

Per the September 19, 2023 recharge application, the FWC intends to use the proposed recharge to recharge its excess supplemental water into the Chino Basin for later recovery. The well is located in Management Zone (MZ) 3, where the FWC's pumping wells are located. Because the recharge and later recovery will occur in the same MZ, the project will not impact the balance and discharge.

Water Quality Impacts

The source of the supplemental water in the FWC's September 19, 2023 recharge application is Lytle Creek water treated to potable standards. West Yost obtained water quality data of the source water from the FWC and the Watermaster's database for the period of 2018-2023. These data indicate no exceedances of primary California Title 22 maximum contaminant levels (MCLs).

Impacts to Receiving Water

The proposed recharge water will be treated to drinking-water standards and is of equal or better quality than current groundwater in this area; hence, injection of this water will likely improve the general water quality in the vicinity of Well F18A.

Watermaster recently conducted a groundwater modeling study to evaluate a 100,000 af storage and recovery program in the Chino Basin. The study concluded that the "displacements [of contaminant plumes due to the storage and recovery program] are negligible and are not potential MPI."³ Based on these results and the location and magnitude of the proposed recharge and recovery, our professional opinion is that the proposed recharge and recovery will not change the direction and/or speed of movement of known contaminant plumes in the Chino Basin.

Basin Plan Compliance

The proposed recharge will occur in the Chino North Groundwater Management Zone (GMZ). The 2004 Regional Water Quality Control Plan for the Santa Ana Basin (Basin Plan) has maximum benefit-based TDS and nitrate (expressed as nitrogen) concentration objectives in the Chino-North GMZ of 420 milligrams per liter (mg/l) and 5 mg/l, respectively. Pursuant to the Basin Plan, Watermaster and the IEUA are required to manage artificial recharge in Chino North GMZ such that the five-year, volume-weighted average TDS and nitrate concentrations of the recycled water, imported water, and new stormwater recharged across all recharge facilities does not exceed the maximum benefit-based Basin Plan objectives.

The water quality data from the FWC and the Watermaster's database for the period of 2018-2023 indicate that the TDS concentrations of the water proposed to be recharged are generally less than 320 mg/l and 1 mg/l, respectively. In April 2023, the most recent data available, the TDS and nitrate concentrations were 160 and 0.4 mg/l, respectively. The current ambient TDS and nitrate concentrations in the Chino-North GMZ (covering the 20-year period from 2001 to 2021) are 360 mg/l and 10.8 mg/l,⁴ respectively. Thus, the

³ West Yost (2021). *Evaluation of the Local Storage Limitation Solution*. February 2021.

⁴ West Yost (2023). *2021 Ambient Water Quality Pilot Study*. Prepared for the Santa Ana Watershed Project Authority Basin Monitoring Program Task Force. October 2023.

Mr. Peter Kavounas
October 3, 2023
Page 4

proposed recharge will not encroach on the current assimilative capacity or interfere with Watermaster and the IEUA's regulatory obligations.

Conclusion

Based on the information available at this time, our professional opinion is that there will be no MPI due to the FWC's proposed recharge as described in its September 19, 2023 recharge application.

Please contact me if you have any questions or concerns regarding this MPI analysis.

Sincerely,
WEST YOST



Carolina Sanchez, PE
Senior Engineer
RCE #85598

cc: Justin Nakano



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

RECHARGE

Date of Notice:

October 6, 2023

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.

APPLICATION FOR RECHARGE

The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **September 19, 2023** Date of this notice: **October 06, 2023**

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

- Notice of Application for Recharge – On September 19, 2023, Fontana Water Company submitted an application for recharge for up to 5,000 acre-feet from December 2023 until December 2028.

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

Appropriative Pool:	October 12, 2023
Non-Agricultural Pool:	October 12, 2023
Agricultural Pool:	October 12, 2023

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

STAFF REPORT

DATE: November 16, 2023
TO: Advisory Committee and Board Members
SUBJECT: Watermaster Reappointment (Business Item II.A.)

SUMMARY:

Issue: The current Watermaster appointment expires February 10, 2024. To ensure that there is no lapse in Watermaster appointment, a motion needs to be filed with the Court recommending the appointment of Watermaster beyond that date. [Advisory Committee Approval Required]

Recommendation:

Advisory Committee: Approve future Watermaster appointment.

Board: Adopt Advisory Committee's recommendation for future Watermaster appointment and direct Legal Counsel to prepare and file motion with the Court.

Financial Impact: None

Future Consideration

Advisory Committee – November 16, 2023: Approval

Watermaster Board – November 16, 2023: Adopt AC recommendation and file motion with the Court

ACTIONS:

Appropriative Pool – November 09, 2023: No action

Non-Agricultural Pool – November 09, 2023: No action

Agricultural Pool – November 09, 2023: Unanimously recommended Advisory Committee to approve

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Pursuant to the 1978 Judgment, Chino Basin Municipal Water District (CBMWD) (now Inland Empire Utilities Agency), served as the initial Watermaster. Following the interim appointment of the California Department of Water Resources as Watermaster in April 1997, on February 19, 1998, the Court appointed the Nine-Member Board as Watermaster. In its Order establishing the nine-member Board, the Court directed the Board to develop and submit an OBMP for approval on or before July 2000. (February 19, 1998 Ruling, at 4.)

Having completed the OBMP, Watermaster filed a Motion to re-appoint the Board with the Court on August 30, 2000. On September 28, 2000, the Court appointed the Board to a five-year term as Watermaster. In its September 28, 2000 Order, the Court expressly conditioned the re-appointment, requiring Watermaster to: file a report on the status of its efforts to resolve the terms and conditions applicable to the purchase of desalted water and to secure a recession of Western Municipal Water District's conditional execution of the Peace Agreement, to adopt revised Rules and Regulations subject to Court approval, to submit reports, including schedule and budget information, in accordance with the schedule set forth in the Order, and to cooperate with independent assessment and verification of the data in the reports by the Special Referee and her technical expert.

The September 28, 2000 Order further stated that "a primary concern of the Court in any future application for re-appointment ... will be the parties' continued commitment to provide for future desalters and preserve safe yield in accordance with the OBMP" and that "any future application for re-appointment ... may be conditioned on the development of a detailed plan to reach the OBMP goal of 40,000 acre-feet per year of desalting capacity" to be installed by 2020. (September 28, 2000 Order, at 7.) Finally, the Court noted certain additional factors—installation of production meters; completion of basin monitoring systems; completion of a Recharge Master Plan and installation of appropriate recharge facilities; and expansion of Desalter I and installation of Desalter II—that it would consider when the Board sought re-appointment.

On December 31, 2005, Watermaster filed a Motion to Re-appoint the Nine-Member Board, stating that Watermaster had complied with all five of the express conditions for re-appointment included in the 2000 Order, and described compliance measures with each. (December 31, 2005 Motion, at 3:7-4:3.) The motion also addressed the additional factors for re-appointment from the Court's September 2000 Order, stating that Watermaster had completed, or was in the process of completing, installation of meters for active wells, detailed the monitoring programs that had been initiated during the Board's previous term, described the completion of the Recharge Master Plan Phase II Report and summarized its contents. (Id., at 6:20-27.) The December 31, 2005 Motion stated that it had been unanimously approved by all Pool Committees, the Advisory Committee, and the Board before filing, and that Watermaster knew of no opposition to the re-appointment. (Id., at 13-18.)

On January 20, 2006, the Special Referee filed her Comments and Recommendations Concerning Motion to Re-appoint the Nine-Member Board for a Further Five-Year Term, in which she agreed that Watermaster had completed most, though not all of the requirements imposed by the Court for re-appointment of the nine-member board. Of particular concern to the Special Referee was that the State of the Basin Report did not include a detailed discussion of how the 40 mgd target for desalter capacity would be achieved, what the effects of desalter operation would be, or whether and how replenishment obligations would be met. (January 20, 2006 Special Referee's Comments and Recommendations, at 8.) The Special Referee suggested that if the Court decided to re-appoint the Board, it should require certain assurances from the Board at 3-, 6-, and 12-month intervals, and recommended that the Court consider the Motion to be for a re-appointment of a 2-year interval. (Id., at 12-15.)

On January 30, 2006, Watermaster filed its Comments and Opposition to Special Referee Report, joined by the City of Ontario and the Cucamonga Valley Water District. Watermaster's filing objected to the Special Referee's understatement of the actual accomplishments of Watermaster, and her focus on Watermaster's few failures to strictly comply with the Court's 2000 Order, noting consistent consensus-based implementation of OBMP initiatives, the securing of funding for the desalters, the finalization of the

Recharge Master Plan, the completion and Court approval of the Watermaster Rules and Regulations, as well as other successes. Finally, Watermaster and the joining parties stressed that their Motion had requested re-appointment for five years, and that the Court could not properly construe the motion as one for a 2-year term. (Id., at 10.)

In a February 9, 2006, Order, the Court granted Watermaster's December 2005 Motion, and re-appointed the Board for a 5-year term. The Court commended Watermaster and the parties on their "remarkable achievements" in implementing the OBMP. (February 2006 Order, at 3.) The Court required that Watermaster to continue to make progress toward future desalting up to the 40,000 acre-feet annually described in the OBMP. (Id., at 4.) The Court was also interested in how Watermaster would address issues expressly reserved to Watermaster pursuant to the Peace Agreement and Watermaster's Rules and Regulations. (Ibid.) Finally, the Court directed Watermaster, its staff, and legal counsel to ensure that future reports were timely, transparent, and responsive to the question of whether Watermaster is implementing the Peace Agreement and OBMP in a manner consistent with the Judgment and Court Orders. (Ibid.)

On December 17, 2010, Watermaster filed a Motion for Re-Appointment of the Nine-Member Board. The December 17, 2010 Motion noted that the 2006 Order re-appointing the Board had not established any further criteria for re-appointment, but had described general concerns that Watermaster was to address. Because Watermaster had addressed all of the concerns from the 2006 Order, and Watermaster knew of no objection to re-appointment, it requested that the Board be re-appointed for an additional five-year term. The Court issued an Order on January 26, 2011 re-appointing the Board. The 2011 Order did not include any conditions, and granted the 2011 Motion appointing the Board to a new five-year term expiring on February 10, 2016.

On December 15, 2015, Watermaster filed a Motion for Re-Appointment of the Nine-Member Board. The motion to re-appoint the Board for a 3-year term was approved by the Board after the Advisory Committee approved a motion to re-appoint the Watermaster nine-member Board for a three-year term on November 19, 2015. During its November 19, 2015 meeting the Watermaster Board approved a second motion as follows:

Direct Watermaster staff to initiate an evaluation of Watermaster business operations including stakeholder input, Pool interaction, the role of the Board and other areas determined by the Parties, with the intent of looking for opportunities to maximize effective implementation of the Judgment, OBMP and related Court Orders.

On December 28, 2018, Watermaster filed a Motion for Re-Appointment of the Nine-Member Board for a further five-year term. The motion was approved by the Board after the Advisory Committee approved the motion to re-appoint Watermaster nine-member Board for a five-year term on November 15, 2018.

DISCUSSION

A recommendation regarding Watermaster re-appointment needs to be made to the Court to avoid a lapse in coverage. The Advisory Committee's decision will be presented to the Board to be filed with the Court.

In response to the Board motion described in the Background section above, the results of the requested evaluation along with some identified opportunities for improvement are included in Attachment 1.

While the 2018 Advisory Committee motion did not include a request for an evaluation of Watermaster business operations, staff decided that it is good practice, and a report is included as Attachment 1.

At the Pools Committee meetings held on November 9, 2023, the Appropriative took no formal action and Overlying (Agricultural) Pool unanimously recommended Advisory to approve the Watermaster reappointment. The Overlying (Non-Agricultural) Pool took no action.

ATTACHMENTS

1. Evaluation of Watermaster Business Operations 2018-2023. Memorandum from Edgar Tellez Foster to the Watermaster Board.

Memorandum

To: Watermaster Board

From: Edgar Tellez Foster, Acting General Manager

Date: November 3, 2023

Subject: Evaluation of Watermaster Business Operations 2018-2023

This memorandum summarizes the results of an evaluation of the Watermaster function for the period between 2018 and 2023. A similar evaluation was made in 2018 at the direction of the Board and has been repeated as it is seen to be a valuable exercise. In 2015 the Watermaster Board's direction was:

Moved to recommend reappointing the Watermaster nine-member Board for a five-year term. In addition, continue to direct Watermaster staff to initiate an evaluation of Watermaster business operations including: stakeholder input, Pool interaction, the role of the Board and other areas determined by the parties with the intent of looking for other opportunities to maximize effective implementation of the Judgment, OBMP, and related court orders.

Watermaster staff has evaluated the suggested areas of Stakeholder Input, Pool Interaction, and Role of the Board over the last five years and is offering the results below, along with identifying future opportunities as requested.

Stakeholder Input

Evaluation Results

- [1] There is "open door" access to Board Members, the GM, Counsel, Engineer, and staff;
- [2] General Manager proactively reaches out to Pool leadership and meets on a regular basis to identify and discuss Pool-specific issues;
- [3] Multiple open meetings each month: regularly scheduled and special Pool & Advisory Committees, and Board;
- [4] Pools have opportunity to provide input on Semi-annual OBMP Implementation Status Reports and Annual Watermaster report before finalizing and filing with the Court;
- [5] All comments on Watermaster reports and financial documents are routinely captured, responded to, and shared;
- [6] Watermaster reports and financial documents are presented in open, public meetings;
- [7] User friendly and secure website allows access to Watermaster reports, Court filings, meeting agendas and minutes, among other information;

[8] Assessment Package Experts (APEX) Group, an informal advisory group of stakeholders to provide feedback on how to improve the Assessment Package format, was assembled and gave advice and assistance on revisions of five years' prior reports;

[9] The 2000 OBMP was updated through a series of meetings promoting dialogue and participation from all Chino Basin stakeholders. Held 9 listening sessions in addition to Pool and Advisory Committee meeting discussion.

[10] Updated the Storage Management Plan through a series of open meetings where parties provided input and shaped the final product;

[11] Conducted workshops to gather input regarding the update to the Chino Valley Model resulting in the inclusion of uncertainty analysis for future Safe Yield Recalculations;

[12] Gathered feedback on the proposed project description for the recirculation of the Environmental Impact Report (EIR) for the OBMP Update;

[13] Convened meetings to address the impending Local Storage Limitation; these resulted in the implementation of the Local Storage Limitation Solution.

[14] Watermaster hosted an average of 60 meetings per year, including regular monthly meetings for Pool Committees, Advisory Committee, and Board, as well as special meetings for OBMP Update, OBMP Implementation Plan Negotiations, Storage Management Plan, RIPComm, PBHSC, GLMC, DYY, Safe Yield Reset, Budget, and Assessment Package Workshops. Watermaster also facilitates Special ad-hoc meetings.

Future Opportunities for Stakeholder Input in Maximizing Effective Implementation of the Judgment, OBMP, and related Court Orders

- Peace Agreement Amendment Negotiations/Extension
- DYYP Extension
- Water Quality Committee and development of the Water Quality Management Program
- Development of the Storage and Recovery Master Plan
- Update to the Storage Management Plan
- 2025 Safe Yield Reevaluation

Pool Interaction

Evaluation Results

[1] Staff and consultants attend all Pool Committee meetings and report on actions and activities;

[2] Staff is actively ensuring that parties' representation is up to date, to make sure Pool and Advisory Committees can function properly;

[3] Hosted, for the convenience of the parties, a series of meetings aimed at exploring Peace Agreement Amendment negotiations;

[4] Staff and consultants facilitate communication among Pools outside the monthly Committee meetings.

Future Opportunities for Pool Interaction in Maximizing Effective Implementation of the Judgment, OBMP, and related Court Orders

- Monthly meetings among Pool officers
- Quarterly meetings among Pool officers and Board Officers
- Educational programs on topics identified collectively by the Pools
- Reconvening the Peace agreement amendment / extension negotiations meetings

Role of the Board

Evaluation Results

The Board is and has been actively interested in effective implementation of the Restated Judgment and the OBMP:

[1] Continuously asking for regular reports on Restated Judgment and OBMP implementation;

[2] Holds the GM accountable for timely, transparent, and complete compliance with all requirements;

[3] Strongly encourages consensus-based implementation of OBMP objectives;

[4] Consistently approved transactions, applications, budgets, and Assessment Packages;

[5] Revised 5 Assessment Packages following the April 17, 2018 Court Order resetting the Safe Yield in 2019;

[6] Directed staff to conduct an open process to update the OBMP and at the conclusion of the process, adopted the 2020 OBMP in October, 2020;

[7] Updated the Storage Management Plan; the updated plan was approved in May 2020;

[8] Directed staff and consultants to perform the Local Storage Limitation Solution analysis, support IEUA to certify and amendment to the EIR and increase the environmentally reviewed storage volume from 600kaf to 700kaf through 2030;

[9] Directed Staff and consultants to track issues that affect parties and basin management;

[10] In response to the Judge's request, provided a full day tour of the Basin;

[11] Request and receive frequent updates on water quality concerns;

[12] Request and receive frequent updates on grant funding opportunities;

[13] Updated the Recharge Master Plan in 2023;

[14] Requested the analysis of recharge projects and improvements beyond the scope of the Recharge Master Plan Update of 2023;

[15] Concluded the effort of the 2015 Safe Yield Recalculation;

[16] Conducted the Safe Yield Recalculation in 2020;

[17] Directed staff to conduct supplemental studies about the response of the Basin to climate extremes and to understand the reliability of the water resources in the Chino Basin;

[18] Directed staff to design and implement educational sessions to provide knowledge about the Chino Basin and its management for Board Members and stakeholders; this resulted in four day-long workshops in 2022 and 10 Chino Basin Academy sessions in 2023.

Future Opportunities for the Watermaster Board to perform its role in Maximizing Effective Implementation of the Judgment, OBMP, and related Court Orders

- Remain aware and attentive to the topic of storage management
- Continue with the implementation of educational programs, including interactive sessions and facility tours.

Other Areas determined by the parties

No other areas have been identified by parties for evaluation.

It is my pleasure to offer this report to the Board and I encourage Board Members to contact me directly in case of questions, or if further information is needed.



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: November 16, 2023
TO: Advisory Committee and Board Members
SUBJECT: Fiscal Year 2023/24 Assessment Package (Business Item II.B.)

SUMMARY:

Issue: The Chino Basin Watermaster Fiscal Year 2023/24 Assessment Package, based on Production Year 2022/23, needs to be approved. [Within WM Duties and Powers]

Recommendation:

Advisory Committee: Review Fiscal Year 2023/24 Assessment Package as presented and offer advice to Watermaster.

Board Members: Approve the Fiscal Year 2023/24 Assessment Package as presented.

Financial Impact: Collection of assessments according to the Assessment Package creates the funds that are used during the current fiscal year for budgeted expenses and the purchase of water (if available) for replenishment obligations.

Future Consideration

Advisory Committee – November 16, 2023: Advice and assistance

Watermaster Board – November 16, 2023: Approval

ACTIONS:

Appropriative Pool – November 9, 2023: Provided advice and assistance.

Non-Agricultural Pool – November 9, 2023: Gave their representatives discretionary authority to vote at Advisory Committee and Board meetings subject to changes which they deem necessary.

Agricultural Pool – November 9, 2023: Provided advice and assistance.

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Watermaster issues an Assessment Package annually based on production during the previous production year (July 1 through June 30). Production information is generally collected quarterly, and other necessary information is collected annually. Assessments create funds that are used during the current fiscal year for budgeted expenses. Assessments are based on the approved budget allocated across the total assessable production in the Basin.

DISCUSSION

The Parties of the Overlying (Non-Agricultural) Pool and the Appropriative Pool were each sent a copy of their Water Activity Report in August 2023 that summarized their water activity for the previous year, including production, Dry Year Yield (DYY), land use conversion, transfers, voluntary agreements, and assignments. Each Party was asked to verify the data gathered and summarized by Watermaster. The Water Activity Reports were received back, and any necessary corrections were made.

Each Appropriative Pool Party's Water Activity Report was accompanied by a "Transfer from Storage to Satisfy Desalter Replenishment Obligation (DRO)" form, and summaries of DRO and Local Storage Accounts' balances. Using the form, the Parties submitted their preference on how they would like their share of DRO to be satisfied with stored water. Those transfers were then executed in September 2023 and the Parties' storage account balances were adjusted accordingly.

Assessments generate funds to cover the current year FY 2023/24 approved budget, in addition to reserves according to existing reserve policies. The Assessment Package does not factor in unspent monies as those are returned to Parties as a credit on the assessment invoicing. The FY 2022/23 Reserve excess cash to be refunded is \$1,284,138.96; Recharge Basin O&M excess cash to be refunded is \$258,043.76; the Debt Payment excess cash to be refunded is \$0; and the Recharge Improvement Projects excess cash to be refunded is \$0.

Continuing from the prior year, the total Operating Safe Yield (OSY) of the Appropriative Pool is 40,834 acre-feet, and Land Use Conversion has priority ahead of Early Transfer in calculating the Agricultural Pool Safe Yield Reallocation.

The Assessment Package is based on the FY 2023/24 Approved Budget totaling \$8,466,150 and identifies total assessable production for all Pools as 86,865.2 acre-feet, resulting in assessments of \$42.39/acre-foot for Judgment Administration and \$55.08/acre-foot for OBMP & Program Elements 1-9, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment and CURO water.

For the production year 2022/23, there is a replenishment obligation of 28.4 acre-feet for overproduction, and 212.9 acre-feet for DRO. The new replenishment rate is \$872 per acre-foot, which is MWD's 2023 Tier 1 Untreated rate at \$855 plus OCWD's \$2 connection fee plus TVMWD's \$15 surcharge.

In September 2023, Watermaster received an RTS invoice from IEUA in the amount of \$46,060.40. The RTS is being assessed for water purchased during FY 2016/17 and FY 2017/18 through IEUA. A portion of the RTS is the sixth of ten annual installments for the 5,767.037 acre-feet of water purchased during FY 2016/17. The other portion is the fifth of ten annual installments for the 1,145.9 acre-feet of water purchased during FY 2017/18. The 85/15 Rule is applied where applicable for the RTS charges.

The additional assessments approved as part of the budget, allocated amongst the Appropriators based on their percentage of OSY, are the Pomona Credit assessment of \$66,667.00, recharge debt payment assessment of \$746,765, and recharge improvement project assessment of \$102,000. Other approved assessments will be invoiced based on formulas separate from the Assessment Package.

The total DRO for production year 2022/23 is 26,580.0 acre-feet. This includes the 10,000 acre-feet of DRO Contribution and 16,580.0 acre-feet of Remaining DRO. In August and September 2023, the Appropriate Pool Parties were given an opportunity to transfer water to satisfy their share of DRO. The Parties have submitted their requests and the DRO was satisfied with a combination of stored water, annual water rights, and Exhibit "G" Form A transfers. These transfers resulted in 212.9 acre-feet of the residual DRO to be assessed.

The storage loss rate applied to water held in storage accounts continues to be 0.07%. This rate is reflected in the Assessment Package and has been applied to the beginning balances of locally stored water accounts.

In cases where the ending balance of a storage account has increased from the beginning balance on July 1, 2023, a new storage agreement will be required. Parties with increased storage balances as of the approval of the Assessment Package have already submitted storage applications to Watermaster; the application submitted by the Overlying (Non-Agricultural) Pool was approved by the Watermaster Board on June 22, 2023, and the application submitted by the Appropriate Pool was approved by the Watermaster Board on August 24, 2023. Following the approval of the FY 2023/24 Assessment Package, a new storage agreement will be sent for signature to those Parties with increased balances.

Watermaster held two Assessment Package Workshops: one on October 24, 2023, and the other on October 31, 2023. The purpose of the workshops was to provide the Parties with information pertaining to the Assessment Package and opportunities to raise questions, concerns, and provide feedback.

The FY 2023/24 Assessment Package is being presented to the Pool Committees for advice and assistance. It will then be presented to the Advisory Committee for advice and assistance, and to the Watermaster Board for approval on November 16, 2023. If approved by the Board, invoices will be emailed to the Parties immediately following the Board's approval.

In addition to the line items detailed within the FY 2023/24 Assessment Package, additional credits and charges will be added to assessment invoices as directed by specific action of the Pool(s), or by action of Watermaster per past practice; these items are not dependent on the Board's approval of the Assessment Package. The following items will be added to this year's assessment invoicing:

1. Refund of the excess FY 2021/22 Recharge Basin O&M: \$258,043.76
2. Refund of the excess FY 2022/23 Reserve: \$1,284,138.96

In addition to the items listed above, charges for Pool Administration/Legal Services will be included on the FY 2023/24 Assessment invoices as approved by each Pool Committee.

On November 9, 2023, the Fiscal Year 2023/24 Assessment Package was presented to the Pool Committees. The Appropriate Pool unanimously recommended to move to Advisory Committee; the Overlying (Non-Agricultural) Pool Committee gave their representatives discretionary authority to vote at Advisory Committee and Board meetings subject to changes which they deem necessary; and the Overlying (Agricultural) Pool Committee expressed support for the Assessment Package as presented.

ATTACHMENTS

1. Fiscal Year 2023/24 Assessment Package (DRAFT)



CHINO BASIN WATERMASTER

DRAFT

2023/2024 ASSESSMENT PACKAGE
(PRODUCTION YEAR 2022/2023)

PRINTED OCTOBER 26, 2023



Chino Basin Watermaster Assessment Package

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Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Overview

AGRICULTURAL POOL SUMMARY IN ACRE FEET

Agricultural Pool Safe Yield	82,800.0
Agricultural Total Pool Production	(17,082.2)
	65,717.8
<hr/>	
Safe Yield Reduction (Backfill)	(9,000.0)
Total Conversions	(33,725.6)
	(42,725.6)
<hr/>	
Early Transfer:	22,992.2

Well County	Physical Production	Voluntary Agreements	Total Ag Pool Production
Los Angeles County	135.0	0.0	135.0
Riverside County	1,914.5	0.0	1,914.5
San Bernardino County	9,293.0	5,739.7	15,032.7
	11,342.5	5,739.7	17,082.2



Assessment Year 2023-2024 (Production Year 2022-2023)
Assessment Fee Summary

	AF Production	Non-Agricultural Pool		Replenishment Assessments		CURO Adjmnt	RTS Charges	Other Adjmnts	Total Assmnts Due
		\$42.39 AF/Admin	\$55.08 AF/OBMP	AF Over Annual Right	\$872.00 Per AF				
9W Halo Western OpCo L.P.	25.8	1,094.43	1,422.06	8.9	7,767.78	887.71	505.72	0.00	11,677.70
ANG II (Multi) LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Aqua Capital Management LP	0.0	0.00	0.00	0.0	0.00	0.00	382.93	0.00	382.93
California Speedway Corporation	274.2	11,621.94	15,101.12	0.0	0.00	0.00	0.00	0.00	26,723.06
California Steel Industries, Inc.	1,057.5	44,827.98	58,247.82	0.0	0.00	0.00	0.00	0.00	103,075.80
CalMat Co.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
CCG Ontario, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
City of Ontario (Non-Ag)	1,151.3	48,804.45	63,414.71	0.0	0.00	0.00	0.00	0.00	112,219.16
County of San Bernardino (Non-Ag)	75.5	3,199.64	4,157.49	0.0	0.00	0.00	0.00	0.00	7,357.13
General Electric Company	0.0	0.00	0.00	0.0	0.00	0.00	0.41	0.00	0.41
Hamner Park Associates, a California Limited Partnership	299.2	12,681.10	16,477.35	0.0	0.00	0.00	0.00	0.00	29,158.45
Linde Inc.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Monte Vista Water District (Non-Ag)	15.9	674.89	876.93	0.0	0.00	0.00	0.00	0.00	1,551.82
Riboli Family and San Antonio Winery, Inc.	1.8	77.79	101.07	1.8	1,600.12	2,344.59	253.36	0.00	4,376.93
Space Center Mira Loma, Inc.	93.7	3,972.28	5,161.44	0.0	0.00	0.00	0.00	0.00	9,133.72
TAMCO	0.0	0.00	0.00	0.0	0.00	0.00	242.28	0.00	242.28
West Venture Development Company	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
	2,994.9	126,954.50	164,959.99	10.7	9,367.90	3,232.30	1,384.70	0.00	305,899.38
	2A	2B	2C	2D	2E	2F	2G	2H	2I

Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Overview

	Physical Production	Assignments	Other Adjustments	Actual FY Production (Assmnt Pkg Column 4H)
9W Halo Western OpCo L.P.	25.8	0.0	0.0	25.8
ANG II (Multi) LLC	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0
California Speedway Corporation	274.2	0.0	0.0	274.2
California Steel Industries, Inc.	1,057.5	0.0	0.0	1,057.5
CalMat Co.	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	1,151.3	0.0	1,151.3
County of San Bernardino (Non-Ag)	0.0	75.5	0.0	75.5
General Electric Company	808.6	0.0	(808.6)	0.0
Hamner Park Associates, a California Limited Partnership	0.0	299.2	0.0	299.2
Linde Inc.	0.0	0.0	0.0	0.0
Monte Vista Water District (Non-Ag)	0.0	15.9	0.0	15.9
Riboli Family and San Antonio Winery, Inc.	1.8	0.0	0.0	1.8
Space Center Mira Loma, Inc.	0.0	93.7	0.0	93.7
TAMCO	0.0	0.0	0.0	0.0
West Venture Development Company	0.0	0.0	0.0	0.0
	2,167.9	1,635.6	(808.6)	2,994.9
	3A	3B	3C	3D

Notes:

Other Adj:

1) General Electric Company extracted and subsequently injected 808.570 AF of water during the fiscal year.



Water Production Summary

	Percent of Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Safe Yield (AF)	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Net Over Production	Under Production Balances		
										Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
9W Halo Western OpCo L.P.	0.256%	0.0	0.0	18.8	(1.9)	0.0	16.9	25.8	8.9	0.0	0.0	0.0
ANG II (Multi) LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	0.0	1,000.0	(100.0)	0.0	1,900.0	274.2	0.0	1,625.8	1,000.0	625.8
California Steel Industries, Inc.	21.974%	1,615.1	0.0	1,615.1	(161.5)	0.0	3,068.8	1,057.5	0.0	2,011.2	1,615.1	396.1
CalMat Co.	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	53.338%	2,396.5	0.0	3,920.6	(5,165.7)	0.0	1,151.3	1,151.3	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	1.821%	133.9	0.0	133.9	(13.4)	0.0	254.4	75.5	0.0	178.9	133.9	45.0
General Electric Company	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	0.0	464.2	(46.4)	0.0	882.1	299.2	0.0	582.9	464.2	118.7
Linde Inc.	0.014%	1.0	0.0	1.0	(0.1)	0.0	1.9	0.0	0.0	1.9	1.0	0.9
Monte Vista Water District (Non-Ag)	0.680%	50.0	0.0	50.0	(5.0)	0.0	95.0	15.9	0.0	79.1	50.0	29.1
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8	0.0	0.0	0.0
Space Center Mira Loma, Inc.	1.417%	0.0	0.0	104.1	(10.4)	0.0	93.7	93.7	0.0	0.0	0.0	0.0
TAMCO	0.579%	42.6	0.0	42.6	(4.3)	0.0	81.0	0.0	0.0	81.0	42.6	38.4
West Venture Development Company	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.00%	5,703.3	0.0	7,350.3	(5,508.7)	0.0	7,545.0	2,994.9	10.7	4,560.8	3,306.9	1,253.9
	4A	4B	4C	4D	4E	4F	4G	4H	4I	4J	4K	4L

Notes:
 1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24 DRO pursuant to an Exhibit "G" Section 10 Form A.



Assessment Year 2023-2024 (Production Year 2022-2023)

Local Storage Accounts Summary

	Local Excess Carry Over Storage Account (ECO)					Local Supplemental Storage Account				Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Under-Production	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Ending Balance	Ending Balance
9W Halo Western OpCo L.P.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	2,394.3	(1.7)	0.0	625.8	3,018.5	0.0	0.0	0.0	0.0	3,018.5
California Steel Industries, Inc.	3,292.2	(2.3)	0.0	396.1	3,686.0	0.0	0.0	0.0	0.0	3,686.0
CalMat Co.	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	297.0	(0.2)	0.0	45.0	341.8	0.0	0.0	0.0	0.0	341.8
General Electric Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	1,800.7	(1.3)	0.0	118.7	1,918.1	0.0	0.0	0.0	0.0	1,918.1
Linde Inc.	65.2	0.0	0.0	0.9	66.0	0.0	0.0	0.0	0.0	66.0
Monte Vista Water District (Non-Ag)	145.2	(0.1)	0.0	29.1	174.2	0.0	0.0	0.0	0.0	174.2
Riboli Family and San Antonio Winery, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	294.3	(0.2)	0.0	38.4	332.4	0.0	0.0	0.0	0.0	332.4
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	8,293.9	(5.8)	0.0	1,253.9	9,542.0	0.0	0.0	0.0	0.0	9,542.0
	5A	5B	5C	5D	5E	5F	5G	5H	5I	5J

Notes:
1)



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Summary

	Percent of Safe Yield	Assigned Share of Safe Yield (AF)	Water Transactions			Total Water Transactions
			10% of Operating Safe Yield ("Haircut")	Transfers (To) / From ECO Account	General Transfers / Exhibit G Water Sales	
9W Halo Western OpCo L.P.	0.256%	18.8	(1.9)	0.0	0.0	(1.9)
ANG II (Multi) LLC	0.000%	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.000%	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	(100.0)	0.0	0.0	(100.0)
California Steel Industries, Inc.	21.974%	1,615.1	(161.5)	0.0	0.0	(161.5)
CalMat Co.	0.000%	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	53.338%	3,920.6	(392.1)	0.0	(4,773.7)	(5,165.7)
County of San Bernardino (Non-Ag)	1.821%	133.9	(13.4)	0.0	0.0	(13.4)
General Electric Company	0.000%	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	(46.4)	0.0	0.0	(46.4)
Linde Inc.	0.014%	1.0	(0.1)	0.0	0.0	(0.1)
Monte Vista Water District (Non-Ag)	0.680%	50.0	(5.0)	0.0	0.0	(5.0)
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	1.417%	104.1	(10.4)	0.0	0.0	(10.4)
TAMCO	0.579%	42.6	(4.3)	0.0	0.0	(4.3)
West Venture Development Company	0.000%	0.0	0.0	0.0	0.0	0.0
	100.000%	7,350.3	(735.0)	0.0	(4,773.7)	(5,508.7)
	6A	6B	6C	6D	6E	6F

Notes:

1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24 DRO pursuant to an Exhibit "G" Section 10 Form A.



Assessment Year 2023-2024 (Production Year 2022-2023)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:	AF
Appropriative - 100	1,533.2
Appropriative - 15/85	32.4
Non-Agricultural - 100	70.8
	1,636.4

Replenishment Rates	
2023 Rate	\$872.00
2022 Rate	\$811.00

Pool 2 Non-Agricultural

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)
9W Halo Western OpCo L.P.	19.2	\$15,881.72	\$887.71
ANG II (Multi) LLC	0.0	\$0.00	\$0.00
Aqua Capital Management LP	0.0	\$0.00	\$0.00
California Speedway Corporation	0.0	\$0.00	\$0.00
California Steel Industries, Inc.	0.0	\$0.00	\$0.00
CalMat Co.	0.0	\$0.00	\$0.00
CCG Ontario, LLC	0.0	\$0.00	\$0.00
City of Ontario (Non-Ag)	0.0	\$0.00	\$0.00
County of San Bernardino (Non-Ag)	0.0	\$0.00	\$0.00
General Electric Company	0.0	\$0.00	\$0.00
Hamner Park Associates, a California Limited Partnership	0.0	\$0.00	\$0.00
Linde Inc.	0.0	\$0.00	\$0.00
Monte Vista Water District (Non-Ag)	0.0	\$0.00	\$0.00
Riboli Family and San Antonio Winery, Inc.	51.6	\$42,662.82	\$2,344.59
Space Center Mira Loma, Inc.	0.0	\$0.00	\$0.00
TAMCO	0.0	\$0.00	\$0.00
West Venture Development Company	0.0	\$0.00	\$0.00
Pool 2 Non-Agricultural Total	70.8	\$58,544.54	\$3,232.30

7A

7B

7C

Notes:

1) The 2023 replenishment rate includes MWD's Full Service Untreated Tier 1 volumic cost of \$855/AF, a \$15/AF surcharge from Three Valleys Municipal Water District, and a \$2/AF connection fee from Orange County Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Fee Summary

	AF Production and Exchanges	Appropriative Pool		Ag Pool SY Reallocation			Replenishment Assessments			85/15 Activity		CURO Adjmt	ASSESSMENTS DUE							
		\$42.39 AF/Admin	\$55.08 AF/OBMP	AF Total Reallocation	\$724,055 \$11.02 AF/Admin	\$940,831 \$14.32 AF/OBMP	\$130.80 AF/15%	\$741.20 AF/85%	\$872.00 AF/100%	15% Producer Credits	15% Pro-rated Debits		Total Production Based	Pomona Credit	Recharge Debt Payment	Recharge Imprvmt Project	RTS Charges	Other Adjmts	DRO	Total Due
BlueTriton Brands, Inc.	276.6	11,724.40	15,234.25	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26,958.65	0.00	0.00	0.00	9,886.74	0.00	0.00	36,845.39
CalMat Co. (Appropriative)	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chino Hills, City Of	2,176.9	92,280.19	119,905.47	2,510.0	27,654.64	35,934.21	92.40	0.00	0.00	0.00	34,273.03	9.01	310,148.95	2,567.35	28,757.92	3,928.02	1.37	0.00	0.00	345,403.61
Chino, City Of	3,112.5	131,940.02	171,437.99	11,814.1	130,163.73	169,133.66	132.11	0.00	0.00	0.00	49,002.76	12.89	651,823.16	4,904.69	54,939.50	7,504.14	0.07	0.00	0.00	719,171.56
Cucamonga Valley Water District	13,514.7	572,888.98	744,390.78	2,710.2	29,859.64	38,799.37	573.61	0.00	0.00	(126,965.64)	212,772.01	55.95	1,472,374.70	4,400.69	49,293.96	6,733.02	15.90	0.00	0.00	1,532,818.27
Desalter Authority	39,815.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fontana Union Water Company	0.0	0.00	0.00	3,729.3	41,088.39	53,389.90	0.00	0.00	0.00	0.00	0.00	0.00	94,478.29	7,771.37	87,050.40	11,890.14	0.00	0.00	0.00	201,190.20
Fontana Water Company	8,721.0	369,684.55	480,354.44	834.6	9,195.77	11,948.90	370.15	0.00	0.00	(708,741.18)	137,301.51	36.11	300,150.25	1.33	14.94	2.04	12.03	0.00	0.00	300,180.58
Fontana, City Of	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Golden State Water Company	921.7	39,072.09	50,768.83	239.9	2,643.58	3,435.05	39.12	0.00	0.00	(20,010.37)	14,511.45	3.82	90,463.57	500.00	5,600.74	765.00	0.66	0.00	0.00	97,329.98
Jurupa Community Services District	7,157.8	303,417.06	394,248.93	16,765.9	184,720.46	240,024.22	303.80	0.00	0.00	0.00	112,689.65	29.63	1,235,433.75	2,506.01	28,070.90	3,834.18	7.64	0.00	0.00	1,269,852.48
Marygold Mutual Water Company	559.7	23,727.59	30,830.75	382.3	4,212.11	5,473.18	0.00	0.00	0.00	0.00	0.00	0.00	64,243.63	796.67	8,923.84	1,218.90	1,005.25	0.00	0.00	76,188.29
Monte Vista Irrigation Company	0.0	0.00	0.00	394.8	4,349.58	5,651.81	0.00	0.00	0.00	0.00	0.00	0.00	10,001.39	822.67	9,215.08	1,258.68	0.00	0.00	0.00	21,297.82
Monte Vista Water District	5,165.5	218,963.93	284,513.65	2,920.0	32,171.13	41,802.90	219.24	0.00	0.00	0.00	81,323.60	21.39	659,015.84	5,864.70	65,692.92	8,972.94	6.40	0.00	0.00	739,552.80
NCL Co, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Niagara Bottling, LLC	1,401.4	59,406.28	77,190.32	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	68,399.52	204,996.12	0.00	0.00	0.00	31,471.59	19,986.10	183,374.62	439,828.43
Nicholson Family Trust	0.0	0.00	0.00	2.2	24.67	32.05	0.00	0.00	0.00	0.00	0.00	0.00	56.72	4.67	52.27	7.14	0.00	0.00	0.00	120.80
Norco, City Of	0.0	0.00	0.00	117.7	1,297.12	1,685.46	0.00	0.00	0.00	0.00	0.00	0.00	2,982.58	245.33	2,748.10	375.36	0.00	0.00	0.00	6,351.37
Ontario, City Of	12,566.1	532,677.78	692,141.83	12,521.7	137,959.52	179,263.44	533.35	0.00	0.00	0.00	197,837.50	52.03	1,740,465.45	13,828.07	154,894.00	21,156.84	14.80	0.00	0.00	1,930,359.16
Pomona, City Of	10,197.4	432,267.19	561,672.02	6,543.7	72,095.89	93,680.80	0.00	0.00	0.00	0.00	0.00	0.00	1,159,715.90	(53,030.93)	152,743.31	20,863.08	0.00	0.00	0.00	1,280,291.36
San Antonio Water Company	459.0	19,454.98	25,279.08	879.1	9,686.11	12,586.05	19.48	0.00	0.00	0.00	7,225.61	1.90	74,253.21	1,832.01	20,521.10	2,802.96	0.74	0.00	0.00	99,410.02
San Bernardino, County of (Shooting Park)	17.6	747.63	971.45	0.0	0.00	0.00	0.75	13,072.54	0.00	0.00	277.67	1,275.23	16,345.27	0.00	0.00	0.00	356.08	216.18	2,308.18	19,225.71
Santa Ana River Water Company	0.0	0.00	0.00	759.2	8,364.31	10,868.51	0.00	0.00	0.00	0.00	0.00	0.00	19,232.82	1,582.01	17,720.73	2,420.46	1,268.28	0.00	0.00	42,224.30
Upland, City Of	540.0	22,892.68	29,745.90	1,664.2	18,335.92	23,825.53	22.92	0.00	0.00	0.00	8,502.38	2.24	103,327.57	3,468.02	38,846.72	5,306.04	1.82	0.00	0.00	150,950.17
West End Consolidated Water Co	0.0	0.00	0.00	552.8	6,090.82	7,914.36	0.00	0.00	0.00	0.00	0.00	0.00	14,005.18	1,152.01	12,904.10	1,762.56	0.00	0.00	0.00	29,823.85
West Valley Water District	0.0	0.00	0.00	375.9	4,141.62	5,381.59	0.00	0.00	0.00	0.00	0.00	0.00	9,523.21	783.34	8,774.49	1,198.50	626.34	0.00	0.00	20,905.88
106,603.1	2,831,145.35	3,678,685.69	65,717.8	724,055.00	940,831.00	2,306.93	13,072.54	0.00	(855,717.19)	855,717.17	69,899.72	8,259,996.21	0.01	746,765.02	102,000.00	44,675.70	20,202.28	185,682.80	9,359,322.02	
	8A	8B	8C	8D	8E	8F	8G	8H	8I	8J	8K	8L	8M	8N	8O	8P	8Q	8R	8S	8T

Notes:
 1) IEUA is collecting the sixth of ten annual RTS charges for water purchased in FY 2016/17, and fifth of ten annual RTS charges for water purchased in FY 2017/18.
 2) "Other Adjustments" (Column [8R]) includes adjustments from replenishment purchase for DRO. If water was not available for purchase in the previous year, this adjustment is based on the previous year's obligation, multiplied by the current replenishment rate, minus the fund balance, similar to the CURO.



Assessment Year 2023-2024 (Production Year 2022-2023)
Water Production Overview

	Physical Production	Voluntary Agreements (w/ Ag)	Assignments (w/ Non-Ag)	Other Adjustments	Actual FY Production (Assmnt Pkg Column 10I)
BlueTriton Brands, Inc.	276.6	0.0	0.0	0.0	276.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	2,218.1	(41.2)	0.0	0.0	2,176.9
Chino, City Of	5,568.9	(2,380.9)	(75.5)	0.0	3,112.5
Cucamonga Valley Water District	13,514.7	0.0	0.0	0.0	13,514.7
Desalter Authority	39,844.0	0.0	0.0	(29.0)	39,815.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	8,721.0	0.0	0.0	0.0	8,721.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	921.7	0.0	0.0	0.0	921.7
Jurupa Community Services District	7,521.6	0.0	(392.9)	29.0	7,157.8
Marygold Mutual Water Company	559.7	0.0	0.0	0.0	559.7
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	5,293.0	(101.7)	(15.9)	(9.9)	5,165.5
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	1,401.4	0.0	0.0	0.0	1,401.4
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	16,933.4	(3,216.0)	(1,151.3)	0.0	12,566.1
Pomona, City Of	10,197.4	0.0	0.0	0.0	10,197.4
San Antonio Water Company	459.0	0.0	0.0	0.0	459.0
San Bernardino, County of (Shooting Park)	17.6	0.0	0.0	0.0	17.6
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	807.9	0.0	0.0	(267.8)	540.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	114,256.1	(5,739.7)	(1,635.6)	(277.7)	106,603.1
Less Desalter Authority Production					(39,815.0)
Total Less Desalter Authority Production					66,788.0

9A
9B
9C
9D
9E

Notes:
 Other Adjustments:
 1) CDA provided 28.968 AF to JCSD for irrigation at Orchard Park.
 2) Monte Vista Water District received credit of 9.899 AF after evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.
 3) City of Upland received credit of 267.804 AF after evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.



Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	276.6	0.0	276.6	276.6	0.0	276.6	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,572.5	0.0	1,572.5	2,510.0	0.0	0.0	5,655.1	2,176.9	0.0	2,176.9	0.0	0.0	3,478.1	1,572.5	1,905.6
Chino, City Of	7.357%	3,004.2	0.0	3,004.2	11,814.1	0.0	0.0	17,822.4	3,112.5	0.0	3,112.5	0.0	0.0	14,709.9	3,004.2	11,705.7
Cucamonga Valley Water District	6.601%	0.0	0.0	2,695.5	2,710.2	14,687.3	0.0	20,092.9	13,514.7	0.0	13,514.7	0.0	0.0	6,578.1	2,695.5	3,882.7
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	39,815.0	0.0	39,815.0	0.0	39,815.0	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,729.3	(8,489.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.002%	0.8	0.0	0.8	834.6	20,003.5	0.0	20,839.8	8,721.0	0.0	8,721.0	0.0	0.0	12,118.7	0.8	12,117.9
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	167.5	0.0	306.3	239.9	366.4	0.0	1,080.1	921.7	0.0	921.7	0.0	0.0	158.3	158.3	0.0
Jurupa Community Services District	3.759%	1,535.0	0.0	1,535.0	16,765.9	0.0	0.0	19,835.8	7,157.8	0.0	7,157.8	0.0	0.0	12,678.0	1,535.0	11,143.1
Marygold Mutual Water Company	1.195%	285.6	0.0	488.0	382.3	0.0	0.0	1,155.9	559.7	0.0	559.7	0.0	0.0	596.1	488.0	108.2
Monte Vista Irrigation Company	1.234%	503.9	0.0	503.9	394.8	0.0	0.0	1,402.6	0.0	0.0	0.0	0.0	0.0	1,402.6	503.9	898.7
Monte Vista Water District	8.797%	2,941.0	0.0	3,592.2	2,920.0	0.0	0.0	9,453.1	5,165.5	0.0	5,165.5	0.0	0.0	4,287.6	3,592.2	695.5
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	4,000.0	0.0	4,000.0	1,401.4	0.0	1,401.4	0.0	0.0	2,598.6	0.0	2,598.6
Nicholson Family Trust	0.007%	1.6	0.0	2.9	2.2	(4.5)	0.0	2.2	0.0	0.0	0.0	0.0	0.0	2.2	2.2	0.0
Norco, City Of	0.368%	150.3	0.0	150.3	117.7	0.0	0.0	418.3	0.0	0.0	0.0	0.0	0.0	418.3	150.3	268.0
Ontario, City Of	20.742%	8,469.8	0.0	8,469.8	12,521.7	0.0	0.0	29,461.3	12,566.1	0.0	12,566.1	0.0	0.0	16,895.1	8,469.8	8,425.4
Pomona, City Of	20.454%	8,352.2	0.0	8,352.2	6,543.7	0.0	0.0	23,248.0	10,197.4	0.0	10,197.4	0.0	0.0	13,050.7	8,352.2	4,698.5
San Antonio Water Company	2.748%	1,122.1	0.0	1,122.1	879.1	0.0	0.0	3,123.4	459.0	0.0	459.0	0.0	0.0	2,664.4	1,122.1	1,542.3
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.6	0.0	17.6	17.6	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	969.0	0.0	969.0	759.2	0.0	0.0	2,697.2	0.0	0.0	0.0	0.0	0.0	2,697.2	969.0	1,728.2
Upland, City Of	5.202%	2,124.2	0.0	2,124.2	1,664.2	408.3	0.0	6,320.9	540.0	0.0	540.0	0.0	0.0	5,780.9	2,124.2	3,656.7
West End Consolidated Water Co	1.728%	705.6	0.0	705.6	552.8	(66.4)	0.0	1,897.6	0.0	0.0	0.0	0.0	0.0	1,897.6	705.6	1,192.0
West Valley Water District	1.175%	479.8	0.0	479.8	375.9	0.0	0.0	1,335.5	0.0	0.0	0.0	0.0	0.0	1,335.5	479.8	855.7
	100.00%	32,384.9	0.0	40,834.0	65,717.8	31,181.8	0.0	170,118.5	106,603.1	0.0	106,603.1	17.6	39,815.0	103,348.0	35,925.4	67,422.7
Less Desalter Authority Production									(39,815.0)		(39,815.0)		(39,815.0)			
Total Less Desalter Authority Production									66,788.0		66,788.0		0.0			
	10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:
1) BlueTriton Brands, Inc. transferred 276.6 AF out of their ECO account to offset their Production Year 2022/23 overproduction obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Local Excess Carry Over Storage Account Summary

	Excess Carry Over Account (ECO)					Ending Balance
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Supplemental Storage	From Under-Production	
BlueTriton Brands, Inc.	1,154.1	(0.8)	(318.1)	0.0	0.0	835.2
CalMat Co. (Appropriative)	0.4	0.0	0.0	0.0	0.0	0.4
Chino Hills, City Of	14,545.1	(10.2)	0.0	0.0	1,905.6	16,440.5
Chino, City Of	127,116.0	(89.0)	(23,642.6)	0.0	11,705.7	115,090.2
Cucamonga Valley Water District	8,757.5	(6.1)	(3,020.1)	0.0	3,882.7	9,613.9
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	4,901.8	(3.4)	(1,346.0)	0.0	12,117.9	15,670.2
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	39,778.5	(27.8)	(2,316.1)	0.0	11,143.1	48,577.6
Marygold Mutual Water Company	317.2	(0.2)	(258.8)	0.0	108.2	166.3
Monte Vista Irrigation Company	11,534.1	(8.1)	(180.5)	0.0	898.7	12,244.2
Monte Vista Water District	3,636.7	(2.5)	(2,074.2)	0.0	695.5	2,255.4
NCL Co, LLC	4.0	0.0	0.0	0.0	0.0	4.0
Niagara Bottling, LLC	316.0	(0.2)	0.0	0.0	2,598.6	2,914.4
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	2,795.2	(2.0)	(53.8)	0.0	268.0	3,007.4
Ontario, City Of	47,726.5	(33.4)	(649.1)	0.0	8,425.4	55,469.4
Pomona, City Of	26,548.7	(18.6)	(4,522.1)	0.0	4,698.5	26,706.5
San Antonio Water Company	5,289.2	(3.7)	(873.8)	0.0	1,542.3	5,953.9
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	5,836.4	(4.1)	(347.1)	0.0	1,728.2	7,213.4
Upland, City Of	22,320.5	(15.6)	(10,842.0)	0.0	3,656.7	15,119.6
West End Consolidated Water Co	5,722.0	(4.0)	(961.1)	0.0	1,192.0	5,949.0
West Valley Water District	8,663.8	(6.1)	(171.9)	0.0	855.7	9,341.6
	336,963.7	(235.9)	(51,577.3)	0.0	67,422.7	352,573.2
	11A	11B	11C	11D	11E	11F

Notes:

1) BlueTriton Brands, Inc. transferred 276.6 AF out of their ECO account to offset their Production Year 2022/23 overproduction obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Local Supplemental Storage Account Summary

	Recharged Recycled Account					Quantified (Pre 7/1/2000) Account					New (Post 7/1/2000) Account					Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Ending Balance
BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	13,930.3	(9.8)	1,242.2	0.0	15,162.8	3,786.1	(2.7)	(949.9)	0.0	2,833.5	0.0	0.0	0.0	0.0	0.0	17,996.3
Chino, City Of	8,496.7	(5.9)	1,586.7	0.0	10,077.5	1,050.3	(0.7)	0.0	0.0	1,049.6	1,923.9	(1.3)	0.0	0.0	1,922.6	13,049.6
Cucamonga Valley Water District	44,993.4	(31.5)	3,355.9	0.0	48,317.8	10,678.4	(7.5)	0.0	0.0	10,670.9	892.0	(0.6)	293.4	0.0	1,184.8	60,173.5
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	1,624.6	(1.1)	0.0	0.0	1,623.4	0.0	0.0	0.0	0.0	0.0	309.6	(0.2)	22.3	0.0	331.8	1,955.2
Fontana, City Of	44.0	0.0	0.0	0.0	43.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43.9
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	1,121.7	(0.8)	(248.0)	0.0	872.9	0.0	0.0	0.0	0.0	0.0	872.9
Jurupa Community Services District	4,825.7	(3.4)	0.0	0.0	4,822.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,822.3
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	5,442.4	(3.8)	0.0	0.0	5,438.6	0.0	0.0	0.0	0.0	0.0	5,438.6
Monte Vista Water District	0.0	0.0	585.9	0.0	585.9	3,371.8	(2.4)	0.0	0.0	3,369.4	0.0	0.0	0.0	0.0	0.0	3,955.3
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	96.2	(0.1)	0.0	0.0	96.2	96.2
Ontario, City Of	53,146.7	(37.2)	6,523.0	0.0	59,632.5	8,038.8	(5.6)	0.0	0.0	8,033.2	0.0	0.0	0.0	0.0	0.0	67,665.7
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	10,896.8	(7.6)	0.0	0.0	10,889.2	1,557.7	(1.1)	0.0	0.0	1,556.6	12,445.7
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,648.4	(3.3)	916.2	0.0	5,561.4	5,561.4
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	480.4	(0.3)	0.0	0.0	480.1	480.1
Upland, City Of	15,054.4	(10.5)	1,315.0	0.0	16,359.0	5,795.1	(4.1)	0.0	0.0	5,791.0	0.0	0.0	0.0	0.0	0.0	22,150.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	451.9	(0.3)	0.0	0.0	451.6	451.6
West Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	307.3	(0.2)	0.0	0.0	307.1	307.1
	142,115.7	(99.5)	14,608.7	0.0	156,624.9	50,181.3	(35.1)	(1,197.9)	0.0	48,948.3	10,667.5	(7.5)	1,232.0	0.0	11,892.0	217,465.2
	12A	12B	12C	12D	12E	12F	12G	12H	12I	12J	12K	12L	12M	12N	12O	12P

Notes:
1)



Assessment Year 2023-2024 (Production Year 2022-2023)

Other Storage and Replenishment Accounts

DESALTER REPLENISHMENT	Beginning Balance	Water Purchases	Transfers To	Transfers From	Ending Balance
CONTROLLED OVERDRAFT AND OFFSETS					
Re-Op Offset Pre-Peace II / CDA	1,286.7	.....	0.0	0.0	1,286.7
Re-Op Offset Peace II Expansion	62,500.0	.....	0.0	(12,500.0)	50,000.0
Non-Ag OBMP Special Assessment	0.0	.....	735.0	(735.0)	0.0
Non-Ag Dedication	0.0	.....	0.0	0.0	0.0
	63,786.7		735.0	(13,235.0)	51,286.7

DEDICATED REPLENISHMENT	Beginning Balance	Water Purchases	Transfers To	Transfers From	Ending Balance
BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	1,705.1	(1,705.1)	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	1.0	(1.0)	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	0.0	4,773.7	(4,773.7)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	6,479.8	(6,479.8)	0.0

13A
13B
13C
13D
13E

STORAGE AND RECOVERY	Beginning Balance	Storage Loss	Transfers To	Transfers From	Ending Balance
METROPOLITAN WATER DISTRICT					
Dry Year Yield / Conjunctive Use Program	0.0	0.0	7,939.1	0.0	7,939.1
	13F	13G	13H	13I	13J

Notes:
 1) A new DYY cycle of "puts" began May 2023.



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Summary

	Water Transactions				Total Water Transactions
	Assigned Rights	General Transfer	Transfers (To) / From ECO Account	Transfers (To) Desalter Replenishment	
BlueTriton Brands, Inc.	0.0	0.0	276.6	0.0	276.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	(21,500.0)	0.0	21,500.0	0.0	0.0
Cucamonga Valley Water District	7,903.0	6,784.2	0.0	0.0	14,687.3
Desalter Authority	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	(6,784.2)	0.0	(1,705.1)	(8,489.3)
Fontana Water Company	20,003.5	0.0	0.0	0.0	20,003.5
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	366.4	0.0	0.0	0.0	366.4
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	4,000.0	0.0	0.0	0.0	4,000.0
Nicholson Family Trust	(3.5)	0.0	0.0	(1.0)	(4.5)
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	4,773.7	0.0	(4,773.7)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	(403.0)	0.0	403.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	(9,591.7)	0.0	10,000.0	0.0	408.3
West End Consolidated Water Co	(774.7)	0.0	708.3	0.0	(66.4)
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	0.0	4,773.7	32,887.9	(6,479.8)	31,181.8
	14A	14B	14C	14D	14E

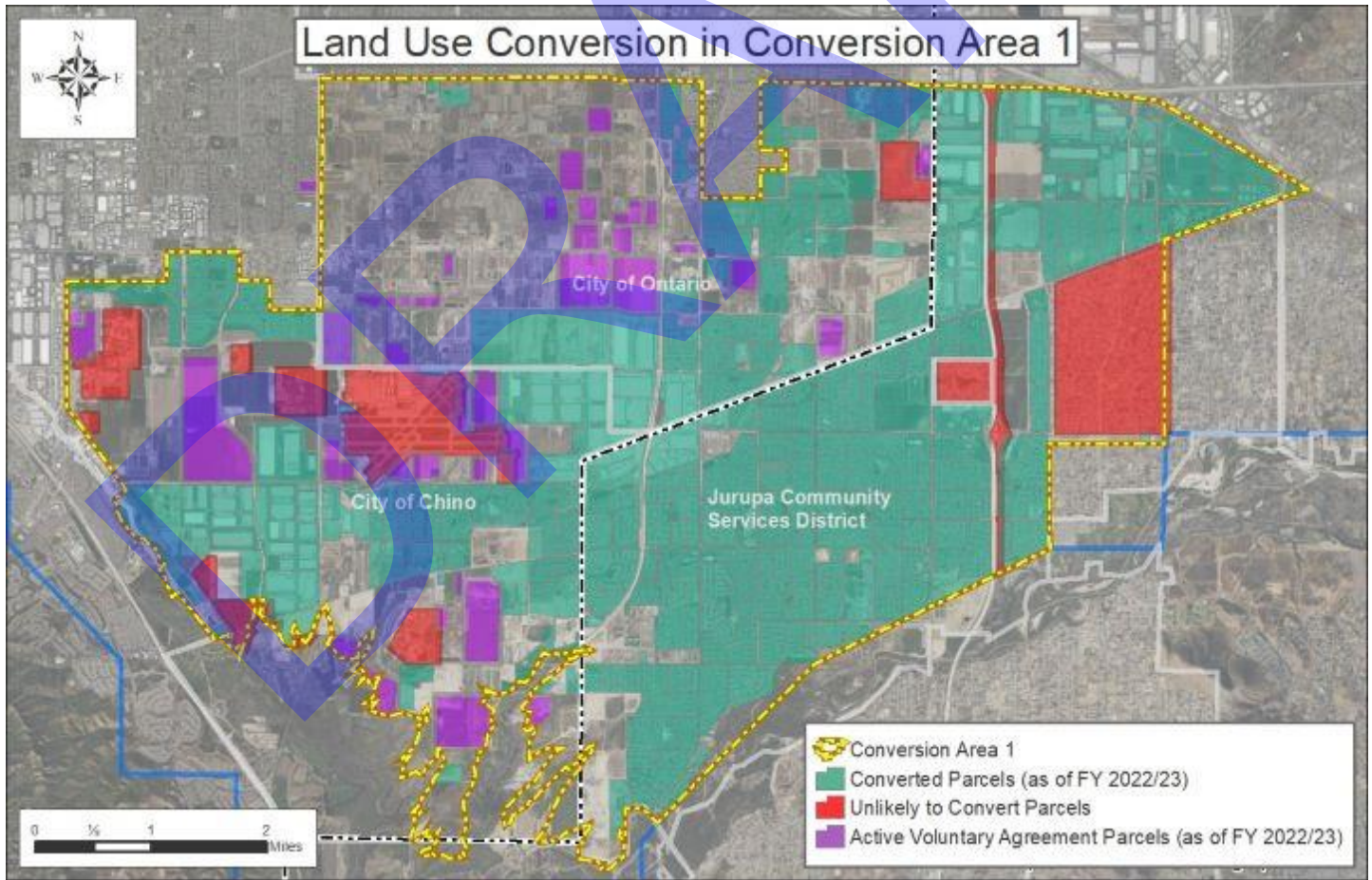
Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)

Land Use Conversion Summary

	Prior Conversion	Conversion @ 1.3 af/ac		Total Prior to Peace Agrmt Converted AF	Conversion @ 2.0 af/ac		Total Land Use Conversion Acre-Feet
		Acres	Acre-Feet		Acres	Acre-Feet	
Chino Hills, City Of	0.0	670.266	871.3	871.3	203.334	406.7	1,278.0
Chino, City Of	196.2	1,434.750	1,865.2	2,061.4	3,699.522	7,399.0	9,460.5
Cucamonga Valley Water District	0.0	460.280	598.4	598.4	0.000	0.0	598.4
Fontana Water Company	0.0	0.000	0.0	0.0	417.000	834.0	834.0
Jurupa Community Services District	0.0	2,756.920	3,584.0	3,584.0	5,989.648	11,979.3	15,563.3
Monte Vista Water District	0.0	48.150	62.6	62.6	21.510	43.0	105.6
Ontario, City Of	209.4	527.044	685.2	894.6	2,495.660	4,991.3	5,885.9
	405.6	5,897.410	7,666.6	8,072.3	12,826.674	25,653.3	33,725.6
	15A	15B	15C	15D	15E	15F	15G



Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)

Agricultural Pool Reallocation Summary

	% Share of Operating Safe Yield	Reallocation of Agricultural Pool Safe Yield				
		Safe Yield Reduction ¹	Land Use Conversions	Early Transfer	Total AG Pool Reallocation	
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	
Chino Hills, City Of	3.851%	346.6	1,278.0	885.4	2,510.0	
Chino, City Of	7.357%	662.1	9,460.5	1,691.5	11,814.1	
Cucamonga Valley Water District	6.601%	594.1	598.4	1,517.7	2,710.2	
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	
Fontana Union Water Company	11.657%	1,049.1	0.0	2,680.2	3,729.3	
Fontana Water Company	0.002%	0.2	834.0	0.5	834.6	
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	
Golden State Water Company	0.750%	67.5	0.0	172.4	239.9	
Jurupa Community Services District	3.759%	338.3	15,563.3	864.3	16,765.9	
Marygold Mutual Water Company	1.195%	107.6	0.0	274.8	382.3	
Monte Vista Irrigation Company	1.234%	111.1	0.0	283.7	394.8	
Monte Vista Water District	8.797%	791.7	105.6	2,022.6	2,920.0	
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	
Nicholson Family Trust	0.007%	0.6	0.0	1.6	2.2	
Norco, City Of	0.368%	33.1	0.0	84.6	117.7	
Ontario, City Of	20.742%	1,866.8	5,885.9	4,769.0	12,521.7	
Pomona, City Of	20.454%	1,840.9	0.0	4,702.8	6,543.7	
San Antonio Water Company	2.748%	247.3	0.0	631.8	879.1	
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.0	0.0	0.0	
Santa Ana River Water Company	2.373%	213.6	0.0	545.6	759.2	
Upland, City Of	5.202%	468.2	0.0	1,196.1	1,664.2	
West End Consolidated Water Co	1.728%	155.5	0.0	397.3	552.8	
West Valley Water District	1.175%	105.8	0.0	270.2	375.9	
Agricultural Pool Safe Yield	82,800.0	100%	9,000.0	33,725.6	22,992.2	65,717.8
Agricultural Pool Production	(17,082.2)	16A	16B	16C	16D	16E
Safe Yield Reduction¹	(9,000.0)					
Land Use Conversions	(33,725.6)					
Early Transfer [16D]	22,992.2					

Notes:
¹ Paragraph 10, Subdivision (a)(1) of Exhibit "H" of the Judgment states "to supplement, in the particular year, water available from Operating Safe Yield to compensate for any reduction in the Safe Yield by reason of recalculation thereof after the tenth year of operation hereunder."



Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:		AF	Replenishment Rates	
Appropriative - 100		1,533.2	2023 Rate	\$872.00
Appropriative - 15/85		32.4	2022 Rate	\$811.00
Non-Agricultural - 100		70.8		
		1,636.4		

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)	AF Production and Exchanges	85/15 Producers	Percent	15%	85%	100%	Total
BlueTriton Brands, Inc.	0.0	\$0.00	\$0.00	276.6	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
CalMat Co. (Appropriative)	0.0	\$0.00	\$0.00	0.0	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
Chino Hills, City Of	0.0	\$0.00	\$0.00	2,176.9	2,176.9	4.005%	\$9.01	\$0.00	XXXXXXXXXX	\$9.01
Chino, City Of	0.0	\$0.00	\$0.00	3,112.5	3,112.5	5.727%	\$12.89	\$0.00	XXXXXXXXXX	\$12.89
Cucamonga Valley Water District	0.0	\$0.00	\$0.00	13,514.7	13,514.7	24.865%	\$55.95	\$0.00	XXXXXXXXXX	\$55.95
Desalter Authority	0.0	\$0.00	\$0.00	39,815.0	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	\$0.00
Fontana Union Water Company	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Fontana Water Company	0.0	\$0.00	\$0.00	8,721.0	8,721.0	16.045%	\$36.11	\$0.00	XXXXXXXXXX	\$36.11
Fontana, City Of	0.0	\$0.00	\$0.00	0.0	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
Golden State Water Company	0.0	\$0.00	\$0.00	921.7	921.7	1.696%	\$3.82	\$0.00	XXXXXXXXXX	\$3.82
Jurupa Community Services District	0.0	\$0.00	\$0.00	7,157.8	7,157.8	13.169%	\$29.63	\$0.00	XXXXXXXXXX	\$29.63
Marygold Mutual Water Company	0.0	\$0.00	\$0.00	559.7	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
Monte Vista Irrigation Company	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Monte Vista Water District	0.0	\$0.00	\$0.00	5,165.5	5,165.5	9.504%	\$21.39	\$0.00	XXXXXXXXXX	\$21.39
NCL Co, LLC	0.0	\$0.00	\$0.00	0.0	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
Niagara Bottling, LLC	1,533.2	\$1,268,563.09	\$68,399.52	1,401.4	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$68,399.52	\$68,399.52
Nicholson Family Trust	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Norco, City Of	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Ontario, City Of	0.0	\$0.00	\$0.00	12,566.1	12,566.1	23.119%	\$52.03	\$0.00	XXXXXXXXXX	\$52.03
Pomona, City Of	0.0	\$0.00	\$0.00	10,197.4	XXXXXXXXXX	0.000%	XXXXXXXXXX	XXXXXXXXXX	\$0.00	\$0.00
San Antonio Water Company	0.0	\$0.00	\$0.00	459.0	459.0	0.844%	\$1.90	\$0.00	XXXXXXXXXX	\$1.90
San Bernardino, County of (Shooting Park)	32.4	\$26,735.17	\$1,500.19	17.6	17.6	0.032%	\$0.07	\$1,275.16	XXXXXXXXXX	\$1,275.23
Santa Ana River Water Company	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Upland, City Of	0.0	\$0.00	\$0.00	540.0	540.0	0.994%	\$2.24	\$0.00	XXXXXXXXXX	\$2.24
West End Consolidated Water Co	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
West Valley Water District	0.0	\$0.00	\$0.00	0.0	0.0	0.000%	\$0.00	\$0.00	XXXXXXXXXX	\$0.00
Pool 3 Appropriative Total	1,565.6	\$1,295,298.26	\$69,899.71	106,603.1	54,352.9	100.000%	\$225.04	\$1,275.16	\$68,399.52	\$69,899.72
	17A	17B	17C	17D	17E	17F	17G	17H	17I	17J

Notes:
 1) The 2023 replenishment rate includes MWD's Full Service Untreated Tier 1 volumic cost of \$855/AF, a \$15/AF surcharge from Three Valleys Municipal Water District, and a \$2/AF connection fee from Orange County Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)
Desalter Replenishment Accounting¹

Production Year	Desalter Production			Desalter Replenishment									Remaining Desalter Replenishment Obligation ^{4,7} PIIA, 6.2(b)(iii)	
	Pre-Peace II Desalter Production	Peace II Desalter Expansion Production ²	Total	Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i)	Paragraph 31 Settlement Agreements Dedication ³ PIIA, 6.2(a)(ii)	"Leave Behind" Losses PIIA, 6.2(a)(iv)	Safe Yield Contributed by Parties PIIA, 6.2(a)(v)	Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi)			Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii)	Non-Ag OBMP Assessment (10% Haircut) ⁶ PIIA, 6.2(b)(i)		
								Allocation to Pre-Peace II Desalters ^{4,5}	Allocation to All Desalters ⁵	Balance				
2000 / 2001	7,989.0	0.0	7,989.0	3,994.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,994.5
2001 / 2002	9,457.8	0.0	9,457.8	4,728.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,728.9
2002 / 2003	10,438.5	0.0	10,438.5	5,219.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,219.3
2003 / 2004	10,605.0	0.0	10,605.0	5,302.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,302.5
2004 / 2005	9,853.6	0.0	9,853.6	4,926.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,926.8
2005 / 2006	16,475.8	0.0	16,475.8	11,579.1	0.0	0.0	0.0	0.0	0.0	0.0	400,000.0	0.0	0.0	4,896.7
2006 / 2007	26,356.2	0.0	26,356.2	608.4	4,273.1	0.0	0.0	0.0	21,474.7	0.0	378,525.3	0.0	0.0	0.0
2007 / 2008	26,972.1	0.0	26,972.1	0.0	0.0	0.0	0.0	0.0	26,972.1	0.0	351,553.2	0.0	0.0	0.0
2008 / 2009	32,920.5	0.0	32,920.5	0.0	0.0	0.0	0.0	0.0	61,989.1	0.0	289,564.1	0.0	0.0	(29,068.6)
2009 / 2010	28,516.7	0.0	28,516.7	0.0	0.0	0.0	0.0	0.0	28,516.7	0.0	261,047.4	0.0	0.0	0.0
2010 / 2011	29,318.7	0.0	29,318.7	0.0	0.0	0.0	0.0	0.0	29,318.7	0.0	231,728.7	0.0	0.0	0.0
2011 / 2012	28,378.9	0.0	28,378.9	0.0	0.0	0.0	0.0	0.0	28,378.9	0.0	203,349.7	0.0	0.0	0.0
2012 / 2013	27,061.7	0.0	27,061.7	0.0	0.0	0.0	0.0	0.0	27,061.7	0.0	176,288.1	0.0	0.0	0.0
2013 / 2014	29,228.0	14.6	29,242.6	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	163,788.1	10,000.0	0.0	6,742.6
2014 / 2015	29,541.3	448.7	29,990.0	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	151,288.1	10,000.0	0.0	7,490.0
2015 / 2016	27,008.8	1,154.1	28,162.9	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	138,788.1	10,000.0	0.0	5,662.9
2016 / 2017	26,725.6	1,527.2	28,252.8	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	126,288.1	10,000.0	735.0	5,017.8
2017 / 2018	28,589.8	1,462.5	30,052.3	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	113,788.1	10,000.0	735.0	6,817.3
2018 / 2019	25,502.9	5,696.3	31,199.2	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	101,288.1	10,000.0	735.0	7,964.2
2019 / 2020	27,593.6	8,003.4	35,597.1	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	88,788.1	10,000.0	735.0	12,362.0
2020 / 2021	31,944.8	8,169.7	40,114.5	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	76,288.1	10,000.0	735.0	16,879.4
2021 / 2022	28,678.0	11,847.4	40,525.4	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	63,788.1	10,000.0	735.0	17,290.4
2022 / 2023	30,223.8	9,591.2	39,815.0	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	51,288.1	10,000.0	735.0	16,580.0
2023 / 2024	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	38,788.1	10,000.0	735.0	16,765.0
2024 / 2025	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	12,500.0	26,288.1	10,000.0	735.0	16,765.0
2025 / 2026	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	21,288.1	10,000.0	735.0	24,265.0
2026 / 2027	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	16,288.1	10,000.0	735.0	24,265.0
2027 / 2028	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	11,288.1	10,000.0	735.0	24,265.0
2028 / 2029	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	6,288.1	10,000.0	735.0	24,265.0
2029 / 2030	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	0.0	5,000.0	1,288.1	10,000.0	735.0	24,265.0
	759,381.2	117,915.1	877,296.3	36,359.6	4,273.1	0.0	0.0	0.0	223,711.9	175,000.0	51,288.1	170,000.0	10,290.5	257,661.5
	18A	18B	18C	18D	18E	18F	18G	18H	18I	18J	18K	18L	18M	

Notes:
¹ Original table format and content: WEI, Response to Condition Subsequent Number 7, November 2008. Table has since been revised as a result of the March 15, 2019 Court Order.
² Peace II Desalter Expansion was anticipated to have an annual production of approximately 10,000 AF.
³ 3,956.877 acre-feet + 316.177 acre-feet added as Non-Ag dedicated stored water per Paragraph 31 Settlement Agreements. Per Agreements, the water is deemed to have been dedicated as of June 30, 2007.
⁴ Six years of Desalter tracking (Production Year 2000-2001 through Production Year 2005/2006) may have incorrectly assumed that a significant portion of Desalter production was being offset by Desalter Induced Recharge. Condition Subsequent 7 included an adjustment of 29,070 AF against Desalter replenishment in Production Year 2008/2009.
⁵ Pursuant to section 7.2(e)(ii) of the Peace II Agreement, the initial schedule for the Peace II Desalter Expansion controlled overdraft of 175,000 acre-feet had been amended to be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30.
⁶ For the first 10 years following the Peace II Agreement (2006/2007 through 2015/2016), the Non-Ag "10% Haircut" water is apportioned among the specific seven members of the Appropriative Pool, per PIIA 9.2(a). In the eleventh year and in each year thereafter, it is dedicated to Watermaster to further offset desalter replenishment. However, to the extent there is no remaining desalter replenishment obligation in any year after applying the offsets set forth in 6.2(a), it will be distributed pro rata among the members of the Appropriative Pool based upon each Producer's combined total share of OSY and the previous year's actual production.
⁷ Per the Peace II Agreement, Section 6.2(b)(iii) (as amended by the March 15, 2019 Court Order), the Remaining Desalter Replenishment Obligation is to be assessed against the Appropriative Pool, pro-rata based on each Producer's combined total share of OSY and their Adjusted Physical Production.
⁸ Due to the Re-Operation Schedule amendments in 2019, the Pre-Peace II Controlled Overdraft is left with a balance of 1,288.054 AF, which may be utilized at a later date to offset a future Desalter Replenishment Obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Desalter Replenishment Obligation Contribution

	Percent of Operating Safe Yield	Land Use Conversions	Percent of Land Use Conversions	85% DROC Based on % OSY	15% DROC Based on % of LUC	Total DRO Contribution
BlueTriton Brands, Inc.	0.000%	0.0	0.000%	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.000%	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,278.0	3.789%	327.3	56.8	384.2
Chino, City Of	7.357%	9,460.5	28.051%	625.3	420.8	1,046.1
Cucamonga Valley Water District	6.601%	598.4	1.774%	561.1	26.6	587.7
Fontana Union Water Company	11.657%	0.0	0.000%	990.8	0.0	990.8
Fontana Water Company	0.002%	834.0	2.473%	0.2	37.1	37.3
Fontana, City Of	0.000%	0.0	0.000%	0.0	0.0	0.0
Golden State Water Company	0.750%	0.0	0.000%	63.8	0.0	63.8
Jurupa Community Services District	3.759%	15,563.3	46.147%	319.5	692.2	1,011.7
Marygold Mutual Water Company	1.195%	0.0	0.000%	101.6	0.0	101.6
Monte Vista Irrigation Company	1.234%	0.0	0.000%	104.9	0.0	104.9
Monte Vista Water District	8.797%	105.6	0.313%	747.7	4.7	752.4
NCL Co, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Nicholson Family Trust	0.007%	0.0	0.000%	0.6	0.0	0.6
Norco, City Of	0.368%	0.0	0.000%	31.3	0.0	31.3
Ontario, City Of	20.742%	5,885.9	17.452%	1,763.1	261.8	2,024.9
Pomona, City Of	20.454%	0.0	0.000%	1,738.6	0.0	1,738.6
San Antonio Water Company	2.748%	0.0	0.000%	233.6	0.0	233.6
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.000%	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	0.0	0.000%	201.7	0.0	201.7
Upland, City Of	5.202%	0.0	0.000%	442.2	0.0	442.2
West End Consolidated Water Co	1.728%	0.0	0.000%	146.9	0.0	146.9
West Valley Water District	1.175%	0.0	0.000%	99.9	0.0	99.9
	100.000%	33,725.6	100.000%	8,500.0	1,500.0	10,000.0
	19A	19B	19C	19D	19E	19F

Notes:

Section 6.2(b)(ii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "The members of the Appropriative Pool will contribute a total of 10,000 afy toward Desalter replenishment, allocated among the Appropriative Pool members as follows: 1) 85% of the total (8,500 afy) will be allocated according to the Operating Safe Yield percentage of each Appropriative Pool members; and 2) 15% of the total (1,500 afy) will be allocated according to each land use conversion agency's percentage of the total land use conversion claims. The formula is to be adjusted annually based on the actual land use conversion allocations of the year."



Assessment Year 2023-2024 (Production Year 2022-2023)

Remaining Desalter Replenishment Obligation (RDRO)

	Assigned Share of Operating Safe Yield	CALCULATING THE ADJUSTED PHYSICAL PRODUCTION						ALLOCATING THE RDRO		
		Physical Production	50% of Voluntary Agreements with Ag	Assignments with Non-Ag	Storage and Recovery Programs	Other Adjustments	Total Adjusted Physical Production	Total Production and OSY Basis (20A+20G)	Percentage (20H) / Sum(20H)	Total Remaining Desalter Replenishment Obligation
BlueTriton Brands, Inc.	0.0	276.6	0.0	0.0	0.0	0.0	276.6	276.6	0.250%	41.5
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Chino Hills, City Of	1,572.5	2,218.1	(20.6)	0.0	0.0	0.0	2,197.5	3,770.1	3.412%	565.7
Chino, City Of	3,004.2	5,568.9	(1,190.4)	(75.5)	0.0	0.0	4,303.0	7,307.1	6.613%	1,096.5
Cucamonga Valley Water District	2,695.5	13,514.7	0.0	0.0	0.0	0.0	13,514.7	16,210.2	14.671%	2,432.4
Fontana Union Water Company	4,760.0	0.0	0.0	0.0	0.0	0.0	0.0	4,760.0	4.308%	714.3
Fontana Water Company	0.8	8,721.0	0.0	0.0	0.0	0.0	8,721.0	8,721.8	7.894%	1,308.8
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Golden State Water Company	306.3	921.7	0.0	0.0	0.0	0.0	921.7	1,228.0	1.111%	184.3
Jurupa Community Services District	1,535.0	7,521.6	0.0	(392.9)	0.0	29.0	7,157.8	8,692.7	7.867%	1,304.4
Marygold Mutual Water Company	488.0	559.7	0.0	0.0	0.0	0.0	559.7	1,047.7	0.948%	157.2
Monte Vista Irrigation Company	503.9	0.0	0.0	0.0	0.0	0.0	0.0	503.9	0.456%	75.6
Monte Vista Water District	3,592.2	5,293.0	(50.8)	(15.9)	0.0	(9.9)	5,216.3	8,808.5	7.972%	1,321.8
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Niagara Bottling, LLC	0.0	1,401.4	0.0	0.0	0.0	0.0	1,401.4	1,401.4	1.268%	210.3
Nicholson Family Trust	2.9	0.0	0.0	0.0	0.0	0.0	0.0	2.9	0.003%	0.4
Norco, City Of	150.3	0.0	0.0	0.0	0.0	0.0	0.0	150.3	0.136%	22.5
Ontario, City Of	8,469.8	16,933.4	(1,608.0)	(1,151.3)	0.0	0.0	14,174.1	22,643.9	20.494%	3,397.9
Pomona, City Of	8,352.2	10,197.4	0.0	0.0	0.0	0.0	10,197.4	18,549.6	16.788%	2,783.5
San Antonio Water Company	1,122.1	459.0	0.0	0.0	0.0	0.0	459.0	1,581.1	1.431%	237.2
San Bernardino, County of (Shooting Park)	0.0	17.6	0.0	0.0	0.0	0.0	17.6	17.6	0.016%	2.6
Santa Ana River Water Company	969.0	0.0	0.0	0.0	0.0	0.0	0.0	969.0	0.877%	145.4
Upland, City Of	2,124.2	807.9	0.0	0.0	0.0	(267.8)	540.0	2,664.2	2.411%	399.8
West End Consolidated Water Co	705.6	0.0	0.0	0.0	0.0	0.0	0.0	705.6	0.639%	105.9
West Valley Water District	479.8	0.0	0.0	0.0	0.0	0.0	0.0	479.8	0.434%	72.0
	40,834.0	74,412.1	(2,869.8)	(1,635.6)	0.0	(248.7)	69,657.9	110,491.9	100.000%	16,580.0
	20A	20B	20C	20D	20E	20F	20G	20H	20I	20J

Notes:
 Section 6.2(b)(iii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "A Replenishment Assessment against the Appropriative Pool for any remaining Desalter replenishment obligation after applying both 6(b)(i) and 6(b)(ii), allocated pro-rata to each Appropriative Pool member according to the combined total of the member's share of Operating Safe Yield and the member's Adjusted Physical Production."



Desalter Replenishment Summary

	Desalter Replenishment Obligation in AF			Total DRO Fulfillment Activity							Assessments	
	Desalter Replenishment Obligation Contribution	Remaining Desalter Replenishment Obligation	Total Desalter Replenishment Obligation	Transfer from Dedicated Replenishment Account	Transfer from Excess Carry Over Storage Account	Transfer from Recharged Recycled Storage Account	Transfer from Quantified Storage Account	Transfer from Post 7/1/2000 Storage Account	Replenishment Water Purchase	Total Transfers and Water Purchases	Residual DRO (AF)	Assessments Due On Residual DRO (\$)
BlueTriton Brands, Inc.	0.0	(41.5)	(41.5)	0.0	41.5	0.0	0.0	0.0	0.0	41.5	0.0	0.00
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Chino Hills, City Of	(384.2)	(565.7)	(949.9)	0.0	0.0	0.0	949.9	0.0	0.0	949.9	0.0	0.00
Chino, City Of	(1,046.1)	(1,096.5)	(2,142.6)	0.0	2,142.6	0.0	0.0	0.0	0.0	2,142.6	0.0	0.00
Cucamonga Valley Water District	(587.7)	(2,432.4)	(3,020.1)	0.0	3,020.1	0.0	0.0	0.0	0.0	3,020.1	0.0	0.00
Fontana Union Water Company	(990.8)	(714.3)	(1,705.1)	1,705.1	0.0	0.0	0.0	0.0	0.0	1,705.1	0.0	0.00
Fontana Water Company	(37.3)	(1,308.8)	(1,346.0)	0.0	1,346.0	0.0	0.0	0.0	0.0	1,346.0	0.0	0.00
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Golden State Water Company	(63.8)	(184.3)	(248.0)	0.0	0.0	0.0	248.0	0.0	0.0	248.0	0.0	0.00
Jurupa Community Services District	(1,011.7)	(1,304.4)	(2,316.1)	0.0	2,316.1	0.0	0.0	0.0	0.0	2,316.1	0.0	0.00
Marygold Mutual Water Company	(101.6)	(157.2)	(258.8)	0.0	258.8	0.0	0.0	0.0	0.0	258.8	0.0	0.00
Monte Vista Irrigation Company	(104.9)	(75.6)	(180.5)	0.0	180.5	0.0	0.0	0.0	0.0	180.5	0.0	0.00
Monte Vista Water District	(752.4)	(1,321.8)	(2,074.2)	0.0	2,074.2	0.0	0.0	0.0	0.0	2,074.2	0.0	0.00
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Niagara Bottling, LLC	0.0	(210.3)	(210.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(210.3)	183,374.62
Nicholson Family Trust	(0.6)	(0.4)	(1.0)	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.00
Norco, City Of	(31.3)	(22.5)	(53.8)	0.0	53.8	0.0	0.0	0.0	0.0	53.8	0.0	0.00
Ontario, City Of	(2,024.9)	(3,397.9)	(5,422.7)	4,773.7	649.1	0.0	0.0	0.0	0.0	5,422.7	0.0	0.00
Pomona, City Of	(1,738.6)	(2,783.5)	(4,522.1)	0.0	4,522.1	0.0	0.0	0.0	0.0	4,522.1	0.0	0.00
San Antonio Water Company	(233.6)	(237.2)	(470.8)	0.0	470.8	0.0	0.0	0.0	0.0	470.8	0.0	0.00
San Bernardino, County of (Shooting Park)	0.0	(2.6)	(2.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(2.6)	2,308.18
Santa Ana River Water Company	(201.7)	(145.4)	(347.1)	0.0	347.1	0.0	0.0	0.0	0.0	347.1	0.0	0.00
Upland, City Of	(442.2)	(399.8)	(842.0)	0.0	842.0	0.0	0.0	0.0	0.0	842.0	0.0	0.00
West End Consolidated Water Co	(146.9)	(105.9)	(252.8)	0.0	252.8	0.0	0.0	0.0	0.0	252.8	0.0	0.00
West Valley Water District	(99.9)	(72.0)	(171.9)	0.0	171.9	0.0	0.0	0.0	0.0	171.9	0.0	0.00
	(10,000.0)	(16,580.0)	(26,580.0)	6,479.8	18,689.3	0.0	1,197.9	0.0	0.0	26,367.1	(212.9)	185,682.80
	21A	21B	21C	21D	21E	21F	21G	21H	21I	21J	21K	21L

Notes:
 1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24 DRO pursuant to an Exhibit "G" Section 10 Form A.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Calculation - Projected (Includes "10% Judgment Administration and 15% OBMP & Program Elements 1-9 Operating Reserves")

PRODUCTION BASIS

2021/2022 Production and Exchanges in Acre-Feet (Actuals)
 2022/2023 Production and Exchanges in Acre-Feet (Actuals)¹

BUDGET

Judgment Administration ^{2,3}
 OBMP & Program Elements 1-9 ²
Judgment Administration, OBMP & PE 1-9 Assessments

TOTAL BUDGET

Less: Budgeted Interest Income
 Less: Contributions from Outside Agencies

Subtotal: CASH DEMAND

Add: OPERATING RESERVE

Judgment Administration (10%)
 OBMP & PE 1-9 (15%)

Subtotal: OPERATING RESERVE

Less: Cash Balance on Hand Available for Assessments ⁴

FUNDS REQUIRED TO BE ASSESSED

Proposed Assessments

Judgment Administration, OBMP & PE 1-9 Assessments (Minimum \$5.00 Per Producer)

Grand Total

Prior Year Assessments, (Actuals) Information Only

Grand Total

Variance Between Proposed Assessments and Prior Year Assessments

Grand Total

Estimated Assessment as of "Approved" Budget August 25, 2023, Information Only

Grand Total

FY 2022/23 Budget ⁵	FY 2023/24 Budget	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
		99,715.646	75,398.179	75.613%	21,304.032	21.365%	3,013.435	3.022%
		86,865.190	66,788.048	76.887%	17,082.226	19.665%	2,994.916	3.448%
			Judgment Administration	OBMP & PE 1-9	Judgment Administration	OBMP & PE 1-9	Judgment Administration	OBMP & PE 1-9
\$3,334,108	\$3,681,911	\$3,681,911	\$2,830,911		\$724,055		\$126,944	
\$5,526,566	\$5,283,151	\$5,283,151		\$4,062,056		\$1,038,943		\$182,151
\$8,860,674	\$8,965,062	\$8,965,062	\$2,830,911	\$4,062,056	\$724,055	\$1,038,943	\$126,944	\$182,151
		\$8,965,062	\$2,830,911	\$4,062,056	\$724,055	\$1,038,943	\$126,944	\$182,151
(\$35,550)	(\$312,500)	(\$312,500)		(\$240,272)		(\$61,454)		(\$10,774)
(\$181,866)	(\$186,412)	(\$186,412)		(\$143,327)		(\$36,658)		(\$6,427)
\$8,643,258	\$8,466,150	\$8,466,150	\$2,830,911	\$3,678,457	\$724,055	\$940,831	\$126,944	\$164,950
\$333,411	\$368,191	\$368,191	\$283,091		\$72,406		\$12,694	
\$828,985	\$792,473	\$792,473		\$609,309		\$155,842		\$27,323
\$1,162,396	\$1,160,664	\$1,160,664	\$283,091	\$609,309	\$72,406	\$155,842	\$12,694	\$27,323
(\$1,162,396)	(\$1,160,664)	(\$1,160,664)	(\$283,091)	(\$609,309)	(\$72,406)	(\$155,842)	(\$12,694)	(\$27,323)
\$8,643,258	\$8,466,150	\$8,466,150	\$2,830,911	\$3,678,457	\$724,055	\$940,831	\$126,944	\$164,950
	[A]	Per Acre-Foot	\$42.39	\$55.08	\$42.39	\$55.08	\$42.39	\$55.08
				\$97.47		\$97.47		\$97.47
	[B]	Per Acre-Foot	\$33.44	\$53.24	\$33.44	\$53.24	\$33.44	\$53.24
				\$86.68		\$86.68		\$86.68
	[A] - [B]		\$8.95	\$1.84	\$8.95	\$1.84	\$8.95	\$1.84
				\$10.79		\$10.79		\$10.79
			\$40.77	\$52.97	\$40.77	\$52.97	\$40.77	\$52.97
				\$93.74		\$93.74		\$93.74

Notes:

- ¹ Due to the timing of when the Budget and the Assessment Package are prepared, actual production numbers on this page may differ from the Budget depending on any last minute corrections during the Assessment Package preparation process.
- ² Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment, Recharge Improvement Projects, Replenishment Water Purchases, or RTS charges.
- ³ Judgment Administration excludes OAP, AP, and ONAP specific legal services, meeting compensation, or Special Funds. These items invoiced separately on the Assessment invoices.
- ⁴ June 30th fund balance (estimated) less funds required for Operating Reserves, Agricultural Pool Reserves, and Carryover replenishment obligations.
- ⁵ The previous fiscal year's budget numbers are from the previously approved Assessment Package and does not reflect numbers from any amended budget that may have followed.



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Detail

Standard Transactions

To:	From:	Date of Submittal	Quantity	\$ / Acre Feet	Total \$	If 85/15 Rule Applies:			
						85%	15%	WM Pays	
Cucamonga Valley Water District	Chino, City Of Storage Account	1/3/2023	1,324.2	639.20	846,437.59	719,471.95	126,965.64	Cucamonga Valley Water District	
	Chino, City Of Storage Account	1/3/2023	6,175.8	639.20	3,947,562.41				
	San Antonio Water Company Storage Account	5/22/2023	403.0	N/A	N/A				
<i>85/15 Rule does not apply. Utilizing SAWCO shares.</i>									
Fontana Water Company	Upland, City Of Storage Account	11/8/2022	7,884.8	599.25	4,724,941.23	4,016,200.05	708,741.18	Fontana Water Company	
	Upland, City Of Storage Account	11/8/2022	2,115.2	599.25	1,267,558.77				
	Chino, City Of Storage Account	12/27/2022	10,000.0	639.20	6,392,000.00				
	Nicholson Family Trust Annual Account	5/3/2023	3.5	619.23	2,167.31				
Golden State Water Company	Upland, City Of Annual Account	6/8/2023	208.0	641.25	133,402.44	113,392.08	20,010.37	Golden State Water Company	
	Upland, City Of Annual Account	6/8/2023	92.0	641.25	58,972.56				
	West End Consolidated Water Co Annual Account	6/8/2023	66.4	49.00	3,253.60				
<i>85/15 Rule does not apply. Utilizing West End shares.</i>									
Niagara Bottling, LLC	Chino, City Of Storage Account	12/21/2022	4,000.0	N/A	N/A				
<i>85/15 Rule does not apply. Sale price was not disclosed.</i>									
Upland, City Of	West End Consolidated Water Co Storage Account	5/29/2023	708.3	49.00	34,706.70				
<i>85/15 Rule does not apply, Utilizing West End shares.</i>									
			32,981.2		17,411,002.61	4,849,064.07	855,717.19		
Total 15% Credits from all Transactions:							\$855,717.19		



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Detail

Applied Recurring Transactions:

From:	To:	Quantity	\$ / Acre Feet	
Fontana Union Water Company Annual Account - Assigned Share of Operating Safe Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Share of Safe Yield to CVWD.</i>
Fontana Union Water Company Annual Account - Stormwater New Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC New Yield to CVWD.</i>
Fontana Union Water Company Annual Account - Diff - Potential vs. Net	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Ag Pool Reallocation Difference (Potential vs. Net) to CVWD.</i>
Fontana Union Water Company Annual Account - Transfer (To) / From	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Assigned Rights	Cucamonga Valley Water District Annual Account - Assigned Rights	All	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Total AG SY Reallocation	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Total Ag SY to CVWD.</i>
Fontana Union Water Company Annual Account - Desalter Replenishment Obligation	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer of FUWC DRO</i>

Notes:

- 1) The Water Transaction between City of Chino and Cucamonga Valley Water District submitted on 1/3/2023 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
- 2) The Water Transaction between City of Upland and Fontana Water Company submitted on 11/8/2022 for the amount of 10,000 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
- 3) The Water Transaction between City of Upland and Golden State Water Company submitted on 6/8/2023 for the amount of 300 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.



Assessment Year 2023-2024 (Production Year 2022-2023)

Analysis of the 85/15 Rule Application to Water Transfers

To	(Over)/Under Production Excluding Water Transfer(s)	From	Date of Submittal	Transfer Quantity	Is Buyer an 85/15 Party?	Is Transfer Being Placed into Annual Account?	Is Purpose of Transfer to Utilize SAWCO or West End Shares?	Amount of Transfer Eligible for 85/15 Rule
Cucamonga Valley Water District	(1,324.9)	Chino, City Of Storage Account	1/3/2023	1,324.2	Yes	Yes	No	1,324.2
		Chino, City Of Storage Account	1/3/2023	6,175.8	Yes	Yes	No	0.0
		San Antonio Water Company Storage Account	5/22/2023	403.0	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply. Utilizing SAWCO shares.</i>								
Fontana Water Company	(7,884.8)	Upland, City Of Storage Account	11/8/2022	7,884.8	Yes	Yes	No	7,884.8
		Upland, City Of Storage Account	11/8/2022	2,115.2	Yes	Yes	No	0.0
		Chino, City Of Storage Account	12/27/2022	10,000.0	Yes	Yes	No	0.0
		Nicholson Family Trust Annual Account	5/3/2023	3.5	Yes	Yes	No	0.0
Golden State Water Company	(208.1)	Upland, City Of Annual Account	6/8/2023	208.0	Yes	Yes	No	208.0
		Upland, City Of Annual Account	6/8/2023	92.0	Yes	Yes	No	0.0
		West End Consolidated Water Co Annual Account	6/8/2023	66.4	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply. Utilizing West End shares.</i>								
Niagara Bottling, LLC	(1,401.4)	Chino, City Of Storage Account	12/21/2022	4,000.0	No	Yes	No	0.0
<i>85/15 Rule does not apply. Sale price was not disclosed.</i>								
Upland, City Of	5,372.6	West End Consolidated Water Co Storage Account	5/29/2023	708.3	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply, Utilizing West End shares.</i>								

Notes:

- 1) The Water Transaction between City of Chino and Cucamonga Valley Water District submitted on 1/3/2023 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 2) The Water Transaction between City of Upland and Fontana Water Company submitted on 11/8/2022 for the amount of 10,000 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 3) The Water Transaction between City of Upland and Golden State Water Company submitted on 6/8/2023 for the amount of 300 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.



Assessment Year 2023-2024 (Production Year 2022-2023)

Watermaster Replenishment Calculation

Cost of Replenishment Water per acre foot:

Watermaster Replenishment Cost	\$855.00
Projected Spreading - OCWD Connection Fee	\$2.00
Projected Spreading - Delivery Surcharge	\$15.00
Pre-purchased Credit	\$0.00
Total Replenishment Cost per acre foot (see footnote)	\$872.00

Replenishment Obligation:	AF @ \$872.00	15%	85%	Total
Appropriative - 100	0.0			\$0.00
Appropriative - 15/85	17.6	\$2,306.92	\$13,072.54	\$15,379.46
Non-Agricultural - 100	10.7			\$9,367.90
	28.4			\$24,747.36

Company	AF Production and Exchanges	85/15 Producers	Percent of Total 85/15 Producers	15% Replenishment Assessment	15% Water Transaction Debits
BlueTriton Brands, Inc.	276.6			-	-
CalMat Co. (Appropriative)	0.0			-	-
Chino Hills, City Of	2,176.9	2,176.9	4.005%	\$92.40	\$34,273.03
Chino, City Of	3,112.5	3,112.5	5.727%	\$132.11	\$49,002.76
Cucamonga Valley Water District	13,514.7	13,514.7	24.865%	\$573.61	\$212,772.01
Desalter Authority	39,815.0			-	-
Fontana Union Water Company	0.0	0.0	0.000%	-	-
Fontana Water Company	8,721.0	8,721.0	16.045%	\$370.15	\$137,301.51
Fontana, City Of	0.0			-	-
Golden State Water Company	921.7	921.7	1.696%	\$39.12	\$14,511.45
Jurupa Community Services District	7,157.8	7,157.8	13.169%	\$303.80	\$112,689.65
Marygold Mutual Water Company	559.7			-	-
Monte Vista Irrigation Company	0.0	0.0	0.000%	-	-
Monte Vista Water District	5,165.5	5,165.5	9.504%	\$219.24	\$81,323.60
NCL Co, LLC	0.0			-	-
Niagara Bottling, LLC	1,401.4			-	-
Nicholson Family Trust	0.0	0.0	0.000%	-	-
Norco, City Of	0.0	0.0	0.000%	-	-
Ontario, City Of	12,566.1	12,566.1	23.119%	\$533.35	\$197,837.50
Pomona, City Of	10,197.4			-	-
San Antonio Water Company	459.0	459.0	0.844%	\$19.48	\$7,225.61
San Bernardino, County of (Shooting Park)	17.6	17.6	0.032%	\$0.75	\$277.67
Santa Ana River Water Company	0.0	0.0	0.000%	-	-
Upland, City Of	540.0	540.0	0.994%	\$22.92	\$8,502.38
West End Consolidated Water Co	0.0	0.0	0.000%	-	-
West Valley Water District	0.0	0.0	0.000%	-	-
** Fee assessment total is 15% of Appropriative 15/85 replenishment obligation	106,603.1	54,352.9	**	\$2,306.93	\$855,717.17

Transfers to
8G

Transfers to
8K

Notes: The 2023 rate includes a \$15 delivery surcharge from Three Valleys Municipal Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)

Readiness to Serve (RTS) Charges

ALL POOLS

Total Water Purchased: 6,912.9 AF Total RTS Charge: \$46,060.40 (\$6.66/AF)

Appropriative or Non-Agricultural Pool Party	FY 2016/2017 Water Purchases										FY 2017/2018 Water Purchase						TOTAL RTS CHARGES				
	Purchased Water in AF							2015/16 Prod & Exch From 85/15 Producers			Year 6 RTS Charges			Purchased Water in AF		2016/17 Prod & Exch From 85/15 Producers		Year 5 RTS Charges			
	20160623		20161216	20170418	85/15 Breakdown			Acre-Feet	Percent	15% \$1.00	85% \$5.66	100% \$6.66	RO	DRO	Acre-Feet	Percent		15% \$1.00	85% \$5.66	100% \$6.66	
	RO	DRO	DRO	RO	AF @ 100%	AF @ 85/15	AF Total														
BlueTriton Brands, Inc.	1,135.3	8.9	4.0	335.7	1,483.8	0.0	1,483.8	0.0	0.000%	0.00	0.00	9,886.14	0.1	0.0	0.0	0.000%	0.00	0.00	0.60	9,886.74	
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,548.3	2.009%	0.97	0.00	0.00	0.0	0.0	2,152.0	3.002%	0.40	0.00	0.00	1.37	
Chino, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	388.9	0.543%	0.07	0.00	0.00	0.07	
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20,534.7	26.648%	12.85	0.00	0.00	0.0	0.0	16,562.0	23.104%	3.06	0.00	0.00	15.90	
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Fontana Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15,317.2	19.877%	9.58	0.00	0.00	0.0	0.0	13,250.5	18.484%	2.45	0.00	0.00	12.03	
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	807.4	1.048%	0.51	0.00	0.00	0.0	0.0	850.3	1.186%	0.16	0.00	0.00	0.66	
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,952.8	11.618%	5.60	0.00	0.00	0.0	0.0	11,023.2	15.377%	2.03	0.00	0.00	7.64	
Marygold Mutual Water Company	78.7	51.9	20.3	0.0	150.9	0.0	150.9	0.0	0.000%	0.00	0.00	1,005.25	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	1,005.25	
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,203.7	10.646%	5.13	0.00	0.00	0.0	0.0	6,865.0	9.577%	1.27	0.00	0.00	6.40	
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Niagara Bottling, LLC	2,567.5	35.5	0.0	1,174.3	3,777.3	0.0	3,777.3	0.0	0.000%	0.00	0.00	25,168.07	946.1	0.0	0.0	0.000%	0.00	0.00	6,303.53	31,471.59	
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Ontario, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18,053.8	23.429%	11.29	0.00	0.00	0.0	0.0	18,970.2	26.463%	3.50	0.00	0.00	14.80	
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,030.8	1.338%	0.64	0.00	0.00	0.0	0.0	537.7	0.750%	0.10	0.00	0.00	0.74	
San Bernardino, County of (Shooting Park)	38.8	0.3	0.1	9.4	48.2	48.2	48.6	9.4	0.012%	0.01	273.17	2.65	13.2	0.8	13.0	0.018%	0.00	74.97	5.28	356.08	
Santa Ana River Water Company	0.0	48.0	23.7	0.0	71.7	0.0	71.7	0.0	0.000%	0.00	0.00	477.62	0.0	118.7	0.0	0.000%	0.00	0.00	790.66	1,268.28	
Upland, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,600.7	3.375%	1.63	0.00	0.00	0.0	0.0	1,071.9	1.495%	0.20	0.00	0.00	1.82	
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
West Valley Water District	0.0	23.5	11.8	0.0	35.3	0.0	35.3	0.0	0.000%	0.00	0.00	234.88	0.0	58.8	0.0	0.000%	0.00	0.00	391.46	626.34	
9W Halo Western OpCo L.P.	62.2	0.0	0.0	10.6	72.9	0.0	72.9	0.0	0.000%	0.00	0.00	485.55	3.0	0.0	0.0	0.000%	0.00	0.00	20.18	505.72	
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Aqua Capital Management LP	57.5	0.0	0.0	0.0	57.5	0.0	57.5	0.0	0.000%	0.00	0.00	382.93	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	382.93	
California Speedway Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
California Steel Industries, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
CalMat Co.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
County of San Bernardino (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
General Electric Company	0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.0	0.000%	0.00	0.00	0.41	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.41	
Hamner Park Associates, a California Limited Partnershi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Linde Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Monte Vista Water District (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
Riboli Family and San Antonio Winery, Inc.	28.8	0.0	0.0	4.0	32.8	0.0	32.8	0.0	0.000%	0.00	0.00	218.30	5.3	0.0	0.0	0.000%	0.00	0.00	35.07	253.36	
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
TAMCO	19.8	0.0	0.0	16.5	36.4	0.0	36.4	0.0	0.000%	0.00	0.00	242.25	0.0	0.0	0.0	0.000%	0.00	0.00	0.03	242.28	
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00	
	3,988.7	168.0	59.9	1,550.5	5,718.8	48.2	5,767.0	77,058.9	100.0%	48.21	273.17	38,104.03	967.7	178.2	71,684.9	100.0%	13.23	74.97	7,546.79	46,060.41	
	26A	26B	26C	26D	26E	26F	26G	26H	26I	26J	26K	26L	26M	26N	26O	26P	26Q	26R	26S	26T	

Notes:
 1) This year's RTS includes the sixth of ten annual RTS charges for water purchased in FY 2016/17, and fifth of ten annual RTS charges for water purchased in FY 2017/18.



Assessment Year 2023-2024 (Production Year 2022-2023) Assessment Package Notes

Page	Note
All (a)	A change in a Party's name will be reflected in the Assessment Package for the production year in which the name change occurred. For example, if a Party changed its name on June 30, 2023, it will be reflected in the FY 2023/2024 Assessment Package (for Production Year 2022/2023). Additionally, if a Party changed its name on July 1, 2023, it will be reflected in the FY 2024/2025 Assessment Package (for Production Year 2023/2024).
All (b)	To avoid the possibility of being mistakenly identified as one of other similarly named organizations, the Chino Basin Desalter Authority is referred to as Desalter Authority.
pg01	"Agricultural Total Pool Production" includes Voluntary Agreements between Appropriators and Agricultural Pool Parties.
pg02-07	ANG II (Multi) LLC temporarily leased their rights to 9W Halo Western OpCo L.P. (as successor to Angelica) beginning on March 2010 through January 2030.
pg04 (a)	Transfers in Column [4E] include the annual transfer of 10% of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2, and also the Exhibit "G" physical solution.
pg04 (b)	Column [4H], "Actual Fiscal Year Production," includes physical production and Assignments between Appropriators and Non-Ag Pool Parties.
pg04 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg05 (a)	Hydraulic Control was achieved on February 1, 2016. Pursuant to Paragraph 7.4(b) of the Peace II Agreement, Storage Loss is now calculated at 0.07%.
pg05 (b)	When applicable, Column [5C] includes the Exhibit "G" physical solution transfers to the Appropriative Pool.
pg06	Transfers in Column [6C] is the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2.
pg07 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg07 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg07 (c)	Outstanding Obligation (\$) is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance (\$).
pg07 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg08 (a)	Recharge Debt Payment expenses [8O] and Recharge Improvement Project expenses [8P] are each allocated on % OSY, based on the approved budget.
pg08 (b)	Pursuant to Paragraph 5.4(b) of the Peace Agreement, the City of Pomona shall be allowed a credit of up to \$2 million against OBMP Assessments through 2030. This equates to \$66,667 per year. TVMWD elected to discontinue payment of the "Pomona Credit," effective FY 2012/2013. It is now paid by the Appropriative Pool Parties, allocated on % OSY (Column [8N]).
pg09 (a)	Other Adjustments [9D] include water provided to another Appropriator, pump-to-waste that has been captured in a recharge basin (as verified by IEUA), and other miscellaneous recharge / injection of native water.
pg09 (b)	Evaporative Losses will be applied to recharged water from Pump-to-Waste activities beginning in October 2017. (Evaporative Loss Rates: 1.5% Nov - Mar; 4.2% Apr - Oct)
pg10 (a)	The Restated Judgment allowed an accumulated overdraft of 200,000 AF over 40 years. The total Operating Safe Yield is now 40,834 AF, allocated by percentage of Operating Safe Yield.
pg10 (b)	Column [10I], "Actual Fiscal Year Production," includes physical production, Voluntary Agreements, Assignments, and, if applicable, other adjustments. A detailed breakdown can be found on Page 9.1.



Assessment Year 2023-2024 (Production Year 2022-2023) Assessment Package Notes

Page	Note
pg10 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg11 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts (does not apply to water dedicated to offset the Desalter Replenishment Obligation).
pg11 (b)	Column [11C] includes transfers to the Desalter Replenishment Obligation.
pg12 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts (does not apply to water dedicated to offset the Desalter Replenishment Obligation).
pg12 (b)	Columns [12C], [12H], and [12M] include transfers to the Desalter Replenishment Obligation.
pg12 (c)	The first 3,000 AF of City of Fontana's recharged recycled water transfers to the City of Ontario, and all of the City of Montclair's recharged recycled water transfers to MVWD.
pg13 (a)	"Re-Operation Offset: Pre-Peace II Desalters" had an original beginning balance of 225,000.000 AF. The 29,070 AF correction required by Condition Subsequent 7 is included. (See Page 18.1)
pg13 (b)	"Re-Operation Offset: Peace II Expansion" had an original beginning balance of 175,000.000 AF. It will now be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30, according to a schedule. (See Page 18.1)
pg13 (c)	There is no loss assessed on the native Basin water allocated to offset Desalter production as a result of Basin Reoperation as approved in the Peace II Agreement.
pg13 (d)	"Non-Ag Dedication" was used in a prior Assessment Package to indicate the Paragraph 31 Settlement Agreements Dedication.
pg13 (e)	The "Non-Ag" OBMP Special Assessment", also referred to as the "10% Haircut", will indicate the movement of water when it is being utilized to further offset the Desalter Replenishment Obligation. See [18L] on Page 18.1.
pg13 (f)	Columns [13C] and [13D] under "Dedicated Replenishment" include transfers of water from an Annual Account to DRO, including Party to Party transfers such as those executed with the Exhibit "G" Form A.
pg14	Transfers in Column [14A] include annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
pg15 (a)	Most of the remaining eligible parcels for Land Use Conversion are within the Conversion Area 1 boundary.
pg15 (b)	"Unlikely to Convert Parcels" regardless of eligibility are not likely to convert due to pre-existing land use. Eligibility will be determined on a case by case basis.
pg16	Beginning with the 2015/16 Assessment Package, the Agricultural Pool Safe Yield Reallocation is now being calculated with a new formula in accordance with the March 15, 2019 Court Order.
pg17 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg17 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg17 (c)	Outstanding Obligation is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance.
pg17 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg21 (a)	Any balance in a Dedicated Replenishment Account is utilized first to satisfy new or carried over Desalter Replenishment Obligation beginning with the fiscal year such water was made available. The balance, if any, can be found on page 13.1.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package Notes

Page	Note
pg21 (b)	Due to an agreement between CVWD and FUWC, all of FUWC's rights are automatically transferred to CVWD. A recurring transaction was created so that a portion of that water gets returned to FUWC to satisfy their share of DRO.
pg22	The table on this page is a replica of the table found in the Watermaster Budget.
pg24	The column titled "(Over)/Under Production Excluding Water Transfer(s)" excludes Exhibit "G" water sales and water transfers between Appropriators and to Watermaster (if any). ([10B] + [10C] + [10D] + [10E] + [14B] - [10K])
pg25 (a)	The "15% Water Transaction Debits" total is the "Total 15% Credits from all Transaction" from Page 23.1.
pg25 (b)	"Replenishment Obligation" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg26 (a)	Beginning with fiscal year 2016/17, water purchased through the IEUA will be charged with an annual RTS fee over a ten year period commencing two years after the initial purchase. This fee will vary year to year based on a ten-year rolling average.
pg26 (b)	RTS will be allocated based on the total RTS charge for the year and not on the calculated cost per acre-foot.

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Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
2A	AF Production Actual fiscal year production by each Party. Copied from [4H].
2B	Non-Agricultural Pool - AF/Admin Production [2A] <times> per acre-foot Admin fee.
2C	Non-Agricultural Pool - AF/OBMP Production [2A] <times> per acre-foot OBMP fee.
2D	Replenishment Assessments - AF Exceeding Annual Right Over-production for each Party beyond their annual production right. Copied from [4I].
2E	Replenishment Assessments - \$872 Per AF Amount overproduced [2D] <times> the current replenishment rate.
2F	CURO Adjustment Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 7.1.
2G	RTS Charges Annual Readiness to Serve charges for water purchased in prior years.
2H	Other Adjustments Used as necessary for any other monetary adjustments needed to the Assessment Package.
2I	Total Assessments Due Total fees assessed based on Party production. [2B] + [2C] + [2E] + [2F] + [2G] + [2H].
3A	Physical Production Fiscal year physical production by each Party.
3B	Assignments Total of water received from an Appropriator by each Party.
3C	Other Adjustments Any other adjustments that result in off-set of the fiscal year's production.
3D	Actual FY Production (Assmnt Pkg Column 4H) Total adjusted production for the fiscal year. Also known as Assessable Production. [3A] + [3B] + [3C].
4A	Percent of Safe Yield The Party's yearly percentage of Safe Yield.
4B	Carryover Beginning Balance The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
4C	Prior Year Adjustments This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
4D	Assigned Share of Safe Yield (AF) The Party's yearly volume of Safe Yield.
4E	Water Transaction Activity Total of one-time water transfers between Parties for this period, including the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation, as stated in the Peace II Agreement, and Exhibit "G" physical solution transfers to the Appropriative Pool.
4F	Other Adjustments This number reflects adjusted production rights, in the event that corrections are needed.
4G	Annual Production Right Current Year Production Right. [4B] + [4C] + [4D] + [4E] + [4F].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
4H	Actual Fiscal Year Production	Fiscal year production, including Assignments, from CBWM's production system (as verified by each Party on their Water Activity Report). Also known as Assessable Production.
4I	Net Over Production	Over-production, if any, for each Party beyond their annual production right. $[4H] <minus> [4G]$, equaling more than zero.
4J	Under Production Balances - Total Under-Produced	Production rights $[4G] <minus>$ production $[4H]$, equaling more than zero.
4K	Under Production Balances - Carryover: Next Year Begin Bal	Either total under-produced $[4J]$ or share of Safe Yield $[4D]$, whichever is less.
4L	Under Production Balances - To Excess Carryover Account	Total under-produced $[4J] <minus>$ Carryover to next year $[4K]$, equaling more than zero.
5A	Local Excess Carry Over Storage Account (ECO) - Beginning Balance	The beginning balance in each ECO account. This number will carry forward from the ending balance in the previous period Assessment Package.
5B	Local Excess Carry Over Storage Account (ECO) - 0.07% Storage Loss	Beginning balance $[5A] <times> -0.0007$.
5C	Local Excess Carry Over Storage Account (ECO) - Transfers To / (From)	Total of water transferred to and from the ECO Account.
5D	Local Excess Carry Over Storage Account (ECO) - From Under-Production	Total of water transferred from the Annual Account due to under production. Copied from $[4L]$.
5E	Local Excess Carry Over Storage Account (ECO) - Ending Balance	The current balance in each ECO account. $[5A] + [5B] + [5C] + [5D]$.
5F	Local Supplemental Storage Account - Beginning Balance	The beginning balance in each Supplemental Account. This number will carry forward from the ending balance in the previous period Assessment Package.
5G	Local Supplemental Storage Account - 0.07% Storage Loss	Beginning balance $[5F] <times> -0.0007$.
5H	Local Supplemental Storage Account - Transfers To / (From)	Total of water transferred to and from the Annual and/or ECO Account.
5I	Local Supplemental Storage Account - Ending Balance	The current balance in each Supplemental Account. $[5F] + [5G] + [5H]$.
5J	Combined - Ending Balance	The combined amount in all local storage accounts. $[5E] + [5I]$.
6A	Percent of Safe Yield	The Party's yearly percentage of Operating Safe Yield.
6B	Assigned Share of Safe Yield (AF)	The Party's yearly volume of Operating Safe Yield.
6C	Water Transactions - 10% of Operating Safe Yield ("Haircut")	Operating Safe Yield $[6B] <times> -0.1$
6D	Water Transactions - Transfers (To) / From ECO Account	Total of water transferred between the Annual Account and ECO Account.
6E	Water Transactions - General Transfers / Exhibit G Water Sales	Total of water transfers between Parties for this period including Exhibit G Water Sales.
6F	Water Transactions - Total Water Transactions	Total water transactions. $[6C] + [6D] + [6E]$. This column is used to populate $[4E]$.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
7A	Outstanding Obligation (AF) The amount of obligation carried over from prior Assessment Package(s) that were not met due to various reason, including but not limited to MWD not having replenishment water available to purchase.
7B	Fund Balance (\$) The amount of money collected or owed for replenishment assessments from prior Assessment Package(s).
7C	Outstanding Obligation (\$) The amount of money that each Party owes or is credited based on current replenishment rate. [7A] <times> [CURRENT RATE] <minus> [7B].
8A	AF Production and Exchanges Total production and exchanges. Copied from [10K].
8B	Appropriative Pool - AF/Admin Production and Exchanges [8A] <times> per acre-foot Admin fee.
8C	Appropriative Pool - AF/OBMP Production and Exchanges [8A] <times> per acre-foot OBMP fee.
8D	Ag Pool SY Reallocation - AF Total Reallocation Reallocation of Ag Pool Safe Yield. Copied from [10E] and [16E].
8E	Ag Pool SY Reallocation - AF/Admin Party Ag Pool reallocation [8D] <divided by> Total Ag Pool Reallocation [8D Total] <times> total dollar amount needed for Ag Pool Administration.
8F	Ag Pool SY Reallocation - AF/OBMP Party Ag Pool reallocation [8D] <divided by> Total Ag Pool Reallocation [8D Total] <times> total dollar amount needed for Ag Pool OBMP.
8G	Replenishment Assessments - AF/15% For Parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount. Copied from Page 25.1.
8H	Replenishment Assessments - AF/85% For parties participating in the 85/15 Rule: Total volume overproduced [10L] <times> 85% of the replenishment rate.
8I	Replenishment Assessments - AF/100% For parties not participating in the 85/15 Rule: Total volume overproduced [10M] <times> 100% of the replenishment rate.
8J	85/15 Water Transaction Activity - 15% Producer Credits For parties participating in the 85/15 Rule: Credit amount equals 15% of the cost of the water purchased. Total to be credited copied from Page 23.1.
8K	85/15 Water Transaction Activity - 15% Pro-rated Debits For parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount. Copied from Page 25.1.
8L	CURO Adjustment Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 17.1.
8M	ASSESSMENTS DUE - Total Production Based Total fees assessed based on Party production. [8B] + [8C] + [8E] + [8F] + [8G] + [8H] + [8I] + [8J] + [8K] + [8L].
8N	ASSESSMENTS DUE - Pomona Credit Debit amount to Pomona <times> -1 <times> percent share of Operating Safe Yield [10A].
8O	ASSESSMENTS DUE - Recharge Debt Payment Total recharge debt payment <times> percent share of Operating Safe Yield [10A].
8P	ASSESSMENTS DUE - Recharge Improvement Project Total Recharge Improvement Project <times> Percent Share of Operating Safe Yield [10A].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
8Q	ASSESSMENTS DUE - RTS Charges Annual Readiness to Serve charges for water purchased in prior years.
8R	ASSESSMENTS DUE - Other Adjustments Used as necessary for any other monetary adjustments needed to the Assessment Package.
8S	ASSESSMENTS DUE - DRO Total assessments due for Desalter Replenishment. Copied from [21L].
8T	ASSESSMENTS DUE - Total Due Total assessments. [8M] + [8N] + [8O] + [8P] + [8Q] + [8R] + [8S].
9A	Physical Production Fiscal year physical production by each Party.
9B	Voluntary Agreements (w/ Ag) Total of water provided to Agricultural Pool Parties.
9C	Assignments (w / Non-Ag) Total of water provided to Non-Agricultural Pool Parties.
9D	Other Adjustments Total of water received from, or provided to, another Appropriator. Also includes production off-sets.
9E	Actual FY Production (Assmnt Pkg Column 10I) Total adjusted production for the fiscal year. [9A] + [9B] + [9C] + [9D].
10A	Percent of Operating Safe Yield The Party's yearly percentage of Operating Safe Yield.
10B	Carryover Beginning Balance The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
10C	Prior Year Adjustments This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
10D	Assigned Share of Operating Safe Yield The Party's yearly volume of Operating Safe Yield.
10E	Net Ag Pool Reallocation Reallocation of Ag Pool Safe Yield. Copied from [16E]. The calculations that lead to this are made on Page 16.1.
10F	Water Transaction Activity Water transactions. Copied from [14E]. The calculations that lead to this are made on Page 14.1.
10G	Other Adjustments This number reflects adjusted production rights, in the event that corrections are needed.
10H	Annual Production Right Current Year Production Right. [10B] + [10C] + [10D] + [10E] + [10F] + [10G].
10I	Actual Fiscal Year Production Fiscal year production, including Assignments and Voluntary Agreements, from CBWM's production system (as verified by each Party on their Water Activity Report). Includes a sub note subtracting Desalter production.
10J	Storage and Recover Program(s) Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). A DYY in-lieu "put" is shown as a positive number and a DYY "take" is shown as a negative number.
10K	Total Production and Exchanges Actual production [10I] <plus> Storage and Recovery exchanges [10J]. Includes a sub note subtracting Desalter production. Also known as Assessable Production.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
10L	Net Over-Production - 85/15% For 85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero.
10M	Net Over-Production - 100% For non-85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero. Includes a sub note subtracting Desalter production.
10N	Under Production Balances - Total Under-Produced Production rights [10H] <minus> total production and exchanges [10K], equaling more than zero.
10O	Under Production Balances - Carryover: Next Year Begin Bal Either total under-produced [10N] or share of Operating Safe Yield [10D], whichever is less.
10P	Under Production Balances - To Excess Carryover Account Total under produced [10N] <minus> Carryover to next year [10O], equaling more than zero.
11A	Excess Carry Over Account (ECO) - Beginning Balance The beginning balance in each ECO account. This carries forward from the ending balance in the previous period Assessment Package.
11B	Excess Carry Over Account (ECO) - 0.07% Storage Loss Beginning balance [11A] <times> -0.0007.
11C	Excess Carry Over Account (ECO) - Transfers To / (From) Total of water transferred to and from ECO and the Annual Account. Also includes Desalter Replenishment Obligation transfers.
11D	Excess Carry Over Account (ECO) - From Supplemental Storage Total of water transferred to and from Local Supplemental Storage accounts, as shown on Page 12.1.
11E	Excess Carry Over Account (ECO) - From Under-Production Total of water transferred from the Annual Account due to under production. Copied from [10P].
11F	Excess Carry Over Account (ECO) - Ending Balance The current balance in each ECO account. [11A] + [11B] + [11C] + [11D] + [11E].
12A	Recharged Recycled Account - Beginning Balance The beginning balance in each Recharged Recycled Account. This number carries forward from the ending balance in the previous period Assessment Package.
12B	Recharged Recycled Account - 0.07% Storage Loss Beginning balance [12A] <times> -0.0007.
12C	Recharged Recycled Account - Transfers To / (From) Total recharged recycled water credited to each Party for the year, as provided by IEUA. Also includes Desalter Replenishment Obligation transfers.
12D	Recharged Recycled Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.
12E	Recharged Recycled Account - Ending Balance The current balance in each Recharged Recycled account. [12A] + [12B] + [12C] + [12D].
12F	Quantified (Pre 7/1/2000) Account - Beginning Balance The beginning balance in each Quantified Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12G	Quantified (Pre 7/1/2000) Account - 0.07% Storage Loss Beginning balance [12F] <times> -0.0007.
12H	Quantified (Pre 7/1/2000) Account - Transfers To / (From) Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12I	Quantified (Pre 7/1/2000) Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
12J	Quantified (Pre 7/1/2000) Account - Ending Balance The current balance in each Quantified Supplemental account. [12F] + [12G] + [12H] + [12I].
12K	New (Post 7/1/2000) Account - Beginning Balance The beginning balance in each New Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12L	New (Post 7/1/2000) Account - 0.07% Storage Loss Beginning balance [12K] <times> -0.0007.
12M	New (Post 7/1/2000) Account - Transfers To / (From) Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12N	New (Post 7/1/2000) Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.
12O	New (Post 7/1/2000) Account - Ending Balance The current balance in each New Supplemental Account. [12K] + [12L] + [12M] + [12N].
12P	Combined - Ending Balance The combined amount in all supplemental storage accounts [12E] + [12J] + [12O].
13A	Dedicated Replenishment - Beginning Balance The beginning balances in each Dedicated Replenishment account. These numbers carry forward from the ending balances in the previous period Assessment Package.
13B	Dedicated Replenishment - Water Purchases Where applicable, the total of water purchased by each Dedicated Replenishment account.
13C	Dedicated Replenishment - Transfers To Where applicable, the total of water transferred to each Dedicated Replenishment account. Includes transfers from Exhibit "G" Section 10 Form A, and transfers from the Annual Account.
13D	Dedicated Replenishment - Transfers From Total of water transferred from each Dedicated Replenishment account. The inverse amounts in this column goes to column [21D] on page 21.1.
13E	Dedicated Replenishment - Ending Balance The current balances in each Dedicated Replenishment account. [13A] + [13B] + [13C] + [13D].
13F	Storage and Recovery - Beginning Balance The beginning balance in the Storage and Recovery (DYY) Account. This number carries forward from the ending balance in the previous period Assessment Package.
13G	Storage and Recovery - Storage Loss Beginning balance [13F] <times> -0.0007.
13H	Storage and Recovery - Transfers To Total of water transferred to the Storage and Recovery Account ("puts").
13I	Storage and Recovery - Transfers From Total of water transferred from the Storage and Recovery Account ("takes").
13J	Storage and Recovery - Ending Balance The current balance in the Storage and Recovery Account. [13F] + [13G] + [13H] + [13I].
14A	Water Transactions - Assigned Rights Total of assigned transactions for this period, including annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
14B	Water Transactions - General Transfer Total of water transfers between Parties for this period.
14C	Water Transactions - Transfers (To) / From ECO Account Total of water transferred between the Annual Account and ECO Account.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
14D	Water Transactions - Transfers (To) Desalter Replenishment	Total of water transferred from the ECO Account to the Desalter Replenishment Account.
14E	Water Transactions - Total Water Transactions	Total water transactions. [14A]+ [14B] + [14C] + [14D]. This column is used to populate [10F].
15A	Prior Conversion	Prior Land Use Conversion in acre-feet.
15B	Conversion @ 1.3 af/ac - Acres	Converted parcels in acres at 1.3 acre-feet per acre.
15C	Conversion @ 1.3 af/ac - Acre-Feet	Converted parcels in acre-feet at 1.3 acre-feet per acre. [15B] <times> 1.3.
15D	Total Prior to Peace Agrmt Converted AF	Total Land Use Conversion in acre-feet prior to the Peace Agreement. [15A] + [15C].
15E	Conversion @ 2.0 af/ac - Acres	Converted parcels in acres at 2.0 acre-feet per acre.
15F	Conversion @ 2.0 af/ac - Acre-Feet	Converted parcels in acre-feet at 2.0 acre-feet per acre. [15E] <times> 2.0.
15G	Total Land Use Conversion Acre-Feet	Total Land Use Conversion in acre-feet for each Party. [15D] + [15F].
16A	% Share of Operating Safe Yield	The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
16B	Reallocation of Agricultural Pool Safe Yield - Safe Yield Reduction	The Party's percent share of Operating Safe Yield [16A] multiplied by 9,000.
16C	Reallocation of Agricultural Pool Safe Yield - Land Use Conversions	Total land use conversions claimed on Page 15.1 (as verified by each Party on their Water Activity Report). Copied from [15G].
16D	Reallocation of Agricultural Pool Safe Yield - Early Transfer	The remaining Agricultural Pool Safe Yield (82,800 <minus> Agricultural Pool Production <minus> Safe Yield Reduction <minus> Land Use Conversion) multiplied by percent share of Operating Safe Yield [16A].
16E	Reallocation of Agricultural Pool Safe Yield - Total Ag Pool Reallocation	Each Party's Agricultural Pool Reallocation. [16B] + [16C] + [16D]. This column is used to populate [10E].
17A	Outstanding Obligation (AF)	The amount of obligation carried over from prior Assessment Package(s) that were not met due to various reasons, including but not limited to MWD not having replenishment water available to purchase.
17B	Fund Balance (\$)	The amount of money collected or owed for replenishment assessments from prior Assessment Packages(s).
17C	Outstanding Obligation (\$)	The amount of money that each Party owes or is credited based on current replenishment rate. [17A] <times> [CURRENT RATE] <minus> [17B].
17D	AF Production and Exchanges	Each Party's total production and exchanges. Copied from [10K].
17E	85/15 Producers	The total production and exchanges of 85/15 Producers only.
17F	Percent	The percentage of each 85/15 Producer's total production and exchanges [17E] divided by the sum of [17E].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
17G	15% If an 85/15 Producer, then the 85/15 Producers' total Outstanding Obligation (\$) at 15%, multiplied by their production and exchanges percentage. [17C] total of 85/15 Producers <times> 15% <times> [17F].
17H	85% If an 85/15 Producer, then the Outstanding Obligation (\$) at 85%.
17I	100% If not an 85/15 Producer, then the Outstanding Obligation (\$) at 100%.
17J	Total The total CURO for the year. [17G] + [17H] + [17I].
18A	Desalter Production - Pre-Peace II Desalter Production Production from the Pre-Peace II Desalter Wells.
18B	Desalter Production - Peace II Desalter Expansion Production Production from the Peace II Desalter Expansion Wells.
18C	Desalter Production - Total The combined production from all Desalter Wells. [18A] + [18B].
18D	Desalter Replenishment - Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i) Credit applied to the total Desalter Production from the Kaiser account.
18E	Desalter Replenishment - Paragraph 31 Settlement Agreements Dedication PIIA, 6.2(a)(ii) Credit applied to the total Desalter Production from "dedication of water from the Overlying (Non-Agricultural) Pool Storage Account or from any contribution arising from an annual authorized Physical Solution Transfer in accordance with amended Exhibit G
18F	Desalter Replenishment - "Leave Behind" Losses PIIA, 6.2(a)(iv) Credit applied to the total Desalter Production from "any declared losses from storage in excess of actual losses enforced as a "Leave Behind".
18G	Desalter Replenishment - Safe Yield Contributed by Parties PIIA, 6.2(a)(v) Credit applied to the total Desalter Production from "Safe Yield that may be contributed by the parties."
18H	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to Pre-Peace II Desalters The 225,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Pre-Peace II Desalter production.
18I	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to All Desalters The 175,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Peace II Desalter Expansion production but is now allocated to all Desalter production per set schedule.
18J	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Balance The remaining balance of the 400,000 AF Controlled Overdraft.
18K	Desalter Replenishment - Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii) The 10,000 AF contribution to the Desalter Replenishment Obligation by the Appropriative Pool.
18L	Desalter Replenishment - Non-Ag OBMP Assessment (10% Haircut) PIIA, 6.2(b)(i) The 10% of the Non-Agricultural Pool Safe Yield used to offset the total Desalter Replenishment Obligation beginning with production year 2016/2017.
18M	Remaining Desalter Replenishment Obligation PIIA, 6.2(b)(iii) Total Desalter Production minus Desalter Replenishment. [18C] - [18D] - [18E] - [18F] - [18G] - [18H] - [18I] - [18K] - [18L].
19A	Percent of Operating Safe Yield The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
19B	Land Use Conversions Total Land Use Conversion in acre-feet for each Party. Copied from [15G].
19C	Percent of Land Use Conversions Each Party's pro rata share of Land Use Conversions [19B] from the total of [19B].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
19D	85% DROC Based on Percent OSY Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on OSY. $10,000 \times 0.85$ [19A].
19E	15% DROC Based on Percent of LUC Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on Percent of Land Use Conversions. $10,000 \times 0.15$ [19C].
19F	Total Desalter Replenishment Each Party's share of the 10,000 AF Desalter Replenishment Obligation. [19D] + [19E].
20A	Assigned Share of Operating Safe Yield The Party's yearly volume of Operating Safe Yield. Copied from [10D].
20B	Physical Production Adjustment Calculation - Physical Production Fiscal year physical production by each Party. Copied from [9A].
20C	Physical Production Adjustment Calculation - 50% of Voluntary Agreements with Ag Total of water provided to Agricultural Pool Parties multiplied by 50%. $[9B] \times 0.50$.
20D	Physical Production Adjustment Calculation - Assignments with Non-Ag Total of water provided to Non-Agricultural Pool Parties. Copied from [9C].
20E	Physical Production Adjustment Calculation - Storage and Recovery Programs Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). Copied from [10J].
20F	Physical Production Adjustment Calculation - Other Adjustments Total of water received from, or provided to, another Appropriator. Also includes production off-sets. Copied from [9D] but does not include production adjustments to prevent a negative annual production to a Party.
20G	Physical Production Adjustment Calculation - Total Adjusted Production Each Party's Adjusted Physical Production. $[20B] + [20C] + [20D] + [20E] + [20F]$.
20H	RDRO Calculation - Total Production and OSY Basis The sum of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield. $[20A] + [20G]$.
20I	RDRO Calculation - Percentage The percentage of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield basis. [20H] divided by the sum of [20H].
20J	RDRO Calculation - Individual Party RDRO Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. $[20I] \times$ Total RDRO.
21A	Desalter Replenishment Obligation in AF - Desalter Replenishment Obligation Contribution (DROC) Each Party's share of the 10,000 AF Desalter Replenishment Obligation Contribution. Copied from [19F].
21B	Desalter Replenishment Obligation in AF - Remaining Desalter Replenishment Obligation (RDRO) Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. Copied from [20J].
21C	Desalter Replenishment Obligation in AF - Total Desalter Replenishment Obligation The sum of Desalter Replenishment Obligation Contribution, and Remaining Desalter Replenishment Obligation. $[21A] + [21B]$.
21D	Total DRO Fulfillment Activity - Transfer from Dedicated Replenishment Account Total of water transferred from Desalter Dedicated Replenishment Account to satisfy the desalter replenishment obligation.
21E	Total DRO Fulfillment Activity - Transfer from Excess Carry Over Storage Account Total of water transferred from Excess Carry Over Storage Account to satisfy the desalter replenishment obligation.
21F	Total DRO Fulfillment Activity - Transfer from Recharged Recycled Storage Account Total of water transferred from Recharged Recycle Storage Account to satisfy the desalter replenishment obligation.
21G	Total DRO Fulfillment Activity - Transfer from Quantified Storage Account Total of water transferred from Quantified Storage Account to satisfy the desalter replenishment obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

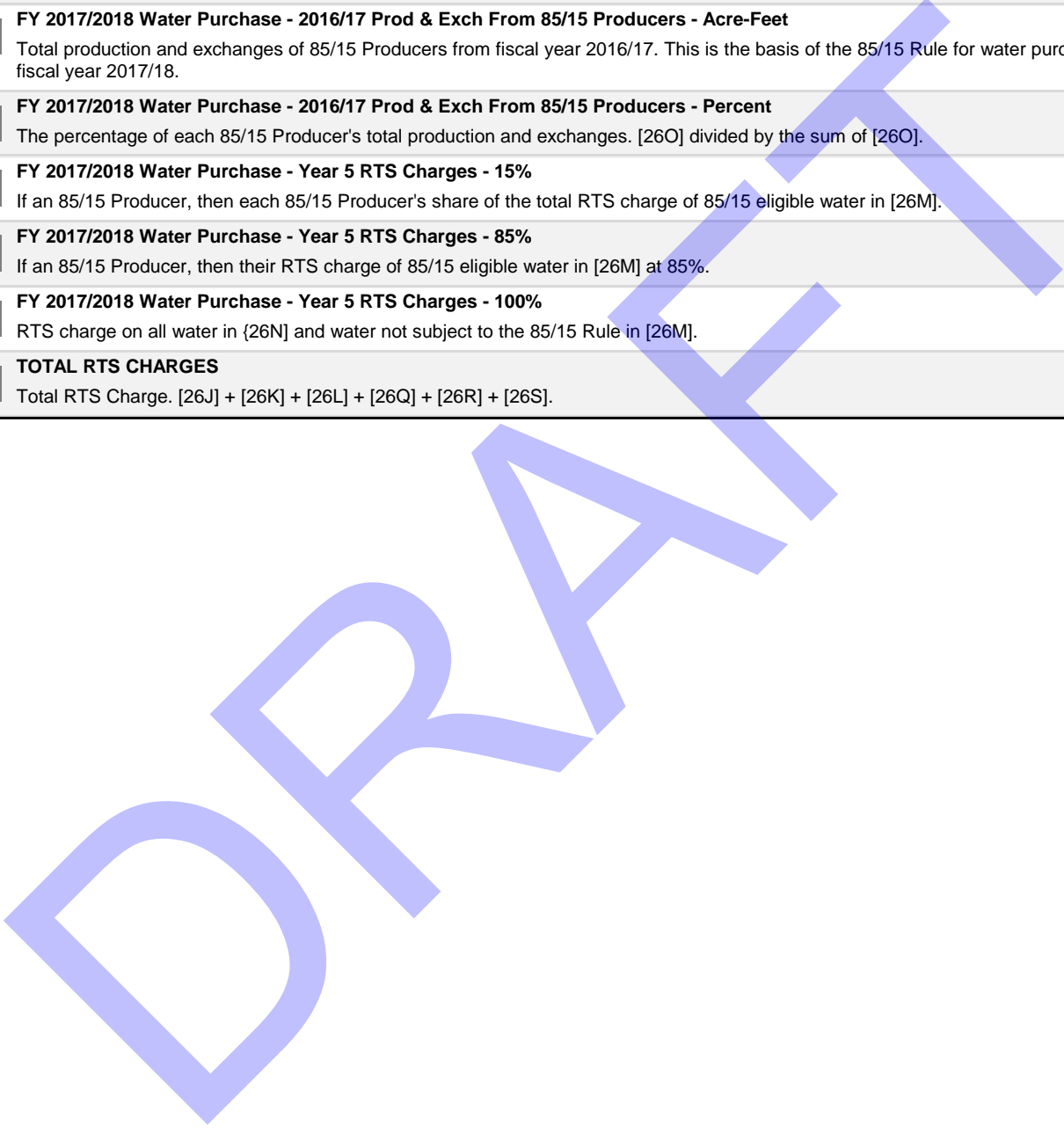
Column	Title Description
21H	Total DRO Fulfillment Activity - Transfer from Post 7/1/2000 Storage Account Total of water transferred from Post 7/1/2000 Storage Account to satisfy the desalter replenishment obligation.
21I	Total DRO Fulfillment Activity - Replenishment Water Purchase Total of water purchased to satisfy the desalter replenishment obligation.
21J	Total DRO Fulfillment Activity - Total Transfers and Water Purchases The sum of all transfers and purchases to satisfy the desalter replenishment obligation. [21D] + [21E] + [21F] + [21G] + [21H] + [21I].
21K	Assessments - Residual DRO (AF) Total residual Desalter Replenishment Obligation after transfers and purchases. [21C] + [21J].
21L	Assessments - Assessments Due On Residual DRO (\$) Total assessments due for Desalter Replenishment. [21K] <times> [Current Replenishment Rate]. This column is used to populate [8S].
26A	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - RO The amount of water purchased to satisfy the accumulated replenishment obligation through the end of production year 2014/15. Water was delivered in October 2016.
26B	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in October 2016.
26C	FY 2016/2017 Water Purchases - Purchased Water in AF - 20161216 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2016.
26D	FY 2016/2017 Water Purchases - Purchased Water in AF - 20170418 - RO The amount of water purchased to satisfy production year 2015/16 replenishment obligation. Water was delivered in April 2018.
26E	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 100% The amount of water purchased subject to 100% RTS rate. This applies to: DRO water; RO water of non-85/15 Pool 3 producers; and RO water of Pool 2 producers. 1) Pool 3, 85/15 Ineligible: [26A] + [26B] + [26C] + [26D]. 2) Pool 3, 85/15 Eligible: [26B] + [26C]. 3) Pool 2: [26A] + [26D].
26F	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 85/15 The amount of water purchased subject to the 85/15 Rule. This applies to RO water of 85/15 Pool 3 producers. 1) Pool 3, 85/15 Eligible: [26A] + [26D].
26G	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF Total Total water purchased by each Appropriative Pool or Non-Agricultural Pool Party. [26E] + [26F].
26H	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Acre-Feet Total production and exchanges of 85/15 Producers from fiscal year 2015/16. This is the basis of the 85/15 Rule for water purchased in fiscal year 2016/17.
26I	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Percent The percentage of each 85/15 Producer's total production and exchanges. [26H] divided by the sum of [26H].
26J	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 15% If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water. "Total RTS Charge" <divided by> "Total Water Purchased" <times> 0.15 <times> [26F] Total <times> [26I].
26K	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 85% If an 85/15 Producer, then their RTS charge of 85/15 eligible water at 85%. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26F] <times> 0.85.
26L	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 100% RTS charge on all water not subject to the 85/15 Rule. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26E].
26M	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - RO The amount of water purchased to satisfy replenishment obligations through the end of production year 2014/15. Water was delivered in December 2017.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title Description
26N	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2017.
26O	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Acre-Feet Total production and exchanges of 85/15 Producers from fiscal year 2016/17. This is the basis of the 85/15 Rule for water purchased in fiscal year 2017/18.
26P	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Percent The percentage of each 85/15 Producer's total production and exchanges. [26O] divided by the sum of [26O].
26Q	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 15% If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water in [26M].
26R	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 85% If an 85/15 Producer, then their RTS charge of 85/15 eligible water in [26M] at 85%.
26S	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 100% RTS charge on all water in [26M] and water not subject to the 85/15 Rule in [26M].
26T	TOTAL RTS CHARGES Total RTS Charge. [26J] + [26K] + [26L] + [26Q] + [26R] + [26S].





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: November 16, 2023

TO: Advisory Committee and Board Members

SUBJECT: Resolution to Levy Replenishment and Administrative Assessments for Fiscal Year 2023/24, Based on Production Year 2022/23. (Business Item II.C.)

SUMMARY:

Issue: A resolution is required for the Chino Basin Watermaster to levy administrative, special project, and replenishment assessments for Fiscal Year 2023/24. [Within WM Duties and Powers]

Recommendation:

Advisory Committee: Recommend to the Watermaster Board to adopt Resolution 2023-07 as presented.

Board Members: Adopt Resolution 2023-07 as presented.

Financial Impact: Collection of the assessments according to the Assessment Package creates the funds that are used during the current fiscal year for budgeted expenses.

Future Consideration

Advisory Committee – November 16, 2023: Advice and assistance

Watermaster Board – November 16, 2023: Approval

ACTIONS:

Appropriative Pool – November 9, 2023: Provided advice and assistance.

Non-Agricultural Pool – November 9, 2023: Gave their representatives discretionary authority to vote at Advisory Committee and Board meetings subject to changes which they deem necessary.

Agricultural Pool – November 9, 2023: Provided advice and assistance.

Advisory Committee – November 16, 2023:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Watermaster issues an Assessment Package annually based on the previous production year (July 1 through June 30). Production information is generally collected quarterly, and other necessary information is collected annually. The Assessment Package creates funds that are used during the current fiscal year for budgeted expenses. Assessments are based on the approved budget divided by the total assessable production in the Basin.

Watermaster is endowed with powers to levy and collect administrative, special project, and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Restated Judgment. A resolution of the Watermaster Board is needed to levy the assessments and issue invoices to parties. Pursuant to the Restated Judgment, each party has thirty (30) days from the date of invoice to remit the payment for assessments due. After that date, interest will accrue on any portion which was due as provided for in Section 55(c) of the Restated Judgment.

DISCUSSION

The draft Fiscal Year 2023/24 Assessment Package is being considered for approval this month under Business Item II.B. and Resolution 2023-07 has been drafted for the Watermaster Board's consideration.

If Resolution 2023-07 is approved through the Watermaster process in November 2023, the invoices will be emailed in late November and assessments will be due 30 days later.

At their November 9, 2023 Pool Committee meetings, the Appropriative Pool and the Overlying (Agricultural) Pool Committees provided advice and assistance; the Overlying (Non-Agricultural) Pool Committee gave their representatives discretionary authority to vote at Advisory Committee and Board meetings subject to changes which they deem necessary.

ATTACHMENTS

1. Resolution 2023-07: A Resolution of the Chino Basin Watermaster Levying Administrative, Replenishment, and Special Project Assessments for Fiscal Year 2023/24

RESOLUTION 2023-07

**A RESOLUTION OF THE CHINO BASIN WATERMASTER
LEVYING ADMINISTRATIVE, REPLENISHMENT, AND SPECIAL PROJECT ASSESSMENTS
FOR FISCAL YEAR 2023-2024**

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

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2023-2024 Budget on May 25, 2023, to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the parties named in this Judgment have pumped 28.4 acre-feet of water in excess of the operating safe yield, which is required to be replaced at the expense of the parties in accordance with the assessment formulas for the respective pools.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective November 16, 2023 as shown on Exhibit "A" attached hereto.

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

THE FOREGOING RESOLUTION was
ADOPTED by the Watermaster Board on the 16th day of November 2023.

By: _____
Chair – Watermaster Board

ATTEST:

Secretary/Treasurer – Watermaster Board

Exhibit "A"
Resolution 2023-07

Summary of Assessments
Fiscal Year 2023-2024
Production Year 2022-2023

1. OVERLYING (NON-AGRICULTURAL) POOL	
a.	2023-2024 Budget
	\$ <u>42.39</u> Per AF - Admin.
	\$ <u>55.08</u> Per AF - OBMP
b.	Replenishment
	\$ <u>872.00</u> Per AF
c.	CURO
	\$ <u>3,232.30</u> Total
2. APPROPRIATIVE POOL	
a.	Administration
	1. 2023-2024 Budget
	\$ <u>42.39</u> Per AF - Admin.
	\$ <u>55.08</u> Per AF - OBMP
	2. Ag Pool Reallocated
	\$ <u>11.02</u> Per AF - Admin.
	\$ <u>14.32</u> Per AF - OBMP
b.	100% Net Replenishment
	\$ <u>872.00</u> Per AF
c.	15/85 Water Activity
	15% Replenishment Assessments
	\$ <u>2,306.93</u> Total
	15% Water Transaction Activity
	\$ <u>855,717.17</u> Total
d.	CURO
	\$ <u>69,899.72</u> Total
e.	Pomona Credit
	\$ <u>66,667.00</u> Total
f.	Recharge Debt Payment
	\$ <u>746,765.00</u> Total
g.	Recharge Improvement Project
	\$ <u>102,000.00</u> Total

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Bob Kuhn, Secretary/Treasurer of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2023-07, was adopted at a regular meeting of the Chino Basin Watermaster Board on November 16, 2023 by the following vote:

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

CHINO BASIN WATERMASTER

Secretary

Date: November 16, 2023



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: November 16, 2023

TO: Board Members

SUBJECT: Professional Services Agreement Between Wave HR Solutions and Chino Basin Watermaster (Business Item II.D.)

SUMMARY:

Issue: Watermaster intends to enter into an annual professional services agreement for human resources consulting with Wave HR Solutions. [Normal Course of Business]

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

Financial Impact: The FY 2023/24 budget (which includes account number 6013 for human resources services in the amount of \$30,000) was approved by the Board on May 25, 2023.

Future Consideration

Watermaster Board – November 16, 2023: Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster

ACTIONS:

Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Over the past few years, Watermaster administrative and accounting staff have experienced an increased workload due to the increased frequency of court filings, support of special meetings, additional invoicing, processing, and transmitting of special assessments, additional payables, and receivables tracking, requests for information, among other special projects. To keep up with the increased workload, staff has considered and identified a Human Resources (“HR”) service provider to help with the HR transactional elements, which will allow staff to focus on supporting the current efforts associated with Judgment administration.

DISCUSSION

During the October 2022 Board meeting, the board approved and authorized the General Manager to execute an agreement with HR consultant, Talent Advisers, LLC. Due to staffing changes at Talent Advisers, Watermaster intends to execute a new consulting services agreement with Wave HR Solutions, out of which the prior advisor working on the Watermaster account will continue.

The general scope of duties and support functions frequently requested of the HR advisor are as follows:

HR Support

- Provide ongoing human resources consulting and services
- Coach management on employee performance situations
- Provide recommendations on benefits, payroll, retirement plans and administration
- Support performance and compensation-related functions
- Research and conduct salary surveys as needed
- Conduct employee relations investigations and provide compliance review of processes and documentation.
- Provide support in sustaining a positive work culture
- Provide support and participate at all Watermaster Personnel Committee meetings
- Assist with benefits programs as needed.
- Support ADP, HRIS, and CalPERS systems as needed.
- Additional HR projects as needed.

Recruitment/Onboarding

- As needed, support on the recruiting and onboarding processes including job descriptions, job posts, screening, coordination of internal interviews, pre-employment screening and offers.

Terminations:

- As needed, support the offboarding processes including issuance of Cobra paperwork, and closing out benefits as appropriate.
- As needed, support final payout calculations including tallying of vacation, sick, and other hours as needed, and issuance of final checks as required.

Services will be paid at an hourly rate as shown in the draft professional services agreement (Attachment 1).

The approved fiscal year 2023/24 budget currently has \$30,000 under account number 6013 for human resources services and the anticipated overall cost will be lower than budgeted as a result of renegotiated fees under the proposed contract with Wave HR Solutions.

ATTACHMENT

1. Professional Services Agreement – DRAFT

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement (“Agreement”) is entered into by and between the Chino Basin Watermaster (the “Watermaster”) and Wave HR Solutions (“Consultant”), effective as of the 1st day of December, 2023 (the “Effective Date”).

1. Term of Agreement. This Agreement will become effective as of the Effective Date and will continue until terminated in accordance with Section 5 of this Agreement. (The period during which this Agreement is in effect is referred to as the “Term.”)
2. Services. The Watermaster and Consultant agree that, during the Term, Consultant will provide the services set forth in the Scope of Work attached as Addendum A to this Agreement, as it may be modified from time to time in writing (the “Services”). The parties acknowledge that Consultant is customarily engaged in providing such Services to third parties such as the Watermaster. Consultant will coordinate with Ms. Anna Nelson as Consultant’s Watermaster contact (the “Watermaster Contact”).
3. Compensation and Terms of Payment.
 - a. Compensation for Services. In compensation for the Services, the Watermaster will pay Consultant an amount equal to the actual time worked as detailed in billing to the Watermaster, at the rate of \$65 per hour (the “Fees”).
 - i. Billing Increments. Time will be billed in fifteen- (15-) minute increments. Consultant will invoice time such that intervals of time worked that are less than fifteen (15) minutes are combined with other time worked, so the Watermaster is not billed for more than actual time worked by Consultant (provided that any partial increments of time on the last invoice will be paid as if the full 15-minute increment had been worked).
 - ii. Billable Time. Consultant will not bill the Watermaster for any travel time, provided that if the Watermaster requests that Consultant travel to a location more than fifty (50) miles from its main office location, reasonable travel time to and from such location will be compensable. To the extent work performed is primarily for the Watermaster’s benefit, Consultant may bill the Watermaster for work performed at the Watermaster’s facilities, work performed via telephone or email (including communications with Watermaster staff and third parties, and preparation of required Watermaster paperwork and documentation. Consultant will not bill the Watermaster for administrative time of Consultant, including but not limited to preparing invoices for submission to the Watermaster; communications with the Watermaster regarding billing issues, scheduling and the like; negotiating with the Watermaster; travel time other than as set forth above; completing an IRS Form W-9; communications with Consultant’s own insurance carrier(s); time spent maintaining the license(s) and certification(s) of Consultant and its agents; etc.
 - b. Expenses. Consultant will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs,

insurance (including professional liability insurance), fees and costs for business and professional licenses and credentialing, mileage and overhead, except as otherwise expressly agreed in writing by the Watermaster in advance with respect to particular expenses (“Expenses”).

c. Method of Payment.

- i. Consultant must submit monthly invoices to the Watermaster for Fees and Expenses incurred to that date. The monthly invoices must include an accurate and detailed summary of the Services performed and the billable hours spent on each task, itemization of any reimbursable Expenses, and documentation and receipts acceptable to the Watermaster supporting any such Expenses or Fees.
- ii. The Watermaster Contact will verify the Services, Fees and Expenses detailed on the invoice and will confirm that the Services described therein have been satisfactorily completed and that appropriate documentation has been provided.
- iii. The Watermaster will make a reasonable effort to pay undisputed invoiced amounts within thirty (30) calendar days. The Watermaster will communicate with Consultant regarding any disputed amounts or amounts as to which inadequate documentation has been provided by Consultant.
- iv. The Watermaster reserves the right to withhold payment for Fees and Expenses relating to Services that are not completed as scheduled, are completed unsatisfactorily, are behind schedule, are otherwise performed in an inadequate or untimely fashion, or are unsupported by documentation, each as determined by the Watermaster, with such payments to be released and paid to Consultant promptly when the Services are determined by the Watermaster to be satisfactorily completed and supported. The Watermaster also reserves the right to withhold payment upon termination of this Agreement in the event Consultant threatens not to comply or fails to comply with its obligations (including post-termination obligations) and/or breaches or threatens to breach this Agreement in any material respect, as determined by the Watermaster.

4. Affirmation of Independent Contractor Status.

- a. Independent Contractor. The Watermaster and Consultant each expressly understand, agree and intend that Consultant is an independent contractor in the performance of each and every part of this Agreement, and is solely responsible for all costs and expenses arising in connection with the performance of the Services, except as expressly set forth herein. Consultant is responsible for obtaining any business permits or licenses required to enable it to operate as an independent contractor and perform the Services. All Services are to be performed solely at the risk of Consultant, and Consultant agrees to take all precautions necessary for the proper performance of the Services. Consultant is solely responsible for any and all claims, liabilities or damages or debts of any type whatsoever that may arise on account of the activities of Consultant and its agents.

Consultant has and retains control of, and supervision over, the performance of its obligations hereunder, including scheduling and day-to-day control over the performance of the Services, and except as expressly provided herein, the Watermaster will have no right to exercise any control whatsoever over the activities or operations of Consultant. Notwithstanding the foregoing, however, Consultant may not subcontract all or any portion of the performance of the Services, assign performance of the Services to any individual(s) other than those identified on Addendum A, or assign any former employee or contractor of the Watermaster to perform the Services, unless, in any such case, the Watermaster has provided its prior express written approval.

- b. Taxes and Related Matters. Consultant will be solely responsible for all tax and other government-imposed responsibilities relating to the performance of the Services, including payment of all applicable federal, state, local and social security taxes, unemployment insurance, workers' compensation and self-employment or other business taxes and licensing fees. Consultant will be solely responsible for payment of all compensation owed to its agents with respect to the Services, including all applicable federal, state and local employment taxes, and will make deductions for all taxes and withholdings required by law. No federal, state or local taxes of any kind will be withheld or paid by the Watermaster on behalf Consultant and/or its agents. Consultant acknowledges that the compensation paid pursuant to this Agreement will not be considered "wages" for purposes of the Federal Insurance Contributions Act ("FICA"), unemployment or other taxes. The Watermaster will issue Consultant an IRS Form 1099 with respect to payments made under this Agreement, and Consultant must promptly provide to the Watermaster a completed IRS Form W-9 and other documentation as may be needed from time to time by the Watermaster. Consultant will be responsible for performing all payroll and record-keeping functions required by law. The compensation provided hereunder is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as it may be amended from time to time ("Section 409A"). No provision of this Agreement may be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from Consultant to the Watermaster.
- c. No Employee Benefits from the Watermaster. As an independent contractor, neither Consultant nor its agents will be eligible for benefits from the Watermaster or any related entity, including workers' compensation, unemployment insurance, expense reimbursement, health, dental, vision, life or disability insurance, paid holidays, paid sick leave, vacation or other paid time off, pension or 401(k) plans, educational assistance, continuing education reimbursement, or any other employee benefit that may be offered now or in the future.
- d. No Third-Party Beneficiaries. This Agreement is between the Watermaster and Consultant, and creates no individual rights for any agents of Consultant. No agent of Consultant will be deemed to be a third-party beneficiary hereunder, nor will any agent of Consultant be deemed to have any employment or contractual relationship with the Watermaster as a result of this Agreement or his, her or its performance of services for Consultant. The parties acknowledge that all individuals performing Services on behalf of Consultant are solely the employees

and/or agents of Consultant. The Watermaster will not be responsible for payments due and owing to any subcontractors or other agents of Consultant; provided, however, that in the event Consultant fails timely to pay any such subcontractors or agents, if the Watermaster deems it appropriate to make payments directly to any such subcontractors or agents on behalf of Consultant, notwithstanding that it may have no legal obligation to do so, Consultant will reimburse the Watermaster therefor, and the Watermaster may offset any amounts due and owing to Consultant by any amounts it has paid to any such agents of Consultant.

5. Termination of Agreement. This Agreement may be terminated as follows:

- a. Termination upon Written Notice. Either party may terminate this Agreement during the Term by providing the other party with thirty (30) days' written notice of such termination or with any shorter notice period upon which the parties may agree. The Watermaster may, in its sole discretion, provide compensation in lieu of all or a portion of the notice period, regardless of who initiates the termination, prorating the fees as appropriate. Payment in lieu of notice will be calculated by averaging the fees received during the prior three- (3-) month period (or such lesser number of months as this Agreement has been in effect) and pro-rating as appropriate.
- b. Termination for Cause by the Watermaster. The Watermaster may terminate this Agreement immediately for "Cause." Cause includes, but is not be limited to, the following, as determined in the Watermaster's sole discretion: (i) failure of Consultant or its agents to comply in any material respect with this Agreement, including failure to perform the Services in a satisfactory manner, breach of any other agreement between the parties, or violation of any applicable Watermaster policy, procedure or guideline, including the Watermaster's policy against harassment; (ii) serious personal or professional misconduct by Consultant or its agents (including dishonesty, fraud, misappropriation, criminal activity or gross or willful neglect of duty); (iii) breach or threatened breach of Consultant's duties to the Watermaster (including theft or misuse of Watermaster property or time) by Consultant or its agents; (iv) conduct that threatens public health or safety, or threatens to do immediate or substantial harm to the Watermaster's Business (as defined below), including potentially subjecting the Watermaster to civil or criminal liability; (v) falsification by Consultant or its agents of any business-related document, including invoices, or the making of any materially false or misleading statement by Consultant or its agents to or in connection with the Watermaster; (vi) an investigation that could have an adverse impact on the Watermaster is commenced with respect to Consultant and/or its agents by a regulatory agency or governmental authority; (vii) the professional license(s), and/or qualifications of Consultant and/or its agents deemed necessary by the Watermaster to perform the Services (if applicable) are not maintained or renewed, or are revoked or suspended by an authorized regulatory agency; or (viii) any other willful or substantial misconduct, deficiency, failure of performance, breach or default by Consultant or its agents, including failing to provide Services for any reason on multiple occasions when requested by the Watermaster. The Watermaster's exercise of its right to terminate for Cause will be without prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement. In

the event of termination for Cause by the Watermaster, the only compensation due to Consultant will be payment of Fees incurred up to the date of termination and outstanding reimbursable Expenses, less appropriate offsets and any applicable Penalty (as defined below). In the event the Watermaster terminates this Agreement for Cause, it will be entitled to recover a penalty from Consultant in the amount of thirty (30) days' compensation (calculated as set forth below) (the "Penalty"), which Penalty may be deducted from and offset against outstanding compensation due to Consultant.

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

6. Obligations of Consultant.

- a. Best Abilities; Good Workmanship; Time of the Essence. Consultant understands that time is of the essence with respect to the performance of the Services. Consultant will proceed with diligence and the Services will be performed in accordance with the highest professional workmanship, service and ethical standards in the field and to the satisfaction of the Watermaster. If Consultant's workmanship does not conform to these standards, in the Watermaster's subjective judgment and discretion, and the Watermaster so notifies Consultant, Consultant agrees immediately to take all action necessary to remedy the nonconformance. Any costs incurred by Consultant to correct such nonconformance will be at Consultant's sole expense. To the extent Consultant fails to correct such nonconformance to the Watermaster's satisfaction, or the Watermaster deems Consultant incapable of correcting such nonconformance to the Watermaster's satisfaction, the Watermaster may elect to have a third party (including a subcontractor of Consultant) correct such nonconformance at Consultant's sole expense.
- b. Compliance with Law and Policies. Consultant and its agents will comply with all federal, state and local laws, rules and regulations applicable to it and its agents, including the Occupational Safety and Health Act ("OSHA"), non-discrimination laws, immigration law and work authorization requirements, tax and withholding obligations, and wage and hour requirements (including those related to classification of employees and payment of minimum wage and overtime), in the performance of the Services. Consultant will be responsible for providing, at Consultant's expense, and in Consultant's name, all licenses and permits usual or necessary for conducting the Services. Consultant and its agents will comply with the Watermaster's Code of Ethics as it may be amended from time to time, except to the extent that the Code of Ethics is inconsistent with this Agreement or with local law, rules and/or regulations. Consultant and its agents also will comply with

other Watermaster policies that may be applicable to them, as they may be modified from time to time, including the Watermaster's policies against harassment and discrimination and other policies identified on Addendum C.

- c. Equipment; Use of Watermaster Technology. In general, Consultant will be responsible for providing its own supplies, equipment and work location(s). However, to facilitate performance of the Services, Consultant and/or its agents may be provided with certain equipment by the Watermaster. In addition, to facilitate performance of the Services and communications with Watermaster representatives, agents and customers, and to ensure appropriate security levels, confidentiality and privacy protection and document retention procedures, Consultant and/or its agents may be provided with (i) a Watermaster email address, (ii) access to select areas of the Watermaster's computer system, data, files and/or premises, and (iii) access authority and login information with respect to select Watermaster accounts. To the extent Consultant and/or its agents are provided with a Watermaster email address, the applicable signature block must be approved by the Watermaster and must clearly indicate Consultant's status with respect to the Watermaster. Consultant and its agents will be subject to applicable Watermaster policies relating to usage of Watermaster equipment and systems, as more particularly set forth on Addendum C. To the extent non-Watermaster equipment, systems, devices and/or accounts are used, Consultant will take all reasonable steps to ensure the security of data on or in such equipment, devices, systems and accounts, including using encryption where appropriate and/or required by applicable law.
- d. Insurance. The Watermaster will not procure liability or other insurance on behalf of Consultant or its agents, **except that** the Watermaster may procure professional liability insurance coverage on its own behalf with respect to Consultant's performance of the Services. Consultant and its agents will assist the Watermaster in procuring any such insurance by submitting to examinations and signing such applications and other instruments as may be required by the insurance carriers to which application is made for such insurance. Procurement of all appropriate insurance coverage for Consultant and/or its agents is the sole responsibility of Consultant. Promptly upon request, Consultant will provide the Watermaster with certificates of insurance evidencing coverage for workers' compensation, unemployment insurance, Comprehensive General Liability insurance, professional liability insurance and motor vehicle insurance, to include provisions for property damage, personal injury and automobile liability, to the extent applicable to Consultant. Such insurance must be in amounts satisfactory to the Watermaster and may not be reduced or canceled without the Watermaster's written approval of such reduction or cancellation. Any insurance maintained by Consultant and/or its agents will be primary insurance to the full approved limits of liability and, should the Watermaster have other valid insurance, the Watermaster insurance will be excess insurance only. The Watermaster, however, is not required to, and may or may not, include Consultant and/or its agents as additional insureds under any policy the Watermaster maintains on its own behalf, unless otherwise required by applicable law or the terms of the Watermaster's existing insurance policies.

- e. Non-Contravention; No Improper Use of Materials. Consultant represents and warrants that it has all right, power, authority and capacity and is free to enter into this Agreement. Consultant further represents that, by entering into this Agreement, neither Consultant nor its agents will violate or interfere with the rights of any other person or entity. Consultant represents and warrants that neither it nor its agents are subject to any contract, restrictive covenants, non-compete obligations, understandings or other commitments of any kind that will or might prevent, interfere with or impair Consultant's acceptance of this Agreement and/or the performance of the Services. Consultant confirms that it has identified on Addendum B any and all restrictions to which Consultant and its agents who will perform the Services are subject (including restrictive covenants and non-compete obligations) in order to allow the Watermaster the opportunity to assess any such restrictions and their potential impact on the Watermaster and the performance of the Services. Neither Consultant nor its agents will enter into any agreements inconsistent with this Agreement. Consultant further certifies that neither it nor its agents will utilize or disclose any confidential, trade secret or proprietary information of any prior employer or other individual or entity in connection with this Agreement or the performance of the Services, and they will not bring any such information onto the Watermaster's premises or introduce such information onto the Watermaster's equipment or systems.
- f. No Conflict of Interest. Consultant confirms that its and its agents undertaking the Services will not pose any actual or present any perceived conflict of interest. Consultant agrees that neither it nor its agents will, during the Term, directly or indirectly, either on their own or for or on behalf of any other individual or entity, perform any services for, sponsor, promote or enter into any employment or engagement that poses an actual conflict, or that may pose a perceived conflict, with the Watermaster's Business without the Watermaster's prior written approval. For purposes of this Agreement, the "Watermaster's Business" is to administer and enforce provisions of the 1978 Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program.
- g. Non-Disparagement. Consultant agrees that, during the Term and thereafter, neither it nor its agents will, directly or indirectly, take any action or make any statements, written or verbal, including statements on social media sites, that defame, disparage or in any way criticize the personal or business reputation, products, services, practices or conduct of the Watermaster or its officers, directors, employees, agents or other consultants. Consultant further agrees that neither it nor its agents will engage in any conduct, directly or indirectly, that may be detrimental to the Watermaster's mission, reputation, practices or conduct, including failing timely to provide payment to Consultant's agents. Nothing in this Agreement is intended to preclude Consultant or its agents from providing truthful testimony in response to valid legal process or otherwise truthfully cooperating with or reporting to governmental agencies, or from making other legally protected statements or disclosures.
- h. Non-Recruitment. Because of the nature of the Confidential Information (as defined below) to which Consultant and its agents will have access in the course of performing the Services, Consultant agrees that neither it nor its agents will, during the Term and for a period of twelve (12) months after the termination of this

Agreement for any reason (the "Restricted Period"), in any manner whatsoever, directly or indirectly, attempt to induce any then-current employee, contractor or agent to terminate or otherwise diminish its, his or her relationship with the Watermaster.

i. Confidential Information. In connection with the performance of the Services, Consultant and its agents will have access to information that has been developed by, created by or provided to the Watermaster (including without limitation, information created or developed by Consultant and/or its agents) that has commercial value to the Watermaster's Business, and is not generally known to the public or others, or is otherwise required to be kept confidential by the Watermaster (all of which is referred to as "Confidential Information").

i. Confidential Information includes any information (whether in paper or electronic form, or contained in the memory of Consultant and/or its agents, or otherwise stored or recorded) that is not generally known and relates to the Watermaster's Business, if such information has been expressly or implicitly protected by the Watermaster from unrestricted use by persons not associated with the Watermaster. Confidential Information includes, but is not limited to, information contained in or relating to the manner and details of the Watermaster's operation, organization and management; passwords; concepts; programs; trade secrets; product designs; innovations; source codes and documentation; software; data; protocols; best practices; plans and proposals; processes and techniques; projects; the identities and contact information of, and details regarding the Watermaster's relationship with, actual and prospective stakeholders, contractors and vendors; fees and charges by the Watermaster; pricing data and related information; applicant and employee personnel information; financial information; and legal and business strategies and plans, as well as any other information marked "confidential," "proprietary," "secret" or the like. Confidential Information also includes information of the Watermaster's affiliates, customers, vendors, consultants, referral sources, contractors, partners, stakeholders, directors, officers, shareholders, investors, employees and other third parties that was disclosed or entrusted to the Watermaster or to Consultant and/or its agents in the course of business and/or in the course of performing the Services with the expectation of confidentiality.

ii. Consultant agrees that the Confidential Information made available to it and its agents will be used solely for the purpose of performing the Services and will be kept strictly confidential by Consultant and its agents. Consultant agrees that, unless authorized in writing by the Watermaster's General Manager, neither Consultant nor its agents will, directly or indirectly, disclose or use any Confidential Information for their own benefit or for the benefit of any individual or entity other than the Watermaster, either during the Term or thereafter. In addition, without the Watermaster's prior written consent, Consultant will not modify, disassemble, reverse engineer or decompile any Confidential Information, or copy, retransmit or otherwise reproduce for, or distribute to third parties any Confidential Information. Nothing contained in this Agreement will require the

Watermaster to transmit any Confidential Information to Consultant, or be construed as granting any license or any other rights with respect to the Watermaster's proprietary rights or Confidential Information.

- iii. If, during the Term or at any time thereafter, Consultant or its agents receive a request to disclose any Confidential Information, whether under the terms of a subpoena, court order, or other governmental order or otherwise, Consultant and/or its agents will notify the Watermaster immediately of the details of the request (unless prohibited from doing so by applicable law), including providing a copy thereof, and will consult with the Watermaster on the advisability of taking legally available steps to resist or narrow such request. If disclosure of such Confidential Information is required to prevent Consultant and/or its agents from being held in contempt or subject to other penalty, Consultant and its agents will furnish only such portion of the Confidential Information as, in the written opinion of legal counsel satisfactory to the Watermaster, Consultant and/or its agents are legally compelled to disclose, and Consultant and its agents will use their best efforts to assist the Watermaster in obtaining an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

- j. Ownership, Return of Property and Duties upon Termination. All Confidential Information, reports, recommendations, documents, drawings, plans, presentations, specifications, technical data, databases, charts, files and other information developed by or provided to Consultant and/or its agents in connection with Consultant's affiliation with the Watermaster are and will remain the property of the Watermaster. Upon termination of this Agreement for any reason, or at such earlier time as the Watermaster may request, Consultant and its agents will immediately (i) discontinue any use of the name, logo, trademarks, or slogans of the Watermaster; (ii) discontinue all representations or statements from which it might be inferred that any continuing relationship exists between Consultant and/or its agents and the Watermaster; (iii) provide to the Watermaster reproducible copies (including electronic versions if available, in native format and with all supporting materials such as fonts, graphics and attachments) of all work product prepared or modified by Consultant and/or its agents and not previously provided to the Watermaster, whether completed or not; (iv) return to the Watermaster all tangible and intangible Confidential Information, property, documents and other information of the Watermaster, in whatever form or format, including originals and all copies of documents, drawings, computer printouts, notes, memoranda, specifications, hard drives, flash drives, disks or storage media of any kind, including all copies, summaries and compilations thereof, in the possession, custody or control of Consultant and/or its agents; (v) subject to record retention obligations, promptly and permanently delete any Confidential Information stored in the internal and/or personal email account(s), computer(s), electronic devices, voicemails, storage media and cloud-based storage (including external hard drives, flash drives, and discs) of Consultant and/or its agents, and certify the same to the Watermaster; and (vi) provide the Watermaster with any and all passwords, source codes, security codes, administrative access information and/or other information in the possession of Consultant and/or its agents necessary to enable the Watermaster to get the benefit of the Services. All of the foregoing will be at the sole expense

of Consultant. No failure of the Watermaster to enforce the disposition of materials under this Section, or to enforce it fully or promptly, will constitute, or be interpreted or construed as, a waiver of any right of the Watermaster under this Agreement, nor will it affect in any way the characterization of any material as Confidential Information or give Consultant any rights or license as to any such Confidential Information of the Watermaster, whether by implication, estoppel, act of law, or any other theory or reason.

- k. Cooperation. During the Term and thereafter, Consultant and its agents will fully cooperate in the investigation by the Watermaster of any issues, and the defense of any claims by, against or otherwise involving the Watermaster that might arise that could involve Consultant and/or its agents or information within their knowledge, regardless of whether Consultant and/or its agents personally are named in the action, without additional compensation for such cooperation other than reimbursement of reasonable costs related to such cooperation. Consultant agrees to promptly advise the Watermaster if it learns or suspects that current or former agents of the Watermaster have violated or intend to violate their legal or contractual obligations to the Watermaster, including misuse of Confidential Information.
 - l. Reasonable Restrictions. Consultant and its agents acknowledge and agree that the requirements set forth in this Section are reasonable in time and scope, and do not unduly burden Consultant and/or its agents.
7. No Authority to Bind the Watermaster. Neither Consultant nor its agents have any authority, right or ability to bind or commit the Watermaster in any way or incur any debts or liabilities in the name of or on behalf of the Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of the Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Consultant and its agents agree not to advertise, promote or represent to any third party that Consultant or its agents are agents of the Watermaster. Consultant and its agents may represent only that the parties have an independent contractor relationship pursuant to which Consultant has accepted an opportunity to provide Consultant's customary services to the Watermaster. Consultant and its agents will refrain from using the Watermaster's name in any advertisement, promotion, business card, website, or similar manner without the Watermaster's prior written consent. Consultant and its agents will not add to, delete from or modify any documentation or forms provided by the Watermaster, except with the prior written consent of the Watermaster.
8. Indemnification; Limitation on Liability.
- a. By Consultant. Consultant agrees to indemnify, defend (with counsel selected by the Watermaster) and hold harmless the Watermaster and its affiliates, successors, agents, employees, contractors, insurers, officers and directors (the "Watermaster Indemnified Parties") from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from or on account of: (i) any claim, demand,

and/or determination that the Watermaster is the employer (whether sole, joint and/or common law) of any agent provided by Consultant to perform the Services and any statutory or common law claims brought by Consultant's agents arising from or relating to the employment relationship or other affiliation or termination thereof, such as claims under the California Fair Employment and Housing Act, the California Family Rights Act, the California Government Code, the California Business and Professions Code, the California Paid Sick Leave Law and related local laws, and the California Labor Code, or similar federal statutes, all as amended, for discrimination, harassment, workers' compensation, unemployment or unpaid compensation or benefits; misclassification or failure to make withholdings or is otherwise liable for obligations owed by Consultant to its agents (including under California Labor Code section 2810.3 if and to the extent applicable); (ii) any claim, demand or charge based upon acts or omissions of Consultant or its agents in relation to the Services (including failure to maintain appropriate credentials or insurance); (iii) any claim for negligence or misconduct against any of the Watermaster Indemnified Parties in connection with the engagement of Consultant and/or arising under or relating to this Agreement, including without limitation any unauthorized effort by Consultant or its agents to bind the Watermaster with respect to third parties or the failure of Consultant or its agents to comply with their obligations under this Agreement; (iv) any claim for injury to or death of any person or for damage to or destruction of property resulting from any act or omission of Consultant or its agents arising under or relating to this Agreement, including any motor vehicle accident; (v) any misappropriation, misuse or theft of Confidential Information, unfair competition, breach of contract (including breach of this Agreement), or other acts or omissions of Consultant or its agents that harm or damage (or threaten to harm or damage) any of the Watermaster Indemnified Parties or their business, goodwill or reputation; and (vi) any claims that any work performed by Consultant infringes or violates any third party's patent, copyright, trade secret or any other intellectual property or proprietary right in each case; including, in each subsection above, claims and proceedings brought by the Watermaster. Such obligations will not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity that would otherwise exist as to a Watermaster Indemnified Party, and do not limit the Watermaster's rights under any applicable law to seek additional relief. The indemnification obligations of Consultant under this Section will not be subject to any limitation on amount or type of damages, compensation or benefits payable by or for the Watermaster under workers' compensation laws, unemployment statutes, disability or other employee benefit acts, any applicable insurance policy, or any other federal, state or local law or regulation.

- b. By the Watermaster. The Watermaster agrees to defend, indemnify and hold Consultant and its officers, directors and agents harmless from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from (i) the Watermaster's gross negligence or willful misconduct relating to its performance under this Agreement, and (ii) claims brought against Consultant by a third party as a result of Consultant's activities as authorized by the Watermaster and/or Consultant's activities that are within the course and scope of this Agreement, in each case only

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

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

9. General Provisions.

- a. Entire Agreement. This Agreement, along with other documents incorporated herein, constitutes the entire agreement between the Watermaster and Consultant relating to the subject matter hereof and supersedes all prior oral and written understandings, communications and agreements relating to such subject matter, whether verbal or written, implied or otherwise; provided that all continuing obligations of Consultant under the Consulting Services Agreement between Talent Advisers and the Watermaster pursuant to which Consultant performed services for the Watermaster will continue in full force and effect. In the event of

a conflict between any provisions appearing in any other writing and in this Agreement, the provisions of this Agreement will be controlling. Unless otherwise agreed by the parties, all services performed by Consultant for the Watermaster during the Term of this Agreement, whether or not set forth in Addendum A, will be governed by this Agreement.

- b. Assignment. This Agreement is not assignable by Consultant, and any purported transfer or assignment is void. This Agreement, or the Watermaster's interest in this Agreement, may be assigned and transferred by the Watermaster, temporarily or permanently, whether expressly, by operation of law or otherwise, and Consultant agrees to perform the Services for the benefit of any such assignee.
- c. Nonexclusive Nature of Agreement. This Agreement does not grant Consultant and/or its agents an exclusive privilege or right to supply Services to the Watermaster. Other than as expressly set forth in this Agreement, the Watermaster makes no representations or warranties as to a minimum or maximum procurement of Services. Nothing in this Agreement will be construed as limiting in any manner the ability of Consultant and/or its agents to procure other engagements consistent with their obligations to the Watermaster hereunder, including the post-Term obligations.
- d. Use of Name, Likeness and Biography. The Watermaster will have the right (but not the obligation) to make public announcements concerning the affiliation of Consultant and its agents with the Watermaster. The Watermaster will have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of Consultant and its agents to advertise, publicize and promote the business of the Watermaster.
- e. Amendments; Waiver. This Agreement may not be amended except by a writing executed by all of the parties hereto. No delay or omission by the Watermaster in exercising any right under this Agreement will operate as a waiver of that or any other right. No waiver by either party of a right or remedy hereunder will be deemed to be a waiver of any other right or remedy or of any subsequent right or remedy of the same kind.
- f. Provisions Subject to Applicable Law; Modification; Severability. All provisions of this Agreement will be applicable only to the extent that they do not violate any applicable law. If any term, provision, covenant, paragraph or condition of this Agreement is held to be invalid, illegal, or unenforceable by any court or arbitrator of competent jurisdiction, as to such jurisdiction that provision will be limited ("blue-penciled") to the minimum extent necessary so this Agreement will otherwise remain enforceable in full force and effect. To the extent such provision cannot be so modified, the offending provision will, as to such jurisdiction, be deemed severable from the remainder of this Agreement, and the remaining provisions of this Agreement will be construed to preserve to the maximum permissible extent the intent of the parties and the purpose of this Agreement.
- g. Notices. All notices, demands, consents, waivers, and other communications under this Agreement will be deemed to have been duly given when (i) delivered by hand; (ii) when received by the addressee, if sent by registered mail (return

receipt requested), a nationally recognized overnight delivery service (signature requested) or electronic mail, in each case to the addresses or mail addresses set forth below (or to such other addresses as either party may designate upon written notice):

If to Consultant:

**Wave HR Solutions
Benjamin Chavez
26778 Moonflower Court
Menifee, California 92585
Email: annachavez02@yahoo.com**

If to the Watermaster:

**Chino Basin Watermaster
Attention: Anna Nelson
9641 San Bernardino Road
Rancho Cucamonga, California 91730
Email: atruongnelson@cbwm.org**

With a copy (which will not constitute notice) to:

**Brownstein Hyatt Farber Schreck, LLP
Attention: Scott Slater
1021 Anacapa Street, 2nd Floor
Santa Barbara, California 93101
Email: sslater@bhfs.com**

- h. Construction. The Section headings in this Agreement are for convenience and reference only, and the words contained therein in no way will be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Agreement. The word “including” will mean “including but not limited to.” The word “agents” includes employees, contractors, subcontractors, agents, owners and other representatives. Both parties participated in the drafting of this Agreement, and each had the opportunity to consult with counsel of their own choosing in connection therewith. The rule that ambiguities in an agreement will be construed against the drafter does not apply to this Agreement.
- i. Force Majeure. Each party’s obligations hereunder will be suspended during the duration of events beyond that party’s reasonable control (including labor strikes, lockouts, enactment of laws or regulations, civil unrest, pandemics, diseases, measures implemented by any governmental authority, and acts of God), provided such party makes reasonable efforts to perform and resumes performance at the earliest opportunity. If Consultant suspends the Services for a period in excess of five (5) calendar/business days, the Watermaster may elect to terminate this Agreement immediately thereafter by providing written notice thereof, notwithstanding anything to the contrary in Section 5 of this Agreement.

- j. Governing Law; Venue; Fees. This Agreement is entered into and will be governed by and construed and enforced in accordance with the laws of the State of California. Any action brought to enforce any right or obligation under this Agreement will be subject to the exclusive jurisdiction of the courts of the State of California and will be brought in the Court maintaining jurisdiction over the case *Chino Basin Municipal Water District v. City of Chino*, San Bernardino Superior Court Case No. RCV RS 51010. The parties irrevocably consent to the exclusive jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding. The substantially prevailing party in any action related to this Agreement, including the breach or enforcement hereof, will be entitled to recover its costs and reasonable attorneys' fees and expenses, including expert witness fees, to the fullest extent permitted by applicable law.
- k. Legal and Equitable Remedies. Because Consultant's services are personal and unique, and because Consultant and its agents will have access to and become acquainted with the Confidential Information (as defined above), the Watermaster will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond or other security, without prejudice to any other rights and remedies that the Watermaster may have for a breach of this Agreement, and Consultant and its agents waive the claim or defense that the Watermaster has an adequate remedy at law.
- l. Authority; Counterparts. Each party represents and warrants that it has full power and authority to enter into this Agreement. This Agreement may be executed in separate counterparts, each of which will be deemed an original, and both of which taken together will constitute one and the same instrument. A facsimile, pdf, DocuSigned or emailed signature will have the same force and effect as an original signature.

ACKNOWLEDGED AND AGREED:

Wave HR Solutions

Chino Basin Watermaster

By: _____
Benjamin Chavez

By: _____
Edgar Tellez Foster

Its: Principal

Its: Acting General Manager

ADDENDUM A: SCOPE OF WORK

Consultant will provide the following Services to the Watermaster, commencing on the Effective Date and continuing throughout the Term:

1. Consultant will provide Anna Chavez and such other individuals as may be designed from time to time ("Service Providers") with the approval of the Watermaster, and with the Watermaster having sole and absolute discretion to request removal of any such Service Provider to fulfill the Services described herein.
2. Consultant will maintain up-to-date human resources trainings and certifications, as necessary, to remain knowledgeable on all aspects of human resources administration.
3. Consultant will provide HR outsourcing and recruiting support services as follows:
 - Provide ongoing human resources consulting and services;
 - Coach Watermaster management on employee performance situations;
 - Support Watermaster staff on human resources questions and processes;
 - Provide recommendations on benefits, payroll, retirement plans and administration;
 - Provide support on performance and compensation evaluations;
 - Conduct employee relations investigations as requested;
 - Provide compliance reviews of processes and documentation;
 - As needed, support Watermaster staff with the recruiting and onboarding processes, including job descriptions and posts, screening, coordination of internal interviews, and pre-employment screening and offers; and
 - Additional projects as may be requested by the Watermaster.
4. Maintain regular contact with the Watermaster Contact for project clarification, guidance and issue resolution, and upon the request of the Watermaster, provide verbal updates on the status of pending matters;
5. Participate in an exit interview upon the termination of the Agreement and provide the Watermaster with such information as is necessary to permit the Watermaster to realize the value of the Services performed hereunder;
6. Provide other services to the Watermaster, in addition to those set forth above, that are reasonably related to the work of the Watermaster and Consultant's expertise and skills.

The exact work to be performed during the Term will be identified in coordination with Watermaster staff, as it may be modified from time to time.

ADDENDUM B: DISCLOSURE OF RESTRICTIVE COVENANTS

Consultant hereby discloses all restrictions to which Consultant and/or its agents who may be performing the Services are or may be subject, including restrictive covenants and non-compete obligations, in order to allow the Watermaster the opportunity to assess any such restrictions and their potential impact on the Watermaster and/or the performance of the Services. Consultant understands that such restrictions may be included in, among other things, confidentiality agreements, consulting agreements, employment agreements, separation agreements, employee handbooks, option agreements, and other types of documents. Consultant agrees to provide copies of the applicable restrictive covenants promptly upon request. Consultant further agrees to update this Disclosure promptly upon any changes to the information provided.

Check one:

- Neither Consultant nor its agents are subject to any restrictive covenants or non-compete provisions that may impact the performance of the Services.
- Consultant and/or its agents are subject to the following restrictive covenants or non-compete provisions that may impact the performance of the Services:

ADDENDUM C:

HANDBOOK POLICIES APPLICABLE TO CONSULTANT

- 2.5 – Equal Employment Opportunity
- 4.6 – Conflicts of Interest
- 4.7 – Confidential Information and Watermaster Records
- 4.13 – Safety
- 4.17 – Use of Company Computers and Other Equipment
- 4.18 – Harassment and Discrimination
- 4.19 – Inspections, Searches and Monitoring
- 4.20 – Right to Search
- 4.21 – Smoking
- 4.22 – Voicemail, E-Mail and Technology
- 4.23 – Social Media
- Appendix B – Substance Abuse Policy

DRAFT



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: November 16, 2023
TO: Board Members
SUBJECT: Chino Basin Watermaster Revised Employee Manual (Business Item II.E.)

SUMMARY

Issue: The Chino Basin Watermaster Employee Manual has been updated to, among other things, reflect changes in applicable law, and needs to be adopted by the Board. [Normal Course of Business]

Recommendation: Adopt the updated November 2023 Chino Basin Watermaster Employee Manual.

Financial Impact: None.

Future Consideration
Watermaster Board – November 16, 2023: Adoption

ACTIONS:
Watermaster Board – November 16, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

The Chino Basin Watermaster has an existing employee manual which contains personnel policies and procedures, including those that are required by law to be disseminated to new employees, and which also outlines Watermaster's mission and values. The employee manual helps to ensure key company policies, as they may be updated from time to time, are clearly and consistently communicated to new and existing employees. Upon hire, a new employee is provided a copy of the manual, and a form is signed by the employee acknowledging receipt of the manual. Whenever the manual is revised, all Watermaster employees are required to sign an updated form, acknowledging receipt of the updated manual. These signed forms are maintained in the employee's personnel file.

The employee manual has been in existence, in various versions, since January 1988. The Watermaster Board last adopted an updated employee manual on November 15, 2018. As state and federal employment laws and other relevant laws change, to be compliant, the Watermaster must update the employee manual to reflect those updates. Further, over time, Watermaster policies and practices have evolved, and as a matter of best practice, the employee manual should reflect those modified policies and practices. Such changes to employment policies are also included in the revision.

DISCUSSION

As alluded to above, over the past five years, there have been numerous changes to employment laws that must be reflected in employment policies and practices for legal compliance and risk mitigation purposes. The revised November 2023 employee manual as reviewed by BHFS counsel includes updates reflecting changes to employment laws and regulations as they pertain to Watermaster.

In addition, the updated employee manual reflects a few key changes to employment policies which are helpful in retaining qualified staff and to promote longevity. These changes include enhancement to tuition reimbursement (Section 4.1.2), and the matching of up to 4% of the 401(a) deferred compensation plan Mission Square Retirement effective July 1, 2023 (Section 3.9), as approved by the Board in June 2023. It should be noted that while the revised manual was vetted by the personnel committee on October 24, 2023, there have been two subsequent minor edits that are reflected in this November version: (i) the Board's approved matching contribution for the 401(a) plan was inadvertently omitted from Section 3.9 of the October version of the employee manual, and has been added to this version; and (ii) Section 4.1.5 (Professional Organizations) was modified to remove the specified dollar limit (which is subject to change over time) and to reference applicable legal requirements as they pertain to mandated expense reimbursement.

In addition to reliance on Watermaster's employment counsel, Brownstein, Hyatt, Farber, Schreck (BHFS) to review state and federal labor law updates, the Director of Administration is also tasked with monitoring changes to employment policies and any upcoming revisions to federal, state, and local employment laws, ensuring those are timely added to Watermaster's employee manual and policies. It is the recommendation of counsel that revisions are monitored on an ongoing basis, and that the employee manual is updated yearly, and at a minimum, no less than every other year.

The revised November 2023 employee manual is presented in Attachment 1 for the Board's consideration and adoption.

ATTACHMENT

1. Chino Basin Watermaster Employee Manual (Revised November 2023) – DRAFT

(Modified)



Chino Basin Watermaster

Employee Manual

~~October~~ November 2023

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CHINO BASIN WATERMASTER EMPLOYEE MANUAL

On behalf of the Chino Basin Watermaster (the Watermaster), we welcome you as an employee.

The 1978 Judgment in the Chino Basin Adjudication (Judgment) established a collaborative process to manage the Chino Groundwater Basin. In this process, the Watermaster Board recommends consensus plans and policies for Watermaster implementation. Employees at the Watermaster are assigned the actual task of administering and enforcing the Judgment and implementing those plans and policies adopted by the Board. We believe that each employee contributes directly to the success of the organization and we hope you will take pride in being a member of our team. The guiding principles below will help orient you to the team's approach to working at the Watermaster.

Core Values (Guiding Principles) Commitment

We are Caring, Collaborative Professionals.

Caring:

Being committed to our role while supporting, respecting, appreciating, and communicating honestly with one another and the broader Basin Stakeholders.

Collaborative:

Embracing multiple perspectives and individual contributions unifying toward a common goal.

Professional:

Applying our unique set of skills by being credible, reliable, fair, and consistent.

We are a capable team embracing continuous growth that contributes to the region by providing technical, legal, administrative, and human services.

We vow to lead and be led with authenticity, compassion and courage, embracing one another's differences and talents allowing us to be a dynamic team.

We commit to our core values by supporting each other and our stakeholders by providing excellent and transparent service.

This Employee Manual was developed to describe some of the expectations relating to your employment at the Watermaster and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the Manual as soon as possible.

Since the Watermaster is a dynamic organization, it must be able to adjust to the varying tasks with which it is charged. During the course of your employment, changes, deletions or additions will be made as appropriate to the policies, procedures or benefits stated in this Manual or in other Watermaster documents. It is the responsibility of each employee to maintain this Manual and to file any updates. Please understand that this Manual is not a contract and is not intended to imply a contractual relationship.

The Watermaster does not intend the policies in this Employee Handbook to unlawfully restrict an employee's right to engage in any of the rights guaranteed by Section 7 of the National Labor Relations Act. These rights include but are not limited to employees' right to communicate with each other about the terms and conditions of employment at and to otherwise engage in concerted protected activity for the purposes of their mutual aid and/or protection. The Watermaster will not interpret, apply, or enforce its policies in any way that interferes with, restrains, or coerces employees in the exercise of their Section 7 rights.

Your support in helping to provide the highest possible level of service to the parties to the Judgment is appreciated.

Sincerely,

Chino Basin Watermaster Management

PHILOSOPHY REGARDING STAFFING AND COMPENSATION

The Watermaster's work is important for the reliability of water supplies regionally and adds significant value to the stakeholders. The Watermaster offers services that provide value far greater than the overall expense.

The services require in-depth knowledge and experience that is not readily found in the job market. Knowledge is accumulated over time and retention of seasoned employees is a significant part of the cost/benefit consideration.

The Watermaster can only be successful if staff can remain neutral while administering the decree with transparency and producing work of the highest technical and legal standard while working in a small organization.

The following principles guide the organization's overall structure:

- *Employing an adequately staffed team that has the capacity for cross-training and for employees to take time off, creating a healthy work-life balance.*
- *Continuously evolving to adjust to and leverage changes in available tools and technology, and providing staff opportunities for skills training.*
- *Offering competitive salaries to attract the best-suited people, and adjusting to keep pace with the changes in the cost of living; increases are guided, though not controlled by, the relevant Consumer Price Index, aiming at compensation that is highly competitive.*
- *Staff's knowledge and contributions can increase with tenure, and their compensation reflects their intrinsic value to this organization and its stakeholders.*
- *Providing thoughtful benefits, including those benefits directed at retirement, as they encourage longevity and retention.*

Moreover, in spite of its small size, the Watermaster has been very successful in recruiting, hiring and retaining a diverse workforce reflective of the community from which it draws candidates. Our healthy, diverse workplace culture enhances productivity and morale. Watermaster leadership is tasked with ensuring that this culture is nurtured and maintained.

SECTION 1. INTRODUCTION TO EMPLOYMENT

1.1 WHAT IS THE CHINO BASIN WATERMASTER?

The Chino Basin Watermaster was established under a 1978 Judgment entered in the Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCVRS 51010 (formerly known as Case No. SCV 164327) entitled *Chino Basin Municipal Water District v. City of Chino, et al.*, which Judgment was signed by the Honorable Judge Howard B. Wiener on January 27, 1978. The effective date of the Judgment for accounting and operations was July 1, 1977.

Background of Judgment and the Watermaster

After many years of studies and discussions among concerned water producers, a Memorandum of Agreement on the Chino Basin Program was signed; and, in January 1975, Senator Ruben S. Ayala introduced a bill in the California Legislature. This final effort to draw up a management plan for the Chino Groundwater Basin was designated SB (Senate Bill) 222.

SB 222, now renumbered as part of the Municipal Water District Law in Section 74120 of the Water Code, was approved by Governor Ronald Reagan and filed with the Secretary of State on June 28, 1975. Three major types of producers represent the majority of the producer interests in the Chino Groundwater Basin: (1) Overlying (Agricultural) Pool, including the State of California and minimal producers; (2) Overlying (Non-Agricultural) Pool, representing industries; and (3) Appropriative Pool, representing cities, water districts and water companies. Acting together, representatives of the three pools make up the Watermaster Advisory Committee. The Advisory Committee makes recommendations for formal action regarding the Court Judgment.

In the process established by the Judgment, each of the three pool committees meets regularly to transact the business concerns of its respective producers. Items affecting more than one pool committee are brought forward to the Watermaster Advisory Committee and recommendations regarding those items are forwarded to the Watermaster Board. Voting power on the Advisory Committee is determined by the assessments paid in the prior year and by allocated safe yield, as provided in the Judgment. The Watermaster Board consists of nine members, six of whom are appointed by the respective pools on a rotating basis and three of whom are appointed by the Regional Water Districts which are Metropolitan Member Agencies.

Approximately five percent (5%) of the Chino Groundwater Basin is located in Los Angeles County, fifteen percent (15%) in Riverside County, and the remaining portion is in the west end of San Bernardino County.

Organization

The daily administrative needs of the Judgment are carried out by the employees at the Watermaster, under the direction and guidance of the General Manager. Meetings are held with the Pool and Advisory Committees and the Watermaster Board to inform them of

Watermaster activities at a frequency established by each body, to make recommendations, to receive direction and to obtain necessary approvals. Additional meetings are conducted as necessary on an ad-hoc (special purpose) basis.

The General Manager and the other employees at the Watermaster are responsible for carrying out all direction received and policies established under the Judgment. The General Manager is also responsible for: the selection and appointment of the employees at the Watermaster; for making recommendations to the committees on matters concerning the affairs of the Watermaster; for preparing and submitting a recommended annual budget and assessment package, and for interfacing with the parties to the Judgment. The General Manager may delegate these duties to other Watermaster employees as deemed appropriate.

1.2 WATERMASTER MISSION STATEMENT

TO MANAGE THE CHINO GROUNDWATER BASIN IN THE MOST BENEFICIAL MANNER AND TO EQUITABLY ADMINISTER AND ENFORCE THE PROVISIONS OF THE CHINO BASIN WATERMASTER JUDGMENT, CASE NO. RCVRS 51010 (FORMERLY CASE NO. SCV 164327).

SECTION 2. EMPLOYMENT POLICIES

2.1 ADMINISTRATIVE POLICY

The provisions contained in this Manual set forth the personnel policies and procedures of the Watermaster. They are intended to provide for a fair and equitable system of personnel management and for efficient and economical services to the public. They also describe, in general terms and without limitation, the obligations, rights, privileges, benefits and prohibitions which apply to Watermaster employees.

This Employee Manual supersedes and replaces all previous personnel policies, practices, and guidelines. The provisions of this Employee Manual have been adopted by the Watermaster based upon a recommendation of the Advisory Committee. The Watermaster reserves the right and discretion to add to, modify, or delete provisions of this Manual and withdraw any benefits provided by this Manual, at any time without advance notice by subsequent action of the Watermaster. Only the Watermaster, pursuant to its rules and regulations, has the authority to add to, modify, or delete provisions of this Manual and no individual has the authority to enter into any employment or other agreement that modifies the provisions of this Manual.

2.2 ADMINISTRATION

The General Manager is responsible for all personnel matters. The General Manager may delegate as many of the day-to-day personnel functions to such other employees as the General Manager deems appropriate. References to the General Manager set forth in this Handbook will be deemed to refer to the General Manager. To be effective, all changes to salary ranges and establishment of new job classifications must be approved by the Watermaster Board.

2.3 APPLICABILITY OF STATE AND FEDERAL LAWS

Due to the nature of the Watermaster, some state and federal laws do not apply to it and/or its employees. In many instances, our policies nevertheless are the same or more generous. For example, some of the provisions discussed in this manual are derived from federal and/or state laws, the applicability of which is based on the size, makeup and nature of the employer. Therefore, these statutes do not technically apply to the Watermaster and/or its employees; however, the Watermaster has voluntarily chosen to implement similar policies.

2.4 MERIT PRINCIPLE

The personnel system of the Watermaster is based on the merit principle. Appointments of all employees of the Watermaster will be based upon merit, including job-related knowledge, experience, ability, performance, qualifications,

potential and competence. This Section does not change or alter an employee's "at-will" status.

2.5 EQUAL EMPLOYMENT OPPORTUNITY

It is the Watermaster's policy to provide equal employment opportunities for all applicants and employees. The Watermaster does not unlawfully discriminate on the basis of actual or perceived: sex (including pregnancy, childbirth, reproductive health decision-making, breastfeeding or related medical conditions), race (including traits historically associated with race, such as hair texture and protective hairstyles), religion (including religious dress and grooming practices), color, gender (including gender identity, gender expression and transitioning), gender identity or expression or transitioning, transsexual or transgender status, sexual and reproductive health decisions, national origin (including language use restrictions and possession of a driver's license issued under Vehicle Code section 12801.9), ancestry, citizenship, family care or leave status, physical or mental disability, medical condition, genetic information, marital status, registered domestic partner status, age (40 and over), sexual orientation, military and veteran status, use of cannabis off the job and away from the workplace (subject to applicable state and federal laws, and except as to positions that require a federal government background investigation or security clearance), or any other basis protected by federal, state or local law or ordinance or regulation.

Additionally, the Watermaster prohibits the harassment of any individual on any of the bases listed above.

In accordance with applicable federal and state law protecting qualified individuals with known physical or mental disabilities, the Watermaster will attempt to reasonably accommodate such individuals unless doing so would create an undue hardship on the Watermaster. Any qualified applicant or employee with a disability who requires an accommodation in order to perform the essential functions of the job (including, for example, use of a service animal) should contact their manager or Human Resources ("HR") to request an accommodation.

Possible reasonable accommodations may include, but are not limited to:

- Making the existing worksite usable and accessible
- Providing an assistive device
- Modifying the employee's schedule
- Reassigning the employee to a vacant, existing position for which he or she is qualified
- Permitting a support animal in the workplace

This policy applies to all areas of employment, including recruitment, hiring, training, assignments, promotion, compensation, benefits, transfer, discipline, layoff, recall and termination.

2.6 FAIR PAY POLICY

The Watermaster prohibits wage discrimination based on any protected category. The Watermaster also prohibits discrimination or retaliation against employees who report or assist with concerns about wage differentials based on protected categories. Any employee with questions or concerns about the Fair Pay Policy should contact the General Manager.

2.7 SELECTION AND HIRING

2.7.1 Vacant Position Procedures

Vacancies may be filled, with or without announcement, by appointment, transfer, promotion, demotion, or the use of temporary help, as deemed in the best interest of the Watermaster by the General Manager.

2.7.2 Vacancy Announcements

Applications for vacant positions which are subject to open or promotional examination may be solicited by public announcements posted in a manner and at locations determined by the General Manager. The announcements may specify the title and pay range of the position class, the nature of the work to be performed, minimum and desirable qualifications, manner of making applications, closing date for receiving applications, examination required, and other pertinent information. Advertisements, with or without the foregoing information, may be placed for recruitment purposes.

2.7.3 Examination and Selection

Selection procedures may include written, oral and/or performance procedures. All examinations will be conducted by or arranged for by the General Manager. Offers of employment may be made only by the General Manager. Offers are made based on applicant's qualifications, experience, references, examination results, comments by interviewers, and all other relevant information, including independent information obtained from the employment application.

After an offer of employment has been made to a job applicant, and prior to the commencement of employment with the Watermaster, applicants may be asked to undergo a job-related medical examination, which may include drug (including marijuana, in compliance with current applicable laws regarding testing) and/or alcohol screening, by a physician selected by the

Watermaster. The results of any such examination will be treated as a confidential medical record and will be used only to evaluate the applicant's ability to perform job-related functions. The Watermaster will only be informed of determination of fitness to perform the particular job. The offer of employment will be conditioned on a determination that the applicant is medically fit to perform the essential functions of the position and can perform it without endangering the health and safety of the applicant or others.

2.7.4 Temporary Employment or Engagement

Notwithstanding the regular selection and hiring procedures, and in compliance with applicable law, the General Manager is authorized to use simplified recruitment and hiring procedures as the General Manager deems appropriate in the case of temporary, casual or emergency employment or other engagement.

2.8 EMPLOYMENT STATUS

All employment at the Watermaster is "at-will." This means that both the employee and the Watermaster have the right to terminate employment at any time, with or without advance notice, and with or without cause, subject to the other provisions of this Employee Manual. Neither the employee nor the Watermaster is committed to continuing the employment relationship for any specific term. Rather the employment relationship will continue at-will. At-will employment status also means that the Watermaster may alter other terms of employment at any time, including title, duties, reporting relationship, compensation and schedule, among other things. In deciding to work for us, or continuing to work for us, you must understand and accept these terms of employment. This policy applies to all employment classifications.

Nothing in this Handbook is intended to alter the at-will status of employment with the Watermaster. In addition, no disciplinary procedure or process implemented by the Watermaster at any time pursuant to this policy is intended to alter the at-will status of employment; either the employee or the Watermaster may terminate the employment relationship at any time with or without cause and with or without prior notice.

Employee status refers to the condition of an employee's engagement, such as introductory, regular or temporary employee. Changes in status may result from hiring, reinstatement, transfer, promotion, demotion or suspension. Status is described as follows, and employees will fall into multiple status categories:

2.8.1 Introductory Employee(s)

New employees, former employees who are rehired, or promoted employees serving an introductory period as set forth in Section 2.11 of this Manual.

2.8.2 Regular Employee(s)

Employees who successfully complete the introductory period, including any extension thereof.

2.8.3 Full-time Employees

Employees regularly scheduled to work forty (40) hours per week. Full-time employees may be introductory, regular, or temporary. Full-time employees generally are eligible for all benefits offered by the Watermaster, subject to the terms and conditions of the applicable benefit plans.

2.8.4 Part-time Employee(s)

Employees regularly scheduled to work less than forty (40) hours, but at least twenty (20) hours per week. Part-time employees may be introductory regular, or temporary. Part-time employees are eligible for some, but not all, benefits offered by the Watermaster, subject to the terms and conditions of the applicable benefit plans.

2.8.5 Direct-Hired Temporary Employee(s)

Employees hired to work on a special assignment, project, or other temporary basis. These assignments are for a limited period time, usually less than 180 days. This period may be extended at the discretion of the Watermaster, without any change in status. Temporary employees do not become regular employees as a result of the passage of time; any change in status must be documented in a writing signed by the General Manager. Temporary employees are not eligible for benefits offered by the Watermaster except as otherwise required by applicable law and subject to the terms and conditions of the applicable benefit plans.

2.8.6 Exempt/Non-Exempt Employees

Exempt or non-exempt status of employment is determined pursuant to state and federal law. Employees will be informed of their exempt or non-exempt status when they are offered the job. Exempt employees are not entitled to overtime compensation.

2.9 AGENCY PLACEMENTS

From time to time, an employment or personnel agency may be used to provide personnel for limited assignments. In such cases, personnel provided through an agency are employed by that agency and are not considered Watermaster employees.

Agency placements are subject to only certain provisions of this Manual, such as the provisions regarding Safety (Section 4.13), Harassment and Discrimination (Section 4.17), Substance Abuse (Section 4.18), Right to Search (Section 4.19) and Smoking (Section 4.20).

2.10 AUTHORIZATION TO WORK

All offers of employment are contingent on verification of an employee's right to work in the United States. Within three days of commencing employment, the employee will be asked to provide original documents verifying the employee's right to work and to sign a verification form required by federal law. The Watermaster may be obligated to terminate the employee's employment if he or she is unable to provide evidence in accordance with applicable law of the legal right to work in the United States.

2.11 INTRODUCTORY PERIOD

The first six (6) months of continuous employment serve as an introductory period, during which time the Watermaster has the opportunity to assess whether there is a suitable match between an employee's skills and performance and the Watermaster's requirements. During this period, or at any time thereafter, either party may decide that there is not a suitable match, and may terminate the employment relationship for any reason and without advance notice. The Watermaster may decide to extend the introductory period for an additional period if deemed appropriate. A 90-day evaluation period will apply if an employee transfers to a new position within the organization.

Successful completion of the introductory period does not guarantee employment for any specific duration or alter the at-will employment relationship in any way. Employment is for no specified term and either the Watermaster or the employee can terminate it at any time.

2.12 EMPLOYEE PERFORMANCE EVALUATIONS

The Watermaster endeavors to conduct periodic performance reviews for employees. Written performance reviews generally occur at the conclusion of the introductory period and annually thereafter. An employee's supervisor may conduct more frequent evaluations of an employee's work performance at the discretion of the General Manager.

The purpose of the review is to evaluate the employee's current level of performance, examine the progress made since the last review, and establish goals for the employee's next review. During their performance reviews, employees are encouraged to discuss any issues raised. Although performance reviews are not subject to appeal, employees are encouraged to discuss concerns about the performance evaluation with the General Manager. "Meets Expectations" performance reviews will not necessarily result in wage increases.

After receiving their performance evaluation, employees will be required to sign the evaluation acknowledging that they have received the evaluation and are aware of its contents. A copy of the performance evaluation will then be placed in the employee's personnel file.

2.13 TIMEKEEPING

All employees are responsible for recording actual time worked and are expected to complete time sheets during each work shift, including recording lunch periods. Employees who leave the facility during the workday for personal business must record their time in and out on their time sheets.

Falsifying one's own or another employee's time is a serious breach of trust that will result in disciplinary action, up to and including termination. Time sheets should accurately reflect the hours worked, as well as paid time off hours taken. Employees must sign and date each time sheet and have it approved by their supervisor at the end of each pay period.

Time sheets will be reviewed by the General Manager for accuracy. Employees should immediately notify their supervisor if they find any mistakes on their time or pay records. Any changes must be initialed by both the employee and the employee's supervisor.

2.14 PAY PERIODS

Pay periods are biweekly and checks are issued on alternate Fridays. The bi-weekly pay period begins on Sunday at 12:01 a.m. and ends on the second following Saturday at midnight, with pay for the biweekly pay period issued on the Friday after the end of the pay period.

For employees on an alternative work schedule, the bi-weekly pay period begins on Monday at 11:31 a.m. and ends on the second following Monday at 11:30 a.m., with pay for the bi-weekly pay period issued on the Friday after the end of the pay period.

If a payday falls on a holiday, paychecks will be distributed, or deposited automatically if the employee has direct deposit, on the preceding workday. In the

event employees are absent on a payday, their checks will be held in a secure location for safekeeping. Employees may designate in writing in advance to have another individual receive their paycheck in their absence. In the unlikely event that there is an error in the amount of a paycheck, the employee must promptly bring the discrepancy to the attention of their supervisor so that corrections can be made as quickly as possible.

2.15 ATTENDANCE, HOURS AND BREAKS

2.15.1 Attendance

Attendance and punctuality are important to the efficient operation of any business. Good attendance and punctuality are essential components of solid employee performance. Poor attendance and tardiness disrupt productivity and burden fellow employees.

Employees are responsible for being present at the time required each day. Employees will be advised of their normal work schedules. Hourly employees must adhere to their assigned start and end times as designated by the General Manager to ensure efficient office operations. On those occasions when an employee must be absent from or late to work, the employee must notify their immediate supervisor before their scheduled start time unless unable to do so. Poor attendance and/or excessive tardiness may lead to disciplinary action, up to and including termination of employment.

Individuals with disabilities or certain other protected requests for leave may be granted reasonable accommodation with respect to attendance policies in accordance with applicable law. However, regular attendance and promptness are part of each employee's essential job functions.

Employees assigned to modified duties under the Modified Duty policy (Section 3.9) are encouraged to schedule medical appointments around their work schedules to the extent possible. If this cannot be arranged, appointments should be scheduled at the beginning or end of the workday to the extent possible. For appointments requiring time away from work, employees may be required to provide written verification of time in and out of the treating facility.

If an employee is absent for three (3) consecutive days without notifying the Watermaster, the employee may be considered to have voluntarily abandoned their employment as of the end of the third day missed. The effective date of termination will be the last day the employee reported for work.

Any time off that qualifies as legally protected leave (such as CFRA or PDL

time, California's Paid Sick Time, or equivalent leave law or a disability accommodation) will not be considered in determining whether you have excessive absenteeism or tardies. Pre-approved absence from work for any other type of leave will also not be charged against an employee's attendance record.

2.15.2 Work Schedules and Workweek

The Watermaster's normal business hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. Employees will be advised of their normal work schedules. Hourly employees must adhere to their assigned start and end times as designated by the General Manager to ensure efficient office operations. Salaried employees are provided some additional flexibility outside of normal business hours to ensure completion of projects and/or operations (e.g., coming in early, staying late, or working on the weekend). In order to address staffing and operational demands, the Watermaster reserves the right to modify an employee's schedule and the number of hours worked in any workweek.

For overtime and pay purposes, for those employees not on an alternative work schedule, the workweek begins at 12:01 a.m. Monday and ends at midnight the following Sunday. The workday begins at 12:01 a.m. and ends at midnight. For overtime and pay purposes, for those employees on an alternative work schedule, the workweek begins in the middle of their eight (8) hour shift.

2.15.3 Alternative Work Schedules and Flex Mondays

At the discretion of the General Manager, employees may apply to work a 9/80 flexible work schedule in accordance with applicable law. Under this schedule, employees are scheduled to work nine (9) hours per day on eight (8) days (Tuesday-Friday) of the biweekly pay period and eight (8) hours on one (1) Monday of the pay period, for a total of eighty (80) hours worked in each biweekly pay period.

Under a 9/80 flexible work schedule, every Monday is either an eight (8) hour workday or a scheduled day off. The scheduled Monday off is defined as a "Flex Monday." Upon hire, each employee's initial "Flex Monday" will be established by the General Manager or the Human Resources Representative based upon staffing and operational needs. Once the employee's "Flex Monday" has been established, the employee is required to observe that day as a scheduled day off. The designated "Flex Monday" cannot be changed or substituted for another workday unless prior written approval is obtained from the General Manager or Human Resources Representative.

Employees who otherwise would be scheduled to work on holidays will receive holiday pay. If an employee is not scheduled to work that day (if it is a Flex Monday), they do not receive holiday pay.

The Watermaster will explore any available reasonable alternative means to accommodate an employee whose religious beliefs or observance conflicts with the alternative work schedule. To request such an accommodation, contact the General Manager.

2.15.4 Breaks and Meal Periods

Except as otherwise agreed, non-exempt employees who work six (6) hours or more are provided the opportunity to take a thirty (30) minute meal period, to be taken approximately in the middle of the shift. Non-exempt employees who work more than ten hours in one day are provided the opportunity to take a second thirty (30) minute meal period. Employees will be relieved of all active responsibilities and restrictions during meal periods.

All non-exempt employees are provided the opportunity to take a paid ten (10) minute, uninterrupted rest period for every four (4) hours worked, or major fraction thereof. Employees may leave the workplace during the rest break if they are able to return to work by the end of the ten (10) minute break period. The Watermaster generally provides employees a fifteen (15) minute rest break when possible. Rest breaks should be taken as nearly as possible in the middle of the work segment. Rest breaks may not be accumulated, combined with meal periods, or taken at the beginning or end of a work period (for instance, to shorten a shift).

Rest breaks and meal periods should be scheduled to accommodate operating requirements to the extent possible.

2.16 EMERGENCY CLOSINGS

At times, emergencies such as severe weather, fires, power failures, earthquakes or other causes can disrupt Watermaster operations. In extreme cases, as determined in the sole discretion of the General Manager, these circumstances may require the closing of the Watermaster's business office. When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid provided the duration of the emergency closing does not exceed three (3) workdays. In the event of extreme conditions that require the office to remain closed longer than three (3) work days, employees may request individual arrangements to: 1) take available vacation time, 2) take an unpaid leave, 3) temporarily perform regular duties from another available office location, or 4) temporarily work at home. The decision to allow any such alternative arrangements during an emergency closing is at the sole discretion of the General Manager.

2.17 PERSONNEL FILE

Your employment record begins with the application for employment. The application and the cumulative file of each employee's employment history (e.g., changes in job status, promotions, salary increases, attendance, vacations, holidays, accrued leave, performance evaluations, etc.) are maintained in the personnel file. Any current or former employee has the right to inspect his/her personnel file at reasonable times and upon reasonable notice by making an appointment with the Human Resources Representative. Upon request, any current or former employee will be provided copies, at their own expense, of the contents of their personnel file, in accordance with applicable law. Personnel files are the property of the Watermaster and may not be removed from the Watermaster's premises without written authorization from the General Manager.

An employee may only inspect his or her own personnel file. However, authorized members of the management staff may examine selected portions as needed. Employment records will be considered when employees become eligible for advancement, during periodic salary reviews, and incident to other changes in employment status.

No evaluation or disciplinary document will be placed in an employee's file without the employee being allowed to review the document and a copy presented to the employee for his/her records, to the extent reasonably possible. The employee will be requested to acknowledge that he or she has reviewed and received a copy of the evaluation or disciplinary document by signing it.

2.18 TELECOMMUTING AND WORK-FROM-HOME

The Watermaster, at the General Manager's discretion, may approve telecommuting or work-from-home as may be necessary or appropriate, in its discretion, based on the role in question, applicable law, public health or business needs. Employees approved for telecommuting will receive detailed information separately regarding terms and conditions for telecommuting. If approved, telecommuting arrangements are reviewed every six months.

2.19 EMPLOYEE SUGGESTIONS

In addition to the grievance and complaint procedure found at Section 4.26 of this Manual, the Watermaster has an open-door policy and encourages employee participation in decisions affecting them and their daily professional responsibilities. The Watermaster is always interested in the constructive ideas and suggestions of its employees. Employees who have job-related suggestions or concerns are encouraged to talk them over with their supervisor. At the employee's discretion, written suggestions or inquiries may be anonymous or signed. If an employee's suggestion or inquiry is signed, the employee will be notified of the

Watermaster's response after the suggestion or inquiry is considered. Employees are encouraged to pursue further discussions of their suggestions or inquiries when appropriate.

The Watermaster believes that suggestions may indicate initiative on the part of an employee. With the employee's approval, the Watermaster may place suggestions in the employee's personnel file and take them into consideration at the time of the employee's performance evaluation.

SECTION 3. EMPLOYEE BENEFITS

3.1 EMPLOYEE COMPENSATION

3.1.1 General

Except as otherwise authorized or modified by the Watermaster Board, each employee classification will be assigned to a salary range with 7 steps (A-G) as indicated on Appendix A as it may be modified from time to time. Increases in steps will not be automatic, but will be based on performance and will be granted at the discretion of the General Manager. To be eligible for a discretionary increase in step(s), an employee's annual performance appraisal general rating must be at least the equivalent of "Meets Expectations." The current salary schedule is posted on the Chino Basin Watermaster website. For more information, please contact the Human Resources Representative.

3.1.2 Compensation Upon Hire

All employees hired by the Watermaster, except as specified below, will receive the entry level salary (Step A) for the classification into which they are appointed. However, where special circumstances exist, the General Manager may, at his/her discretion, approve an entry level salary above the established entry level step for the classification in order to recruit an individual who has demonstrated superior knowledge and/or ability in the hiring process and/or whose combined education and experience represents substantially better preparation for the duties of the classification than required by the minimum employment standards. The Watermaster Board may establish separate salaried or hourly pay rates for temporary employees.

3.1.3 Compensation Upon Promotion

Whenever employees are promoted, the General Manager will recommend the appropriate salary range as part of the action to hire. This range will in no event exceed the top step for the promotional classification.

3.1.4 Step Reduction

As part of a disciplinary action, employees may be denied future step increases, have future step increases delayed, or suffer a reduction in step(s) in the classification to which they are assigned.

3.1.5 Special Incentive Increases

The General Manager may recommend, or award special incentive step increases or one-time incentive payments to one or more employees as incentive for continued outstanding performance, provided such action is ratified or consistent with adopted actions by the Watermaster Board.

3.1.6 Deductions

Various federal, state and local law requires that the Watermaster make certain deductions and withholdings from every employee's compensation. Among these are withholdings for applicable federal, state, and local income taxes, Social Security taxes, and certain other taxes. The Watermaster also may be required or permitted by law to make other deductions such as for liens, garnishments, support orders, fraud or theft.

Certain benefits, which are provided to employees through the California Public Employees' Retirement System (CalPERS), are paid for by employer contributions and employee contributions. The Watermaster pays its employer contributions directly to CalPERS. Whether an employee of the Watermaster must make employee contributions to CalPERS depends on the employee's member status with CalPERS.

The Watermaster offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs. Employees with any questions concerning why deductions were made from paychecks or how they were calculated should contact the Human Resources Representative or other designated representative(s).

3.2 OVERTIME

All non-exempt employees, unless they are working under an alternative workweek agreement, will be paid overtime and compensated at the rate of one and one-half (1½) times their regular rate of pay for (A) any hours worked in excess of 8 hours in one workday, (B) any work in excess of forty (40) hours in one workweek, and (C) the first eight (8) hours worked on the seventh consecutive day of work in a workweek. Any work in excess of twelve (12) hours in one workday, and any work in excess of eight (8) hours on the seventh consecutive day of work in a workweek, will be compensated at the rate of twice the employee's regular rate of pay.

All non-exempt employees working under an alternative workweek agreement will be paid overtime at the rate of one and one-half (1½) times their regular rate of pay for (A) all work performed in any workday in excess of the regularly scheduled hours established by the alternative workweek arrangement, (B) any work in excess of forty (40) hours in one workweek, and (C) the first eight (8) hours worked on the seventh consecutive day of work in a workweek. Any work in excess of twelve (12) hours in one workday, and any work in excess of eight (8) hours on days other than those regularly scheduled by the alternative workweek, will be compensated at the rate of twice the employee's regular rate of pay.

Overtime will be computed on actual time worked. Overtime should not be worked unless authorized in advance by the employee's immediate supervisor. In the event operational needs require overtime hours, employees will be given the opportunity to volunteer to work overtime. In the event not enough qualified volunteers are available to work the overtime required, employees may be required to work overtime in order to meet the needs of administering the Judgment.

3.3 COMPENSATING TIME OFF

Full-time non-exempt employees who are regularly scheduled to work no less than forty (40) hours in a workweek may request compensating time off in lieu of overtime pay. Requests for compensating time off must be requested by employees in writing in advance of working the time, and may be approved at the discretion of their supervisor. Compensating time off will accrue at the overtime rate applicable to each hour of overtime worked. Employees may accrue up to a total of forty (40) hours of compensating time off. Use of compensating time off will be by prior scheduling with, and approval by, the employee's immediate supervisor, which will generally be granted, subject to business needs. Employees may request payout of compensating time off that has been accrued for at least two (2) pay periods. Upon separation, employees will be paid for their accrued, unused compensating time off balance at their then-current hourly rate.

3.4 HOLIDAYS

3.4.1 General

Employees are eligible for paid holidays as set forth in this policy. The Watermaster usually observes the following ten (10) holidays ("Paid Holidays") annually, which are paid holidays for all full-time employees:

New Year's Day	Veteran's Day
Presidents' Day	Thanksgiving Day
Memorial Day	Friday following Thanksgiving
Independence Day	Christmas Day
Labor Day	Day after Christmas

Temporary employees are ineligible for paid holiday benefits. All employees are ineligible for paid holiday benefits that accrue while on unpaid leave of absence.

When a holiday falls on a Saturday, it will be observed on the preceding Friday. When a holiday falls on a Sunday, it will be observed on the following Monday.

If Christmas falls on Friday, the day after Christmas will be observed on the following Monday. If Christmas falls on Saturday, it will be observed on the preceding Friday and the day after Christmas will be observed on the following Monday. If Christmas falls on Sunday, Christmas Day and the day after Christmas will be observed on the following Monday and Tuesday.

The day a holiday is observed is referred to as the “observed holiday”; the actual day on which the holiday occurs is referred to as the “actual holiday” (e.g., Independence Day (July 4th), Christmas Day (December 25th) and New Year’s Day (January 1st)). For the purpose of this section, the holiday is the 24-hour period beginning at 12:01 a.m. on the observed or actual holiday.

Floating Holidays and Holiday Compensation: In addition, on July 1st of each year, full-time employees receive two (2) days as a floating holiday. Floating holidays can be used during the month of the employee’s birthday, for religious observance or a national holiday. This time will be added to the employee’s compensating time off account, with the employee being paid for any time in excess of the maximum amount of compensating time off accrual. Part time employees, and full-time employees hired after July 1, receive floating holidays on a pro rata basis. In addition to the two floating holidays indicated above, during the last week in December, full-time employees also receive three (3) days of holiday compensation, which must be used during the last week of December annually during the Watermaster’s holiday closure period. Employees are not paid out for any unused floating holidays upon termination.

3.4.2 Religious Accommodations

The Watermaster does not discriminate on the basis of religious beliefs, and will make reasonable efforts to accommodate employee’s religious observances. Employees should advise their supervisors at least two (2) weeks in advance of any religious holiday or other observance for which they would like time off, and the Watermaster will promptly evaluate

whether an accommodation can be made. Time off generally is provided without pay, but employees may substitute accrued paid leave.

3.4.3 Work on a Paid Holiday

Non-exempt hourly employees who are eligible for holiday pay and required to work on a Paid Holiday will receive pay for all time actually worked plus Paid Holiday pay.

3.5 VACATION

3.5.1 General

All regular and introductory full-time employees will accrue vacation on a biweekly basis according to the following annual accrual schedule:

Introductory or Regular Employees	Hours Accrued Per Pay Period	Hours Accrued Per Year	Maximum Accrual
During first 5 years	3.077	80	160
During years 6 – 9	4.615	120	240
During 10th year and thereafter	6.154	160	320

(Individual employment agreements may provide for different accrual schedules.)

Regular and introductory part-time employees will accrue vacation on a pro-rata basis. (For instance, a half-time employee will accrue at one-half the rate set forth above.) Although, vacation time is accrued during the introductory period, employees may not use accrued vacation until after the completion of their introductory period. Temporary and casual employees do not accrue vacation benefits. Employees on unpaid leave or disability salary continuation do not accrue vacation leave. Vacation accruals recommence when employees return to work or substitute accrued paid time off.

Vacation accruals may not exceed twice the amount of annual vacation benefit available to the employee for that year. Once this maximum is reached, no further vacation benefits will accrue until the employee uses some portion of the accrued vacation, becomes eligible for accrual of additional vacation benefits based on years of service, or reduces the

vacation balance by utilizing the vacation buy-back policy (see Section 3.5.2 below).

Vacation scheduling is subject to the advance approval of the General Manager. Vacations generally must be scheduled and approved at least two (2) weeks in advance for vacations of one to three (1-3) days in length, or four (4) weeks in advance for anything over three (3) days. Generally, the maximum length of continuous vacation may not exceed fifteen (15) working days. In the event of a scheduling conflict, vacation requests will be granted accordingly to seniority, business needs, and the reason for the requested leave. The Watermaster reserves the right to refuse an employee's vacation request if, in the Watermaster's sole judgment, scheduling the vacation at the time sought would be inconsistent with the smooth operation of the Watermaster's business.

Vacation may not be taken before it is accrued except with the prior written approval of the General Manager. In such case, the employee must sign a vacation advance agreement which provides that, in the event the employee is advanced vacation and separates from service prior to accruing sufficient vacation to cover the advance, any outstanding amounts immediately will be repaid by the employee.

Paid vacation time can be used in one-hour increments. For exempt employees only, absences of four (4) hours or less generally will not be charged against the employee's accrued vacation time balance.

Holidays that occur during an employee's vacation will not be counted as vacation days. If an employee is absent due to illness or injury at the time of scheduled vacation, the employee will be permitted to change his/her vacation to a subsequent date, so long as it does not conflict with another employee's scheduled vacation. If an employee becomes sick after his/her vacation time begins, the employee may, upon notifying his/her supervisor, take the balance of the scheduled vacation at a subsequent date so long as it does not conflict with another employee's vacation period. The employee may be required to provide verification of any illness or injury claimed under this provision.

Vacation days may be unilaterally designated at the discretion of the Watermaster based upon business needs and other circumstances. For example, the Watermaster may close during the last week of the year and require use of vacation time during the closure period, or it may require employees to use vacation at a particular time to encourage cross-training or during periods of furloughs or emergency situations that affect the Watermaster's operations. The Watermaster will give at least ninety (90) days' advance notice of any required use of vacation time.

Vacation is paid at the employee's base rate of pay at the time the vacation is actually taken. The base rate of pay does not include overtime or other forms of compensation such as incentives, bonuses or shift differentials. Vacation pay is not issued automatically; employees must record vacation time on their timecards to request such pay.

Upon separation from employment, employees will be paid for all accrued but unused vacation at the employee's base rate at the time of separation, less applicable withholdings, deductions, and offsets permitted by law.

3.5.2 Accrued Vacation Buy-Back

Employees who have accrued over forty (40) hours of paid vacation time may receive pay in lieu of using accrued vacation for up to one-half of their annual vacation accrual rate if:

1. Within the prior twelve (12) months, the employee has used vacation in an amount equal to at least one-half of their annual accrued vacation time; and
2. The employee would have a minimum remaining accrued vacation leave balance of at least forty (40) hours after the buy-back.

For example:

An employee with three years of service and a vacation accrual rate of eighty (80) hours per year may receive pay in lieu of vacation for up to forty (40) hours of accrued vacation time (the Watermaster will "buy back" forty (40) hours of accrued vacation), if the employee used at least forty (40) hours of accrued vacation time during the prior twelve (12) months and will have at least (forty) 40 hours of accrued vacation remaining after the vacation buy-back.

An employee with seven years of service and a vacation accrual rate of one hundred and twenty (120) hours per year may receive pay in lieu of vacation for up to sixty (60) hours of accrued vacation, if the employee used at least sixty (60) hours of accrued vacation time during the prior twelve (12) months and will have at least forty (40) hours of accrued vacation remaining after the vacation buy-back.

An employee with eleven years of service and a vacation accrual rate of one hundred and sixty (160) hours per year may receive pay in lieu of vacation for up to eighty (80) hours of accrued vacation time (in other words, the Watermaster will "buy back" eighty (80) hours of accrued vacation), if the employee used at least eighty (80) hours of accrued vacation time during the prior twelve (12) months and will have at least forty (40) hours of

accrued vacation remaining after the vacation buy-back.

Vacation buy-back is paid at the employee's base rate of pay at the time of the vacation buy-back, less applicable withholdings, deductions and offsets. Payment for cashed-in-vacation will be included in the employee's paycheck in the first full payroll period after the vacation buy-back is approved. Vacation time can be cashed in only once per year in conjunction with actual vacation time used.

3.6 PAID SICK LEAVE

3.6.1 Accrual and Carry-Over of Paid Sick Leave

Eligible employees accrue and carry-over accrued Paid Sick Leave as described below. Accrued and available Paid Sick Leave benefits will appear as an hourly figure on pay stubs, or as an attachment. For newly hired employees, accrual begins on the employee's first day of work, but employees are not entitled to use their accrued sick time until they have been employed by the Watermaster for 90 days. Thereafter, an employee may use sick leave as soon as it is accrued.

Except as provided in this Handbook, accrued Paid Sick Leave up to the maximum accrual will carry-over to the next year of employment, and is not paid out upon termination of employment.

Accrual for Full-Time Employees:

Regular and introductory full-time employees begin to accrue Paid Sick Leave on their first day of employment at the rate of eight (8) hours per month (3.692 hours per pay period) and may accrue a maximum of 600 hours. Once an employee has accrued 600 hours, no more Paid Sick Leave will accrue until the Paid Sick Leave balance drops below 600 hours.

Accrual for Part-Time and Temporary Employees:

Regular and introductory part-time and temporary employees begin to accrue Paid Sick Leave on their first day of employment at the rate of one hour of leave per 30 hours worked, up to a maximum accrual of 48 hours of accrued leave. Once an employee has accrued 48 hours, no more Paid Sick Leave will accrue until the Paid Sick Leave balance drops below 48 hours.

Transfer of Paid Sick Time Exceeding 504 Hours to RHS Plan:

On or about January 15th of each year, the Human Resources Representative or authorized designee will generate a Sick Leave Balance Report by employee. Any employee who has an unused Paid Sick Leave balance in excess of 504 hours, will have that difference paid directly to the Retirement Health Savings (RHS) Program Administrator, currently ICMA-RC, at a 25% value. For example, if an employee has 520 hours of unused Sick Leave as of January 15th, 16 hours (520 – 504 = 16) will be paid to the RHS

Plan, at the value of 25% of the employee's current base rate of pay (in this example, the employee would receive a deposit of 4 hours of pay, which is 25% of 16 hours). The payment will occur no later than January 31st of each year, and deposited to the employee's RHS account. The payment amount will be based upon current payout formulas at the time of transfer.

If an employee does not want their balance in excess of 504 unused Sick Leave hours to be paid to their RHS account, the employee can take advantage of the Sick Leave Buy-Back option, as detailed in Section 3.6.3.

3.6.2 Use of Paid Sick Leave

Employees may use sick leave for the following purposes:

- For the diagnosis, care, or treatment of existing health conditions of themselves or their family members
- For preventative care of themselves or their family members
- To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking
- To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking
- To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation –and–
- To obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief from domestic violence, sexual assault, or stalking

For purposes of sick leave, a “family member” is any of the following:

- A child, regardless of age or dependency status, including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis
- A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child
- A spouse
- A registered domestic partner
- A grandparent
- A grandchild

- A sibling, or
- a designated person identified by the employee at the time the employee requests paid sick days (an employee may designate one person per 12-month period for paid sick days).

Employees may use sick leave only for the purposes described in this policy and may not use sick leave for other personal absences or to increase vacation days. Accrued sick leave must be taken by eligible non-exempt employees in at least one-hour increments. Exempt employees will not be charged against their accrued sick leave balance for absences of less than one (1) full day. Employees on unpaid leave will not accrue sick leave. Paid Sick Leave runs concurrently with other leaves to the extent permitted by law. Nothing in this policy extends the maximum period of leave authorized under applicable law or the Watermaster's leave policies.

An employee must provide advance written or oral notice to his or her supervisor of a pre-scheduled or foreseeable absence from work for which paid sick leave will be used. For an unforeseeable absence, an employee must provide notice as soon as practicable. If an employee is going to be absent on multiple days, the employee must provide notice of the expected duration of the leave. If the employee does not know when the leave will end, he or she must notify the Watermaster on each day of the absence, unless the circumstances make such notice unreasonable. If an employee is unable to provide the notice required by this paragraph, the employee's representative (e.g., spouse, adult family member, or other responsible party) may do so.

The Watermaster may require an employee to submit a doctor's note or other documentation to support the use of sick leave in excess of three consecutive workdays. Absent extenuating circumstances, employees must submit required documentation within seven days of the absence. If an employee fails to timely comply with the documentation requirements, the Watermaster may charge the employee's absence to unpaid leave.

If a paid holiday observed by the Watermaster falls during an employee's use of sick leave and the employee is entitled to be paid for that day, the employee will be paid for the holiday and will not be required to use his or her sick leave for that day.

The Watermaster expects regular, reliable attendance and timeliness from all employees. An employee who requests or uses sick leave in a manner inconsistent with this policy or otherwise violates this policy may be subject to disciplinary action, up to and including termination.

Employees may not receive pay in lieu of sick leave, and will not receive pay for unused sick leave on termination of employment except as provided in Sections 3.7.3, 3.7.4 and 3.6.5.

The Watermaster will not deny an employee the right to use accrued sick days, discharge, threaten to discharge, demote, suspend, reduce in compensation, or in any manner discriminate or retaliate against an employee for using accrued sick days, attempting to exercise the right to use accrued sick days, filing a complaint with the department or alleging a violation of the Healthy Workplaces, Healthy Families Act of 2014 (Act), cooperating in an investigation or prosecution of an alleged violation of the Act, or opposing any policy or practice or act that is prohibited by the Act.

3.6.3 Sick Leave Buy-Back for Full-Time Employees

Regular full-time employees who have accrued over 480 hours of Paid Sick Leave may elect to “buy-back” hours in excess of 480. Up to twice a year, eligible employees may convert accrued sick leave in excess of 480 hours to a cash payment at fifty percent (50%) of their current rate of pay. The payment will be processed through payroll, subject to applicable withholdings.

3.6.4 Sick Leave Payout to RHS Plan upon Separation

Under certain circumstances, full-time employees may be eligible for a partial payout of accrued Paid Sick Leave upon separation from employment. Employees who have been employed less than five (5) years, or who are terminated for cause, or who resign in lieu of termination, are not eligible for any payout of accrued Paid Sick Leave. Employees who have been continuously employed in good standing for five (5) or more years will be paid at their current rate of pay for twenty-five percent (25%) of their accrued unused sick leave at the time of separation. Payment of the accrued sick leave will be issued directly to the Retirement Health Savings (RHS) Administrator, established by Watermaster. Payout of sick leave for employees who retire is governed by Section 3.7.5 below.

3.6.5 Sick Leave Payout to RHS Plan at Retirement

Full-time employees who retire from employment with the Watermaster at or after age 55 with a minimum of five (5) years of continuous regular employment in good standing will be paid at their current base rate of pay for fifty percent (50%) of their accrued, unused sick leave, up to a maximum of 600 hours. Employees who retire at or after age 55 with a minimum of twenty (20) years of continuous regular employment in good standing will be paid at their current base rate of pay for one hundred percent (100%) of their accrued unused sick leave, up to a maximum of 600 hours. Payment of the accrued sick leave will be issued directly to the Retirement Health Savings (RHS) Administrator, established by Watermaster.

3.6.6 Return to Work after Absence

A certification by a health care provider or other appropriate documentation may be required upon returning to work after an absence of three (3) or more consecutive scheduled workdays, to verify the illness of the employee or family member or other reason for absence and/or to certify the ability to return to work. Sick pay may be withheld until appropriate documentation is received, except as prohibited by applicable law.

3.6.7 Abuse of Policy

Any employee attempting to obtain Paid Sick Leave for a non-medical absence or other non-qualifying reason (unless otherwise authorized by law) may be subject to discipline, up to and including immediate termination.

3.7 LEAVES OF ABSENCE

The Watermaster provides: (1) family care and medical leave for up to 12 weeks per year, as required by the California Family Rights Act (CFRA); (2) pregnancy disability leave for up to four months in accordance with the California Fair Employment and Housing Act (FEHA); (3) disability leave as required to reasonably accommodate employees with a workplace injury or a qualified disability under the Americans with Disabilities Act (ADA) and/or the FEHA; and (4) leave for other legally required absences as set forth below and as required by applicable law.

For more information on leaves that may be available, please see the General Manager.

3.7.1 CFRA Family Care and Medical Leave

Eligibility

Employees are eligible for Family-Medical Leave if: (i) they have completed at least twelve (12) months of service with the Watermaster (the twelve (12) months do not need to be consecutive so long as the employee has not had a break in service of seven (7) years or more, with limited exceptions) and (ii) they have worked at least 1,250 hours in the twelve (12) months preceding the leave. The determination of whether an employee qualifies for Family-Medical Leave generally will be made at the time the leave is requested.

Requesting Leave

If possible, employees must provide at least thirty (30) days' advance notice for foreseeable events (such as the expected birth of a child or a planned

medical treatment for the employee or a family member). For events that are unforeseeable, employees must notify the Watermaster (at least verbally) as soon as they learn of the need for the leave, ordinarily no later than one (1) to two (2) working days after the employee learns of the need for the leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until the employee complies with this notice policy. Employees seeking a health-related leave for themselves or a family member should provide advance written notice that includes the reason for the leave, the commencement date of the leave and the expected duration of the leave, and a signed health care provider's certification (available from the Watermaster) confirming the need for leave.

When an unplanned medical situation or emergency occurs that does not allow the employee to provide advance notification of the need for a medical leave, the employee must notify the Watermaster within three (3) working days of an absence. If an employee is absent more than three (3) working days without notifying the Watermaster, the employee may be considered to have voluntarily resigned.

The Watermaster reserves the right to request that an employee confirm the existence of his/her need for a medical leave or other need for leave with a written verification from a licensed health care provider. The Watermaster also reserves the right to require written certification from the employee's health care provider that the employee may safely return to work, and identifying any restrictions with respect thereto, before permitting the employee to return to work. The Watermaster further reserves the right to require an employee on family or medical leave to be examined at the Watermaster's expense by a Watermaster-selected physician prior to his/her return to work to verify his/her ability to return to work to the extent permitted by applicable law.

Permissible Uses of Family-Medical Leave

Leave may be requested for the following reasons:

- Parental Leave: The birth of a child of the employee, or the adoption of a child by, or state-certified foster care placement of a child with, the employee;
- Family Care Leave: The serious health condition of:
 - the employee's child, spouse, parent, grandparent, grandchild, sibling, registered domestic partner, or child of a registered domestic partner, or
 - a "designated person," meaning a person identified by the employee at the time the employee requests family care leave, who is an individual related by blood or whose association with

the employee is the equivalent of a family relationship. Employees can designate one “designated person” per 12-month period;

- Personal Medical Leave: The serious health condition of the employee that requires either in-patient care in a medical facility or continuing treatment or supervision by a healthcare provider; or
- Bereavement Leave: Bereavement leave upon the death of a family member, including an employee’s spouse or child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law.

Eligible employees whose spouse, son, daughter, or parent is on covered active duty or called to covered active duty status may use their leave entitlement to address certain qualifying exigencies as Military Family Leave. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings. Employees also may seek leave to care for a covered service-member. Please contact the Human Resources Representative for more information and requirements regarding Military Family Leave.

Leave is Unpaid

Family Medical Leave is unpaid. Employees who have accrued paid sick time must use that time for any absences due to their own health or to care for family members. Employees may use accrued vacation time for any military-related absences, and may use accrued vacation time once paid sick time is depleted for health-related absences.

For Bereavement Leave, to the extent permitted by law, employees must use accrued paid sick time or other paid leave.

Benefits During Leave

Health insurance benefits ordinarily provided by the Watermaster and for which the employee is otherwise eligible will remain in effect during an employee’s family care or medical leave. Neither paid sick leave nor vacation will accrue during any period of unpaid family care or medical leave. Employees on unpaid family care or medical leave also do not receive holiday pay.

Duration Of Leave

Provided all the conditions of the policy are met, an employee may take a maximum of 12 weeks of family care and medical leave in a rolling 12-month period measured backwards from the date the employee’s leave

commences. The substitution of paid leave for family care or medical leave does not extend the total duration of family care and medical leave to which an employee is entitled to beyond 12 weeks in a 12-month period. For example, if an employee has accrued four weeks of unused paid vacation time at the time of the request for family care or medical leave, the paid vacation will be substituted for the first four weeks of family care or medical leave, leaving up to eight additional weeks of unpaid leave.

Family care or medical leave for the employee's own serious health condition, or for serious health condition of the employee's spouse, parent, or child, may be taken intermittently or on a reduced schedule where medically necessary. If leave is taken intermittently or on a reduced schedule, the Watermaster retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits which better accommodates the employees' leave schedule.

3.7.2 Pregnancy-Related Disability Rights

Any employee who is disabled on account of pregnancy, childbirth, or related conditions may take a pregnancy-related disability leave for the period of actual disability of up to four (4) months (17.3 weeks). Pregnancy-related disability leaves may be taken intermittently, or on a reduced-hours schedule, as medically necessary. If leave is taken intermittently or on a reduced schedule, Watermaster retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits that better accommodates the employee's leave schedule.

An employee is entitled to a reasonable accommodation for pregnancy, childbirth, or related medical conditions if she so requests and provides the Watermaster with medical certification from her health care provider. In addition to other forms of reasonable accommodation, a pregnant employee is entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if the transfer request is supported by proper medical certification and the transfer can be reasonably accommodated.

An employee taking pregnancy-related disability leave must substitute any available paid sick time for her leave and may, at her option, substitute any accrued vacation time for her leave. The substitution of paid leave for pregnancy-related disability leave does not extend the total duration of the leave to which an employee is entitled.

Except to the extent that other paid leave is substituted for pregnancy disability leave, such leave is unpaid. During an employee's pregnancy disability leave, for up to a maximum of four months, Watermaster will

continue to pay for the employee's participation in its group health plans and supplemental unemployment benefit plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave, to the extent required under applicable law. The employee must timely pay any employee portion of insurance premiums; failure to make timely payments may result in termination of coverage. If the employee fails to return from the leave, Watermaster may seek to recover any health premiums paid by it on the employee's behalf. Employees on pregnancy disability leave accrue employment benefits, such as sick leave, PTO/vacation benefits, or seniority only when paid leave is being substituted for unpaid leave and only if the employee otherwise would be entitled to such accrual. Employees may be eligible for a baby bonding leave under the CFRA after completion of pregnancy-related disability leave.

Employees should notify Watermaster of their need for pregnancy disability leave or request for a transfer or other accommodation as soon as they are aware of the need for such leave or transfer. For foreseeable events, if possible, the employee must provide thirty (30) calendar days' advance notice to the Company of the need for pregnancy disability leave, transfer or other accommodation. For events that are unforeseeable thirty (30) days in advance, but are not emergencies, the employee must notify Watermaster, in writing, as soon as they learn of the need for the leave, transfer or other accommodation, ordinarily no later than one (1) to two (2) working days after the employee learns of the need for such leave, transfer or other accommodation. If the leave, transfer or other accommodation is requested in connection with a planned medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of the Company's business. All requests for pregnancy disability leave, transfer or other accommodation should include the anticipated date(s) and duration of the leave, transfer or other accommodation. Any requests for extensions of a pregnancy disability leave or transfer must be received at least five (5) working days before the date on which the employee was originally scheduled to return to her position and must include the revised anticipated date(s) and duration of the leave, transfer or other accommodation.

Any request for pregnancy disability leave, transfer or other accommodation must be supported by medical certification from a health care provider. For foreseeable leaves, employees must provide the required medical certification before the leave or transfer begins. When this is not possible, employees must provide the required certification within fifteen (15) calendar days after the Company's request for certification. Failure to provide the required certification may result in the denial of foreseeable leaves, transfers or other accommodations until such certification is provided. In the case of unforeseeable leaves or transfers, failure to provide

the required certification within fifteen (15) days of being requested to do so may result in a denial of any request for continued leave or transfer. Any request for an extension of the leave, transfer or other accommodation also must be supported by an updated certification. The certification must include (a) the date on which the employee became disabled due to pregnancy or the date on which the transfer or other accommodation became medically advisable; (b) the probable duration of the disability or required transfer or other accommodation; (c) a statement that, due to the disability, the employee is unable to work at all or unable to perform the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to others; (d) in the case of a requested transfer or other accommodation, a statement that the transfer or accommodation is medically advisable; and (e) in the case of intermittent or reduced schedule leave where medically necessary, the probable duration of such a schedule.

To the extent permitted by applicable law, Employees are expected to provide periodic updates during leaves under this policy, and may be required to provide periodic recertifications.

Employees returning from pregnancy disability leave are entitled to the same or a comparable position consistent with applicable law. Employees returning from leave may be required to provide a return-to-work release from a health care provider before they will be allowed to return to work.

3.7.3 Leave for Victims of Crime or Abuse

The Watermaster will provide reasonable accommodations for a victim of domestic violence, sexual assault, or stalking, who requests an accommodation for the safety of the victim while at work. Additionally, employees who are themselves victims of crime or abuse, or who are family members of a victim, may take time off from work as follows:

“Victim” includes any of the following:

- A victim of stalking, domestic violence, or sexual assault
- A victim of a crime that caused physical injury or that caused mental injury and a threat of physical injury
- A person whose immediate family member is deceased as the direct result of a crime

An “immediate family member” is defined as:

- Regardless of age, a biological, adopted, or foster child, stepchild, or legal ward, a child of a domestic partner, a child to whom the employee

stands in loco parentis, or a person to whom the employee stood in loco parentis when the person was a minor

- A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or an employee's spouse or domestic partner, or a person who stood in loco parentis when the employee or the employee's spouse or domestic partner was a minor child
- A person to whom the employee is legally married under the laws of any state, or a domestic partner of an employee as registered under the laws of any state or political subdivision
- A biological, foster, or adoptive sibling, a stepsibling, or a half-sibling
- Any other individual whose close association with the employee is the equivalent of a family relationship described above

The Watermaster will not discharge, discriminate or retaliate against an employee who is a victim for taking time off from work to:

- Appear in court as a witness
- Obtain or attempt to obtain any relief, including a temporary restraining order, restraining order, or other injunctive relief, to help ensure their own health, safety, or welfare or that of their child
- Seek medical attention for injuries caused by crime or abuse
- Obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of the crime or abuse
- Obtain psychological counseling or mental health services related to an experience of crime or abuse
- Participate in safety planning and take other actions to increase safety from future crime or abuse, including temporary or permanent relocation

To the extent possible and practicable, the Watermaster will maintain the confidentiality of any employee taking such time off.

As a condition of taking time off, employees shall give reasonable advance notice of the intention to take time off, unless the advance notice is not feasible. When an unscheduled absence occurs, the employee may be required, within a reasonable time after the absence, to provide certification demonstrating the reason for the absence. Certification may be one of the following:

- A. A police report indicating that the employee was a victim.

- B. A court order protecting or separating the employee from the perpetrator of the crime or abuse, or other evidence from the court or prosecuting attorney that the employee has appeared in court.
- C. Documentation from a licensed medical professional, domestic violence counselor, a sexual assault counselor, victim advocate, licensed health care provider, or counselor that the employee was undergoing treatment or receiving services for physical or mental injuries or abuse resulting in victimization from the crime or abuse.
- D. Any other form of documentation that reasonably verifies that the crime or abuse occurred, including a written statement signed by the employee, or an individual acting on the employee's behalf, certifying that the absence is for a permitted reason.

This policy does not extend leave to employees seeking leave because they have committed or are alleged to have committed a criminal act (for instance, the alleged perpetrator of a felony against a family member).

Leave under this policy will be unpaid, unless paid vacation or, as appropriate, paid sick leave is substituted. Leave provided under this policy does not create a right for employees to take unpaid leave that exceeds the time allowed under the CFRA, and covered leave under this policy will run concurrently with CFRA leave and other leaves to the extent permitted by law. Employees whose leave exceeds two months may be placed on inactive status.

Retaliation against employees for requesting or taking leave under this policy is strictly prohibited. Employees found to have engaged in retaliation will be subject to discipline, up to and including termination.

3.7.4 Jury or Witness Duty

The Watermaster will provide employees time off to serve, as required by law, on a jury or grand jury if the employee provides reasonable advance notice. The Watermaster will also provide employees with unpaid time off to appear in court or other judicial proceeding as a witness to comply with a valid subpoena or other court order.

Employees will be granted a paid leave of absence up to ten (10) business days per year for the purpose of fulfilling jury duty. Any jury duty that extends beyond ten (10) business days per year will be unpaid after the first ten (10) days. However, exempt employees who work any portion of a workweek in which they also serve on jury duty or appear as a witness will receive their full salary for that workweek. Employees may elect to substitute accrued vacation during any unpaid leave due to jury duty or a witness appearance. Employees are expected to return to work during any

days or blocks of time in which they are not required to report for jury or witness duty.

Employees must show the jury duty summons to the General Manager as soon as possible so that arrangements may be made to accommodate their absence. Employees also may be required to provide evidence of the period of time they served as a juror.

3.7.5 Workers' Compensation

All employees are covered by workers' compensation insurance, as required by law to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment in addition to payment for loss of earnings that result from work-related injuries. Compensation payments begin from the first day of an employee's hospitalization or after the third day following the injury if an employee is not hospitalized. The cost of this coverage is paid completely by the Watermaster. Employees are responsible for reporting any workplace injury or illness, no matter how insignificant it may seem, to the employee's supervisor.

Health insurance benefits ordinarily provided by the Watermaster and for which the employee is otherwise eligible will remain in effect for the first 120 days of the workers' compensation leave period. If the leave continues past 120 days, the employee will receive Cal-COBRA notice information, which describes the employee's right to self-purchase health care continuation coverage.

Neither paid sick leave nor vacation will accrue during any unpaid period of workers' compensation leave. Employees on workers' compensation leave also do not receive holiday pay.

Neither the Watermaster nor its insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social or athletic activity, even if sponsored by the Watermaster.

For more information regarding workers' compensation, please see the General Manager.

3.7.6 Modified Duty

While the Watermaster does not maintain ongoing modified duty positions, when the business needs of the Watermaster permit, an employee may be given a temporary modified duty assignment while on restricted duty due to an illness or injury or as a disability accommodation. When modified duty work can be provided under this policy, employees on restricted duty may

not have the right to refuse such assignment without jeopardizing benefits and entitlements.

In addition, when the business needs of the Watermaster permit, employees on restricted duty due to a non-work related illness or injury might be offered a temporary modified duty assignment while on such restricted duty. Acceptance of and assignment to a temporary modified duty assignment under the terms of this policy must be by mutual consent of the Watermaster and the employee on restricted duty due to a non-work related illness or injury.

Any modified duty assignment will be temporary in nature, will be dependent on the business needs of the Watermaster, and may not extend past the date the employee receives a release to return to full-duty.

The General Manager will determine an employee's initial and continuing eligibility for modified duty under this policy, based on medical restrictions as identified by the employee's health care provider. The employee must have a medical certification from his/her health care provider releasing the employee to return to work and specifying applicable work restrictions prior to being considered for a modified duty assignment. If the medical status and/or restrictions of an employee assigned to a modified duty assignment changes, it must be reported immediately to his/her supervisor. While on modified duty assignment, employees will be evaluated every thirty (30) days and whenever changes in medical status and/or restrictions occur.

3.7.7 Family Bereavement Leave

Employees who have completed their introductory period will be allowed up to three (3) consecutive working days of paid time off to arrange and/or attend the funeral of an immediate family member. For employees eligible for Bereavement Leave under the CFRA, this paid time runs concurrently with Bereavement Leave under the CFRA, and employees are eligible for an additional two (2) unpaid bereavement leave days under the CFRA. If an employee requires more than three (3) days off for bereavement leave, the employee may request in writing additional unpaid leave or may request the opportunity to use any accrued vacation time or, if appropriate, paid sick leave. For purpose of this provision, the term "immediate family" includes the spouse, domestic partner, child, grandchild, brother, sister, father, mother, grandparents, brother-in-law, sister-in-law, father-in-law, mother-in-law, and grandparents-in-law.

3.7.8 Personal Leave

The Watermaster may, at the sole discretion of the General Manager, grant up to thirty (30) days of Personal Leave without pay during any twelve (12)

month period to employees who have a need for leave under circumstances other than those set forth elsewhere in this Employee Manual. Personal Leave under this section is intended only for very exceptional circumstances and will not be routinely granted. Please contact your immediate supervisor or the General Manager as soon as you become aware of the need for Personal Leave. Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits normally provided will continue for the full period of approved Personal Leave. Vacation, paid sick leave, and holiday benefits will not accrue during unpaid Personal Leaves. When a Personal Leave ends, every reasonable effort will be made to return the employee to the same position if it is available, or to a similar available position for which the employee is qualified. However, reinstatement cannot be guaranteed in all cases. Failure to report to work promptly at the end of the approved Personal Leave without providing notice or justification for the continued absence and approval therefor may be deemed to be a voluntary termination of employment.

3.7.9 Voting Time Off

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two (2) days in advance of the election. Up to two (2) hours of paid time off will be provided at the beginning or end of the employee's regular shift, whichever will allow the most free time for voting and require the least time off work.

3.7.10 Absence For Military Duty

The Watermaster proudly supports its full- and part-time regular employees who serve in certain federal and state uniformed services, including:

- Army, Navy, Marine Corps, Air Force, Coast Guard, or Space Force;
- Reserve forces in the Army, Navy, Marine Corps, Air Force, Coast Guard, or Space Force;
- Army National Guard or Air National Guard;
- Commissioned Corps of the Public Health Services;
- Other categories of persons designated by the President in time of war or emergency;
- State National Guards and other categories of persons designated by State Governors in time of emergency;
- Members of a State's organized militia called for State active service by the applicable State's governor.

The federal Uniformed Services Employment and Reemployment Rights Act (“USERRA”) details the rights and responsibilities of such service members. There also may be applicable State laws such as military family exigency leave under CFRA. At a minimum, the Watermaster’s policy mirrors these rules. The following is an overview of the Watermaster’s specific policy:

Reserve Duty

Employees will be granted a leave of absence without pay as required by applicable federal and state law for the purpose of fulfilling any required military obligation. Employees are required to provide reasonable advance notice of any need for such leave.

A full-time employee who is a member of a reserve military organization of the United States, or a member of the National Guard, and who attends a regular military training camp, will be given the necessary time off, with pay, for such training, and this will not be considered vacation time, provided the employee has been employed by the Watermaster for a period of one (1) year or more. Pay for such training time may not exceed two (2) weeks per year, except in emergency or extenuating circumstances, as determined by the General Manager, or to the extent the employee substitutes accrued paid time off. Members of the reserve military organizations of the United States or of the National Guard who have been employed by the Watermaster for less than one (1) year will also be allowed time off to attend routine military training, but will not receive pay for such time. Such employees may substitute vacation time for unpaid time off to attend military reserve duty.

The Watermaster will continue existing health insurance benefits during the entire period of military duty leave, unless prohibited by the applicable plan. Vacation, holiday and paid sick leave benefits will continue to accrue during a military duty leave of absence, up to a maximum of thirty (30) cumulative days of military duty leave.

Active Duty Leave

While engaged in military duty, employees are paid by the Armed Services in accordance with their enlistment or commission. Employees whose employment is interrupted by a period of service in the uniformed services (as defined by applicable law) may elect to use their accrued vacation or take an unpaid leave of absence. If reporting to regular active duty, the employee or an official member of the Service must notify the Watermaster in advance whenever reasonably possible. Employees leaving for active or inactive duty training must provide advance notice to the Watermaster.

Such leaves will be granted so long as the employee has not already used five years of cumulative absence for military service.

Benefits During Military Leave

During the initial period of military service, as required by applicable law, employees may continue their insurance coverage at the regular co-payment amount. The Watermaster will pay medical insurance premiums or during this initial period, with the employees' regular co-payment. After the initial period required by applicable law, the Watermaster will offer employees on military leave continued (COBRA-style) coverage, for which the employee may be required to pay up to 102% of the full premium under the group health plan. If the employee previously elected employee-paid dependent medical coverage, those premiums also will be subsidized by the Watermaster for the amount of time required by applicable law, and co-payments will continue to be deducted from the employee's paycheck. Upon return to work, all benefits will be reinstated without a waiting period. This includes pension benefits, which will continue as though there had been no interruption in employment.

Employees on military leave will continue to accrue vacation to the extent paid time off is substituted for unpaid leave, and will continue to accrue seniority for the duration of their leave to the fullest extent required by law.

Please contact the General Manager or Human Resources Department regarding benefits during a leave.

Reinstatement

If discharged under "honorable conditions," the employee must apply for reemployment as soon as possible, but in no event more than ninety (90) days after the completion of service. However, if a returning employee is hospitalized as a result of his or her military service, he or she can wait until the end of his or her recovery period (up to two (2) years) to reapply or report back to work. Employees returning from military leave will, to the extent possible, be returned to the position of employment they would have held if their employment with the Watermaster had not been interrupted or to a position of like seniority, status, and pay. The Watermaster will provide training to the extent necessary to qualify the employee for the position to which he or she is entitled. The Watermaster also will make all reasonable efforts to accommodate disabilities incurred during military service.

No Retaliation

The Watermaster will not discriminate or retaliate against any employee or prospective employee with regard to hiring, retention, promotion, or reemployment because of past, present, or future membership, application

for membership, or performance of ordered military duty in any of the uniformed services.

All questions concerning this policy should be directed to the General Manager.

3.7.11 Military Spouse Leave

In addition to Military Family Leave provided under CFRA, employees who work more than twenty (20) hours per week for the Watermaster and have a spouse who is active in the Armed Forces, National Guard or Reserves and who has been deployed during a period of military conflict, are eligible for up to ten (10) days off when their spouse is on leave from (not returning from) military deployment. Any absence from work under this policy will be unpaid, except to the extent paid time off is substituted.

Employees must request this leave in writing within two (2) business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to attach to the leave request written documentation certifying the spouse will be on leave from deployment.

Retaliation against employees for requesting or taking leave under this policy is strictly prohibited. Employees found to have engaged in retaliation will be subject to discipline, up to and including termination.

3.7.12 School Visit Leave

If you are a parent, guardian, or grandparent with custody of a child in kindergarten, grades 1-12 or a licensed day care center, and you wish to take time off to visit your child's school or day care or for a school activity, or to find, enroll, or reenroll your child in a school or with a licensed child care provider, you may take off up to eight (8) hours each calendar month (up to a maximum of forty (40) hours each calendar year), per child, provided you give reasonable notice to your supervisor of your planned absence.

3.7.13 Other Legally Required Leaves

Employees will be granted other leaves of absence as required by law (for example, performance of emergency duty by a volunteer fire fighter), subject to the provisions of law governing each type of leave. Employees are required to provide reasonable advance notice of need for such leave and are expected to return to work each day or a portion of the day that they are not required. For nonexempt employees, this leave will be unpaid except to the extent paid time off is substituted. For exempt employees, the time off will be unpaid except to the extent paid leave is substituted to the extent permitted by applicable law.

3.8 RETIREMENT BENEFITS

3.8.1 CalPERS Benefits

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

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

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

See Section 3.1.6 for additional information regarding employer and employee contributions or contact the Human Resources Representative. The Watermaster policies regarding retirement could change depending upon future legislative changes, CalPERS requirements, and/or Watermaster Board decisions.

NOTE: This description of CalPERS benefits is only a summary and does not attempt to cover all of the details of the CalPERS benefits plans that may apply to you. The operation of the CalPERS benefit plans, including events making you eligible or ineligible for CalPERS benefits, the amount of CalPERS benefits to which the Watermaster employees (or their beneficiaries) may be entitled, and actions that Watermaster employees (or their beneficiaries) must take to request and support a claim for CalPERS benefits will be governed solely by the terms of the official plan documents as prepared and issued by CalPERS. To the extent that any of the information contained in this handbook or any information provided orally is inconsistent with the official CalPERS plan documents, the provisions set forth in the official CalPERS plan documents will govern in all cases. If you wish to review the official CalPERS plan documents, or official summaries, please contact the Human Resources Representative.

3.8.2 Retirement and Severance

The Watermaster values advance notice of time off and retirement, to properly plan staffing needs and meet the needs of the organization. The Watermaster therefore has created a severance opportunity for full-time employees who give advance notice of the amount of time they will be actively working prior to retirement. A retiring employee is eligible to be offered a Retirement Severance Agreement, including an offer of severance pay in exchange for a release of claims, if the employee is in Good Standing (defined below), provides written notice to the General Manager of the intent to formally retire as specified below, and Actively Works (defined below) during the notice period.

For purposes of this policy, an employee in Good Standing is defined as: (i) Employee's employment with Chino Basin Watermaster has not been terminated for any reason; (ii) Employee is not on probation of any kind from Chino Basin Watermaster; (iii) Employee is eligible for rehire.

For purposes of this policy, Actively Working during the notice period means the following:

- For a 120-day notice period, the employee is absent no more than four (4) full workdays;
- For a 90-day notice period, the employee is absent no more than three (3) full workdays; and
- For a 60-day notice period, the employee is absent no more than two (2) full workdays.

For purposes of this policy, Base pay means the regular base pay or salary (not including overtime pay, car allowance, phone allowance, or any other additional allowances, bonuses or additions) paid over the last 12 consecutive months (26 payroll periods).

Eligibility for an offer of a Retirement Severance Agreement is based on achieving the notice and attendance goals specified above. When evaluating eligibility and status as Actively Working, the Watermaster will not consider any absences that legally cannot be considered (such as use of up to 48 hours annually for California Paid Sick Leave).

Eligible employees who execute and comply with the terms of a Retirement Severance Agreement, including a general release, will receive severance pay as follows:

- For employees who provide at least 120-days written notice before the effective date of retirement and Actively Work until the effective date: severance equal to four percent (4%) of the employee's Base.

- For employees who provide at least 90-days written notice before the effective date of retirement and Actively Work until the effective date: severance equal to three percent (3%) of the employee’s Base.
- For employees who provide at least 60-days written notice before the effective date of retirement and Actively Work until the effective date: severance equal to two percent (2%) of the employee’s Base.

The Watermaster policies regarding retirement and severance are subject to change depending upon future legislative changes, CalPERS requirements, and/or Watermaster Board decisions.

Nothing herein is intended to alter employees’ at-will status or create an entitlement to employment for any specified period of time. The Watermaster reserves the right to accelerate the effective date of retirement in its sole discretion, provided that if it does so through no fault or performance deficiency of the employee (as determined by the Watermaster in its sole discretion), the employee still will be entitled to receive the benefits of a Retirement Severance Agreement if the employee otherwise has complied with the terms as described above.

3.9 DEFERRED COMPENSATION AND OTHER RETIREMENT PLANS

The Watermaster participates in a 457 Deferred Compensation Program (the “457 Plan”). Through this 457 Plan, employees may make tax-deferred payroll contributions, which can be invested in a variety of investment fund options that are offered under the 457 Plan. This is a voluntary, supplemental retirement plan that has no effect on the benefits that may be paid to an employee by the CalPERS or Social Security retirement programs. The Watermaster does not make any type of employer matching contributions to the 457 Plan.

Watermaster employees can also participate in a 401(a) Retirement Plan which could allow contributions to be made by the employee, the Watermaster, or both. ~~Currently, the~~The Watermaster ~~does not contribute any funds~~currently matches employee contributions up to a designated amount toward the 401(a) Retirement Plan, subject to eligibility requirements and other terms and conditions of the applicable benefit plan. **[Note to Board: This was modified to reflect the matching contribution approved by the Board at the June 22, 2023 meeting (adopted by Board Resolution 2023-4), which had not been reflected in this Policy.]**

The section provides an overview of the deferred compensation benefits made available by the Watermaster to its eligible employees. This section is intended to provide employees with a basic understanding of these benefits. For more detailed information regarding the 457 Plan and the 401(a) Retirement Plan, including eligibility requirements, how it operates, plan administration, and when benefits may be paid, please refer to the official plan documents governing the applicable

plan. Employees interested in participating in the 457 Plan or the 401(a) Retirement Plan or seeking copies of the plan documents should contact the Human Resources Representative for additional information and plan documents.

In the event of a conflict between the information in this Handbook and the official plan documents, the official plan documents will control. The Handbook is not intended to create a binding agreement governing employee benefits, and the Watermaster reserves the right, at its discretion, to amend or discontinue any benefit plan at any time.

3.10 MEDICAL, DENTAL, AND VISION INSURANCE BENEFIT PLANS

3.10.1 General Information about Health and Welfare Benefits

The information in Section 3.10 (health benefits), Section 3.11 (short-term and long-term disability insurance), and Section 3.12 (life insurance) of this Handbook are summaries of the health and welfare benefits available to eligible employees of the Watermaster. These sections are intended to provide employees with a basic understanding of these benefits, and are not complete descriptions of all of the rules governing the benefit. For more detailed information regarding these benefits, including eligibility to participate, benefits entitlement and timing of benefits payment, and plan administration, please refer to the official plan documents governing the applicable benefit. Copies of the plan documents are available from the Human Resources Representative.

In the event of a conflict between the information in this Handbook and the official plan documents, the official plan documents will control. The Handbook is not intended to create a binding agreement governing employee benefits, and the Watermaster reserves the right, at its discretion, to amend (including the amount employees must pay for coverage) or discontinue all or part of any benefit plan at any time.

3.10.2 Eligibility for Medical, Dental, Vision and Life Insurance Benefits

A general program of medical, dental, vision care and life insurance is available to all regular and introductory full-time employees and part-time employees who are regularly scheduled to work thirty (30) or more hours per week.

Medical, dental and/or vision insurance coverage, if elected, is effective the first day of the month after the date of hire.

3.10.3 Cost for Medical, Dental, Vision and Life Insurance Coverage

Premiums for employee medical, dental, vision care and life insurance (including dependent coverage) plans will be paid by the Watermaster, up to a maximum annual contribution amount established from time to time by the Watermaster (Contribution Amount). Employees are required to pay the remainder of the premium amount for the coverage elected. Employees should contact the Human Resources Representative with questions about the current Contribution Amount. Furthermore, the employee must at a minimum enroll in employee-only medical insurance coverage unless the employee can provide the Human Resources Representative proof of medical insurance coverage from another source. Any questions about health insurance coverage should be directed to the attention of the Human Resources Representative.

3.10.4 Insurance Premiums While On Unpaid Leave

Except as otherwise provided in this Manual, when an employee is on unpaid leave, the Watermaster will pay the premiums on the employee's insurance for the first seven (7) days of authorized unpaid leave of absence. Subsequent to the seven (7) day period, the employee is responsible for all insurance premium payments during an unpaid leave of absence, except as otherwise required by applicable law, or coverage may be terminated.

3.10.5 Post-Termination Health Care Continuation Benefits

Under certain situations, an employee and/or his or her qualified beneficiaries may be eligible to continue group health insurance coverage (for example, medical, dental, vision) at their own expense after the employee's employment with the Watermaster ceases and at certain other times. Each eligible employee and spouse, if any, will be provided with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under the Watermaster's group health plan. Please be certain to read this notice as it contains important information about the employee's rights and obligations to continue group health coverage following termination from employment with the Watermaster.

3.11 SHORT-TERM AND LONG-TERM DISABILITY INSURANCE

Short-term and long-term disability insurance are provided for all regular and introductory full-time employees, effective the first day of the month following three (3) full months of employment, and is fully paid by the Watermaster.

Please also refer to "General Information about Health and Welfare Benefits" for important information about this benefit.

3.12 LIFE INSURANCE

At no premium cost to the employee, a life insurance death benefit equal to 2 times the employee's annual salary (maximum of \$200,000) is also provided for employees, and is effective the first day of the month following three (3) full months of employment. In the event that the insurance company denies coverage at the amount equal to the employee's salary, the amount of coverage will be set at the maximum amount that the insurance company will cover.

Supplemental life insurance may be available, on an optional basis, to the employee (and spouse, if applicable) through the Watermaster's insurance carrier, at the employee's own expense.

Please also refer to "General Information about Health and Welfare Benefits" for important information about this benefit.

3.13 HEALTH INSURANCE PREMIUM PAYMENT PROGRAM (HIPP)

The California Department of Health Services will pay the private health insurance premiums for certain persons losing employment under certain circumstances. You may qualify if you have high cost medical conditions and are in the Medi-Cal program, or if you are disabled by HIV/AIDS. If your employment is terminated by the Watermaster, you will receive a Notice of HIPP Benefits.

3.14 STATE DISABILITY INSURANCE

Employees are covered under the State Disability Insurance program, with the cost of such coverage paid for by each employee as a deduction from his/her paycheck.

3.15 FAMILY TEMPORARY DISABILITY LEAVE INSURANCE BENEFITS

Family Temporary Disability Insurance ("FTDI") is a California benefit funded by employee contributions to a FTDI fund, and is also known as "paid family leave." Employees may take up to six weeks' time off from work in a 12-month period for certain qualifying reasons, and will receive 55% of their qualifying wages (tax-free) from this insurance program. All California employees must contribute through the California State Disability Insurance ("SDI") system, and all California employees are eligible for FTDI, regardless of length of service or whether they are full or part-time employees. FTDI provides an insurance payment to assist employees with certain leaves, and is not a job protected leave of absence. The Watermaster cannot guarantee that employees will be able to return to their positions after a FTDI leave.

Employees may receive the paid family leave benefit only to (1) care for a newborn, adopted child, foster child placement or a seriously ill/injured child; (2) seriously

ill spouse/domestic partner, or (3) a seriously ill parent. FTDI is not for your OWN illness or injury; SDI is for that.

Employees can obtain claim forms from the California Employment Development Department, and must obtain certification from a health care provider confirming either that the employee has had a newborn child or a child placed for adoption or foster care, or that the employee's eligible family member has a serious health condition and that the employee is the only person available to provide actual care for the ill family member. This information is provided to the State Disability Insurance office, which determines if employees qualify for the FTDI leave. Employees can contact the State FTDI service center at 1-877-BE-THERE for more information, or contact the General Manager for more details. Employees should provide as much advance notice as possible of the need for a leave. If leave is approved, the Watermaster may ask that employees use any unused accrued vacation or sick time before receiving this benefit.

3.16 LONGEVITY LEAVE AWARD

Employees who achieve certain employment anniversaries receive a longevity award of additional vacation days, added to their vacation bank on the anniversary date. Employees will receive longevity awards as follows:

- 10-year anniversary: two (2) days' leave
- 15-year anniversary: three (3) days' leave
- 20-year anniversary: four (4) days' leave
- 25-year anniversary: five (5) days' leave

The awarded longevity leave is treated as vacation pay and can be used as vacation.

3.17 SERVICE AWARDS

Full-time employees become eligible for a service award in the month in which they complete 5, 10, 15, 20, and 25 years of service. Years of service are based upon consecutive years of uninterrupted employment with breaks in service for Watermaster-authorized leaves only. An employee who leaves the employment of the Watermaster and returns does not receive credit for prior years of service before the date of rehire. Each employee completing the years of service listed above will receive the following service award and recognition:

Framed certificate of appreciation, lunch for all staff to celebrate and:

5 years: Engraved business card holder/pen set and keychain OR Watermaster lunchbox and coffee thermos and keychain

10 years: Glass plaque on stand

- 15 years: Watermaster wall or desk clock
- 20 years: Gold/silver watch
- 25 years: Ring (or gift to be determined by the General Manager)

SECTION 4. PERSONNEL PROCEDURES

4.1 REIMBURSEMENT OF EXPENSES

Authorized employees are reimbursed for reasonable expenses reasonably and necessarily incurred in the performance of job-related duties with approval by the General Manager.

4.1.1 Business Travel

Employees will be reimbursed for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel by employees must be approved, in advance, by the General Manager. The actual reasonable costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by the Watermaster or may be paid in advance by the Watermaster. When using their own vehicles, employees will be reimbursed for mileage at the rate allowed by the Internal Revenue Service. Employees are expected to limit expenses to reasonable and necessary amounts.

Any employee who is involved in an accident while traveling on business must promptly report the incident to the General Manager, or other designated representative. Vehicles owned, leased, or rented by the Watermaster may not be used for personal use without prior approval.

Cash advances to cover reasonable anticipated expenses may be made to employees at the discretion of the General Manager after travel has been approved. Employees must submit a written request to the General Manager.

With prior approval, employees on business travel may be accompanied by a family member or friend when the presence of a companion will not interfere with successful completion of business objectives. Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Additional expenses arising from such non-business travel or the travel of a family member are the responsibility of the employee.

Employees must submit completed travel expense reports within thirty (30) days following the completion of travel. Reports must be accompanied by receipts for all business expenses. Abuse of this business travel expense policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

4.1.2 Reimbursement for Tuition and Certification

The Watermaster may, in its discretion, approve expense reimbursement for pre-approved tuition costs for regular full-time employees taking job-related courses at an accredited college or university, based on length of employment:

- Employees with one year of continuous service: up to \$2,000 per fiscal year
- Employees with 2-5 years of continuous service: up to \$4,000 per fiscal year
- Employees with 5+ years of continuous service: up to \$5,250 per fiscal year

Approval for tuition reimbursement must be obtained in advance of incurring the expense. Whether a class/course is job-related is determined at the reasonable discretion of the General Manager. To receive the tuition reimbursement, the employee must successfully complete the class or program. Proof of tuition payment and final grade will be required. The employee should discuss classes of any significant duration or expense with the Watermaster prior to his/her registration for the class.

Employees who are approved for tuition reimbursement must agree in writing to repay the full reimbursement amount if they voluntarily terminate employment with the Watermaster within 12 months of receiving reimbursement.

In addition, with prior approval from the Supervisor and General Manager, the Watermaster may cover the cost of certification and training relevant to the employee's duties.

4.1.3 Car Allowance

Designated executive-level employees receive a car allowance (not included in the base salary) and do not receive mileage reimbursement, so long as equivalent mileage reimbursement does not exceed the car allowance. Car allowances will be treated in the manner deemed appropriate for tax withholding and reporting purposes.

4.1.4 Mileage

Mileage is paid to all employees who incidentally use their personally owned vehicles in the performance of job-related duties. The mileage reimbursement is the amount per mile as established from time to time by the Internal Revenue Service. The employee's typical commute between work and home each day is not compensated. Employees who have an employment contract that provides for a car allowance are not eligible for this benefit, so long as equivalent mileage reimbursement does not exceed the car allowance.

4.1.5 Professional Organizations

When approved by the General Manager, each employee may be reimbursed for the cost of joining and maintaining membership in professional organization(s) related to the employee's job duties. The maximum reimbursable amount under this provision is ~~three hundred dollars (\$300) per fiscal year~~ at the discretion of the General Manager and subject to applicable law. **[Note to Board: This was modified to remove the dollar limit (which is subject to change over time), and to reference legal requirements.]**

4.2 CELL PHONE POLICY

The Watermaster may provide certain employees with cellular phones, which are to be used primarily for official Watermaster business; personal use must be limited to incidental, occasional use. Employees must reimburse the Watermaster for additional charges resulting from any personal uses of the cellular phones provided by the Watermaster.

The Watermaster may authorize certain employees to use their personal cellular phones for Watermaster business. The Watermaster will reimburse the employee an amount generally not to exceed \$45.00 per month for Non-Executive Management and \$60.00 per month for Executive Management for such use. Any employee believing that actual expenses attributable to business use exceed this reimbursement amount should discuss this matter with the General Manager.

4.3 EMPLOYMENT OF RELATED PERSONS

Relatives of current Watermaster employees may be hired only if the candidate will not work in a direct supervisory relationship with the related employee, and the employment will not pose difficulties for supervision, security, safety or morale. "Relatives" are defined as spouses, domestic partners, children, sisters, brothers, mothers, and fathers.

Current employees who marry or become domestic partners, or who become related by marriage, will be permitted to continue employment with the Watermaster only if they do not work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety, or morale. If employees who marry or become domestic partners, or who become related by marriage, do work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety or morale, the Watermaster will attempt to reassign one of the employees to another position for which he/she is qualified, if such a position is available. If no such position is available, then one of the employees may be required to leave the Watermaster. The decision regarding which employee will leave is to be left, whenever possible, solely to the employees affected.

4.4 OUTSIDE EMPLOYMENT

Outside employment is prohibited where there it may create a conflict of interest or where such employment would impair an employee's effectiveness or ability to perform his/her assigned job duties.

It is expected that employees' outside employment or engagement in projects will not create a conflict or adversely impact work for the Watermaster. Some examples of conflicts are: private consulting for Watermaster clients; using proprietary information or other information whose disclosure could adversely affect the Watermaster; and allowing outside employment to adversely affect job performance, attendance, or availability for work. Employees are encouraged to discuss outside employment or other engagements with the General Manager to avoid any misunderstanding.

4.5 STANDARDS OF CONDUCT AND WORK RULES

To ensure orderly operations and provide the best possible work environment, employees are required to adhere to standards of conduct that will accomplish the goals and objectives of the Watermaster and will protect the interest and safety of all employees and the organization. Improper conduct means not only any improper action by an employee during working hours, but also conduct by an employee during off-duty hours that affects the ability of the employee to perform his or her duties efficiently, involves any improper use of an employee's position for personal advantage, or involves misuse of Watermaster information, personnel, resources or equipment. Improper conduct may be cause for disciplinary action, up to and including termination, and includes, but is not limited to, the following:

- a. Violation of the provisions of this Manual or other applicable rules, regulations and policies of the Watermaster, including violation of the Policy against Harassment, the Workplace Violence Policy, or the Substance Abuse Policy;

- b. Insubordination, including unjustified failure or refusal to comply with a lawful order or to accept a reasonable and proper assignment from an authorized supervisor;
- c. Failure to follow established safety regulations;
- d. Inefficiency, unsatisfactory work quality or quantity, incompetence, carelessness, or negligence in the performance of duties;
- e. Excessive absenteeism, tardiness, or abuse of meal breaks and rest periods;
- f. Damage to or negligence in the care and handling of Watermaster property;
- g. Improper or unauthorized use of Watermaster vehicles or equipment, or misappropriation of supplies or assets;
- h. Furnishing false information to secure appointment or promotion.
- i. Absence from duty without leave, failure to report after a leave of absence has expired or after such leave of absence has been disapproved, revoked or canceled, or dishonesty in connection with any type of leave of absence;
- j. Acceptance or solicitation of any bribe, gratuity, kickback or other item of value when such is given or proffered in the hope or expectation of receiving preferential treatment;
- k. Outside work which creates a conflict of interest with the Watermaster, or other violation of conflict of interest rules;
- l. Failure to obtain and maintain in good standing a current license or certificate deemed necessary by the Watermaster as a condition of employment;
- m. Falsifying or altering Watermaster records, including the application for employment and related documents, as well as time records;
- n. Interfering with the work performance of others;
- o. Unauthorized release of confidential information of the Watermaster, including information from official records, as defined by law;
- p. Conviction of a crime that relates to the qualifications, functions, or duties of the position; and
- q. Sleeping on the job or leaving the job without authorization.

This list is in no way all-inclusive, and the Watermaster reserves the right to add work or safety rules at any time, or discipline employees for other conduct. Moreover, this statement of prohibited conduct does not alter or limit the Watermaster's policy of employment at will.

Any time off that qualifies as legally protected leave (such as CFRA or PDL time, California's Paid Sick Time, or equivalent state or local leave law or a disability accommodation) will not be considered in determining whether employees have violated standards of conduct.

This policy is not intended to preclude or dissuade employees from engaging in activities protected by state or federal law (including the California Labor Code, the Fair Employment and Housing Act, the National Labor Relations Act, and/or Title VII of the Civil Rights Act of 1964), such as discussing wages, benefits or terms and conditions of employment, or from raising complaints about working conditions on behalf of themselves or their fellow employees.

4.6 CONFLICTS OF INTEREST

Employees should never place themselves in a position where their actions or personal interest may be in conflict with those of the Watermaster. A conflict of interest exists where the employee's loyalties or actions are divided between the Watermaster's interests and those of another, such as a supplier or contractor. Both the fact and the appearance of a conflict of interest must be avoided. Employees unsure as to whether a certain transaction, activity or relationship constitutes a conflict of interest should discuss it with the General Manager for clarification. Any exception to this policy must be approved in writing by the General Manager.

While it is not feasible to describe every situation that might create or constitute such a conflict, examples are: significant ownership (1% or more) in any business entity with which the Watermaster does business, is seeking to do business, or that is seeking to do business with the Watermaster; acceptance of payments, services or loans from concerns dealing or contemplating dealing with the Watermaster; working for a supplier or contractor of the Watermaster; or acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Watermaster. Employees have a responsibility to report to their supervisors any facts or situations where their interests, or the interests of someone with whom an employee has a close relationship, conflict or may conflict with those of the Watermaster.

Employees may not use Watermaster equipment, facilities, resources, time or supplies for political activities, nor may such equipment, facilities, resources, time or supplies be used for personal or civic activities without prior notice to and approval of the General Manager. Employees who run for or hold public office must do so as private citizens, and only to the extent that holding such public office

does not constitute a prohibited conflict of interest, unless an employee holds public office as the authorized representative of the Watermaster.

4.7 CONFIDENTIAL INFORMATION AND WATERMASTER RECORDS

The materials, products, designs, plans, ideas and data collected or developed by, for and/or as a result of employment with the Watermaster are the property of the Watermaster. Any improper transfer of material or disclosure of information, even if an employee has not personally gained by such action, constitutes unacceptable conduct. Any employee who participates in such conduct may be subject to disciplinary action, up to and including termination of employment.

Confidential information may be disseminated only by authorized personnel, and may not be disseminated to any individual who does not have a recognized need to have such information to conduct the business of the Watermaster. This includes family, relatives, friends, or business and professional associates. Confidential information is any Watermaster information that is not a matter of public record. Using confidential Watermaster information for personal gain, for the benefit of a third party, or to the Watermaster's detriment is prohibited.

From time to time, the Watermaster may receive inquiries from the media (newspapers, television, etc.) regarding issues relating to the Watermaster or other related entities. Employees receiving such inquiries must clearly indicate that they are not authorized to speak for the Watermaster and must refer all requests for a media statement on behalf of the Watermaster to the General Manager or other designated offer assigned to the responsibility to answer such inquiries. Employees may not, under any circumstances, respond to media inquiries on their own on behalf of the Watermaster.

Protected Disclosures: These confidentiality protections are not intended to preclude or dissuade employees from engaging in activities that are protected by local, state or federal law (including state labor laws, state fair employment laws, the National Labor Relations Act, and/or Title VII of the Civil Rights Act of 1964), which may include discussing or disclosing in good faith any allegation of unlawful workplace conduct, such as discrimination, harassment or retaliation or any other conduct an employee has reason to believe is unlawful; discussing wages, benefits or terms and conditions of employment; responding to a court order, subpoena, or written request for testimony from an administrative agency or the legislature; or from raising complaints about working conditions on behalf of themselves or their fellow employees.

Pursuant to the Defend Trade Secrets Act of 2016, Employees are advised that: An individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected

violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

4.8 THIRD-PARTY GIFTS AND ENTERTAINMENT

Unless authorized in writing by the General Manager, employees may not give or offer to give personal gifts or other personal items of value, or entertainment events of more than a nominal amount, either directly or indirectly, to any supplier, customer or other entity with which the Watermaster does business, that is seeking to do business with the Watermaster, or with which the Watermaster is seeking to do business, or any officer, director or employee of any such entity. Likewise, unless authorized in writing by the General Manager, employees may not accept or request any personal gifts or other personal items of value, or attend or seek attendance at entertainment events, from any such person or entity.

4.9 NOTICE OF PERSONNEL STATUS CHANGE

In order to maintain accurate, current records and to properly administer various benefit programs, employees are responsible for informing the General Manager immediately of any changes in important information, such as address, telephone number(s), marital status (when required for business purposes), dependents, person(s) to notify in case of emergency, insurance beneficiary designation (when applicable), licensing information and the like.

4.10 LOANS, ADVANCES, PERSONAL CHECKS

Loans or advances against wages will not be permitted, nor is it possible for the Watermaster to cash personal checks.

4.11 TELEPHONE CALLS

All employees are asked to keep personal calls to a minimum and to confine them to break periods when possible. Employees should inform family and friends to phone only in the case of necessity.

4.12 APPEARANCE AND ATTIRE

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image employees at the Watermaster present to visitors. During normal business hours, employees are expected to present a clean,

neat, professional appearance and to dress according to the requirements of their positions, as determined by the Watermaster in its sole discretion. Clothing should not constitute a safety hazard. Visible body art or tattoos are prohibited. All body art must be covered by normal clothing or uniforms while at work. Visible extreme piercings and visible extreme jewelry affixed to piercings are not permitted while at work. The General Manager maintains the authority to determine acceptable and appropriate appearance and attire.

This policy is not intended to prevent any dress or grooming standards related to an employee's religion. Employees needing an accommodation for religious dress or grooming standards should contact the General Manager.

4.13 SAFETY

4.13.1 Safety Program.

The Watermaster is committed to providing and maintaining a healthy and safe work environment for all employees; however, a safety program can only be successful if everyone cooperates. Employee assistance in eliminating hazards and unsafe conditions, as well as attention to good housekeeping, will do much to make the Watermaster a safe place to work. Every employee is required to follow safe and healthy work practices at all times. For employee safety, it is encouraged (but not required), that there be at least two employees in the office during normal business hours. Employees may be subject to discipline for engaging in any unsafe or unhealthy work practices.

4.13.2 Injuries at Work

Employees are required to report all injuries occurring at work and any other work-related injuries to their immediate supervisor. Supervisors are responsible for obtaining first aid and proper medical care, and promptly reporting the injury to the General Manager, who will fill out all appropriate forms and reports. For insurance purposes, exact details of the accident or injury must be promptly provided to the General Manager. The location of the nearest doctor and/or medical facility is posted on the bulletin board(s).

4.13.3 Workplace Violence

Statement of Policy

The Watermaster recognizes that workplace violence is a growing concern among employers and employees across the country. The Watermaster is committed to providing a safe, violence-free workplace and strictly prohibits employees, consultants, customers, visitors, or anyone else on Watermaster premises or engaging in a Watermaster-related activity from engaging in a violent or threatening manner. The Watermaster believes that

prevention of workplace violence begins with recognition and awareness of potential early warning signs, and prompt reporting of any workplace violence related concerns.

Workplace Violence Defined

Workplace violence includes: 1) threats of any kind; 2) threats, physically aggressive or violent behavior, such as intimidation or attempts to instill fear in others, or threats or violent behavior towards one's self; 3) other behavior that suggests a propensity toward violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of Watermaster property, or a demonstrated pattern of refusal to follow Watermaster policies and procedures; 4) defacing Watermaster property or causing physical damage to its facilities or property; or 5) with the exception of security personnel, bringing weapons, firearms, explosives, ammunition or other dangerous items onto Watermaster premises or property or having such while conducting Watermaster business.

Reporting

Employees who observe or become aware of any of the above-listed actions or behaviors by any employee, customer, consultant, visitor, or anyone else in connection with the Watermaster must promptly notify the General Manager. Employees also must notify the General Manager if any restraining order is in effect of which the Watermaster should be aware, or if a potentially violent non-work related situation exists that could result in violence in the workplace or involving the Watermaster or its employees.

Investigation

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. Where appropriate, the Watermaster will inform the reporting individual of the results of the investigation. To the extent possible, the Watermaster will maintain the confidentiality of the reporting employee and of the investigation, but may need to disclose results in appropriate circumstances, for example, in order to protect the individual's safety. The Watermaster also may involve the authorities in appropriate circumstances. The Watermaster will not tolerate retaliation against any employee who reports workplace violence in good faith.

Corrective Action and Discipline

If the Watermaster determines that workplace violence has occurred, it will take appropriate corrective action and impose discipline on offending employees, up to and including termination. The appropriate discipline will depend on the particular facts of each case. Under certain circumstances, the Watermaster may forgo disciplinary action on the condition that the employee takes a medical leave of absence. In addition, the Watermaster

may request that the employee participate in counseling, either voluntarily or as a condition of continued employment.

If the conduct involves a non-employee, the Watermaster will take such action as it deems appropriate in an attempt to ensure that such behavior is not repeated.

4.14 USE OF WATERMASTER VEHICLES

Use of a Watermaster vehicle must be authorized by the employee's supervisor or the General Manager. Unauthorized use of any Watermaster vehicle, or transporting of passengers other than Watermaster personnel, consultants or contractors, or Committee members, without prior authorization, may result in discipline up to and including termination of employment. Employees are required to operate Watermaster vehicles in compliance with all applicable laws and in a safe manner, and to have their valid California Driver's license in their possession at all times while operating Watermaster vehicles. Traffic violations are discouraged, and any fines resulting therefrom will be the responsibility of the operator. Vehicles should be locked when not in use to prevent theft.

In the event of an accident while on Watermaster business and/or in a Watermaster vehicle:

1. Do not admit negligence or liability.
2. Do not attempt to settle the matter, regardless of how minor the incident appears.
3. Get the names, addresses and phone numbers of injured persons and any witnesses, if possible.
4. Exchange vehicle identification, insurance company names and policy numbers with the other driver(s).
5. Take photographs of the scene of the accident, if possible.
6. Call the police, even if there are no injuries.
7. Turn all accident information over to the General Manager within 24 hours.

In the event that an accident occurs which causes injury to persons or property damage, including damage to the Watermaster vehicle, the General Manager must be informed immediately, and a written report of the incident submitted to the General Manager within two (2) working days. Damage to Watermaster vehicles which is determined to be due to the negligence of the employee, may result in discipline, up to and including dismissal of the employee.

The Watermaster does not assume any liability for bodily injuries or property damage employees may become personally obligated to pay arising out of accidents occurring in connection with the operation of their personal vehicles. Employees are responsible for paying fees, fines, penalties and court costs for traffic citations and parking tickets received while engaged in Watermaster business. Traffic citations and parking tickets received while on Watermaster business must be reported to the General Manager within 48 hours of receipt.

Employees must notify the General Manager if any equipment or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others.

Violation of this policy, including the improper, careless, negligent, destructive or unsafe use or operation of Watermaster vehicles, may result in disciplinary action, up to and including termination.

4.15 USE OF PERSONAL VEHICLES

In the event a Watermaster-owned vehicle is not available for employee use, an employee may utilize his or her personal vehicle when necessary, with the prior authorization of the employee's supervisor. An employee utilizing his/her personal vehicle for Watermaster-related business is required to operate the vehicle in compliance with all applicable laws and in a safe manner, and to have his/her valid California driver's license in his/her possession at all times. Prior to seeking authorization to utilize a personal vehicle in connection with Watermaster business, an employee must provide the General Manager evidence of automobile liability insurance covering the automobile(s) that will be operated by the employee in connection with the performance of his/her duties. Whenever possible, the employee's personal automobile insurance will be considered primary. Traffic violations are discouraged and any fines therefrom will be the responsibility of the operator.

In the event that an accident occurs, or the vehicle is otherwise damaged in the discharge of the employee's duties, the General Manager must be informed immediately of the occurrence, and a written report of the incident submitted to the General Manager within two (2) working days. Employees may be eligible for reimbursement of certain out-of-pocket expenses suffered due to damage of their personal vehicles in the conduct of Watermaster business not resulting from their own negligence or misconduct. (Note that any expenses related to personal injuries suffered by the employee would be governed by workers' compensation and are not covered by this policy.) The employee must pursue insurance or third-party payment of the out-of-pocket expenses and repay the Watermaster if, at a later date, the employee recovers any portion of the reimbursed out-of-pocket expenses from a third party. Employees seeking such reimbursement must submit a written request to the General Manager, including any information (such as police reports

or witness statements) establishing non-negligence by the employee, and two (2) automobile repair estimates. The General Manager will respond to employee requests for reimbursement within fifteen (15) working days.

Employees authorized to utilize their personal vehicles in connection with the performance of their duties, will receive reimbursement in accordance with Sections 4.1.3 and 4.15 above.

4.16 USE OF CELL PHONES AND OTHER ELECTRONIC DEVICES WHILE DRIVING

The Watermaster understands that employees may want to use cell phones, Smartphones, personal digital assistants (PDAs), GPS units, and other devices (together, referred to as “Electronic Devices”) while driving, whether these Electronic Devices belong to the employee or are issued to the employee by the Watermaster. California law prohibits the use of cell phones and other electronic devices for any purpose (other than for contacting emergency services such as law enforcement) while driving, unless the device is being used in hands-free mode. The Watermaster places importance first on safety of employees and others. Therefore, unless using hands-free equipment as set forth below and in accordance with applicable law, Watermaster employees are prohibited from (i) using any Electronic Devices for work-related matters while driving, (ii) using any Electronic Devices while operating Watermaster vehicles or other heavy equipment or machinery of the Watermaster, or (iii) using Watermaster-issued devices for any purpose while driving any vehicle.

Without Hands-Free Equipment: If you must make calls while driving, you must wait until you can pull over safely and stop the car before placing your call. If you receive a call while driving, you should not answer the call; allow it to go to voicemail, and once you can pull over and safely stop the car, listen to the voicemail or return the call.

With Hands-Free Equipment: You may use hands-free equipment to make or answer calls while driving as long as it is in conformance with this policy and applicable law, and can be done safely. Safety must always be your first priority. We expect you to keep any such calls brief. If, because of weather, traffic conditions, or any other reason, you are unable to concentrate fully on the road while on a call, you must either end the conversation or pull over and safely park your vehicle before resuming your call.

4.17 USE OF COMPANY COMPUTERS AND OTHER EQUIPMENT

Watermaster equipment, issued for individual as well as for collective use (*e.g.*, computers, telephone units, instrumentation, furniture and supplies), must be maintained with care and guarded by Watermaster personnel against abuse, misuse and waste. In the event Watermaster-issued equipment becomes lost or damaged,

the employee should immediately notify their immediate supervisor. Watermaster equipment is not to be used for personal purposes or loaned to third parties without written approval by the General Manager.

On termination of employment, whether voluntary or involuntary, or at the earlier request of the General Manager, all Watermaster property, including computer disks, keys, identification cards, and all Watermaster documents, in the employee's possession or control must be returned to the General Manager. Employees may be liable for the cost of equipment which is not returned or is returned in a damaged condition. The Watermaster may take all action deemed appropriate to recover or protect its property.

Any use of the internet, electronic mail, the Local Area Network and our computer system carries the Company's name and reputation with it. The Company asks that employees be mindful of the attachment of the Company's name to any and all transmissions from Company Services and that employees comport themselves accordingly.

Business Use

The Watermaster provides local area network file services on its file servers and local file services on local hard drives of Watermaster computers, electronic mail and internet access, including through SmartPhones, other PDAs, text messaging, instant messaging, etc. and may also provide external and/or cloud-based storage (together, the "Watermaster Services") to various employees to facilitate business document preparation and storage, business communications, and work-related research. These Watermaster Services are intended primarily for Watermaster-related business, and all content contained on or transmitted through the Watermaster Services belongs solely to the Watermaster. ***Employees are prohibited from altering Watermaster-issued devices, including but not limited to "wiping" hard drives or deleting any emails, information or data (even information the employee contends is "private" or "personal"), and from deleting, modifying, downloading, printing or copying information on Watermaster Systems, at any time, including upon their departure, unless such conduct is in the regular scope of the employee's duties or with express written authorization from the Watermaster outlining the scope of permitted conduct.***

Incidental personal use of Watermaster Services is permitted as long as it does not interfere with job performance, the Watermaster's data security, bandwidth, storage or other capability of Watermaster Services, and is otherwise in compliance with this policy.

Please note that all Watermaster-related email communications must be sent through the employee's Watermaster email account. Employees are prohibited from using personal email accounts (such as Yahoo or Gmail) for any Watermaster-related business. Employees also are strictly prohibited from using other electronic

communication methods for Watermaster business purposes, including but not limited to instant message services or text messages, so that the Watermaster may properly retain all business records. Employees may not, without the Watermaster's prior written consent, copy, download, transmit, print or remove any information, data, or files from the Watermaster Services, other than in the normal course of business and in the course of performing their duties for the Watermaster.

Prohibited Uses

Inappropriate use of Watermaster Services is prohibited. Inappropriate use includes the following: accessing, copying, saving, storing, transmitting, displaying, downloading, printing, or distributing messages, text, images or other data that are harassing, derogatory, defamatory, obscene, offensive or unprofessional, including material that is sexually explicit or disparaging of others based upon their race, national origin, sex, disability, sexual orientation, age, religion, political beliefs, or any other legally-protected characteristic. Inappropriate use of email or internet access (whether or not accessed through Watermaster Services) attributable to the Watermaster or in which the name of the Watermaster is used also is prohibited. Moreover, employees may not use Watermaster Services for leisure activities during working hours (for example, checking ESPN for sports scores, playing games, online shopping, downloading non-work-related attachments that could introduce viruses, etc.).

Passwords, Sharing of Computer Accounts, Logging Off

The first line of defense in denying unauthorized access to Watermaster Services is password discipline. All systems accounts must be protected by an appropriate password. Group accounts are not permitted. For assistance in choosing an effective password, contact the Human Resources Representative.

Password discipline and access limiting will be periodically checked and corrected if deficient. If any password to a computer system is acquired by an unauthorized user, the security of that computer is compromised, and any data, program, etc., that is on that system is vulnerable. This compromised system may then be used to gain access to other networked computer systems.

The second line of defense in denying unauthorized access is to log off of computers when finished using them. Computers should also be locked when unattended.

Filtering

The Watermaster has arranged for internet access from an Internet Service Provider ("ISP") that separately provides filtering services for the purpose of protecting against certain prohibited uses of Watermaster Services. The Watermaster may at any time filter content that enters the Watermaster Services. The filtering action may be performed by any one of several different techniques. Content such as viruses, objectionable or offensive text, objectionable or offensive images, unsolicited electronic messages, and/or content clearly unrelated to the conduct of daily business may be blocked. The user may or may not be informed of the blocking action at the time it is performed. Where Watermaster-related work requires access to internet resources that are filtered, in appropriate circumstances the Watermaster may exempt those resources from filtering under certain

circumstances. No such exceptions will be made in connection with personal use of Watermaster Services.

Monitoring

The Watermaster actively monitors employee use of Watermaster Services whenever the Watermaster, in its sole discretion, deems monitoring appropriate. Employees should not consider their use of Watermaster Services (including SmartPhones, other PDAs, pagers, instant messages or other text messages) to be private or confidential. To the contrary, the Watermaster expressly reserves the right to monitor, copy, delete, and/or disclose any and all documents, data, or other files stored on Watermaster Services, any and all Watermaster email, any and all use of Watermaster internet access, including internet transmissions, texts, instant messages and pages, any and all Watermaster-issued or Watermaster-paid-for devices, received or downloaded data, and correspondence.

Watermaster Services are not equipped or intended to provide Watermaster personnel with private storage of personal information. Any user file saved to or stored on Watermaster Services, no matter how private or confidential the user to whom it belongs may wish it to be, and regardless of any notation such as “Private” or “Confidential” or “Personal,” can be accessed by any other user or any third party who may illegally access the Watermaster’s computers or computer network. There can be no expectation on the part of employees that information stored on or transmitted through the Watermaster’s Services, including its computers and computer network will be private or confidential.

The Watermaster retains a copy of and/or may override all passwords; passwords unknown to the Watermaster may not be used. System security features, including passwords and message delete functions, do not neutralize the Watermaster’s ability to access any file message at any time, including after deletion by the employee.

Unauthorized access by any user of any other user’s files, email, or other information not for purposes of Watermaster business is against Watermaster policy, but such access may be available, and any user who stores personal files or other information on Watermaster Services assumes the risk of unauthorized access by other users. The Watermaster has determined that the detrimental impact on Watermaster Services of attempting to protect against such unauthorized internal access is not warranted by the business purposes for which Watermaster Services are provided. However, unauthorized access of files, email, or other information by any employee without a legitimate business reason may result in discipline, up to and including termination.

Security

All use of the internet, including use of Watermaster Services to send email outside the Watermaster via the internet and use of Watermaster Services, is required to be

conducted with appropriate regard for the available level of security and attendant level of confidentiality of the internet in general, including email sent via the internet and information transmitted via the internet by any other means. Encryption, passwords, and secure transmittal methods should be used whenever appropriate.

Copyright Restrictions/Permission Required

Any software or other material downloaded to or transmitted from the Watermaster's computer network, or saved with or stored on Watermaster Services, may be used only in a manner consistent with the licenses and copyrights of the vendors, authors or owners of the material. Prior written authorization from the Watermaster is required before introducing any software onto the Watermaster's network.

Violations of this Policy

Any violation of this policy may result in disciplinary action, up to and including termination. However, nothing set forth in this policy is intended to interfere with any rights employees may have under Section 7 of the National Labor Relations Act or other federal or state law to engage in concerted protected activity or to discuss the terms of their employment or working conditions with or on behalf of coworkers, or to bring such issues to the attention of management at any time.

Policy Subject to Change

This policy is subject to change as the Watermaster's use of technology warrants.

4.18 HARASSMENT AND DISCRIMINATION

The Watermaster is committed to providing a workplace free of sexual harassment or discrimination (which includes harassment or discrimination based on actual or perceived gender, pregnancy, childbirth, reproductive health decision-making, or related medical conditions) as well as harassment or discrimination based on such factors as actual or perceived race (including traits historically associated with race, such as hair texture and protective hairstyles), color, religion (including, but not limited to, religious dress and grooming practices, creed, national origin (including language use restrictions and possession of a driver's license issued under Vehicle Code section 12801.9), ancestry, age, physical or mental disability, medical condition, genetic information, marital status, registered domestic partnership status, sexual orientation, gender, gender identity or expression, transsexual or transgender status, family care leave status, military or veteran status, use of cannabis off the job and away from the workplace (subject to applicable state and federal laws, and except as to positions that require a federal government background investigation or security clearance), or any other basis protected by federal, state or local law or ordinance or regulation.

The Watermaster strongly disapproves and will not tolerate harassment or discrimination against employees by managers, supervisors, or co-workers, or by non-employees in the workplace or in the course of Watermaster business. Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive or hostile working environment or interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment.

Harassing conduct can take many forms and includes, but is not limited to, slurs, jokes, statements, gestures, pictures, or cartoons regarding an employee's protected category, as outlined above. Sexually harassing conduct in particular includes all of these prohibited actions as well as other unwelcome conduct such as requests for sexual favors, unwelcome sexual advances, or verbal or physical conduct of a sexual nature (like name calling, suggestive comments, or lewd talk). Sexual harassment in violation of this policy includes harassment of women by men, of men by women, and same sex gender-based harassment. Sexual harassment does not have to involve sexual desire or any sexual proposition to violate this policy.

Any incident of discrimination or harassment, including work-related harassment by Watermaster personnel or any other person, should be reported promptly to the employee's supervisor. If the immediate supervisor is involved in the reported conduct, or if for some reason the employee feels uncomfortable about making a report at that level, the report should be made to the General Manager. If the General Manager is involved in the reported conduct or, if for some reason the employee feels uncomfortable making a report at that level, the report should be made to the Chair of the Watermaster Board. Supervisory or managerial employees who become aware, through any means, of possible violation of this policy must immediately report the information to the General Manager. Prompt reporting of any such conduct enables the Watermaster to respond rapidly and take appropriate action, and helps the Watermaster maintain an environment free of discrimination and harassment for all employees.

All incidents of prohibited harassment that come to the Watermaster's attention will be investigated in a manner appropriate to the incident. The Watermaster will undertake an effective, thorough, and objective investigation of the harassment allegations, appropriate to the type of conduct and concerns raised. The Watermaster will keep all information as confidential as possible, on a "need to know" basis, disclosing information only as needed to perform an appropriate investigation. The Watermaster will track the timely progress of the investigation and document the investigation and findings. Every investigation may be different, and sometimes, immediate termination may be appropriate. When the investigation is completed, the Watermaster will advise the affected employees of the outcome of the investigation. In the case of Watermaster employees, if discrimination or

harassment is established, the offender will be disciplined, up to and including discharge. The Watermaster also will take necessary steps to protect employees from harassment by non-employees in the workplace.

Retaliation against Watermaster employees or any other person for the good faith reporting of possible acts or incidents in violation of this policy will not be tolerated. Watermaster employees shown to have engaged in such retaliation will be disciplined, up to and including discharge.

In addition to notifying the Watermaster about harassment or retaliation complaints, affected employees may also direct their complaints to the Federal Equal Employment Opportunity Commission (EEOC) and/or California Civil Rights Department (CRD), which investigate, assist with resolving, and prosecute complaints of unlawful harassment in employment. Employees may contact these agencies through their respective internet websites: www.eeoc.gov and www.calcivilrights.ca.gov. In addition, the address of the nearest office of the CRD can be found on the workplace poster at the office or on the CRD website. The EEOC, the CRD and similar state agencies serve as neutral fact finders and attempt to help the parties voluntarily resolve disputes. If the EEOC or CRD finds that unlawful harassment occurred, it can order remedies, including monetary penalties, fines, damages for emotional distress, reinstatement, back pay, promotion, and/or changes in the policies or practices of the Foundation. A court may order unlimited damages.

Employees can access the CRD online harassment prevention training on the CRD website, at <https://calcivilrights.ca.gov/shpt/>.

Employees are protected by law from retaliation for opposing unlawful harassment, for filing a complaint with the CRD or EEOC, or for otherwise participating in any proceedings conducted by federal or state agencies. The deadline for filing complaints with the CRD generally is three (3) years from the date of the alleged unlawful conduct. If the CRD believes that a complaint is valid and settlement efforts fail, the CRD may seek an administrative hearing before the California Fair Employment and Housing Commission (FEHC) or file a lawsuit in court. Both the FEHC and the courts have the authority to award monetary and non-monetary relief in meritorious cases. You can contact the nearest office of the EEOC or CRD at the locations listed online, in the Watermaster's CRD poster or by checking the federal and state government listings in the local telephone directory.

Questions about the Watermaster's Harassment and Discrimination Policy may be referred to the General Manager.

4.19 INSPECTIONS, SEARCHES AND MONITORING

The Watermaster believes that maintaining a workplace that is free of alcohol, Prohibited Substances, and other harmful materials is vital to the health and safety

of its employees and the public and to the success of the Watermaster's business. The Watermaster also intends to protect against the unauthorized use and removal of Watermaster property. In addition, the Watermaster intends to ensure its access at all times to Watermaster premises and property, equipment, records, documents and files. This policy applies to all employees of the Watermaster.

Definitions

For purposes of this policy:

- “Prohibited materials” means firearms or other weapons; ammunition, explosives and/or hazardous materials or articles; Prohibited Substances as defined in the Drug-Free Workplace Policy; drug-related paraphernalia; and Watermaster property or property of other employees, clients or visitors that an employee is not authorized to have in his or her possession.
- “Watermaster property” includes all documents, records, software, and files relating to the Watermaster's business or stored on Watermaster computers or its computer network; and all equipment, hardware and other property of any kind, whether owned, leased, rented, or used by the Watermaster.
- “Watermaster premises” includes all premises and locations owned or leased by the Watermaster or under its control, including parking lots, break areas, lockers, rental cars and storage areas.
- “Reasonable suspicion” includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, law enforcement officials, a security service, or other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.
- “Possession” means than an employee has the substance or property on his or her person or otherwise under his or her control.

Access to Watermaster Property

In order to ensure access at all times to Watermaster property, and because employees properly in possession of Watermaster property or information related to Watermaster business may not always be available to produce the property or information when needed in the ordinary course of business, the Watermaster reserves the right to conduct a routine inspection or search at any time for Watermaster property on Watermaster premises. In addition, the Watermaster reserves the right to access at all times information and communications stored in or transmitted through the Watermaster Services, including in computer files, on

disk drives and in employee email, phones, PDAs, pagers, instant messages and voicemail boxes.

Routine searches or inspections for Watermaster property may include an employee's office, desk, file cabinet, closet, computer files, voicemail, email or similar places where employees may store Watermaster property or Watermaster-related information, regardless of whether the places are locked or protected by access codes or passwords. Because even a routine search for Watermaster property might result in the discovery of an employee's personal possessions, all employees are encouraged to refrain from bringing into the workplace any item of personal property that they do not wish to reveal to the Watermaster.

Inspections and Searches for Prohibited Materials

Inspections or searches for prohibited materials in or on Watermaster premises will be conducted whenever the Watermaster has reasonable suspicion to believe that a particular employee or group of employees may be in possession of such materials in violation of this policy. Inspections or searches for prohibited materials may be conducted by an independent security service or by the Watermaster with its own personnel.

Inspections or searches for prohibited materials may be conducted on a random basis at locations where employees enter or exit Watermaster premises, without regard to whether there is reasonable suspicion that any employee may be in possession of prohibited materials in violation of this policy. Inspections or searches for prohibited materials may be conducted from time to time even when there is no immediate reason to suspect the presence of the materials. In such cases, the Watermaster may announce the inspection in advance.

Inspections or searches for prohibited materials may include an employee's office, desk, file cabinet, closet or similar places where employees may place personal possessions, whether or not those places are locked. Inspections or searches for prohibited materials also may include an employee's locker; an employee's vehicle, when on Watermaster premises; or an employee's pockets, purse, briefcase, lunch box, or other item of personal property that is being worn or carried by the employee while on Watermaster premises.

In cases involving an inspection or search of an employee's pockets, purse, briefcase, or other item of personal property that is being worn or carried by the employee, the employee will be requested to conduct a self-search (*e.g.*, by turning out or emptying pockets, purses, etc.) in the presence of an observer.

Employees who refuse to cooperate during an inspection or search will not be forcibly detained or searched. However, the Watermaster will base any disciplinary decision on the information that is available, including the employee's refusal to consent to the search as well as the information that gave rise to a reasonable

suspicion that the employee was in possession of prohibited materials, if applicable. The failure or refusal of the employee to cooperate could deprive the Watermaster of information that may clear the employee of suspicion. In addition, the Watermaster reserves the right to take appropriate action to prevent the unauthorized removal from Watermaster premises of Watermaster property or property belonging to individuals or entities other than the employee.

Monitoring

The Watermaster may actively monitor the use by employees of Watermaster Systems, telephones, computer networks, Smartphones, PDAs, instant messaging, pagers and electronic mail systems at any time it deems appropriate. Monitoring may be performed by observation, or through aural, mechanical, electronic, or other means. Monitoring may take place on a regular or random basis and will be used to monitor an employee's job performance, for training or quality control purposes, or in instances in which the Watermaster has a reasonable suspicion that an employee is using Watermaster property in an unauthorized manner.

Approvals for Inspections or Monitoring

In instances in which a routine inspection or search is conducted because of the Watermaster's need for Watermaster property, or information related to Watermaster business, that is believed to be in the possession of an employee who is not available, no approval for the inspection or search is necessary. If the Watermaster proposes to search an item of the employee's personal property, such as a briefcase or bag, the Watermaster will make an effort to obtain the employee's consent.

In instances in which the inspection, search or monitoring is conducted because there is reasonable suspicion that a particular employee or group of employees may be in possession of prohibited materials in violation of this policy or may be using Watermaster property in an unauthorized manner, and in instances in which an item of the employee's personal property will be searched, the inspection, search or monitoring will be approved in advance by the Human Resources Representative, the representative of the Human Resources Department.

Disciplinary Action

Employees who are found to be in possession of prohibited materials in violation of this policy and/or in violation of any other applicable policy, or employees who are found to have used Watermaster property in an unauthorized manner, will be subject to discipline, up to and including discharge, regardless of the Watermaster's reason for conducting the search, inspection or monitoring.

If an employee refuses to cooperate with a search or inspection that is based on reasonable suspicion that the employee is in possession of prohibited materials, the

Watermaster will take that refusal into consideration in determining appropriate disciplinary action. Discipline will be based on all available information, including the information giving rise to the reasonable suspicion. It is therefore to the employee's advantage to cooperate with the search or inspection whenever prohibited materials are present.

Disposition of Prohibited Materials

Any prohibited materials, or any materials that are suspected of being prohibited by this policy, that are found in an employee's possession during an inspection or search will, as appropriate, be collected by the Watermaster and placed in a container, sealed, and marked with (1) the date collected; (2) names of persons present; (3) circumstances of discovery; and (4) a general description of the contents placed in the container. The employee who was in possession, or who was suspected of being in possession, of the prohibited materials should be given a receipt for the materials that are collected.

If, after further investigation, it is determined that the materials collected were not prohibited by this policy, the collected materials will be returned to the employee, except as provided below, and a receipt will be obtained from the employee. In cases in which it is suspected that the collected materials consist of illegal drugs or other Prohibited Substances, the Watermaster will arrange for disposition in accordance with advice from the Drug Enforcement Administration or other appropriate law enforcement authorities. In cases in which the collected materials consist of, or are suspected of consisting of, firearms or other weapons, explosives, or other hazardous materials or articles, the Watermaster reserves the right to dispose of the materials in whatever manner it deems to be in the interest of its employees' safety or to return the materials to the employee at a designated time and location. The Watermaster will make appropriate reports to governmental authorities as required or permitted by law.

Violations

Violations of this policy may result in disciplinary action, up to and including termination of employment or other affiliation with the Watermaster.

Confidentiality

Managers and supervisors should restrict communications concerning a violation or possible violation of this policy to persons who have a work-related reason to know.

4.20 RIGHT TO SEARCH

The Watermaster reserves the right to search, in its sole discretion, without employee consent or prior notice, any and all areas and property of which the

Watermaster maintains control or joint control with the employee. Such areas could include, but are not limited to, Watermaster buildings, vehicles, equipment, lockers, desks, closets, file cabinets, computers and other electronic equipment. Employees are expected to cooperate in the conduct of such searches.

4.21 SMOKING

For health, safety and legal considerations, all Watermaster buildings, structures and vehicles are considered non-smoking areas. This also includes the use of electronic cigarettes or e-cigarettes.

4.22 VOICEMAIL, E-MAIL AND TECHNOLOGY POLICY

The Watermaster maintains and utilizes, as part of its operations, a computer system, voice-mail, e-mail and other systems. These systems are provided to assist employees in the conduct of Watermaster business. All computers and the data stored on them, as well as all voicemail and data stored on it, are and remain at all times the property of the Watermaster, including but not limited to all voice-mail, e-mail and other messages composed, created, sent, and received. The Watermaster reserves the right to retrieve and read any message composed, created, sent or received on the voicemail, e-mail or other computer systems at any time, with or without advance notice to employees.

Employees should attempt to limit voicemail and e-mail messages to the conduct of Watermaster business. Use of the voicemail and e-mail systems for the conduct of personal business is discouraged. The Watermaster reserves the right to prohibit the use of voice-mail and e-mail for the conduct of personal business when deemed appropriate. Other use of computer systems, including use of the Internet and other telecommunicating capabilities, should be limited to the conduct of Watermaster business unless prior written approval is received from an employee's supervisor.

Except for the right of the Watermaster to access voicemail and e-mail messages as described in this policy, all messages sent by voicemail and e-mail are considered to be confidential, and as such are to be accessed only by the addressed recipient or at the direction of the addressed recipient. Any exception to this policy must be approved by the General Manager.

The Watermaster reserves the right to retrieve and read any message composed, created, sent or received on the voice-mail, e-mail or other computer systems at any time, with or without advance notice to the employee.

Although voicemail, e-mail and other computer systems may accommodate the use of passwords for security, the reliability of passwords for maintaining confidentiality cannot be guaranteed. All passwords must be made known to the Watermaster, and passwords not known to the Watermaster may not be used. In addition, files created or stored on the Watermaster computer systems may not be

password protected except with the written authorization of the General Manager. This is due to the need to access computer and voice-mail systems in the event that you are absent or when otherwise deemed appropriate by the Watermaster. All voicemail, e-mail and other computer generated or stored messages may be read by someone other than the intended or designated recipient, and the ultimate privacy of messages cannot be guaranteed.

Voicemail, e-mail and other computer generated or stored messages may not contain material that may reasonably be considered offensive or disruptive to any employee. Offensive messages or material includes, but is not limited to, sexual comments or images, racial slurs, gender-specific comments or any comments that might offend someone on account of his or her age, sex, sexual orientation, race, religious or political beliefs, national origin or disability.

Employees learning of any misuse of the voicemail, e-mail or other computer systems or violations of this policy shall immediately notify the General Manager.

4.23 SOCIAL MEDIA

The Watermaster understands and is mindful of the growing influence of social media in employees' lives. Social media includes all means of communicating or posting information or content of any sort on the Internet, including blogs, personal web sites, social networking, web bulletin boards, or chat rooms. Social media use carries responsibilities and risks, as well. Social media posts in general last forever on the website on which they are posted. Only authorized people can post on behalf of the Watermaster, and they will receive instruction from management before doing so. In order to adequately address potential risks or perceptions that may be created about the Watermaster, the Watermaster has established some guidelines regarding social media:

1. Only authorized employees are permitted to post on social media on behalf of the Watermaster.
2. Privately, employees are expected to post only personal opinion, and never to claim to speak for the Watermaster unless they are actually authorized to do so.
3. The use of personal social media during an employee's on-duty working time is strictly prohibited, unless it is part of the normal job duties.
4. Employees should not use their Watermaster email address when using social networking sites. Only personal email addresses should be used by employees as their means of identification when interacting with social networking sites.
5. The Watermaster's logo or trademark may not be used in a manner that conveys or indicates that the Watermaster is the source of or

officially sponsors any particular product, service, information or opinion, without prior written consent from the Watermaster.

6. Employees must comply with the Watermaster policies, including those regarding Confidential Information, harassment, discrimination, safety, and workplace violence.

Be careful about “friending” or “following” those you supervise

Social media sites often involve posts containing highly personal information that distracts from professional relationships or could appear to improperly affect supervisory relationships. To avoid any appearance of bias or impropriety, and to promote appropriate privacy and professionalism among employees, the Watermaster recommends that supervisory personnel not be Facebook “friends” or Twitter or Instagram “followers/followees” of those they supervise, or have similar online relationships.

This policy is not intended to preclude or dissuade employees from engaging in activities protected by state or federal law (including state labor laws, state fair employment laws, the National Labor Relations Act, and/or Title VII of the Civil Rights Act of 1964), such as discussing wages, benefits or terms and conditions of employment, or from raising complaints about working conditions on behalf of themselves or their fellow employees.

4.24 REFERENCE REQUESTS

Inquiries regarding the employment of past or present employees of the Watermaster must be submitted in writing. The Watermaster will provide a written response to proper inquires confirming dates of employment, wage rates and positions held only. No further employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry.

All verbal or written reference requests, including casual requests for information, “off the record” inquiries, and requests for endorsements (such as on LinkedIn) must be forwarded to the Human Resources Representative. Employees are not authorized to respond to any reference checks or requests for employee information without the involvement of the Human Resources Representative under any circumstances. In addition, any written reference or recommendation letters relating to employment with the Watermaster must be approved by the Human Resources Representative or General Manager prior to their release. Violation of this policy is grounds for discipline, up to and including termination.

4.25 SEPARATION AND DISCIPLINE

All employment at the Watermaster is at-will. That said, employment may be terminated for various reasons as set forth below.

4.25.1 Layoff

An employee may be terminated without fault on his/her part, in the event of the elimination of the employee's position, if a shortage of work or funds requires a reduction in personnel, or for other operational needs. Regular employees will generally receive notice of layoff two (2) weeks prior to effective date. Layoffs generally will be in the Watermaster's sole discretion based on its business and operational needs.

4.25.2 Resignation

An employee may resign employment by submitting a written resignation, preferably at least two (2) weeks before the effective date. Failure to do so may result in disqualification from future employment with the Watermaster.

Absence without approval for more than three (3) consecutive days, or failure to return from vacation or from an approved leave of absence, may be considered a voluntary resignation unless the absence is protected by law.

4.25.3 Resignation Severance Offer

The Watermaster values advance notice of resignation, to properly plan staffing needs and meet the needs of the organization. The Watermaster therefore has created a severance opportunity for full-time employees with five or more years of service, who give advance notice of their resignation. A resigning employee is eligible to be offered a Resignation Severance Agreement, including an offer of severance pay in exchange for a release of claims, if the employee is in Good Standing (defined below), provides written notice to the General Manager of the intent to resign, and Actively Works (defined below) during the notice period.

For purposes of this policy, an employee in Good Standing is defined as: (i) Employee's employment with Chino Basin Watermaster has not been terminated for any reason; (ii) Employee is not on probation of any kind from Chino Basin Watermaster; (iii) Employee is eligible for rehire.

For purposes of this policy, Actively Working during the notice period means the following:

- For a 120-day notice period, the employee is absent no more than four (4) full workdays;
- For a 90-day notice period, the employee is absent no more than three (3) full workdays; and
- For a 60-day notice period, the employee is absent no more than two (2) full workdays.

For purposes of this policy, Base pay means the regular base pay or salary (not including overtime pay, car allowance, phone allowance, or any other additional allowances, bonuses or additions) paid over the last 12 consecutive months (26 payroll periods).

Eligibility for an offer of a Resignation Severance Agreement is based on achieving the notice and attendance goals specified above. When evaluating eligibility and status as Actively Working, the Watermaster will not consider any absences that legally cannot be considered (such as use of up to 48 hours annually for California Paid Sick Leave).

Eligible employees who execute and comply with the terms of a Resignation Severance Agreement, including a general release, will receive severance pay as follows:

- For employees who provide at least 120-days written notice before the effective date of resignation and Actively Work until the effective date: severance equal to four percent (4%) of the employee's Base.
- For employees who provide at least 90-days written notice before the effective date of resignation and Actively Work until the effective date: severance equal to three percent (3%) of the employee's Base.
- For employees who provide at least 60-days written notice before the effective date of resignation and Actively Work until the effective date: severance equal to two percent (2%) of the employee's Base.

The Watermaster policies regarding resignation and severance are subject to change depending upon future legislative changes, CalPERS requirements, and/or Watermaster Board decisions.

Nothing herein is intended to alter employees' at-will status or create an entitlement to employment for any specified period of time. The Watermaster reserves the right to accelerate the effective date of resignation in its sole discretion, provided that if it does so through no fault or performance deficiency of the employee (as determined by the Watermaster in its sole discretion), the employee still will be entitled to receive the benefits of a Resignation Severance Agreement if the employee otherwise has complied with the terms as described above.

4.25.4 Involuntary Termination and Disciplinary Action

A regular employee may be terminated involuntarily, with cause or without cause, for any legal reason. Employees also may be disciplined for cause, including, without limitation, for violating the provisions of this Manual, poor performance, misconduct, excessive absences, tardiness, insubordination or dishonesty. Disciplinary action may include, but is not limited to, oral or written warnings, suspension without pay, demotion or reduction in pay. The nature of the disciplinary action will depend on the particular circumstances involved, is at the discretion of the Watermaster, and may vary from case to case.

4.25.5 Payment Upon Resignation or Termination

Employees will receive their final paycheck within the time required by law. Paychecks for employees who are involuntarily terminated, or who resign and provide at least 72 hours' prior notice, will be available on the final day of work. Paychecks for employees who resign without giving 72 hours' notice, or who fail to return to work following resignation, may be picked up at the office or, at the employees' election, may be mailed by regular mail to the employees' designated address. Paychecks that are not picked up after a reasonable time will be mailed to employees' last known address. Employees' final pay will include payment for all wages due and not previously paid, and for accrued but unused vacation time, less withholdings and other deductions authorized by law.

4.25.6 Duties Upon Termination

Employees are responsible for all Watermaster property, materials, written information, and computer data issued to them or in their possession or control. All Watermaster property must be returned by employees on or before their last day of work or at such earlier time as the Watermaster may request. Where permitted by applicable laws, the Watermaster may withhold from the employee's final pay (or other monies due to the departing employee) the cost of any items that are not returned when required. The Watermaster may also take all action deemed appropriate to recover or protect its property.

Promptly upon termination, employees are expected to refrain from holding themselves out as current employees of the Watermaster. This means, for instance, that employees must promptly update their social network profiles (such as LinkedIn) and resumes to reflect that they no longer are employed.

4.26 COMPLAINT RESOLUTION PROCESS

4.26.1 Complaint Defined

A Complaint is an alleged violation of this Manual, or dispute regarding the interpretation, application or enforcement of this Manual, including disputes regarding disciplinary action or termination. Further, a Complaint may include disagreements or disputes pertaining to promotions, performance evaluations, oral or written reprimands or termination of employment during an employee's introductory period. Concerns regarding harassment and discrimination should be brought to the Watermaster's attention through the process outlined in section 4.18 above. All other complaints should be brought to the Watermaster's attention through the below procedure.

4.26.2 Informal Resolution

Employees should first attempt to informally resolve any complaint by orally bringing the complaint to the attention of his/her immediate supervisor. If the immediate supervisor is unable or unwilling to resolve the matter within three (3) days of having it brought to his/her attention or, if the immediate supervisor is the subject of the dispute, the employee may file a written complaint with the General Manager. The written complaint must set forth the entire grounds of the employee's complaint and the proposed resolution. The Watermaster may require that complaints be filed on a designated form.

4.26.3 Processing of Written Complaint

The General Manager will investigate the complaint, and meet with the employee and any other individuals if deemed appropriate. The employee must fully cooperate in this investigation. The General Manager generally will issue a written response to the employee within twenty (20) days of the filing of the written complaint, unless the employee and General Manager agree to extend the deadline. Except as provided in herein, the decision of the General Manager as to complaints will be final and not appealable.

4.26.4 Procedure for Certain Complaints

For complaints concerning (i) a suspension of more than five (5) days, (ii) disciplinary action resulting in the loss of the equivalent of more than five (5) days' wages, (iii) a demotion, or (iv) termination of employment, in each such case, an evidentiary hearing will be held within forty-five (45) days after the appeal has been filed. The hearing date may be continued by mutual agreement of the parties. A Hearing Committee or Hearing Officer

designated by the Watermaster Board will conduct the hearing and will notify the General Manager and the employee of the date, time and location of the hearing. The members of the Hearing Committee will be determined by the Watermaster Board. If a Hearing Officer is to conduct the hearing, the Watermaster Board will appoint an impartial and qualified hearing officer from a list of hearing officers maintained by the San Bernardino County Civil Service Commission. In the event the selected hearing officer is unable or unwilling to accept this appointment, any remaining candidates for hearing officer on the list will be selected to act as the hearing officer. In the event none of the eligible names on the list are able or willing to accept the appointment as hearing officer, the Watermaster Board and employee will attempt to agree on an acceptable hearing officer. If such agreement cannot be achieved, a new list of three (3) names of qualified hearing officers will be obtained from the office of the San Bernardino County Civil Service Commission and the selected process set forth above will be followed. The costs for the services of the hearing officers will be paid by the Watermaster.

The hearing will be recorded by a certified shorthand reporter or by tape recording, at the Watermaster's expense. Any transcription cost will be borne by the party requesting the transcript. Unless the employee requests a private hearing, the hearing will be public. Each party will have the right to call and examine witnesses. While oral evidence will be taken on oath, the hearing will be conducted informally and the legal Rules of Evidence will not apply.

Unless otherwise agreed to by the parties within twenty (20) days after the matter is submitted, the Hearing Committee or Hearing Officer will issue written findings and conclusions, which will be transmitted to the General Manager and the employee. The findings and conclusions of the Hearing Committee will be final and non-appealable.

The findings and conclusions of the Hearing Officer will be advisory to the Watermaster Board. Unless otherwise agreed to by the parties, within thirty (30) days of receiving the findings and conclusions of the Hearing Officer, the Watermaster Board will review the hearing transcript and evidence presented at the hearing, and meet to affirm, modify or rescind the findings and conclusions of the Hearing Officer. At the discretion of the Watermaster Board, the parties may be allowed to present oral and/or written argument. The Watermaster Board will certify its findings and conclusions in writing, and provide such written findings and conclusions to the General Manager and the employee within the thirty (30) day period. The findings and conclusions of the Watermaster Board will be final and non-appealable.

To the extent applicable, as part of its written findings and conclusions, the Hearing Committee will provide notice to the employee that the time within which judicial review must be sought is governed by California Code of Civil Procedure 1094.6.

4.26.5 Time Period for Initial Filing of Complaints

Complaints should be filed with the General Manager in accordance with procedures contained herein within thirty (30) days after the occurrence of the event(s) giving rise to the complaint or the date the employee could reasonably have known such event(s) occurred.

4.26.6 Non-Retaliation

Employees will not be disciplined, penalized or otherwise discriminated against because of filing a complaint under the procedure set forth in this section.

4.26.7 Representation

In filing and processing a complaint under this section, employees may be represented by a representative of their designation upon providing written notice of such designation to the General Manager.

**ACKNOWLEDGMENT FORM
AND AT-WILL AGREEMENT**

I acknowledge that I have received a copy of the Chino Basin Watermaster Employee Manual (“Manual”) and understand that it sets forth various terms, conditions, duties and responsibilities of my employment with the Watermaster. I agree to read the Manual and to abide and be bound by the rules, policies, and standards set forth in the Manual, including rules and policies regarding confidentiality and the prevention of harassment and discrimination.

I understand and agree that the policies contained in the Manual are guidelines only, and are not intended to create any contractual rights or obligations, express or implied, with the exception of the Manual’s at-will employment policy. I further understand and agree that the Watermaster reserves the right to amend, interpret, modify, or withdraw any portion of this Manual at any time, except for the policy regarding at-will employment (which can be revised only in a signed writing). I understand and agree that if the terms of this Acknowledgment are inconsistent with any policy or practice of the Watermaster now or in the future, the terms of this Acknowledgment will control.

I further understand and agree that my relationship with the Watermaster is “at will,” which means that my employment is for no definite period and may be terminated by me or by the Watermaster at any time with or without cause or advance notice. I also understand and agree that the Watermaster may demote or discipline me, modify my title or duties, adjust my compensation upward or downward, relocate my position, modify the benefits offered, or otherwise alter the terms of my employment, at its discretion, with or without cause or advance notice, consistent with my status as an at-will employee. I understand and agree that no policy, statement, conduct, or action on the part of the Watermaster or any Watermaster personnel may alter or waive the at-will nature of my employment under any circumstances; any change to at-will employment must be in writing and signed by me and an authorized representative of the Watermaster. Finally, I agree that this Acknowledgment contains a full and complete statement of the agreements and understandings that it recites, and I agree that this Acknowledgment supersedes all previous agreements, whether written or oral, express or implied, relating to the subjects covered in this Acknowledgment.

Employee’s Signature

Date

APPENDIX A - HARASSMENT AND DISCRIMINATION POLICY AND ACKNOWLEDGMENT

CHINO BASIN WATERMASTER

The Watermaster is committed to providing a workplace free of sexual harassment or discrimination (which includes harassment or discrimination based on actual or perceived gender, pregnancy, childbirth, reproductive health decision-making, or related medical conditions) as well as harassment or discrimination based on such factors as actual or perceived race (including traits historically associated with race, such as hair texture and protective hairstyles), color, religion (including, but not limited to, religious dress and grooming practices, creed, national origin (including language use restrictions and possession of a driver's license issued under Vehicle Code section 12801.9), ancestry, age, physical or mental disability, medical condition, genetic information, marital status, registered domestic partnership status, sexual orientation, gender, gender identity or expression, transsexual or transgender status, family care leave status, military or veteran status, use of cannabis off the job and away from the workplace (subject to applicable state and federal laws, and except as to positions that require a federal government background investigation or security clearance), or any other basis protected by federal, state or local law or ordinance or regulation.

The Watermaster strongly disapproves and will not tolerate harassment or discrimination against employees by managers, supervisors, or co-workers, or by non-employees in the workplace or in the course of Watermaster business. Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive or hostile working environment or interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment.

Harassing conduct can take many forms and includes, but is not limited to, slurs, jokes, statements, gestures, pictures, or cartoons regarding an employee's protected category, as outlined above. Sexually harassing conduct in particular includes all of these prohibited actions as well as other unwelcome conduct such as requests for sexual favors, unwelcome sexual advances, or verbal or physical conduct of a sexual nature (like name calling, suggestive comments, or lewd talk). Sexual harassment in violation of this policy includes harassment of women by men, of men by women, and same sex gender-based harassment. Sexual harassment does not have to involve sexual desire or any sexual proposition to violate this policy.

Any incident of discrimination or harassment, including work-related harassment by Watermaster personnel or any other person, should be reported promptly to the employee's supervisor. If the immediate supervisor is involved in the reported conduct, or if for some reason the employee feels uncomfortable about making a report at that level, the report should be made to the General Manager. If the General Manager is involved in the reported

conduct or, if for some reason the employee feels uncomfortable making a report at that level, the report should be made to the Chair of the Watermaster Board. Supervisory or managerial employees who become aware, through any means, of possible violation of this policy must immediately report the information to the General Manager. Prompt reporting of any such conduct enables the Watermaster to respond rapidly and take appropriate action, and helps the Watermaster maintain an environment free of discrimination and harassment for all employees.

All incidents of prohibited harassment that come to the Watermaster's attention will be investigated in a manner appropriate to the incident. The Watermaster will undertake an effective, thorough, and objective investigation of the harassment allegations, appropriate to the type of conduct and concerns raised. The Watermaster will keep all information as confidential as possible, on a "need to know" basis, disclosing information only as needed to perform an appropriate investigation. The Watermaster will track the timely progress of the investigation and document the investigation and findings. Every investigation may be different, and sometimes, immediate termination may be appropriate. When the investigation is completed, the Watermaster will advise the affected employees of the outcome of the investigation. In the case of Watermaster employees, if discrimination or harassment is established, the offender will be disciplined, up to and including discharge. The Watermaster also will take necessary steps to protect employees from harassment by non-employees in the workplace.

Retaliation against Watermaster employees or any other person for the good faith reporting of possible acts or incidents in violation of this policy will not be tolerated. Watermaster employees shown to have engaged in such retaliation will be disciplined, up to and including discharge.

In addition to notifying the Watermaster about harassment or retaliation complaints, affected employees may also direct their complaints to the Federal Equal Employment Opportunity Commission (EEOC) and/or California Civil Rights Department (CRD), which investigate, assist with resolving, and prosecute complaints of unlawful harassment in employment. Employees may contact these agencies through their respective internet websites: www.eeoc.gov and www.calcivilrights.ca.gov. In addition, the address of the nearest office of the CRD can be found on the workplace poster at the office or on the CRD website. The EEOC, the CRD and similar state agencies serve as neutral fact finders and attempt to help the parties voluntarily resolve disputes. If the EEOC or CRD finds that unlawful harassment occurred, it can order remedies, including monetary penalties, fines, damages for emotional distress, reinstatement, back pay, promotion, and/or changes in the policies or practices of the Foundation. A court may order unlimited damages.

Employees can access the CRD online harassment prevention training on the CRD website, at <https://calcivilrights.ca.gov/shpt/>.

Employees are protected by law from retaliation for opposing unlawful harassment, for filing a complaint with the CRD or EEOC, or for otherwise participating in any proceedings conducted by federal or state agencies. The deadline for filing complaints with the CRD

generally is three (3) years from the date of the alleged unlawful conduct. If the CRD believes that a complaint is valid and settlement efforts fail, the CRD may seek an administrative hearing before the California Fair Employment and Housing Commission (FEHC) or file a lawsuit in court. Both the FEHC and the courts have the authority to award monetary and non-monetary relief in meritorious cases. You can contact the nearest office of the EEOC or CRD at the locations listed online, in the Watermaster's CRD poster or by checking the federal and state government listings in the local telephone directory.

QUESTIONS REGARDING THE WATERMASTER'S SEXUAL HARASSMENT POLICY MAY BE REFERRED TO THE GENERAL MANAGER.

By signing, I confirm that I understand and agree to be bound by the Chino Basin Watermaster's Harassment and Discrimination Policy.

Employee's Signature

Date

APPENDIX B - SUBSTANCE ABUSE POLICY

Purpose of the Policy

It is the Watermaster's intent to maintain a workplace that is free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. The Watermaster has a vital interest in maintaining safe and efficient working conditions for its employees. Substance abuse is incompatible with health, safety, efficiency, and success at the Watermaster. Employees who are under the influence of drugs or alcohol on the job compromise the Watermaster's interests, endanger their own health and safety and the health and safety of others, and can cause a number of other work-related problems, including absenteeism and tardiness, substandard job performance, increased workloads for coworkers, behavior that disrupts other employees, delays in the completion of jobs, inferior quality of products or service, and disruption of client relations.

To further its interest in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its clients, business, property, equipment, and operations, the Watermaster has established this policy concerning the use of alcohol and drugs. As a condition of continued employment with the Watermaster, each employee must abide by this policy. Violation of the rules and standards of conduct will not be tolerated. The Watermaster may also bring the matter to the attention of appropriate law enforcement authorities.

In order to enforce this policy, the Watermaster reserves the right to conduct searches of Watermaster property or employees' personal property brought to the workplace, to the extent permitted by law, and to implement other measures necessary to deter and detect abuse of this policy. Employees therefore should not have any expectation of privacy in their personal property brought onto Watermaster property or into the workplace. (Please refer to the Right to Search Policy in this Handbook for further information.)

Definitions

For purposes of this policy:

- A. "Prohibited Substances" include:
 - a. Illegal drugs;
 - b. Prescription and over-the-counter medications used
 - i. In an improper or excessive manner,
 - ii. In a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing health care provider or manufacturer, and/or
 - iii. Without regard to restrictions on activities that can be engaged in safely; controlled substances; and,

- c. Substances that have mind-altering and/or behavioral effects on the body (whether legal or illegal and whether sold as drugs, medicine, herbal supplements, or otherwise).

“Prohibited Substances” expressly includes powdered alcohol that is not approved for sale in the United States and/or is prohibited by state law, synthetic drugs and/or substances that mimic drugs or the effects of drugs and could impact workplace safety, such as K-2, Spice, Bath Salts, herbal incense and synthetic marijuana, regardless of whether sale, possession, or ingestion of such substances is prohibited by law. It also includes any substance that is prohibited by federal law, regardless of whether the same substance is legal under state law, regardless of form (e.g. vapors and oils).

- B. “Legal drug” means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold, possessed or distributed. “Legal drug” does not include medical or recreational marijuana so long as it remains illegal under federal law, even if permitted under applicable state law. Please also note that, although use of CBD oils and similar products itself may not violate state or federal law, CBD products may contain THC, which can result in a positive drug test, which could be a violation of this policy resulting in discipline up to and including termination if an employee is impaired by cannabis while on duty or at work. Starting no later than 1/1/2024, the Watermaster will not use drug testing that measures non-psychoactive cannabis metabolites in hair, blood, urine or other bodily fluids (unless permitted under CA law, such as for positions that require a federal government background investigation or security clearance).
- C. “Reasonable Suspicion” includes a suspicion that is based on specific and articulable facts and reasonable inferences drawn from those facts, including personal observations such as an employee’s manner, disposition, muscular movement, appearance, behavior, speech, or breath odor; information provided to management by an employee, law enforcement officials, a security service, or other persons believed to be reliable; evidence that an individual has tampered with a test for alcohol or Prohibited Substances; or a suspicion that is based on other surrounding circumstances.
- D. “Possession” means that an employee has the substance on his or her person or otherwise under his or her control.

Prohibited Conduct

The prohibitions of this section apply whenever the interests of the Watermaster may be adversely affected (“Watermaster-Related Conduct”), including any time the employee is:

- On Watermaster owned or leased premises;
- Conducting or performing Watermaster business, regardless of location;

- Operating or responsible for the operation, custody, or care of Watermaster vehicles, equipment or other property; or
- Responsible for the safety of others, such as client representatives and coworkers, including while using the employee's personal vehicles.

The following acts are prohibited and subject an employee to discharge:

- The unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol (including powdered alcohol) or Prohibited Substances while engaged in Watermaster-Related Conduct;
- Engaging in Watermaster-Related Conduct while under the influence of or impaired by alcohol (including powdered alcohol) or Prohibited Substances;
- The abuse of any legal drug while engaging in Watermaster-Related Conduct;
- The purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law while engaged in Watermaster-Related Conduct; or
- Working while impaired by the use of a legal drug whenever such impairment might endanger the safety of the employee or some other person; pose a risk of significant damage to Watermaster property or equipment; or substantially interfere with the employee's job performance or the efficient operation of the Watermaster's business or equipment.

Management and Coworker Awareness

Managers and coworkers should be attentive to the performance and conduct of those who work with them and should not permit an employee to work or drive in an impaired condition or otherwise in violation of this policy. When management has Reasonable Suspicion to believe employees are working, driving, or preparing to drive in violation of this policy, prompt action will be taken. If the employee occupies a safety-sensitive position (including being responsible for the safety of others), such action may include drug testing in accordance with the procedures outlined in this policy. Employees who suspect a coworker is working in violation of this policy are strongly encouraged to report their concerns to a supervisor or the General Manager.

Disciplinary Action

Discharge for Violation of Policy

A first violation of this policy may result in immediate discharge whenever the prohibited conduct:

- Caused injury to the employee or any other person, or, in the sole opinion of management, endangered the safety of the employee or any other person;
- Resulted in significant damage to Watermaster property or equipment, or, in the sole opinion of management, posed a risk of significant damage;

- Involved the possession, sale, distribution, dispensation or manufacture of Prohibited Substances or alcohol (other than as contemplated in the “Permitted Conduct” Section below);
- Involved a volunteer or an employee who had not completed the Introductory Period or was a casual, seasonal or temporary employee; or,
- Involved the failure of an employee to report a criminal conviction, as required below, other than those that are exempted by law from reporting requirements.

Discretion Not to Discharge

The Watermaster, at its sole discretion, may choose not to discharge an employee for a first violation of this policy. However, all violations of this policy may result in disciplinary action, up to and including termination. The nature of such disciplinary action will depend on the circumstances of each violation and may include written warning, suspension without pay, or requiring the employee to satisfactorily complete participation in an approved drug or alcohol abuse assistance or rehabilitation program and reporting to such program promptly (usually within five (5) working days) upon being referred by management.

Effect of Second Violation

A second violation of this policy at any time will result in immediate discharge.

Effect of Discharge on Eligibility for Rehire

Employees who are discharged for a violation of this policy will not be eligible for rehire by the Watermaster. (The Watermaster reserves the right to deviate from this policy in its sole discretion.)

Criminal Convictions

To the extent required and permitted by law, employees are required by this policy to notify the Watermaster of any conviction under a criminal drug statute for a violation occurring on Watermaster premises or while engaged in any Watermaster-Related Conduct not later than five (5) days after any such conviction. An employee who is convicted under a criminal drug statute for a violation occurring on Watermaster premises or while engaged in Watermaster-Related Conduct will be deemed to have violated this policy, except as otherwise provided by applicable law. Violation of this reporting requirement will lead to discipline, up to and including termination.

Use of Legal Drugs

The Watermaster recognizes that employees may, from time to time, be prescribed legal drugs or take over-the-counter medications that, when taken as prescribed or according to the manufacturer’s instructions, may result in impairment. Employees may not work while

impaired by the use of legal drugs if the impairment might endanger the employee or someone else, pose a risk of damage to Watermaster property, or substantially interfere with the employee's job performance. If an employee is so impaired by the appropriate use of legal drugs, he or she may not report to work. To accommodate the absence, the employee may use accrued Paid Sick Leave. Employees may also contact their supervisor to determine whether they qualify for a medical leave of absence.

Nothing in this policy is intended to diminish the Watermaster's commitment to employ and reasonably accommodate qualified disabled individuals. The Watermaster will reasonably accommodate qualified disabled employees who must take legal drugs because of their disability and who, because of their appropriate use of such drugs, require an accommodation to perform the essential functions of their positions.

Medical / Recreational Marijuana

The Watermaster complies with all federal, state, and local laws pertaining to cannabis use. Notwithstanding that medical and/or recreational marijuana is legally permitted in some jurisdictions (such as California), its use currently constitutes a violation of federal law. It therefore is deemed to be a Prohibited Substance under this policy for so long as it remains federally illegal. However, effective January 1, 2024, the Watermaster will not take adverse action against an applicant or employee based on a drug test that detects non-psychoactive cannabis metabolites in hair, blood, urine or other bodily fluids unless permitted under CA law, such as for positions that require a federal government background investigation or security clearance. The Watermaster is not legally required to, and does not, make any exception under this policy for the use of medical marijuana during working time, whether used according to prescription or otherwise, or recreational marijuana, except as otherwise required by applicable law.

Permitted Conduct

Customary Use of Over-the-Counter Drugs

Nothing in this policy is intended to prohibit the customary and ordinary purchase, sale, use, possession, or dispensation of over-the-counter drugs, so long as that activity does not violate any law or result in an employee being impaired by the use of such drugs in violation of this policy.

Off-Duty Conduct

Unless an employee is in a safety-sensitive position, this policy is not intended to regulate lawful off-duty conduct, including off-duty cannabis use, so long as the employee's off-the-job use of alcohol or drugs does not result in the employee being under the influence of or impaired by the use of alcohol or drugs in violation of this policy, does not violate federal law, and does not otherwise impact the employee's job performance.

Authorized Use of Alcohol

The Watermaster may provide alcohol for consumption at certain events, such as social functions, and alcohol may be available at certain Watermaster-related functions. The responsible consumption of alcohol at these events in moderation does not violate this policy.

Confidentiality

Disclosures made by employees to the Watermaster concerning their use of legal drugs or alcohol will be treated confidentially and will not be revealed to managers or supervisors unless there is a work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to the Watermaster concerning their involvement with the Employee Assistance Program and/or participation in any drug or alcohol rehabilitation program will be treated confidentially in accordance with applicable law.

Testing

All drug and alcohol testing will be done in accordance with state and federal law. To the extent the law imposes different requirements than those set forth in this policy, applicable law will govern. Starting no later than 1/1/2024, the Watermaster will not use drug testing that measures non-psychoactive cannabis metabolites in hair, blood, urine or other bodily fluids (unless permitted under CA law, such as for positions that require a federal government background investigation or security clearance).

Testing Requirements

The Watermaster is committed to providing a safe, efficient and productive work environment for all employees. In keeping with this commitment, employees and job applicants may be asked to provide body substance samples (e.g. blood or urine) to determine the presence of Prohibited Substances and a breath sample to determine the use of alcohol. Testing is the only objective way to determine with certainty whether an individual has Prohibited Substances and/or alcohol in his or her system. The Watermaster will make reasonable efforts to protect the confidentiality of all test results.

For the safety of all employees, the Watermaster in its discretion may test for the presence of Prohibited Substances and/or alcohol in the following circumstances, to the extent and in the manner permitted by applicable law:

1. During the pre-employment period, after a conditional offer of employment, as a prequalification to assuming any position;
2. Where there is Reasonable Suspicion of Prohibited Substance or improper alcohol use;
3. After an accident involving any current employee while engaged in

Watermaster-Related Conduct, whether on or off Watermaster's premises. Employees must remain available for Prohibited Substance and alcohol testing, and may not consume any alcohol for 8 hours following the accident or until the alcohol test has been conducted, whichever is later; and

4. As a follow-up to treatment and/or assessment.

Consent to Testing

Consent to testing by the Watermaster is a condition of employment. Refusal to consent to or promptly submit to a drug and/or alcohol test when required under this policy and permitted by applicable law is considered a violation of this policy, subjecting the employee to immediate termination. Employees will be paid for time spent in alcohol or drug testing and may then be suspended without pay pending the results of the test. If the test results are negative, the employee will receive back pay for the suspension period.

Testing Procedures

The Watermaster is committed to testing procedures that respect employees' privacy and confidentiality concerns to the greatest extent possible while assuring reliable results. To ensure testing reliability, the Watermaster has chosen a testing laboratory that utilizes accurate and advanced testing methods and provides employees with all disclosures, consent forms and procedural protections required by applicable law.

Counseling/Rehabilitation

Employees who wish voluntarily to enter and participate in an approved alcohol or drug rehabilitation program are encouraged to contact the General Manager, who will determine whether the Watermaster can accommodate the employee by providing leave for the time necessary to complete participation in the program. Employees should be aware that participation in a rehabilitation program will not necessarily shield them from disciplinary action for a violation of this policy, particularly if discipline is imposed for a violation occurring before the employee seeks assistance or after a drug test already has been scheduled.

Nothing in this policy is intended to diminish the Watermaster's commitment to employ qualified disabled individuals or to provide reasonable accommodation to such individuals as required under state and federal law.

By signing below, I confirm that I have read, understand and agree to be bound by the Chino Basin Watermaster's Substance Abuse Policy.

Employee's Signature

Date

Summary report:	
Litera Compare for Word 11.2.0.54 Document comparison done on 11/9/2023 2:43:07 PM	
Style name: Brownstein	
Intelligent Table Comparison: Active	
Original DMS: iw://dm.bhfs.com/ACTIVE/24380222/10	
Modified DMS: iw://dm.bhfs.com/ACTIVE/24380222/13	
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<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	68



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE




November 16, 2023

INLAND EMPIRE UTILITIES AGENCY REPORTS

The following items are provided for receive and file.

- Metropolitan Water District Activities Report
- Water Supply Conditions
- State and Federal Legislative Reports

For More Information Contact:

 Cathleen Pieroni
 cpieroni@ieua.org
 909.217.6943

See www.MWDh2o.com for the latest information from MWD and tune into livestream broadcasts of meetings.

Innovation Center Dedicated to Grace F. Napolitano

On October 3, 2023, MWD dedicated the Pure Water Southern California Innovation Center to retiring congresswoman Grace F. Napolitano for her leadership and legacy in championing water issues.



MWD Approves \$6 million in additional funds for Future Supply Actions Program

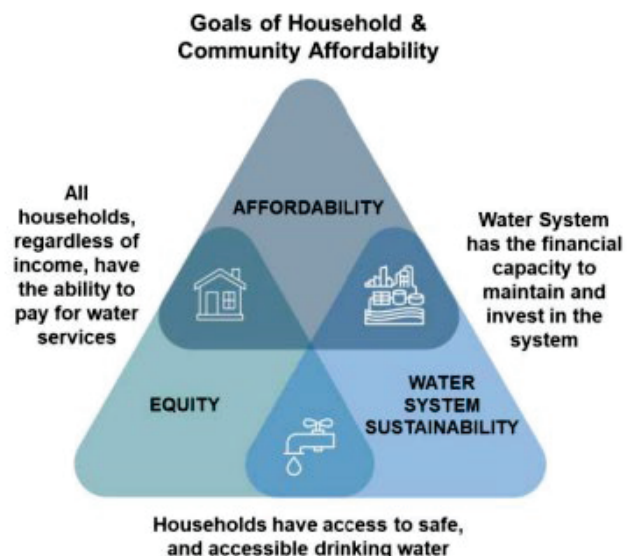
On October 10, 2023, MWD's Board of Directors approved an additional \$6 million in funding for the Future Supply Actions Program (FSA). The FSA co-funds member agency studies to accelerate the development of new local supplies by addressing technical, regulatory, and institutional challenges. The \$6 million will be split into two rounds of up to \$3 million each. Funding is expected to begin in Q1 2024 for the first round, and in 2025/26 for the second round.

MWD Explores Pure Water Southern California Cost Recovery Alternatives

On October 10, 2023, MWD's Finance, Audit, Insurance, and Real Property Committee explored conceptual cost recovery alternatives for Pure water Southern California including recovery within existing rates and charges, with a functional fixed charge, through member agency subscriptions as direct investors, on new, separate volumetric surcharges for supply and transportation, and through new property taxes. Funding for planning and design activities in Fiscal Year 2024/25 and 2025/26 is being funded by an \$80 million grant from the State Water Resources Control Board.

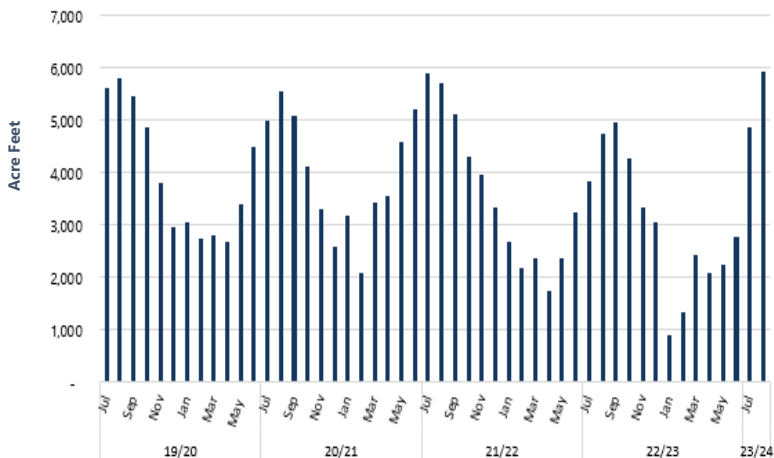
MWD Hosts Panel on Affordability

On October 24, 2023, MWD's Equity, Inclusion, and Affordability Committee held a panel on affordability. The purpose of the panel was to increase the understanding of various dimensions of household water affordability, explore challenges in implementing low-income rate assistance programs, and discuss water affordability criteria to inform a decision-making framework. The information from the panel served to inform the Climate Adaptation Master Plan for Water process. This panel will be followed by a panel in November 2023 on Regulatory requirements impacting costs and another panel in January 2024 on MWD's efforts to contain/offset costs.

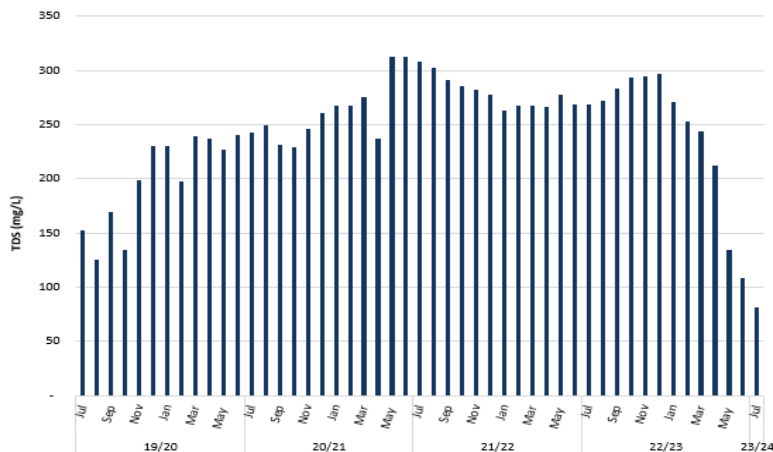


Imported Water

Full Service Imported Water Deliveries
Summary (FY 2019/20 to 2023/24)

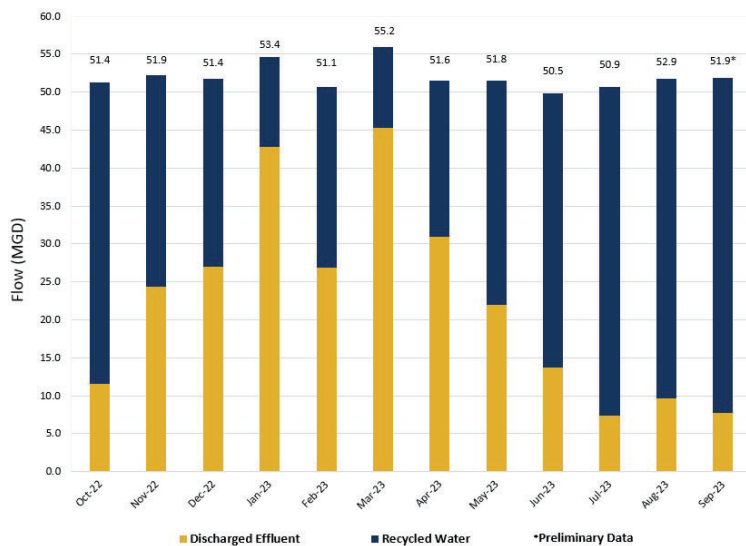


Imported Water TDS
Summary (FY 2019/20 to 2023/24)

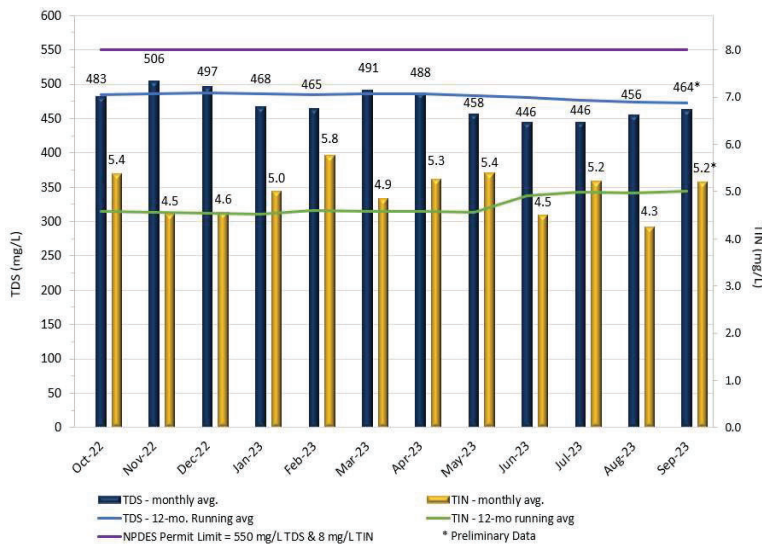


Recycled Water

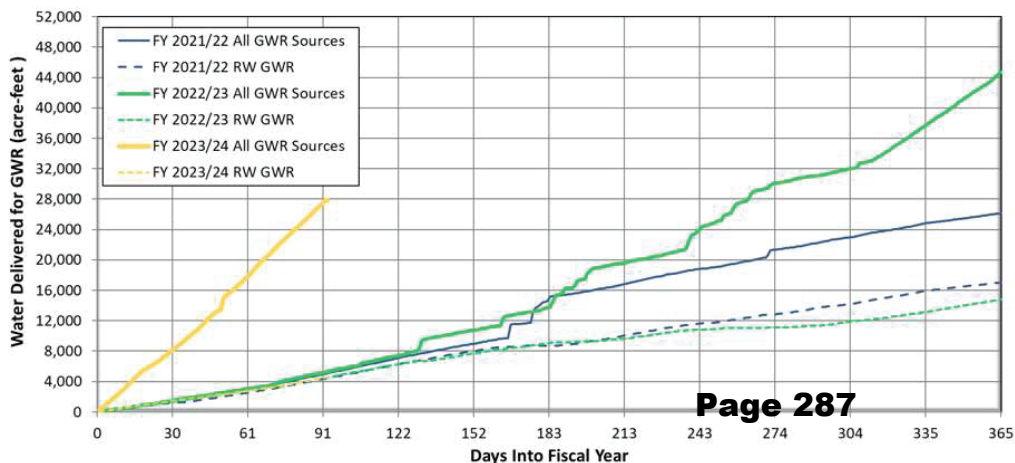
Recycled Water Use



Agency-Wide Effluent TDS & TIN



Groundwater Recharge



SEPTEMBER 2023 NOTES:

- Total stormwater and dry weather flow recharged was preliminarily estimated at 281 acre-feet.
- Recycled water delivered for recharge totaled 1,711 acre-feet.
- Imported water recharge from MWD, SAWCo, and CVWD was 7,480 acre-feet.
- Chino Basin Watermaster will remove 4.2% for evaporation losses from delivered supplemental water sources (imported water and recycled water).
- Considering evaporation losses, total recharge was preliminarily estimated at 9,086 acre-feet.

State Water Project Resources



WATER SUPPLY CONDITIONS REPORT

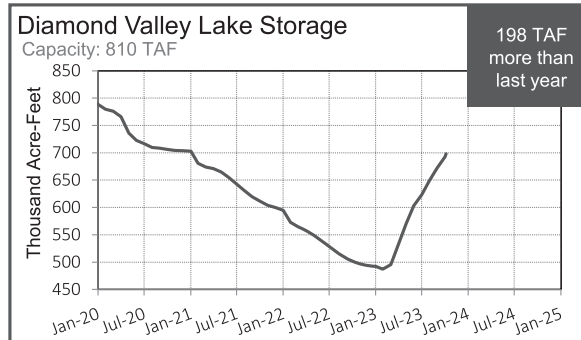
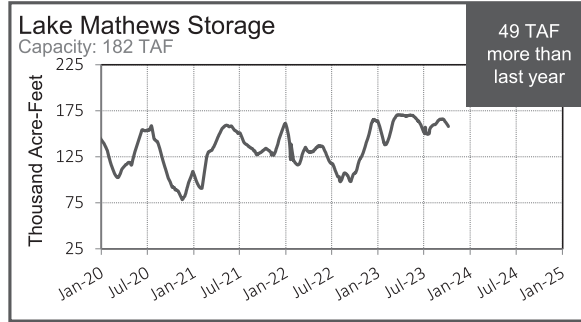
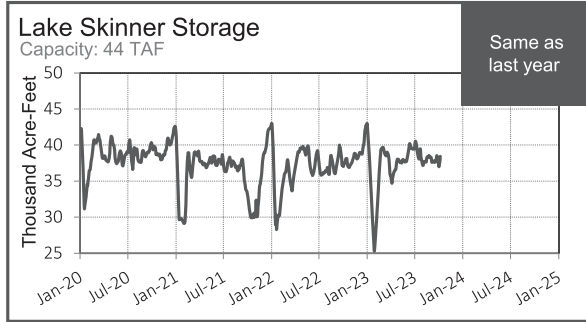
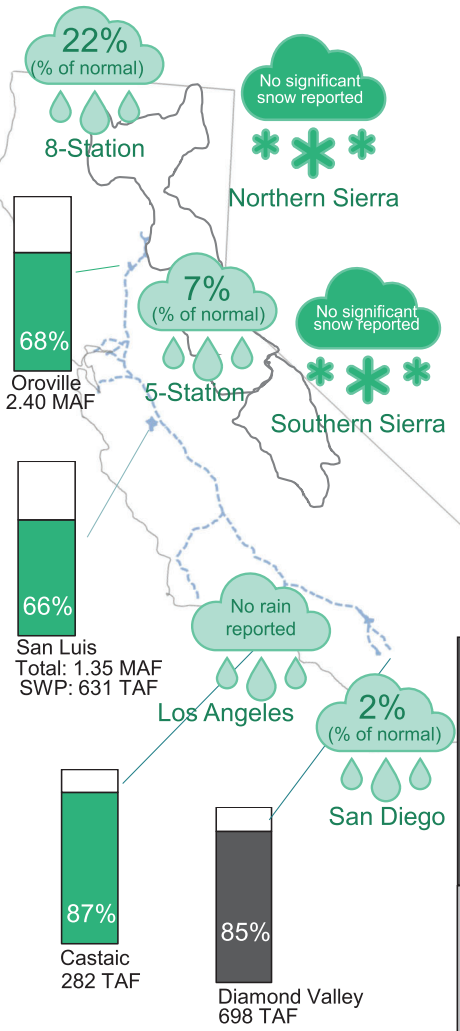
Water Year
2023-2024
As of: November 05, 2023

Colorado River Resources

SWP Table A – 100% - 1,911,500 AF

Projected CRA Diversions – 691,000 AF

Metropolitan Resources



Highlights

Learn more about imported supplies:

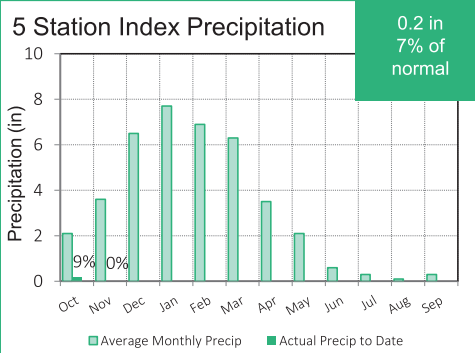
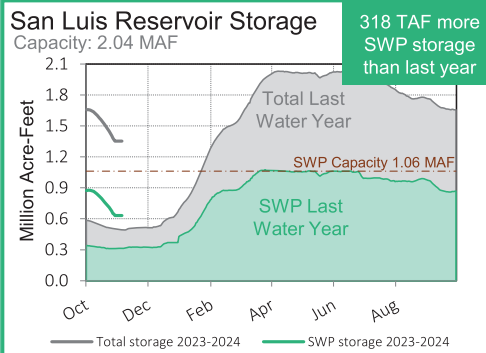
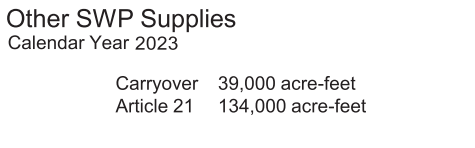
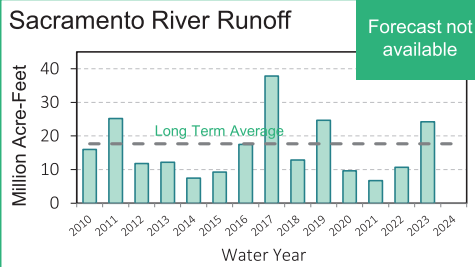
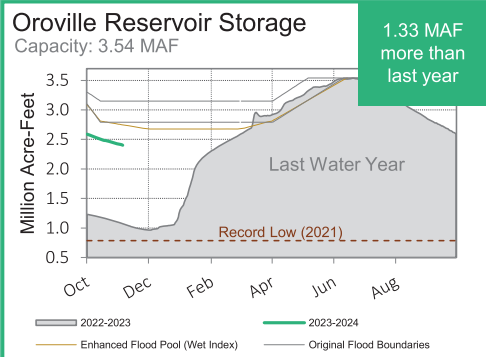
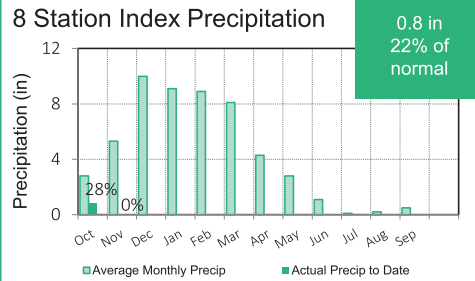
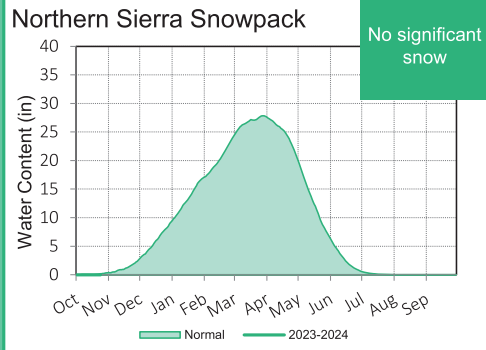
- State Water Project - <https://www.mwdh2o.com/state-water-project-map/>
- Colorado River Aqueduct - <https://www.mwdh2o.com/colorado-river-aqueduct-map/>

This report is produced by the Water Resource Management Group and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information. Reservoirs, lakes, aqueducts, maps, watersheds, and all other visual representations on this report are not drawn to scale. Questions? Email mferreira@mwdh2o.com

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

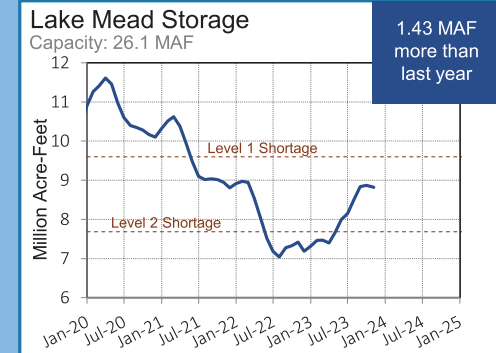
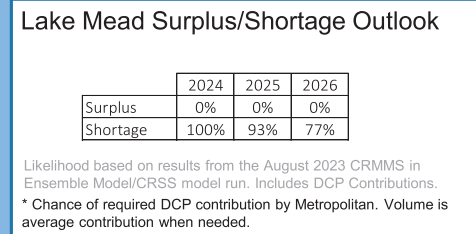
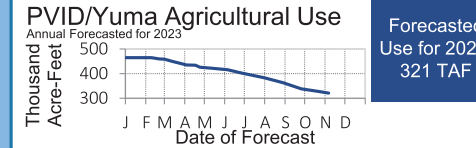
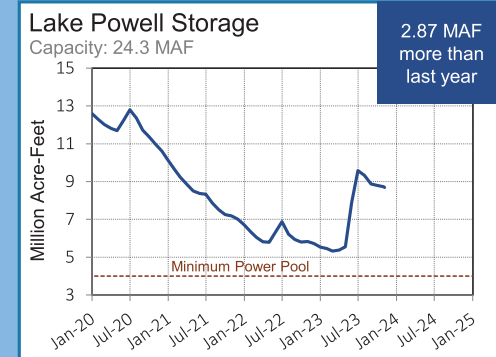
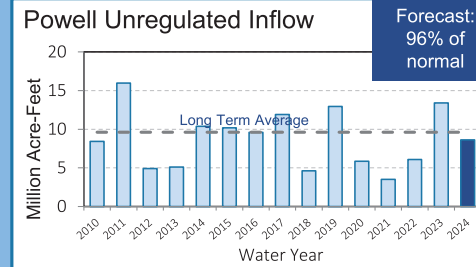
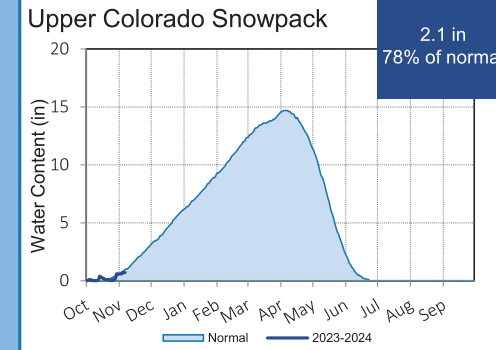
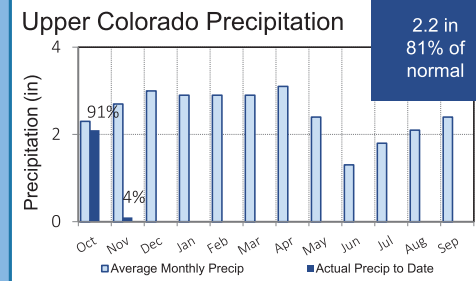
State Water Project Resources

As of: 11/05/2023



Colorado River Resources

As of: 11/05/2023



<https://www.mwdh2o.com/WSQR>

<https://www.mwdh2o.com/WSQR>

Inland Empire Utilities Agency, a Municipal Water District Federal Update

October 25, 2023

House Elects New Speaker

On October 3rd, for the first time in 113 years, the House voted on a motion to vacate the Speaker of the House. The motion passed by a vote of 216-210, with 8 Republicans joining all Democrats, resulting in Kevin McCarthy (R-CA) being removed as Speaker. Under the rules, the House cannot conduct any activity on the floor until a Speaker is elected. Rep. Patrick McHenry (R-NC) has been appointed as Speaker Pro Tem until a Speaker is elected. McHenry's role is limited and can only bring the House in and out of session to vote on a Speaker. Since October 3rd, the House Republican caucus has put forth four candidates for Speaker: House Majority Leader Steve Scalise (R-LA), House Judiciary Committee Chair Jim Jordan (R-OH), House Majority Whip Tom Emmer (R-MN) and Vice Chair of the House Republican Caucus Mike Johnson (R-LA). Neither Scalise, Jordan, or Emmer were able to secure the 218 votes needed to become Speaker. On October 25th, Rep. Mike Johnson was elected Speaker by a vote of 220-209. All Republican Members present voted for Johnson. Speaker Johnson becomes the first Speaker of the House to come from the state of Louisiana.

FY24 Appropriations Update

The federal government is currently being funded through a Continuing Resolution (CR) which is set to expire on November 17th. Congress will have just a few weeks to take additional action to avoid a government shutdown, which will likely be another CR.

Senator Butler Will Not Seek Full Term

Sen. Laphonza Butler (D-CA) announced that she will not be seeking a full six-year term in the Senate in 2024. She will remain in office for the duration of Sen. Dianne Feinstein's term, which ends at the end of 2024.

California Senators Receive New Committee Assignments

Senate Majority Leader Chuck Schumer (D-NY) announced new committee assignments for several Democratic Members, including California Senators Laphonza Butler and Alex Padilla. Senator Butler will serve on the following committees:

- Judiciary
- Banking, Housing, and Urban Affairs
- Homeland Security and Governmental Affairs
- Rules and Administration

Additionally, Senator Padilla will move from the Homeland Security and Governmental Affairs Committee to the Energy and Natural Resources Committee.

Reclamation Releases Colorado River Scoping Report

The Bureau of Reclamation (Reclamation) released a Scoping Report for Post-2026 Colorado River Reservoir Operations. [The report](#) provides a summary of comments received during the public scoping process. Additionally, the report provides information on Reclamation's preliminary assessment of the proposed federal action regarding post-2026 Colorado River operations, purpose and need, and the scope of environmental analysis to be included in the draft environmental assessment statement.

House Democrats Introduce Bill to Clarify Scope of Clean Water Act

A group of over 100 Democratic House Members, led by House Transportation and Infrastructure Committee Ranking Member Rick Larsen (D-WA), introduced the *Clean Water Act of 2023* ([H.R. 5983](#)). The bill would clarify the scope of protected water resources under the Clean Water Act (CWA) and codify permitting exemptions for agricultural, mining and construction, and waste treatment activities along with artificial features. The legislation would provide the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers with the authority to periodically review CWA exemptions and make necessary changes. The introduction of this legislation follows the Supreme Court decision in *Sackett v. EPA* that resulted in a revision of the Waters of the United States rule.

House Members Introduce Low-Income Household Water Assistance Program Funding Bill

Representatives Debbie Dingell (D-MI), Rashida Tlaib (D-MI), and Lisa Blunt-Rochester (D-DE) introduced legislation that would provide additional funding for the Low-Income Household Water Assistance Program (LIHWAP). The bill, entitled the *Water Access Act* ([H.R. 5793](#)), would provide \$500 million in appropriations for the program for Fiscal Year 2024. The LIHWAP program was created by the American Rescue Plan Act in 2021 to assist households with low incomes in paying arrearages and rates charged to the household for drinking water and/or wastewater services.

Federal Funding Opportunities & Announcements

DOE Awards \$3.46 Billion for Grid Resilience and Innovation Partnerships Program. The Department of Energy (DOE) awarded \$3.46 billion to 58 projects in 44 states through the Grid Resilience and Innovation Partnerships Program. This program funds projects that modernize the electric grid to mitigate impacts of natural disasters and extreme weather events, increase resiliency and reliability of the electric power grid as renewable energy resources are deployed, and deploy electricity transmission, storage, and distribution technologies. The list of funded projects can be found [HERE](#).

DOE Awards \$30 Million for EECBG Program. DOE awarded \$30 million to 28 state, local, and tribal governments through the Energy Efficiency and Conservation Block Grant (EECBG) Program. The funding will support projects that improve energy efficiency and

clean energy infrastructure in public and private spaces. The list of funded projects can be found [HERE](#).

Federal Permitting Improvement Steering Council Announces \$155 Million for Federal Agency Permitting Review Efficiency and Effectiveness. The Federal Permitting Improvement Steering Council announced \$155 million in funding for federal agencies to improve the efficiency and effectiveness of infrastructure permitting review and authorizations. The funding will support streamlining the permitting process for renewable energy generation, broadband, semiconductor facilities, and electric transmission projects. The list of federal agencies receiving assistance can be found [HERE](#).

FEMA Releases \$1 Billion Building Resilient Infrastructure and Communities NOFO. FEMA released a \$1 billion Notice of Funding Opportunity (NOFO) for the Building Resilient Infrastructure and Communities program. This program funds hazard mitigation projects. Applications are due February 29th and more information can be found [HERE](#).

Reclamation Announces \$500,000 Water Supply Forecast Rodeo Competition. Reclamation announced a \$500,000 Water Supply Forecast Rodeo competition to promote innovative methods and advancements in seasonal water supply forecasting. Teams or individuals will compete to develop water supply forecast models that predict seasonal runoff volumes at 26 sites in western states. The competition deadline is December 15th and more information can be found [HERE](#).

Federal Agency Personnel/Regulatory Announcements

DOD Releases Report on PFAS Groundwater Contamination at Installations. The Department of Defense (DOD) released a [congressionally mandated report](#) titled "Per- and Polyfluoroalkyl Substances in Groundwater." The report found that plumes of Per- and Polyfluoroalkyl (PFAS) were found flowing from 245 out of 275 military installations and other sites near groundwater aquifers.

DOI Deputy Secretary Beaudreau to Depart. Department of the Interior (DOI) Deputy Secretary Tommy Beaudreau announced he will be leaving his position on October 31st. Beaudreau oversaw DOI implementation of the Bipartisan Infrastructure Law and Inflation Reduction Act.

EPA Withdraws Cybersecurity Mandate for Water Utilities. Last week, the EPA [announced](#) that it was withdrawing its cybersecurity mandate for water utilities. The memo entitled [Addressing Public Water System Cybersecurity in Sanitary Surveys or an Alternate Process](#), stated that utilities would have been required to incorporate cybersecurity into periodic audits of water systems, commonly called "sanitary surveys." Those audits are already conducted on a regular basis by water utilities, and when EPA debuted the mandate in March, regulators insisted that the request was within its authorities. In July, the 8th U.S. Circuit Court of Appeals issued a stay in favor of the trio of states, freezing the rule while litigation played out.

EPA Announces 2023 WaterSense Award Winners. EPA announced 47 awards to WaterSense partners. WaterSense is a voluntary partnership program for both a label for water-efficient products and a resource for helping save water. WaterSense partners with manufacturers, retailers and distributors, homebuilders, irrigation professionals, and utilities. The list of awards can be found [HERE](#).

EPA Publishes Final PFAS Reporting Rule. EPA published a final rule requiring reporting on PFAS to the Toxics Release Inventory. The rule eliminates an exemption that allowed facilities to avoid reporting use of small concentrations of PFAS chemicals. More information can be found [HERE](#).

EPA Proposes Trichloroethylene Ban. EPA announced a proposal under the Toxic Substances Control Act (TSCA) to ban all uses of trichloroethylene (TCE). TCE is currently used cleaning and furniture care products, degreasers, break cleaners, and tire repair sealants. The chemical is known to cause health risks such as cancer, neurotoxicity, and reproductive toxicity. More information can be found [HERE](#).

EPA Releases 2022 GHG Reporting Program Data. EPA released 2022 [greenhouse gas \(GHG\) data](#) collected under the agency's GHG Reporting Project. EPA collected data from over 8,100 industrial facilities.

EPA Releases Food Waste Reports. EPA published two new reports quantifying methane emissions from landfilled food waste and updating recommendations for managing wasted food. The "Quantifying Methane Emissions from Landfilled Food Waste" report can be found [HERE](#), and the "From Field to Bin: The Environmental Impacts of U.S. Food Waste Management Pathways" can be found [HERE](#).

EPA Releases Public Engagement Guide for State and Local Governments. EPA published a [guide](#) for state and local governments titled "Capacity Building Through Effective Meaningful Management." The guide includes tips for conducting outreach and reaching community consensus.

IRS Updates Commercial Clean Vehicle Credits FAQs. IRS updated its [frequently asked questions](#) (FAQs) related to new, previously owned, and qualified commercial clean vehicle credits.



October 25, 2023

To: Inland Empire Utilities Agency
From: Michael Boccadoro
Beth Olhasso
RE: October Report

Overview:

The October 1 start of the new water year brought welcome relief for water managers compared to previous years. Water storage numbers continue to be very strong and there are concerns of how a potential El Nino year may cause flooding issues if the system gets overwhelmed.

As discussed last month, the draft Making Conservation a California Way of Life/ Water Use Efficiency regulations have been released by the State Water Resources Control Board. Following the release, there was significant water agency comments at the October 4 SWRCB workshop on the draft regulations. Even with a potable reuse “bonus incentive” and extra outdoor irrigation allowance if using recycled water, most water agencies see the mandates proposed by the regulations as unattainable and/or very costly. Board member comments indicate that there are likely to be changes easing the regulations, however it is unclear to what degree.

In late September, the Legislature and Gov. Gavin Newsom filed [an emergency petition](#) with the California Supreme Court to remove the “Taxpayer Protection and Government Accountability Act” initiative from the November 2024 ballot. The petitioners allege it unlawfully revises the state constitution and would cripple essential government functions.

The Governor recently released a Progress Report on the Water Supply Strategy that was initially presented in August 2022. The report highlighted actions the administration has taken to finish Direct Potable Reuse regulations, advance seawater desal, recharge groundwater after the winter storms and the legislation passed earlier this year to allow expedited judicial review for CEQA challenges on *some* projects. The report didn’t offer any new policy goals.

The Governor took final action on the 1,046 bills sent to his desk in 2023. He maintained a veto rate similar to previous years at 14.9 percent. Unfortunately, included in the veto pile were all three PFAS bills that would have helped with source control. The Legislature is on recess until January 3.

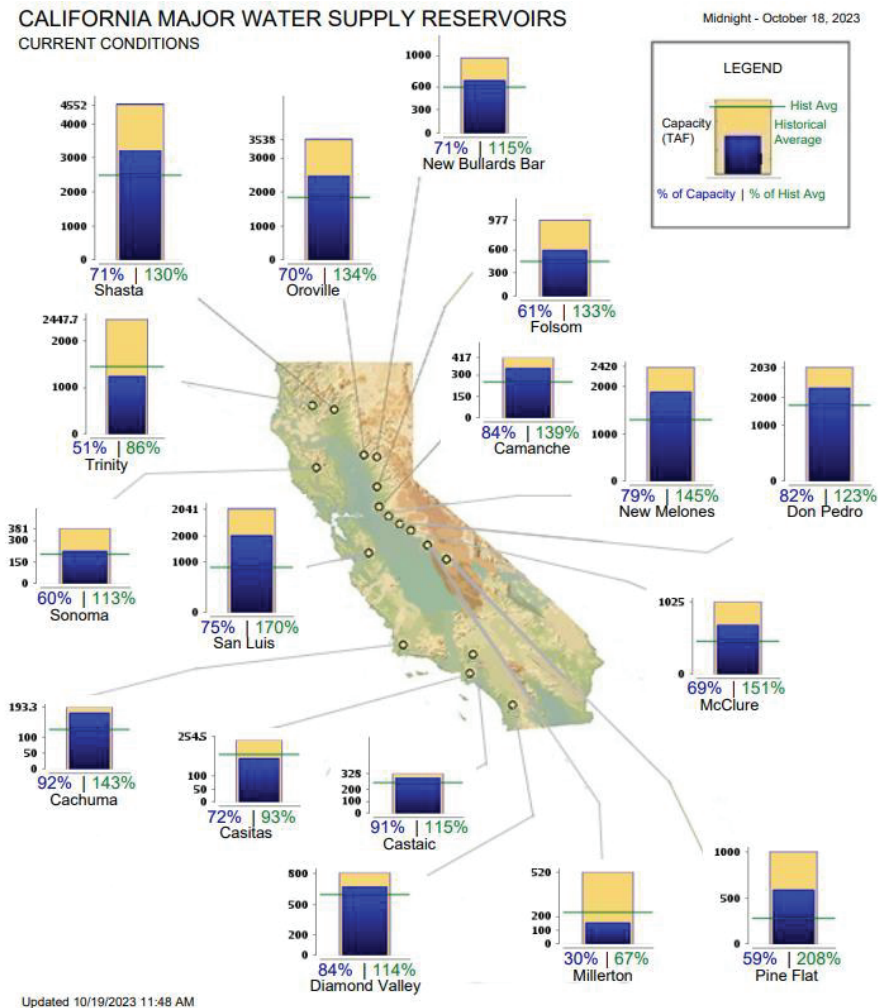
Inland Empire Utilities Agency Status Report – October 2023

Water Supply Conditions

The water year ended on September 30 with significant water in storage. By the numbers:

- 33.48 inches of precipitation- 141 percent of state historical average.
- 27.4 million acre-feet in reservoirs- 128 percent of historical average
- April 1 snowpack 237 percent of historical average
- Groundwater levels: 42 percent of aquifers are below normal levels.
- 400 wells went dry in water year 2023.
- 276,000 acres burned- down from five year average of 1,158,028.

Lake Oroville is sitting at 134 percent of historical average and 70 percent capacity. San Luis Reservoir, the main south-of-Delta storage facility for the State Water Project, is at 170 percent of average for this time of the year and 75 percent capacity. State Water Project water continues to flow into Diamond Valley Lake, which is at 84 percent capacity.



Water Use Efficiency Regulations Update

As discussed last month, the State Water Resources Control Board recently initiated the formal rulemaking for “Making Conservation a Way of Life” by releasing the draft text to implement AB 1668 (Friedman, 2018) and SB 606 (Hertzberg, 2018). The goal of the regulatory framework is to achieve long-term water use efficiency.

The proposed regulation would require urban retail water suppliers to meet a water use objective starting in 2025. The total proposed water budget is based on gallons per capita per day (GPCD), comprised of a residential indoor standard, residential outdoor standard, commercial industrial institutional outdoor standard, water loss, with any variances or bonus incentives (potable reuse) included.

It is important to note that the proposed regulations include several measures important to the region: the bonus incentive will allow member agencies to count their proportional share of potable reuse water in their water budget. Second, the proposed regulation, as directed by statute, allows for consideration of “special landscapes” which gives special consideration for outdoor irrigation using recycled water. However, the proposed regulation includes a never-before-discussed provision requiring agencies to get approval annually to use the “special landscape” distinction.

In the month since the draft has been circulating, water agencies have been meeting regularly to discuss concerns. Stakeholders have identified several areas where the regulations seem to divert from the intent of the legislation and have been meeting with board members and staff to articulate concerns.

The first workshop at the SWRCB on the regulations was held October 4 and many inland empire agencies, including all SAWPA member agencies, Cucamonga Valley Water District and Monte Vista Water District, and many other retail agencies testified. There was over seven hours of testimony from agencies throughout California. The common thread between the comments was that the regulations would be very difficult and require significant investment to implement. Concerns about having to raise rates to achieve the needed reductions were continuously articulated.

At the end of the hearing, board members briefly discussed some of their thoughts on the regulations. Most board members indicated that some changes were going to be needed to make the regulations less complicated and burdensome, and perhaps some changes to make the objectives more attainable for all agencies.

Staff have indicated that there will be at least one more draft, possibly two, before the final regulations are set to be adopted August/September of 2024.

Legislature/Governor File Petition to Stop Taxpayer Accountability Act

In late September, the Legislature and Gov. Gavin Newsom filed [an emergency petition](#) with the California Supreme Court to remove the “Taxpayer Protection and Government Accountability Act” initiative from the November 2024 ballot. The petitioners allege it unlawfully revises the state constitution and would cripple essential government functions.

As discussed in previous reports, the California Business Roundtable (CBRT) is sponsoring the initiative. The ballot measure would expand the definition of what constitutes a tax and raise the voter approval threshold for local taxes. The initiative would also limit certain fees to the least amount necessary to provide the service for special districts.

Several associations including the CA Special Districts Association (CSDA), CA Assn of Sanitation Agencies (CASA), CA Municipal Utilities Assn (CMUA), League of CA Cities and the California State Association of Counties (CSAC), [filed a brief](#) supporting the petition for pre-election review of the initiative. The letter highlights the CBRT initiative's vague provisions, unlawful revisions to the state constitution, and its potential to "disable fiscal planning" by local governments.

"... The proposed measure is already destabilizing government finance," the letter states. "Substantial questions as to the lawfulness and meaning of the proposed measure arise that, if left unresolved through the November 2024 election, will exacerbate these uncertainties and necessarily reduce government efficiency for months and years after that election."

The CBRT ballot measure would apply to any tax and certain fees adopted after Jan. 1, 2022. Local governments would have one year to ask voters to reapprove those taxes. The initiative would also impose new requirements for the ballot materials used to submit taxes to voters.

The mayors of some of California's biggest cities also filed a [separate letter](#), urging the Court for a pre-election review of the initiative. They argued it "poses an immediate threat to vital state and local services".

Courts generally hear writ petitions as a matter of discretion. Pre-election ballot measure reviews occur when the validity of an initiative is in serious doubt, and where the matter can be resolved before unnecessary expenditures of time and effort have been placed into a futile election campaign.

Water Supply Strategy Progress Report

The Governor's Office recently released a "[progress report](#)" on the CA Water Supply Strategy- Adapting to a Hotter, Drier Future. One year after the release of the strategy, the progress report claims the state has made "significant progress" over the past year. Highlights include:

Strategy Goal: Develop New Water Supplies

- Reuse at least 800,000 AFY by 2030
 - Progress Claimed:
 - DPR regulations released and to be adopted by December 2023
 - Recycled Water Strike Team created.
 - SB 149 to speed up judicial review for certain recycled water projects.
- Expand brackish groundwater desalination production by 28,000 AFY and help guide ocean desal projects.
 - Progress Claimed: All progress claimed is on ocean desal.

Strategy Goal: Expand water storage capacity above and below ground by 4 million AF

- Expand average annual groundwater recharge by at least 500,000 AF
 - Progress Claimed:
 - All progress claimed is the result of the wet winter and actions the state took to try to recharge as much water as possible.
- Work with WSIP proponents to complete storage projects:
 - Progress Claimed:
 - Highlight Harvest Water final funding award- no mention of other WSIP projects.

Strategy Goal: Reduce Demand

- Conservation
 - Progress Claimed:
 - Implementation Urban Water Use Efficiency Standards
 - \$143M in DWR conservation grants
 - Save Our Water campaign
- Stabilize groundwater supplies
 - Progress Claimed:
 - Groundwater management plans
 - Agricultural irrigation efficiency grants

Strategy Goal: Improve forecasting, data, and management including water rights modernization

- Improve data collection and modernize forecasts for a changed climate
 - Progress Claimed (partial list):
 - Increased air snow surveys
 - Increased stream gauge deployment
 - New hydrogeology models
 - Improve the flexibility of current water systems to move water throughout the state:
 - Finalize EIR for Delta Conveyance by end of 2023
 - Studying feasibility and design of repairs to the CA Aqueduct, Delta-Mendota Canal and San Luis Canal and \$200M towards repair costs.
 - Modernize water rights administration for equity, access, flexibility and transparency.
 - Modernize water rights data management system

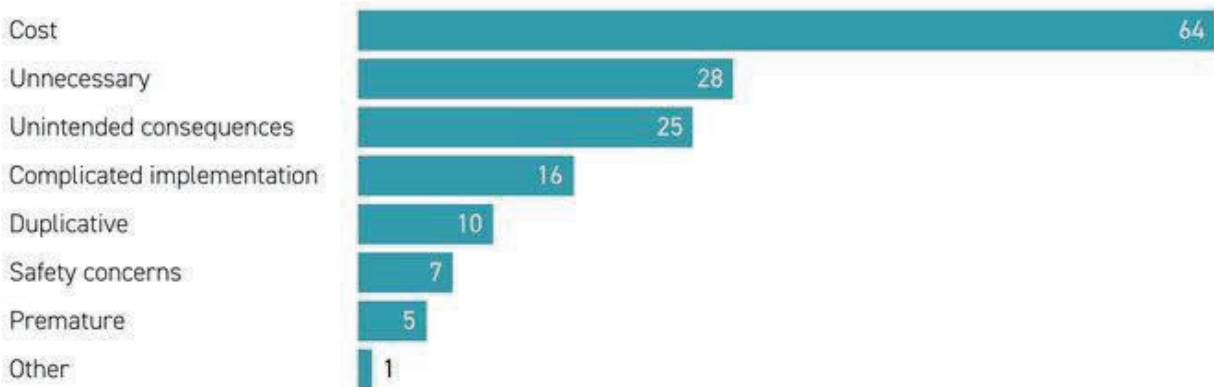
The progress report offered no new suggestions for future actions.

Final 2023 Bill Actions Taken

All action on legislation in 2023 ended on October 13, with the Governor taking final action on the 1,046 bills that reached his desk this year. Governor Newsom signed 890 bills while vetoing 156, a 14.9 percent veto rate, just a tad up from his 14.5 percent rate last year.

Many of Gov. Newsom's vetoes due to cost concerns

Reasons cited for Gov. Gavin Newsom's vetoes, 2023 legislative session



Note: For vetoes with multiple reasons cited, the more prominent reason was used.

Source: Gov. Newsom's office

Eric He/POLITICO

Water Rights:

The only significant bill to reach the Governor's Desk in 2023 was SB 389 (Allen). This bill authorizes the SWRCB to investigate and ascertain whether or not a water right is valid, authorizes SWRCB to issue an information order in furtherance of the investigation, and authorizes a diversion of use of water ascertained to be unauthorized to be enforced as a trespass. The bill was signed by the Governor.

Recycled water:

SB 754 (Cortese) would allow for the Building Standards Commission to require new buildings to be constructed to capture and reuse water onsite. The bill was amended to soften the language so it is no longer a mandate, just a consideration. The measure was signed by the Governor.

Energy/Climate:

AB 1594 (E.Garcia- D, Coachella) allows utilities, including water/wastewater utilities some flexibility from zero-emission fleet mandates. Under AB 1594, utilities will be allowed to replace traditional utility specialized vehicles at the end of their useful life when needed to maintain reliable service and respond to major foreseeable events. The bill was signed by the Governor.

AB 1373 (E. Garcia) provides the Department of Water Resources authority to act as a centralized energy procurement entity. The goal is to have the state act as a central buyer for hard to procure resources, when the Investor Owned Utilities cannot, ensuring energy reliability. Supporters of the bill note that better coordination is needed as the state is transitioning to more renewable energy including the potential for significant offshore wind resources. The Governor signed the bill

Water-Use Efficiency:

AB 1572, co-sponsored by MWD, prohibits the use of potable water to irrigate nonfunctional turf on commercial, municipal, institutional, homeowners' association, common interest development and community service organization properties. The prohibitions will be phased-in beginning on Jan 1, 2027. The measure was signed by the Governor.

PFAS

The three PFAS bills introduced at the beginning of the year all moved through the Legislature this year and were vetoed by the Governor. AB 727 (Weber) was sponsored by CASA and would have prohibited PFAS in cleaning products. AB 1423 (Schiavo) would have prohibited PFAS in artificial turf. AB 246 (Schiavo) would have banned PFAS in menstrual products. All the measures took amendments to remove opposition but would still have effectively limited PFAS in the sewer system.

The Governor's veto message for AB 727:

“ I am returning Assembly Bill 727 without my signature.

This bill would prohibit, by 2026, the manufacture, distribution, or sale of cleaning products that contain intentionally added perfluoroalkyl or polyfluoroalkyl substances (PFAS), and would apply this ban, by 2028, to floor sealer or floor finish products.

This is one of three single-product chemical bans passed by the Legislature this year that attempt to address serious concerns with the presence of PFAS in consumer products. These bills do not identify or require any regulatory agency to determine compliance with, or enforce, the proposed statute.

While I strongly support the author's intent and have signed similar legislation in the past, I am concerned this bill falls short of providing enhanced protection to California consumers due to lack of regulatory oversight. Previously enacted single-product chemical bans, which also lack oversight, are proving challenging to implement, with inconsistent interpretations and confusion among manufacturers about how to comply with the restrictions.

In order to instill consumer confidence and effectively address public health and environmental concerns, I am directing the Department of Toxic Substances Control to engage with the author and the Legislature and consider alternative approaches to regulating the use of these harmful chemicals in consumer products.

For these reasons, I cannot sign this bill.”

IEUA BILLS— October 14, 2023—FINAL 2023 ACTIONS

Bill Number	Author/Sponsor	Title and/or Summary	Summary	IEUA Position/ Bill Location	Positions Taken by Associations & Regional Agencies
AB 727	Weber/ CASA	Product safety: cleaning products: perfluoroalkyl and polyfluoroalkyl substances.	Would, beginning January 1, 2025, prohibit a person from manufacturing, selling, delivering, distributing, holding, or offering for sale in the state a cleaning product that contains regulated PFAS, as specified. The bill would make a violation of these provisions punishable by a civil penalty not to exceed \$5,000 for a first violation and not to exceed \$10,000 for each subsequent violation, upon an action brought by the Attorney General, a city attorney, a county counsel, or a district attorney.	SUPPORT Vetoed by Governor	CASA Support
AB 1072	Wicks	Water conservation and efficiency: low-income residential customers.	Would declare the policy of the state that all residents have access to water conservation and efficiency programs. The bill would also set forth related findings including that reaching the state's environmental justice goals and commitments requires designing climate adaptation programs so that all households may participate.	WATCH Failed in Asm. Appr.	
AB 1216	Muratsuchi	Wastewater treatment plants: monitoring of air pollutants.	Would require, on or before January 1, 2025, the owner or operator of a wastewater treatment facility that is located within 1,500 feet of a residential area and has an original design capacity of 425,000,000 gallons or more per day to develop, install, operate, and maintain a wastewater treatment-related fence-line monitoring system in accordance with guidance developed by the appropriate air quality management district. The bill would require the wastewater treatment-related fence-line monitoring system to include equipment capable of measuring pollutants of concern, including hydrogen sulfide, nitrogen oxides, and volatile organic compounds emitted to the atmosphere from wastewater treatment or reclamation processes that the appropriate district deems appropriate for monitoring. The bill would also require the owner or operator of a wastewater treatment facility to collect real-time data from the wastewater treatment-related fence-line monitoring system, to maintain records of that data, and to transmit the data to the appropriate air quality management district in accordance with the district's guidance. In addition, the bill would require, to the extent feasible, the data generated by these systems to be provided to the public as quickly as possible in a publicly accessible format.	OPPOSE Signed by Governor	CASA OPPOSE CASA asking for a sunset clause
AB 1423	Schiavo	Product safety: perfluoroalkyl and polyfluoroalkyl substances: artificial turf or	Would, commencing January 1, 2024, require a manufacturer or installer of a covered surface, defined as artificial turf or a synthetic surface that resembles grass, proposing to design, sell, or install a field with a covered surface to any party to notify the party at the earliest possible date that the covered surface contains regulated PFAS, as defined. The bill would also prohibit, commencing January 1, 2024, a public entity, including a charter city, charter county, city, or county, any public or private school serving pupils in kindergarten or any of grades 1 to 12, inclusive, a public institution of higher education, other than the University of California, or a private	SUPPORT Vetoed by Governor	

		synthetic surfaces.	institution of higher education from purchasing or installing a covered surface containing regulated PFAS, as provided.		
AB 1572	Friedman	Potable water: nonfunctional turf	This bill would make legislative findings and declarations concerning water use, including that the use of potable water to irrigate nonfunctional turf is wasteful and incompatible with state policy relating to climate change, water conservation, and reduced reliance on the Sacramento-San Joaquin Delta ecosystem. The bill would direct all appropriate state agencies to encourage and support the elimination of irrigation of nonfunctional turf with potable water. This bill contains other related provisions and other existing laws.	WATCH Signed by Governor	ACWA- Oppose unless amended- likely removing opposition— Negotiated amendments remove multifamily housing from the bill
AB 1573	Friedman	Water conservation: landscape design: model ordinance	The Water Conservation in Landscaping Act provides for a model water efficient landscape ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. Existing law requires a local agency to adopt the model ordinance or to adopt a water efficient landscape ordinance that is at least as effective in conserving water as the updated model ordinance, except as specified. Existing law specifies the provisions of the updated model ordinance, as provided. Existing law includes a related statement of legislative findings and declarations. This bill would require the updated model ordinance to include provisions that require that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of ecological restoration projects that do not require a permanent irrigation system, mined land reclamation projects that do not require a permanent irrigation system, and existing plant collections, as part of botanical gardens and arboretums open to the public, from the model ordinance. The bill would require the updated model ordinance to include provisions that require that all new or renovated nonresidential areas install plants that meet specified criteria, and that prohibit the inclusion of nonfunctional turf in nonresidential landscape projects after January 1, 2026. The bill would also revise the legislative findings and declarations to state that the model ordinance furthers the state's goal to conserve biodiversity and provide for climate resilience consistent with state drought efforts to eliminate the use of irrigation of nonfunctional turf. This bill contains other related provisions and other existing laws.	WATCH Senate Inactive File	ACWA Oppose unless amended
AB 1637	Irwin	Local government: internet websites and email addresses	The California Constitution authorizes cities and counties to make and enforce within their limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws and further authorizes cities organized under a charter to make and enforce all ordinances and regulations in respect to municipal affairs, which supersede inconsistent general laws. This bill, no later than January 1, 2027, would require a local agency, as defined, that maintains an internet website for use by the public to ensure that the internet website utilizes a ".gov" top-level domain or a ".ca.gov" second-level domain and would require a local agency that	WATCH- AMENDS TAKE OUT SPECIAL DISTRICTS	CSDA- moves to "watch" with new amends

			maintains an internet website that is noncompliant with that requirement to redirect that internet website to a domain name that does utilize a “.gov” or “.ca.gov” domain. This bill, no later than January 1, 2027, would also require a local agency that maintains public email addresses to ensure that each email address provided to its employees utilizes a “.gov” domain name or a “.ca.gov” domain name. By adding to the duties of local officials, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Signed by Governor	
SB-366	Caballero CMUA	The California Water Plan: long-term supply targets	Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as “The California Water Plan.” Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to instead establish a stakeholder advisory committee and to expand the membership of the committee to include tribes, labor, and environmental justice interests. The bill would require the department, in coordination with the California Water Commission, the State Water Resources Control Board, other state and federal agencies as appropriate, and the stakeholder advisory committee to develop a comprehensive plan for addressing the state’s water needs and meeting specified long-term water supply targets established by the bill for purposes of “The California Water Plan.”	SUPPORT TWO-YEAR BILL	ACWA in support
SB-687	Eggman	Water Quality Control Plan: Delta Conveyance Project.	Would require the State Water Resources Control Board to adopt a final update of the 1995 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary, as provided, before the board may consider a change in point diversion or any other water rights permit or order for the Delta Conveyance Project. The bill would also, if, after completing the update of the plan and in compliance with existing law, the board approves a change in point of diversion or any other water rights permit or order associated with the Delta Conveyance Project, prohibit the operation of the Delta Conveyance Project unless and until the updated plan is fully implemented. The bill would specify that these provisions do not constitute an authorization for or approval of funding for the Delta Conveyance Project or any other project that includes isolated Delta conveyance facilities, and do not reduce any statutory or other regulatory conditions or permit requirements for Delta conveyance projects.	BILL FAILED IN SENATE APPROPRIATIONS	State Water Contractors- OPPOSE
SB 745	Cortese	Drought-Resistant Buildings Act	Would require the California Building Standards Commission to research, develop, adopt, approve, codify, and publish voluntary and mandatory building standards to reduce potable water use in new residential and nonresidential buildings, as specified. The bill would require the commission to perform a review of voluntary and mandatory water efficiency and water reuse standards in the California Buildings Standards Code every 3 years, commencing with the next triennial edition, and update as needed.	NEUTRAL Signed by Governor	Oppose unless amended by CASA, CSDA, CMUA, ACWA, WateReuse

SB 149	Caballero	California Environmental Quality Act: administrative and judicial procedures: record of proceedings: judicial streamlining.	Infrastructure Package bill on streamlining of judicial review for CEQA challenges	Signed by Governor	Support by ACWA, CMUA, WateReuse
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