

# CHINO BASIN WATERMASTER



## NOTICE OF MEETING

**Thursday, February 20, 2025**

9:00 a.m. – Advisory Committee Meeting

**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE MEETING**

9:00 a.m. – February 20, 2025

*Mr. Eduardo Espinoza, Chair*

*Mr. Brian Geye, Vice-Chair*

*Mr. Jeff Pierson, 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**

**SAFETY MINUTE**

**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 on January 16, 2025 (*Page 1*)

**B. FINANCIAL REPORTS**

Receive and file as presented:

Monthly Financial Report for the Reporting Period Ended December 2024 (*Page 5*)

**II. BUSINESS ITEMS**

**A. CALCULATION OF EXCESS CASH RESERVES BASED ON OPERATING CASH RESERVE POLICY 4.17  
(*Page 20*)**

Recommend Board to defer the refund of excess cash reserves in accordance with Watermaster Policy 4.17 until the FY 25-26 Budget process is completed.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL**

1. April 4, 2025, Court Hearing (Appropriative Pool Motion for Costs and Fees and Watermaster Motion for Receipt and Filing of the 47th Annual Report)
2. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re: Fiscal Year 2021-22 and 2022-23 Assessment Packages)

**B. ENGINEER**

1. 2025/26 GLMC Recommended Scope and Budget
2. 2025 Safe Yield Reevaluation

**C. GENERAL MANAGER**

1. Discussion RE Recharge on San Bernardino County Flood Control Properties

2. Audit Firm Engagement
3. New Payroll Vendor
4. New Employee Introduction
5. Other

**D. INLAND EMPIRE UTILITIES AGENCY** *(Page 33)*

1. Metropolitan Water District Activities Report (Written)
2. Water Supply Conditions (Written)
3. State and Federal Legislative Reports (Written)

**E. METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

**A. RECHARGE INVESTIGATION AND PROJECTS COMMITTEE (PROJECT 23a STATUS)** *(Page 54)*

**V. COMMITTEE MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

**VIII. FUTURE MEETINGS AT WATERMASTER**

02/20/25	Thu	9:00 a.m.	Advisory Committee
02/25/25	Tue	8:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
02/27/25	Thu	9:30 a.m.	Watermaster Orientation*
02/27/25	Thu	11:00 a.m.	Watermaster Board
03/06/25	Thu	10:00 a.m.	Ground-Level Monitoring Committee (GLMC)
03/11/25	Tue	8:30 a.m.	Safe Yield Reevaluation – Preliminary Results

\* The Watermaster Orientation series are held in person only with no remote access.

**ADJOURNMENT**

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**  
January 16, 2025

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 January 16, 2025.

**ADVISORY COMMITTEE MEMBERS PRESENT**

- **APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER**  
Eduardo Espinoza, **Chair** (for John Bosler) Cucamonga Valley Water District  
Chad Nishida for Courtney Jones City of Ontario  
Chris Diggs City of Pomona  
Nicole deMoet City of Upland  
Justin Castruita for Marty Zvirbulis Fontana Union Water Company  
Megan Sims for Cris Fealy Fontana Water Company  
Bryan Smith for Chris Berch Jurupa Community Services District  
Justin Scott-Coe Monte Vista Water District
  
- **APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT ON ZOOM**  
Ron Craig City of Chino Hills
  
- **NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER**  
Brian Geye, **Vice-Chair** California Speedway Corporation
  
- **NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM**  
Bob Bowcock CalMat Co.  
Alexis Mascarinas City of Ontario (Non-Ag)
  
- **AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER**  
Jeff Pierson, **Second Vice-Chair** Crops  
Jimmy Medrano State of California
  
- **AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM**  
Gino Filippi Crops  
Lewis Callahan State of California  
Michael Maeda State of California  
Tariq Awan State of California
  
- **MUNICIPAL REPRESENTATIVE PRESENT ON ZOOM**  
Laura Roughton Western Municipal Water District

**WATERMASTER BOARD MEMBERS PRESENT ON ZOOM**

Mike Gardner Western Municipal Water District

**WATERMASTER STAFF PRESENT**

Todd Corbin	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 Manager
Daniela Uriarte	Senior Accountant
Ruby Favela Quintero	Executive Assistant
Alonso Jurado	Water Resources Associate

Jordan Garcia

Senior Field Operations Specialist

**WATERMASTER CONSULTANTS PRESENT ON ZOOM**

Brad Herrema  
Garrett Rapp

Brownstein Hyatt Farber Schreck, LLP  
West Yost

**OTHERS PRESENT AT WATERMASTER**

Amanda Coker  
Jimmie Moffatt  
Jiwon Seung  
Steve Smith  
Justin Scott-Coe  
Nicole deMoet

Cucamonga Valley Water District  
Cucamonga Valley Water District  
Cucamonga Valley Water District  
Inland Empire Utilities Agency  
Monte Vista Irrigation Company  
West End Consolidated Water Company

**OTHERS PRESENT ON ZOOM**

Norberto Ferreira  
Mark Gibboney  
Ben Lewis  
Aimee Zhao  
Eddie Lin  
Clifford Button  
Jesse Pompa  
Manny Martinez  
Kevin O'Toole  
David De Jesus  
Matt Litchfield  
Mallory O'Conor  
Rick Rees

City of Upland  
Cucamonga Valley Water District  
Golden State Water Company  
Inland Empire Utilities Agency  
Inland Empire Utilities Agency  
Jurupa Community Services District  
Jurupa Community Services District  
Monte Vista Water District  
Orange County Water District  
Three Valleys Municipal Water District  
Three Valleys Municipal Water District  
Western Municipal Water District  
WSP USA

**CALL TO ORDER**

Chair Espinoza called the Advisory Committee meeting to order at 9:00 a.m.

**ROLL CALL**

(00:00:16) Ms. Nelson conducted the roll call and announced that a quorum was present.

**AGENDA – ADDITIONS/REORDER**

None

**SAFETY MINUTE**

(00:02:37) Mr. Corbin gave the Safety Minute and discussed the current winds and wildfires. He suggested being mindful of our surroundings and steering clear of downed electrical lines.

**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 on November 21, 2024

**B. FINANCIAL REPORTS**

Receive and file as presented:

Monthly Financial Reports for the Reporting Periods Ended October and November 2024

**C. CHINO BASIN WATERMASTER 2025 INVESTMENT POLICY – RESOLUTION NO. 2025-01**

Recommend the Watermaster Board approve the investment policy and adopt the corresponding Resolution 2025-01.

**D. APPLICATION FOR RECHARGE: JURUPA COMMUNITY SERVICES DISTRICT**

Recommend to the Watermaster Board to approve Jurupa Community Services District's Application for Recharge of 7,000 acre-feet from November 1, 2024 to October 31, 2029, and direct Watermaster staff to account for this recharge.

(00:03:25)

*Motion by Mr. Chris Diggs, seconded by Second Vice-Chair Pierson, there being no dissent, the motion was deemed passed unanimously among those present.*

***Moved to approve the Consent Calendar as presented.***

**II. BUSINESS ITEMS**

**A. CHINO BASIN WATERMASTER 47<sup>TH</sup> ANNUAL REPORT (FISCAL YEAR 2023/24)**

Recommend to the Watermaster Board to adopt the 47th Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(00:04:01) Mr. Corbin introduced Mr. Nakano who offered to give a presentation. The Committee declined to receive it.

(00:05:54)

*Motion by Second Vice-Chair Pierson, seconded by Vice-Chair Brian Geye there being no dissent, the motion was deemed passed unanimously among those present.*

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

**B. CALCULATION OF EXCESS CASH RESERVES BASED ON OPERATING CASH RESERVE POLICY 4.17 (INFORMATION ONLY)**

Provide advice and assistance on the calculation of excess cash reserves.

(00:06:33) Mr. Corbin gave a report and informed the Committee that the item will be brought back through the Pool, Advisory and Board process at a later time based on the Appropriate Pool's recommendation to review the status of projects with the Recharge Investigations and Projects Committee.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL**

1. January 10, 2025 Court Hearing (Watermaster Motion for Receipt and Filing of GLMP Annual Report; Watermaster Motion to Increase Safe Storage Capacity; Watermaster Motion for Authorization to File Suit)
2. April 4, 2025, Court Hearing (Appropriate Pool Motion for Costs and Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re: Fiscal Year 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re: Fiscal Year 2022-23 Watermaster budget expenses to support CEQA analysis)

(00:07:30) Mr. Herrema gave a report.

**B. ENGINEER**

- 1. Safe Yield Reevaluation

(00:12:51) Mr. Rapp prefaced the item and indicated the report remains unchanged from the ones presented to the Pool Committees. The Advisory Committee declined to hear the report again.

**C. GENERAL MANAGER**

- 1. Fiscal Year 2024/25 Exhibit "G" Physical Solution Transfers
- 2. Calendar Year 2025 Letters of CBWM Representation
- 3. Calendar Year 2025 Hearing Officer Panel
- 4. No Kid Hungry Fundraiser
- 5. Other

(00:13:16) Mr. Corbin gave a recap of the information presented at the Pools meetings last week. He also thanked those who supported the No Kid Hungry fundraiser and indicated that the goal set was exceeded thanks to everyone's contributions.

**D. INLAND EMPIRE UTILITIES AGENCY**

- 1. Metropolitan Water District Activities Report (Written)
- 2. Water Supply Conditions (Written)
- 3. State and Federal Legislative Reports (Written)
- 4. GWR Update (Oral)

(00:14:17) Mr. Steve Smith of IEUA gave a presentation and update on the groundwater recharge.

**E. METROPOLITAN MEMBER AGENCY REPORTS**

None

**IV. COMMITTEE MEMBER COMMENTS**

(00:22:25) Chair Espinoza thanked the Appropriative Pool for their confidence in nominating him as the Advisory Committee Chair.

**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**

Chair Espinoza adjourned the Advisory Committee meeting at 9:23 a.m.

Secretary: \_\_\_\_\_

Approved: \_\_\_\_\_



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730  
909.484.3888 www.cbwm.org

## STAFF REPORT

DATE: February 2025  
TO: Watermaster Committees & Board  
SUBJECT: Monthly Financial Reports (For the Reporting Period Ended December 31, 2024) (Consent Calendar Item I.B.)

Issue: Record of Monthly Financial Reports for the reporting period ended December 31, 2024 [Normal Course of Business]

Recommendation: Receive and file Monthly Financial Reports for the reporting period ended December 31, 2024 as presented.

Financial Impact: None

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### ACTIONS:

**Appropriative Pool – February 13, 2025 [Final]:** Received and file.  
**Non-Agricultural Pool – February 13, 2025 [Final]:** Received and file without approval.  
**Agricultural Pool – February 13, 2025 [Final]:** Received and file.  
**Advisory Committee – February 20, 2025 [Recommended]:** Receive and file.  
**Watermaster Board – February 27, 2025 [Recommended]:** Receive and file.



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

Watermaster staff will provide additional explanations or respond to any questions on these reports.

## **ATTACHMENT**

1. Monthly Financial Reports (December 31, 2024)



**Chino Basin Watermaster  
Cash Disbursements  
December 2024**

**ATTACHMENT 1**

Date	Number	Vendor Name	Description	Amount
12/03/2024	ACH12/3/24	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 3299	\$ (12,164.17)
12/03/2024	ACH12/3/24	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 27239	(172.92)
12/03/2024	ACH12/3/24	CALPERS	December Medical Insurance Premiums	(16,106.08)
12/04/2024	25186	CUBICLE AND OFFICE, LLC.	Existing cubicle reconfiguration	(3,041.68)
12/06/2024	25187	ACWA JOINT POWERS INSURANCE AUTHORITY	January life insurance	(275.36)
12/06/2024	25188	APPLEONE	Temporary employment services	(1,475.39)
12/06/2024	25189	BOWCOCK, ROBERT		(1,125.00)
12/06/2024	25190	BURRTEC WASTE INDUSTRIES, INC.	Utilities: Waste	(168.62)
12/06/2024	25191	CLARK PEST CONTROL	November pest control services	(100.00)
12/06/2024	25192	CUCAMONGA VALLEY WATER DISTRICT	December lease and backpay for October/November (CPI increase)	(12,254.73)
12/06/2024	25193	CURATALO, JAMES		(750.00)
12/06/2024	25194	DE BOOM, NATHAN		(125.00)
12/06/2024	25195	DE HAAN, HENRY		(250.00)
12/06/2024	25196	EGOSCUE LAW GROUP, INC.	November OAP legal services	(17,100.00)
12/06/2024	25197	FILIPPI, GINO		(250.00)
12/06/2024	25198	FRONTIER COMMUNICATIONS	Landline connection for Bay Alarm system	(153.53)
12/06/2024	25199	GEYE, BRIAN		(750.00)
12/06/2024	25200	GRAINGER	Traffic sign and stand	(496.85)
12/06/2024	25201	PITNEY BOWES INC.	Red ink cartridge refill	(118.01)
12/06/2024	25202	SAN BERNARDINO COUNTY - DEPT. AIRPORTS	December rent for extensometer site	(172.00)
12/06/2024	25203	SPECTRUM ENTERPRISE	December internet services	(1,159.83)
12/06/2024	25204	STANDARD INSURANCE CO.	November life and disability coverage	(988.75)
12/06/2024	25205	STATE COMPENSATION INSURANCE FUND	FY 25 worker's compensation insurance	(2,264.91)
12/06/2024	25206	UNION 76	November fuel purchases	(175.84)
12/06/2024	25207	URIARTE, DANIELA	Reimbursement: CalPERS Educational Forum mileage	(148.74)
12/06/2024	25208	VANGUARD CLEANING SYSTEMS	December janitorial service	(1,000.00)
12/06/2024	25209	VELTO, BILL		(375.00)
12/13/2024	ACH12/13/24	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 3299	(12,164.17)
12/13/2024	ACH12/13/24	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 27239	(172.92)
12/13/2024	25210	APPLEONE	Temporary employment services	(1,910.56)
12/13/2024	25211	BAY ALARM COMPANY	Quarterly monitoring service	(189.24)
12/13/2024	25212	BROWNSTEIN HYATT FARBER SCHRECK	October legal services	(112,961.89)
12/13/2024	25213	CALIFORNIA BANK & TRUST	Account ending 6198 - See detail attached	(6,899.97)
12/13/2024	25214	CHEF DAVE'S CATERING & EVENT SERVICES	Board meeting catering services	(875.45)
12/13/2024	25215	CORELOGIC INFORMATION SOLUTIONS	November geographic package services	(125.00)
12/13/2024	25216	KUHN, BOB		(250.00)
12/13/2024	25217	PIERSON, JEFFREY		(4,125.00)
12/13/2024	25218	READY REFRESH	Office water dispenser lease	(130.02)
12/13/2024	25219	SOUTHERN CA EDISON	Utilities: Electric	(1,236.22)
12/13/2024	25220	THRIVING EMPLOYER	Legal personnel matter services	(4,950.00)
12/13/2024	25221	WEST YOST	October engineering services	(215,377.94)
12/13/2024	25222	INLAND EMPIRE UTILITIES AGENCY	FY 23/24 and 24/25 Recharge water program debt service	(955,086.00)
12/18/2024	25223	C.J. BROWN & COMPANY, CPAs	FY 24 Audit services	(3,300.00)
12/18/2024	25224	CUBICLE AND OFFICE, LLC.	Existing cubicle reconfiguration	(480.01)
12/18/2024	25225	CUCAMONGA VALLEY WATER DISTRICT	January lease	(11,902.91)
12/18/2024	25226	GREAT AMERICA LEASING CORP.	November copy machine lease	(1,668.94)
12/18/2024	25227	JURADO, ALONSO	Reimbursement: Groundwater Week Conference lodging and meals	(249.83)
12/18/2024	25228	LEGAL SHIELD	December employee paid legal insurance	(119.55)
12/18/2024	25229	NAKANO, JUSTIN	Reimbursement: Groundwater Week Conference lodging and meals	(305.05)
12/18/2024	25230	PITNEY BOWES INC.	Red ink cartridge refill	(118.01)
12/18/2024	25231	RAUCH COMMUNICATION CONSULTANTS, INC.	Annual report services	(6,412.50)
12/18/2024	25232	UNITED HEALTHCARE	January dental insurance coverage	(1,370.78)
12/18/2024	25233	VERIZON WIRELESS	Internet services for Field Ops tablets	(277.17)
12/18/2024	25234	WELL TEC SERVICES	Meter installations and onsite calibrations	(80,812.50)
12/19/2024	25235	VC3, INC.	December IT services	(1,811.39)
12/19/2024	25236	WEST YOST	November engineering services	(175,686.48)
12/23/2024	25237	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	Utilities: Water	(359.09)
12/23/2024	25238	GARCIA, JORDAN	Reimbursement: Photography supplies	(2,618.30)
12/23/2024	25239	PITNEY BOWES GLOBAL FINANCIAL SERVICES	Postage refill	(507.00)
12/23/2024	25240	READY REFRESH	Office water dispenser cleaning	(159.98)
12/23/2024	25241	VERIZON WIRELESS	Internet services and mobile broadband unlimited	(38.01)
12/23/2024	25242	FAVELA QUINTERO, RUBY	Reimbursement: CAP Certification tuition, materials, and Canva	(619.00)
12/23/2024	25243	LEWIS BRISBOIS BISGAARD & SMITH LLP	November ONAP legal services	(1,815.00)
12/23/2024	25244	LINDE GAS & EQUIPMENT INC.	Groundwater level monitoring equipment	(61.95)
12/23/2024	25245	THREE VALLEYS MUNICIPAL WATER DIST	Leadership breakfast	(140.00)
<b>Total for Month</b>				<b>\$ (1,680,450.24)</b>



## Chino Basin Watermaster Credit Card Expense Detail December 2024

Date	Number	Description	Expense Account	Amount
12/13/2024	25213	<b>CALIFORNIA BANK &amp; TRUST</b>		
		Hyatt Palm Springs - ESRI Conference - Lodging - A. Jurado	6191 · Conferences - General	(480.78)
		Amazon - Amazon Web Services - October 2024	6054 · Computer Software	(149.38)
		Microsoft Software - Mapping and visualization software subscription - Oct 2024	6054 · Computer Software	(15.00)
		Microsoft Software - Mapping and visualization software subscription - Nov 2024	6054 · Computer Software	(15.00)
		REV Subscription - Speech to text transcription services	6112 · Subscriptions/Publications	(29.99)
		Southern CA Water Coalition Annual Dinner - T. Corbin	6191 · Conferences - General	(325.00)
		Staples - USB mouse	6031.7 · General Office Supplies	(23.69)
		Flo's Coffee Shop - Breakfast meeting - T. Corbin, M. Zvirbulis	6141.1 · Meeting Supplies	(48.76)
		Molly's Souper Restaurant - Breakfast meeting - T. Corbin, C. Diggs	6141.1 · Meeting Supplies	(36.78)
		Town and Country - CalPERS Ed Forum - Lodging - A. Nelson	6191 · Conferences - General	(567.29)
		Town and Country - CalPERS Ed Forum - Lodging - D. Uriarte	6191 · Conferences - General	(627.29)
		Amazon - Lithium batteries	6031.7 · General Office Supplies	(6.31)
		Amazon - External hard drive	6055 · Computer Hardware	(183.16)
		Amazon - First aid supplies	6031.7 · General Office Supplies	(47.79)
		Amazon - Postcards	6031.7 · General Office Supplies	(44.58)
		Bamboo HR - HRIS and Timekeeping System	6061.2 · HRIS System	(227.59)
		Amazon - Misc. office supplies	6031.7 · General Office Supplies	(181.75)
		BlueHost - Monthly Software Renewal - Standard VPN Server with cPanel	6054 · Computer Software	(91.99)
		Corky's Kitchen and Bakery - Staff meeting pies	6141.1 · Meeting Supplies	(39.27)
		Transit Talent - Administrative Analyst job posting	6112 · Subscriptions/Publications	(175.00)
		BC Water Jobs - Administrative Analyst job posting	6112 · Subscriptions/Publications	(200.00)
		Government Jobs - Administrative Analyst job posting	6112 · Subscriptions/Publications	(199.00)
		CSMFO - NEO Gov. - Administrative Analyst job posting	6112 · Subscriptions/Publications	(150.00)
		Zoom Video Communications - Annual Subscription - 11/16/24-11/15/25	6054 · Computer Software	(479.70)
		Intuit - QuickBooks Enterprise Silver Edition - Subscription renewal	6054 · Computer Software	(2,241.72)
		Amazon - Dual dash cam front rear camera	6177 · Vehicle Repairs & Maintenance	(237.02)
		Amazon - Magnetic pins and office chair mat	6031.7 · General Office Supplies	(76.13)
<b>Total for Month</b>				<b>\$ (6,899.97)</b>



# Chino Basin Watermaster

## Combining Schedule of Revenues, Expenses & Changes in Net Assets

### For the Period of July 1, 2024 through December 31, 2024

(Unaudited)

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2024-2025 WITH CARRYOVER
				AP POOL	OAP POOL	ONAP POOL			
<b>Administrative Revenues:</b>									
Administrative Assessments	\$ 5,621,503	\$ 4,212,652	\$ 9,834,155	\$ 67,702	\$ -	\$ 31,000	\$ -	\$ 9,932,857	\$ 9,833,780
Interest Revenue	-	195,277	195,277	9,900	31,770	1,513	3,406	241,867	478,500
Groundwater Replenishment	-	-	-	-	-	-	(87,377)	(87,377)	-
Mutual Agency Project Revenue	191,073	-	191,073	-	-	-	-	191,073	191,070
Miscellaneous Income	1,468	-	1,468	-	-	-	-	1,468	-
<b>Total Administrative Revenues</b>	<b>5,814,043</b>	<b>4,407,929</b>	<b>10,221,972</b>	<b>77,602</b>	<b>31,770</b>	<b>32,513</b>	<b>(83,970)</b>	<b>10,279,887</b>	<b>10,503,350</b>
<b>Administrative &amp; Project Expenditures:</b>									
Watermaster Administration	1,631,181	-	1,631,181	-	-	-	-	1,631,181	2,528,540
Watermaster Board-Advisory Committee	131,891	-	131,891	-	-	-	-	131,891	422,420
Optimum Basin Mgmt Administration	-	327,986	327,986	-	-	-	-	327,986	1,437,940
OBMP Project Costs	-	1,558,902	1,558,902	-	-	-	-	1,558,902	4,971,020
Pool Legal Services	-	-	-	74,269	61,550	3,124	-	138,943	-
Pool Meeting Compensation	-	-	-	-	10,125	2,250	-	12,375	-
Pool Special Projects	-	-	-	-	9,454	-	-	9,454	-
Pool Administration	-	-	-	-	-	-	-	-	370,660
Debt Service	-	955,086	955,086	-	-	-	-	955,086	772,770
Agricultural Expense Transfer <sup>1</sup>	-	-	-	81,129	(81,129)	-	-	-	-
Replenishment Water Assessments	-	-	-	-	-	-	54,425	54,425	180,234
<b>Total Administrative Expenses</b>	<b>1,763,071</b>	<b>2,841,974</b>	<b>4,605,045</b>	<b>155,398</b>	<b>-</b>	<b>5,374</b>	<b>54,425</b>	<b>4,820,242</b>	<b>10,683,584</b>
<b>Net Ordinary Income</b>	<b>4,050,972</b>	<b>1,565,955</b>	<b>5,616,927</b>	<b>(77,796)</b>	<b>31,770</b>	<b>27,139</b>	<b>(138,395)</b>	<b>5,459,645</b>	<b>(180,234)</b>
<b>Other Income/(Expense)</b>									
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Carryover Budget*	-	-	-	-	-	-	-	-	454,875
<b>Net Other Income/(Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>454,875</b>
<b>Net Transfers To/(From) Reserves</b>	<b>\$ 4,050,972</b>	<b>\$ 1,565,955</b>	<b>\$ 5,616,927</b>	<b>\$ (77,796)</b>	<b>\$ 31,770</b>	<b>\$ 27,139</b>	<b>\$ (138,395)</b>	<b>\$ 5,459,645</b>	<b>\$ 274,640</b>
Net Assets, July 1, 2024			8,794,214	555,405	1,404,964	65,733	180,234	11,000,551	
Refund-Excess Operating Reserves			-					-	
<b>Net Assets, End of Period</b>			<b>14,411,141</b>	<b>477,609</b>	<b>1,436,735</b>	<b>92,873</b>	<b>41,839</b>	<b>16,460,196</b>	
Pool Assessments Outstanding				(154,017)	(586,852)	(1,009)			
Pool Fund Balance				<b>\$ 323,592</b>	<b>\$ 849,882</b>	<b>\$ 91,864</b>			

<sup>1</sup> Fund balance transfer as agreed to in the Peace Agreement.

\*Carryover budget will be updated once the refund for excess operating reserves has been finalized.



# Chino Basin Watermaster

## Treasurer's Report

### December 2024

	Type	Monthly Yield	Cost	Market	% Total
<b>Cash &amp; Investments</b>					
Local Agency Investment Fund (LAIF) *	Investment	4.43%	\$ 651,003	\$ 650,757	4.5%
CA CLASS Prime Fund **	Investment	4.64%	11,484,074	\$ 11,484,220	78.9%
Bank of America	Checking		2,417,920	2,417,920	16.6%
Bank of America	Payroll		-	-	0.0%
<b>Total Cash &amp; Investments</b>			<b>\$ 14,552,998</b>	<b>\$ 14,552,898</b>	<b>100.0%</b>

\* 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:**

Daniela Uriarte, Senior Accountant



# Chino Basin Watermaster

## Budget to Actual

### For the Period July 1, 2024 to December 31, 2024

(Unaudited)

	December 2024	YTD Actual	FY 25 Adopted Budget with Carryover	\$ Over / (Under) Budget	% of Budget
<b>1 Administration Revenue</b>					
2 Local Agency Subsidies	\$ -	\$ 191,073	\$ 191,070	\$ 3	100%
3 Admin Assessments-Appropriative Pool	-	9,497,193	9,521,030	(23,837)	100%
4 Admin Assessments-Non-Ag Pool	-	336,962	312,750	24,212	108%
<b>5 Total Administration Revenue</b>	<b>-</b>	<b>10,025,228</b>	<b>10,024,850</b>	<b>378</b>	<b>100%</b>
<b>6 Other Revenue</b>					
7 Appropriative Pool-Replenishment	-	(103,383)	-	(103,383)	N/A
8 Non-Ag Pool-Replenishment	-	16,006	-	16,006	N/A
9 Interest Income	29,441	195,277	478,500	(283,223)	41%
10 Miscellaneous Income	-	1,468	-	1,468	N/A
11 Carryover Budget	-	-	454,875	(454,875)	0%
<b>12 Total Other Revenue</b>	<b>29,441</b>	<b>109,367</b>	<b>933,375</b>	<b>(824,007)</b>	<b>12%</b>
<b>13 Total Revenue</b>	<b>29,441</b>	<b>10,134,595</b>	<b>10,958,225</b>	<b>(823,629)</b>	<b>92%</b>
<b>14 Judgment Administration Expense</b>					
15 Judgment Administration	29,479	245,679	721,010	(475,331)	34%
16 Admin. Salary/Benefit Costs	127,608	655,366	1,032,120	(376,754)	63%
17 Office Building Expense	33,293	129,510	234,470	(104,960)	55%
18 Office Supplies & Equip.	2,257	15,651	46,760	(31,109)	33%
19 Postage & Printing Costs	2,680	11,989	32,950	(20,961)	36%
20 Information Services	8,401	51,427	232,530	(181,103)	22%
21 Contract Services	6,968	28,366	111,460	(83,094)	25%
22 Watermaster Legal Services	-	407,384	414,060	(6,676)	98%
23 Insurance	-	38,572	50,950	(12,378)	76%
24 Dues and Subscriptions	730	13,651	25,900	(12,249)	53%
25 Watermaster Administrative Expenses	3,677	6,147	9,630	(3,483)	64%
26 Field Supplies	-	1,035	3,200	(2,165)	32%
27 Travel & Transportation	1,980	77,691	104,960	(27,269)	74%
28 Training, Conferences, Seminars	1,710	13,095	49,370	(36,275)	27%
29 Advisory Committee Expenses	-	23,816	134,130	(110,314)	18%
30 Watermaster Board Expenses	3,370	108,075	288,290	(180,215)	37%
31 ONAP - WM & Administration	244	19,564	120,940	(101,376)	16%
32 OAP - WM & Administration	524	27,444	124,220	(96,776)	22%
33 Appropriative Pool- WM & Administration	3,203	60,890	125,500	(64,610)	49%
34 Allocated G&A Expenditures	(17,459)	(172,282)	(540,830)	368,548	32%
<b>35 Total Judgment Administration Expense</b>	<b>208,666</b>	<b>1,763,071</b>	<b>3,321,620</b>	<b>(1,558,549)</b>	<b>53%</b>
<b>36 Optimum Basin Management Plan (OBMP)</b>					
37 Optimum Basin Management Plan	41,235	327,986	1,437,940	(1,109,954)	23%
38 Groundwater Level Monitoring	30,566	238,223	585,050	(346,827)	41%
39 Program Element (PE)2- Comp Recharge	27,634	167,531	1,774,300	(1,606,769)	9%
40 PE3&5-Water Supply/Desalte	14,124	22,471	122,010	(99,539)	18%
41 PE4- Management Plan	9,422	228,075	412,400	(184,325)	55%
42 PE6&7-CoopEfforts/SaltMgmt	139,472	471,035	669,380	(198,345)	70%
43 PE8&9-StorageMgmt/Conj Use	29,060	259,285	867,050	(607,765)	30%
44 Recharge Improvements	955,086	955,086	772,770	182,316	124%
45 Administration Expenses Allocated-OBMP	3,120	57,791	232,750	(174,959)	25%
46 Administration Expenses Allocated-PE 1-9	14,339	114,491	308,080	(193,589)	37%
<b>47 Total OBMP Expense</b>	<b>1,264,058</b>	<b>2,841,974</b>	<b>7,181,730</b>	<b>(4,339,756)</b>	<b>40%</b>
<b>48 Other Expense</b>					
49 Groundwater Replenishment	-	54,425	180,234	(125,810)	30%
50 Other Expenses	-	-	-	-	N/A
<b>51 Total Other Expense</b>	<b>-</b>	<b>54,425</b>	<b>180,234</b>	<b>(125,810)</b>	<b>30%</b>
<b>52 Total Expenses</b>	<b>1,472,723</b>	<b>4,659,470</b>	<b>10,683,584</b>	<b>(6,024,114)</b>	<b>44%</b>
<b>53 Increase / (Decrease) to Reserves</b>	<b>\$ (1,443,282)</b>	<b>\$ 5,475,125</b>	<b>\$ 274,640</b>	<b>\$ 5,200,485</b>	



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

#### (Unaudited)

## 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 25 adopted budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of December 31<sup>st</sup>, the target budget percentage is generally 50%.

## Revenues

**Lines 1-5 Administration Revenue** – Includes local agency subsidies and administrative assessment for the Appropriative, Agricultural and Non-Agricultural Pools. Below is a summary of notable account variances at month end:

- Line 2 Local Agency Subsidies includes the annual Dy Year Yield (DYY) administrative fee received. This account is at 100% of budget due to the timing of payment.
- Line 3-4 Administrative Assessments for the Appropriative and Non-Agricultural Pools include annual assessment invoices issued in November of each year. The Non-Agricultural Pool line is over budget due to changes in actual versus projected production.

**Lines 6-12 Other Revenue** – Includes Pool replenishment assessments, interest income, miscellaneous income, and carryover budget from prior years.

## 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 16 Admin Salary/Benefit Costs includes wages and benefits for Watermaster administrative staff. The account is at 63% of budget due to vacation and severance payouts done in July.
- Line 22 Watermaster Legal Services includes outside legal counsel expenses. The account is at 98% of budget due to personnel matters.
- Line 23 Insurance includes general liability insurance, directors' and officers' liability, umbrella coverage, environmental pollution liability and other various insurance policies. The account is at 76% of budget due to the timing of policy renewals.
- Line 25 Watermaster Administrative Expenses include expenses for meetings, supplies, lunch meetings, and other various expenses. The account is at 64% of budget due photography supplies purchased in December.
- Line 27 Travel & Transportation includes travel and transportation costs related to Watermaster business, not related to conferences and seminars, vehicle fuel, repairs and maintenance, and vehicle purchases. The account is at 74% of budget due to the timing of the new field vehicle purchase.

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

**Lines 48-51 Other Expense** – Includes groundwater replenishment, settlement expenses, and various refunds as appropriate.



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

(Unaudited)

## 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 has 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. The AP also has account 8368 relating to the Tom Harder contract. 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 December 31, 2024 (continued next page):

Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services		Fund Balance For Appropriate Pool Account 8367 - Legal Services	
Beginning Balance July 1, 2024:	\$ 63,483.09	Beginning Balance July 1, 2024:	\$ (9,472.87)
Additions:		Additions:	
Interest Earnings	1,513.48	Interest Earnings	9,900.42
Payments received on ONAP Assessment invoices issued 11/26/24	24,186.29		
Subtotal Additions:	25,699.77	Subtotal Additions:	9,900.42
Reductions:		Reductions:	
Invoices paid July 2024 - December 2024	(3,124.00)	Invoices paid July 2024 - December 2024	(74,269.38)
Subtotal Reductions:	(3,124.00)	Subtotal Reductions:	(74,269.38)
<b>Available Fund Balance as of Dec. 31, 2024</b>	<b>\$ 86,058.86</b>	<b>Available Fund Balance as of Dec. 31, 2024</b>	<b>\$ (73,841.83)</b>

Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation		Fund Balance For Appropriate Pool Account 8368 - Tom Harder Contract	
Beginning Balance July 1, 2024:	\$ 2,250.00	Beginning Balance July 1, 2024:	\$ 20,577.61
Additions:		Additions:	
Payments received on ONAP Assessment invoices issued 11/26/24	5,804.71		
Subtotal Additions:	5,804.71	Subtotal Additions:	-
Reductions:		Reductions:	
Compensation paid July 2024 - December 2024	(2,250.00)	Invoices paid July 2024 - December 2024	-
Subtotal Reductions:	(2,250.00)	Subtotal Reductions:	-
<b>Available Fund Balance as of Dec. 31, 2024</b>	<b>\$ 5,804.71</b>	<b>Available Fund Balance as of Dec. 31, 2024</b>	<b>\$ 20,577.61</b>





# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

#### (Unaudited)

### Pool Services Fund Accounting – Cont.

#### Fund Balance for Agricultural Pool Account 8467 - Legal Services (Held by AP)

Beginning Balance July 1, 2024*:	\$ 388,647.51
Reductions:	
Invoices paid July 2024 - December 2024	(61,550.00)
Subtotal Reductions:	<u>(61,550.00)</u>
<b>Available Fund Balance as of Dec. 31, 2024</b>	<b><u>\$ 327,097.51</u></b>

\*Balance includes payments received totaling \$262,832.38 for Settlement Agreement outstanding invoices issued Apr. 15, 2022 and Jun. 17, 2022.

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

Beginning Balance July 1, 2024*:	\$ 818,112.17
Additions:	
YTD Interest earned on Ag Pool Funds FY 25	31,770.22
Transfer of Funds from AP to Special Fund for Legal Service Invoices	61,550.00
Total Additions:	<u>93,320.22</u>
Reductions:	
Legal service invoices paid July 2024 - December 2024	(61,550.00)
Subtotal Reductions:	<u>(61,550.00)</u>
<b>Agricultural Pool Reserve Funds Balance as of Dec. 31, 2024:</b>	<b><u>\$ 849,882.39</u></b>

\*Balance includes payments of \$102,245.10 and \$42,025.61 received in FY 24 for outstanding invoices issued Sep. 9, 2022 and Apr. 20, 2023 for Ag Pool legal services, respectively.

#### Fund Balance For Agricultural Pool Account 8470 - Meeting Compensation (Held by AP)

Beginning Balance July 1, 2024:	\$ 17,694.65
Reductions:	
Compensation paid July 2024 - December 2024	(10,125.00)
Subtotal Reductions:	<u>(10,125.00)</u>
<b>Available Fund Balance as of Dec. 31, 2024</b>	<b><u>\$ 7,569.65</u></b>

#### Fund Balance For Agricultural Pool Account 8471 - Special Projects (Held by AP)

Beginning Balance July 1, 2024:	\$ 51,643.00
Reductions:	
Invoices paid July 2024 - December 2024	(9,454.00)
Subtotal Reductions:	<u>(9,454.00)</u>
<b>Available Fund Balance as of Dec. 31, 2024</b>	<b><u>\$ 42,189.00</u></b>



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

(Unaudited)

## Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened salary costs compared to the FY 25 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of December 31<sup>st</sup>, the target budget percentage is generally 50%.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
<b>WM Salary Expense</b>				
5901.1 · Judgment Admin - Doc. Review	34,220	93,860	(59,640)	36.5%
5901.3 · Judgment Admin - Field Work	1,716	11,860	(10,144)	14.5%
5901.5 · Judgment Admin - General	5,559	81,090	(75,531)	6.9%
5901.7 · Judgment Admin - Meeting	16,528	39,710	(23,182)	41.6%
5901.9 · Judgment Admin - Reporting	2,644	13,890	(11,246)	19.0%
5910 · Judgment Admin - Court Coord./Attendance	3,201	16,970	(13,769)	18.9%
5911 · Judgment Admin - Exhibit G	775	6,400	(5,625)	12.1%
5921 · Judgment Admin - Production Monitoring	60	5,440	(5,380)	1.1%
5931 · Judgment Admin - Recharge Applications	1,658	-	1,658	100.0%
5941 · Judgment Admin - Reporting	1,333	2,140	(807)	62.3%
5951 · Judgment Admin - Rules & Regs	-	11,260	(11,260)	0.0%
5961 · Judgment Admin - Safe Yield	24,175	9,510	14,665	254.2%
5971 · Judgment Admin - Storage Agreements	2,644	13,000	(10,356)	20.3%
5981 · Judgment Admin - Water Accounting/Database	48,492	108,290	(59,798)	44.8%
5991 · Judgment Admin - Water Transactions	4,703	5,330	(627)	88.2%
6011.11 · WM Staff - Overtime	5,087	18,000	(12,913)	28.3%
6011.10 · Admin - Accounting	120,934	278,330	(157,396)	43.5%
6011.15 · Admin - Building Admin	40,663	31,200	9,463	130.3%
6011.20 · Admin - Conference/Seminars	29,914	58,530	(28,616)	51.1%
6011.25 · Admin - Document Review	20,565	2,620	17,945	784.9%
6011.50 · Admin - General	154,462	362,560	(208,098)	42.6%
6011.60 · Admin - HR	75,573	50,450	25,123	149.8%
6011.70 · Admin - IT	38,715	34,070	4,645	113.6%
6011.80 · Admin - Meeting	51,249	39,760	11,489	128.9%
6011.90 · Admin - Team Building	14,526	41,550	(27,024)	35.0%
6011.95 · Admin - Training (Give/Receive)	18,068	64,160	(46,092)	28.2%
6017 · Temporary Services	24,229	26,040	(1,811)	93.0%
6201 · Advisory Committee	14,118	82,850	(68,732)	17.0%
6301 · Watermaster Board	49,379	83,910	(34,531)	58.8%
8301 · Appropriative Pool	45,358	67,280	(21,922)	67.4%
8401 · Agricultural Pool	12,722	66,000	(53,278)	19.3%
8501 · Non-Agricultural Pool	7,922	62,710	(54,788)	12.6%
6901.1 · OBMP - Document Review	12,037	95,290	(83,253)	12.6%
6901.3 · OBMP - Field Work	1,153	50,870	(49,717)	2.3%
6901.5 · OBMP - General	45,176	81,120	(35,944)	55.7%
6901.7 · OBMP - Meeting	16,642	80,360	(63,718)	20.7%
6901.9 · OBMP - Reporting	5,527	11,040	(5,513)	50.1%
7104.1 · PE1 - Monitoring Program	99,689	275,490	(175,801)	36.2%
7201 · PE2 - Comprehensive Recharge	33,996	71,750	(37,754)	47.4%
7301 · PE3&5 - Water Supply/Desalter	-	9,510	(9,510)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm.	840	9,510	(8,671)	8.8%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	-	14,040	(14,040)	0.0%
7501 · PE6 - Coop. Programs/Salt Mgmt.	5,766	9,510	(3,744)	60.6%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	3,203	9,510	(6,307)	33.7%
7601 · PE8&9 - Storage Mgmt./Recovery	16,143	22,520	(6,377)	71.7%
<b>Subtotal WM Staff Costs</b>	<b>1,112,753</b>	<b>2,529,290</b>	<b>(1,416,537)</b>	<b>44%</b>
60184.1 · Administrative Leave	-	6,550	(6,550)	0.0%
60185 · Vacation	76,415	90,280	(13,865)	84.6%
60185.1 · Comp Time	5,215	-	5,215	100.0%
60186 · Sick Leave	18,851	79,450	(60,599)	23.7%
60187 · Holidays	34,779	99,330	(64,551)	35.0%
<b>Subtotal WM Paid Leaves</b>	<b>135,259</b>	<b>275,610</b>	<b>(140,351)</b>	<b>49%</b>
<b>Total WM Salary Costs</b>	<b>1,248,012</b>	<b>2,804,900</b>	<b>(1,556,888)</b>	<b>44.5%</b>



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

(Unaudited)

## 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 December 31<sup>st</sup>, the target budget percentage is generally 50%.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
<b>Engineering Services Costs</b>				
5901.8 · Judgment Admin - Meetings-Engineering Services	\$ -	\$ 37,066	\$ (37,066)	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	38,038	101,048	(63,010)	37.6%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	30,981	37,008	(6,028)	83.7%
5925 · Judgment Admin - Ag Production & Estimation	14,807	31,096	(16,289)	47.6%
5935 · Judgment Admin - Mat'l Physical Injury Requests	1,488	39,452	(37,965)	3.8%
5945 · Judgment Admin - WM Annual Report Preparation	12,659	16,924	(4,266)	74.8%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	-	39,659	(39,659)	0.0%
6206 · Advisory Committee Meetings-WY Staff	4,114	23,510	(19,396)	17.5%
6306 · Watermaster Board Meetings-WY Staff	10,537	23,510	(12,973)	44.8%
8306 · Appropriative Pool Meetings-WY Staff	9,487	23,510	(14,023)	40.4%
8406 · Agricultural Pool Meetings-WY Staff	8,677	23,510	(14,833)	36.9%
8506 · Non-Agricultural Pool Meetings-WY Staff	5,598	23,510	(17,913)	23.8%
6901.8 · OBMP - Meetings-WY Staff	15,620	37,066	(21,446)	42.1%
6901.95 · OBMP - Reporting-WY Staff	26,151	62,606	(36,456)	41.8%
6906 · OBMP Engineering Services - Other	41,797	51,440	(9,643)	81.3%
6906.1 · OBMP Watermaster Model Update	6,552	67,596	(61,044)	9.7%
6906.21 · State of the Basin Report	27,902	195,188	(167,286)	14.3%
7104.3 · Grdwtr Level-Engineering	111,689	254,627	(142,938)	43.9%
7104.8 · Grdwtr Level-Contracted Services	11,800	26,174	(14,374)	45.1%
7104.9 · Grdwtr Level-Capital Equipment	4,896	17,000	(12,104)	28.8%
7202 · PE2-Comp Recharge-Engineering Services	5,116	23,496	(18,381)	21.8%
7202.2 · PE2-Comp Recharge-Engineering Services	114,113	75,944	38,169	150.3%
7302 · PE3&5-PBHSP Monitoring Program	19,518	73,305	(53,788)	26.6%
7303 · PE3&5-Engineering - Other	2,114	16,180	(14,066)	13.1%
7306 · PE3&5-Engineering - Outside Professionals	-	6,500	(6,500)	0.0%
7402 · PE4-Engineering	133,819	281,239	(147,420)	47.6%
7402.10 · PE4-Northwest MZ1 Area Project	71,158	16,656	54,502	427.2%
7403 · PE4-Eng. Services-Contracted Services-InSar	22,000	39,600	(17,600)	55.6%
7406 · PE4-Engineering Services-Outside Professionals	-	38,600	(38,600)	0.0%
7408 · PE4-Engineering Services-Network Equipment	295	17,553	(17,258)	1.7%
7502 · PE6&7-Engineering	198,831	398,309	(199,478)	49.9%
7505 · PE6&7-Laboratory Services	47,237	61,242	(14,006)	77.1%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	16,965	-	16,965	100.0%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	2,660	27,067	(24,407)	9.8%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	18,707	33,574	(14,868)	55.7%
7520 · Preparation of Water Quality Mgmt. Plan	2,783	130,164	(127,381)	2.1%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	32,584	(32,584)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	243,142	768,963	(525,821)	31.6%
7615 · PE8&9-Develop 2025 Storage Plan	-	42,632	(42,632)	0.0%
<b>Total Engineering Services Costs</b>	<b>\$ 1,281,245</b>	<b>\$ 3,215,108</b>	<b>\$ (1,933,863)</b>	<b>39.9%</b>



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

(Unaudited)

## Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses and 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 December 31<sup>st</sup>, the target budget percentage is generally 50%. Due to the timing of billing, the figures below represent legal services provided through November 30, 2024, with a target budget percentage of 42%.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
<b>6070 · Watermaster Legal Services</b>				
6071 · BHFS Legal - Court Coordination	\$ 92,295	\$ 144,040	\$ (51,745)	64.1%
6072 · BHFS Legal - Rules & Regulations	-	10,495	(10,495)	0.0%
6073 · BHFS Legal - Personnel Matters	249,470	28,150	221,320	886.2%
6074 · BHFS Legal - Interagency Issues	-	40,536	(40,536)	0.0%
6077 · BHFS Legal - Party Status Maintenance	-	13,590	(13,590)	0.0%
6078 · BHFS Legal - Miscellaneous (Note 1)	65,619	177,240	(111,621)	37.0%
<b>Total 6070 · Watermaster Legal Services</b>	<b>407,384</b>	<b>414,051</b>	<b>(6,667)</b>	<b>98.4%</b>
6275 · BHFS Legal - Advisory Committee	5,583	27,764	(22,181)	20.1%
6375 · BHFS Legal - Board Meeting	31,135	88,704	(57,569)	35.1%
6375.1 · BHFS Legal - Board Workshop(s)	-	29,215	(29,215)	0.0%
8375 · BHFS Legal - Appropriative Pool	6,045	34,705	(28,660)	17.4%
8475 · BHFS Legal - Agricultural Pool	6,045	34,705	(28,660)	17.4%
8575 · BHFS Legal - Non-Ag Pool	6,045	34,705	(28,660)	17.4%
<b>Total BHFS Legal Services</b>	<b>54,853</b>	<b>249,798</b>	<b>(194,945)</b>	<b>22.0%</b>
<b>6907.3 · WM Legal Counsel</b>				
6907.31 · Archibald South Plume	-	12,565	(12,565)	0.0%
6907.32 · Chino Airport Plume	-	12,565	(12,565)	0.0%
6907.33 · Desalter/Hydraulic Control	-	38,680	(38,680)	0.0%
6907.34 · Santa Ana River Water Rights	370	21,405	(21,035)	1.7%
6907.36 · Santa Ana River Habitat	-	31,280	(31,280)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	284	63,200	(62,916)	0.4%
6907.39 · Recharge Master Plan	68,437	14,270	54,167	479.6%
6907.41 · Prado Basin Habitat Sustainability	-	10,290	(10,290)	0.0%
6907.44 · SGMA Compliance	284	10,290	(10,006)	2.8%
6907.45 · OBMP Update	-	177,240	(177,240)	0.0%
6907.47 · 2020 Safe Yield Reset	32,273	80,190	(47,917)	40.2%
6907.48 · Ely Basin Investigation	5,142	64,890	(59,748)	7.9%
6907.49 · San Sevaine Basin Discharge	-	110,080	(110,080)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
<b>Total 6907 · WM Legal Counsel</b>	<b>106,789</b>	<b>685,830</b>	<b>(579,041)</b>	<b>15.6%</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>\$ 569,027</b>	<b>\$ 1,349,679</b>	<b>\$ (780,652)</b>	<b>42.2%</b>



# Chino Basin Watermaster

## Monthly Variance Report & Supplemental Schedules

### For the period July 1, 2024 to December 31, 2024

(Unaudited)

## 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 December 31<sup>st</sup>, the target budget percentage is generally 50%.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
<b>6900 · Optimum Basin Mgmt Plan</b>				
6901.1 · OBMP - Document Review-WM Staff	\$ 12,037	\$ 95,294	\$ (83,257)	12.6%
6901.3 · OBMP - Field Work-WM Staff	1,153	50,870	(49,717)	2.3%
6901.5 · OBMP - General-WM Staff	45,176	81,120	(35,944)	55.7%
6901.7 · OBMP - Meeting-WM Staff	16,642	80,360	(63,718)	20.7%
6901.8 · OBMP - Meeting-West Yost	15,620	37,066	(21,446)	42.1%
6901.9 · OBMP - Reporting-WM Staff	5,527	11,040	(5,513)	50.1%
6901.95 · OBMP - Reporting-West Yost	26,151	62,606	(36,456)	41.8%
<b>Total 6901 · OBMP WM and West Yost Staff</b>	<b>122,305</b>	<b>418,356</b>	<b>(296,051)</b>	<b>29.2%</b>
<b>6903 · OBMP - SAWPA</b>				
6903 · OBMP - SAWPA Group	15,984	15,990	(6)	100.0%
<b>Total 6903 · OBMP - SAWPA</b>	<b>15,984</b>	<b>15,990</b>	<b>(6)</b>	<b>100.0%</b>
<b>6906 · OBMP Engineering Services</b>				
6906.1 · OBMP - Watermaster Model Update	6,552	67,596	(61,044)	9.7%
6906.21 · State of the Basin Report	27,902	195,188	(167,286)	14.3%
6906 · OBMP Engineering Services - Other	41,797	51,440	(9,643)	81.3%
<b>Total 6906 · OBMP Engineering Services</b>	<b>76,251</b>	<b>314,224</b>	<b>(237,973)</b>	<b>24.3%</b>
<b>6907 · OBMP Legal Fees</b>				
6907.31 · Archibald South Plume	-	12,565	(12,565)	0.0%
6907.32 · Chino Airport Plume	-	12,565	(12,565)	0.0%
6907.33 · Desalter/Hydraulic Control	-	38,680	(38,680)	0.0%
6907.34 · Santa Ana River Water Rights	370	21,405	(21,035)	1.7%
6907.36 · Santa Ana River Habitat	-	31,280	(31,280)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	284	63,200	(62,916)	0.4%
6907.39 · Recharge Master Plan	68,437	14,270	54,167	479.6%
6907.41 · Prado Basin Habitat Sustainability	-	10,290	(10,290)	0.0%
6907.44 · SGMA Compliance	284	10,290	(10,006)	2.8%
6907.45 · OBMP Update	-	177,240	(177,240)	0.0%
6907.47 · 2020 Safe Yield Reset	32,273	80,190	(47,917)	40.2%
6907.48 · Ely Basin Investigation	5,142	64,890	(59,748)	7.9%
6907.49 · San Sevaine Basin Discharge	-	110,080	(110,080)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
<b>Total 6907 · OBMP Legal Fees</b>	<b>106,789</b>	<b>685,830</b>	<b>(579,041)</b>	<b>15.6%</b>
<b>6909 · OBMP Other Expenses</b>				
6909.6 · OBMP Expenses - Miscellaneous	-	3,540	(3,540)	0.0%
<b>Total 6909 · OBMP Other Expenses</b>	<b>1,086</b>	<b>3,540</b>	<b>(2,454)</b>	<b>30.7%</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>\$ 322,415</b>	<b>\$ 1,437,940</b>	<b>\$ (1,115,525)</b>	<b>22.4%</b>



## Chino Basin Watermaster

### Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to December 31, 2024  
(Unaudited)

### 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 December 31<sup>st</sup>, the target budget percentage is generally 50%.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
<b>5901 · Admin-WM Staff</b>				
5901.1 · Admin-Doc. Review-WM Staff	\$ 34,220	\$ 93,860	\$ (59,640)	36.5%
5901.3 · Admin-Field Work-WM Staff	1,716	11,860	(10,144)	14.5%
5901.5 · Admin-General-WM Staff	5,559	81,090	(75,531)	6.9%
5901.7 · Admin-Meeting-WM Staff	16,528	39,710	(23,182)	41.6%
5901.8 · Admin-Meeting - West Yost	-	37,066	(37,066)	0.0%
5901.9 · Admin-Reporting-WM Staff	2,644	13,890	(11,246)	19.0%
<b>Total 5901 · Admin-WM Staff</b>	<b>60,666</b>	<b>277,476</b>	<b>(216,810)</b>	<b>21.9%</b>
<b>5900 · Judgment Admin Other Expenses</b>				
5906.71 · Admin-Data Req-CBWM Staff	38,038	101,048	(63,010)	37.6%
5906.72 · Admin-Data Req-Non CBWM Staff	30,981	37,008	(6,028)	83.7%
5910 · Court Coordination/Attend-WM	3,201	16,970	(13,769)	18.9%
5911 · Exhibit G-WM Staff	775	6,400	(5,625)	12.1%
5921 · Production Monitoring-WM Staff	60	5,440	(5,380)	1.1%
5925 · Ag Prod & Estimation-West Yost	14,807	31,096	(16,289)	47.6%
5931 · Recharge Applications-WM Staff	1,658	-	1,658	100.0%
5935 · Admin-Mat'l Phy Inj Requests	1,488	39,459	(37,972)	3.8%
5941 · Reporting-WM Staff	1,333	2,140	(807)	62.3%
5945 · WM Annual Report Prep-West Yost	12,659	16,924	(4,266)	74.8%
5951 · Rules & Regs-WM Staff	-	11,260	(11,260)	0.0%
5961 · Safe Yield-WM Staff	24,175	9,510	14,665	254.2%
5965 · Support Data Collect-West Yost	-	39,659	(39,659)	0.0%
5971 · Storage Agreements-WM Staff	2,644	13,000	(10,356)	20.3%
5981 · Water Acct/Database-WM Staff	48,492	108,290	(59,798)	44.8%
5991 · Water Transactions-WM Staff	4,703	5,330	(627)	88.2%
<b>Total 5900 · Judgment Admin Other Expenses</b>	<b>185,013</b>	<b>443,534</b>	<b>(258,521)</b>	<b>41.7%</b>
<b>Total 5900 · Judgment Administration</b>	<b>\$ 245,679</b>	<b>\$ 721,010</b>	<b>\$ (475,331)</b>	<b>34.1%</b>



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730  
909.484.3888 www.cbwm.org

## STAFF REPORT

DATE: February 20, 2025  
TO: Advisory Committee Members  
SUBJECT: Calculation of Excess Cash Reserves Based on Operating Cash Reserve Policy 4.17 (Business Item II.A.)

Issue: To review the calculation of excess operating cash reserves prepared by Watermaster staff in accordance with Watermaster Policy 4.17. [Normal Course of Business]

Recommendation: Recommend Board to defer the refund of excess cash reserves in accordance with Watermaster Policy 4.17 until the FY 25-26 process is completed.

Financial Impact: Based on the attached schedule, a proposed amount of \$1,374,166.74 in excess cash reserves is calculated for the fiscal year ended June 30, 2024. The amount could increase dependent on the total amount of Special Assessment Pool Fund balances deemed necessary by the Pools.

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### ACTIONS:

**Appropriative Pool – February 13, 2025 [Final]:** Defer the refund of excess cash reserves until budget process is completed

**Non-Agricultural Pool – February 13, 2025 [Final]:** Same as above

**Agricultural Pool – February 13, 2025 [Final]:** Same as above

**Advisory Committee – February 20, 2025 [Recommended]:** Recommend Board to defer the refund of excess cash reserves until budget process is completed.

**Watermaster Board – February 20, 2025 [Recommended]:** Approve to defer the refund of excess cash reserves until budget process is completed.

## BACKGROUND

The methodology for the calculation of excess cash reserves was established by Board approval of Watermaster Policy 4.17 (Policy) on March 22, 2012.

Per the staff report on that date, the practice of establishing an operating cash reserve began in fiscal year 1980/81. It was established and changed over the years as follows:

• Fiscal Year 1980/81	25% Operating Cash Reserve
• Fiscal Year 1993/94	33% Operating Cash Reserve
• Fiscal Year 2001/02	33% Operating Cash Reserve + 33% General and Administrative Exp Reserve + 15% Budgeted OBMP & Project Exp Reserve
• Fiscal Year 2006/07	33% Operating Cash Reserve + 30% General and Administrative Exp Reserve + 30% Budgeted OBMP & Project Exp Reserve

The Policy was subsequently changed and codified in its current version. The methodology includes a six-month Working Capital Reserve plus a 10 percent Administrative Operating Reserve and a 15 percent OBMP/Project Operating Reserve. In addition, it provides a method for carryover expenses, Recharge Improvement Debt Payments, over-production replenishment obligations, and return of excess cash reserves.

## DISCUSSION

The issue of the calculation of excess cash reserves is brought before the three Watermaster Pools for advice and assistance since Watermaster-held funds include both production-based assessments, paid by the Appropriative and Overlying Non-Agricultural Pools and Special Assessments of those Pools in addition to the Overlying Agricultural Pool. Watermaster staff has conducted a detailed review of the necessary elements of the calculation to ensure compliance with the methodology detailed in the Policy as well as to identify other pertinent elements not addressed in the Policy which is important to bring to the attention of the Watermaster parties before final credits are issued. Section 4.17.10 (Return of Excess Cash Reserves) of the Policy states:

*During the Assessment process, normally conducted in November, Watermaster staff will determine if any Excess Cash Reserves exist (excluding any amounts pertaining to the Recharge Improvement Debt Payments). If Excess Cash Reserves exist, these funds will be distributed to the parties as a credit on the Assessment invoice. The distribution of Excess Cash Reserves will be based upon the percentage of Total Assessment dollars paid by each party against the Total Assessments Paid. For example, if a party paid 3 percent of the Total Assessment dollars, they would receive a 3 percent portion of the available Excess Cash Reserve.*

A new practice for the Policy's annual determination of Excess Cash Reserves is presented in the documentation attached to this report. It includes presenting the calculation of Excess Cash Reserves along with detailed supporting schedules for the major elements of the calculation to all the Pools. Those sections include Operating Cash Reserve Policy Requirements, Pool Special Assessment Fund Balances and Carryover Budget Detail. It is important for all parties to understand how "Excess Cash Reserves" are determined and allow the Pools to provide direction relating to Pool Special Assessment funds and Carryover Budget which is finalized after the fiscal year-end audit.



The Policy is also attached to provide parties an opportunity to provide feedback and consider whether elements of the Policy should be updated. If the Determination of Excess Cash Reserves (Attachment 3) is acceptable to the Pools, the Policy should be updated to address elements such as the handling of Watermaster liabilities (Accounts Payable, compensated absences), Pool Special Assessment Funds, and funding the Carryover Budget.

In the Determination of Excess Cash Reserves (Attachment 3), two sections are identified to separate funds being held by Watermaster. The first section titled, "Restricted Funds", accounts for the Special Assessments of each Pool. These are not eligible for general Watermaster administrative or project expenses and are only used based on the approval and direction of the Pools. The second section titled, "Designated Funds", accounts for funds needed to supplement the approved budget. These funds represent a "carryover" from the approved funding of the prior year and categorized into four sections. A detailed report of the Carryover Budget is provided (Attachment 6) for full transparency. Receiving concurrence and approval by the Advisory Committee and Board of the Carryover Budget will provide an audit trail for the amended fiscal year budget since the final carryover amounts were not available at the time of Watermaster's budget adoption in May of 2024.

The Carryover Budget (Attachment 6) was discussed at the Pool meetings held on January 9<sup>th</sup>, 2025. It was suggested at the meeting that the status of projects related to Capital improvements be discussed at the then upcoming Recharge Investigations and Project Committee (RIPComm) meeting.

The RIPComm meeting was held on January 16<sup>th</sup>, 2025 and the status of relevant projects to the Committee were discussed. The project and status are:

- Meter Installation (7540 and 7545) – Carryover amount will be used this fiscal year since a new meter vendor has been contracted and project is underway.
- Comprehensive Recharge Program (7202.2) – Funds have already been expended as part of the Board's request for Recharge Projects to be Grant-ready, and O&M project engineering for potential future capital projects. The Task Order will be closed out and any remaining funds will be presented during the annual budget process.
- Upper Santa Ana River HCP, Task Order #7 (7690.7) – This project is part of a regional plan with other proposed projects with the Upper Santa Ana River Region aimed to identify in advance sites that may require biological offset or mitigation and avoid permitting delays of future Recharge Master Plan projects. While the development of the Plan is still ongoing, the initial number of participants and scale of the project have evolved significantly. It is therefore recommended that the Task Order be closed and the remaining funds of \$20,062.88 be made available for refund or transfer.
- Lower Day Basin RMPU (7690.8) – The end of 2024 coincides with the end of the warranty period for the Lower Day Basin, and it was recommended to begin closing out Task Order #2 and the remaining funds of \$238,646.90 be made available for refund or transfer.
- Jurupa Basin Berm and Trash Boom (7690.23) – These projects are still in the works. They have been delayed due to the usage of the Basin for the stormwater capture.
- Jurupa Basin Ramp (7690.24) – This cost was absorbed into the O&M budget and has been completed. The carryover funds of \$102,000 are available for refund or transfer.
- Funds on Hold for Projects/Refund (7690.9) – These funds were kept on hold from the San Sevaine Basin Project by action of the Board on June 24, 2021 to cover any costs that may occur during the project's warranty period. These funds of \$200,000 can be made available for refund or transfer.

The total amount of project funds above which are no longer required for project completion are \$560,709.78.

The total excess cash reserves for all funds (1,374,166.74) are presented in Attachment 3. Each Pool is requested to provide advice and assistance to Watermaster for the funds in the purview of each respective Pool to develop a final recommendation to the Advisory Committee and Board.

The Appropriative Pool has asked Watermaster to include an option to apply all excess cash reserves, attributable to the Appropriative Pool, to fund a portion of the remaining project costs for Project 23(a)

[Wineville-Jurupa-RP3] recharge project. This budget amendment can be done at the direction of the Pool.

**ATTACHMENTS**

1. Watermaster Policy 4.17
2. Watermaster Assessment Package page 22.1 (Assessment Year 2024-2025)
3. Determination of Excess Cash Reserves (Draft)
4. Operating Cash Reserve Policy Requirements
5. Pool Special Assessment Fund Balances 6/30/2024
6. Carryover Budget Fiscal Year 2024/25

<b>Chino Basin Watermaster</b>			
<b>WATERMASTER POLICY</b>			
Subject	<b>Policy Number</b>	<b>Date Adopted</b>	<b>Date Revised</b>
<b>OPERATING CASH RESERVE POLICY</b>	<b>4.17</b>	03/22/2012	

**Purpose**

4.17.1 The purpose of this policy is to establish an Operating Cash Reserve Policy for Chino Basin Watermaster.

**Background**

4.17.2 The annual Watermaster budget begins on July 1 each year but the Assessments are not often collected until December. Watermaster’s main source of operating income is derived from the annual Assessments. There is a need to carry Cash Flow Reserves at the beginning of each fiscal year.

The Watermaster budget is approved before the end of the fiscal year. Watermaster Assessments are collected annually to fund Watermaster operations based upon the “Approved” Watermaster budget. There is no contingency provision provided for in the Watermaster budget. There is no mechanism or process to fund for any unanticipated expenses or projects. To provide a funding source for unanticipated expenses, Watermaster historically has maintained Operating Cash Reserves to cover these unexpected expenses.

**Policy**

4.17.3 Working Capital Cash Reserve: Watermaster will maintain a Working Capital Reserve amount at the beginning of each fiscal year equal to six months of the annual budget to ensure that Watermaster can meet its budgeted financial obligations. The required Working Capital Reserve amount will be based upon the current “Approved” fiscal year budget. In the event that the annual budget has not been approved, the Working Capital Reserve amount will be based upon the previous fiscal year’s “Approved” budget plus ten percent.

4.17.4 Operating Cash Reserve – Administrative: During the budget process, Watermaster shall provide for an Operating Cash Reserve of 10 percent of the “Proposed” General Administrative (GA) fiscal year budget.

**4.17.5 Operating Cash Reserve – OPBM/Projects:** During the budget process, Watermaster shall provide for an Operating Cash Reserve of 15 percent of the “Proposed” Optimum Basin Management Program (OBMP) and Project (Project) fiscal year budget.

**4.17.6 Carry-over Expenses:** During the budget process, Watermaster may need to carryover unfinished capital projects or related expenses from one fiscal year to the next. These expenses will be included in the next year’s budget. However, because these unfinished capital projects or related expenses have been previously funded from the Assessment process, they will be excluded from the next Assessment. They will also be excluded from the Operating Cash Reserve calculations in Sections 4.17.4 and 4.17.5 listed above. Any such carryover of funds from one fiscal year to the next will be brought to the attention of the parties during the normal budget process.

If the carryover unfinished capital projects and related expenses are greater than what was previously funded, the difference shall be included as part of the “Proposed” budget or by use of the appropriate Operating Cash Reserve.

**4.17.7 Recharge Improvement Debt Payments:** As part of the Watermaster budget process, Watermaster staff will determine if any adjustments (increase or decrease) to the Recharge Improvement Debt Payments are required. If the previous year’s Recharge Improvement Debt Payment assessment amount is higher than the actual previous year’s expenses, a decrease in the expense category will be processed for the current budget. If the previous year’s Recharge Improvement Debt Payment assessment amount is lower than the previous year’s actual expenses, an increase in the expense category will be processed.

**4.17.8 Overproduction Replenishment Funds:** As part of the Watermaster annual Assessment process, overproducers are charged an amount equal to their overproduction to replenish the supply of water. Watermaster will use these funds to purchase water whenever water is available. Watermaster will maintain a Replenishment Water Reserve for these funds. These funds will be maintained on a case by case, unit value basis for each overproducer. Any purchase of Replenishment Water made from these funds will offset the oldest overproduction first. After purchase of Replenishment Water, any excess funds will be returned on a case by case unit cost basis. When Replenishment Water is available, if the cost is greater than the amount on hand for that purchase, a “Special Assessment” or other authorized sources of funding to the applicable overproducer will be processed to fund the purchase of Replenishment

Water. Other authorized sources of funding may include pre-paid deposits, advanced payments or billing/invoice to individual parties from Watermaster.

**4.17.9 Unanticipated Project/Programs:** Watermaster currently does not maintain an Operating Cash Reserve for future or unanticipated Projects/Programs. If and when unanticipated Projects/Programs occur, a “Special Assessment” or other authorized sources of funding to the applicable parties will be processed to fund the unanticipated expenses. Other authorized sources of funding may include pre-paid deposits, advanced payments or billing/invoice to individual parties from Watermaster.

**4.17.10 Return of Excess Cash Reserves:** During the Assessment process, normally conducted in November, Watermaster staff will determine if any Excess Cash Reserves exist (excluding any amounts pertaining to the Recharge Improvement Debt Payments). If Excess Cash Reserves exist, these funds will be distributed to the parties as a credit on the Assessment invoice. The distribution of Excess Cash Reserves will be based upon the percentage of Total Assessment dollars paid by each party against the Total Assessments Paid. For example, if a party paid 3 percent of the Total Assessment dollars, they would receive a 3 percent portion of the available Excess Cash Reserve credit.



Assessment Year 2024-2025 (Production Year 2023-2024)

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

**PRODUCTION BASIS**

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

2023/2024 Production and Exchanges in Acre-Feet (Actuals)<sup>1</sup>

**BUDGET**

Judgment Administration <sup>2,3</sup>

OBMP & Program Elements 1-9 <sup>2</sup>

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 <sup>4</sup>**

**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 May 23, 2024, Information Only

Grand Total

FY 2023/24 Budget <sup>5</sup>	FY 2024/25 Budget	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
		86,865.190	66,788.048	76.887%	17,082.226	19.665%	2,994.916	3.448%
		77,415.609	56,820.238	73.396%	17,716.582	22.885%	2,878.789	3.719%
			<b>Judgment Administration</b>	<b>OBMP &amp; PE 1-9</b>	<b>Judgment Administration</b>	<b>OBMP &amp; PE 1-9</b>	<b>Judgment Administration</b>	<b>OBMP &amp; PE 1-9</b>
\$3,681,911	\$3,321,620	\$3,321,620	\$2,437,948		\$760,153		\$123,518	
\$5,283,151	\$6,408,960	\$6,408,960		\$4,703,943		\$1,466,692		\$238,325
\$8,965,062	\$9,730,580	\$9,730,580	\$2,437,948	\$4,703,943	\$760,153	\$1,466,692	\$123,518	\$238,325
		\$9,730,580	\$2,437,948	\$4,703,943	\$760,153	\$1,466,692	\$123,518	\$238,325
(\$312,500)	(\$478,500)	(\$478,500)		(\$351,202)		(\$109,505)		(\$17,794)
(\$186,412)	(\$191,070)	(\$191,070)		(\$140,238)		(\$43,726)		(\$7,105)
\$8,466,150	\$9,061,010	\$9,061,010	\$2,437,948	\$4,212,503	\$760,153	\$1,313,461	\$123,518	\$213,426
\$368,191	\$332,162	\$332,162	\$243,795		\$76,015		\$12,352	
\$792,473	\$961,344	\$961,344		\$705,591		\$220,004		\$35,749
\$1,160,664	\$1,293,506	\$1,293,506	\$243,795	\$705,591	\$76,015	\$220,004	\$12,352	\$35,749
(\$1,160,664)	(\$1,293,506)	(\$1,293,506)	(\$243,795)	(\$705,591)	(\$76,015)	(\$220,004)	(\$12,352)	(\$35,749)
\$8,466,150	\$9,061,010	\$9,061,010	\$2,437,948	\$4,212,503	\$760,153	\$1,313,461	\$123,518	\$213,426
	[A]	Per Acre-Foot	\$42.91	\$74.14	\$42.91	\$74.14	\$42.91	\$74.14
				\$117.05		\$117.05		\$117.05
	[B]	Per Acre-Foot	\$42.39	\$55.08	\$42.39	\$55.08	\$42.39	\$55.08
				\$97.47		\$97.47		\$97.47
	[A] - [B]		\$0.52	\$19.06	\$0.52	\$19.06	\$0.52	\$19.06
				\$19.58		\$19.57		\$19.57
			\$35.09	\$60.63	\$35.09	\$60.63	\$35.09	\$60.63
				\$95.72		\$95.72		\$95.72

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Judgment Administration excludes OAP, AP, and ONAP specific legal services, meeting compensation, or Special Funds. These items invoiced separately on the Assessment invoices.

<sup>4</sup> June 30th fund balance (estimated) less funds required for Operating Reserves, Agricultural Pool Reserves, and Carryover replenishment obligations.

<sup>5</sup> 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.



**Chino Basin Watermaster  
Determination of Excess Cash Reserves  
(Draft)**

	<u>June 30, 2024</u>	
<b>Cash Balances</b>		
Petty Cash	\$ 301.82	
BofA Checking Account	610,770.23	
Trust Account - County of SB	-	
CLASS Account	10,449,837.01	
LAIF Account (Including Fair Market Value Adj.)	<u>633,859.31</u>	\$ 11,694,768.37
Less: Current Liabilities		
Accounts Payable	\$ (667,236.76)	
Payroll Liabilities - Vacation/Sick/Comp	<u>(155,699.76)</u>	<u>(822,936.52)</u>
<b>Net Cash Balance</b>		<b>\$ 10,871,831.85</b>
<b>Reserve Policy Requirements</b>		
<u>Restricted Reserves:</u>		
Six (6) Months Working Capital - Reserve	\$ (5,251,675.00)	
10% Judgment Admin - Reserve	(332,162.00)	
15% OBMP and PE 1-9 - Reserve	<u>(961,344.00)</u>	<u>(6,545,181.00)</u>
<b>Net Cash Balance Required per Policy</b>		<b>\$ 4,326,650.85</b>
<b>Restricted Funds</b>		
<u>Pool Special Assessment Fund Balances:</u>		
Agricultural Pool Special Fund	\$ (818,112.17)	
Non-Agricultural Pool - Legal Services	\$ (63,483.09)	
Non-Agricultural Pool - Meeting Compensation	<u>(2,250.00)</u>	\$ (65,733.09)
Appropriative Pool - Held for Agricultural Pool - Legal Services	\$ (388,647.51)	
Appropriative Pool - Held for Agricultural Pool - Mtg. Attendance Compensation	(17,694.65)	
Appropriative Pool - Held for Agricultural Pool - Special Project Funding	(51,643.00)	
Appropriative Pool - Legal Services	9,472.87	
Appropriative Pool - Consultant Services	<u>(20,577.61)</u>	\$ (469,089.90) \$ (1,352,935.16)
Appropriative Pool - TOA Settlement Agreement Invoice (6/17/22) billed twice		(75,868.00)
<u>Groundwater Replenishment Funds Collected:</u>		\$ (180,234.43)
<u>Reimbursements and Refunds Due at Assessment Invoicing:</u>		
Debt Service Refund - FY 2021/22	\$ (145,043.00)	
Debt Service Refund - FY 2022/23	<u>(18,441.00)</u>	\$ (163,484.00)
<b>Designated Funds</b>		
<u>Carryover Budget:</u>		
Administration	\$ (10,037.93)	
OBMP	(357,050.00)	
Engineering	(454,874.59)	
Projects	(918,709.78)	
Projects Available for Refund	<u>560,709.78</u>	\$ (1,179,962.52)
<u>Other:</u>		
Refund Reserve Used by AP for Ag Legal	\$ (102,557.12)	
Refund Reserve Used by AP for Ag Legal included above	<u>102,557.12</u>	\$ -
<b>Net Cash in Excess/(Shortfall)</b>		<b><u>\$ 1,374,166.74</u></b>

**Chino Basin Watermaster  
Operating Cash Reserve Policy Requirements**

**ATTACHMENT 4**

	FY 2023/24 Approved Budget	FY 2024/25 Approved Budget	Reserve Policy %	Reserve Policy \$ Amount
<b>Revenue</b>				
<b>Administration Revenue</b>				
Local Agency Subsidies	186,412	191,070		
Admin Assessments-Appropriative Pool	8,886,164	9,521,030		
Admin Assessments-Non-Ag Pool	428,750	312,750		
<b>Total Administration Revenue</b>	<b>9,501,327</b>	<b>10,024,850</b>		
<b>Other Revenue</b>				
Interest Income	312,500	478,500		
Miscellaneous Income	-	-		
<b>Total Other Revenue</b>	<b>312,500</b>	<b>478,500</b>		
<b>Total Revenue</b>	<b>9,813,827</b>	<b>10,503,350</b>		
<b>Expenses</b>				
<b>Judgment Administration Expense</b>				
Judgment Administration Costs	728,726	721,010		
Administration Salary Costs	1,413,610	1,032,120		
Office Building Expense	208,510	234,470		
Office Supplies & Equip.	46,950	56,390		
Postage and Printing Costs	33,806	32,950		
Information Services	199,818	232,530		
WM Special Contract Services	60,200	111,460		
Watermaster Legal Services	565,964	414,060		
Insurance Expense	50,468	50,950		
Dues and Subscriptions	40,027	25,900		
Field Supplies & Equipment	3,200	3,200		
Travel and Transportation	29,570	104,960		
Conferences and Seminars	50,400	49,370		
Advisory Committee Expenses	105,823	134,130		
Watermaster Board Expenses	256,601	288,290		
Appropriative Pool Administration	112,173	125,500		
Agricultural Pool Administration	108,700	124,220		
Non-Agricultural Pool Administration	108,194	120,940		
Allocated Administration Expenses	(440,829)	(540,830)		
<b>Total Judgment Administration Expenses</b>	<b>3,681,911</b>	<b>3,321,620</b>	10%	332,162.0
<b>OBMP Expenses &amp; Program Elements 1-9</b>				
Optimum Basin Mgmt Program	1,066,497	1,437,940	15%	215,691.00
Groundwater Level Monitoring	456,925	585,050	15%	87,757.50
OBMP Pgm Element 2 - Comp Recharge	1,414,773	1,774,300	15%	266,145.00
OBMP Pgm Element 3 & 5 - Water Supply Plan	84,677	122,010	15%	18,301.50
OBMP Pgm Element 4 - Mgmt Zone Strategies	512,434	412,400	15%	61,860.00
OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	673,924	669,380	15%	100,407.00
OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	633,092	867,050	15%	130,057.50
Recharge Improvement Debt & Projects	848,765	772,770	0%	N/A
Allocated Administration Expenses - OBMP	222,160	232,750	15%	34,912.50
Allocated Administration Expenses - PE 1-9	218,669	308,080	15%	46,212.00
<b>Total OBMP Program Elements 1-9</b>	<b>6,131,916</b>	<b>7,181,730</b>		961,344.00
<b>Total Expenses</b>	<b>9,813,827</b>	<b>10,503,350</b>		5,251,675
<b>Net Income/(Loss)</b>	<b>-</b>	<b>-</b>		



**Chino Basin Watermaster  
Pool Special Assessment Fund Balances 6/30/24**

<b>Fund Balance for Agricultural Pool Account 8467 - Legal Services (Held by AP)</b>	
Beginning Balance July 1, 2023:	\$ 41,675.63
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	250,000.00
Ag Pool Legal invoices issued Sep. 9 2022 for \$250,000	
Ag Pool Legal invoices issued Apr. 20 2023 for \$100,000	
Settlement Agreement Payments	262,832.38
Total Additions:	<u>512,832.38</u>
Reductions:	
Invoices paid July 2023 - June 2024	(165,860.50)
Subtotal Reductions:	<u>(165,860.50)</u>
<b>Available Fund Balance as of June 30, 2024</b>	<b><u>\$ 388,647.51</u></b>

<b>Agricultural Pool Reserve Funds As shown on the Combining Schedules</b>	
Beginning Balance July 1, 2023:	\$ 612,103.32
Additions:	
YTD Interest earned on Ag Pool Funds FY 24	61,738.14
Transfer of Funds from AP to Special Fund for Legal Service Invoices	165,860.50
Payments received on FY 24 Ag Pool invoices issues Sep. 9, 2022	102,245.10
Payments received on FY 24 Ag Pool invoices issues Apr. 20, 2023	42,025.61
Settlement Agreement Payments	
Total Additions:	<u>371,869.35</u>
Reductions:	
Legal service invoices paid July 2023 - June 2024	(165,860.50)
Total Reductions	<u>(165,860.50)</u>
<b>Agricultural Pool Reserve Funds Balance as of June 30, 2024:</b>	<b><u>\$ 818,112.17</u></b>

<b>Fund Balance For Agricultural Pool Account 8470 - Meeting Compensation (Held by AP)</b>	
Beginning Balance July 1, 2023:	\$ 950.98
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	50,000.00
Budget Transfers <sup>1</sup>	10,993.67
Subtotal Additions:	<u>60,993.67</u>
Reductions:	
Compensation paid July 2023 - June 2024	(44,250.00)
Subtotal Reductions:	<u>(44,250.00)</u>
<b>Available Fund Balance as of June 30, 2024</b>	<b><u>\$ 17,694.65</u></b>

<b>Fund Balance For Agricultural Pool Account 8471 - Special Projects (Held by AP)</b>	
Beginning Balance July 1, 2023:	\$ 10,993.67
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	61,000.00
Subtotal Additions:	<u>61,000.00</u>
Reductions:	
Invoices paid July 2023 - June 2024	(9,357.00)
Budget Transfers <sup>1</sup>	(10,993.67)
Subtotal Reductions:	<u>(20,350.67)</u>
<b>Available Fund Balance as of June 30, 2024</b>	<b><u>\$ 51,643.00</u></b>

<sup>1</sup>Per action taken at September pool committee meeting.

<sup>1</sup>Per action taken at September pool committee meeting.

<b>Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services</b>	
Beginning Balance July 1, 2023:	\$ 56,965.90
Additions:	
Interest Earnings	2,987.69
Payments received on ONAP Assessment invoices issued 11/18/23	25,000.00
Subtotal Additions:	<u>27,987.69</u>
Reductions:	
Invoices paid July 2023 - June 2024	(19,470.50)
Budget Transfers	(2,000.00)
Subtotal Reductions:	<u>(21,470.50)</u>
<b>Available Fund Balance as of June 30, 2024</b>	<b><u>\$ 63,483.09</u></b>

<b>Fund Balance For Appropriative Pool Account 8367 - Legal Services</b>	
Beginning Balance July 1, 2023:	\$ (12,415.36)
Additions:	
Interest Earnings	18,688.18
Payments received on AP Pool Assessment invoices issued 10/30/23	178,107.17
Subtotal Additions:	<u>196,795.35</u>
Reductions:	
Invoices paid July 2023 - June 2024	(193,852.86)
Subtotal Reductions:	<u>(193,852.86)</u>
<b>Available Fund Balance as of June 30, 2024</b>	<b><u>\$ (9,472.87)</u></b>

**Chino Basin Watermaster**  
**Pool Special Assessment Fund Balances 6/30/24**

Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation		Fund Balance For Appropriative Pool Account 8368 - Tom Harder Contract	
Beginning Balance July 1, 2020:	\$ 875.00	Beginning Balance July 1, 2023:	\$ -
Additions:		Additions:	
Payments received on ONAP Assessment invoices issued 11/18/23	6,000.00	Interest Earnings	-
Budget Transfers	2,000.00	Payments received on AP Pool Assessment invoices issued 10/30/23	20,577.61
Subtotal Additions:	8,000.00	Subtotal Additions:	20,577.61
Reductions:		Reductions:	
Compensation paid July 2023 - June 2024	(6,625.00)	Invoices paid July 2023 - June 2024	-
Subtotal Reductions:	(6,625.00)	Subtotal Reductions:	-
<b>Available Fund Balance as of June 30, 2024</b>	<b>\$ 2,250.00</b>	<b>Available Fund Balance as of June 30, 2024</b>	<b>\$ 20,577.61</b>

**Chino Basin Watermaster  
Carryover Budget Fiscal Year 2024/25**

**ATTACHMENT 6**

Description	Amount	Account	Fiscal Year	Type
Other Office Equipment - Boardroom Upgrades	\$ 10,037.93	6038	FY 2020/21	ADMIN
Subtotal				\$ 10,037.93
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
Subtotal				\$ 357,050.00
Groundwater Level Monitoring Program (GLMP)	\$ 9,700.00	7104.3	FY 2023/24	ENG
GLMP: Setup and Maintenance of Monitoring Network - Contracted	10,000.00	7104.8	FY 2023/24	ENG
PE 2: Comprehensive Recharge Program	100,000.00	7202.2	FY 2023/24	ENG
PE4/MZ-1: Ground Level Monitoring and Reporting Program	100,000.00	7402	FY 2023/24	ENG
PE4/MZ-1: Subsidence Management Plan for Northwest MZ-1	143,000.00	7402.1	FY 2023/24	ENG
Groundwater Quality Monitoring and Reporting Program and as-needed Consulting	21,500.00	7502	FY 2023/24	ENG
Update IEUA's Recycled Water Permit and Water Salinity MP - IEUA Cost Share	20,752.00	7510	FY 2023/24	ENG
Prepare Surface Water Monitoring Work Plan for Chino Creek - IEUA Cost Share	8,500.00	7517	FY 2023/24	ENG
Support Implementation of the 2020 Storage Management Plan	25,000.00	7610	FY 2023/24	ENG
Support Implementation of the Safe Yield Court Order	16,422.59	7614	FY 2023/24	ENG
Subtotal				\$ 454,874.59
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
Jurupa Basin Ramp	102,000.00	7690.24	FY 2023/24	PROJ *
Funds on Hold for Projects/Refund	200,000.00	7690.9	FY 2017/18	PROJ *
Subtotal				\$ 918,709.78
<b>Balance at 7/31/24</b>				<b><u>\$ 1,740,672.30</u></b>

*\*Funds available for refund or transfer, refer to staff report for additional project information.*



## **CHINO BASIN WATERMASTER**

### **ADVISORY COMMITTEE**

**February 20, 2025**

### **INLAND EMPIRE UTILITIES AGENCY REPORTS**

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**The following items are provided for receive and file.**

- Metropolitan Water District Activities Report
- Water Supply Conditions
- State and Federal Legislative Reports



# IEUA's Summary on Metropolitan Water District of Southern California (MWD) Board Activities

Submitted February 2025

## For More Information Contact:

-  Eddie Lin
-  elin@ieua.org
-  909.993.1740

See [www.MWDh2o.com](http://www.MWDh2o.com) for the latest information from MWD and tune into livestream broadcasts of meetings.

## MWD Update on State Water Project Management Actions

On January 13<sup>th</sup>, MWD staff provided an update on invasive mussels in the State Water Project. Water leaving Castaic Lake is now considered to be infested, requiring control measures to limit the further spread and to protect infrastructure. Impacts on MWD's operations include delaying the Foothill Feeder shutdown until 2026 to allow time to implement control measures.



Veliger sampling at Castaic Lake – MWD January 13, 2025

## MWD Appoints New General Manger

On January 29<sup>th</sup>, the MWD Board of Directors unanimously voted to appoint Deven Upadhyay as General Manager and will consider his employment contract in February. Deven has been Interim General Manager since June 2024, when former General Manager Adel Hagekhalil was placed on paid administrative leave. Prior to his role as Interim General Manager, Deven was MWD's Assistant General Manager and Executive Officer.

## MWD Celebrates Conservation, Recycling & Groundwater Recharge Achievements

On January 13<sup>th</sup>, the MWD One Water and Stewardship Committee held a public hearing on MWD's achievements in conservation, recycling, and groundwater recharge. Highlights include 3,168,704 acre-feet (AF) of recycled water production and 1,277,954 AF of groundwater recovery production since the inception of MWD's investment programs.

Fiscal year 2023/24 also saw the lowest potable per capita water use in 35 years, dropping from 209 gallons per capita per day (GPCD) in 1990 to 114 GPCD in 2023. The decline in per person potable water usage was driven by MWD's \$954 million investment in conservation that started in 1990. The updated GPCD highlights a shift in how water is used in Southern California.

## MWD Plans Shutdown for Inland Feeder-Rialto Pipeline Intertie

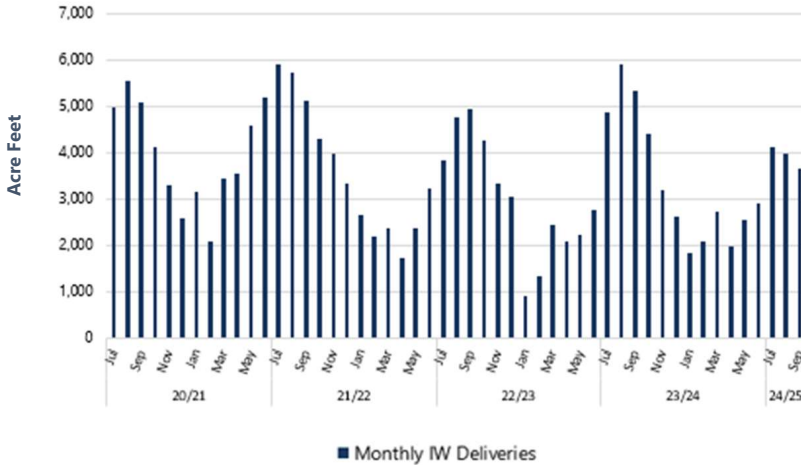
On January 22<sup>nd</sup>, the MWD Subcommittee on Pure Water Southern California and Regional Conveyance received an update on the State Water Project dependent areas drought mitigation projects. This included an update on the Inland Feeder-Rialto Pipeline intertie which began in September 2023 and is scheduled for completion in the summer of 2025. The project is currently 70% complete, with the 96-inch diameter piping and 84-inch diameter valve installed. A shutdown of the Rialto Pipeline is scheduled from February 12<sup>th</sup> through February 25<sup>th</sup> for the intertie work and maintenance to be conducted. The intertie project is part of a group of MWD projects to connect Diamond Valley Lake to the Rialto Pipeline.



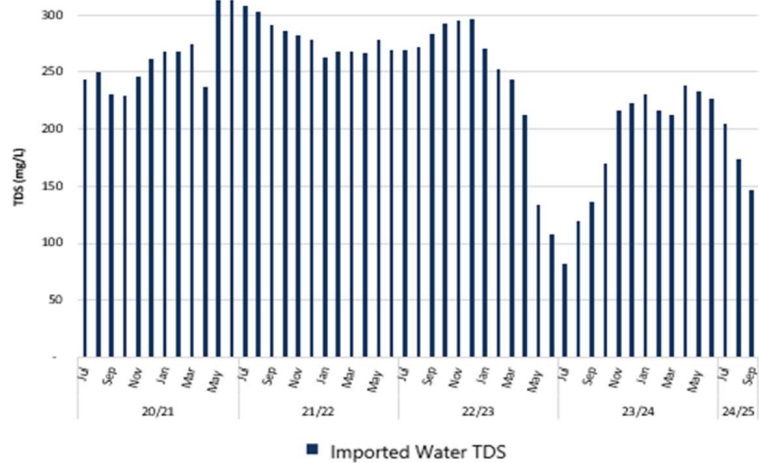
96-inch diameter pipe installation for Inland Feeder-Rialto Pipeline Intertie. MWD January 22, 2025

### Imported Water

Full Service Imported Water Deliveries Summary  
(FY 2020/21 to 2024/25)

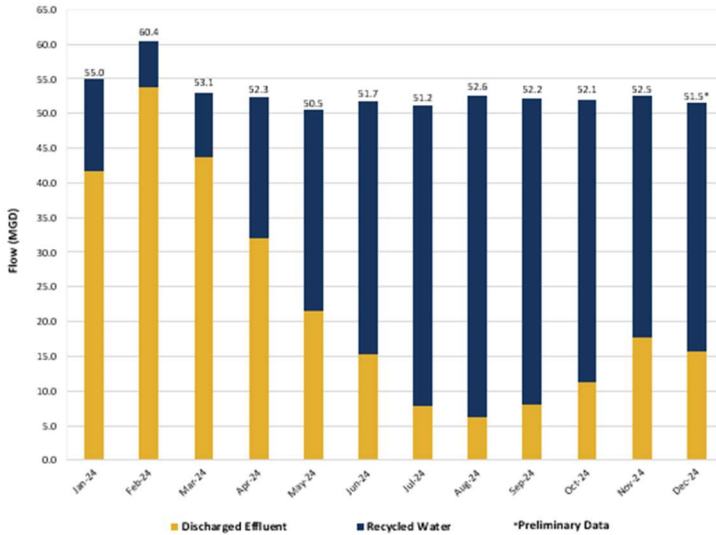


Imported Water TDS Summary  
(FY 2020/21 to 2024/25)

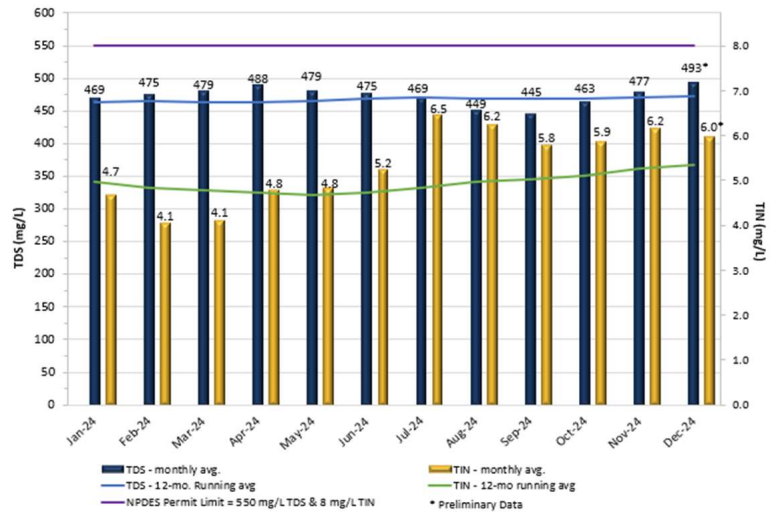


### Recycled Water

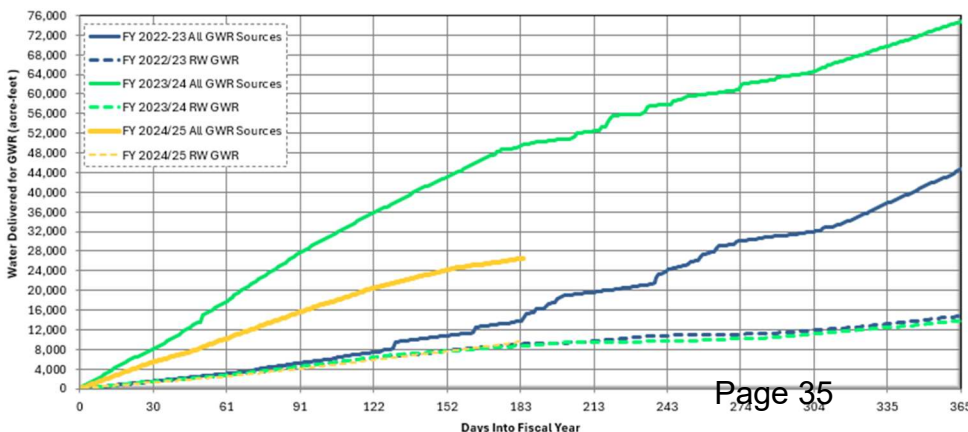
Recycled Water Use



Agency-Wide Effluent TDS & TIN



### Groundwater Recharge



#### DECEMBER 2024 NOTES:

- Total stormwater and dry weather flow recharged was preliminarily estimated at 50.0 acre-feet.
- Recycled water delivered for recharge totaled 2,004.5 acre-feet.
- There was 141.1 acre-feet of imported water recharged in the Chino Basin from MWD and SAWCo.
- Chino Basin Watermaster removed 1.5% for evaporation losses from delivered supplemental water sources (imported water and recycled water).
- Considering evaporation losses, total recharge was preliminarily estimated at 2,163.4 acre-feet.

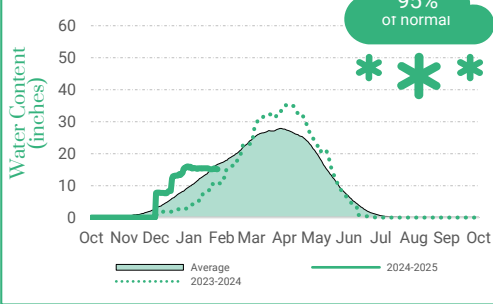


# The Metropolitan Water District of Southern California's Water Supply Conditions Report (WSCR)

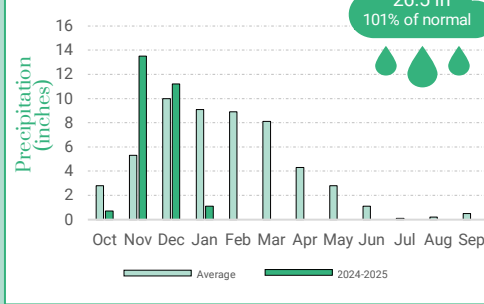
Water Year 2024-2025  
As of: 01/28/2025

State Water Project

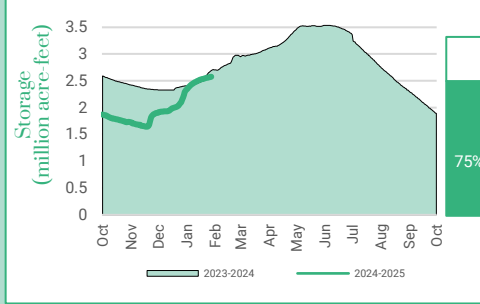
## Northern Sierra Snow



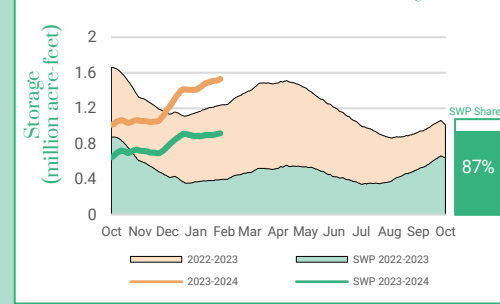
## 8 Station Index Rain



## Lake Oroville

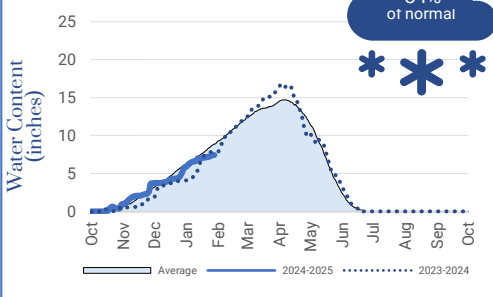


## San Luis Reservoir

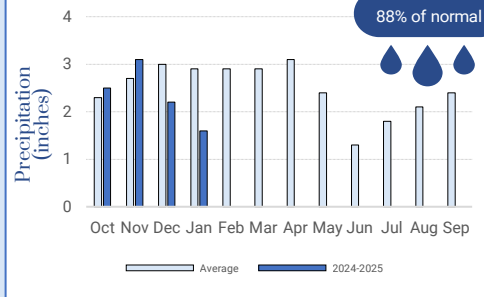


Colorado River

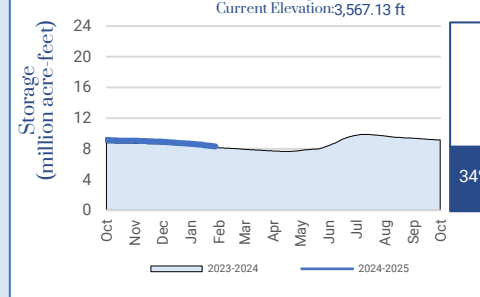
## Colorado River Basin Snow



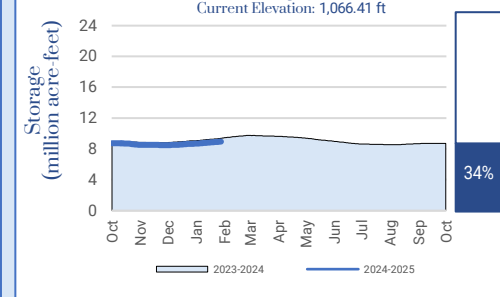
## Colorado River Basin Rain



## Lake Powell

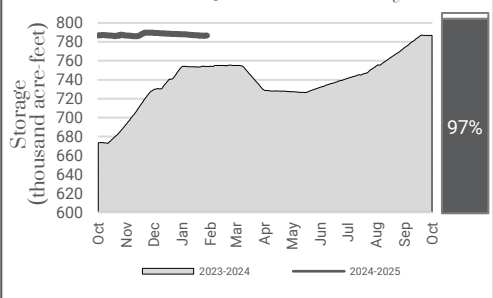


## Lake Mead

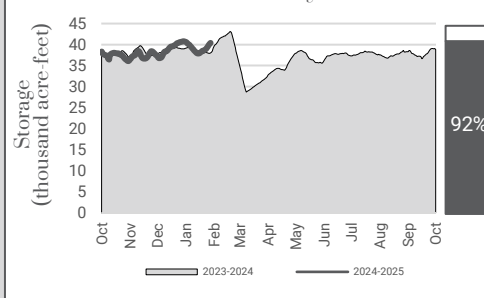


Metropolitan

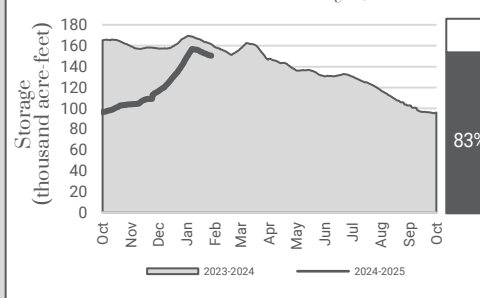
## Diamond Valley Lake



## Lake Skinner



## Lake Mathews



## 2025 State Water Project Allocation

20%  
of Table A

(increase from 15% announced on January 28, 2025)

This report is produced by the Imported Supply Unit staff (mferreira at mwdh2o.com) 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.

# Inland Empire Utilities Agency, a Municipal Water District Federal Update

January 29, 2025

## Federal Funding Freeze

On January 27<sup>th</sup>, acting Director of the Office of Management and Budget (OMB) Matthew Vaeth issued a memo ([M-25-13](#)) titled *Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs*. This memo directed all federal agencies to temporarily pause all federal grants, loans, and other financial assistance programs effective 5:00 pm on January 28<sup>th</sup>. Prior to the 5:00 pm deadline on the 28<sup>th</sup>, a legal challenge to the memo was brought before a District Court in Washington, D.C. and a judge issued a stay on the funding freeze until February 3<sup>rd</sup>. Earlier today, OMB issued another memo that rescinded the Monday memo. At the time, it was believed that the rescission of OMB's memo would put an end to the funding freeze. However, about an hour later, the White House Press Secretary Karoline Leavitt posted on X, clarifying that rescinding the memo does not, in fact, lift the funding freeze. Following these actions, a coalition of 22 state attorneys general sought a restraining order in a District Court in Rhode Island. They argued that public statements and the X post indicate "the original sweeping spending freeze is still in effect, even if the OMB memo describing it has been pulled." In response, U.S. District Court Judge McConnell stated that he plans to issue a restraining order, stating that withdrawing the "hugely ambiguous" OMB directive is merely a distinction without a difference, "based on comments by the president's press secretary."

## President Trump Issues Slate of Executive Orders

President Trump began his second term by issuing a slate of EOs and memoranda affecting a broad swath of federal policy, including the rescission of policies under former President Joe Biden's administration. Notable EOs include:

- [Regulatory Freeze Pending Review](#): directs federal agencies to freeze rulemakings, rescind unpublished rules, and postpones the effective date of any previously published rules by 60 days.
- [Putting People Over Fish: Stopping Radical Environmentalism to Provide Water to Southern California](#): directs the Secretaries of Commerce and the Interior to "route more water from the Sacramento-San Joaquin Delta to other parts of the state for use by the people there who desperately need a reliable water supply."
- [Emergency Measures to Provide Water Resources in California and Improve Disaster Response in Certain Areas](#): directs all federal agencies to take all measures consistent within their authority to ensure adequate water resources in Southern California to manage the wildfires. Directs the Secretary of the Interior to use authorities to increase hydropower



generation in the Central Valley Project (CVP) to increase water storage and conveyance. Directs OMB to review “all Federal programs, projects, and activities for all relevant agencies that impact land management, water supply, water storage and delivery, water infrastructure, and disaster preparedness and response.” Directs additional federal aid to restore housing, remove waste, and increase fire preparedness in California, and additional housing and infrastructure aid to areas affected by Hurricane Helene.

- [Unleashing American Energy](#): supports the advancement of energy and natural resources projects but also seeks to halt EV programs and grants established by the Bipartisan Infrastructure Law and the Inflation Reduction Act.
- [Declaring a National Energy Emergency](#): revokes the Council on Environmental Quality’s authority to tell agencies how to comply with the environmental review process for energy projects.
- [Council to Assess the Federal Emergency Management Agency](#): creates a 20-member council to review federal emergency management policies, practices, and authorities to provide “immediate, effective, and impartial response to and recovery from disasters.”
- [Establishing and Implementing the President’s “Department of Government Efficiency”](#): creates and authorizes the Department of Government Efficiency (DOGE) to be led by Elon Musk.
- [Return to In-Person Work](#): requires federal agencies to begin terminating remote work arrangements and bring the federal workforce back into the office.
- [Hiring Freeze](#): orders a federal hiring freeze for civilian positions across the executive branch. Within 90 days, OMB must develop a plan to reduce the federal workforce through efficiency and attrition. The freeze will expire for most agencies once the plan is issued, except for the IRS, where it remains in effect until further notice. The freeze does not apply to military personnel, positions related to immigration enforcement, national security, public safety, or services for Social Security, Medicare, or Veterans’ benefits.
- [Restoring Accountability to Policy-Influencing Position Within the Federal Workforce](#): reinstates and expands Schedule F, reclassifying certain federal positions as “Schedule Policy/Career” which allows for the reassignment or dismissal of federal employees in these positions who are deemed underperforming or not aligned with the administration’s policies, reversing restrictions imposed by the previous administration.
- [Restoring Accountability for Career Senior Executives](#): increases accountability among Senior Executive Service (SES) officials, ensuring they align with the administration’s policies. The directive calls for new performance plans, reassignments, restructuring of oversight boards, and potential removal of SES members whose performance is deemed inconsistent with their duties.
- [Reforming the Federal Hiring Process and Restoring Merit to Government Service](#): reforms federal hiring practices by emphasizing merit-based recruitment and enhancing efficiency.
- [Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government](#): establishes a federal policy recognizing two immutable biological sexes, male and female, and aims to ensure that all federal policies, regulations, and enforcement actions adhere to this distinction. Federal agencies and departments must use sex-based definitions in all regulations, policies, and official documents. Additionally,

federal identification documents (e.g., passports) must reflect biological sex. The order also dissolves the White House Gender Policy Council.

- [Ending Radical and Wasteful Government DEI Programs and Preferencing](#): terminates federal diversity, equity, inclusion (DEI), and environmental justice programs. All DEI-related positions, programs, mandates, and training, including "Chief Diversity Officer" roles and "equity action plans," are to be ended within 60 days. The Assistant to the President for Domestic Policy will monitor agency compliance, assess barriers to implementation, and recommend additional measures to ensure adherence to the order.

## President Trump to Address Congress on March 4<sup>th</sup>

Speaker of the House Mike Johnson (R-LA) [sent a letter](#) to President Trump inviting him to give an address during a Joint Session of Congress on March 4<sup>th</sup>. This will be the first address to Congress given by President Trump in his second term in office.

## Treasury Begins Extraordinary Debt-Limit Measures

On January 17<sup>th</sup>, outgoing Secretary of the Treasury Janet Yellen [sent a letter](#) to Speaker Johnson announcing that the Department of the Treasury (Treasury) will begin extraordinary measures to prevent default on the national debt effect January 21<sup>st</sup>. The *Fiscal Responsibility Act of 2023 (P.L. 118-5)* suspended the debt limit until January 1<sup>st</sup> of this year, and a new limit was established on January 2<sup>nd</sup>. The extraordinary measures include temporarily withholding investments in the Civil Service Retirement and Disability Fund and the Postal Service Retiree Health Benefits Fund. Both funds will receive payments once Congress acts to increase or suspend the debt limit. President Trump announced his desire for the debt ceiling to be increased as part of the budget reconciliation package under development by House Republicans.

## EPA Releases Draft Sewage Sludge Risk Assessment for PFAS

The Environmental Protection Agency (EPA) released a [Draft Sewage Sludge Risk Assessment for PFOA and PFOS](#) to address potential human health risks related to per- and polyfluoroalkyl substances (PFAS). Perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) exposure risks may be prevalent with all three methods of disposing of sewage sludge: land application of biosolids, surface disposal in landfills, or incineration. The risk assessment focuses on individuals living on or near impacted sites and those who rely on food crops, animal products, and drinking water at risk of contamination. Comments on the draft are due by March 17<sup>th</sup>.

## Trump Cabinet Nominations

The following chart provides the status of President Trump's nominees for his second Cabinet. Senate Committees continue to hold nomination hearings and committee votes to send nominations to the Senate Floor.

Dept/Agency	Position	Nominee	Confirmation	Acting Official
Agriculture	Secretary	Brooke Rollins	<i>pending</i>	Gary Washington
Commerce	Secretary	Howard Lutnick	<i>pending</i>	Jeremy Pelter

Defense	Secretary	Pete Hegseth	1/24 by a vote of 51-50	N/A
Education	Secretary	Linda McMahon	<i>pending</i>	Denise Carter
Energy	Secretary	Chris Wright	<i>pending</i>	Ingrid Kolb
Health & Human Services	Secretary	Robert F. Kennedy, Jr.	<i>pending</i>	Dorothy Fink
Homeland Security	Secretary	Krisi Noem	1/25 by a vote of 59-34	N/A
Housing & Urban Development	Secretary	Scott Turner	<i>pending</i>	Matt Ammon
Interior	Secretary	Doug Burgum	<i>pending</i>	Walter Cruickshank
Justice	Attorney General	Pam Bondi	<i>pending</i>	James McHenry
Labor	Secretary	Lori Chavez-DeReemer	<i>pending</i>	Vince Micone
State	Secretary	Marco Rubio	1/21 by a vote of 99-0	N/A
Transportation	Secretary	Sean Duffy	1/28 by a vote of 77-22	N/A
Treasury	Secretary	Scott Bessent	1/27 by a vote of 68-29	N/A
Veterans Affairs	Secretary	Doug Collins	<i>pending</i>	Todd Hunter
Central Intelligence Agency	Director	John Ratcliffe	1/23 by a vote of 74-25	N/A
Environmental Protection Agency	Administrator	Lee Zeldin	1/23 by a vote of 56-42	N/A
Office of Management and Budget	Director	Russel Vought	<i>pending</i>	Matthew Vaeth
Office of National Intelligence	Director	Tulsi Gabbard	<i>pending</i>	Stacey Dixon
Small Business Administration	Administrator	Kelly Loeffler	<i>pending</i>	Everett Woodel
United States Trade Representative	Ambassador	Jamieson Greer	<i>pending</i>	Juan Millan

United Nations Representative	Ambassador	Elise Stefanik	<i>pending</i>	Dorothy Shea
White House	Chief of Staff	Susie Wiles	Confirmation not required	N/A

## Trump Administration Appointments

President Trump submitted the following Executive Branch nominations to the Senate following his inauguration. The White House positions listed do not require confirmation from the Senate and the listed individuals assumed their position on January 20<sup>th</sup>.

Dept/Agency	Position	Appointee	Previous Government Position
Energy	Deputy Secretary	James Danly	FERC Commissioner
Energy	Under Secretary for Science	Dario Gil	N/A
Energy	Under Secretary of Energy	Preston Wells Griffith	Senior Director for Energy and Environment on the National Security Council; Acting Assistant Secretary for International Affairs at the Department of Energy
EPA	Deputy Secretary	David Fotouhi	EPA Acting General Counsel
EPA	Director of the Office of Air and Radiation	Aaron Szabo	Senior Council for the White House Council on Environmental Quality
Homeland Security	Deputy Secretary	Troy Edgar	Chief Financial Officer of DHS
Homeland Security	Commissioner of Customs and Border Protection	Rodney Scott	24 <sup>th</sup> Chief of US Border Patrol
Interior	Deputy Secretary	Katharine MacGregor	Interior Deputy Secretary
Labor	Deputy Secretary	Keith Sonderling	Member of the Equal Employment Opportunity Commission
Labor	Deputy Secretary	Steven Gill Bradbury	DOT General Counsel
OMB	Deputy Director	Dan Bishop	Former Representative from North Carolina's 8 <sup>th</sup> Congressional District
Office of Personnel Management	Director	Scott Kupor	N/A

Treasury	Deputy Secretary	Michael Faulkender	Assistant Secretary of the Treasury for Economic Policy
Treasury	Commissioner of Internal Revenue	Billy Long	Former Representative from Missouri's 7 <sup>th</sup> Congressional District
USDA	Deputy Secretary	Stephen Vaden	Judge of the US Court of International Trade
USDA	Chief of Staff	Kailee Tkacz Buller	Chief of Staff to the Deputy Secretary of Agriculture
USDA	Deputy Chief of Staff	Preston Parry	Executive Assistant to the Director of the Domestic Policy Council
USDA	Chief of Staff to the Deputy Secretary and Senior Advisor to the Secretary for Food	Jennifer Tiller	N/A
White House	Chair of the President's Council of Advisors on Science and Technology	David Sacks	N/A
White House	National Security Advisor	Michael Waltz	Representative from Florida's 15 <sup>th</sup> Congressional District
White House	Chair of the President's Intelligence Advisory Board	Devin Nunes	Former Representative from California's 22 <sup>nd</sup> Congressional District
White House	Deputy Chief of Staff	Dan Scavino	White House Deputy Chief of Staff for Communications
White House	Deputy Chief of Staff for Communications and Personnel	Taylor Budowich	N/A
White House	Legislative Affairs Director	James Braid	Chief of Staff for JD Vance as Senator from Ohio
White House	Communications Director	Steven Cheung	Special Assistant to the President and Director of Strategic Response
White House	Press Secretary	Karoline Leavitt	N/A

## CONGRESSIONAL ACTIVITY

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**Fix Our Forests Act Passes House.** On January 23<sup>rd</sup>, the House passed the *Fix Our Forests Act* ([H.R. 471](#)) by a vote of 279-141. The bill designates high-risk fire sheds and would expedite environmental reviews for projects that mitigate wildfire threats and increase the scope of forest restoration. It includes provisions to deter lawsuits related to essential forest management

activities. The bill would also establish a standard procedure for payment timelines for fire suppression cost-share agreements. The legislation now heads to the Senate for consideration.

**House Democrats Urge Support for OSHA’s Heat Injury and Illness Prevention Rule.** A group of 57 House Democrats [sent a comment letter](#) to the Department of Labor supporting the Occupational Safety and Health Administration’s (OSHA) proposed rule to protect workers from occupational exposure to extreme heat. The Biden Administration released the [Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings](#) notice of proposed rulemaking in August 2024, with the comment period ending January 14<sup>th</sup>. The letter requests a comprehensive standard that provides workers with adequate hydration, rest breaks, areas of rest breaks out of direct sun or in air conditioning, medical services and training to address heat related illnesses, and a plan for acclimatization to high-heat work conditions.

**House Agriculture Committee Announces Subcommittee Leaders.** House Agriculture Committee Chair GT Thompson (R-PA) and Ranking Member Angie Craig (D-MN) announced subcommittee leadership for the 119<sup>th</sup> Congress:

Subcommittee	Chair	Ranking Member
General Farm Commodities, Risk Management, and Credit	Rep. Austin Scott (R-GA)	Rep. Sharice Davids (D-KS)
Forestry and Horticulture	Rep. Doug LaMalfa (R-CA)	Rep. Andrea Salinas (D-OR)
Conservation, Research, and Biotechnology	Rep. Frank Lucas (R-OK)	Rep. Jill Tokuda (D-HI)
Nutrition and Foreign Agriculture	Rep. Brad Finstad (R-MN)	Rep. Jahana Hayes (D-CT)
Livestock, Dairy, and Poultry	Rep. Tracey Mann (R-KS)	Rep. Jim Costa (D-CA)
Commodity Markets, Digital Assets, and Rural Development	Rep. Dusty Johnson (R-SD)	Rep. Don Davis (D-NC)

**House Transportation & Infrastructure Committee Announces Subcommittee Leaders.** This week, Transportation and Infrastructure Committee Chair Sam Graves (R-MO) announced the following Chairs and Ranking Members for the Committee’s six subcommittees:

Subcommittee	Chair	Ranking Member
Aviation	Rep. Troy Nehls (R-TX)	Rep. Steve Cohen (D-TN)
Coast Guard & Maritime	Rep. Mike Ezell (R-MS)	Rep. Salud Carbajal (D-CA)
Economic Development, Public Buildings, & Emergency Management	Rep. Scott Perry (R-PA)	Rep. Greg Stanton (D-AZ)

Highways & Transit	Rep. David Rouzer (R-NC)	Del. Eleanor Holmes Norton (D-DC)
Railroads, Pipelines, & Hazardous Materials	Rep. Daniel Webster (R-FL)	Rep. Dina Titus (D-NV)
Water Resources & Environment	Rep. Mike Collins (R-GA)	Rep. Frederica Wilson (D-FL)

## FEDERAL FUNDING OPPORTUNITIES

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**Reclamation Announces \$95 Million WaterSMART Aquatic Ecosystem Restoration NOFO.** The Bureau of Reclamation (Reclamation) announced a \$95 million [NOFO](#) through the WaterSMART Aquatic Ecosystem Restoration program. Funding will support projects to study, design, and construct collaboratively developed ecosystem aquatic ecosystem restoration projects. Applications are due by April 15<sup>th</sup>.

**Reclamation Announces WaterSMART Cooperative Watershed Management NOFO.** Reclamation announced a [NOFO](#) through Phase I of the WaterSMART Cooperative Watershed Management Program for up to \$300,000 per applicant over a three-year period. Funding will support development activities, watershed restoration planning, and watershed management project design. Applications are due by May 20<sup>th</sup>.

## GRANT AWARD ANNOUNCEMENTS

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**Reclamation Announces \$41 Million in FY24 WaterSMART Environmental Water Resources Awards.** Reclamation [announced](#) \$41 million in grants for 21 projects in 11 states through the WaterSMART Environmental Water Resources program. Funding supports projects that bolster water resources, ecosystem health, and resilience in communities facing drought and other climate-related concerns.

**Reclamation Announces \$223.2 Million in Title XVI Water Reclamation, Reuse, and Desalination Grants.** Reclamation [announced](#) \$223.2 million in Title XVI Water Reclamation, Reuse, and Desalination grants for 18 projects in 8 states. The projects are expected to create 305,936 acre-feet of recycled water annually through water storage, conservation and conveyance, nature-based solutions, dam safety, water purification and reuse, and desalination.

## FEDERAL AGENCY REGULATORY ACTIONS

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**EPA Adds Nine Additional PFAS to the Toxic Release Inventory.** EPA [automatically added](#) nine per- and polyfluoroalkyl substances (PFAS) to the Toxic Release Inventory (TRI) beginning with reporting year 2025. The automatic addition of PFAS to the TRI is authorized by the FY20 National Defense Authorization Act which provides the framework for additions based on EPA activity related to PFAS. A total of 205 PFAS are now subject to annual TRI reporting requirements.

**FWS Seeks Comment on Proposed Critical Habitat for Foothill Yellow-Legged Frog.** The Fish & Wildlife Service (FWS) is [seeking public comment](#) on its proposal to designate 760,071 acres of critical habitat for the Foothill Yellow-Legged Frog in California. The proposed includes habitats for four listed and distinct populations: 192,275 acres for the North Feather population (threatened), 307,777 acres for the South Sierra population (endangered), 249,942 acres for the Central Coast population (threatened), and 10,077 acres for the South Coast population (endangered). Comments are due by March 17<sup>th</sup>.

**Reclamation Announces Revisions to NEPA Categorical Exclusions.** Reclamation announced [final revisions](#) to seven categorical exclusions under NEPA. The revisions aim to streamline the environmental review process for water-related contracting, use authorizations, financial assistance, loans, and funding activities. The revisions are effective as of January 13<sup>th</sup>.

## FEDERAL AGENCY ANNOUNCEMENTS AND PERSONNEL CHANGES

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**DHS Releases Public Sector AI Deployment Playbook.** The Department of Homeland Security (DHS) released the “[Playbook for Public Sector Artificial Intelligence Deployment](#)” to provide government officials with information and best practices related to the effective deployment of generative artificial intelligence (AI) technologies.

**EPA Releases Framework for Permitting Innovation in the Wastewater Sector.** EPA issued a “[Framework for Permitting Innovation in the Wastewater Sector](#)” to raise awareness of and prioritize improving permitting processes to address discharges associated with innovative technologies and management strategies.

**EPA Releases Q&A Document on Potable Reuse and PFAS.** EPA released a question and answer (Q&A) document titled “[Potable Reuse and PFAS](#).” The document was developed in response to the volume of questions related to EPA’s rules and regulations on potable water reuse and PFAS.

**EPA Releases Environmental Value of Applying Compost Report.** EPA issued a report titled “[Environmental Value of Applying Compost: Improving Soil Health for Stormwater Management, Contaminated Site Remediation, Ecosystem Restoration, Landscaping and Agriculture](#).” The report summarized the environmental value of compost used across various



sectors, including green infrastructure, stormwater management, ecosystem conservation and restoration, contaminated site remediation, and other applications.

**Reclamation Announces Deputy Regional Director for Lower Colorado Basin Region.** Reclamation [announced](#) that Genevieve Johnson will serve as the Deputy Regional Director for the Lower Colorado Basin region. Johnson previously served as Manager of the Lower Colorado Basin Region Project and Program Office.

## ## ##



**January 29, 2025**

**To:** Inland Empire Utilities Agency  
**From:** Michael Boccadoro  
Beth Olhasso  
**RE:** January Report

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Overview:

After weeks of no precipitation in Northern California, and months of no precipitation in Southern California, electronic snow survey data shows the statewide snowpack down from 131 percent of average for this time of year at the end of December, to 65 percent of normal at the end of January. Forecasted precipitation is a welcome sight. As the snow is melting, much is making its way into storage, allowing reservoirs to increase capacity over the past month. Lake Oroville is sitting at 72 percent capacity, 127 percent of normal; Lake Shasta is sitting at 77 percent of capacity, 119 percent of average; and San Luis Reservoir is at 75 percent of capacity, 102 percent average for this time of year.

The California Water Commission has released their 2025 Strategic Plan. They plan to focus on five main initiatives: Implement the Water Storage Investment Program (WSIP) to Achieve Public Benefits; Support Smart Water Management through Outreach, Engagement, and a Commitment to Equity; Utilize Public Forum to Explore Pressing Water Management Issues; Advise the Department of Water Resources (DWR) to Support Implementation of DWR's Strategic Plan; and Exercise Statutory Authorities to Ensure Transparency, Accountability, and Sound Public Processes.

Prior to the end of the Biden Administration, the California Air Resources Board withdrew their request for Clean Air Act waiver for the state's Advanced Clean Fleets regulations. Though CARB has recently said that they believe they have the authority to implement and enforce the state and local government clean fleets rule. Beyond this statement, there are no further details on how they propose to do so.

The Governor released his \$322.2 billion 2025-26 State Budget. The budget was proposed to be balanced, but with new state spending on wildfire recovery, it is unclear how the budget will end up come final adoption. The \$2.5 billion the Governor has proposed for wildfire recovery is proposed to come out of the Emergency Fund, not the General Fund. The governor also proposed about \$1 billion in Proposition 4 allocations for water projects.

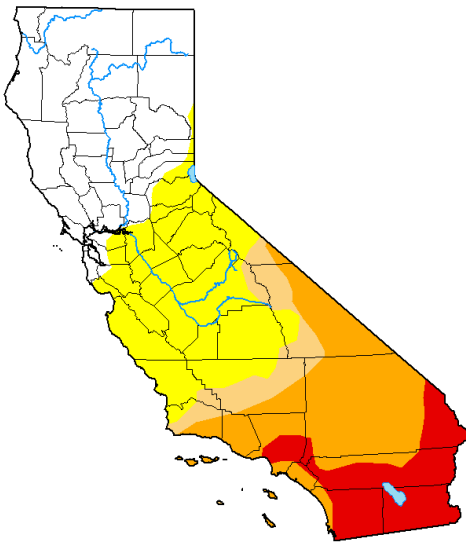
Members are back in Sacramento. There is a slow trickle of bills so far, but 2025 looks to be a busy year legislatively for water, wastewater, and recycled water. Legislation is expected on low-income rate assistance, recycled water, biosolids, PFAS, floodflows and, very recently, ensuring adequate water flows during fire events.

# Inland Empire Utilities Agency Status Report – January 2025

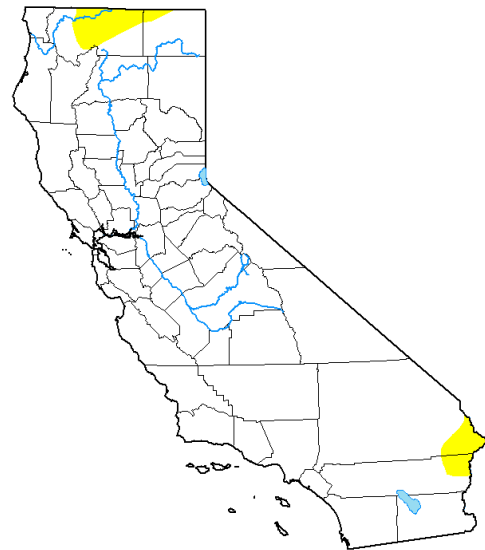
## *Water Supply Conditions*

Forecasted precipitation in Northern California is a welcome sight for water managers, after a month-long dry spell. Statewide snowpack shrank by over half in a month sitting at just 65 percent of average for this time of year. The runoff is, however, getting captured. Lake Oroville is at 127 percent of average, 72 percent capacity; Shasta is at 119 percent average, 77 percent capacity; San Luis Reservoir is at 119 percent average, and 75 percent capacity. As could be expected, drought conditions are spreading throughout the state.

January 21, 2025



January 23, 2024



## *California Water Commission Releases 2025 Strategic Plan*

The California Water Commission's 2025 Strategic Plan outlines five key goals to guide its efforts over the next five years:

1. **Implement the Water Storage Investment Program (WSIP) to Achieve Public Benefits:** The Commission aims to effectively manage the WSIP, ensuring that funded projects deliver anticipated public benefits, such as enhanced water supply reliability and ecosystem improvements.
2. **Support Smart Water Management through Outreach, Engagement, and a Commitment to Equity:** Emphasizing inclusive engagement, the Commission plans to proactively involve diverse and underrepresented communities in water management discussions, integrating equity considerations into all aspects of its work.
3. **Utilize Public Forum to Explore Pressing Water Management Issues:** Leveraging its role as a public forum, the Commission intends to facilitate discussions on critical water challenges, providing a platform for diverse perspectives and collaborative problem-solving.

4. **Advise the Department of Water Resources (DWR) to Support Implementation of DWR’s Strategic Plan:** The Commission will offer guidance to the DWR, aligning its advisory role to support the execution of DWR's strategic objectives and initiatives.
5. **Exercise Statutory Authorities to Ensure Transparency, Accountability, and Sound Public Processes:** Committed to good governance, the Commission plans to uphold transparency and accountability in its operations, ensuring that public processes are conducted with integrity and openness.

#### ***CARB Withdraws Waiver Request for Advanced Clean Fleets Rule***

As discussed in previous reports, California Air Resources Board (CARB) had asked U.S. EPA for waivers under the Clean Air Act (CAA) to approve several regulations including the Advanced Clean Fleets (ACF), which would require agencies such as IEUA to transition to electric trucks and vehicles.

In the waning days of the Biden Administration, CARB decided to pull their waiver request. While the Biden Administration was likely eager to approve such a request, many believe that CARB and EPA didn’t have enough time to build a case that would stand up in court. Unwilling to lose a court challenge, CARB thought retreat was best.

Prevailing wisdom knows that California and CARB aren’t likely to walk away from their clean transportation and greenhouse gas emissions reductions goals. While official plans haven’t been announced, the CARB board did say that they believe they have the authority and to plan to “implement and enforce” state and local government fleet regulations.

#### ***SWRCB Initiates Urban Stormwater Policy Process***

Building on the SWRCB Strategy to Optimize Resource Management for Stormwater (STORMS) project, the State Board aims to establish a State Policy for Water Quality Control for Urban Stormwater Infiltration. The Policy will:

- Encourage urban stormwater infiltration to enhance groundwater recharge and local water supply resilience.
- Provide greater protection for surface water quality.
- Promote multi-benefit community projects.
- Prohibit infiltration in conditions where groundwater beneficial uses may be impacted.

The goal of the Policy is to

- Offer science-based guidance on best practices for urban stormwater infiltration.
- Ensure protection of groundwater quality and beneficial uses.
- Identify data gaps and outline next steps to address them.
- Protect surface water quality by diverting stormwater runoff for infiltration.
- Resolve regulatory inconsistencies in permits and local ordinances, reducing confusion about implementation.

There will be a series of workshops (mostly virtual) in February to hear the staff proposal.

### ***Governor Proposes 2025-26 Budget***

On January 10, Governor Newsom released his proposed 2025-26 Budget. The \$322.2 billion budget is proposed to be “balanced.” The budget includes about \$1 billion from Proposition 4 in categories such as water recycling, integrated regional water management.

The budget was crafted before the wildfires in Los Angeles. While the Special Session emergency wildfire recovery measures do not appear to affect general fund or bond spending, it is unclear if any measures proposed by legislators could have a significant impact on the budget. The Legislature has yet to publicly discuss any potential impacts if the state has to play a financial role to cover losses from the catastrophic wildfires.

The long budget process will start in sub committees in February/March and continue through the July 1 start of the fiscal year.

### ***Legislative Update***

Legislators have returned to Sacramento to start the first year of the 2025-26 legislative session. Committee memberships have been announced and bills have started to get introduced.

Key Committee Leadership and IEUA Delegation Committee Assignments:

#### **Key Committee Leadership**

##### **Senate Natural Resources and Water:**

Monique Limón (D-Santa Barbara), Chair  
Kelly Seyarto (R-Murrieta), Vice-Chair

##### **Senate Environmental Quality:**

Catherine Blakespear (D-Encinitas), Chair

##### **Senate Budget Subcommittee #2 on Resources, Environmental Protection and Energy**

Benjamin Allen (D-Santa Monica), Chair

##### **Assembly Water, Parks & Wildlife**

Diane Papan (D-San Mateo), Chair

##### **Assembly Environmental Safety & Toxic Materials**

Damon Connolly (D-Marin), Chair

##### **Assembly Budget Sub Committee 4 on Resources, Transportation and Climate Change**

Steve Bennett (D-Oxnard), Chair

#### **IEUA Delegation**

**Sen Seyarto:** Appropriations (Vice Chair); Budget Sub Committee 5 on Corrections, Public Safety, Judiciary, Labor and Transportation; Housing (Vice Chair); Local Government; Natural Resources & Water (Vice Chair); Public Safety (Vice Chair); Transportation.

**Sen. Gomez Reyes:** Environmental Quality; Housing; Education; Judiciary; Legislative Ethics

**Sen Rubio:** Energy & Utilities, Insurance (Chair); Health; Governmental Organization

**Asm. R. Garcia:** Communications & Conveyance; Education; Natural Resources; Public Employment & Retirement; Revenue & Taxation

**Asm. C. Rodriguez:** Banking & Finance; Governmental Organization; Insurance; Rules, Military & Veterans Affairs

**Asm Chen:** Banking & Finance; Business & Professions; Insurance; Labor & Employment; Legislative Ethics; Utilities & Energy

2025 looks to be a busy year for the water, wastewater, and recycled water community in terms of legislation.

**Low-Income Rate Assistance:** The environmental community is likely to re-introduce some form of SB 1255 (Durazo) that would have required establishment of low-income rate assistance programs at all retail water agencies. To counter this move, the California Municipal Utilities Association is planning to introduce their own proposal for low-income rate assistance.

**Water Supply:** California Municipal Utilities Association and Western Municipal Water District have reintroduced SB 366 (Caballero), their legislation to add new requirements into the CA Water Plan to set volumetric targets for new water supply as **SB 72**. They believe they have removed the concerns of the SWRCB, which was the reason the bill was vetoed last session.

**Recycled Water:** WateReuse CA is planning to introduce legislation to make some long-overdue updates to Title 22 of the CA Code of Regulations. IEUA staff has been instrumental in helping develop the legislation that would, among other things, codify how an “unauthorized discharge” of recycled water is treated by Regional Boards.

**Biosolids:** There is speculation of an effort to address PFAS in biosolids by the environmental community. IEUA staff has already started to gather information to be ready to address any issues that may arise.

**PFAS:** The CA Association of Sanitation Agencies is going to reintroduce their PFAS source control bill that would ban the use of any intentionally added PFAS to products. The bill hit a roadblock with the CA Manufacturers and Technology Association who worked to load costs into the bill to get it held in Appropriations Committee.

**Floodflows:** It is very likely Senator Caballero will reintroduce a version of SB 1390, especially after the emphasis the Governor put on capturing floodflow diversions for groundwater recharge at his recent press conference in Colusa County.

Of course, there will be any number of other issues that get introduced before the February 21 bill introduction deadline. WCA will work with IEUA staff to identify key measures for board consideration.

**Water Supplies for Wildfire Fighting:** There has been significant discussion about water system design and if municipal water systems should be better engineered to tackle the types of wildfire/wind scenarios that were present in early January.

# Recharge Investigation and Projects Committee (Project 23a Status) (Information Item IV.)



# Project Status: Wineville/Jurupa/RP3 Basin Improvements

## Budget:

- Authorized capital budget: \$28,846,016

## Available Funding:

- \$15.4 M in SRF Loan at 0.55%
- \$10.8 M is State and Federal Grants

## Progress:

- Construction with MNR is 95% completed (March 2025)
- Overall construction is 85% completed (March 2026)

## Pending Completion:

- Electrical wiring
- Control Programming
- Rubber Dam
- Procuring and installation of Pumps

## Current Activities:

- Installation of remaining 30-inch pipeline completed
  - Pressure testing on new pipeline passed
- Final electrical wiring nearing completion
  - Finalize installation and connection of electrical panel and new radio system
- Installation of Rubber Dam nearing completion
  - Completed all rubber dam air piping
  - Finished installation of rubber dam in the channel
  - Working on electrical wiring
- Procuring and installation of Pumps
  - Pre-qualified two suppliers
  - Waiting for initial pump submittals
  - See progress schedule for the pumps

## Progress Schedule for the Pumps

TASK	PROGRESS	START	END
<b>Prepare Solicitation Documents</b>		<b>06-Jun-24</b>	<b>11-Nov-24</b>
Draft Documents	100%	06-Jun-24	22-Aug-24
Review Documents	100%	23-Aug-24	28-Aug-24
Finalize Documents	100%	29-Aug-24	11-Nov-24
<b>Request for Qualification of Pump Suppliers</b>		<b>19-Nov-24</b>	<b>14-Jan-25</b>
Enter into PlanetBids	100%	19-Nov-24	19-Nov-24
Solicitation (Q&A Period)	100%	20-Nov-24	12-Dec-24
Final Week of Solicitation for RFQ	100%	16-Dec-24	19-Dec-24
Close Solicitation for RFQ (milestone)	100%	19-Dec-24	19-Dec-24
Review Responses to the RFQ	100%	20-Dec-24	13-Jan-25
Notify Prequalified Suppliers (milestone)	100%	14-Jan-25	14-Jan-25
<b>Request for Proposal of Prequalified Suppliers</b>		<b>14-Jan-25</b>	<b>14-May-25</b>
Prequalified Supplier Draft Initial Submittal and Pricing	70%	14-Jan-25	13-Feb-25
Receive Initial Submittal (milestone)	0%	13-Feb-25	13-Feb-25
Review Initial Submittal	0%	13-Feb-25	27-Feb-25
Prequalified Supplier Draft Final Submittal	0%	28-Feb-25	21-Mar-25
Receive Final Submittal (milestone)	0%	21-Mar-25	21-Mar-25
IEUA Reviews Final Submittal to Decide Pump Supplier	0%	24-Mar-25	07-Apr-25
Board of Directors' Authorization of Purchase Order (milestone)	0%	14-May-25	14-May-25
<b>Pump Fabrication/Installation/Testing/Close-out</b>		<b>15-May-25</b>	<b>12-Feb-26</b>
Fabrication (22 weeks)	0%	15-May-25	16-Oct-25
Delivery	0%	16-Oct-25	30-Oct-25
Installation	0%	30-Oct-25	29-Dec-25
Testing	0%	29-Dec-25	29-Jan-26
Close Out	0%	29-Jan-26	12-Feb-26