CHINO BASIN WATERMASTER

NOTICE OF MEETINGS

Thursday, May 14, 2026

9:00 a.m. – Appropriative Pool Committee Meeting
11:00 a.m. – Non-Agricultural Pool Committee Meeting
1:30 p.m. – Agricultural Pool Committee Meeting

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

CHINO BASIN WATERMASTER
APPROPRIATIVE POOL COMMITTEE MEETING
9:00 a.m. May 14, 2026
Mr. Chris Diggs, Chair
Mr. Chris Berch, Vice-Chair
At The Offices Of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

(Call can 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 Appropriative Pool Committee Meeting held on April 9, 2026 *(Page 1)*

B. FINANCIAL REPORTS

Receive and file as presented:
Monthly Financial Reports for the Periods Ended February 28, 2026, and March 31, 2026 *(Page 15)*

C. APPLICATION: WATER TRANSACTION – 802.36 AF FROM SAN ANTONIO WATER COMPANY TO MONTE VISTA WATER DISTRICT

Provide advice and assistance to the Advisory Committee on the proposed transaction. *(Page 45)*

D. APPLICATION: RECHARGE – SAN ANTONIO WATER COMPANY

Provide advice and assistance to the Advisory Committee on the proposed application. *(Page 52)*

E. AGRICULTURAL POOL COMMITTEE LEGAL COUNSEL INVOICE FOR APRIL 2026 SERVICES

Approve Egoscue Law Group, Inc. Invoice #15201 dated May 01, 2026, in the amount of $7,175.00 for services performed during April 2026.

II. BUSINESS ITEMS

A. ECONOMIC ANALYSIS – UPDATE TO CHINO BASIN 2006 AND 2007 SOCIOECONOMIC STUDIES
Receive and file the Economic Analysis report for the update to the Chino Basin 2006 and 2007 Economic Studies relating to the Peace Agreements. *(Page 63)*

B. WATERMASTER FISCAL YEAR 2026/27 PROPOSED BUDGET *(Page 153)*
Recommend Advisory Committee approval of the Watermaster Fiscal Year 2026/27 Proposed Budget as presented.

C. FISCAL YEAR 2025/26 ASSESSMENT PACKAGE *(Page 263)*
Review the final Fiscal Year 2025/26 Assessment Package and reconciliation, as presented, and provide advice and assistance to Watermaster.

D. RESOLUTION 2026-02 TO LEVY REMAINING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2025/26, BASED ON PRODUCTION YEAR 2024/25 *(Page 314)*
Review Resolution 2026-02 as presented and offer advice to Watermaster.

E. CALENDAR YEAR 2026 APPROPRIATIVE POOL COMMITTEE VOLUME VOTE *(Page 323)*
Approve the Calendar Year 2026 Appropriative Pool Committee Volume Vote as presented, subject to Watermaster Board approval of the Fiscal Year 2025/26 Assessment Package at the May 28, 2026 meeting.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. June 12, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)
2. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
3. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. Annual Report for the Prado Basin Habitat Sustainability Program
3. Data Collection and Evaluation Report

C. GENERAL MANAGER

1. Other

IV. INFORMATION

A. RECHARGE INVESTIGATION AND PROJECTS COMMITTEE (PROJECT 23a STATUS) *(Page 327)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION – POSSIBLE ACTION

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

1. AP Agreements

VIII. FUTURE MEETINGS AT WATERMASTER

05/14/26	Thu	9:00 a.m.	Appropriative Pool Committee
05/14/26	Thu	11:00 a.m.	Non-Agricultural Pool Committee
05/14/26	Thu	1:30 p.m.	Agricultural Pool Committee
05/14/26	Thu	3:30 p.m.	Rules & Regulations Section 2.10 Ad Hoc Committee (in person only)
05/20/26	Wed	9:00 a.m.	2025 SYR Workshop – Revised Draft 2025 SYR Report
05/21/26	Thu	9:00 a.m.	Advisory Committee
05/26/26	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
05/28/26	Thu	9:30 a.m.	Watermaster Orientation (in person only)
05/28/26	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL COMMITTEE MEETING
11:00 a.m. May 14, 2026
Mr. Brian Geye, Chair
Mr. Bob Bowcock, Vice-Chair
At The Offices Of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

ROLL CALL

AGENDA – ADDITIONS/REORDER

SAFETY MINUTE

I. BUSINESS ITEMS - ROUTINE

A. MINUTES
Receive and file as presented:
Minutes of the Non-Agricultural Pool Committee Meeting held on April 9, 2026 *(Page 5)*

B. FINANCIAL REPORTS
Receive and file as presented:
Monthly Financial Reports for the Periods Ended February 28, 2026, and March 31, 2026 *(Page 15)*

C. APPLICATION: WATER TRANSACTION – 802.36 AF FROM SAN ANTONIO WATER COMPANY TO MONTE VISTA WATER DISTRICT
Provide advice and assistance to the Advisory Committee on the proposed transaction. *(Page 45)*

D. APPLICATION: RECHARGE – SAN ANTONIO WATER COMPANY
Provide advice and assistance to the Advisory Committee on the proposed application. *(Page 52)*

II. BUSINESS ITEMS

A. ECONOMIC ANALYSIS – UPDATE TO CHINO BASIN 2006 AND 2007 SOCIOECONOMIC STUDIES
Receive and File the Economic Analysis report for the update to the Chino Basin 2006 and 2007 Economic Studies relating to the Peace Agreements. *(Page 63)*

B. WATERMASTER FISCAL YEAR 2026/27 PROPOSED BUDGET *(Page 153)*
Recommend Advisory Committee approval of the Watermaster Fiscal Year 2026/27 Proposed Budget as presented.

C. FISCAL YEAR 2025/26 ASSESSMENT PACKAGE *(Page 263)*
Review the final Fiscal Year 2025/26 Assessment Package and reconciliation, as presented, and provide advice and assistance to Watermaster.

D. RESOLUTION 2026-02 TO LEVY REMAINING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2025/26, BASED ON PRODUCTION YEAR 2024/25 *(Page 314)*
Review Resolution 2026-02 as presented and offer advice to Watermaster.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. June 12, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)
2. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
3. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. Annual Report for the Prado Basin Habitat Sustainability Program
3. Data Collection and Evaluation Report

C. GENERAL MANAGER

1. Other

IV. INFORMATION

RECHARGE INVESTIGATION AND PROJECTS COMMITTEE (PROJECT 23a STATUS) *(Page 327)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Non-Agricultural Pool Legal & Administrative Budget for Fiscal Year 2026/27
2. Storage Agreements

VIII. FUTURE MEETINGS AT WATERMASTER

05/14/26	Thu	9:00 a.m.	Appropriative Pool Committee
05/14/26	Thu	11:00 a.m.	Non-Agricultural Pool Committee
05/14/26	Thu	1:30 p.m.	Agricultural Pool Committee
05/14/26	Thu	3:30 p.m.	Rules & Regulations (Section 2.10) Ad Hoc Committee (in person only)
05/20/26	Wed	9:00 a.m.	2025 SYR Workshop – Revised Draft 2025 SYR Report
05/21/26	Thu	9:00 a.m.	Advisory Committee
05/26/26	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
05/28/26	Thu	9:30 a.m.	Watermaster Orientation (in person only)
05/28/26	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

CHINO BASIN WATERMASTER
AGRICULTURAL POOL COMMITTEE MEETING
1:30 p.m. May 14, 2026
Mr. Bob Feenstra, Chair
Mr. Jeff Pierson, Vice-Chair
At The Offices Of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

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 Agricultural Pool Committee Meeting held on March 12, 2026 *(Page 8)*

B. FINANCIAL REPORTS

Receive and file as presented:
Monthly Financial Reports for the Periods Ended February 28, 2026, and March 31, 2026 *(Page 15)*

C. APPLICATION: WATER TRANSACTION – 802.36 AF FROM SAN ANTONIO WATER COMPANY TO MONTE VISTA WATER DISTRICT

Provide advice and assistance to the Advisory Committee on the proposed transaction. *(Page 45)*

D. APPLICATION: RECHARGE – SAN ANTONIO WATER COMPANY

Provide advice and assistance to the Advisory Committee on the proposed application. *(Page 52)*

II. BUSINESS ITEMS

A. ECONOMIC ANALYSIS – UPDATE TO CHINO BASIN 2006 AND 2007 SOCIOECONOMIC STUDIES

Receive and File the Economic Analysis report for the update to the Chino Basin 2006 and 2007 Economic Studies relating to the Peace Agreements. *(Page 63)*

B. WATERMASTER FISCAL YEAR 2026/27 PROPOSED BUDGET *(Page 153)*

Recommend Advisory Committee approval of the Watermaster Fiscal Year 2026/27 Proposed Budget as presented.

C. FISCAL YEAR 2025/26 ASSESSMENT PACKAGE *(Page 263)*

Review the final Fiscal Year 2025/26 Assessment Package and reconciliation, as presented, and provide advice and assistance to Watermaster.

D. RESOLUTION 2026-02 TO LEVY REMAINING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2025/26, BASED ON PRODUCTION YEAR 2024/25 *(Page 314)*
Review Resolution 2026-02 as presented and offer advice to Watermaster.

E. REVIEW OF WATERMASTER RULES AND REGULATIONS – SECTION 2.10
Provide advice and assistance to the Advisory Committee.

F. OLD BUSINESS

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. June 12, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)
2. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
3. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. Annual Report for the Prado Basin Habitat Sustainability Program
3. Data Collection and Evaluation Report

C. GENERAL MANAGER

1. Other

IV. INFORMATION

A. RECHARGE INVESTIGATION AND PROJECTS COMMITTEE (PROJECT 23a STATUS) *(Page 327)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Form 700
2. Assessment Packages
3. Chair Update Regarding City of Ontario

VIII. FUTURE MEETINGS AT WATERMASTER

05/14/26	Thu	9:00 a.m.	Appropriative Pool Committee
05/14/26	Thu	11:00 a.m.	Non-Agricultural Pool Committee
05/14/26	Thu	1:30 p.m.	Agricultural Pool Committee
05/14/26	Thu	3:30 p.m.	Rules & Regulations (Section 2.10) Ad Hoc Committee (in person only)
05/20/26	Wed	9:00 a.m.	2025 SYR Workshop – Revised Draft 2025 SYR Report
05/21/26	Thu	9:00 a.m.	Advisory Committee
05/26/26	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
05/28/26	Thu	9:30 a.m.	Watermaster Orientation (in person only)
05/28/26	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL COMMITTEE MEETING
April 9, 2026

The Appropriative Pool Committee meeting was held at the Watermaster offices located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) on April 9, 2026.

APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER

Chris Diggs, Chair	City of Pomona
Chris Berch, Vice-Chair	Jurupa Community Services District
Amanda Coker	Cucamonga Valley Water District
Hye Jin Lee	City of Chino
Ron Craig	City of Chino Hills
Chad Nishida	City of Ontario
Cris Fealy	Fontana Water Company
Justin Castruita	Fontana Union Water Company
Cris Fealy	Nicholson Family Trust
Brian Lee	San Antonio Water Company

APPROPRIATIVE POOL COMMITTEE MEMBERS PRESENT ON ZOOM

Bryan Smith	City of Norco
Nicole deMoet	City of Upland
Justin Scott-Coe	Monte Vista Irrigation Company
Justin Scott-Coe	Monte Vista Water District

APPROPRIATIVE POOL COMMITTEE LEGAL COUNSEL PRESENT ON ZOOM

John Schatz	John J. Schatz, Attorney at Law

WATERMASTER BOARD MEMBERS PRESENT ON ZOOM

Bob Bowcock	CalMat Co.
Bill Velto	City of Upland
Marty Zvirbulis	Fontana Water Company
Jimmy Medrano	State of California
Bob Kuhn	Three Valleys Municipal Water District
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
Frank Yoo	Data Services and Judgment Reporting Mgr.
Daniela Uriarte	Senior Accountant
Ruby Favela Quintero	Executive Assistant
Kirk Richard Dolar	Administrative Analyst
Alonso Jurado	Water Resources Senior Associate
Jordan Garcia	Water Resources Associate
Erik Vides	Senior Field Operations Specialist
Noemi Medrano	Administrative Assistant

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Andy Malone	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

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

OTHERS PRESENT AT WATERMASTER

Tariq Awan	Agricultural Pool – State of CA
Ben Orosco	City of Chino
Eduardo Espinoza	Cucamonga Valley Water District
Jiwon Seung	Cucamonga Valley Water District
Eric Tarango	Fontana Water Company
Josh Swift	Fontana Union Water Company

OTHERS PRESENT ON ZOOM

Jeff Pierson	Agricultural –Crops
Lewis Callahan	Agricultural Pool – State of CA
Jessica Singletary	City of Chino
Alexis Mascarinas	City of Ontario
Melissa Cansino	City of Pomona
Nichole Horton	City of Pomona
Mark Gibboney	Cucamonga Valley Water District
Derek Hoffman	Fennemore Law
Toby Moore	Golden State Water Company
Aimee Zhao	Inland Empire Utilities Agency
Eddie Lin	Inland Empire Utilities Agency
John Russ	Inland Empire Utilities Agency
Michael Hurley	Inland Empire Utilities Agency
Michelle Licea	Monte Vista Water District
Kevin O'Toole	Orange County Water District
Sylvie Lee	Three Valleys Municipal Water District
Mallory O'Conor	Western Municipal Water District
Ryan Shaw	Western Municipal Water District
Richard Rees	WSP USA
Johnathyn Bower	

CALL TO ORDER

Chair Diggs called the Appropriative Pool Committee meeting to order at 9:00 a.m.

ROLL CALL

(00:00:14) Ms. Nelson conducted the roll call and announced that a quorum was present.

AGENDA – ADDITIONS/REORDER:

None

SAFETY MINUTE

(00:02:22) Mr. Corbin reminded everyone to ensure they have an evacuation plan and proper communication protocol and equipment in place, and to conduct training exercises regularly, which helps to ensure that emergencies that arise can be addressed effectively.

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

1. Minutes of the Appropriative Pool Committee Meeting held on March 12, 2026
2. Minutes of the Appropriative Pool Committee Special Meeting held on March 25, 2026

B. FINANCIAL REPORTS

February and March financials are being deferred to the May 2026 meetings.

C. AGRICULTURAL POOL COMMITTEE LEGAL COUNSEL INVOICE FOR MARCH 2026 SERVICES

Approve Egoscue Law Group, Inc. Invoice #15172 dated April 1, 2026, in the amount of $27,562.50 for services performed during March 2026.

(00:03:10)

Motion by Ms. Hye Jin Lee, seconded by Mr. Cris Fealy; there being no dissent, the item passed unanimously by voice vote among those present.

Moved to approve the Consent Calendar Items as presented.

II. BUSINESS ITEMS

A. FISCAL YEAR 2025/26 ASSESSMENT PACKAGE

Review Fiscal Year 2025/26 Assessment Package as presented and provide advice and assistance to Watermaster.

(00:03:27) Mr. Corbin prefaced the item and asked Mr. Yoo to give a presentation.
A discussion ensued.

B. REVIEW OF WATERMASTER RULES AND REGULATIONS – SECTION 2.10

Provide advice and assistance to the Advisory Committee.

(01:02:11) Mr. Corbin gave a report. A discussion ensued.

(01:28:25)

Motion by Mr. Chad Nishida, seconded by Ms. Hye Jin Lee; there being no dissent, the item passed unanimously by voice vote among those present.

Moved to recommend the Advisory Committee to form an Ad Hoc committee to discuss modifications, if necessary, to the Watermaster Rules and Regulations, Section 2.10.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. March 27, 2026 Court Hearing (Watermaster Motion for Court to Receive and File 48th Annual Report)
2. May 1, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)

3. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
4. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

(01:28:59) Mr. Herrema gave a report and added item four to his report. A discussion ensued.

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. PBHSP – Recommended Scope and Budget for 2026/27
3. 2025 Maximum Benefit Annual Report to the Regional Board
4. Evaluation of Minimum Recharge Quantity in Management Zone 1

(01:32:23) Mr. Malone introduced Mr. Rapp to report on Item 1. Mr. Malone reported on Items 2 and 3, and Mr. Rapp reported on Item 4.

C. GENERAL MANAGER

1. Fiscal Year 2026/2027 Budget
2. Other

(01:50:42) For Item 1, Mr. Corbin introduced Ms. Uriarte to give a report. For Item 2, Mr. Corbin introduced Mr. Tellez Foster to give an update on Project 23a.

IV. INFORMATION

A. CHINO AIRPORT AND SOUTH ARCHIBALD PLUMES SEMI-ANNUAL STATUS REPORTS

This was an informational item only, and no oral report was provided.

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION – POSSIBLE ACTION

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

None

ADJOURNMENT

Chair Diggs adjourned the Appropriative Pool Committee meeting at 10:53 a.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL COMMITTEE MEETING
April 9, 2026

The Non-Agricultural Pool Committee meeting was held at the Watermaster offices located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) on April 9, 2026.

NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	California Speedway Corporation
Bob Bowcock, Vice-Chair	CalMat Co.

NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM

Erick Jimenez	California Steel Industries
Alexis Mascarinas	City of Ontario

WATERMASTER STAFF PRESENT AT WATERMASTER

Todd Corbin	General Manager
Edgar Tellez Foster	Water Resources Mgmt. & Planning Director
Anna Nelson	Director of Administration
Frank Yoo	Data Services and Judgment Reporting Mgr.
Daniela Uriarte	Senior Accountant
Ruby Favela Quintero	Executive Assistant
Kirk Richard Dolar	Administrative Analyst
Alonso Jurado	Water Resources Sr. Associate
Jordan Garcia	Water Resources Associate
Erik Vides	Senior Field Operations Specialist
Noemi Medrano	Administrative Assistant

WATERMASTER BOARD MEMBERS PRESENT ON ZOOM

Mike Gardner	Western Municipal Water District

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Andy Malone	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

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

CALL TO ORDER
Chair Geye called the Non-Agricultural Pool committee meeting to order at 11:02 a.m.

ROLL CALL
(00:00:15) Ms. Nelson conducted the roll call.

AGENDA – ADDITIONS/REORDER
None

SAFETY MINUTE
(00:01:35) Mr. Corbin emphasized the importance of testing emergency plans, especially communication protocol so that emergencies can be handled effectively.

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

Receive and file as presented:
Minutes of the Non-Agricultural Pool Committee Meeting held on March 12, 2026

(00:02:30)
Motion by Ms. Alexis Mascarinas, seconded by Mr. Erick Jimenez. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.
Moved to receive and file Business Item I.A. as presented.

B. FINANCIAL REPORTS

February and March financials are being deferred to the May 2026 meetings.

(00:02:30) The financial reports were deferred to next month's agendas.

II. BUSINESS ITEMS

A. FISCAL YEARS 2025/26 ASSESSMENT PACKAGE

Review Fiscal Year 2025/26 Assessment Package as presented and offer advice and assistance to Watermaster.

(00:03:04) Mr. Corbin prefaced the item and asked Mr. Yoo to give a presentation. A discussion ensued.

B. REVIEW OF WATERMASTER RULES AND REGULATIONS – SECTION 2.10

Provide advice and assistance to the Advisory Committee.

(00:28:12) Mr. Corbin gave a report. A discussion ensued.

C. POOL ADMINISTRATIVE ASSESSMENTS FOR THE UPCOMING FISCAL YEAR 2026/27 BUDGET (DISCUSSION ONLY)

(00:38:25) Chair Geye commented on this item and stated that the Fiscal Year 2026/27 budget will not require any additional Non-Agricultural Pool attorney fees to be assessed or collected.

D. MEMBER STATUS CHANGES

1. Any proposed transfer of Safe Yield by a Member.
2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.

(00:40:20) Ms. Nelson reported that on March 18, 2026, Ms. Kayla Garrett with Space Center Mira Loma, informed Watermaster staff that she will be the new representative, and her email address is kgarrett@linklogistics.com, and Ms. Megan Hernandez will be the alternate and her email address is mhernandez@linklogistics.com.

II. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. March 27, 2026 Court Hearing (Watermaster Motion for Court to Receive and File 48th Annual Report)
2. May 1, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)

3. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
4. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

(00:41:10) Mr. Herrema gave a report and added item four to his report.

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. PBHSP – Recommended Scope and Budget for 2026/27
3. 2025 Maximum Benefit Annual Report to the Regional Board
4. Evaluation of Minimum Recharge Quantity in Management Zone 1

(00:44:35) Mr. Malone introduced Mr. Rapp to report on Item 1. Mr. Malone reported on Items 2 and 3, and Mr. Rapp reported on Item 4.

C. GENERAL MANAGER

1. Fiscal Year 2026/2027 Budget
2. Other

(00:50:31) For Item 1, Mr. Corbin introduced Ms. Uriarte to give a report. For Item 2, Mr. Corbin asked Mr. Tellez Foster to give an update on Project 23a.

IV. INFORMATION

A. CHINO AIRPORT AND SOUTH ARCHIBALD PLUMES SEMI-ANNUAL STATUS REPORTS)

(00:52:56) Mr. Bowcock stated that he did not see PFAS referenced in the reports for either plume. A discussion ensued.

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

None

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool Committee meeting at 11:59 a.m.

Secretary: _____

Approved: _____

DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL COMMITTEE MEETING
March 12, 2026

The Agricultural Pool Committee meeting was held at the Watermaster offices located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) on March 12, 2026.

AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT AT WATERMASTER

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
Paul Hofer	Crops
Ruben Llamas	Crops
Christen Miller	County of San Bernardino
Tariq Awan	State of California – CDCR
Jimmy Medrano	State of California – CDCR

AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON ZOOM

John Huitsing	Dairy
Nathan deBoom	Dairy
Henry DeHaan	Dairy
Noah Golden-Krasner	State of California – DOJ
Michael Maeda	State of California – CDCR

AGRICULTURAL POOL LEGAL COUNSEL PRESENT AT WATERMASTER

Tracy Egoscue	Egoscue Law Group, Inc.

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
Frank Yoo	Data Services and Judgment Reporting Mgr.
Daniela Uriarte	Senior Accountant
Ruby Favela Quintero	Executive Assistant
Alonso Jurado	Water Resources Senior Associate
Kirk Richard Dolar	Administrative Analyst
Jordan Garcia	Water Resources Associate
Erik Vides	Senior Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Garrett Rapp	West Yost

OTHERS PRESENT AT WATERMASTER

Gino Filippi	Crops
Ron LaBrucherie, Jr.	Crops
Richard Rees	WSP USA

OTHERS PRESENT ON ZOOM

Lewis Callahan State of California – CDCR

CALL TO ORDER

Chair Feenstra called the Agricultural Pool committee meeting to order at 1:37 p.m.

ROLL CALL

(00:01:17) Ms. Ruby Favela Quintero conducted the roll call and announced that a quorum was present.

AGENDA – ADDITIONS/REORDER

(00:00:38) Vice-Chair Pierson asked to reorder the agenda and take Item II.B. to follow Information Item IV.

(00:00:58)
Motion by Vice-Chair Jeff Pierson, seconded by Mr. Jimmy Medrano, and passed unanimously by voice vote among those present.

Moved to approve the reorder of the agenda as presented.

(1:38 p.m.) Ms. Christen Miller joined the meeting.

SAFETY MINUTE

(00:03:30) Mr. Corbin reminded everyone that March is Ladder Safety Month and to be careful when using ladders to prevent falls.

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 Agricultural Pool Committee Meeting held on February 12, 2026

B. FINANCIAL REPORTS

Receive and file as presented:
Monthly Financial Report for the Reporting Period Ended January 31, 2026

C. OBMP SEMI-ANNUAL STATUS REPORT 2025-2

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2025-2, and direct staff to file a copy with the Court, subject to any necessary non-substantive changes.

D. SGMA REPORTING FOR WATER YEAR 2025

Recommend to the Advisory Committee to recommend to the Watermaster Board to approve and direct staff to file the information/reports with the state Department of Water Resources.

(00:04:17) Mr. Jimmy Medrano noted that the facility name was changed from Chino Institution for Men to California Institution for Men.

(00:04:54)
Motion by Mr. Paul Hofer, seconded by Mr. Jimmy Medrano, and passed by unanimous roll call vote as attached to these minutes.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. SAN GABRIEL BAND OF MISSION INDIANS REQUEST FOR INTERVENTION INTO THE APPROPRIATIVE POOL

Provide advice and assistance to the Advisory Committee on the intervention request.

(00:06:45) Mr. Corbin gave a report. A discussion ensued.

(00:08:10)
Motion by Vice-Chair Jeff Pierson, seconded by Mr. Jimmy Medrano, and passed by unanimous roll call vote as attached to these minutes.

Moved to approve Business Item II.A. and recommend to the Advisory Committee to proceed with the Intervention request.

B. FISCAL YEARS 2021/22 AND 2022/23 CORRECTED AND AMENDED ASSESSMENT PACKAGES

Provide advice and assistance to the Advisory Committee on the draft Fiscal Year 2021/22 and 2022/23 Corrected and Amended Assessment Packages.

(01:06:43) This item was taken after Information Item IV. Mr. Corbin gave a report. A discussion ensued. The Pool took this item into Confidential Session and did not provide any reportable action.

C. OLD BUSINESS

None

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. February 20, 2026 Court Hearing (Proposed Order following Court of Appeal Remittitur in Consolidated Cases No. E080457 and E0821270)
2. March 20, 2026 Court Hearing (Watermaster Motion for Court to Receive and File 48th Annual Report)
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. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
5. Las Posas Groundwater Adjudications Court of Appeal Rulings

(00:10:21) Mr. Herrema gave a report and added Item 5. A discussion ensued.

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. Recommended Scope and Budget for the GLMP/PBHSP for FY 2026/27
3. SGMA WY 2025 Annual Reporting for Chino Basin Adjudicated Basin

(00:16:36) Mr. Malone introduced Mr. Rapp to report on Item 1. For Item 2, Mr. Malone gave a presentation, and for Item 3, he gave a report. A discussion ensued.

C. GENERAL MANAGER

1. Status Report: Fiscal Year 2025/26 Exhibit G Physical Solution Transfers
2. Fiscal Year 2026/27 Budget Release
3. Other

(01:04:25) For Item 1, Mr. Corbin reported that no members expressed interest in purchasing Exhibit "G" water from the Non-Agricultural Pool this year. For Item 2, he reported that the budget release will be presented at the Advisory Committee meeting this month and that two workshops are scheduled for the month of April. A discussion ensued.

IV. INFORMATION

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

This was an informational item only, and no oral report was provided.

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

The Pool convened into Confidential Session at 2:46 p.m. to discuss the following:

1. Strategic Planning

Confidential Session concluded at 3:41 p.m. with no reportable action.

ADJOURNMENT

The Pool did not wish to reconvene into open session, and the Agricultural Pool Committee meeting was deemed adjourned at 3:41 p.m. as indicated in the email provided by Pool counsel (Attachment 3).

Secretary: _____

Approved: _____

Attachments:
1. 20260312 Roll Call Vote Outcome for Consent Calendar I.A.-I.D.
2. 20260312 Roll Call Vote Outcome for Business Item II.A.
3. 20260312 Adjournment Email as Provided by Pool Counsel.

ATTACHMENT 1

20260312 Roll Call Vote Outcome		
Member	**Alternate**	**Consent Calendar I.A. - I.D.**
Pierson, Jeff, Vice-Chair		Yes
Llamas, Ruben		Yes
Hofer, Paul		Yes
deBoom, Nathan*		Yes
DeHaan, Henry*		Yes
Huitsing, John*		Yes
Awan, Tariq		Yes
Cadigal, Imelda**	Maeda, Michael	Yes
Medrano, Jimmy		Yes
Miller, Christen		Yes
Feenstra, Bob - Chair		Yes
	OUTCOME:	**Passed Unanimously**

*Participated via Zoom

**Absent

ATTACHMENT 2

20260312 Roll Call Vote Outcome		

Member	Alternate	Business Item II.A.
Pierson, Jeff, Vice-Chair		Yes
Llamas, Ruben		Yes
Hofer, Paul		Yes
deBoom, Nathan*		Yes
DeHaan, Henry*		Yes
Huitsing, John*		Yes
Awan, Tariq		Yes
Cadigal, Imelda**	Maeda, Michael	Yes
Medrano, Jimmy		Yes
Miller, Christen		Yes
Feenstra, Bob - Chair		Yes
	OUTCOME:	**Passed Unanimously**

*Participated via Zoom

**Absent

From: Tracy Egoscue
To: Todd Corbin; Ruby Favela Quintero; Herrema, Brad
Cc: Bob Feenstra; Jeff Pierson
Subject: Ag Pool Closed Session 031226
Date: Thursday, March 12, 2026 3:41:37 PM
Attachments: image001.png

The Closed Session of the Agricultural Pool ended at 3:41pm with no reportable action.

Tracy J. Egoscue (she/her)
Egoscue Law Group, Inc.
562.988.5978 office
562.981.4866 cell
tracy@egoscuelaw.com
www.egoscuelaw.com

"CONFIDENTIALITY NOTICE: Do not read this e-mail if you are not the intended recipient. This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain confidential information that is legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transmission is prohibited. If you have received this transmission in error, please immediately advise us by reply e-mail, by forwarding this to tracy@egoscuelaw.com or by calling (562) 988-5978, and destroy the original transmission and its attachments without reading or saving them in any manner. Thank you."

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: May 2026

TO: Watermaster Committees & Board

SUBJECT: Monthly Financial Reports (For the Reporting Periods Ended February 28, 2026 and March 31, 2026) (Consent Calendar Item I.B.)

Issue: Record of Monthly Financial Reports for the reporting periods ended February 28, 2026 and March 31, 2026 [Normal Course of Business]

Recommendation: Receive and file Monthly Financial Reports for the reporting period ended February 28, 2026 and March 31, 2026 as presented.

Financial Impact: Unless otherwise noted, all expenditures were included in the Fiscal Year 2025/26 budget as approved by the Advisory Committee and adopted by the Watermaster Board in May 2025, and subsequently amended in July 2025, and in January 2026.

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Receive and file.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Receive and file.
Agricultural Pool – May 14, 2026 [Recommended]: Receive and file.
Advisory Committee – May 21, 2026 [Recommended]: Receive and file.
Watermaster Board – May 28, 2026 [Recommended]: Receive and file.

BACKGROUND

A monthly financial reporting packet is provided to keep all members apprised of Watermaster revenues, expenditures, and other financial activities. 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 year to date (YTD), summarized by pool category.
4. Treasurer's Report – Summary of Watermaster investment 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 amended budget and carryover budget.
6. Monthly Variance Report & Supplemental Schedules – Supporting schedule providing explanation for major budget variances, additional tables detailing pool fund balances, salaries expense, legal expense, engineering expense, and carryover budget.

DISCUSSION

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

Watermaster staff is available to provide additional explanations or respond to any questions on these reports during the monthly meetings as requested.

ATTACHMENTS

1. Monthly Financial Reports (Period Ended February 28, 2026)
2. Monthly Financial Reports (Period Ended March 31, 2026)

Chino Basin Watermaster
Cash Disbursements
February 2026

Date	Number	Vendor Name	Description	Amount
02/03/2026	ACH 2.3.2026	JOHN J. SCHATZ	AP legal services - December 2025	$ (10,387.00)
02/09/2026	ACH 2.9.2026	CALPERS	Medical insurance premiums - February 2026	(19,422.89)
02/10/2026	25902	ACP PUBLICATIONS & MARKETING	Name plates - C. Burton, H. Lee	(101.29)
02/10/2026	25903	BAY ALARM COMPANY	Burglar and Fire Alarm Systems - March 2026	(256.69)
02/10/2026	25904	BROWNSTEIN HYATT FARBER SCHRECK	Legal services - December 2025	(163,725.45)
02/10/2026	25905	BURRTEC WASTE INDUSTRIES, INC.	Utilities: Waste	(168.79)
02/10/2026	25906	CHEF DAVE'S CATERING & EVENT SERVICES	Board strategic planning workshop catering services	(955.88)
02/10/2026	25907	CUCAMONGA VALLEY WATER DISTRICT	Building lease - March 2026	(12,319.51)
02/10/2026	25908	DE BOOM, NATHAN		(125.00)
02/10/2026	25909	EGOSCUE LAW GROUP, INC.	OAP legal services - January 2026	(16,012.50)
02/10/2026	25910	ELIE, STEVEN		(125.00)
02/10/2026	25911	FILIPPI, GINO		(375.00)
02/10/2026	25912	FRONTIER COMMUNICATIONS	Office alarm lines, teams phones, and DIA - February 2026	(1,189.47)
02/10/2026	25913	GEYE, BRIAN		(375.00)
02/10/2026	25914	GRAPHIC DETAILS	Aerial map for San Sevaine conference room	(543.75)
02/10/2026	25915	GREAT AMERICA LEASING CORP.	Copy machine lease - January 2026	(1,044.10)
02/10/2026	25916	LINDE GAS & EQUIPMENT INC.	Groundwater quality supplies	(37.89)
02/10/2026	25917	PIERSON, JEFFREY		(2,500.00)
02/10/2026	25918	STATE COMPENSATION INSURANCE FUND	FY 26 worker's compensation insurance	(899.39)
02/10/2026	25919	VANGUARD CLEANING SYSTEMS	Cleaning service and January electrostatic spraying - February 2026	(1,220.00)
02/10/2026	25920	VELTO, BILL		(250.00)
02/10/2026	25921	VERIZON WIRELESS	Internet services for extensometer site - January 2026	(38.01)
02/10/2026	25922	ZVIRBULIS, MARTIN		(250.00)
02/17/2026	25923	CALIFORNIA BANK & TRUST	Account ending 6198 - See detail attached	(5,036.26)
02/18/2026	25924	ACWA JOINT POWERS INSURANCE AUTHORITY	Life insurance - March 2026	(308.79)
02/18/2026	25925	BURTON, CURTIS		(250.00)
02/18/2026	25926	READY REFRESH	Office water bottle rent and deliveries - February 2026	(125.18)
02/18/2026	25927	SOUTHERN CA EDISON	Utilities: Electric - Main building	(1,537.34)
02/18/2026	25928	UNITED HEALTHCARE	Dental insurance coverage - March 2026	(1,035.32)
02/18/2026	25929	VERIZON WIRELESS	Internet services for Field Ops tablets - February 2026	(239.16)
02/23/2026	ACH 2.23.2026	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Unfunded Accrued Liability-Plan 3299 - February 2026	(14,363.08)
02/23/2026	ACH 2.23.2026	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Unfunded Accrued Liability-Plan 27239 - February 2026	(379.08)
02/25/2026	25930	BURTON, CURTIS		(125.00)
02/25/2026	25931	CORELOGIC INFORMATION SOLUTIONS	Geographic package services - January 2026	(125.00)
02/25/2026	25932	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	Utilities: Water	(435.04)
02/25/2026	25933	FEENSTRA, BOB		(875.00)
02/25/2026	25934	KUHN, BOB		(625.00)
02/25/2026	25935	LEGAL SHIELD	Employee paid legal insurance - February 2026	(103.60)
02/25/2026	25936	POWERS ELECTRIC PRODUCTS CO.	Groundwater level monitoring supplies	(417.90)
02/25/2026	25937	RAUCH COMMUNICATION CONSULTANTS, INC.	Annual Report Services - January 2026	(20,252.50)
02/25/2026	25938	RON SHELLEY'S AUTOMOTIVE	Oil changes for field vehicles	(371.71)
02/25/2026	25939	SAN BERNARDINO COUNTY - DEPT. AIRPORTS	Annual rent for extensometer site	(2,291.76)
02/25/2026	25940	SOCALGAS	Utilities: Gas	(120.90)
02/25/2026	25941	STANDARD INSURANCE CO.	Disability coverage - March 2026	(628.26)
02/25/2026	25942	VC3, INC.	IT services - February 2026	(3,763.24)
02/25/2026	25943	VERIZON WIRELESS	Internet services for extensometer site - February 2026 and November 2025	(76.02)
02/25/2026	25944	WEST YOST	Engineering services - January 2026	(182,544.76)
			Total for Month	**$ (468,352.51)**

Chino Basin Watermaster
Credit Card Expense Detail
February 2026

Date	Number	Description	Expense Account	Amount
02/17/2026	25923	**CALIFORNIA BANK & TRUST**		
		Amazon - Amazon Web Services - December 2025	6052.5 IT Data Backup/Storage	(441.76)
		Parking Concepts - Meeting with WMWD - E. Tellez-Foster	6173 Airfare/Mileage	(3.00)
		Panera Bread - OPS meeting	6141.1 Meeting Supplies	(78.95)
		My NY Sports Pizza - Lunch meeting - WM, IEUA, FCD, West Yost	6141.1 Meeting Supplies	(70.90)
		Microsoft Software - Mapping and visualization software subscription	6054 Computer Software	(15.00)
		REV Subscription - Speech to text transcription services	6112 Subscriptions/Publications	(29.99)
		The Sub Station - Lunch meeting - E. Tellez-Foster, M. Gardner	6141.1 Meeting Supplies	(31.40)
		Engrave N' Embroider - Service commemorative plaque - J. Nakano	6031.7 General Office Supplies	(59.25)
		Finney's Crafthouse - Lunch meeting - T. Corbin, R. Bowcock	6141.1 Meeting Supplies	(43.66)
		TVMWD - Leadership Breakfast Registration - T. Corbin, E. Tellez-Foster, A. Nelson	6031.7 General Office Supplies	(133.56)
		El Cerrito Mexican Restaurant - Staff lunch - T. Corbin, D. Uriarte, F. Yoo	6141.1 Meeting Supplies	(94.13)
		Amazon - Decaf coffee	6031.7 General Office Supplies	(25.99)
		CalPELRA - 2026 HR membership - A. Nelson	6111 Membership Dues	(390.00)
		BambooHR - HR and payroll system - January 2026	6061.2 HRIS System	(298.99)
		Amazon - Headset	6031.7 General Office Supplies	(37.66)
		Amazon - Sparkling water variety pack	6141.1 Meeting Supplies	(25.70)
		Office Depot - Ink cartridges	6031.7 General Office Supplies	(239.18)
		CVS - Birthday and holiday cards	6031.7 General Office Supplies	(35.06)
		Smart & Final - Coffee creamers	6031.7 General Office Supplies	(14.17)
		Dollar Tree - Birthday and work anniversary balloon decorations	6031.7 General Office Supplies	(12.93)
		Costco - Office supplies	6031.7 General Office Supplies	(207.93)
		Costco - Meeting snacks and drinks	6312 Board Meeting Expenses	(371.64)
		PSHRA 2026 HR membership - A. Nelson	6111 Membership Dues	(50.00)
		BlueHost - Monthly software renewal - Standard VPN server with cPanel	6056 Website Services	(94.99)
		Amazon - Miscellaneous office supplies	6031.7 General Office Supplies	(153.47)
		Staples - Copypaper	6031.7 General Office Supplies	(265.14)
		Amazon - Farewell decorations - J. Nakano	6031.7 General Office Supplies	(78.56)
		Amazon - Carabiner badge holders	6031.7 General Office Supplies	(11.91)
		FedEx - Check delivery - Egoscue Law Group	6042 Postage - General	(15.45)
		Beard Papa - Monthly staff meeting - Dessert	6141.1 Meeting Supplies	(117.10)
		FedEx - January 2026 Board meeting package - J. Pierson, S. Elie	6042 Postage - General	(30.90)
		Amazon - Watermaster Academy continental breakfast	6141.1 Meeting Supplies	(96.92)
		Dollar Tree - Farewell balloon decorations - J. Nakano	6031.7 General Office Supplies	(8.62)
		Amazon - Emergency radios, fire extinguishers, first aid kits and supplies	6031.7 General Office Supplies	(314.09)
		Land's End - Back-ordered jacket - J. Garcia	6154 Uniforms	(47.87)
		NY Bagel Rancho - Watermaster Academy breakfast	6141.1 Meeting Supplies	(84.05)
		Engrave N' Embroider - Board member hats	6375.2 Board Workshop Expenses-Misc.	(859.94)
		Tax1099 - 1099 filings	6147 Other Admin Expenses	(134.55)
		Dollar Tree - Birthday balloon decorations - R. Favela-Quintero	6031.7 General Office Supplies	(11.85)
			Total for Month	**$ (5,036.26)**

Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2025 through February 28, 2026

(Unaudited)

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2025-2026 WITH CARRYOVER
				AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	$ 6,578,699	$ -	$ 6,578,699	$ 112,641	$ -	$ 31,000	$ -	$ 6,722,340	$ 11,453,849
Interest Revenue	-	193,240	193,240	10,839	32,796	1,892	837	239,604	368,030
Groundwater Replenishment	-	-	-	-	-	-	105,187	105,187	-
Mutual Agency Project Revenue	195,850	-	195,850	-	-	-	-	195,850	195,850
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	**6,774,548**	**193,240**	**6,967,788**	**123,480**	**32,796**	**32,892**	**106,024**	**7,262,980**	**12,017,729**
Administrative & Project Expenditures:									
Watermaster Administration	2,035,278	-	2,035,278	-	-	-	-	2,035,278	2,789,042
Watermaster Board-Advisory Committee	272,381	-	272,381	-	-	-	-	272,381	442,947
Optimum Basin Mgmt Administration	-	712,531	712,531	-	-	-	-	712,531	1,236,522
OBMP Project Costs	-	2,960,741	2,960,741	-	-	-	-	2,960,741	4,699,276
Pool Legal Services	-	-	-	22,673	133,150	935	-	156,758	-
Pool Meeting Compensation	-	-	-	-	26,625	4,625	-	31,250	-
Pool Special Projects	-	-	-	-	-	-	-	-	-
Pool Administration	-	-	-	-	-	-	-	-	411,149
Debt Service	-	565,507	565,507	-	-	-	-	565,507	2,438,793
Agricultural Expense Transfer [1]	-	-	-	159,775	(159,775)	-	-	-	-
Replenishment Water Assessments	-	-	-	-	-	-	62,834	62,834	-
Total Administrative Expenses	**2,307,660**	**4,238,779**	**6,546,438**	**182,448**	**-**	**5,560**	**62,834**	**6,797,281**	**12,017,729**
Net Ordinary Income	**4,466,889**	**(4,045,539)**	**421,350**	**(58,968)**	**32,796**	**27,332**	**43,190**	**465,700**	**-**
Other Income/(Expense)									
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Carryover Budget	-	-	-	-	-	-	-	-	553,870
Net Other Income/(Expense)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**553,870**
Net Transfers To/(From) Reserves	**$ 4,466,889**	**$ (4,045,539)**	**$ 421,350**	**$ (58,968)**	**$ 32,796**	**$ 27,332**	**$ 43,190**	**$ 465,700**	**$ 553,870**
Net Assets, July 1, 2025			9,139,181	586,974	1,468,387	79,752	42,777	11,317,071	
Refund-Excess Operating Reserves			-	-	-	-	-	-	
Net Assets, End of Period			**9,560,530**	**528,006**	**1,501,184**	**107,084**	**85,967**	**11,782,771**	
Pool Assessments Outstanding				(4,422)	(586,852)	(632)			
Pool Fund Balance				**$ 523,584**	**$ 914,331**	**$ 106,452**			

[1] Fund balance transfer pursuant to Peace Agreement § 5.4(a)

Chino Basin Watermaster

Treasurer's Report

February 2026

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	3.87%	$ 687,675	$ 689,175	5.5%
CA CLASS Prime Fund **	Investment	3.74%	9,391,468	9,393,005	74.8%
CA CLASS Pool Restricted Funds **	Investment	3.74%	1,544,367	1,544,620	12.3%
Bank of America	Checking		927,535	927,535	7.4%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			**$ 12,551,045**	**$ 12,554,335**	**100.0%**

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

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

Certification

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

Anna Nelson, Director of Administration

Prepared By:
Daniela Uriarte, Senior Accountant

Chino Basin Watermaster
Budget to Actual
For the Period July 1, 2025 to February 28, 2026
(Unaudited)

		February 2026	YTD Actual	FY 25 Carryover Budget	FY 26 Adopted Budget	$ Over / (Under) Budget	% of Budget
1	**Administration Revenue**						
2	Local Agency Subsidies	$ -	$ 195,850	$ -	$ 195,850	$ -	100%
3	Admin Assessments-Appropriative Pool	-	6,426,042	-	11,131,622	(4,705,580)	58%
4	Admin Assessments-Non-Ag Pool	-	152,657	-	322,227	(169,570)	47%
5	**Total Administration Revenue**	**-**	**6,774,548**	**-**	**11,649,699**	**(4,875,151)**	**58%**
6	**Other Revenue**						
7	Appropriative Pool-Replenishment	-	81,011	-	-	81,011	N/A
8	Non-Ag Pool-Replenishment	-	24,176	-	-	24,176	N/A
9	Interest Income	19,205	193,240	-	368,030	(174,790)	53%
10	Miscellaneous Income	-	-	-	-	-	N/A
11	**Total Other Revenue**	**19,205**	**298,427**	**-**	**368,030**	**(69,603)**	**81%**
12	**Total Revenue**	**19,205**	**7,072,975**	**-**	**12,017,729**	**(4,944,754)**	**59%**
13	**Judgment Administration Expense**						
14	Judgment Administration	47,235	454,640	14,344	910,511	(470,215)	49%
15	Admin. Salary/Benefit Costs	65,593	741,791	-	1,127,840	(386,049)	66%
16	Office Building Expense	15,983	160,315	-	228,535	(68,220)	70%
17	Office Supplies & Equip.	587	20,931	10,038	35,750	(24,857)	46%
18	Postage & Printing Costs	1,102	10,358	-	27,190	(16,832)	38%
19	Information Services	5,957	54,831	-	224,400	(169,569)	24%
20	Contract Services	21,718	51,140	-	103,950	(52,810)	49%
21	Watermaster Legal Services	71,823	520,902	-	346,011	174,891	151%
22	Insurance	-	65,894	-	55,000	10,894	120%
23	Dues and Subscriptions	75	38,437	-	40,900	(2,463)	94%
24	Watermaster Administrative Expenses	618	6,627	-	9,630	(3,003)	69%
25	Field Supplies	-	2,110	-	3,900	(1,790)	54%
26	Travel & Transportation	1,752	14,932	-	35,600	(20,668)	42%
27	Training, Conferences, Seminars	2,465	17,797	-	43,500	(25,703)	41%
28	Advisory Committee Expenses	8,297	63,368	-	111,785	(48,417)	57%
29	Watermaster Board Expenses	47,481	209,013	-	331,162	(122,149)	63%
30	ONAP - WM & Administration	5,351	42,429	-	123,585	(81,156)	34%
31	OAP - WM & Administration	6,987	53,964	-	140,528	(86,564)	38%
32	Appropriative Pool- WM & Administration	12,755	95,351	-	147,036	(51,685)	65%
33	Allocated G&A Expenditures	(36,966)	(317,170)	-	(403,675)	86,505	79%
34	**Total Judgment Administration Expense**	**278,814**	**2,307,660**	**24,382**	**3,643,138**	**(1,359,860)**	**63%**
35	**Optimum Basin Management Plan (OBMP)**						
36	Optimum Basin Management Plan	85,924	712,531	59,443	1,236,522	(583,434)	55%
37	Groundwater Quality Monitoring	-	1,636	-	4,500	(2,864)	36%
38	Groundwater Level Monitoring	34,103	357,891	15,800	500,880	(158,789)	69%
39	Program Element (PE)2- Comp Recharge	22,998	1,051,657	55,000	1,968,267	(971,610)	52%
40	PE3&5-Water Supply/Desalte	12,825	81,564	9,100	173,320	(100,856)	45%
41	PE4- Management Plan	22,836	312,216	124,788	604,076	(416,648)	43%
42	PE6&7-CoopEfforts/SaltMgmt	18,419	307,753	96,394	772,078	(560,718)	35%
43	PE8&9-StorageMgmt/Conj Use	95,689	530,853	168,963	272,480	89,410	120%
44	Recharge Improvements	-	565,507	-	2,438,793	(1,873,286)	23%
45	Administration Expenses Allocated-OBMP	10,843	92,449	-	139,094	(46,645)	66%
46	Administration Expenses Allocated-PE 1-9	26,122	224,720	-	264,581	(39,861)	85%
47	**Total OBMP Expense**	**329,761**	**4,238,779**	**529,488**	**8,374,591**	**(4,665,300)**	**48%**
48	**Other Expense**						
49	Groundwater Replenishment	-	62,834	-	42,777	20,058	147%
50	Other Expenses	-	-	-	-	-	N/A
51	**Total Other Expense**	**-**	**62,834**	**-**	**42,777**	**20,058**	**147%**
52	**Total Expenses**	**608,574**	**6,609,273**	**553,870**	**12,060,506**	**(6,005,103)**	**52%**
53	**Increase / (Decrease) to Reserves**	**$ (589,369)**	**$ 463,702**		**$ (42,777)**	**$ 506,479**	

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 26 amended budget and FY 25 carryover budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of February 28th, the target budget percentage is generally 67%.

Revenues

Lines 1-5 Administration Revenue – Includes local agency subsidies and administrative assessment for the Appropriative, Agricultural and Non-Agricultural Pools.

- Line 2 Local Agency Subsidies includes the annual Dry Year Yield (DYY) administrative fee received. This account is at 100% of budget due to the timing of payment.

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

Expenses

Lines 13-34 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 Office Building Expense includes office lease, telephone, utilities, repair and maintenance, and building interior renovation costs. The account is at 70% of budget due to the timing of the office lease payment.
- Line 21 Watermaster Legal Services includes outside legal counsel expenses. The account is over budget due to increased administration matters and court coordination not originally anticipated in the budget.
- Line 22 Insurance includes general liability insurance, directors' and officers' liability, umbrella coverage, environmental pollution liability and other various insurance policies. The account is over budget due to an unanticipated increase in the cost of Municipalities Umbrella coverage, as well as the implementation of a Cyber insurance policy that was not included in the original budget.
- Line 23 Dues and Subscriptions include annual dues for ACWA, CA Groundwater Coalition, SHRM, and other miscellaneous subscriptions. The account is at 94% of budget due to the timing of subscription renewals.

Lines 35-47 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.

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 Thomas Harder & Company 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 February 28, 2026 (continued next page):

Fund Balance For Non-Agricultural Pool **Account 8567 - Legal Services**		
Beginning Balance July 1, 2025:	$	77,376.71
Additions:		
Interest Earnings		1,891.94
Payments received on ONAP Assessment invoices issued 11/25/25		24,490.40
Subtotal Additions:		26,382.34
Reductions:		
Invoices paid July 2025 - February 2026		(935.00)
Subtotal Reductions:		(935.00)
Available Fund Balance as of February 28, 2026	**$**	**102,824.05**

Fund Balance For Appropriative Pool **Account 8367 - Legal Services**		
Beginning Balance July 1, 2025:	$	224,225.46
Additions:		
Interest Earnings		10,839.14
Payments received on AP Assessment invoices issued 11/17/22		81,892.83
Payments received on appellant share of Post-TOA legal fees		112,640.87
Subtotal Additions:		205,372.84
Reductions:		
Invoices paid July 2025 - February 2026		(22,673.00)
Budget Transfer[1]		(25,000.00)
Subtotal Reductions:		(47,673.00)
Available Fund Balance as of February 28, 2026	**$**	**381,925.30**

**Transfer of funds issued to OAP meeting stipends per AP Chair direction.*

Fund Balance For Non-Agricultural Pool **Account 8511 - Meeting Compensation**		
Beginning Balance July 1, 2025:	$	2,375.00
Additions:		
Payments received on ONAP Assessment invoices issued 11/25/25		5,877.70
Subtotal Additions:		5,877.70
Reductions:		
Compensation paid July 2025 - February 2026		(4,625.00)
Subtotal Reductions:		(4,625.00)
Available Fund Balance as of February 28, 2026	**$**	**3,627.70**

Fund Balance For Appropriative Pool **Account 8368 - Tom Harder Contract**		
Beginning Balance July 1, 2025:	$	20,577.61
Additions:		
Subtotal Additions:		-
Reductions:		
Invoices paid July 2025 - February 2026		-
Subtotal Reductions:		-
Available Fund Balance as of February 28, 2026	**$**	**20,577.61**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to February 28, 2026
(Unaudited)

Pool Services Fund Accounting – Cont.

Fund Balance for Agricultural Pool **Account 8467 - Legal Services (Held by AP)**		
Beginning Balance July 1, 2025:	$	225,597.51
Reductions:		
Invoices paid July 2025 - February 2026		(133,150.00)
Subtotal Reductions:		(133,150.00)
Available Fund Balance as of February 28, 2026	**$**	**92,447.51**

Agricultural Pool Reserve Funds **As shown on the Combining Schedules**		
Beginning Balance July 1, 2025:	$	881,534.98
Additions:		
YTD Interest earned on Ag Pool Funds FY 26		32,796.34
Transfer of Funds from AP to Special Fund for Legal Service Invoices		133,150.00
Total Additions:		165,946.34
Reductions:		
Legal service invoices paid July 2025 - February 2026		(133,150.00)
Subtotal Reductions:		(133,150.00)
Agricultural Pool Reserve Funds Balance as of February 28, 2026:	**$**	**914,331.32**

Fund Balance For Agricultural Pool **Account 8470 - Meeting Compensation (Held by AP)**		
Beginning Balance July 1, 2025:	$	18,069.65
Additions:		
Budget Transfer[1]		25,000.00
Subtotal Additions:		25,000.00
Reductions:		
Compensation paid July 2025 - February 2026		(26,625.00)
Subtotal Reductions:		(26,625.00)
Available Fund Balance as of February 28, 2026	**$**	**16,444.65** *

**Transfer of funds issued from AP legal services per AP Chair direction.*

Fund Balance For Agricultural Pool **Account 8471 - Special Projects (Held by AP)**		
Beginning Balance July 1, 2025:	$	12,189.00
Reductions:		
Invoices paid July 2025 - February 2026		-
Subtotal Reductions:		-
Available Fund Balance as of February 28, 2026	**$**	**12,189.00**

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened salary costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of February 28th, the target budget percentage is generally 67%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	76,351	74,466	1,885	102.5%
5901.3 · Judgment Admin - Field Work	594	14,357	(13,763)	4.1%
5901.5 · Judgment Admin - General	5,857	55,535	(49,678)	10.5%
5901.7 · Judgment Admin - Meeting	34,207	45,648	(11,441)	74.9%
5901.9 · Judgment Admin - Reporting	3,481	21,742	(18,261)	16.0%
5910 · Judgment Admin - Court Coord./Attendance	5,487	28,837	(23,350)	19.0%
5911 · Judgment Admin - Exhibit G	876	6,396	(5,520)	13.7%
5921 · Judgment Admin - Production Monitoring	-	9,471	(9,471)	0.0%
5931 · Judgment Admin - Recharge Applications	2,343	33,092	(30,749)	7.1%
5941 · Judgment Admin - Reporting	1,155	44,602	(43,447)	2.6%
5951 · Judgment Admin - Rules & Regs	-	11,350	(11,350)	0.0%
5961 · Judgment Admin - Safe Yield	67,597	106,006	(38,409)	63.8%
5971 · Judgment Admin - Storage Agreements	4,215	20,671	(16,456)	20.4%
5981 · Judgment Admin - Water Accounting/Database	74,679	112,036	(37,357)	66.7%
5991 · Judgment Admin - Water Transactions	8,283	13,062	(4,779)	63.4%
6011.11 · WM Staff - Overtime	5,308	18,000	(12,692)	29.5%
6011.10 · Admin - Accounting	175,978	280,410	(104,432)	62.8%
6011.15 · Admin - Building Admin	9,872	31,040	(21,168)	31.8%
6011.20 · Admin - Conference/Seminars	32,973	50,660	(17,687)	65.1%
6011.25 · Admin - Document Review	69,149	54,110	15,039	127.8%
6011.50 · Admin - General	184,891	278,870	(93,979)	66.3%
6011.60 · Admin - HR	39,446	100,980	(61,534)	39.1%
6011.70 · Admin - IT	45,225	72,830	(27,605)	62.1%
6011.80 · Admin - Meeting	90,143	93,640	(3,497)	96.3%
6011.90 · Admin - Team Building	15,070	33,490	(18,420)	45.0%
6011.95 · Admin - Training (Give/Receive)	33,819	79,580	(45,761)	42.5%
6017· Temporary Services	-	28,250	(28,250)	0.0%
6201 · Advisory Committee	30,441	61,397	(30,956)	49.6%
6301 · Watermaster Board	69,433	101,669	(32,236)	68.3%
8301 · Appropriative Pool	63,087	89,707	(26,620)	70.3%
8401 · Agricultural Pool	27,454	83,199	(55,745)	33.0%
8501 · Non-Agricultural Pool	19,038	66,256	(47,218)	28.7%
6901.1 · OBMP - Document Review	34,714	50,364	(15,650)	68.9%
6901.3 · OBMP - Field Work	2,116	9,471	(7,355)	22.3%
6901.5 · OBMP - General	40,408	52,005	(11,597)	77.7%
6901.7 · OBMP - Meeting	38,606	33,487	5,119	115.3%
6901.9 · OBMP - Reporting	4,836	39,176	(34,340)	12.3%
7104.1 · PE1 - Monitoring Program	161,593	166,708	(5,115)	96.9%
7201 · PE2 - Comprehensive Recharge	70,812	49,649	21,163	142.6%
7301 · PE3&5 - Water Supply/Desalter	-	19,189	(19,189)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm.	576	16,759	(16,183)	3.4%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	182	25,595	(25,413)	0.7%
7501 · PE6 - Coop. Programs/Salt Mgmt.	11,881	22,984	(11,103)	51.7%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	594	16,786	(16,192)	3.5%
7601 · PE8&9 - Storage Mgmt./Recovery	47,692	33,288	14,404	143.3%
Subtotal WM Staff Costs	**1,611,372**	**2,656,820**	**(1,045,448)**	**61%**
60184.1 · Administrative Leave	5,997	-	5,997	100.0%
60185 · Vacation	76,541	110,082	(33,541)	69.5%
60185.1 · Comp Time	6,710	-	6,710	100.0%
60186 · Sick Leave	48,525	81,688	(33,163)	59.4%
60187 · Holidays	68,995	102,102	(33,107)	67.6%
Subtotal WM Paid Leaves	**206,767**	**293,872**	**(87,105)**	**70%**
Total WM Salary Costs	**1,818,139**	**2,950,692**	**(1,132,553)**	**61.6%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to February 28, 2026
(Unaudited)

Engineering

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of February 28th, the target budget percentage is generally 67%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · Judgment Admin - Meetings-Engineering Services	$ -	$ 38,909	$ (38,909)	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	75,128	109,124	(33,997)	68.8%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	37,301	56,483	(19,182)	66.0%
5925 · Judgment Admin - Ag Production & Estimation	25,757	31,992	(6,235)	80.5%
5935 · Judgment Admin - Mat'l Physical Injury Requests	2,639	41,668	(39,029)	6.3%
5945 · Judgment Admin - WM Annual Report Preparation	12,260	17,762	(5,502)	69.0%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	16,431	17,302	(872)	95.0%
6206 · Advisory Committee Meetings-WY Staff	14,099	22,624	(8,525)	62.3%
6306 · Watermaster Board Meetings-WY Staff	19,010	22,624	(3,614)	84.0%
8306 · Appropriative Pool Meetings-WY Staff	18,178	22,624	(4,446)	80.3%
8406 · Agricultural Pool Meetings-WY Staff	13,083	22,624	(9,541)	57.8%
8506 · Non-Agricultural Pool Meetings-WY Staff	9,305	22,624	(13,319)	41.1%
6901.8 · OBMP - Meetings-WY Staff	34,280	38,909	(4,629)	88.1%
6901.95 · OBMP - Reporting-WY Staff	64,394	66,832	(2,439)	96.4%
6906 · OBMP Engineering Services - Other	47,400	65,810	(18,410)	72.0%
6906.1 · OBMP Watermaster Model Update	41,706	8,176	33,530	510.1%
7104.3 · Grdwtr Level-Engineering	180,769	274,794	(94,025)	65.8%
7104.8 · Grdwtr Level-Contracted Services	6,246	29,128	(22,882)	21.4%
7104.9 · Grdwtr Level-Capital Equipment	5,063	19,000	(13,937)	26.6%
7202 · PE2-Comp Recharge-Engineering Services	7,831	23,350	(15,519)	33.5%
7202.2 · PE2-Comp Recharge-Engineering Services	111,471	181,496	(70,025)	61.4%
7302 · PE3&5-PBHSP Monitoring Program	56,240	77,792	(21,552)	72.3%
7303 · PE3&5-Engineering - Other	8,425	21,080	(12,655)	40.0%
7306 · PE3&5-Engineering - Outside Professionals	16,324	31,500	(15,176)	51.8%
7402 · PE4-Engineering	124,850	301,531	(176,681)	41.4%
7402.10 · PE4-Northwest MZ1 Area Project	156,167	169,378	(13,211)	92.2%
7403 · PE4-Eng. Services-Contracted Services-InSar	23,277	28,600	(5,324)	81.4%
7406 · PE4-Engineering Services-Outside Professionals	-	55,155	(55,155)	0.0%
7408 · PE4-Engineering Services-Network Equipment	5,144	19,107	(13,963)	26.9%
7502 · PE6&7-Engineering	192,932	365,564	(172,632)	52.8%
7502.2 · PE7-Groundwtr Quality Model	1,579	70,216	(68,638)	2.2%
7505 · PE6&7-Laboratory Services	36,311	41,300	(4,989)	87.9%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	14,020	9,522	4,498	147.2%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	21,686	28,022	(6,336)	77.4%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	28,751	28,434	317	101.1%
7520 · Preparation of Water Quality Mgmt. Plan	-	39,250	(39,250)	0.0%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	21,720	(21,720)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	483,161	79,656	403,505	606.6%
7615 · PE8&9-Develop 2025 Storage Plan	-	137,816	(137,816)	0.0%
Total Engineering Services Costs	**$ 1,911,214**	**$ 2,659,500**	**$ (748,284)**	**71.9%**

* West Yost and Subcontractor Engineering Budget of $2,659,500 plus Carryover Funds from FY 2024/25 of $508,838

Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses and costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of February 28th, the target budget percentage is generally 67%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	$ 315,073	$ 76,000	$ 239,073	414.6%
6072 · BHFS Legal - Rules & Regulations	-	10,495	(10,495)	0.0%
6073 · BHFS Legal - Personnel Matters	39,574	28,150	11,424	140.6%
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)	166,254	177,240	(10,986)	93.8%
Total 6070 · Watermaster Legal Services	**520,902**	**346,011**	**174,891**	**150.5%**
6275 · BHFS Legal - Advisory Committee	18,828	27,764	(8,936)	67.8%
6375 · BHFS Legal - Board Meeting	87,021	88,704	(1,683)	98.1%
6375.1 · BHFS Legal - Board Workshop(s)	-	29,215	(29,215)	0.0%
8375 · BHFS Legal - Appropriative Pool	14,086	34,705	(20,619)	40.6%
8475 · BHFS Legal - Agricultural Pool	13,426	34,705	(21,279)	38.7%
8575 · BHFS Legal - Non-Ag Pool	14,086	34,705	(20,619)	40.6%
Total BHFS Legal Services	**147,447**	**249,798**	**(102,351)**	**59.0%**
6907.3 · WM Legal Counsel				
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	8,157	21,405	(13,248)	38.1%
6907.38 · Reg. Water Quality Cntrl Board	-	63,200	(63,200)	0.0%
6907.39 · Recharge Master Plan	8,948	14,270	(5,322)	62.7%
6907.41 · Prado Basin Habitat Sustainability	-	10,290	(10,290)	0.0%
6907.44 · SGMA Compliance	-	10,290	(10,290)	0.0%
6907.45 · OBMP Update	8,799	177,240	(168,441)	5.0%
6907.47 · 2020 Safe Yield Reset	28,353	151,180	(122,827)	18.8%
6907.50 · San Sevaine Basin Discharge - State Court	-	54,130	(54,130)	0.0%
6907.51 · San Sevaine Basin Discharge CWA Litigatio	339,775	150,440	189,335	225.9%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · WM Legal Counsel	**394,032**	**755,140**	**(361,108)**	**52.2%**
Total Brownstein, Hyatt, Farber, Schreck Costs	**$ 1,062,381**	**$ 1,350,949**	**$ (288,568)**	**78.6%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to February 28, 2026
(Unaudited)

Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of February 28th, the target budget percentage is generally 67%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	$ 34,714	$ 50,364	$ (15,650)	68.9%
6901.3 · OBMP - Field Work-WM Staff	2,116	9,471	(7,355)	22.3%
6901.5 · OBMP - General-WM Staff	40,408	52,005	(11,597)	77.7%
6901.7 · OBMP - Meeting-WM Staff	38,606	33,487	5,119	115.3%
6901.8 · OBMP - Meeting-West Yost	34,280	38,909	(4,629)	88.1%
6901.9 · OBMP - Reporting-WM Staff	4,836	39,176	(34,340)	12.3%
6901.95 · OBMP - Reporting-West Yost	64,394	66,832	(2,439)	96.4%
Total 6901 · OBMP WM and West Yost Staff	**219,354**	**290,244**	**(70,890)**	**75.6%**
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	7,608	18,952	(11,344)	40.1%
Total 6903 · OBMP - SAWPA	**7,608**	**18,952**	**(11,344)**	**40.1%**
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	41,706	8,176	33,530	510.1%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	47,400	65,810	(18,410)	72.0%
Total 6906 · OBMP Engineering Services	**89,106**	**73,986**	**15,120**	**120.4%**
6907 · OBMP Legal Fees				
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	8,157	21,405	(13,248)	38.1%
6907.36 · Santa Ana River Habitat	-	-	-	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	63,200	(63,200)	0.0%
6907.39 · Recharge Master Plan	8,948	14,270	(5,322)	62.7%
6907.41 · Prado Basin Habitat Sustainability	-	10,290	(10,290)	0.0%
6907.44 · SGMA Compliance	-	10,290	(10,290)	0.0%
6907.45 · OBMP Update	8,799	177,240	(168,441)	5.0%
6907.47 · 2020 Safe Yield Reset	28,353	151,180	(122,827)	18.8%
6907.50 · San Sevaine Basin Discharge - State	-	54,130	(54,130)	0.0%
6907.51 · San Sevaine Basin Discharge CWA	339,775	150,440	189,335	225.9%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · OBMP Legal Fees	**394,032**	**755,140**	**(361,108)**	**52.2%**
6909 · OBMP Other Expenses				
6909.6 · OBMP Expenses - Miscellaneous	-	96,000	(96,000)	0.0%
Total 6909 · OBMP Other Expenses	**-**	**98,200**	**(98,200)**	**0.0%**
Total 6900 · Optimum Basin Mgmt Plan	**$ 710,100**	**$ 1,236,522**	**$ (526,422)**	**57.4%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to February 28, 2026
(Unaudited)

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of February 28th, the target budget percentage is generally 67%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	$ 76,351	$ 74,466	$ 1,885	102.5%
5901.3 · Admin-Field Work-WM Staff	594	14,357	(13,763)	4.1%
5901.5 · Admin-General-WM Staff	5,857	55,535	(49,678)	10.5%
5901.7 · Admin-Meeting-WM Staff	34,207	45,648	(11,441)	74.9%
5901.8 · Admin-Meeting - West Yost	-	38,909	(38,909)	0.0%
5901.9 · Admin-Reporting-WM Staff	3,481	21,742	(18,261)	16.0%
Total 5901 · Admin-WM Staff	**120,491**	**250,657**	**(130,166)**	**48.1%**
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	75,128	109,124	(33,997)	68.8%
5906.72 · Admin-Data Req-Non CBWM Staff	37,301	56,483	(19,182)	66.0%
5910 · Court Coordination/Attend-WM	5,487	28,837	(23,350)	19.0%
5911 · Exhibit G-WM Staff	876	6,396	(5,520)	13.7%
5921 · Production Monitoring-WM Staff	-	9,471	(9,471)	0.0%
5925 · Ag Prod & Estimation-West Yost	25,757	31,992	(6,235)	80.5%
5931 · Recharge Applications-WM Staff	2,343	33,092	(30,749)	7.1%
5935 · Admin-Mat'l Phy Inj Requests	2,639	41,668	(39,029)	6.3%
5941 · Reporting-WM Staff	1,155	44,602	(43,447)	2.6%
5945 · WM Annual Report Prep-West Yost	12,260	17,762	(5,502)	69.0%
5951 · Rules & Regs-WM Staff	-	11,350	(11,350)	0.0%
5961 · Safe Yield-WM Staff	67,597	106,006	(38,409)	63.8%
5965 · Support Data Collect-West Yost	16,431	17,302	(872)	95.0%
5971 · Storage Agreements-WM Staff	4,215	20,671	(16,456)	20.4%
5981 · Water Acct/Database-WM Staff	74,679	112,036	(37,357)	66.7%
5991 · Water Transactions-WM Staff	8,283	13,062	(4,779)	63.4%
Total 5900 · Judgment Admin Other Expenses	**334,149**	**659,854**	**(325,705)**	**50.6%**
Total 5900 · Judgment Administration	**$ 454,640**	**$ 910,511**	**$ (455,871)**	**49.9%**

"Carry Over" Funding:

The "Carry Over" funding was calculated at the start of FY 26. The Total "Carry Over" funding amount of $553,870 has been posted to the general ledger accounts. The total amount consisted of $508,838 from Engineering Services, $34,994 from OBMP Activities, and $10,038 from Administration Services. More detailed information is provided on the table below.

Carry Over Budget Detail FY 2025/26

Account	Description	Amount	Fiscal Year	Type
6038	Other Office Equipment - Boardroom Upgrades	$ 10,038	FY 2020/21	ADMIN
7545	Meter Installation - New Meter Installation, Calibration and Testing	34,994	FY 2018/19	OBMP
5925	Agriculture Production and Estimation	4,344	FY 2024/25	ENG
5965	Support for Implementation of Improved Data Collection and Management Process	10,000	FY 2024/25	ENG
6906.1	Watermaster Model Application and Required Demonstrations	59,443	FY 2024/25	ENG
7104.3	Groundwater Level Monitoring Program	15,800	FY 2024/25	ENG
7202.2	Comprehensive Recharge Program	55,000	FY 2024/25	ENG
7302	PBHSP Monitoring Program- 50% IEUA Cost Share	9,100	FY 2024/25	ENG
7402.1	PE4/MZ-1: Subsidence Management Plan for Northwest MZ-1	124,788	FY 2024/25	ENG
7502	Groundwater Quality Monitoring and Reporting Program and as-needed Consulting	41,400	FY 2024/25	ENG
7517	Implementation of Chino Creek Monitoring Program - IEUA Cost Share	20,000	FY 2024/25	ENG
7614	Support Implementation of the Safe Yield Court Order	168,963	FY 2024/25	ENG
Total Carryover Budget		**$ 553,870**		

Chino Basin Watermaster
Cash Disbursements
March 2026

Date	Number	Vendor Name	Description	Amount
03/06/2026	ACH 3.6.2026	CALPERS	Medical insurance premiums - March 2026	$ (15,439.04)
03/09/2026	25945	ACWA JOINT POWERS INSURANCE AUTHORITY	Life insurance - April 2026	(229.86)
03/09/2026	25946	BAY ALARM COMPANY	Burglar and Fire Alarm Systems - April 2026	(256.69)
03/09/2026	25947	BURRTEC WASTE INDUSTRIES, INC.	Utilities: Waste	(168.79)
03/09/2026	25948	DE BOOM, NATHAN		(125.00)
03/09/2026	25949	EIDE BAILLY LLP	Accounting Services - February 2026	(1,411.05)
03/09/2026	25950	ELIE, STEVEN		(125.00)
03/09/2026	25951	FILIPPI, GINO		(375.00)
03/09/2026	25952	FRONTIER COMMUNICATIONS	Office alarm lines, teams phones, and DIA - March 2026	(1,189.47)
03/09/2026	25953	GEYE, BRIAN		(625.00)
03/09/2026	25954	GREAT AMERICA LEASING CORP.	Copy machine lease - February 2026	(1,044.10)
03/09/2026	25955	RUBEN LLAMAS		(125.00)
03/09/2026	25956	SAN BERNARDINO COUNTY FLOOD CONTROL DIST	Flood control annual permits - San Sevaine and Cucamonga channels	(2,431.00)
03/09/2026	25957	SOUTHERN CALIFORNIA EDISON	Utilities: Electric - Annex	(188.22)
03/09/2026	25958	UNION 76	Fuel purchases - February 2026	(144.17)
03/09/2026	25959	VANGUARD CLEANING SYSTEMS	Cleaning services - March 2026	(1,000.00)
03/09/2026	25960	VELTO, BILL		(500.00)
03/09/2026	25961	VISION SERVICE PLAN	Vision insurance premiums - March 2026	(79.21)
03/09/2026	25962	WAXIE SANITARY SUPPLY	Office suplies	(229.44)
03/09/2026	25963	ZVIRBULIS, MARTIN		(500.00)
03/10/2026	25965	CHEF DAVE'S CATERING & EVENT SERVICES	Board meeting catering services - February 2026	(573.36)
03/10/2026	25966	EGOSCUE LAW GROUP, INC.	OAP Legal Services - February 2026	(19,862.50)
03/10/2026	25967	ESRI	Annual enterprise agreement fee software/maintenance	(5,300.00)
03/10/2026	25968	READY REFRESH	Office water bottle rent and deliveries - March 2026	(45.23)
03/10/2026	25969	STATE COMPENSATION INSURANCE FUND	FY 26 worker's compensation insurance	(2,265.50)
03/10/2026	25970	VANGUARD CLEANING SYSTEMS	Electrostatic spraying - February 2026	(220.00)
03/18/2026	25971	BROWNSTEIN HYATT FARBER SCHRECK	Legal services - January 2026	(197,170.85)
03/18/2026	25972	CALIFORNIA BANK & TRUST	Account ending 6198 - See detail attached	(5,539.11)
03/18/2026	25973	CLARK PEST CONTROL	Bi-monthly pest control service	(104.00)
03/18/2026	25974	CORELOGIC INFORMATION SOLUTIONS	Geographic package services - February 2026	(125.00)
03/18/2026	25975	CUCAMONGA VALLEY WATER DISTRICT	Building lease - April 2026	(12,319.51)
03/18/2026	25976	LEGAL SHIELD	Employee paid legal insurance - March 2026	(103.60)
03/18/2026	25977	PITNEY BOWES GLOBAL FINANCIAL SVCS.	Lease property tax and admin fee 2026	(29.80)
03/18/2026	25979	SOUTHERN CA EDISON	Utilities: Electric - Main building	(1,392.34)
03/18/2026	25980	TELLEZ-FOSTER, EDGAR	Reimbursement: Toll road fees	(66.37)
03/18/2026	25981	UNITED HEALTHCARE	Dental insurance coverage - April 2026	(1,250.26)
03/18/2026	25982	VERIZON WIRELESS	Internet services for Field Ops tablets - March 2026	(239.16)
03/23/2026	ACH 3.23.26	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 3299 - March 2026	(14,363.08)
03/23/2026	ACH 3.23.26	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Annual Unfunded Accrued Liability-Plan 27239 - March 2026	(379.08)
			Total for Month	**$ (287,534.79)**

Chino Basin Watermaster
Credit Card Expense Detail
March 2026

Date	Number	Description	Expense Account	Amount
03/18/2026	25972	**CALIFORNIA BANK & TRUST**		
		Avenue of the Arts - 2026 ACWA JPIA Leadership Academy - Dinner - E. Tellez-Foster	6191 Conferences - General	(47.02)
		The Toll Roads - Toll fees for West Yost meetings - 01/30/26 & 02/02/26	6173 Airfare/Mileage	(6.80)
		Avenue of the Arts - 2026 ACWA JPIA Leadership Academy - Lodging - E. Tellez-Foster	6191 Conferences - General	(567.04)
		Amazon - Amazon Web Services - January 2026	6052.5 IT Data Backup/Storage	(847.63)
		IHop - 2026 Salinity Conference - Lunch - E. Tellez-Foster	6191 Conferences - General	(38.50)
		Elderwood - 2026 Salinity Conference - Dinner - E. Tellez-Foster	6191 Conferences - General	(67.59)
		The Darling Hotel - 2026 Salinity Conference - Lodging - E. Tellez-Foster	6191 Conferences - General	(200.48)
		ACWA 2026 Spring Conference - Registration - E. Tellez-Foster	6191 Conferences - General	(999.00)
		The Avocado House - Lunch meeting - E. Tellez-Foster, IEUA	6141.1 Meeting Supplies	(40.28)
		Working Genius - Assessments - OPS Team	6193 Employee Training	(125.00)
		IHop - Breakfast meeting - E. Tellez-Foster, CVWD	6141.1 Meeting Supplies	(46.12)
		Microsoft Software - Mapping and visualization software subscription	6054 Computer Software	(15.00)
		The Deli - Lunch meeting - E. Tellez-Foster, IEUA	6141.1 Meeting Supplies	(37.06)
		REV Subscription - Speech to text transcription services	6112 Subscriptions/Publications	(29.99)
		Riverside Office - Regional Board meeting - Garage Parking - E. Tellez-Foster	6173 Airfare/Mileage	(1.25)
		The State - Lunch meeting - E. Tellez-Foster, Regional Board	6141.1 Meeting Supplies	(23.03)
		Eureka - Lunch meeting - T. Corbin, C. Diggs	6141.1 Meeting Supplies	(61.50)
		BJ's restaurant - Lunch meeting - T. Corbin, M. Zvirbulis	6141.1 Meeting Supplies	(43.29)
		Mimi's Bistro - Lunch meeting - T. Corbin, E. Tellez-Foster	6141.1 Meeting Supplies	(55.67)
		Residence Inn - PSHRA-SC 2026 Annual Training Conference - Lodging - A. Nelson	6191 Conferences - General	(264.98)
		PSHRA-SC 2026 Annual Training Conference - Registration - A. Nelson	6191 Conferences - General	(155.00)
		Amazon - Batteries and Pens	6031.7 General Office Supplies	(94.21)
		Albertsons - 2026 Board Strategic Planning Workshop - Meeting supplies	6375.2 Board Workshop Expenses-Misc.	(148.19)
		Amazon - 2026 Board Strategic Planning Workshop - Meeting supplies	6375.2 Board Workshop Expenses-Misc.	(46.08)
		BambooHR - HR and payroll system - February 2026	6061.2 HRIS System	(296.44)
		Amazon - Rubber leg tips	6031.7 General Office Supplies	(9.84)
		Edible.com - Get well soon arrangement - R. Favela-Quintero	6031.7 General Office Supplies	(80.59)
		USPS - February 2026 Pools meeting packages	6042 Postage - General	(36.90)
		Amazon - Decaf coffee	6031.7 General Office Supplies	(19.99)
		1-800 Flowers - Flower arrangement - E. Ulloa	6031.7 General Office Supplies	(118.52)
		Costco - Office supplies	6031.7 General Office Supplies	(80.36)
		Costco - Meeting snacks and drinks	6312 Board Meeting Expenses	(405.95)
		Amazon - Sparkling water variety pack	6141.1 Meeting Supplies	(24.76)
		BlueHost - Monthly software renewal - Standard VPN server with cPanel	6056 Website Services	(94.99)
		Aloha Kona Hawaiian - Team Lunch - A. Nelson, F. Yoo, J. Garcia, E. Vides, K. Dolar	6141.1 Meeting Supplies	(79.47)
		IE PSHRA - HR Subscription - 2026 annual dues	6111 Membership Dues	(45.00)
		Amazon - Refrigerator door handle	6031.7 General Office Supplies	(23.59)
		FedEx - February 2026 Board meeting package - J. Pierson, S. Elie	6042 Postage - General	(20.50)
		Smart & Final - Coffeemate creamers	6031.7 General Office Supplies	(14.07)
		Smart & Final - Meeting drinks	6141.1 Meeting Supplies	(54.57)
		Albertsons - February 2026 WM Academy - Meeting supplies	6141.1 Meeting Supplies	(57.10)
		Amazon - Laminating sheets, batteries	6031.7 General Office Supplies	(20.22)
		NY Bagel - February 2026 WM Academy - Meeting supplies	6141.1 Meeting Supplies	(95.54)
			Total for Month	**$ (5,539.11)**

Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2025 through March 31, 2026

(Unaudited)

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2025-2026 WITH CARRYOVER
				AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	$ 6,578,699	$ -	$ 6,578,699	$ 112,641	$ -	$ 31,000	$ -	$ 6,722,340	$ 11,453,849
Interest Revenue	-	220,755	220,755	12,083	36,792	2,179	1,066	272,874	368,030
Groundwater Replenishment	-	-	-	-	-	-	105,187	105,187	-
Mutual Agency Project Revenue	195,850	-	195,850	-	-	-	-	195,850	195,850
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	**6,774,548**	**220,755**	**6,995,303**	**124,724**	**36,792**	**33,179**	**106,253**	**7,296,250**	**12,017,729**
Administrative & Project Expenditures:									
Watermaster Administration	2,280,729	-	2,280,729	-	-	-	-	2,280,729	2,789,042
Watermaster Board-Advisory Committee	326,978	-	326,978	-	-	-	-	326,978	442,947
Optimum Basin Mgmt Administration	-	839,875	839,875	-	-	-	-	839,875	1,236,522
OBMP Project Costs	-	3,208,220	3,208,220	-	-	-	-	3,208,220	4,699,276
Pool Legal Services	-	-	-	22,673	160,713	935	-	184,321	-
Pool Meeting Compensation	-	-	-	-	32,125	5,125	-	37,250	-
Pool Special Projects	-	-	-	-	-	-	-	-	-
Pool Administration	-	-	-	-	-	-	-	-	411,149
Debt Service	-	565,507	565,507	-	-	-	-	565,507	2,438,793
Agricultural Expense Transfer [1]	-	-	-	192,838	(192,838)	-	-	-	-
Replenishment Water Assessments	-	-	-	-	-	-	62,834	62,834	-
Total Administrative Expenses	**2,607,707**	**4,613,601**	**7,221,308**	**215,511**	**-**	**6,060**	**62,834**	**7,505,713**	**12,017,729**
Net Ordinary Income	**4,166,842**	**(4,392,847)**	**(226,005)**	**(90,787)**	**36,792**	**27,119**	**43,419**	**(209,463)**	**-**
Other Income/(Expense)									
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Carryover Budget	-	-	-	-	-	-	-	-	553,870
Net Other Income/(Expense)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**553,870**
Net Transfers To/(From) Reserves	**$ 4,166,842**	**$ (4,392,847)**	**$ (226,005)**	**$ (90,787)**	**$ 36,792**	**$ 27,119**	**$ 43,419**	**$ (209,463)**	**$ 553,870**
Net Assets, July 1, 2025			9,139,181	586,974	1,468,387	79,752	42,777	11,317,071	
Refund-Excess Operating Reserves			-	-	-	-	-	-	
Net Assets, End of Period			**8,913,176**	**496,188**	**1,505,179**	**106,870**	**86,195**	**11,107,608**	
Pool Assessments Outstanding				(4,422)	(586,852)	(632)			
Pool Fund Balance				**$ 491,765**	**$ 918,327**	**$ 106,238**			

[1] Fund balance transfer pursuant to Peace Agreement § 5.4(a)

Chino Basin Watermaster

Treasurer's Report

March 2026

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	3.83%	$ 687,675	$ 687,662	5.8%
CA CLASS Prime Fund **	Investment	3.74%	8,586,841	8,588,247	71.9%
CA CLASS Pool Restricted Funds **	Investment	3.74%	1,516,330	1,516,578	12.7%
Bank of America	Checking		1,157,299	1,157,299	9.7%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			**$ 11,948,146**	**$ 11,949,787**	**100.0%**

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

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

Certification

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

Anna Nelson, Director of Administration

Prepared By:
Daniela Uriarte, Senior Accountant

Chino Basin Watermaster
Budget to Actual
For the Period July 1, 2025 to March 31, 2026
(Unaudited)

		March 2026	YTD Actual	FY 25 Carryover Budget	FY 26 Adopted Budget	$ Over / (Under) Budget	% of Budget
1	**Administration Revenue**						
2	Local Agency Subsidies	$ -	$ 195,850	$ -	$ 195,850	$ -	100%
3	Admin Assessments-Appropriative Pool	-	6,426,042	-	11,131,622	(4,705,580)	58%
4	Admin Assessments-Non-Ag Pool	-	152,657	-	322,227	(169,570)	47%
5	**Total Administration Revenue**	**-**	**6,774,548**	**-**	**11,649,699**	**(4,875,151)**	**58%**
6	**Other Revenue**						
7	Appropriative Pool-Replenishment	-	81,011	-	-	81,011	N/A
8	Non-Ag Pool-Replenishment	-	24,176	-	-	24,176	N/A
9	Interest Income	27,515	220,755	-	368,030	(147,275)	60%
10	Miscellaneous Income	-	-	-	-	-	N/A
11	**Total Other Revenue**	**27,515**	**325,942**	**-**	**368,030**	**(42,088)**	**89%**
12	**Total Revenue**	**27,515**	**7,100,490**	**-**	**12,017,729**	**(4,917,239)**	**59%**
13	**Judgment Administration Expense**						
14	Judgment Administration	59,431	514,071	14,344	910,511	(410,784)	56%
15	Admin. Salary/Benefit Costs	76,479	818,271	-	1,127,840	(309,569)	73%
16	Office Building Expense	17,117	177,432	-	228,535	(51,103)	78%
17	Office Supplies & Equip.	1,549	22,480	10,038	35,750	(23,308)	49%
18	Postage & Printing Costs	2,794	13,152	-	27,190	(14,038)	48%
19	Information Services	6,858	61,689	-	224,400	(162,711)	27%
20	Contract Services	296	51,437	-	103,950	(52,513)	49%
21	Watermaster Legal Services	82,485	603,386	-	346,011	257,375	174%
22	Insurance	-	65,894	-	55,000	10,894	120%
23	Dues and Subscriptions	230	38,667	-	40,900	(2,233)	95%
24	Watermaster Administrative Expenses	546	7,173	-	9,630	(2,457)	74%
25	Field Supplies	-	2,110	-	3,900	(1,790)	54%
26	Travel & Transportation	2,092	17,025	-	35,600	(18,575)	48%
27	Training, Conferences, Seminars	145	17,942	-	43,500	(25,558)	41%
28	Advisory Committee Expenses	15,082	78,450	-	111,785	(33,335)	70%
29	Watermaster Board Expenses	39,514	248,527	-	331,162	(82,635)	75%
30	ONAP - WM & Administration	5,835	48,263	-	123,585	(75,322)	39%
31	OAP - WM & Administration	7,241	61,205	-	140,528	(79,323)	44%
32	Appropriative Pool- WM & Administration	12,573	107,924	-	147,036	(39,112)	73%
33	Allocated G&A Expenditures	(30,222)	(347,392)	-	(403,675)	56,283	86%
34	**Total Judgment Administration Expense**	**300,047**	**2,607,707**	**24,382**	**3,643,138**	**(1,059,813)**	**71%**
35	**Optimum Basin Management Plan (OBMP)**						
36	Optimum Basin Management Plan	127,344	839,875	59,443	1,236,522	(456,090)	65%
37	Groundwater Quality Monitoring	-	1,636	-	4,500	(2,864)	36%
38	Groundwater Level Monitoring	44,772	402,663	15,800	500,880	(114,017)	78%
39	Program Element (PE)2- Comp Recharge	6,942	1,058,598	55,000	1,968,267	(964,669)	52%
40	PE3&5-Water Supply/Desalte	33,334	114,899	9,100	173,320	(67,521)	63%
41	PE4- Management Plan	30,142	342,358	124,788	604,076	(386,506)	47%
42	PE6&7-CoopEfforts/SaltMgmt	47,165	354,918	96,394	772,078	(513,554)	41%
43	PE8&9-StorageMgmt/Conj Use	54,903	585,756	168,963	272,480	144,313	133%
44	Recharge Improvements	-	565,507	-	2,438,793	(1,873,286)	23%
45	Administration Expenses Allocated-OBMP	9,951	102,401	-	139,094	(36,693)	74%
46	Administration Expenses Allocated-PE 1-9	20,271	244,991	-	264,581	(19,590)	93%
47	**Total OBMP Expense**	**374,823**	**4,613,601**	**529,488**	**8,374,591**	**(4,290,477)**	**52%**
48	**Other Expense**						
49	Groundwater Replenishment	-	62,834	-	42,777	20,058	147%
50	Other Expenses	-	-	-	-	-	N/A
51	**Total Other Expense**	**-**	**62,834**	**-**	**42,777**	**20,058**	**147%**
52	**Total Expenses**	**674,870**	**7,284,142**	**553,870**	**12,060,506**	**(5,330,233)**	**58%**
53	**Increase / (Decrease) to Reserves**	**$ (647,354)**	**$ (183,652)**		**$ (42,777)**	**$ (140,875)**	

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 26 amended budget and FY 25 carryover budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of March 31st, the target budget percentage is generally 75%.

Revenues

Lines 1-5 Administration Revenue – Includes local agency subsidies and administrative assessment for the Appropriative, Agricultural and Non-Agricultural Pools.

- Line 2 Local Agency Subsidies includes the annual Dry Year Yield (DYY) administrative fee received. This account is at 100% of budget due to the timing of payment.

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

Expenses

Lines 13-34 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 Office Building Expense includes office lease, telephone, utilities, repair and maintenance, and building interior renovation costs. The account is at 78% of budget due to the timing of the office lease payment.
- Line 21 Watermaster Legal Services includes outside legal counsel expenses. The account is over budget due to increased administration matters and court coordination not originally anticipated in the budget.
- Line 22 Insurance includes general liability insurance, directors' and officers' liability, umbrella coverage, environmental pollution liability and other various insurance policies. The account is over budget due to an unanticipated increase in the cost of Municipalities Umbrella coverage, as well as the implementation of a Cyber insurance policy that was not included in the original budget.
- Line 23 Dues and Subscriptions include annual dues for ACWA, CA Groundwater Coalition, SHRM, and other miscellaneous subscriptions. The account is at 95% of budget due to the timing of subscription renewals.

Lines 35-47 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, 2025 to March 31, 2026
(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 Thomas Harder & Company 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 March 31, 2026 (continued next page):

Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services		
Beginning Balance July 1, 2025:	$	77,376.71
Additions:		
Interest Earnings		2,178.61
Payments received on ONAP Assessment invoices issued 11/25/25		24,490.40
Subtotal Additions:		26,669.01
Reductions:		
Invoices paid July 2025 - March 2026		(935.00)
Subtotal Reductions:		(935.00)
Available Fund Balance as of March 31, 2026	**$**	**103,110.72**

Fund Balance For Appropriative Pool Account 8367 - Legal Services		
Beginning Balance July 1, 2025:	$	224,225.46
Additions:		
Interest Earnings		12,082.72
Payments received on AP Assessment invoices issued 11/17/22		81,892.83
Payments received on appellant share of Post-TOA legal fees		112,640.87
Subtotal Additions:		206,616.42
Reductions:		
Invoices paid July 2025 - March 2026		(22,673.00)
Budget Transfer		(25,000.00) *
Subtotal Reductions:		(47,673.00)
Available Fund Balance as of March 31, 2026	**$**	**383,168.88**

**Transfer of funds issued to OAP meeting stipends per AP Chair direction.*

Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation		
Beginning Balance July 1, 2025:	$	2,375.00
Additions:		
Payments received on ONAP Assessment invoices issued 11/25/25		5,877.70
Subtotal Additions:		5,877.70
Reductions:		
Compensation paid July 2025 - March 2026		(5,125.00)
Subtotal Reductions:		(5,125.00)
Available Fund Balance as of March 31, 2026	**$**	**3,127.70**

Fund Balance For Appropriative Pool Account 8368 - Tom Harder Contract		
Beginning Balance July 1, 2025:	$	20,577.61
Additions:		
Subtotal Additions:		-
Reductions:		
Invoices paid July 2025 - March 2026		-
Subtotal Reductions:		-
Available Fund Balance as of March 31, 2026	**$**	**20,577.61**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to March 31, 2026
(Unaudited)

Pool Services Fund Accounting – Cont.

Fund Balance for Agricultural Pool Account 8467 - Legal Services (Held by AP)		
Beginning Balance July 1, 2025:	$	225,597.51
Reductions:		
Invoices paid July 2025 - March 2026		(160,712.50)
Subtotal Reductions:		(160,712.50)
Available Fund Balance as of March 31, 2026	**$**	**64,885.01**

Agricultural Pool Reserve Funds As shown on the Combining Schedules		
Beginning Balance July 1, 2025:	$	881,534.98
Additions:		
YTD Interest earned on Ag Pool Funds FY 26		36,791.72
Transfer of Funds from AP to Special Fund for Legal Service Invoices		160,712.50
Total Additions:		197,504.22
Reductions:		
Legal service invoices paid July 2025 - March 2026		(160,712.50)
Subtotal Reductions:		(160,712.50)
Agricultural Pool Reserve Funds Balance as of March 31, 2026:	**$**	**918,326.70**

Fund Balance For Agricultural Pool Account 8470 - Meeting Compensation (Held by AP)			
Beginning Balance July 1, 2025:	$	18,069.65	
Additions:			
Budget Transfer		25,000.00	*
Subtotal Additions:		25,000.00	
Reductions:			
Compensation paid July 2025 - March 2026		(32,125.00)	
Subtotal Reductions:		(32,125.00)	
Available Fund Balance as of March 31, 2026	**$**	**10,944.65**	

**Transfer of funds issued from AP legal services per AP Chair direction.*

Fund Balance For Agricultural Pool Account 8471 - Special Projects (Held by AP)		
Beginning Balance July 1, 2025:	$	12,189.00
Reductions:		
Invoices paid July 2025 - March 2026		-
Subtotal Reductions:		-
Available Fund Balance as of March 31, 2026	**$**	**12,189.00**

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened salary costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of March 31st, the target budget percentage is generally 75%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	84,612	74,466	10,146	113.6%
5901.3 · Judgment Admin - Field Work	594	14,357	(13,763)	4.1%
5901.5 · Judgment Admin - General	5,857	55,535	(49,678)	10.5%
5901.7 · Judgment Admin - Meeting	41,354	45,648	(4,294)	90.6%
5901.9 · Judgment Admin - Reporting	3,843	21,742	(17,899)	17.7%
5910 · Judgment Admin - Court Coord./Attendance	9,186	28,837	(19,651)	31.9%
5911 · Judgment Admin - Exhibit G	876	6,396	(5,520)	13.7%
5921 · Judgment Admin - Production Monitoring	-	9,471	(9,471)	0.0%
5931 · Judgment Admin - Recharge Applications	2,343	33,092	(30,749)	7.1%
5941 · Judgment Admin - Reporting	1,155	44,602	(43,447)	2.6%
5951 · Judgment Admin - Rules & Regs	-	11,350	(11,350)	0.0%
5961 · Judgment Admin - Safe Yield	68,504	106,006	(37,502)	64.6%
5971 · Judgment Admin - Storage Agreements	4,215	20,671	(16,456)	20.4%
5981 · Judgment Admin - Water Accounting/Database	88,785	112,036	(23,251)	79.2%
5991 · Judgment Admin - Water Transactions	8,434	13,062	(4,628)	64.6%
6011.11 · WM Staff - Overtime	5,987	18,000	(12,013)	33.3%
6011.10 · Admin - Accounting	209,489	280,410	(70,921)	74.7%
6011.15 · Admin - Building Admin	11,644	31,040	(19,396)	37.5%
6011.20 · Admin - Conference/Seminars	32,973	50,660	(17,687)	65.1%
6011.25 · Admin - Document Review	79,849	54,110	25,739	147.6%
6011.50 · Admin - General	201,136	278,870	(77,734)	72.1%
6011.60 · Admin - HR	45,901	100,980	(55,079)	45.5%
6011.70 · Admin - IT	49,933	72,830	(22,897)	68.6%
6011.80 · Admin - Meeting	101,687	93,640	8,047	108.6%
6011.90 · Admin - Team Building	15,215	33,490	(18,275)	45.4%
6011.95 · Admin - Training (Give/Receive)	35,161	79,580	(44,419)	44.2%
6017· Temporary Services	-	28,250	(28,250)	0.0%
6201 · Advisory Committee	35,191	61,397	(26,206)	57.3%
6301 · Watermaster Board	79,023	101,669	(22,646)	77.7%
8301 · Appropriative Pool	71,848	89,707	(17,859)	80.1%
8401 · Agricultural Pool	31,241	83,199	(51,958)	37.6%
8501 · Non-Agricultural Pool	21,521	66,256	(44,735)	32.5%
6901.1 · OBMP - Document Review	39,102	50,364	(11,262)	77.6%
6901.3 · OBMP - Field Work	2,116	9,471	(7,355)	22.3%
6901.5 · OBMP - General	41,002	52,005	(11,003)	78.8%
6901.7 · OBMP - Meeting	46,427	33,487	12,940	138.6%
6901.9 · OBMP - Reporting	4,987	39,176	(34,189)	12.7%
7104.1 · PE1 - Monitoring Program	182,184	166,708	15,476	109.3%
7201 · PE2 - Comprehensive Recharge	74,803	49,649	25,154	150.7%
7301 · PE3&5 - Water Supply/Desalter	-	19,189	(19,189)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm.	576	16,759	(16,183)	3.4%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	798	25,595	(24,797)	3.1%
7501 · PE6 - Coop. Programs/Salt Mgmt.	12,475	22,984	(10,509)	54.3%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	594	16,786	(16,192)	3.5%
7601 · PE8&9 - Storage Mgmt./Recovery	48,286	33,288	14,998	145.1%
Subtotal WM Staff Costs	**1,801,818**	**2,656,820**	**(855,002)**	**68%**
60184.1 · Administrative Leave	5,997	-	5,997	100.0%
60185 · Vacation	78,382	110,082	(31,700)	71.2%
60185.1 · Comp Time	7,913	-	7,913	100.0%
60186 · Sick Leave	50,177	81,688	(31,511)	61.4%
60187 · Holidays	75,684	102,102	(26,418)	74.1%
Subtotal WM Paid Leaves	**218,153**	**293,872**	**(75,719)**	**74%**
Total WM Salary Costs	**2,019,971**	**2,950,692**	**(930,721)**	**68.5%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to March 31, 2026
(Unaudited)

Engineering

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of March 31st, the target budget percentage is generally 75%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · Judgment Admin - Meetings-Engineering Services	$ -	$ 38,909	$ (38,909)	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	75,999	109,124	(33,125)	69.6%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	53,850	56,483	(2,633)	95.3%
5925 · Judgment Admin - Ag Production & Estimation	25,757	31,992	(6,235)	80.5%
5935 · Judgment Admin - Mat'l Physical Injury Requests	2,639	41,668	(39,029)	6.3%
5945 · Judgment Admin - WM Annual Report Preparation	12,260	17,762	(5,502)	69.0%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	23,808	17,302	6,506	137.6%
6206 · Advisory Committee Meetings-WY Staff	16,841	22,624	(5,783)	74.4%
6306 · Watermaster Board Meetings-WY Staff	21,658	22,624	(966)	95.7%
8306 · Appropriative Pool Meetings-WY Staff	19,878	22,624	(2,746)	87.9%
8406 · Agricultural Pool Meetings-WY Staff	14,425	22,624	(8,199)	63.8%
8506 · Non-Agricultural Pool Meetings-WY Staff	10,544	22,624	(12,080)	46.6%
6901.8 · OBMP - Meetings-WY Staff	64,886	38,909	25,977	166.8%
6901.95 · OBMP - Reporting-WY Staff	66,058	66,832	(774)	98.8%
6906 · OBMP Engineering Services - Other	49,350	65,810	(16,460)	75.0%
6906.1 · OBMP Watermaster Model Update	42,831	8,176	34,655	523.9%
7104.3 · Grdwtr Level-Engineering	197,689	274,794	(77,105)	71.9%
7104.8 · Grdwtr Level-Contracted Services	6,246	29,128	(22,882)	21.4%
7104.9 · Grdwtr Level-Capital Equipment	5,063	19,000	(13,937)	26.6%
7202 · PE2-Comp Recharge-Engineering Services	7,831	23,350	(15,519)	33.5%
7202.2 · PE2-Comp Recharge-Engineering Services	114,421	181,496	(67,075)	63.0%
7302 · PE3&5-PBHSP Monitoring Program	77,629	77,792	(163)	99.8%
7303 · PE3&5-Engineering - Other	8,425	21,080	(12,655)	40.0%
7306 · PE3&5-Engineering - Outside Professionals	24,703	31,500	(6,797)	78.4%
7402 · PE4-Engineering	136,564	301,531	(164,967)	45.3%
7402.10 · PE4-Northwest MZ1 Area Project	173,820	169,378	4,442	102.6%
7403 · PE4-Eng. Services-Contracted Services-InSar	23,277	28,600	(5,324)	81.4%
7406 · PE4-Engineering Services-Outside Professionals	-	55,155	(55,155)	0.0%
7408 · PE4-Engineering Services-Network Equipment	5,265	19,107	(13,842)	27.6%
7502 · PE6&7-Engineering	236,915	365,564	(128,649)	64.8%
7502.2 · PE7-Groundwtr Quality Model	1,579	70,216	(68,638)	2.2%
7505 · PE6&7-Laboratory Services	36,311	41,300	(4,989)	87.9%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	15,829	9,522	6,307	166.2%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	22,464	28,022	(5,558)	80.2%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	28,751	28,434	317	101.1%
7520 · Preparation of Water Quality Mgmt. Plan	-	39,250	(39,250)	0.0%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	21,720	(21,720)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	537,470	79,656	457,814	674.7%
7615 · PE8&9-Develop 2025 Storage Plan	-	137,816	(137,816)	0.0%
Total Engineering Services Costs	**$ 2,161,035**	**$ 2,659,500**	**$ (498,463)**	**81.3%**

* West Yost and Subcontractor Engineering Budget of $2,659,500 plus Carryover Funds from FY 2024/25 of $508,838

Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses and costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of March 31st, the target budget percentage is generally 75%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	$ 370,659	$ 76,000	$ 294,659	487.7%
6072 · BHFS Legal - Rules & Regulations	-	10,495	(10,495)	0.0%
6073 · BHFS Legal - Personnel Matters	40,140	28,150	11,990	142.6%
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)	192,587	177,240	15,347	108.7%
Total 6070 · Watermaster Legal Services	**603,386**	**346,011**	**257,375**	**174.4%**
6275 · BHFS Legal - Advisory Committee	26,418	27,764	(1,346)	95.2%
6375 · BHFS Legal - Board Meeting	109,148	88,704	20,444	123.0%
6375.1 · BHFS Legal - Board Workshop(s)	-	29,215	(29,215)	0.0%
8375 · BHFS Legal - Appropriative Pool	16,198	34,705	(18,507)	46.7%
8475 · BHFS Legal - Agricultural Pool	15,538	34,705	(19,167)	44.8%
8575 · BHFS Legal - Non-Ag Pool	16,198	34,705	(18,507)	46.7%
Total BHFS Legal Services	**183,500**	**249,798**	**(66,298)**	**73.5%**
6907.3 · WM Legal Counsel				
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	8,157	21,405	(13,248)	38.1%
6907.38 · Reg. Water Quality Cntrl Board	-	63,200	(63,200)	0.0%
6907.39 · Recharge Master Plan	8,948	14,270	(5,322)	62.7%
6907.41 · Prado Basin Habitat Sustainability	330	10,290	(9,960)	3.2%
6907.44 · SGMA Compliance	-	10,290	(10,290)	0.0%
6907.45 · OBMP Update	8,799	177,240	(168,441)	5.0%
6907.47 · 2020 Safe Yield Reset	28,353	151,180	(122,827)	18.8%
6907.50 · San Sevaine Basin Discharge - State Court	-	54,130	(54,130)	0.0%
6907.51 · San Sevaine Basin Discharge CWA Litigatio	418,490	150,440	268,050	278.2%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · WM Legal Counsel	**473,077**	**755,140**	**(282,063)**	**62.6%**
Total Brownstein, Hyatt, Farber, Schreck Costs	**$ 1,259,963**	**$ 1,350,949**	**$ (90,986)**	**93.3%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to March 31, 2026
(Unaudited)

Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of March 31st, the target budget percentage is generally 75%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	$ 39,102	$ 50,364	$ (11,262)	77.6%
6901.3 · OBMP - Field Work-WM Staff	2,116	9,471	(7,355)	22.3%
6901.5 · OBMP - General-WM Staff	41,002	52,005	(11,003)	78.8%
6901.7 · OBMP - Meeting-WM Staff	46,427	33,487	12,940	138.6%
6901.8 · OBMP - Meeting-West Yost	64,886	38,909	25,977	166.8%
6901.9 · OBMP - Reporting-WM Staff	4,987	39,176	(34,189)	12.7%
6901.95 · OBMP - Reporting-West Yost	66,058	66,832	(774)	98.8%
Total 6901 · OBMP WM and West Yost Staff	**264,578**	**290,244**	**(25,666)**	**91.2%**
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	7,608	18,952	(11,344)	40.1%
Total 6903 · OBMP - SAWPA	**7,608**	**18,952**	**(11,344)**	**40.1%**
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	42,831	8,176	34,655	523.9%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	49,350	65,810	(16,460)	75.0%
Total 6906 · OBMP Engineering Services	**92,181**	**73,986**	**18,195**	**124.6%**
6907 · OBMP Legal Fees				
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	8,157	21,405	(13,248)	38.1%
6907.36 · Santa Ana River Habitat	-	-	-	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	63,200	(63,200)	0.0%
6907.39 · Recharge Master Plan	8,948	14,270	(5,322)	62.7%
6907.41 · Prado Basin Habitat Sustainability	330	10,290	(9,960)	3.2%
6907.44 · SGMA Compliance	-	10,290	(10,290)	0.0%
6907.45 · OBMP Update	8,799	177,240	(168,441)	5.0%
6907.47 · 2020 Safe Yield Reset	28,353	151,180	(122,827)	18.8%
6907.50 · San Sevaine Basin Discharge - State	-	54,130	(54,130)	0.0%
6907.51 · San Sevaine Basin Discharge CWA	418,490	150,440	268,050	278.2%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · OBMP Legal Fees	**473,077**	**755,140**	**(282,063)**	**62.6%**
6909 · OBMP Other Expenses				
6909.6 · OBMP Expenses - Miscellaneous	-	96,000	(96,000)	0.0%
Total 6909 · OBMP Other Expenses	**-**	**98,200**	**(98,200)**	**0.0%**
Total 6900 · Optimum Basin Mgmt Plan	**$ 837,444**	**$ 1,236,522**	**$ (399,078)**	**67.7%**

Chino Basin Watermaster
Monthly Variance Report & Supplemental Schedules
For the period July 1, 2025 to March 31, 2026
(Unaudited)

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 26 adopted budget. The "$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of March 31st, the target budget percentage is generally 75%.

	Year to Date Actual	FY 25-26 Budget	$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	$ 84,612	$ 74,466	$ 10,146	113.6%
5901.3 · Admin-Field Work-WM Staff	594	14,357	(13,763)	4.1%
5901.5 · Admin-General-WM Staff	5,857	55,535	(49,678)	10.5%
5901.7 · Admin-Meeting-WM Staff	41,354	45,648	(4,294)	90.6%
5901.8 · Admin-Meeting - West Yost	-	38,909	(38,909)	0.0%
5901.9 · Admin-Reporting-WM Staff	3,843	21,742	(17,899)	17.7%
Total 5901 · Admin-WM Staff	**136,260**	**250,657**	**(114,397)**	**54.4%**
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	75,999	109,124	(33,125)	69.6%
5906.72 · Admin-Data Req-Non CBWM Staff	53,850	56,483	(2,633)	95.3%
5910 · Court Coordination/Attend-WM	9,186	28,837	(19,651)	31.9%
5911 · Exhibit G-WM Staff	876	6,396	(5,520)	13.7%
5921 · Production Monitoring-WM Staff	-	9,471	(9,471)	0.0%
5925 · Ag Prod & Estimation-West Yost	25,757	31,992	(6,235)	80.5%
5931 · Recharge Applications-WM Staff	2,343	33,092	(30,749)	7.1%
5935 · Admin-Mat'l Phy Inj Requests	2,639	41,668	(39,029)	6.3%
5941 · Reporting-WM Staff	1,155	44,602	(43,447)	2.6%
5945 · WM Annual Report Prep-West Yost	12,260	17,762	(5,502)	69.0%
5951 · Rules & Regs-WM Staff	-	11,350	(11,350)	0.0%
5961 · Safe Yield-WM Staff	68,504	106,006	(37,502)	64.6%
5965 · Support Data Collect-West Yost	23,808	17,302	6,506	137.6%
5971 · Storage Agreements-WM Staff	4,215	20,671	(16,456)	20.4%
5981 · Water Acct/Database-WM Staff	88,785	112,036	(23,251)	79.2%
5991 · Water Transactions-WM Staff	8,434	13,062	(4,628)	64.6%
Total 5900 · Judgment Admin Other Expenses	**377,810**	**659,854**	**(282,044)**	**57.3%**
Total 5900 · Judgment Administration	**$ 514,071**	**$ 910,511**	**$ (396,440)**	**56.5%**

"Carry Over" Funding:

The "Carry Over" funding was calculated at the start of FY 26. The Total "Carry Over" funding amount of $553,870 has been posted to the general ledger accounts. The total amount consisted of $508,838 from Engineering Services, $34,994 from OBMP Activities, and $10,038 from Administration Services. More detailed information is provided on the table below.

Carry Over Budget Detail FY 2025/26

Account	Description	Amount	Fiscal Year	Type
6038	Other Office Equipment - Boardroom Upgrades	$ 10,038	FY 2020/21	ADMIN
7545	Meter Installation - New Meter Installation, Calibration and Testing	34,994	FY 2018/19	OBMP
5925	Agriculture Production and Estimation	4,344	FY 2024/25	ENG
5965	Support for Implementation of Improved Data Collection and Management Process	10,000	FY 2024/25	ENG
6906.1	Watermaster Model Application and Required Demonstrations	59,443	FY 2024/25	ENG
7104.3	Groundwater Level Monitoring Program	15,800	FY 2024/25	ENG
7202.2	Comprehensive Recharge Program	55,000	FY 2024/25	ENG
7302	PBHSP Monitoring Program- 50% IEUA Cost Share	9,100	FY 2024/25	ENG
7402.1	PE4/MZ-1: Subsidence Management Plan for Northwest MZ-1	124,788	FY 2024/25	ENG
7502	Groundwater Quality Monitoring and Reporting Program and as-needed Consulting	41,400	FY 2024/25	ENG
7517	Implementation of Chino Creek Monitoring Program - IEUA Cost Share	20,000	FY 2024/25	ENG
7614	Support Implementation of the Safe Yield Court Order	168,963	FY 2024/25	ENG
Total Carryover Budget		**$ 553,870**		

CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Application: Water Transaction – 802.36 AF from San Antonio Water Company to Monte Vista Water District (Consent Calendar Item I.C.)

Issue: To consider the Consolidated Water Transfer Forms for the sale and transfer of 802.36 acre-feet of water from San Antonio Water Company to Monte Vista Water District. This purchase is requested to be transferred from San Antonio Water Company's Annual Production Right. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. [Within WM Duties and Powers]

Recommendation: Provide advice and assistance to the Advisory Committee on the proposed transaction.

Financial Impact: None.

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Advice and assistance.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Advisory Committee – June 18, 2026 [Recommended]: Advice and assistance.
Watermaster Board – June 25, 2026 [Recommended]: Approval.

BACKGROUND

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

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

The date of this application is April 7, 2026. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on May 8, 2026.

DISCUSSION

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

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analysis conducted by West Yost pursuant to the Peace Agreement and the Rules & Regulations. There is no indication that additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, measurement of groundwater levels and ground level changes are ongoing, and based on current data, there is no indication that the proposed water transaction will cause Material Physical Injury to a Party of the Judgment, or to the Basin.

Pursuant to the Rules & Regulations, “The Application shall not be considered by the Advisory Committee until at least twenty-one (21) days after the last of the three Pool Committee meetings to consider the matter.” Therefore, this application will be presented to the Advisory Committee and Watermaster Board at their June 2026 meetings respectively.

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

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

FISCAL YEAR 20 25 - 20 26

DATE REQUESTED: April 7, 2026 **AMOUNT REQUESTED:** 802.36 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	**TRANSFER TO (BUYER / TRANSFEREE):**
San Antonio Water Company Name of Party	Monte Vista Water District Name of Party
139 N. Euclid Avenue Street Address	10575 Central Avenue Street Address
Upland (City) CA (State) 91786 (Zip Code)	Montclair (City) CA (State) 91763 (Zip Code)
909.982.4107 Telephone	909.267.2125 Telephone
NA Facsimile	NA Facsimile

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

PURPOSE OF TRANSFER:

- ☐ Pump when other sources of supply are curtailed
- ☐ Pump to meet current or future demand over and above production right
- ☐ Pump as necessary to stabilize future assessment amounts
- ☒ Other, explain Meet SAWCO entitlement for Calendar Year 2026

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

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

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

700-1,000 gpm
Projected Rate of Recapture

Projected Duration of Recapture

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular Production Wells

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

(1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.

(2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.

(3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.

(4) Any Transferee not already a party must Intervene and become a party to the Judgment.

ADDITIONAL INFORMATION ATTACHED Yes ☐ No ☒

Brian C. Lee Digitally signed by Brian C. Lee Date: 2026.04.07 14:17:16 -07'00'

Seller / Transferor Representative Signature

Brian C. Lee

Seller / Transferor Representative Name (Printed)

Justin Scott-Coe Digitally signed by Justin Scott-Coe DN: O=Monte Vista Water District, CN=Justin Scott-Coe, E=jscottcoe@mvwd.org Reason: I am the author of this document Location: Date: 2026.04.08 15:09:17-07'00' Foxit PDF Editor Version: 13.1.5

Buyer / Transferee Representative Signature

Justin M. Scott-Coe

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: May 8, 2026

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

May 8, 2026

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

APPLICATION FOR TRANSFER OF WATER

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **April 07, 2026** Date of this notice: **May 08, 2026**

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

- Notice of Sale or Transfer – The purchase of 802.36 acre-feet of water from San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares.

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

Appropriative Pool:	May 14, 2026
Non-Agricultural Pool:	May 14, 2026
Agricultural Pool:	May 14, 2026

This ***Application*** will be scheduled for consideration by the Advisory Committee ***no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days*** after the last pool committee reviews it***.***

After consideration by the Advisory Committee, the ***Application*** will be considered by the Board.

Unless the ***Application*** is amended, as ***Contests*** must be submitted a minimum of fourteen (14) days prior to the Advisory Committee's consideration of an ***Application,*** parties to the Judgment may file ***Contests*** to the ***Application*** with Watermaster ***within seven calendar days*** of when the last pool committee considers it. Any ***Contest*** must be in writing and state the basis of the ***Contest***.

Watermaster address:

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

Tel: (909) 484-3888
Web: www.cbwm.org
watertransactions@cbwm.org

CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Application: Recharge – San Antonio Water Company (Consent Calendar Item I.D.)

Issue: To consider the Application for Recharge submitted on April 16, 2026 by San Antonio Water Company for up to a total of 17,500 acre-feet to be recharged into basins along the San Antonio Channel.

Recommendation: Provide advice and assistance to the Advisory Committee on the proposed application.

Financial Impact: None

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Advice and assistance.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Advisory Committee – June 18, 2026 [Recommended]: Advice and assistance.
Watermaster Board – June 25, 2026 [Recommended]: Approval.

BACKGROUND

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

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

DISCUSSION

On April 16, 2026, San Antonio Water Company (SAWCo) submitted an Application for Recharge (Attachment 1) for up to 17,500 acre-feet total from July 2026 through June 2031. The Application states that the method of recharge is surface spreading into the Upland and Montclair Basins located in Management Zone 1 (MZ-1) of the Chino Basin and identifies the source of water to be local supplemental groundwater form the San Antonio Creek.

Pursuant to Article X of the Judgment, Section 10.10, "Watermaster Summary and Notification of a Pending Application," Watermaster issued a notice of this application electronically via email to parties on May 8, 2026 and the notice is also provided below in Attachment 2.
The amount recharged will be subject to evaporative losses as consistent with all surface water recharge in Chino Basin. This water may be used to offset over-production during the same fiscal year it was imported, and if not used in the fiscal year for over-production, the water will then be placed into storage. Pursuant to the Peace II Agreement and achievement of Hydraulic Control, losses will be applied to all water placed into a Local Supplemental Storage Account in a manner consistent to all other water held in storage.

West Yost completed an MPI analysis on April 27, 2026, declaring no negative impacts to the Basin from this proposed recharge event (Attachment 3). The deliveries of the water will be monitored and accounted for in coordination with IEUA and SAWCo through Watermaster's Form 2b and Form 2c (Report of Supplemental Water Recharge by a Person).

Once approved, SAWCo must complete Form 2b *Request to Recharge Supplemental Water by a Person to Watermaster* for each recharge event during the Application's proposed period. Form 2b will be used by Watermaster staff to coordinate with SAWCo and the Inland Empire Utilities Agency (IEUA) to develop a Recharge Operations Plan. During the Recharge event, Watermaster and IEUA will collect data to properly ensure the water is accounted for. Upon completion of the recharge event, SAWCo will be required to submit Form 2c *Report of Supplemental Water Recharge by a Person* to Watermaster for final review and accounting.

ATTACHMENTS
1. SAWCo Recharge Application Dated April 16, 2026
2. Notice Forms
3. April 27, 2026 letter from West Yost to Watermaster: *Analysis of Material Physical Injury for the San Antonio Water Company Recharge Application, Submitted to Chino Basin Watermaster on April 16, 2026*

Form 2a - Application for Supplemental Water Recharge

Applicant Information and Recharge Request			
Person	San Antonio Water Company	Date Requested	04/16/2026
Contact (individual)	Brian C. Lee	Date Approved	
Street Address	139 North Euclid Avenue	Proposed Period of Time Covered by Recharge Application (mm/yyyy to mm/yyyy)	7/1/2026 to 6/31/2031
City	Upland		
State	CA		
Zip Code	91786	Requested Total Amount of Recharge Over the Application Period (AF)	3,500 AF/YR 17,500 AF total
Telephone	909.982.4107		
Fax	na	Approved Total Amount of Recharge Over the Application Period (AF)	
Email	blee@sawaterco.com		

Source(s) of Supply (check box and provide supporting information)		
( )	State Water Project	
( )	Colorado River Aqueduct	
(✔)	Local Supplemental (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary)	
( )	Recycled Water (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary)	
( )	Other (identify source and attach source water quality characterization including TDS and TN; use as many sheets as necessary)	

Method of Recharge (check box and provide supporting information)		
(✔)	Surface Spreading	
	Recharge Basin Name(s)	Upland and Monclair Basins
	Expected Period of Recharge (mm/dd to mm/dd)	7/1/2026 - 6/31/2030
	Depth to Water in Recharge Area (ft-bgs)	
	Water Quality in Recharge Area (attach characterization)	
( )	Injection	
	Well Names and Locations (attach well completion report if not on file with the Watermaster)	
	Expected Period of Recharge (mm/dd to mm/dd)	
	Depth to Water in Recharge Area (ft-bgs)	
	Water Quality in Recharge Area (attach characterization)	
( )	In-Lieu Exchange	
	Treatment Plant and Turnout	
	Share of Safe Yield (percent and AFY)	
	Carryover Right, if Applicable (AF)	
	Water in Storage (AF)	
	Pumping Capacity (mgd or AFM)	
	Expected Period of Recharge (mm/dd to mm/dd)	
	Depth to Water in Area Impacted by In-Lieu Recharge (ft-bgs)	
	Water Quality in Area Impacted by In-Lieu Recharge (attach characterization)	

Form 2a - Application for Supplemental Water Recharge

Material Physical Injury

Is the applicant aware of any potential material physical injury to a Party to the Judgment or the Basin that may be caused by the action covered by the Application? ☐ YES ☒ NO

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

BY: _____ April 16, 2026

Applicant Date

To Be Completed by Watermaster

Is the Person a Party to the Judgment that has:

Previously contributed to the implementation of the OBMP? ☐ YES ☐ NO

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

(If answer to previous question is NO)

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

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

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

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

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

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

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

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

Recharge Agreement Number _____

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

RECHARGE

Date of Notice:

May 8, 2026

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

APPLICATION FOR RECHARGE

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **April 16, 2026** Date of this notice: **May 08, 2026**

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

- Notice of Application for Recharge – On April 16, 2026, San Antonio Water Company submitted an Application for Recharge for up to 17,500 acre-feet to be recharged into basins along the San Antonio Channel.

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

Appropriative Pool:	May 14, 2026
Non-Agricultural Pool:	May 14, 2026
Agricultural Pool:	May 14, 2026

This ***Application*** will be scheduled for consideration by the Advisory Committee ***no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days*** after the last pool committee reviews it***.***

After consideration by the Advisory Committee, the ***Application*** will be considered by the Board.

Unless the ***Application*** is amended, as ***Contests*** must be submitted a minimum of fourteen (14) days prior to the Advisory Committee's consideration of an ***Application,*** parties to the Judgment may file ***Contests*** to the ***Application*** with Watermaster ***within seven calendar days*** of when the last pool committee considers it. Any ***Contest*** must be in writing and state the basis of the ***Contest***.

Watermaster address:

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

Tel: (909) 484-3888
Web: www.cbwm.org
recharge_storage@cbwm.org

WEST YOST
Water. Engineered.

25 Edelman
Irvine CA 92618

949.420.3030 phone
530.756.5991 fax
westyost.com

April 27, 2026

Project No.: 941-80-25-03
SENT VIA: EMAIL

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

SUBJECT: Analysis of Material Physical Injury for the San Antonio Water Company Recharge Application, Submitted to Chino Basin Watermaster on April 16, 2026

Dear Mr. Corbin:

Pursuant to your direction, West Yost Associates, Inc. (West Yost) conducted a material physical injury (MPI) analysis on a Recharge Application submitted by the San Antonio Water Company (SAWC) to the Chino Basin Watermaster on April 16, 2026 (hereafter, April 16, 2026 recharge application). The MPI analysis was completed pursuant to the Watermaster Rules and Regulations and Peace Agreement.

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

1. Apply for and obtain Watermaster approval to recharge Supplemental Water
2. Plan, schedule, coordinate, and execute a Supplemental Water recharge event
3. Provide the monitoring and accounting necessary to enable the applicant and Watermaster to measure and record the volume of water that was physically recharged during a recharge event

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

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

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

[1] https://www.cbwm.org/pages/forms/

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

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

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

SAWC APRIL 16, 2026 RECHARGE APPLICATION

SAWC proposes to recharge up to 17,000 acre-feet (af) of local supplemental water from the San Antonio Creek into the Chino Basin during the 5-year period of July 1, 2026 to June 31, 2031 (3,500 af per year). SAWC proposes to divert San Antonio Creek water through its existing non-potable system and subsequently discharge it to the concrete-lined reach of San Antonio Creek located downstream of the Pomona Valley Protective Association (PVPA) diversion facilities and upstream of the College Heights Basin. SAWC proposes to recharge this water in the Upland Basin and Montclair Basins 1-4. Diversions into the Upland Basin would occur through the existing San Antonio Creek diversion into Upland Basin. Diversions into the Montclair Basins would occur through the existing San Antonio Creek diversion into Montclair Basin 1 and subsequently be routed to other basins in the Montclair Basins system. SAWC will need to coordinate their proposed diversions for recharge with the Inland Empire Utilities Agency (IEUA), the Chino Basin Water Conservation District, the City of Upland, and Watermaster to ensure that their water is diverted as proposed, measured and accounted for, and its recharge activities do not interfere with other recharge operations and stormwater management.

Watermaster classifies the water proposed to be recharged by the SAWC as supplemental water; therefore, the proposed recharge will help satisfy Watermaster's Peace II obligation to recharge 6,500 afy of supplemental water in MZ1.

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

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

Potential Impacts to Groundwater Levels

The proposed recharge will produce a localized and temporary increase in groundwater levels in the vicinity of the Upland and Montclair Basins following the recharge event. The temporary increase in groundwater levels will be followed by a return to the groundwater levels that would occur had the water not been recharged, as the recharge mound dissipates. The impacts of these localized changes in groundwater levels are described below:

- *Liquefaction and/or rising groundwater*. The current depth to water is described below:

- Near the Montclair Basin, depth to groundwater as of December 2025 was about 550 ft-bgs as measured at well MVWD 26.
- Near the Upland Basin, depth to groundwater as of December 2025 was about 90 ft-bgs, as measured at well MWU-1. Depth to groundwater near the Upland Basin is shallower than at Montclair Basin due to a clay layer that underlies the Upland Basin that results in perched groundwater.[2]

Depth to water in near both basins is below 50 feet bgs, the depth at which there may be a threat of liquefaction.[3] The below 50 feet bgs liquefaction threshold is assumed to be protective of rising groundwater.

- *Land subsidence*. Land subsidence due to changes in groundwater levels typically occurs with declining groundwater levels. Thus, there will be no threat of aquifer-system compaction and land subsidence due to the localized increases in groundwater levels caused by the recharge.
- *Pumping lifts*. Because of the temporary increases in groundwater levels, pumping lifts and pumping costs may be temporarily reduced for wells in the vicinity of the recharge.

Potential Impacts to the Balance of Recharge and Discharge in Every Area and Subarea

SAWC did not provide information on how it plans to recover the recharged water, so the location of future recovery remains unknown; thus, the balance of recharge and discharge cannot be analyzed.

Potential Impacts to Water Quality

The source of the supplemental water in SAWC's April 16, 2026 recharge application is San Antonio Creek water diverted upstream of San Antonio Dam. West Yost obtained water quality data of the San Antonio Creek water from SAWC and the Watemaster's database for the period 2021-2025. These data indicate no exceedances of primary California Title 22 maximum contaminant levels (MCLs).

Potential Impacts to Receiving Waters

The proposed recharge water is of equal or better quality than current groundwater in the area of recharge; hence, recharge of this water will likely improve the general groundwater quality in the vicinity of the Upland and Montclair Basins.

We compared observed concentrations of chemicals regulated under Title 22 drinking water regulations at wells located near the Upland and Montclair Basins to the MCLs. The contaminants with observations exceeding MCLs in the vicinity of the Upland and Montclair Basins included 1,2,3-Trichloropropane (TCP), 1,2-Dibromo-3-chloropropane (DBCP), nitrate, and perchlorate—with all being commonly observed contaminants in areas previously used in citrus cultivation in the Chino Valley area. The "Groundwater Quality" section of the 2024 State of the Basin Report (West Yost, 2025)[4] shows the maximum observed

[2] According to a study conducted by URS on behalf of IEUA in 2005, it was concluded that the "clayey sequence does not create a complete barrier to groundwater recharge."

[3] Fife, Donald et al. *Geologic Hazards in Southwestern San Bernardino County, California.* California Division of Mines and Geology, 1976.

[4] https://arcg.is/1mfKvj

concentrations of these and other constituents at municipal wells in the Chino Basin during the five-year period of July 2019 to June 2024.

The potential source(s) of TCP contamination in groundwater in this area were investigated in 2019 and it was concluded that the likely source of the TCP appears to be from land applications of soil fumigants.[5] The investigation also concluded it is unlikely that managed aquifer recharge (MAR) operations in the area will have a significant impact on the TCP concentrations at MVWD wells.

In 2021, Watermaster conducted a groundwater modeling study to evaluate a 100,000 af storage and recovery program in the Chino Basin, which included recharge at the recharge basins and four Monte Vista injection wells in MZ1. The study concluded that the "displacements [of contaminant plumes due to the storage and recovery program] are negligible and are not potential MPI."[6]

Based on the water quality of the recharge source water, the water quality at nearby wells, the results of the groundwater modeling studies, and the location and magnitude of the proposed recharge, our professional opinion is that the proposed recharge will not change the direction and/or speed of movement of known contaminant plumes in the Chino Basin.

Basin Plan Compliance

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

Water quality data from the San Antonio Creek indicate that TDS concentration averaged is expected to be less than 260 mg/L (TDS concentrations ranged from 150 to 240 mg/L between 2021 and 2025) and nitrate concentration is expected to be less than the detection limit (nitrate concentrations ranged from below the detection limit to 0.5 mg/L between 2021 and 2025).

The current ambient TDS and nitrate concentrations in the Chino-North GMZ (covering the 20-year period from 2001 to 2021) are 360 mg/L and 10.8 mg/L,[7] respectively. Thus, the proposed recharge will not encroach on the current assimilative capacity or interfere with Watermaster and the IEUA's regulatory obligations.

[5] WEI, 2019. *Investigation of the Likely Source of 1,2,3-Trichloropropane (1,2,3-TCP) in Groundwater near Recharge Basins in Management Zone 1 (MZ1) and the Impact of Managed Aquifer Recharge (MAR) on It*. Technical Memorandum dated December 16, 2019.

[6] West Yost (2021). *Evaluation of the Local Storage Limitation Solution*. February 2021.

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

Conclusion

Based on the information available at this time, our professional opinion is that there will be no MPI due to the SAWC's proposed recharge as described in its April 16, 2026 recharge application.

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

Sincerely,
WEST YOST

Carolina Sanchez, PE
Senior Engineer
RCE #85598

cc: Alonso Jurado

CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Economic Analysis – Update to the Chino Basin 2006 and 2007 Socioeconomic Studies (Business Item II.A.)

Issue: Watermaster is presenting the final consultant report updating the 2006 and 2007 Chino Basin socio-economic studies analyzing Peace Agreements benefits for the Committee's receipt and filing. [Information only]

Recommendation: Receive and file.

Financial Impact: None

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Receive and File
Non-Agricultural Pool – May 14, 2026 [Recommended]: Receive and File
Agricultural Pool – May 14, 2026 [Recommended]: Receive and File
Advisory Committee – May 21, 2026 [Recommended]: Receive and File
Watermaster Board – May 28, 2026 [Recommended]: Receive and File

BACKGROUND

The 2006 economic analysis prepared by Professor David Sunding evaluated the aggregate costs and benefits of achieving hydraulic control in the Chino Basin through basin re-operation, increased controlled overdraft, and support of desalter operations. The study examined how altering basin operations—specifically increasing cumulative overdraft by up to 400,000 acre-feet through 2030—could eliminate unmanaged outflow to the Santa Ana River while maintaining long-term basin stability. Using a standard groundwater optimization framework, the analysis compared these re-operation strategies to a counterfactual baseline in which no basin re-operation occurred and hydraulic control was not achieved.

The study found that achieving hydraulic control generated substantial basin-wide net benefits, primarily by allowing lower-cost recycled water to substitute for more expensive imported replenishment water and by inducing additional inflows from the Santa Ana River as groundwater elevations declined. Depending on assumptions about future water prices, the timing of overdraft, and whether Santa Ana River inflows were reserved to offset desalter replenishment or treated as flexible basin yield, Dr. Sunding estimated net present value benefits ranging from approximately $283 million to $439 million in 2006 dollars. While increased pumping and energy costs were acknowledged as a consequence of deeper groundwater levels, these costs were more than offset by the combined value of recycled water substitution, induced inflows, and forgiven replenishment obligations. Across all scenarios, basin re-operation produced positive net benefits relative to the no-action baseline.

Additionally, the second economic analysis prepared by Dr. Sunding in 2007 evaluated how the Peace I and Peace II Agreements changed water supply conditions in the Chino Basin and what those changes meant financially for the Basin's largest groundwater-producing agencies. In simple terms, the study asked: how much money did agencies save by having access to additional local water instead of having to rely on more expensive imported supplies? To answer this, the report compared a baseline situation—what water supply and costs would have looked like without the Peace Agreements—to scenarios that included the additional water made available through programs such as recharge expansion, stormwater capture, recycled water, agricultural-to-urban transfers, and ultimately hydraulic control. The total benefit was measured as avoided costs, primarily the cost of not having to purchase higher-priced Metropolitan Water District (MWD) imported water.

The Sunding analysis concluded that the combined Peace I and Peace II programs generated significant basin-wide benefits. In present value terms (2007 dollars), total net benefits to the ten largest agencies were estimated at roughly $904 million, with Peace II accounting for about $723 million, or roughly 80 percent of the total. While all agencies benefited, the study showed that benefits were not evenly distributed. Agencies with larger water demands and greater reliance on imported water realized higher benefits, because each additional unit of local groundwater replaced a more expensive imported alternative. Importantly, the analysis reflected projected future conditions based on planning documents available at the time; it did not use observed production or actual pumping data, because those data did not yet exist.

DISCUSSION

The 2025 UC Davis Applied Economics Laboratory study updates Sunding's 2006 analysis using observed operational and financial data from the Chino Basin Watermaster covering the period 2006–2024, with forecasts extended through 2030 using econometric methods. The update preserves Sunding's original scenario structure—varying the timing of overdraft, the treatment of Santa Ana River inflows, and alternative water price trajectories—while replacing projected inputs with realized production levels, replenishment obligations, water prices, and pumping costs. This allows the updated study to test whether the economic logic and relative performance of the original scenarios are held under actual basin conditions.

The update's results confirm the central qualitative findings of the 2006 analysis. Across all scenarios;

- achieving hydraulic control continues to generate positive net economic benefits compared to a baseline without re-operation
- treating Santa Ana River inflows as flexible basin yield consistently outperform those that allocate inflows exclusively to offset desalter replenishment obligations.

Similarly, the choice between rapid and straight-line overdraft paths primarily affects the timing and volatility of benefits rather than their existence. Rapid overdraft strategies generate higher benefits in early years but show greater variability, while straight-line approaches produce steadier, more stable benefit streams over time.

While the pattern of results remains consistent with Sunding's original conclusions, the magnitude of estimated benefits has declined in real terms. When normalized to 2025 dollars, Sunding's original benefit estimates ranged from approximately $419 million to $649 million, whereas the updated analysis finds net present values between roughly $100 million and $219 million. This reduction reflects changes in basin operations, reduction in water demands compared to original projections, reduction of reliance on imported water, water pricing, and realized efficiencies over time, which have lowered the incremental gains from further re-operation. Nonetheless, the updated study confirms that hydraulic control remains an economically sound and sustainable management strategy for the Chino Basin, even when evaluated conservatively using observed data rather than projections.

The updated analysis revisits the distribution of Peace II benefits with the advantage of nearly two decades of observed data. Rather than relying on projections of future demand and avoided imported water purchases, the updated study focuses on realized operational savings—specifically, reductions in pumping costs associated with higher groundwater levels and lower lift requirements attributable to Peace II. These avoided pumping costs represent a narrower but more directly observable component of economic benefit. As a result, total benefits estimated in the updated study are systematically lower in dollar terms than the inflation-adjusted Sunding figures. This difference is expected and meaningful: the original Sunding framework captures the full avoided procurement value of Peace II (the cost of imported water that no longer needed to be purchased), while the updated framework captures the operational cost savings realized at the wellhead.

When expressed as cumulative dollar benefits over the analysis horizon, the updated results show substantial variation across agencies, but with an overall pattern that remains consistent with the original study. Agencies with higher production volumes and more significant pumping cost exposure continue to account for a larger share of total benefits. Across all agencies, updated benefit totals fall well below the inflation-adjusted Peace II benefits estimated by Sunding, reinforcing the interpretation that the two studies provide complementary bounds on the true economic value of Peace II. The Sunding analysis effectively represents an upper bound based on avoided imported water purchases, while the updated analysis provides a conservative lower bound grounded in observed costs and production behavior.

The magnitude of the difference between the two studies' estimates varies by agency, reflecting differences in production scale, depth-to-water conditions, and reliance on imported supplies. For some agencies, the gap between the original and updated estimates is relatively modest in proportional terms, while for others it is larger, highlighting how operational realities diverged from earlier projections. Importantly, the updated study avoids emphasizing agency rankings and instead focuses on total dollar benefits, underscoring how Peace II generated meaningful but varied savings across the Basin. As part of this update, a deliberate decision was made to include Fontana Water Company in place of Fontana Union Water Company, reflecting Fontana Water Company's importance as an active groundwater producer and ensuring that the benefit analysis aligns with current production realities.

Taken together, the two studies offer a more complete and balanced picture of Peace II's economic impact than either could provide alone. The original 2007 analysis illustrates the scale of benefits that Peace II was expected to deliver by fundamentally reshaping regional water supply options, while the updated analysis demonstrates what portion of those benefits has been realized to date through measurable reductions in pumping and operating costs. Viewed side by side, they confirm that Peace II efforts delivered substantial value to the Basin, while also clarifying that realized operational savings represent only part of that broader economic benefit.

ATTACHMENTS

1. Updated 2006 Report by UC Davis' Louis Lab
2. Updated 2007 Report by UC Davis' Louis Lab (Draft)
3. 2006 Sunding Report on the Cost and Benefits of Achieving Hydraulic Control
4. 2007 Sunding Report on the Distribution of Benefits to Agencies

Analysis of Aggregate Benefits of Hydraulic Control and Basin Re-Operation in 2025

Prepared by: Luis Garcia-Covarrubias, PhD; Luis Pena-Lévano, PhD; Ellen Bruno, PhD; Karl-Friedrich Boy, PhD; Edgar Tellez-Foster, PhD.

Design: Victor Queirolo

DRAFT

October 16, 2025

Motivation: What's the difference between the projected Sunding 2006 benefits in the Chino Basin due to its re-operation with a 2025 assessment of said benefits?

Abstract.

This report updates Sunding's (2006) economic analysis of hydraulic control in the Chino Basin. We utilise data from the Chino Basin Watermaster for the years 2006–2024, and forecasts through 2030 generated using econometric models. The study re-evaluates Sunding's original scenarios, which varied in the pace of overdraft and the allocation of Santa Ana River inflows. The results confirm the same patterns observed in 2006. Scenarios that treat Santa Ana River inflows as unallocated outperform those that allocate them to desalters. Overdraft timing affects the distribution, yet not the overall existence of benefits. However, total economic returns have declined in real terms. Sunding's normalized estimates ranged from $419 to $649 million, while our updated analysis finds benefits between $100 and $219 million. However, all scenarios continue to yield positive net returns.

Introduction

The Chino Basin Watermaster (CBWM) requested this report to provide an updated, evidence-based assessment of the economic benefits and costs associated with achieving and maintaining hydraulic control in the Chino Basin since Sunding (2006), basin operations, desalter capacity, recycled water use, and Metropolitan Water District (MWD) pricing have evolved in ways that materially affect net benefits.

To ground the analysis in institutional and operational realities, we conducted semi-structured interviews with representatives from the agencies across the Chino Basin. Interview inputs on replenishment practices, recycled water substitution limits, desalter operating constraints, pumping lifts and efficiencies, and budgetary treatment of assessments were instrumental in conducting this update.

In parallel with this basin-wide study, we prepared two companion products. First, an agency-specific report, in the spirit of Sunding (2007), that allocates benefits and costs to member agencies using consistent accounting rules. Second, a qualitative synthesis drawn from interviews that previews a possible forthcoming real-options analysis of forecasting uncertainty in net distributions out to 2060 (*teaser* report). The latter frames how option value, timing flexibility, and learning may alter preferred implementation paths under price and hydrologic uncertainty.

Hydraulic control refers to the elimination or reduction to negligible quantities of discharge from the Chino North Management Zone to the Santa Ana River. Basin re-operation is defined as the increase in controlled overdraft, as defined in the Judgment, from 200,000 acre-feet over the period 1978 through 2017 to 600,000 acre-feet through 2030, with an additional 400,000 acre-feet explicitly allocated to meet the replenishment obligation of the desalting plants (Sunding, 2006).

The report is organized as follows. Section 2 summarizes the groundwater valuation model. Section 3 reviews Sunding's (2006) scenarios. Section 4 details data sources, interview-based inputs, and our forecasting methods. Section 5 presents results on annual benefits, composition, and Net Present Value (NPV) sensitivities, alongside comparisons to those in 2006. Section 6 offers concluding remarks. The Appendix provides tables, scenario assumptions, and a comparison of the divergence between reports in 2006 and 2025, as well as additional methodological documentation.

2. The Modelling of Hydraulic Control of Groundwater Resources

In 2006, Sunding developed an economic optimization model to measure the value of groundwater resources in the Chino Basin under several management scenarios. In this model, y_t denotes groundwater produced during period t, and x_t equal the stock of groundwater at the beginning of t. The value of the groundwater resource was expressed as:

$$Value = \sum_{t=0}^{\infty}(1+r)^{-t}\,[B(y_t) - C(x_t, y_t)] \qquad (1)$$

Where $B(y_t)$ represents the benefits from groundwater production in period t, and $C(x_t, y_t)$ was the cost of extraction and recharge. The optimization problem was defined *as finding the time path of production and stock that maximized the present value* of access to the aquifer, subject to physical and regulatory constraints. The physical constraint is described by the equation of motion as follows:

$$x_{t+1} = x_t + g(x_t, y_t) - y_t \qquad (2)$$

Where $g(x_t\, y_t)$ represents natural and artificial recharge. Regulatory constraints include water quality objectives and requirements to operate the basin under steady-state conditions.

Within this model, basin re-operation and its alternatives are modelled as different trajectories of production, stock, and recharge. The net benefit of a particular basin re-operation strategy, compared to a baseline scenario that maintained the current stock of groundwater, is measured *as the difference in present value* resulting from policy choices.

The study period extends indefinitely into the future, but Sunding models and reports the years up to 2030 in greater detail. This focus reflected the duration of the Peace Agreement II, which lasts until 2030, and the availability of more detailed environmental and water use modelling for that time horizon. From 2031 onward, terminal values were assigned to key parameters, and the groundwater system in the Chino Basin is assumed to enter into a steady state, with no further expected changes in production, groundwater elevation, or recharge amounts.

Table A included in the Appendix displays the 2006 assumptions made about groundwater production in the Chino Basin. These figures were consistent across all scenarios, meaning the differences in value were not driven by the assumptions themselves. The table shows groundwater production increasing steadily

over the study period, with desalter production also rising. Operating yield was set at 145,000 acre-feet annually through 2017, after which it declines to 140,000 AF annually. In addition, new stormwater recharge is assumed to be 12,000 acre-feet annually.

Sunding also constructs *a counterfactual* scenario without basin re-operation to estimate the net benefits of such a strategy. Table B in the Appendix from the 2006 report shows the physical consequences of this alternative. Without de-watering, hydraulic control would not have been achieved, leading to increased water quality costs. In this counterfactual scenario, relatively high-quality water would have been required for recharge, meaning that the Basin would have lost the ability to use lower-cost recycled water for replenishment. Instead, the entire replenishment obligation for both normal and desalter production would have been met through the purchase of more expensive replenishment water from MWD.

In contrast, if hydraulic control is achieved, two types of benefits would accrue to the Chino Basin. First, water quality would improve, as recycled water could be used to meet 30% of the Basin's replenishment obligation, up to an assumed capacity of 30,000 acre-feet annually. Second, lowering the groundwater elevation in the Basin induced inflows from SAR. Specifically, allowing a reduction in groundwater stock creates an average inflow of 9,900 AF annually until 400,000 AF of depletion credits are exhausted, after which the annual inflow rises to 12,500 AF. This induced recharge is treated as new yield in the Basin, and could either be applied to reduce the desalter replenishment obligation or treated as an asset in its own right.

The model of groundwater value applied in this report is an adaptation of Sunding (2006) model which in turn is standard in academic literature (Brozovic et al., 2005; Blomquist, 2021). The net benefits in each period resulting from access to a groundwater resource are the gains from pumping (i.e., the demand for water) minus the costs of extraction in the current period and a *user cost* term that reflects the change in future consumption possibilities resulting from current choices. The stream of annual net benefits is then discounted back to current dollars using a discount factor predicated on the rate of interest.

The interest rate used in the 2006 analysis is 5.5. This rate corresponds to the then risk free long-term rate of interest, a relevant rate for public agencies with good credit. The discount factor for a payment occurring in some future period t is then:

$$df_t = (1 + r)^t = t \approx e^{-0.055\,t} \qquad (3)$$

To maintain comparability with Sunding (2006), we apply Net Present Value (NPV) at the original 5.5% discount rate. For current relevance, we also adopt an updated long-term real risk-free rate of 3.0% as the base case for 2025 conditions. This rate reflects a modest premium over recent real yields, for instance, the 10-year U.S. Treasury Inflation-Protected Securities (TIPS) yield is about 1.80% (real) today. (Board of Governors of the Federal Reserve System, 2025). To measure sensitivity to discount factors, we further also apply rates at 2.0%, 3.0%, 5.0%, and 7.0% real to cover a plausible threshold of public-sector financing scenarios.

3. The Scenarios in Sunding's 2006 Report

As mentioned, Sunding's (2006) analysis employed an economic optimization model to assess the costs and benefits of achieving hydraulic control in the Chino Basin. The study compared a baseline of no basin re-operation with multiple re-operation scenarios. The scenarios varied along three key dimensions: **(1)** the timing of overdraft, **(2)** the allocation of induced Santa Ana River (SAR) inflows, and **(3)** the trajectory of future water prices.

(1) **The timing of overdraft**.

a. **The assumptions on the basin re-operation.** The 2006 report assumed that hydraulic control would be achieved by increasing cumulative overdraft by 400,000 acre-feet by 2030. Sunding considered two trajectories: **(i)** A *straight-line path*, in which approximately 20,300 acre-feet of annual overdraft continued through 2030 before returning to a steady state. **(ii)** A rapid depletion path, which maximized overdraft early on by *forgiving* desalter replenishment obligations as quickly as possible, reaching an annual maximum of over 30,000 acre-feet before tapering to zero by 2020.

b. **Constant assumptions across scenarios**. To isolate differences, Sunding fixed key physical parameters such as **(i)** total production increased steadily, **(ii)** desalter output grew to nearly 43,000 AF annually, **(iii)** operating yield declined from 145,000 acre-feet to 140,000 acre-feet after 2017, and **(iv)** stormwater recharge was held at 12,000 AF per year.

(2) **The allocation of Santa Ana River inflows**.

a. Sunding's 2006 study also varied how induced inflows from the SAR were treated. One assumption **(i)** was to allocate all inflows to offset desalter replenishment obligations, thereby reducing the need for imported replenishment. **(ii)** An alternative allowed SAR

inflows to be treated as free yield for any use, which raised the replenishment burden for desalters but provided greater system flexibility.

(3) **The trajectory of future water prices**.

a. Sunding incorporated high and low Metropolitan Water District (MWD) price forecasts. These assumptions aimed to assess uncertainty in *Tier 2* and replenishment water costs, with higher growth rates in the high-price scenario. Recycled water was valued at $69 per AF in 2006 and assumed to escalate in line with inflation (i.e., 2%).

3.1. Summary of findings in Sunding's 2006 report.

Across all scenarios, basin re-operation generated net benefits relative to the baseline. Sunding estimated benefits ranging between **$283 million** and **$439 million** in 2006 dollars. Allocating inflows strictly to desalter replenishment produced the lower bound of benefits, while treating SAR inflows as flexible yield raised benefits substantially. The choice between straight-line and rapid depletion paths mattered less for total net benefits, though the rapid strategy slightly increased energy costs due to earlier drawdown.

4. Data and the scenarios in the 2025 Report

This section details our update to Sunding's (2006) analysis of basin re-operation by integrating actual data provided by the Chino Basin Watermaster (CBWM). We include a revised set of benefit distributions through 2025. Additionally, we explain the forecasts applied for 2025–2030 using econometric methods to ensure continuity with the original study's horizon.

4.1. Data sources

We combined three main data sources.

(1) Baseline Modeling Framework. Sunding's (2006) report provided the baseline modeling framework described in the previous section, including assumptions about operating yield (i.e., 145,000 AF through 2017, declining to 140,000 AF thereafter), desalter production (rising to approximately 42,789 AF annually), and stormwater recharge (12,000 AF annually). The updated analysis incorporates observed operating yield data, reflecting a gradual decline in available yield over time: 135,000 AF from 2010 to 2019, 131,000 AF from 2020 to 2030. While Sunding (2006) does not provided a specific definition of

Operating Yield, we have used the Safe Yield as defined in the Judgment and subsequent Court Orders (2012 Restated Judgment, 2017 Court Order, and 2020 Court Order).

(2) Production, Replenishment, Prices and Pumping Costs. Watermaster provided updated historical data on production, replenishment obligations, water prices, and pumping costs, spanning 2006 through 2024. Total groundwater production (AF), Desalter production (AF), Operating yield (AF), Stormwater recharge (AF), Prices for replenishment water, recycled water, and Tier 2 imported water ($/AF), and we use optional operational drivers such as pumping lift, energy prices, and pump efficiency obtained from interviews conducted with the agencies to approximate general pumping costs.

(3) Panel Dataset. We ensemble an integrate a dataset in panel format (*see* deliverable "Update_Output_Tables.xlsx") that merges the physical and economic variables that allow us to model scenarios parallel to Sunding's original approach.

4.2. Econometric forecasting of missing values (2025–2030)

Since Sunding's horizon extended to 2030, it was necessary to complete the missing series for 2025–2030. To do so, we applied autoregressive integrated moving average (ARIMA) models to each relevant series included in the Water Master dataset.

Formally, y_t represents the value of a variable (e.g., replenishment water price) in year t then an ARIMA (p, d, q) model is given as follows:

$$\phi(L)(1-L)^d y_t = \theta(L)\epsilon_t \quad (4)$$

Where $\phi(L)$ and $\theta(L)$ are lagged polynomials of order p and q, d is the differencing order, and ϵ_t is a white-noise error term (for an intuitive and comprehensive explanation of ARIMA modelling please see Hanke, 2005 p. 399-480). We generated the forecasts using the *auto.arima* package in software R, which selects optimal parameters based on information criteria tests (i.e., Akaike, Bayesian). In cases where the series was too short (e.g., imported water) or the ARIMA fit was unstable, we implemented a linear time trend model as follows:

$$y_t = \alpha + \beta t + u_t \quad (5)$$

where α, β, and the error term u_t are estimated by least squares (Maddala, 1992).

4.3. Updated scenarios

Using the extended panel dataset, we replicated Sunding's 2006 four core scenarios:

1. **Straight-line overdraft with SAR allocated to desalters (SL_allocSAR).** Annual overdraft of ~16,000 AF until the 400,000 AF target is reached. SAR inflows are used directly to reduce desalter replenishment obligations.

2. **Straight-line overdraft with SAR treated as free yield (SL_freeSAR).** Same overdraft path, but SAR inflows treated as new basin yield, allowing greater flexibility but leaving desalters with higher replenishment obligations.

3. **Rapid overdraft with SAR allocated to desalters (RP_allocSAR).** Front-loaded overdraft, peaking at ~30,289 AF per year, with SAR inflows applied directly to desalter obligations.

4. **Rapid overdraft with SAR treated as free yield (RP_freeSAR).** Accelerated overdraft, but SAR inflows not earmarked for desalters, increasing desalter costs but raising basinwide flexibility.

For each scenario, we computed benefit components analogous to Sunding's (2006) categories:

1. **B_forgive.** value of replenishment obligations forgiven via overdraft.

2. **B_recycle.** Savings from substituting recycled water for replenishment water (up to 30% of obligations, capped at 30,000 AF annually).

3. **B_SAR.** Value of induced SAR inflows when not allocated to desalters.

We calculated Net Benefits (NB) as follows:

$$NB_t = B_{forgive,t} + B_{recycle,t} + B_{SAR,t} - C_{pump,t} \quad (6)$$

where $C_{pump,t}$ is a *proxy* pumping cost based on data sent by two agencies on lift, efficiency, energy price, and production levels, and sub-index t represents the time-series.

The net present value (NPV) of each scenario was obtained under the multiple discount rates specified in the previous section, as follows:

$$NPV = \sum_{t=0}^{T} \frac{NB_t}{(1+r)^t} \quad (7)$$

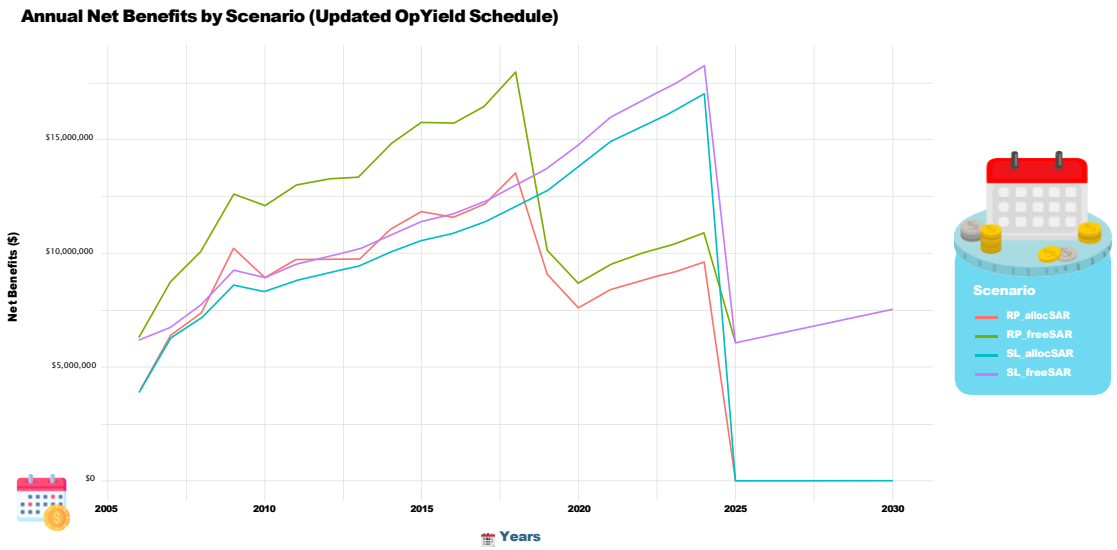
Where r is set to 5.5% (legacy rate for comparability) and 3% (current risk-free benchmark), with a sensitivity threshold of 2%, 5%, and 7%. Lastly, in Table C in the Appendix we include a detailed comparison of the data sources both in Sunding's 2006 report and the present 2025 study. Table C highlights the consistency between Sunding's stylized assumptions and actual basin operations while also showing where updated data diverges from the original 2006 report.

4. Results

Now we present the updated results of the economic evaluation of hydraulic control in the Chino Basin, contrasting them with the projections from Sunding (2006). As mentioned, the analysis incorporates both observed data from 2006 to 2024 and econometric forecasts for 2025 to 2030. Consistent with Sunding's study, we organize the results by scenario type, allocation rules for Santa Ana River (SAR) inflows, and price trajectories.

Graph 1 shows the updated annual net benefits of the four scenarios for the Chino Basin Management. Each line represents one scenario. As mentioned, net benefits refer to the money saved or gained each year compared to a baseline. In both Sunding's 2006 and the present report, these gains are achieved through the use of cheaper recycled water, forgiveness of RO, and induced inflows from SAR.

Graph 1. Net benefits by scenario



RP_allocSAR, red line. The rapid overdraft path scenario is the aggressive early pumping scenario. SAR inflows are applied directly to reduce desalter obligations. Net benefits rise initially but dip sharply after 2020 because the rapid drawdown involves higher costs in the short term and leaves less room for gains later. **RP_freeSAR, green line.** A rapid overdraft in which SAR inflows are treated as *new yield* (not locked into desalter obligations). This scenario is the highest-earning path before 2020, as the basin quickly receives large SAR inflows. Afterwards, benefits flatten and even dip as overdraft costs catch up.

SL_allocSAR, blue line. This is the straight-line overdraft scenario (i.e., steady 16,000 AF per year). Here, SAR inflows are tied to desalter obligations. This scenario is the most stable one in which benefits grow gradually and significant swings are not observed. **SL_freeSAR, purple line.** Straightline overdraft with SAR inflows free for optimal use scenario. It produces steady and eventually higher benefits than **SL_allocSAR**, since the SAR water is more valuable when flexible.

How does these benefits compare to Sunding (2006)?

Sunding's (2006) main finding is that *achieving hydraulic control generated larger benefits*, especially when SAR inflows could be flexibly allocated rather than locked into desalter use. In his 2006 report, rapid paths initially looked attractive because they generated inflows quickly; however, they came with relatively high risks and eventually increasing costs. The modelling of net benefits with the updated data suggests a similar pattern. More specifically, **RP_freeSAR** dominates the early years, but by the 2020s, its benefits decline, while the straight-line paths remain steadier and eventually catch up. In layperson terms, these results suggest that, even 20 years later, the trade-off Sunding highlighted (i.e., *fast gains with more volatility versus slower but steadier benefits)* holds.

Next in Table 1 we present the update results of the NPVs by scenario and by discount rate.

Table 1. NPV by scenario and discount rates

Scenario	2%	3%	5%	7%	5.50%
SL_allocSAR	$168,308,233	$152,663,933	$126,965,607	$107,063,872	$121,513,401
SL_freeSAR	$209,865,444	$187,982,402	$153,015,363	$126,842,081	$145,762,923
RP_allocSAR	$149,366,345	$137,052,143	$116,486,867	**$100,201,099**	$112,060,334
RP_freeSAR	**$219,102,956**	$198,723,831	$165,704,949	$140,483,795	$158,767,667

Graph 2. NPV by scenario and discount rates

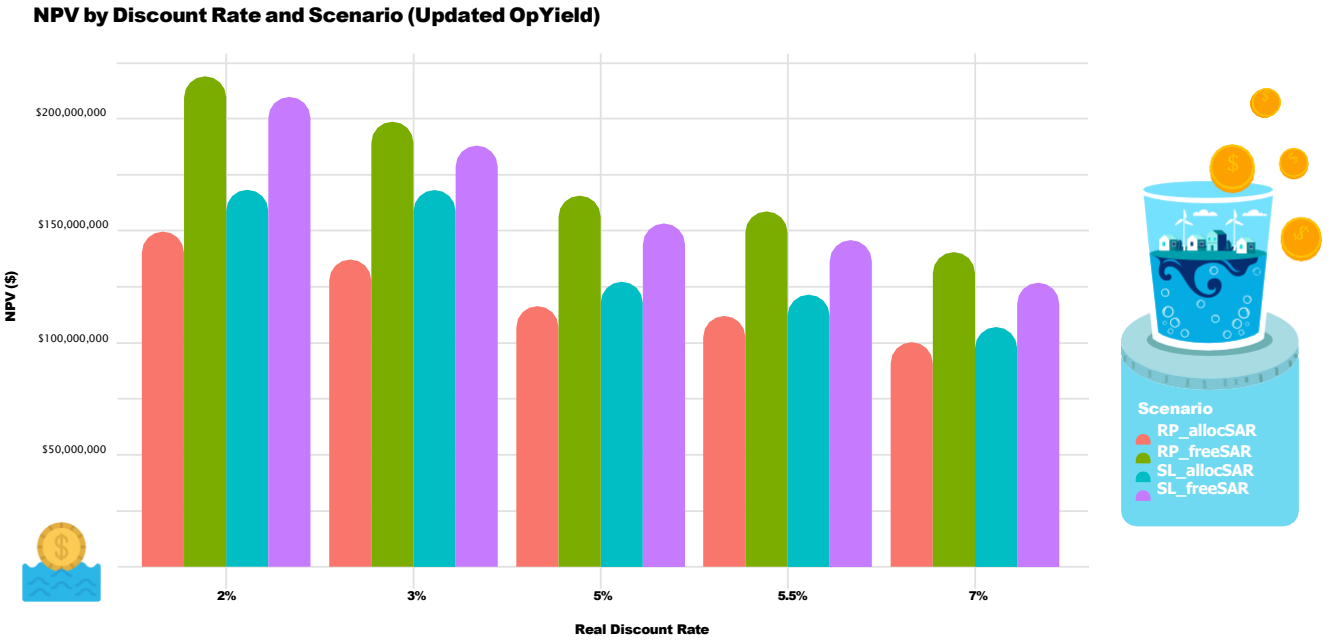


Table 1 and **Graph 2** are a direct counterpart of the Table 1 included in Sunding (2006, p. 8). It is updated with data available from the CBWM and including more interest rates as sensitivity analysis. Sunding (2006) estimated net benefits between about $283M and $439M (2006 dollars). Our update shows NPVs in the range of $100M to $219M (2025 dollars). These results suggest that the total gains (i.e., net benefits) are smaller today than in 2006. Several reasons could explain this apparent decline in benefits such as changes in water prices, the actual pace of basin operations, less reliance on MWD purchases, and more efficient operations lowering the incremental benefit of re-operation. In a nutshell, achieving hydraulic control is still positive in our analysis, but the actual payoff is lower than Sunding's 2006 estimates.

Another key takeaway from Sunding (2006) is the identification of a consistent *pattern*, meaning that scenarios with unallocated (free) Santa Ana River (SAR) inflows clearly outperform those with allocated inflows. This same pattern emerges in our updated analysis. As shown in Table 1 in this report, the scenarios **SL_freeSAR** and **RP_freeSAR** yield higher net present values (NPVs) than their allocSAR counterparts across all discount rates. Furthermore, the Rapid vs. Straightline comparison reproduces the same trade-off observed by Sunding. The *Rapid (RP)* path delivers higher early benefits when SAR inflows are treated as free.

However, when SAR inflows are allocated (**RP_allocSAR**), performance declines sharply. In contrast, the *Straightline (SL)* path remains more stable across all assumptions. While not always the absolute best performer, **SL_freeSAR** consistently ranks among the top scenarios and never the worst. Lastly, from Table 1 we can observe that these findings reaffirm Sunding's (2006) conclusions in which the flexible use of SAR water is more critical than the speed of overdraft reduction. Moreover, aggressive overdraft strategies only yield superior outcomes when SAR inflows are fully capitalized as free yield.

As mentioned, relative to Sunding's 2006 report, the identified *pattern* of results remains consistent. However, the absolute magnitudes of the net present values (NPVs) have declined in real terms. As shown in Table 2, Sunding's original analysis, normalized to 2025 U.S. dollars, produced estimates between $419 million and $649 million, while the updated analysis yields a range of $100 million to $219 million.

Table 2. Comparison of Net Benefits between Sunding (2006) and the present study 2025 USD.

Source	Lower (2025 USD)	Upper (2025 USD)
Sunding (2006) normalized to 2025 USD	$418,988,000	$649,424,000
Updated analysis (2025 USD)	$100,201,099	$219,102,956

This reduction in the actual value of NPVs reflects the evolving nature of hydrologic, economic, and operational conditions in the Chino Basin. Changes in imported water pricing, the timing of overdraft recovery, and the increasing costs of basin management have reduced the net economic payoff of hydraulic control.

6. Concluding Remarks

This report serves as an update to Sunding's (2006) evaluation of hydraulic control, incorporating observed CBWM data from 2006 to 2024 and consistent forecasts extending to 2030. The patterns identified in 2006 remain evident: scenarios that regard Santa Ana River (SAR) inflows as free yield continue to outperform allocation rules. Additionally, the choice between rapid overdraft and a straight-line approach primarily affects the timing of benefits rather than their existence. However, on a quantitative level, net present values have decreased significantly. The 2025 benefits are estimated at approximately $100–$219 million compared to Sunding's earlier estimates of $419–$649 million normalized to 2025 USD. This decline reflects changes in price conditions, realized operational improvements, and smaller incremental gains from further re-operation.

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Updated 2026 Report on the Distribution of Benefits to Basin Agencies from the Major Program Encompassed by the Peace Agreement II

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April 21, 2026

Abstract

The 2006 Peace Agreement II (Peace II) introduced major supply augmentation measures to the Chino Basin, California. It fundamentally altered groundwater production costs for the ten largest appropriative-pool agencies. This report updates Sunding's (2007) prospective benefit distribution using observed agency production data from fiscal years 2006–2024, extended to 2030 *via* ARIMA forecasting. We estimate avoided pumping costs, which are the operational savings realized as Peace II raised groundwater levels and reduced lift requirements. Expert-validated, agency-level Peace II attribution shares serve as conservative upper bounds on benefit allocation. Our findings suggest that updated estimates are systematically lower than inflation-adjusted Sunding figures, which reflect the partial nature of pumping cost savings relative to the full procurement value. Moreover, the ranking order of the agencies remains broadly similar between the two studies. Together, Sunding's (2007) and Louis' Lab (2026) constitute complementary lower and upper bounds on Peace II's operational value, providing Watermaster staff with the most complete benefit accounting to date.

Section 1. Introduction

The Chino Basin Groundwater Management Plan, governed by the 1978 Judgment and subsequently amended by Peace Accords I and Peace Accords II, represents one of the most enduring and stable institutional arrangements for water management in Southern California. The Peace II Agreement, formalized through the Non-Binding Term Sheet of May 2006, introduced a suite of supply augmentation measures such as large-scale recycled water production, hydraulic control, Santa Ana River inflow capture and cumulative overdraft forgiveness. These measures fundamentally altered the cost structure of groundwater production for the ten largest appropriative-pool agencies in the Basin. Together, these agencies account for over 91 percent of Basin-wide safe operating yield and serve a combined urban water demand that Prof. Sunding (2007) projected would grow from roughly 216,000 acre-feet in 2007 to over 337,000 acre-feet by 2030.

Importantly, the primary reference point for the economic value of these agreements is the report prepared by Sunding (2007). Prof. Sunding estimated the present value of net benefits to Basin agencies from the Peace I and Peace II program elements at approximately $904 million in 2007 dollars, with Peace II accounting for $723 million, or roughly 80 percent of the total.

Sunding's analysis was a rigorous, forward-looking exercise. Working from 2005 Urban Water Management Plans, he constructed a three-step supply function for the Basin (i.e., groundwater pumping, replenishment water, and Tier 2 MWD imports) and measured Peace II benefits as the avoided cost of expensive, imported water that agencies would have purchased in the absence of the agreement. That counterfactual framework was appropriate and well-suited to its purpose at the time, which was to perform a prospective benefit-cost analysis to inform the negotiation and ratification of the agreements.

Nearly two decades later, the agreements have been in operation for long enough that sufficient observed data exists. Production records, water level monitoring, pump telemetry, and agency cost accounts now provide evidence on how Chino Basin conditions evolved under Peace II, rather than *how they were projected* to evolve. This creates the opportunity for researchers and the obligation for stakeholders to revisit the benefit distribution with an empirically grounded update. The present report does exactly that.

Our approach differs from Sunding's in ways that are deliberate and worth stating clearly at the outset. Sunding asked a counterfactual question

(i) *What would agencies have spent on Tier 2 MWD water imports in the absence of Peace II?*

We update the Sunding (2007) question with observed data to ask*:*

(ii) *What did agencies actually save in pumping and operational costs as Peace II raised groundwater levels, reduced lift requirements, and made local production cheaper?*

These two questions are complementary measures of the same underlying economic benefit, not competing ones. Sunding's avoided import cost captures the full procurement value of Peace II at the extensive margin of water supply. Our avoided pumping cost captures the operational savings realized at the production margin as physical Chino Basin conditions improved. Both are legitimate components of the total net benefit that the agreement delivered as they illuminate complementary parts of it. Presenting both alongside each other, as this report does, provides Chino Basin agencies and Watermaster staff a more complete picture than either measure provides alone.

A second important distinction concerns the production data used. Sunding necessarily relied on projected residual demand from Urban Water Management Plans because no post-agreement production record existed in 2007. We use observed annual production from Watermaster assessment packages covering fiscal years 2006 through 2024. Observed production is a more reliable input for an *ex-post* update as it reflects what agencies actually pumped, not what planners projected agencies would need. At the same time, it measures realized production rather than counterfactual theoretical demand, which means our benefit estimates are conditioned on the actual scale of the Chino Basin use, rather than on an independently constructed demand model. We document our update transparently and make every available output for this report handy to Watermaster staff so that readers can interpret and replicate our figures accordingly.

A third distinguishing feature of our framework is the treatment of the Peace II attribution share. We don’t assume a fixed percentage of each agency’s production is attributable to Peace II in every year. Instead, we developed an expert-validated attribution share in consultation with Watermaster staff and created an authoritative agency-level table. We use this

authoritative agency share table as an upper bound of realized attribution. This conservative design ensures that the model never assigns more benefit to Peace II than the documented evidence supports, and it prevents mechanically optimistic estimates from distorting the agency-by-agency comparison.

The remainder of this report is organized as follows. Section 2 describes the data sources and the methodology. Section 3 discusses the results in the context of the Chino Basin's institutional history and identifies the agencies for which the two frameworks agree most closely with, and those for which the update differs most. Section 4 concludes.

Section 2. Methodology and Data

As mentioned, we construct an updated, agency-level distribution of net economic benefits from the Peace II Agreement over the period 2006–2030 and compares those realized totals against the Sunding (2007) forecasted distribution. Our analysis covers the same ten appropriative-pool agencies examined in Sunding (2007), which together account for over 91 percent of Basin-wide safe operating yield. Rather than replicating Sunding's full structural optimization, we implement an accounting-consistent allocation model at the agency-year level. Our approach uses observed agency production and observed pumping cost drivers, and attributes a conservative share of production to Peace II conditions, valuing that attributed volume at a per-acre-foot unit cost proxy.[1] This design is consistent with the economic logic of Sunding's groundwater valuation framework while remaining grounded in post-agreement observed-operational data.

Sunding (2007) formalizes the value of groundwater management as the present value of net surplus from groundwater production, benefits from water use net of extraction and replenishment costs, subject to expected hydrologic and institutional constraints.

Following Sunding (2007) framework, the basin-wide value can be represented as:

$$V = \sum_{t=0}^{\infty} (1+r)^{-t}[B(y_t) - C(x_t, y_t)] \quad (1)$$

[1] We needed to derive some pumping costs to complete the missing observations from some agencies data.

where $y_t$is production in period t, $x_t$is the beginning-of-period groundwater stock, $B(\cdot)$is the benefit function, and $C(\cdot)$captures extraction and replenishment costs.

The associated stock transition follows:

$$x_{t+1} = x_t + g(x_t, y_t) - y_t \quad (2)$$

where $g(\cdot)$represents natural and managed recharge. Our model does not re-estimate equations (1) and (2) structurally. Instead, we operationalize the cost side of the net benefit expression at the agency-year level using observed data on variable costs and pumping lift, and we attribute the production increment enabled by Peace II using expert-validated attribution shares as described below.

Our analysis draws on five primary data inputs, all provided by the Chino Basin Watermaster and by individual agencies through in-person interviews and follow-up correspondence. Full data files are included as supplementary material in Microsoft Office Excel files.

The ***agency production panel*** contains annual groundwater production in acre-feet by agency for fiscal years 2006–2024, sourced from Watermaster annual assessment packages. This panel constitutes the observed series $P_{a,t}$for agency $a$in year t.

The ***pump lift and efficiency panel*** provides static water level (SWL) and pumping water level (PWL) observations, as well as pump efficiency measurements, drawn from agency well records and field instrumentation. From these, annual dynamic lift $L_{a,t}$and pump efficiency $E_{a,t}$are derived where available.

The ***variable cost panel*** contains agency-reported avoidable operating costs per acre-foot, $VC_{a,t}$, covering energy, labor, chemicals, and routine maintenance. Jurupa Community Services District costs are derived from itemized production cost detail that isolates avoidable expenditure categories (i.e., power, chemical, maintenance, and labor) from the agency's internal cost records.

The ***annual average depth-to-water panel*** provides agency-level depth-to-water (DTW) observations from Watermaster monitoring records. These are used to approximate lift when direct pump measurements are unavailable, as described in **Section 3.3 below.**

Finally, we constructed ***authoritative agency-level table*** *was* constructed in consultation with Dr. Edgar Tellez-Foster and contains, for each of the ten agencies a region classification (North/South), average annual production, average DTW, and a percentage of total production attributed to Peace II conditions. This table serves as the controlling reference for region assignments and for the upper bound on Peace II benefit attribution.

We convert The Peace II percentage to a fractional share as:

$$s_a = \min\left(\max\left(\frac{\%\text{PeaceII}_a}{100}, 0\right), 1\right) \quad (3)$$

where $s_a$is the agency-specific Peace II attribution share cap we use throughout the model.

To align with Peace II's operational horizon, we extend with econometric modelling each agency's production series to 2030. For agencies with at least three annual observations, production is projected using an automated ARIMA model of the form:

$$\phi(L)(1-L)^d P_{a,t} = \theta(L)\varepsilon_{a,t} \quad (4)$$

where $L$is the lag operator, $d$is the differencing order, $\phi(L)$and $\theta(L)$are autoregressive and moving-average polynomials respectively, and $\varepsilon_{a,t}$is white noise. We follow model order selection with the criteria developed by Hyndman and Khandakar (2008).

For agencies where the observed series is too short to support ARIMA estimation, or where automatic selection fails to converge, a linear trend model is implemented as follows:

$$P_{a,t} = \alpha_a + \beta_a t + u_{a,t} \quad (5)$$

and forecasts are generated through 2030. In this way, we complete balanced panel $\{P_{a,t}\}$for all ten agencies over 2006–2030.

We construct the dollar value of Peace II-attributed benefits per acre-foot as the sum of a variable cost component and a pumping lift adder. Variable costs $VC_{a,t}$are carried forward or backward within agency to fill isolated missing years, and are bounded to the interval:

$$VC_{a,t} \in [50{,}800] \quad (6)$$

to avoid mechanical outliers from data entry errors. Where $VC_{a,t}$remains missing after within-agency gap-filling, we substitute the gaps with regional means (North/South) and use the overall panel mean as a final fallback.

Where direct pump measurements are available, dynamic lift is computed as:

$$L_{a,t} = \max\left(PWL_{a,t} - SWL_{a,t}, 0\right) \tag{7}$$

Pump efficiency values are normalized to decimal fractions where reported as percentages, and bounded to:

$$E_{a,t} \epsilon [0.35, 0.95] \tag{8}$$

Where pump lift data are absent for a given agency-year, observed DTW from the annual water level panel is used as a proxy, converted to effective lift using region-specific factors:

$$L_{a,t}^{DTW} = \begin{cases} \max\left(DTW_{a,t}, \kappa_S, 0\right) South \\ \max\left(DTW_{a,t}, \kappa_N, 0\right) North \end{cases} \tag{9}$$

with $\kappa_S = 0.75$and $\kappa_N = 0.60$, reflecting the typical ratio of total dynamic head to static depth-to-water in each sub-region. Where neither pump measurements nor annual DTW observations are available, we use the agency-average DTW from the authoritative table. This way we ensure hierarchy from the most site-specific information always takes precedence over regional defaults.

Then, we then compute a pumping cost adder as a linear function of lift:

$$A_{a,t} = \frac{L_{a,t}}{100} \cdot \delta \tag{10}$$

where $\delta = \$5$per acre-foot per 100 feet of lift. The final unit value *proxy* is:

$$U_{a,t} = VC_{a,t} + A_{a,t} \tag{11}$$

This decomposition makes the valuation mechanism explicit. Avoidable variable costs from agency financial records plus a lift-driven energy cost adjustment that responds directly to observed physical pumping conditions.

One of the central features of our methodological choice in this update concerns *how much of each agency's production* is credited to Peace II conditions.

We operationalize attribution through a baseline factor $b_{a,t} \in (0,1)$, such that counterfactual baseline production is:

$$P_{a,t}^{base} = b_{a,t} \cdot P_{a,t} \tag{12}$$

and the Peace II-attributed volume benefit is:

$$B_{a,t}^{AF} = \max\left(P_{a,t} - P_{a,t}^{base}, 0\right) = (1 - b_{a,t})P_{a,t} \tag{13}$$

We treat the authoritative agency table's Peace II share s_a as an upper bound on the realized attribution share in any year, not as an exact point estimate.

Formally:

$$\frac{B_{a,t}^{AF}}{P_{a,t}} \leq s_a \tag{14}$$

Since $B_{a,t}^{AF}/P_{a,t} = 1 - b_{a,t}$, this constraint is equivalent to:

$$b_{a,t} \geq 1 - s_a \tag{15}$$

We set regional default baseline factors at $b_S^{default} = 0.65$ for southern agencies and $b_N^{default} = 0.90$ for northern agencies, which reflects the Water Master staff informed greater dependence of southern Chino Basin agencies on Peace II supply augmentation.

We choose the binding baseline factor as:

$$b_{a,t} = \min\left(\max\left(b_{r(a)}^{default}, 1 - s_a\right), 0.99\right) \tag{16}$$

with a lower bound of 0.01 to prevent degenerate attribution values. This rule is intentionally conservative as it aims to prevent the model from attributing more production to Peace II than the authoritative table supports, regardless of what the regional default would otherwise imply.

Where the floor derived from equation (15) is more restrictive than the regional default, that floor governs.

Monetized annual benefits are computed as:

$$B_{a,t}^{USD} = B_{a,t}^{AF} \cdot U_{a,t} \tag{17}$$

Agency-level totals are obtained by summing over the full analysis horizon:

$$B_a^{USD} = \sum_{t=2006}^{2030} B_{a,t}^{USD}, B_a^{AF} = \sum_{t=2006}^{2030} B_{a,t}^{AF} \tag{18}$$

with an implied average benefit per acre-foot of:

$$\bar{B}_a^{USD/AF} = \frac{B_a^{USD}}{B_a^{AF}} \tag{19}$$

Agency shares of total updated benefits are reported as:

$$\text{Share}_a = \frac{B_a^{USD}}{\sum_j B_j^{USD}} \tag{20}$$

To compare updated totals against Sunding (2007), his agency-level "Peace II vs. Baseline" figures, originally reported in thousands of 2007 dollars, are converted to 2025 dollars using a cumulative CPI-U inflation factor:

$$B_a^{Sunding,2025} = B_a^{Sunding,2007} \times 1{,}000 \times \pi \tag{21}$$

where $\pi = 1.55$, reflecting approximately 55 percent cumulative CPI-U inflation between 2007 and 2025 based on U.S. Bureau of Labor Statistics data. As an additional conservative safeguard, we cap updated agency totals relative to the corresponding Sunding figures using region-specific multipliers:

$$B_a^{USD,cap} = \min\left(B_a^{USD}, \phi_{r(a)} \cdot B_a^{Sunding,2025}\right) \tag{22}$$

with $\phi_S = 0.70$ for southern agencies and $\phi_N = 0.60$ for northern agencies. This ceiling is applied only where Sunding totals are available and is intended to prevent the avoided pumping cost estimates from implausibly exceeding the full avoided procurement cost values that

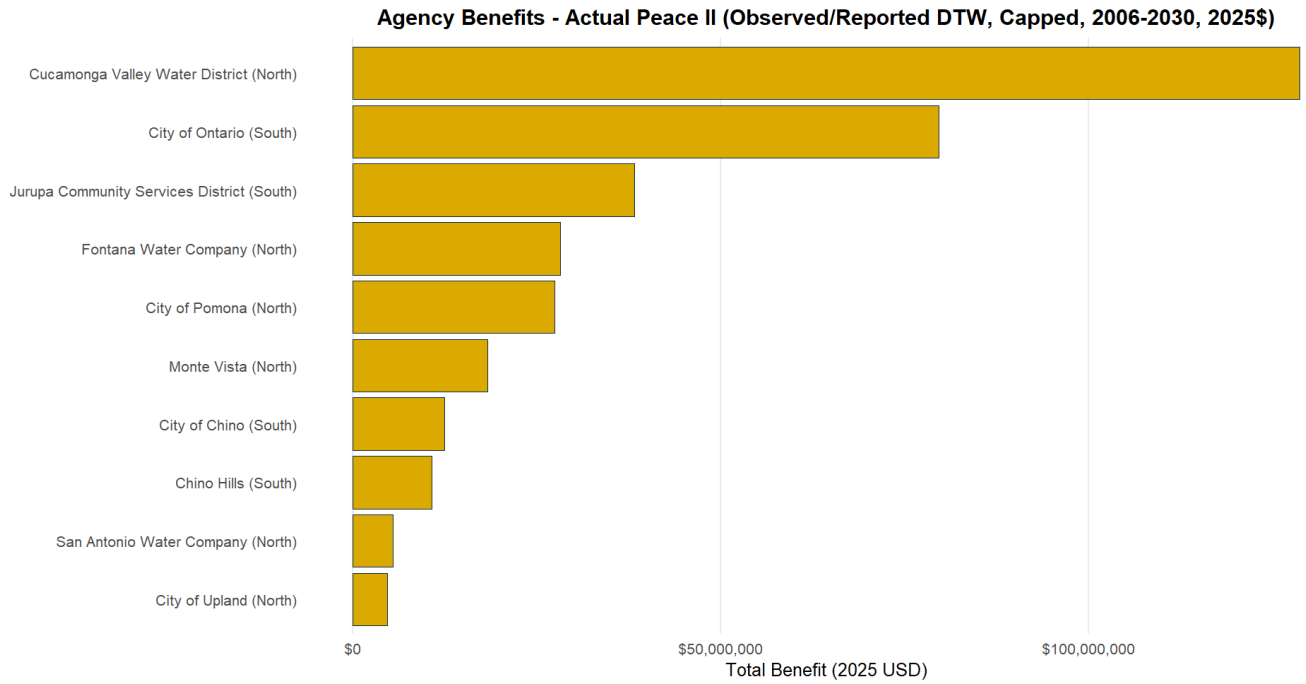
Sunding's supply-demand model captures. The values of ϕ_S and ϕ_N reflect the judgment that avoided pumping costs represent a meaningful but partial component of the total economic benefit of Peace II, and we discuss sensitivity to these parameters in the results section.

3. Results and Discussion

3.1 Updated Agency-Level Benefit Distribution

Figure 1 presents the updated Peace II net benefit estimates for each of the ten Chino Basin appropriative-pool agencies, expressed in cumulative 2025 dollars over the 2006–2030 horizon. The results reflect the avoided pumping cost framework described in Section 2, with Peace II attribution shares treated as upper bounds and regional baseline factors governing the counterfactual production levels against which observed production is compared.

Figure 1. Agency Benefits –vs. Actual Peace II Results



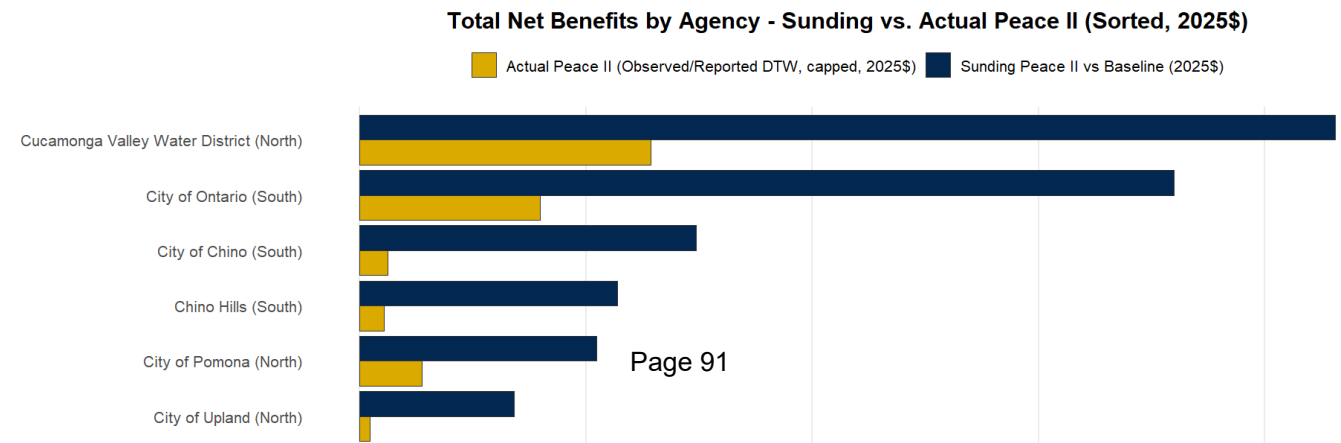
The distributional pattern is highly skewed. Cucamonga Valley Water District and the City of Ontario together account for the largest share of total updated benefits, a result driven by the combination of high observed production volumes, relatively elevated variable operating costs, and depth-to-water conditions in those service areas. Cucamonga Valley Water District, a northern Basin agency, benefits from the high production volumes it sustains, while Ontario's position reflects both production scale and the physical pumping cost structure of its well fields.

The City of Chino, Chino Hills, and the City of Pomona follow as mid-tier beneficiaries, with high total figures in absolute terms but substantially lower than the top two agencies. Fontana Water Company, San Antonio Water Company, and Monte Vista Water District register the smallest updated totals, consistent with the more limited role that Peace II supply augmentation plays in their respective operational contexts. This observed pattern does echo the original Sunding (2007) distribution, where those same agencies occupied the lower end of the benefit ranking.

The regional dimension of the results requires attention. Southern Basin agencies (i.e., the City of Chino, City of Ontario, Jurupa Community Services District and Chino Hills) were assigned a lower baseline factor ($b_S^{default} = 0.65$) reflecting the greater operational dependence on Peace II conditions documented by Watermaster staff. Northern agencies carry a higher baseline factor ($b_N^{default} = 0.90$), meaning that a smaller share of their observed production is attributed to the agreement. As mentioned in the methodology section, this asymmetry is intentional and conservative to ensure that attribution is highest precisely where the institutional and hydrological record most clearly supports it. In this way, northern agencies are not over-credited for production that may have occurred under pre-Peace II conditions as well.

Figure 2 places the updated estimates alongside the Sunding (2007) figures after applying the cumulative CPI-U inflation adjustment of $\pi = 1.55$, which converts Sunding's 2007 dollar totals to a consistent 2025-dollar basis. The grouped bar chart allows for a direct agency-by-agency comparison of the two methodologically distinct estimates of the same underlying benefit.

Figure 2. Total Net Benefits by Agency – Sunding Vs. Actual Peace II Results (2025 USD)



Three main patterns emerge. First, across all ten agencies, the updated estimates are systematically lower than the inflation-adjusted Sunding figures. This is the expected and theoretically coherent outcome. Sunding's avoided import cost framework captures the full procurement value of Peace II at the extensive margin, including the value of not having to purchase Tier 2 MWD water at $427 per acre-foot. Our framework captures only the operational pumping cost savings, which is a meaningful but partial component of that total benefit. The gap between the two estimates is not a discrepancy, it is the quantitative expression of the difference between what Peace II was worth in avoided procurement terms and what it delivered in reduced extraction costs at the well head.

Second, the rank ordering of agencies is broadly preserved between the two estimates. Cucamonga Valley Water District, the City of Ontario, and the City of Chino appear near the top of both distributions, while Fontana, San Antonio, and Monte Vista appear near the end. This rank consistency provides an important internal validation of the updated model, despite the necessary methodological differences between the two frameworks, both arrive at a similar picture of which agencies derived the most operational benefit from the agreement. Moreover, the agencies that were the largest producers and faced the most significant pumping cost conditions are the same under both approaches.

Third, the magnitude of the gap varies across agencies in ways that are themselves informative. For instance, for agencies such as Fontana Water Company and San Antonio Water Company, Sunding's (2007) original analysis explicitly noted that surface water deliveries exceeded projected demand in some years, limiting the extent to which Tier 2 avoided cost logic applies. In those cases, the Sunding figures carry their own caveat, and the distance between the two estimates should be interpreted with that qualification in mind. For the larger producers (i.e.,

Cucamonga, Ontario, Chino) the gap is larger in absolute dollar terms but proportionally more stable, which is consistent with the ceiling parameters ($\phi_S = 0.70$, $\phi_N = 0.60$) binding for some of these agencies and limiting the updated total to a fixed fraction of the Sunding benchmark.

4. Conclusions

Taken together, the results presented in this report support two substantive conclusions and a methodological one about the economic record of Peace II.

The first is that the agreement generated economically significant operational savings for all ten agencies in the Basin, not merely the largest producers. Even the agencies at the lower end of the updated distribution (i.e., Monte Vista, San Antonio, Jurupa) show positive and non-trivial cumulative benefits over the 2006–2030 horizon. This finding is consistent with the basin-wide character of Peace II's supply augmentation program, which improved groundwater conditions and reduced lift requirements across the appropriative pool, not only in the sub-regions where production is most intensive.

The second conclusion concerns the relationship between the two estimation frameworks. The avoided pumping cost estimates in this report and the avoided import cost estimates in Sunding (2007) are best understood as lower and upper bounds on the operational value of the agreement, respectively. Sunding's figures represent the maximum that agencies could plausibly have avoided spending on imported water (a *kind of* counterfactual upper bound grounded in the Tier 2 MWD pricing structure). Our figures represent a conservative floor anchored in observed cost data and expert-validated attribution shares. The true economic benefit of Peace II, properly accounting for behavioral and institutional margins, lies somewhere between these two estimates. Basin agencies and Watermaster staff now have both bounds available for the first time.

The third conclusion is methodological. The similar order in rank between the two frameworks, despite their different conceptual starting points and different input data, provides evidence that the underlying benefit distribution is a genuine feature of the Chino Basin's production and cost structure rather than an artifact of any analytical approach. Agencies with high production volumes, elevated variable costs, and significant depth-to-water conditions consistently appear at the top of both distributions. That convergence is reassuring as it suggests that the Peace II benefit estimates are robust to the choice of valuation framework.

One important limitation of the updated framework deserves acknowledgment. Our estimates are conditioned on observed production rather than on a counterfactual or theoretical demand model, which means that years in which agencies reduced pumping for reasons unrelated to Peace II (e.g., drought restrictions, changes in service area demand, shifts in imported water blending strategy) will tend to reduce the estimated benefit relative to what a demand-based approach would impute. This is a deliberate feature of the *ex-post* design, but it implies that the updated figures presented here are better interpreted as a lower bound on the operational value of Peace II than as a point estimate of the agreement's total realized benefit. Future updates that incorporate agency-level demand projections alongside observed production could narrow the uncertainty and provide a more complete accounting of what is to come for the Chino Basin Watermaster.

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Analysis of Aggregate Costs and Benefits of Hydraulic Control, Basin Re-Operation and Desalter Elements of Non-Binding Term Sheet

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Summary

The report measures the economic costs and benefits of achieving hydraulic control through re-operation of the Chino Basin. Various scenarios are considered in the analysis, with scenarios chosen to reflect uncertainty regarding future values of water, the time path of annual overdrafts selected to dewater the basin, and the use of the resulting induced inflow from the Santa Ana River. As shown in Table 1, depending on the scenario chosen, the net benefits of achieving hydraulic control through basin re-operation range between $283.1 million and $438.8 million in 2006 dollars.

1. Introduction

Hydraulic control refers to the elimination or reduction to negligible quantities of discharge from the Chino North Management Zone to the Santa Ana River. Basin re-operation is defined as the increase in controlled overdraft as defined in the Judgment from 200,000 acre-feet over the period 1978 through 2017, to 600,000 acre-feet through 2030 with the 400,000 acre-feet allocated specifically to meet the replenishment obligation of the desalters.

2. Framework

The model of groundwater value used in this report is standard in the academic literature.[1] The net benefits in each period resulting from access to a groundwater resource are the gains from pumping (i.e., the demand for water) minus the costs of extraction in the current period and a "user cost" term that reflects the change in future consumption possibilities resulting from current choices. The stream of annual net benefits is then discounted back to current dollars using a discount factor predicated on the rate of interest.

[1] Brozovic, N., D. Sunding and D. Zilberman, "Optimal Management of Groundwater Over Space and Time." *Frontiers in Water Resource Economics*. D. Berga and R. Goetz, eds. New York: Springer-Verlag, 2005; Gisser, M., and Sanchez, D.A. "Competition versus Optimal Control in Groundwater Pumping." *Water Resources Research* (1980): 638-642; Brown, G., Jr., and Deacon, R. "Economic Optimization of a Single-Cell Aquifer." *Water Resources Research* (1975): 557-564.

The interest rate used in the analysis is 5.5%. This rate corresponds to the current risk-free long-term rate of interest, a relevant rate for public agencies with good credit. The discount factor for a payment occurring in some future period t is then $(1.055)^{-t} \approx e^{-0.055t}$.

Let y_t denote groundwater produced during period t, and x_t equal the stock of groundwater at beginning of period t. The value of the groundwater resource is then

$$Value = \sum_{t=0}^{\infty} (1+r)^{-t} \left[B(y_t) - C(x_t, y_t) \right],$$

where $B(y_t)$ denotes the benefits from groundwater production in period t, and $C(x_t, y_t)$ is the cost of extraction and recharge. In an economic optimization model, the problem is to find the time path of production and stock that maximizes the present value of access to the aquifer, subject to physical constraints such as the equation of motion $x_{t+1} = x_t + g(x_t, y_t) - y_t$ (where $g(x_t, y_t)$ denotes natural and artificial recharge) and regulatory constraints such as water quality objectives and requirements to operate the basin in a steady-state condition.

Viewed this way, basin re-operation and its alternatives can be modeled as different evolutions of production, stock and recharge. The net benefit of a particular basin re-operation strategy versus a baseline that maintains the current stock of groundwater is the difference of present value resulting from a particular choice of these policy variables.

The study period extends indefinitely into the future, but the period between the present and 2030 is modeled in more detail. This feature results from the fact that the Peace Agreement lasts until 2030, and more detailed environmental and water use modeling is available to this date. As described below, terminal values are assigned to key parameters from 2031 on, and at this point the groundwater system in the Chino Basin is assumed to enter into a steady state, with no expected change in production, groundwater elevation or recharge amounts.

Table 2 displays the assumptions made about groundwater production from the Chino Basin. All figures in the table are common to all scenarios considered, and thus these assumptions are not the basis for differences in value between scenarios. The table shows groundwater production increasing steadily throughout the study period. Desalter production is also increasing throughout the study period. Operating yield is set at 145,000 acre-feet through 2017, at which point it declines to 140,000 acre-feet annually. Finally, new stormwater recharge is assumed to be 12,000 acre-feet annually.

It is necessary to describe a scenario without basin re-operation in order to calculate the net benefits, if any, from this type of strategy. Table 3 displays the physical consequences of such an alternative. If the basin is not de-watered, then hydraulic control will not be achieved, and there will be water quality costs as a result. One such consequence is that relatively high-quality water must be used for recharge. In particular, the Basin would lose the ability to use relatively inexpensive recycled water for replenishment purposes

and would be forced to use water purchased from MWD instead.[2] Thus, Table 3 shows that the entire replenishment obligation for both normal and desalter production is met through the purchase of replenishment water from MWD.

In the event that hydraulic control is achieved, there are two types of benefits to the Chino Basin as a whole. The first benefit relates to water quality. As discussed above, if hydraulic control is achieved, then recycled water can be used for 30% of the total Basin replenishment obligation, up to an assumed capacity of 30,000 acre-feet annually.[3] The second benefit is that lowering the groundwater elevation in the Basin induces an inflow of water from the Santa Ana River. Specifically, forgiving a reduction in the stock of groundwater in the Basin results in an average of 9,900 acre-feet annually until the 400,000 acre-feet of depletion credits are exhausted, and then 12,500 acre-feet annually thereafter. This natural recharge is new yield in the Basin; as discussed below, it can be used either for reducing the desalter replenishment obligation or as an asset in its own right.

3. Scenarios

The valuation model is implemented under a variety of assumptions about how re-operation will occur, how the Santa Ana River inflows are treated, and the level of future water prices. This section describes the construction of alternative scenarios.

Implementation of Basin Re-Operation

The basic principle of basin re-operation is that it is a means of achieving hydraulic control by increasing cumulative overdraft by 400,000 acre-feet through 2030. Overdraft is to be achieved by forgiving the replenishment obligation of the desalters by some annual amount over a defined period of time. This general principle is silent about *how* the total quantity of forgiveness of desalter replenishment is to be allocated over time.

This analysis considers two possible implementation scenarios. The first scenario, termed the straightline alternative, envisions an annual overdraft of 20,346 acre-feet occurring until 2030, at which time the annual overdraft would fall to zero and the system is assumed to enter into a new steady-state from 2031 onward. The second scenario, called the most rapid depletion path alternative, sets the annual overdraft to eliminate the desalter replenishment obligation for as long as possible.

Tables 4 and 7 display annual overdraft amounts under these two alternatives for implementing basin re-operation. As described, the straightline alternative entails constant annual overdraft quantities, resetting to zero from 2031 onwards. The most rapid

[2] Alternatively, recycled water would have to be desalted prior to recharge. Costs are not available at this time for this option.

[3] Assumptions provided by Watermaster staff. If hydraulic control is achieved, it may be possible to increase this limit. In this case, the benefits resulting from basin re-operation would increase.

depletion path reaches a maximum annual overdraft of 30,289 acre-feet before dropping to zero in 2020.

Allocation of Induced Santa Ana River Inflow

A second dimension along which the scenarios vary is with regard to the allocation of Santa Ana River inflows induced by the reduction of the groundwater stock. A total of 12,500 acre-feet of new yield is assumed to result from the dewatering, and the scenarios differ in terms of the use of this new yield. One scenario allocates all Santa Ana River inflows from re-operation to reducing the desalter replenishment obligation. An alternative scenario treats these inflows as a resource to be used for any purpose; consequently, desalter replenishment obligations are higher under this assumption.

Tables 5 and 6 relate to the straightline depletion case and show replenishment obligations and sources under the two Santa Ana River inflow allocation alternatives. In Table 5, new yield is allocated to desalter replenishment, and the desalter replenishment obligation is negligible in the near term and reaches a maximum of 9,943 acre-feet during the study period. In Table 6, by contrast, total replenishment obligations are higher since the new yield can be used for any chosen purpose.

Tables 8 and 9 show replenishment obligations under the most rapid depletion path scenario. Results are similar as in the straightline depletion scenario, with the exception that desalter replenishment is forestalled until 2025 if new yield is allocated to this purpose.

Future Water Prices

Given the important role of relative prices in the economic analysis, and given uncertainties regarding the evolution of water values in Southern California, the analysis considers two alternative scenarios regarding future water prices. These scenarios are taken from MWD and are commonly referred to as the high rate and low rate scenarios. MWD scenarios cover Tier 1 and Tier 2 water, as well as replenishment water. The high rate scenario has the Tier 2 rate growing at an annual rate of 3.11% for the next five years, and then by 4.50% from 2011 to 2030. The replenishment rate grows at 6.94% through 2011, and then at 4.50% to 2030. In the low rate scenario, the Tier 2 rate grows by 2.28% annually for the next five years, and then by 3.00% from 2011 to 2030. The replenishment rate is assumed to grow by 4.79% through 2011, and by 3.00% thereafter.

The current price of recycled water for replenishment is assumed to be $69 per acre-foot.[4] In the high rate scenario, this price was assumed to grow at the same rate of inflation as

[4] One public comment received after the July 26, 2006 presentation stated that the actual price paid for recycled water should be used in the analysis. While this price is not yet known, it is likely to exceed $69 per acre-foot. Note, however, that this study considers the aggregate costs and benefits of elements of the non-binding term sheet. Thus, changes in the price of recycled water have distributional as opposed to efficiency effects, that is, they change the relative level of benefits enjoyed by the parties in the Chino Basin rather than affecting the total level of benefits.

the Tier 2 and MWD replenishment prices: 4.50%. Similarly, the recycled water price grows by 3.00% annually in the low rate scenario.

4. Other Effects of Basin Re-Operation

An additional benefit of hydraulic control is a reduction in storage losses. Measuring the value of reduced storage losses is conditioned on several factors that are not fully known at present. Of course, the ex post performance of any groundwater storage program depends on the sequence of puts and takes, which depend in turn on the sequence of wet and dry years. Based on conversations with Watermaster staff, the groundwater storage program is assumed to be 400,000 acre-feet over the study period, but may range from 300,000 to 500,000 acre-feet.[5] Calculations provided by Wildermuth Environmental detail the relationship between average storage over the life of the MWD Dry Year Yield program and associated losses at 0.66 and 2 percent. Table 12 summarizes cumulative losses through 2028, together with present values calculated using the high and low rate scenarios for MWD replenishment rates as described above.

Assuming 2 percent loss and a 400,000 acre-foot storage program, the present value of reduced storage losses is $24.9 million in 2006 dollars in the high rate scenario and $20.4 million in the low rate scenario. These calculations are performed ex ante, and the actual magnitude of reduced storage losses will depend on factors including the size of the storage program, the percentage storage loss, the timing of puts and takes, and the actual replenishment rates charged by MWD. For the purpose of aggregating reduced storage loss benefits with other benefits and costs of basin re-operation, we will assume a 400,000 acre-foot storage program for both the high and low rate scenarios with storage losses equal to half of the amounts in Table 12 (recall that storage losses could range from 0 to 2 percent). The corresponding values of reduced storage losses are $12.4 million and $10.2 million for the high and low rate scenarios, respectively.

Achieving hydraulic control through basin re-operation will also result in higher pumping costs since forgiveness of the desalter replenishment operation is intended to lower the groundwater elevation in certain regions. The information needed to calculate the present value of increased pumping costs includes the quantity-weighted average change in lift in the Basin resulting from re-operation, the energy requirement per unit lift and energy costs per kilowatt-hour. Wildermuth Environmental provided the weighted average changes in groundwater elevation. The price of electricity is assumed to be $0.14/kwh, and the pumping efficiency is taken to be 75 percent. The California Energy Commission forecasts that commercial and agricultural electricity rates charged by investor-owner utilities operating in California will decline slightly in nominal terms until 2013, when

[5] The Peace Agreement provides that there is Target Storage of 500,000 acre-feet *in excess* of then existing storage, whereas this report only considers the Safe Harbor quantity of 500,000 acre-feet of storage in total. In some sense, there is a tradeoff between the decision to pursue max-benefit and the feasibility of obtaining the higher amount of storage. It should also be noted, however, that the basin is at the limit of shift capacity for export, and expansion of recharge to achieve greater storage is costly. Further, the PEIR only considered an additional 250,000 acre-feet of storage.

their forecast terminates.[6] This analysis assumes that nominal electricity prices are constant.

Combining this information, increased pump lift costs have a present value of $14.9 million in the straightline depletion scenario. In the rapid pulldown scenario, re-operation has a larger impact on the present value of energy costs since the groundwater elevation is reduced to the same level but at an earlier date. Increased energy costs have a present value of $19.4 million in this scenario. Both calculations include increased energy costs in the new basin steady state achieved after 2030.

5. Results

Table 1 summarizes the results of the economic analysis. The figures in the table are the net benefits resulting from access to the Chino Basin aquifer under the alternative management and price scenarios described in the previous section. In all cases, basin re-operation results in aggregate net benefits. However, there are significant differences in net benefits depending on the realization of future water prices and the use of Santa Ana River inflows induced by reducing the stock of groundwater. The rapidity with which basin re-operation is implemented matters less.

When Santa Ana River inflow is allocated to desalter replenishment and overdraft occurs in constant annual amounts to 2030, basin re-operation results in gains of between $283.1 and $391.4 million in present value terms, depending on the growth of water prices and how the replenishment credit is used over time. These gains result from the ability to use recycled water for a fraction of recharge if hydraulic control is achieved, the value of new yield, and the value of the forgiven desalter replenishment.[7]

Since new yield is reliable, in any case more reliable than a supply of replenishment water, allocating it to desalter replenishment would seem to be inefficient. The Tier 2 rate is well above the price of replenishment water, which is a weighted average of the MWD replenishment rate and the price of recycled water. When Santa Ana River inflows are decoupled from replenishment obligations, the gains from straightline basin re-operation are between $341.9 and $438.8 million.

There is a small increase in the net benefits of basin re-operation when the most rapid overdraft strategy is implemented. Several factors explain this result. First, in the most rapid depletion scenario, the 30,000 acre-foot constraint on annual recycling recharge binds more frequently. Accordingly, less recycled water is recharged over the study

[6] http://www.energy.ca.gov/electricity/rates_iou_vs_muni_nominal/medium_commercial.html; http://www.energy.ca.gov/electricity/rates_iou_vs_muni_nominal/agricultural.html

[7] Another potential source of loss is the option value of the water taken from the groundwater stock. That is, water used to avoid desalter replenishment is water that is not available in the event of a major disruption in surface water supplies to the region. Given the difficulty of describing and quantifying these future states of nature, option values have not been calculated. However, conversations with Watermaster staff indicate that dewatering will not result in any meaningful loss of operational flexibility since the percentage depletion of the aquifer envisioned through re-operation is relatively small.

period under this scenario. Second, while the most rapid depletion strategy delays replenishment, it also hastens the date at which a large replenishment obligation occurs once the desalter replenishment forgiveness of 400,000 acre-feet is exhausted.[8] Given the relatively low real discount rate used in this study (i.e., the nominal discount rate minus the rate of growth of water prices), it is not surprising that dynamic factors such as this do not have a large effect on net benefits.

[8] This study has not considered the capital and operating costs of expanding recharge capacity. Allocating Santa Ana River inflows to desalter replenishment delays the date at which capacity is exceeded, as does the most rapid depletion strategy.

Table 1: Net Benefits of Hydraulic Control, Basin Re-Operation and Desalter Production

(Figures in millions of 2006 dollars)

Gain Over Baseline: SAR Inflow Allocated to Desalter Replenishment

	High Rate	*Low Rate*
Straightline	388.6	283.1
Most Rapid	391.4	288.4

Gain Over Baseline: SAR Inflow Unallocated

	High Rate	*Low Rate*
Straightline	436.2	341.9
Most Rapid	438.8	347.7

Source: Calculated.

Table 2: Production, Operating Yield and Stormwater Recharge

Year	*Total Production*	*Chino Desalter Production*	*Operating Yield*	*New Stormwater Recharge*
2006	223,505	30,019	145,000	12,000
2007	230,566	31,923	145,000	12,000
2008	237,634	33,827	145,000	12,000
2009	244,702	35,731	145,000	12,000
2010	251,874	37,748	145,000	12,000
2011	251,768	38,980	145,000	12,000
2012	251,661	40,212	145,000	12,000
2013	251,551	41,445	145,000	12,000
2014	251,557	42,789	145,000	12,000
2015	250,216	42,789	145,000	12,000
2016	250,427	42,789	145,000	12,000
2017	250,640	42,789	145,000	12,000
2018	250,851	42,789	140,000	12,000
2019	251,060	42,789	140,000	12,000
2020	251,270	42,789	140,000	12,000
2021	254,049	42,789	140,000	12,000
2022	256,827	42,789	140,000	12,000
2023	259,605	42,789	140,000	12,000
2024	262,384	42,789	140,000	12,000
2025	265,163	42,789	140,000	12,000
2026	266,133	42,789	140,000	12,000
2027	267,104	42,789	140,000	12,000
2028	268,074	42,789	140,000	12,000
2029	269,044	42,789	140,000	12,000
2030	270,014	42,789	140,000	12,000

Source: Wildermuth Environmental.

Table 3: Replenishment Obligations and Sources – No Basin Re-Operation

Year	*Normal Production Replenishment Obligation*	*Chino Desalter Replenishment Obligation*	*MWD Replenishment*	*Recycling Replenishment*
2006	36,487	30,019	66,505	0
2007	41,643	31,923	73,566	0
2008	46,806	33,827	80,634	0
2009	51,970	35,731	87,702	0
2010	57,126	37,748	94,874	0
2011	55,788	38,980	94,768	0
2012	54,448	40,212	94,661	0
2013	53,107	41,445	94,551	0
2014	51,768	42,789	94,557	0
2015	50,427	42,789	93,216	0
2016	50,638	42,789	93,427	0
2017	50,851	42,789	93,640	0
2018	56,062	42,789	98,851	0
2019	56,271	42,789	99,060	0
2020	56,482	42,789	99,270	0
2021	59,260	42,789	102,049	0
2022	62,038	42,789	104,827	0
2023	64,816	42,789	107,605	0
2024	67,595	42,789	110,384	0
2025	70,374	42,789	113,163	0
2026	71,344	42,789	114,133	0
2027	72,315	42,789	115,104	0
2028	73,285	42,789	116,074	0
2029	74,255	42,789	117,044	0
2030	75,225	42,789	118,014	0

Source: Calculated.

Normal Production Replenishment Obligation = Total Production – Desalter Production – Operating Yield – New Stormwater Recharge

Desalter Replenishment Obligation = Desalter Production

Table 4: Overdraft and SAR Inflow – Straightline Depletion Scenario

Year	*Annual Overdraft*	*Cumulative Overdraft*	*SAR Inflow*
2006	16,000	16,000	9,900
2007	16,000	32,000	9,900
2008	16,000	48,000	9,900
2009	16,000	64,000	9,900
2010	16,000	80,000	9,900
2011	16,000	96,000	9,900
2012	16,000	112,000	9,900
2013	16,000	128,000	9,900
2014	16,000	144,000	9,900
2015	16,000	160,000	9,900
2016	16,000	176,000	9,900
2017	16,000	192,000	9,900
2018	16,000	208,000	9,900
2019	16,000	224,000	9,900
2020	16,000	240,000	9,900
2021	16,000	256,000	9,900
2022	16,000	272,000	9,900
2023	16,000	288,000	9,900
2024	16,000	304,000	9,900
2025	16,000	320,000	9,900
2026	16,000	336,000	9,900
2027	16,000	352,000	9,900
2028	16,000	368,000	9,900
2029	16,000	384,000	9,900
2030	16,000	400,000	9,900

Sources: Annual and Cumulative Overdraft: Assumed; SAR Inflow, Wildermuth Environmental.

Table 5: Replenishment Obligations and Sources – Straightline Depletion Scenario with SAR Inflow Allocated to Desalter Replenishment

Year	*Normal Production Replenishment Obligation*	*Chino Desalter Replenishment Obligation*	*MWD Replenishment*	*Recycling Replenishment*
2006	36,487	4,119	28,424	12,182
2007	41,643	6,023	33,366	14,300
2008	46,806	7,927	38,314	16,420
2009	51,970	9,831	43,261	18,541
2010	57,126	11,848	48,282	20,692
2011	55,788	13,080	48,208	20,660
2012	54,448	14,312	48,133	20,628
2013	53,107	15,545	48,056	20,595
2014	51,768	16,889	48,060	20,597
2015	50,427	16,889	47,121	20,195
2016	50,638	16,889	47,269	20,258
2017	50,851	16,889	47,418	20,322
2018	56,062	16,889	51,065	21,885
2019	56,271	16,889	51,212	21,948
2020	56,482	16,889	51,359	22,011
2021	59,260	16,889	53,304	22,845
2022	62,038	16,889	55,249	23,678
2023	64,816	16,889	57,194	24,512
2024	67,595	16,889	59,139	25,345
2025	70,374	16,889	61,084	26,179
2026	71,344	16,889	61,763	26,470
2027	72,315	16,889	62,443	26,761
2028	73,285	16,889	63,121	27,052
2029	74,255	16,889	63,801	27,343
2030	75,225	16,889	64,480	27,634

Source: Calculated.

Normal Production Replenishment Obligation = Total Production – Desalter Production – Operating Yield – New Stormwater Recharge

Desalter Replenishment Obligation = Desalter Production – Annual Overdraft – SAR Inflow

Recycling Replenishment = min[0.3*(Normal Production Replenishment Obligation + Desalter Replenishment Obligation), 30,000]

MWD Replenishment = Normal Production Replenishment Obligation + Desalter Replenishment Obligation - Recycling Replenishment

Table 6: Replenishment Obligations and Sources – Straightline Depletion Scenario with SAR Inflow Unllocated

Year	*Total Replenishment Obligation*	*MWD Replenishment*	*Recycling Replenishment*
2006	50,505	35,354	15,152
2007	57,566	40,296	17,270
2008	64,634	45,244	19,390
2009	71,702	50,191	21,511
2010	78,874	55,212	23,662
2011	78,768	55,138	23,630
2012	78,661	55,063	23,598
2013	78,551	54,986	23,565
2014	78,557	54,990	23,567
2015	77,216	54,051	23,165
2016	77,427	54,199	23,228
2017	77,640	54,348	23,292
2018	82,851	57,995	24,855
2019	83,060	58,142	24,918
2020	83,270	58,289	24,981
2021	86,049	60,234	25,815
2022	88,827	62,179	26,648
2023	91,605	64,124	27,482
2024	94,384	66,069	28,315
2025	97,163	68,014	29,149
2026	98,133	68,693	29,440
2027	99,104	69,373	29,731
2028	100,074	70,074	30,000
2029	101,044	71,044	30,000
2030	102,014	72,014	30,000

Source: Calculated.

Total Replenishment Obligation = Total Production – Operating Yield – Annual Overdraft – New Stormwater Recharge

Recycling Replenishment = min[0.3*Total Replenishment Obligation, 30,000]

MWD Replenishment = Total Replenishment Obligation - Recycling Replenishment

Table 7: Overdraft and SAR Inflow – Most Rapid Depletion Scenario

Year	*Annual Overdraft*	*Cumulative Overdraft*	*SAR Inflow*
2006	20,119	20,119	9,900
2007	22,023	42,141	9,900
2008	23,927	66,069	9,900
2009	25,831	91,900	9,900
2010	27,848	119,748	9,900
2011	29,080	148,828	9,900
2012	30,312	179,141	9,900
2013	31,545	210,685	9,900
2014	32,889	243,574	9,900
2015	32,889	276,463	9,900
2016	32,889	309,352	9,900
2017	32,889	342,241	9,900
2018	32,889	375,130	9,900
2019	24,870	400,000	9,900
2020	0	400,000	12,500
2021	0	400,000	12,500
2022	0	400,000	12,500
2023	0	400,000	12,500
2024	0	400,000	12,500
2025	0	400,000	12,500
2026	0	400,000	12,500
2027	0	400,000	12,500
2028	0	400,000	12,500
2029	0	400,000	12,500
2030	0	400,000	12,500

Sources: Annual and Cumulative Overdraft: Assumed; SAR Inflow: Wildermuth Environmental.

Table 8: Replenishment Obligations and Sources – Most Rapid Depletion Scenario with SAR Inflow Allocated to Desalter Replenishment

Year	*Normal Production Replenishment Obligation*	*Chino Desalter Replenishment Obligation*	*MWD Replenishment*	*Recycling Replenishment*
2006	36,487	0	25,541	10,946
2007	41,643	0	29,150	12,493
2008	46,806	0	32,764	14,042
2009	51,970	0	36,379	15,591
2010	57,126	0	39,988	17,138
2011	55,788	0	39,051	16,736
2012	54,448	0	38,114	16,335
2013	53,107	0	37,175	15,932
2014	51,768	0	36,238	15,530
2015	50,427	0	35,299	15,128
2016	50,638	0	35,447	15,191
2017	50,851	0	35,596	15,255
2018	56,062	0	39,243	16,819
2019	56,271	8,019	45,003	19,287
2020	56,482	30,289	60,739	26,031
2021	59,260	30,289	62,684	26,865
2022	62,038	30,289	64,629	27,698
2023	64,816	30,289	66,574	28,532
2024	67,595	30,289	68,519	29,365
2025	70,374	30,289	70,663	30,000
2026	71,344	30,289	71,633	30,000
2027	72,315	30,289	72,604	30,000
2028	73,285	30,289	73,574	30,000
2029	74,255	30,289	74,544	30,000
2030	75,225	30,289	75,514	30,000

Source: Calculated.

Normal Production Replenishment Obligation = Total Production – Desalter Production – Operating Yield – New Stormwater Recharge

Desalter Replenishment Obligation = Desalter Production – Annual Overdraft – SAR Inflow

Recycling Replenishment = min[0.3*(Normal Production Replenishment Obligation + Desalter Replenishment Obligation), 30,000]

MWD Replenishment = Normal Production Replenishment Obligation + Desalter Replenishment Obligation - Recycling Replenishment

Table 9: Replenishment Obligations and Sources – Most Rapid Depletion Scenario with SAR Inflow Unllocated

Year	*Total Replenishment Obligation*	*MWD Replenishment*	*Recycling Replenishment*
2006	46,387	32,471	13,916
2007	51,543	36,080	15,463
2008	56,706	39,694	17,012
2009	61,870	43,309	18,561
2010	67,026	46,918	20,108
2011	65,688	45,981	19,706
2012	64,348	45,044	19,305
2013	63,007	44,105	18,902
2014	61,668	43,168	18,500
2015	60,327	42,229	18,098
2016	60,538	42,377	18,161
2017	60,751	42,526	18,225
2018	65,962	46,173	19,789
2019	74,190	51,933	22,257
2020	99,270	69,489	29,781
2021	102,049	72,049	30,000
2022	104,827	74,827	30,000
2023	107,605	77,605	30,000
2024	110,384	80,384	30,000
2025	113,163	83,163	30,000
2026	114,133	84,133	30,000
2027	115,104	85,104	30,000
2028	116,074	86,074	30,000
2029	117,044	87,044	30,000
2030	118,014	88,014	30,000

Source: Calculated.

Total Replenishment Obligation = Total Production – Operating Yield – Annual Overdraft – New Stormwater Recharge

Recycling Replenishment = min[0.3*Total Replenishment Obligation, 30,000]

MWD Replenishment = Total Replenishment Obligation - Recycling Replenishment

Table 10: Prices – High Price Scenario

Year	*Tier 2 Price*	*Replenishment Price*	*Recycling Price*
2006	427	238	69
2007	427	238	72
2008	459	275	75
2009	473	297	79
2010	486	314	82
2011	497	331	86
2012	519	346	90
2013	543	361	94
2014	567	378	98
2015	593	395	103
2016	619	412	107
2017	647	431	112
2018	676	450	117
2019	707	471	122
2020	739	492	128
2021	772	514	134
2022	807	537	140
2023	843	561	146
2024	881	587	152
2025	920	613	159
2026	962	641	166
2027	1,005	669	174
2028	1,050	700	182
2029	1,098	731	190
2030	1,147	764	198

Source: Metropolitan Water District of Southern California.

Table 11: Prices – Low Price Scenario

Year	*Tier 2 Price*	*Replenishment Price*	*Recycling Price*
2006	427	238	69
2007	427	238	71
2008	450	261	73
2009	457	268	75
2010	463	282	78
2011	477	300	80
2012	491	309	82
2013	506	318	85
2014	521	328	87
2015	537	338	90
2016	553	348	93
2017	570	358	96
2018	587	369	98
2019	604	380	101
2020	622	391	104
2021	641	403	107
2022	660	415	111
2023	680	428	114
2024	700	441	117
2025	722	454	121
2026	743	467	125
2027	765	481	128
2028	788	496	132
2029	812	511	136
2030	836	526	140

Source: Metropolitan Water District of Southern California.

Table 12: Expected Value of Reduced Storage Losses

Program Size	*Losses*	*Present Value - High Rate*	*Present Value - Low Rate*
300,000	80,175	18,647,350	15,290,827
400,000	106,900	24,863,133	20,387,769
500,000	133,626	31,079,149	25,484,903

Source: Wildermuth Environmental.

Report on the Distribution of Benefits to Basin Agencies from the Major Program Elements Encompassed by the Peace Agreement and Non-Binding Term Sheet

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1. Introduction and Summary of Findings

This report measures the costs and benefits to various Chino Basin agencies of the program elements encompassed by the Peace I and Peace II Agreements. Both agreements are considered relative to a baseline state of the world existing after the Judgment but prior to the Peace Agreement. The analysis examines net returns to the ten largest agencies that hold groundwater rights in the Basin over the time period 2007 to 2030. Together, these agencies account for over 91 percent of Basin safe operating yield.

Overall, the study shows that the two agreements produce substantial net benefits to Chino Basin agencies – over $904 million in present value terms. The provisions of the Peace II Agreement are especially valuable, as they account for $723 million (80 percent) of the total net benefit to the Basin agencies studied. Through the attainment of hydraulic control, the program elements in Peace II Agreement include the introduction of large quantities of recycled water in the Basin, which lessens the need to procure other supplies to meet growing demand for water. With respect to the distribution of net benefits across agencies, shown in the summary tables below, the main outcome is that all agencies benefit from the agreements, although the magnitude of the net benefit varies considerably among agencies.

	Total Net Benefit (1000s of 2007$)		
	Peace I vs. Baseline	*Peace II vs. Peace I*	*Peace II vs. Baseline*
City of Chino	$20,294	$75,671	$95,966
City of Chino Hills	$12,217	$61,320	$73,537
City of Ontario	$42,547	$189,724	$232,271
City of Upland	$9,442	$34,644	$44,086
Cucamonga Valley Water District	$60,667	$217,462	$278,128
Fontana Union Water Co.	$4,839	$25,429	$30,268
Monte Vista Water District	$7,025	$33,455	$40,480
San Antonio Water Company	$1,141	$5,995	$7,136
Jurupa CSD	$15,772	$19,482	$35,254
City of Pomona	$8,189	$59,348	$67,537
Total	**$182,133**	**$722,530**	**$904,663**

	Net Benefit per Acre-Foot (2007$)		
	Peace I vs. Baseline	*Peace II vs. Peace I*	*Peace II vs. Baseline*
City of Chino	$31.30	$116.70	$148.00
City of Chino Hills	$20.60	$103.38	$123.98
City of Ontario	$24.20	$107.91	$132.11
City of Upland	$17.46	$64.07	$81.54
Cucamonga Valley Water District	$32.92	$118.01	$150.93
Monte Vista Water District	$20.13	$95.88	$116.01
Jurupa CSD	$17.86	$22.06	$39.92
City of Pomona	$11.10	$80.47	$91.58
Overall Average	**$19.84**	**$78.69**	**$98.53**

In terms of total net benefit, two agencies, City of Ontario and Cucamonga Valley Water District, receive over half of all the net benefits resulting from the agreements. An important reason these agencies receive a large share of the net benefit from the agreements is due to their relative size: the two agencies combined account for approximately half of the consumer demand for Basin water.[1] Controlling for agency size on the basis of demand for Basin water, the net benefit resulting from the combined program elements in the Peace I and Peace II Agreements shows considerably less variation. The table above indicates that 7 of the 8 agencies with positive demand for Basin water receiving benefits ranging from $82 to $151 per acre –foot.[2]

2. Conceptual Framework

The model of groundwater value used in this report is standard in the academic literature and builds on the methodology used in the earlier aggregate study of Basin net benefits. The net benefits resulting from access to a groundwater resource are the gains from pumping (the demand for water) less the cost of extraction and conveyance, and a user cost component, which reflects the lost option value entailed by removing a unit of water from storage. The stream of annual net benefits is discounted back to current dollars using a discount factor predicated on the rate of interest, which is taken to be the current risk-free long-term rate of interest and is set at 4.5 percent per year.

Allocation of aggregate costs and benefits to individual agencies in the Basin is accomplished by a complex set of legal rules (e.g., shares of operating yield), cost-sharing arrangements that fund programs for Basin improvements through collective institutions, and market forces. The goal of this study is to measure net benefits to individual agencies under three scenarios: (i) a baseline case defined by the Judgment; (ii) a set of rules to operate the Basin and fund programs through collections as defined by the Peace Agreement; and (iii) an alternative set of rules that are

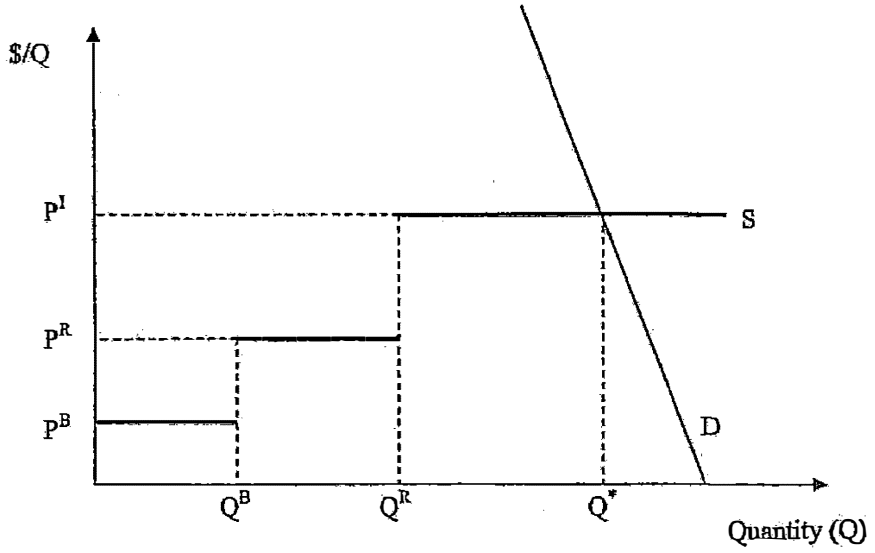
[1] Consumer demand for Basin water, which is met through some combination of Basin supply and water imports, is calculated for each agency as Urban Water Demand less available surface water and other groundwater supplies. Over the 2007-2030 period of study, the City of Ontario and Cucamonga Valley Water District are projected to meet consumer demand of 3.4 million acre-feet out of 6.9 million acre-feet (49 percent) of total consumer demand for Basin water.

[2] Fontana Union Water Company and San Antonio Water Company are not included in these calculations, because the available surface water and other groundwater supplies for these agencies exceed their Urban Water Demand.

designed to achieve hydraulic control and are defined in Peace II Agreement (as represented in the Non-Binding Term Sheet dated May 23, 2006).

To understand the allocation of benefits among individual agencies in the appropriative pool most clearly, consider for the moment the case in which the appropriative pool comprises 100 percent of the Basin water. Figure 1 depicts the aggregate supply (S) and demand (D) schedules for this Basin. Aggregate demand is total water demand in the Basin, and the supply curve is a step function, ordered from the least expensive uses of water to the most expensive uses of water.[3] Many of the effects modeled in this study amount to changes in agencies' cost of meeting water demand. An arrangement or cost-sharing rule that reduces an agency's cost of service provides a net benefit to that agency and its ratepayers.

Figure 1. Conceptual Model: Aggregate Demand and Supply



The first step of the supply curve, which represents the least expensive water source, is groundwater pumped directly from the Basin. The extent of groundwater pumping in the Basin is limited by the steady-state ("safe") yield, which is represented in the figure by quantity Q^B. The cost per unit of Basin water is denoted by the (implicit) price P^B, which includes lift costs, conveyance costs, and user cost. The second step of the supply curve represents replenishment water. After the safe yield of the Basin is exhausted, additional groundwater pumping can occur provided that replenishment water is purchased to recharge the Basin. The effective capacity of the Basin is the sum of Basin safe yield and Basin recharge capacity, denoted by the quantity Q^R in the figure. (The recharge capacity of the Basin is given by the difference $Q^R - Q^B$.)

[3] In practice, the water supply function has multiple steps, with each step representing the various pumping and conveyance costs of a sequence of wells, and, for this reason, aggregate supply conditions are often approximated by an upwards-sloping, continuous supply function; however, the essential points of the model can be made more clearly by grouping water costs into common categories represented by each of the three steps.

Replenishment water is supplied to the Basin through replenishment water imports at the MWD replenishment rate, which is denoted in the figure by P^R. The third step in the supply function, the most-expensive source of water, is imported water for direct (consumptive) use. Imported water for direct use is available to agencies in the Basin at a price denoted by P^I, which reflects the cost of procuring new water supplies from outside the Basin. The cost of developing reliable sources of water outside the Basin may differ across agencies in practice according to the options available to each agency in developing outside water sources. The outside option for each agency in the present study, unless stated otherwise, is taken to have a cost equal to the Tier 2 MWD rate for untreated water.

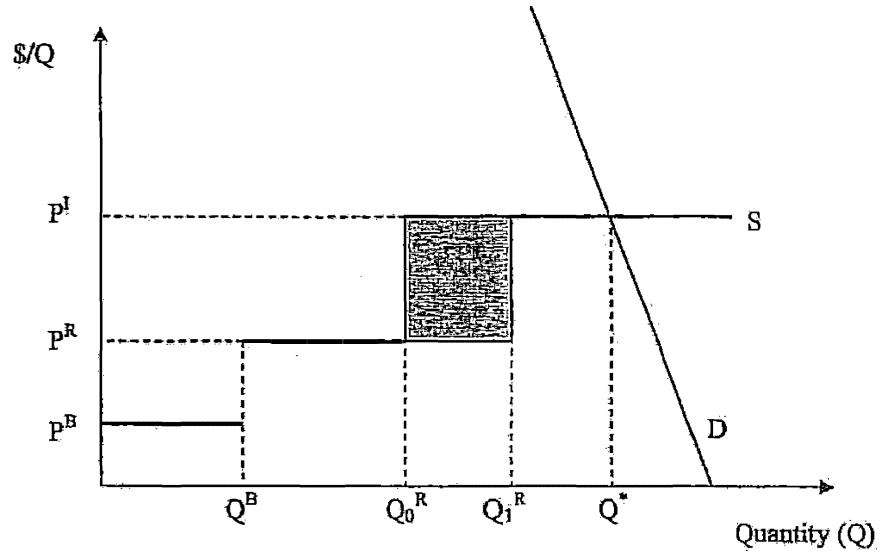
The equilibrium quantity of water consumed is given by the intersection of supply and demand, which occurs at the quantity Q^* and the price P^I. The key to characterizing the distribution of benefits from policies that increase the effective yield from the Basin, either by expanding Basin safe yield or by augmenting Basin recharge capacity, is the understanding that economic values, as captured by prices, are realized on the margin of water use where supply intersects with demand (the third step in the figure). Gains from management of the Basin are created by replacing units of water at the third and most-expensive step of the supply function with less expensive sources of water. Because individual supplies are added together to get aggregate supply, the distribution of market benefits to individual agencies in response to Basin improvements depends on the composition of water use by each agency across each of the steps of supply, in effect where each agency is "located" on the supply schedule. In general, agencies who meet their meet urban water demand to a greater degree with marginal units of water (i.e., imported water for direct use) acquire a larger share of the benefits from Basin improvements than agencies that are less represented on this "extensive margin" of supply.[4]

Consider a policy that increases the recharge capacity of the Basin. In general, such an effort has two effects that, taken together, can alter the net benefits received by water agencies: (i) increasing the Basin recharge capacity involves a fixed cost component that must be allocated among agencies according to some cooperative, cost-sharing rule; and (ii) increasing the Basin recharge capacity allows for greater use of replenishment water that can displace expensive Tier 2 water on the margin. The distribution of net benefits in the Basin is altered in cases where the market allocation of benefits from the increased use of replenishment water differs from the allocation of cost among individual agencies.

Figure 2 shows the gain from an increase in recharge capacity in the Basin. The increase in recharge capacity increases the effective yield in the Basin, which is depicted in the figure by the movement from Q_0^R to Q_1^R. The increased recharge capacity allows Basin agencies to incur additional replenishment obligations that displace $Q_1^R - Q_0^R$ units of imported water for direct use. The total producer benefit resulting from the increase in recharge capacity is represented by the shaded region in the figure, which sums the difference between the Tier 2 rate and replenishment rate for each additional unit of water that can be replenished.

[4] Generally, users disproportionately represented on the margin of supply represent agencies that incurred large increases in urban water demand subsequent to the assignment of safe operating yield and were forced to meet the increase in demand with relatively expensive sources of imported water.

Figure 2. Benefit of an Increase in Basin Recharge Capacity

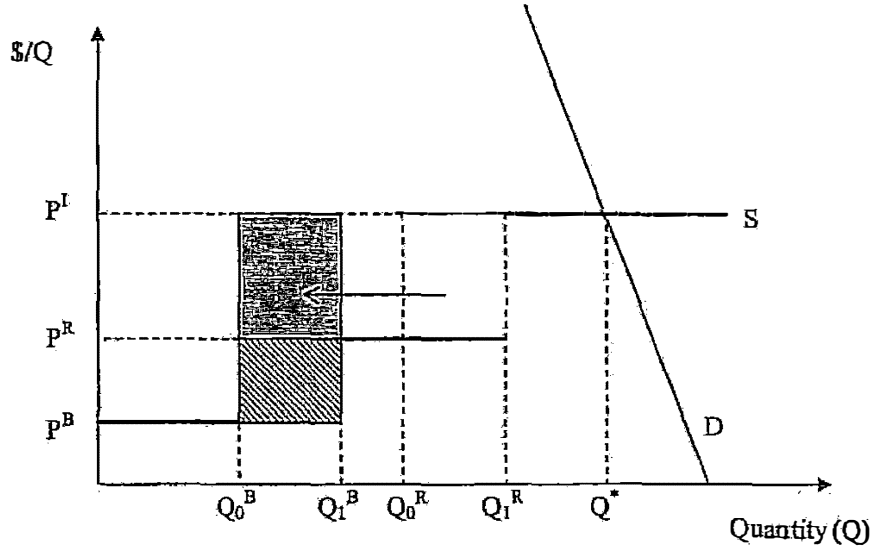


Among individual agencies in the Basin, the benefit of an increase in recharge capacity is distributed exclusively to agencies on the extensive margin of water supply. For this reason, the market return from an increase in recharge capacity can be distributed equally across agencies only in the case where the agencies have equal shares of the third step of water supply in the Basin. To illustrate this point, consider an agency that faces sufficiently small water demand relative to its share of Basin production rights that its urban water demand can be met each year entirely through the use of Basin safe yield. Such an agency would require the use of neither imported replenishment water nor imported water for direct use to meet its urban water demand, and would stand to receive no market benefit from participating in a cooperative policy designed to increase Basin recharge capacity. To the extent that cooperative assessments levied to recoup the cost of increasing Basin recharge capacity are based on relative share of operating yield, as opposed to being levied in proportion to the initial share of imported water deliveries for direct use across agencies, policies that increase Basin recharge capacity alter the distribution of net benefits.

Next, consider the benefit associated with an increase in Basin safe yield. Figure 3 shows the effect of an increase in Basin safe yield from Q_0^B to Q_1^B units. The increase in Basin safe yield extends the lowest step of the supply function and displaces $Q_1^B - Q_0^B$ units of replenishment water purchases. The value of the displaced replenishment water (net of the cost of Basin water) is shown by the cross-hatched region in the figure. The increase in Basin safe yield, in turn, increases the effective yield in the Basin (the sum of Basin yield and recharge capacity) from Q_0^R to Q_1^R, which is represented in the figure by a rightward shift in the replenishment step of supply. The increase in Basin safe yield therefore also displaces $Q_1^R - Q_0^R = Q_1^B - Q_0^B$ units of imported water on the extensive margin of supply, which provides an additional gain represented by the shaded region of the figure. The total market benefit to all agencies is represented by the sum of these two regions. The value of an increase in Basin safe yield is the difference between

the price of imported water for direct use and the procurement cost of Basin groundwater for each unit of additional water made available to Basin agencies.

Figure 3. Benefit of an Increase in Basin Safe Yield



The economic value of an increase in safe yield conveys upward into market benefit across both steps of supply. For this reason, policies which lead an increase in Basin safe yield are not only more valuable to agencies in the Basin than an increase in recharge capacity, but the benefits are also distributed more equally. As in the case of an increase in replenishment capacity, the ultimate repository of market value for a one-unit increase in safe yield is a unit of displaced water on the extensive margin of supply; however, this displacement now occurs with Basin safe yield rather than through the use of imported replenishment water. To see how the market benefits of a policy that increases Basin safe yield are distributed to individual agencies, consider again an agency that meets its urban water demand each year entirely through the use of Basin safe yield without the need for replenishment water or imported water for direct use. Unlike the case of an increase in replenishment capacity, the increase in Basin safe yield provides each agency with physical water assets (e.g., according to its share of Basin safe yield) that can be sold to other agencies in the transfer market. The gain to this agency following the increase in Basin safe yield depends on the price it receives in the transfer market, for instance if the transfer price is equal to the replenishment rate (P^R) then the agency acquires a share of the benefits in the cross-hatched region of the figure in proportion to its share of Basin safe yield. The remaining benefit of each unit of water provided as the share of safe yield to this agency is acquired by the water purchaser in the transfer market.

In sum, agencies that initially meet their urban water demand with a relatively large share of imported water for direct use receive the largest share of the market benefit from a policy that increases Basin safe yield. These agencies receive the full market value ($P^I - P^B$) for each unit of water displaced through their allocated share of the increase in Basin safe yield. To the extent

that agencies with an initially large share of imported water purchases for direct use participate in the transfer market, these agencies also acquire the difference between the Tier 2 water price and the transfer price for each unit of water purchased from agencies that are under-represented on the extensive margin of supply. If the transfer price of water is taken to be equal to the replenishment rate (P^R), then the market benefit represented by the shaded region of Figure 3 is divided among agencies according to their relative share of production on the extensive margin of supply, while the market benefit represented by the cross-hatched region of Figure 3 is divided among agencies according to their relative share of Basin safe yield.[5] Policies that expand Basin safe yield lead to redistributive effects on the net benefits received by individual agencies whenever the allocation of costs in the cooperative arrangement differ from this distribution of benefits provided in the market.

The above framework for calculating the distribution of net benefits from various program elements is applied to the Chino Basin as follows. First, the water yield in the Basin is calibrated to the relevant quantity supplied by the appropriative pool by netting out production by the overlying rights-holders from the Basin safe yield. This is essentially the distinction made in practice between "safe yield" and "safe operating yield" in the Basin. As it pertains to the calculation of net benefits to agencies with appropriative rights, policies that increase the Basin yield (as in Figure 3) now refer both to policies that directly increase Basin safe yield as well as to policies that redistribute the existing safe yield from overlying right-holders to members of the appropriative pool, for instance through net agricultural transfer.

Second, as defined by the framework above, net benefits are calculated for individual agencies according to calculations on the avoided cost of Tier 2 water purchases provided by program elements in the Peace I and Peace II agreements, respectively, relative to the baseline scenario.[6] Considering the change in cost from the introduction of new program elements suppresses the need to explicitly calculate components of cost that are common to the baseline, Peace I, and Peace II scenarios.

Third, the analysis abstracts from seasonal and annual cycles in water availability by considering expected values where possible. Seasonal cycles are smoothed in all scenarios by using annual data on demand and supply conditions facing agencies. Annual cycles are smoothed in all scenarios by treating each year as an average weather occurrence represented by the expectation that each 10-year future horizon in the model is comprised of 7 "wet" years, in which replenishment water is available to agencies in the Basin, and 3 "dry" years, in which replenishment water is not available.[7] Each year in the model thus has the interpretation of representing production decisions that are 30 percent dry and 70 percent wet. By smoothing annual production outcomes into an expected value framework, this implies that a replenishment

[5] This argument does not rely on the water transfer price being equal to the replenishment rate and applies to any water transfer pricing rule that divides the gains from exchange (defined here by the value $P^I - P^B$).

[6] An alternative scenario is also considered that denominates the avoided cost of imported water for direct use at the Tier 1 rate, which provides a bracketing condition on the range of outside options available to individual agencies for procuring reliable new sources of water at rates between the Tier 1 and Tier 2 MWD prices.

[7] The expected sequence of wet and dry years is based on the assumption that underlies program element 2 of the OBMP that "replenishment water is available 7 out of 10 years." (Implementation Plan: Optimal Basin Management Plan for the Chino Basin, p13: http://www.cbwm.org/docs/legaldocs/Implementation_Plan.pdf.)

water step exists in the supply function in each year of the study, but that the length of the step is treated as 70 percent of the recharge capacity in the Basin.

Fourth, the net benefit of policies that increase the safe operating yield of the appropriative pool is distributed among individual agencies, in part, through water exchanges between agencies in the transfer market. Water transfers are specified to exchange units of water between agencies that are not adequately represented on the extensive margin of supply to agencies which are more highly represented on this margin. Specifically, the water price in the transfer market is fixed at the prevailing MWD replenishment rate in each period to divide these rents from exchange.

Finally, the net benefit returned to each agency under Peace I and Peace II rules relative to the baseline scenario is computed by coupling the market distribution of benefits, as outlined by the framework here, with the distribution of cost implied by the rules encompassed by each agreement. These rules are defined in the following description of scenarios.

3. Common Components

Several components common to all scenarios frame the overall analysis.

3.1. Agencies Considered

Because of the detailed calculations required to divide the net benefit created by each scenario among individual agencies in the study, the study encompasses only the ten largest water-holding agencies in the Basin (the cities of Chino, Chino Hills, Ontario, Pomona, and Upland, Fontana Union Water Company, Monte Vista Water District, Cucamonga Valley Water District, Jurupa Community Services District, and San Antonio Water Company). These ten agencies account for 91.2 percent of the Basin-wide safe operating yield.

3.2. Smoothing Across Hydrologic Years

Because production is smoothed across years, the patterns of local storage and local supplemental storage are also smoothed for each agency. This abstracts from the actual series of puts and takes that rely on temporal adjustments in water storage by accounting for the expected local storage need of individual agencies. (Recall that each year is a representative hydrologic year characterized by expected conditions that are 70 percent wet and 30 percent dry.) A single local storage account is constructed for each agency that combines local storage with local supplemental storage in all scenarios, and the local storage balance of each agency is adjusted each year to reflect the fact that replenishment water is available to meet replenishment obligations only 70 percent of the time.

For this reason, the annual amount held in storage for each agency is 3/7 ($3/7 = 10/7 - 1$) of the annual excess demand for water that cannot be met by the agency through the allocation of contemporaneous supply. The expected arrival time of a dry year in which replenishment water is not available is given by the mean of a Poisson process ($\mu = 10/3$), and the average holding time for a unit of water held in storage is half the expected arrival time of a dry year, which implies that the average annual amount of water held in local storage is 5/7 ($5/7 = 3/7*10/3*1/2$) of the annual excess demand for each agency that cannot be met through the allocation of contemporaneous water supply. In each year, the local storage account is reconciled with the storage balance in the previous year by adding the increment in local storage to the excess

demand for water for each agency. Local storage levels increase smoothly over time in the model for most agencies due to the projected increases in urban water demand.

3.3. Water Prices

Annual water prices and the discount factor that converts annual values into present value are common across all scenarios. The market rates used in 2007 are the current water rates listed by MWD ($427/AF for Tier 2 water, $238/AF for replenishment water), and a $13 surcharge is added to the replenishment rate to reflect the $251/AF charge currently paid by each agency for replenishment water procured through Watermaster. The price of water transactions in the transfer market is taken in each period to be the price of replenishment water.[8] The MWD rate forecast through 2012 is taken as the mean of the high- and low-rate forecasts provided by MWD over this horizon. Recycled water rates through 2011 are taken from IEUA projections provided in the 2007 IEUA Long-Run Plan of Finance, with a 25 percent non-member surcharge included for recycled water deliveries outside the IEUA service area (Jurupa Community Services District and the City of Pomona). The price of desalter water for urban supply is taken to be the price cap specified in section 7.6d of the Peace Agreement, which is $375 in 2007. All water rates outside the range of published forecasts are assumed to increase at a rate of 4.5 percent per year. The discount factor is also taken to be 4.5 percent.

3.4. Demand

Demand for Basin water for each agency is identical across all three scenarios. Agency-level demand for Basin water is calculated from data provided in the relevant 2005 Urban Water Management Plans (UWMP) by taking the projected demand (gross of conservation) compiled by each agency and converting this into a residual (Basin) demand component by netting out available supplies of surface water and other groundwater sources available to each agency.[9] In the case of Pomona, residual demand for Basin water is taken to be net of Puente and Spadra Basin recycled water, which implicitly assumes that this water would be available to Pomona irrespective of whether hydraulic control is attained in Chino Basin. Residual Basin water demand is linearized for each agency to recover values in the intervening years between the 5-year intervals reported in each UWMP. Residual demand for Fontana Union Water Co., which has rights but serves no subscribers, is zero in all scenarios, as is residual demand facing San Antonio Water Co., which has available surface water and other basin groundwater supply in excess of demand. The combined residual demand for the remaining agencies in the Basin is 215,996 AF in 2007 and increases over time with population growth projections to 337,246 AF in 2030. Among agencies with positive demand values, residual demand in 2007 ranges from a low of 12,753 AF for Monte Vista Water District to a high of 49,552 AF for the City of Ontario, and the residual water demand for the City of Ontario and Cucamonga Valley Water District over the entire horizon is about double the residual water demand of Pomona, 2-3 times greater than the City of Chino, City of Chino Hills, and Jurupa Community Services District, and 5-6

[8] The average water transaction price in the data provided in the Watermaster's 2006-2007 Assessment Packet is $177, which represents an approximate 30 percent discount below the current replenishment rate of $251. This observed price discount below the expected transfer price accords with the "wet year" transfer price that would arise in a representative hydrologic year that is 70 percent wet and 30 percent dry when the "dry year" transfer price is $422, a value bounded by the prevailing Tier 2 price of untreated water of $427.

[9] for IEUA members, these data are taken from the IEUA Urban Water Management Plan (2005), Table 2-7, and, for Jurupa Community Services District and the City of Pomona, these data are taken from the individual 2005 Urban Water Management Plans (2005) available on each agencies website.

times greater than the residual demand facing the City of Upland and Monte Vista Water District.

3.5. Desalter Production

Desalter production is treated as equal across all scenarios. Implicitly, this views the level and location of desalter activity to be determined by the requirements outlined by the Judgment.[10] An alternative approach would be to construct a baseline scenario in which agencies provide their own salt removal infrastructure. One difference between this alternative approach and the present one is that, under baseline conditions with individual desalting O&M costs would be roughly the same, whereas the capital costs of building desalter facilities would be larger by the amount of funding that became available in the Basin through grants made possible by the Peace Agreement.

The projected desalter water for urban supply sets a schedule of delivery to three agencies considered in the study (City of Chino, City of Chino Hills, and Jurupa). The desalter water for urban supply rises from 15,230 AF to 38,088 AF over the period 2007-2030 among agencies in the study, with the remaining desalter supply being delivered to the City of Norco and the Santa Ana River Water Company. Each unit of desalter water supply, including deliveries to the City of Norco and the Santa Ana River Water Company, creates a replenishment obligation for producers in the Basin, and this obligation is divided among agencies according to the various rules encompassed by each of the three scenarios considered (as described below).

3.6. Watermaster Assessments

Although the assessment fees levied by Watermaster differ across the scenarios according to the total cost of the program elements embodied in each scenario, the rules in which assessments are distributed across individual agencies are common to all scenarios. Specifically, appropriative pool assessments are based on each agency's calculated share of actual fiscal year production. Given that total production and the share of production by individual agencies encompasses only a subset of total Basin production (e.g., roughly 87 percent in 2007), this approach slightly over-estimates assessment costs in all scenarios by attributing 100 percent of the program cost to the ten agencies included in the study. Because the assessment costs used under the Peace I and Peace II scenarios include the baseline costs, as well as significant additional program costs, the over-allocation of assessment costs to individual agencies in the study provides a conservative estimate of the total benefit generated under Peace I and Peace II. The different components of the assessment costs were decomposed into program expenses from the 3-year assessment projections provided by Watermaster.[11] All cost components thereafter are assumed to increase at a rate of 4.5 percent.

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[10] Projected desalter production is taken from IEUA's UWMP (2005, Table 3-10 and Table 7-1), and includes the desalter production of Chino I, Chino I expansion, Chino II, and Desalter 3. The overall level of desalter activity, which grows to an ultimate production level of 43,000 AF by year 2025, an amount slightly below the 50,457 AF desalter production level anticipated by 2020 in the OBMP: (Implementation Plan: Optimal Basin Management Plan for the Chino Basin, Table 3, p59: http://www.cbwm.org/docs/legaldocs/Implementation_Plan.pdf.)

[11] Personal correspondence with Watermaster staff (August 7, 2007).

4. Baseline Scenario

4.1. Basin Supply

In the baseline scenario, available Basin supply for each agency in each year is comprised of the agency's share of: (i) safe operating yield, (ii) projected desalter water for urban supply, and (iii) the net agricultural pool transfer. The safe operating yield is allocated to individual agencies based on the share of safe operating yield in the Basin defined by the Judgment.

The projected desalter water for urban supply is taken for the baseline case (as well as for the remaining scenarios) from projections available in the IEUA UWMP.[12] Desalter water for urban use is treated in the model both as a source of water supply in the Basin and as a replenishment obligation, where the replenishment obligation associated with each unit of desalter water supply is shared by agencies through the allocation of storage losses and replenishment assessments by Watermaster, which are calculated for the baseline case according to each agencies pro rata share of safe operating yield up to the available recharge capacity in the Basin and by in lieu recharge according to each agencies pro rata share of safe operating yield for any obligation above the available recharge capacity.

The net agricultural transfer to each agency in each year is calculated by taking a straight-line projection of land-use conversions between 2006 conditions reported in the 2006-2007 Watermaster Assessment Package, and assumed "full build-out conditions" in 2030 in which all acres in the agricultural pool eligible for conversion are converted.[13] For the baseline scenario, each converter is credited with 1.3 AF of Basin water for each acre converted, and the sum of water allocated to all land-use conversions and agricultural pool production in each year is deducted from the agricultural pool safe yield of 82,800 AF to get the net agricultural pool transfer to the appropriative pool in each year.[14] Among the ten largest members of the appropriative pool considered in the study, the net agricultural transfer increases from 46,265 AF to 71,377 AF over the 2007-2030 period, which accounts for approximately 92 percent of the total water transfer to the appropriative pool in each year.

Under baseline conditions, there is also an issue of timing of the agricultural pool transfer, with no early transfer of agricultural pool water being made to the appropriative pool prior to the Peace Agreement. Under the Judgment, the agricultural pool allocation was defined to be 414,000 AF in every 5 years. This implies a 4-year waiting period for the appropriative pool before any agricultural transfer takes place, followed by a large allocation of the cumulative agricultural pool under-production in year 5, and an annual stream of transfers thereafter based on a rolling horizon comprised of the previous 5 years agricultural pool under-production. In the

[12] IEUA Urban Water Management Plan (2005), Tables 3-10 and 7-1.

[13] Watermaster, Fiscal Year 2006-2007 Final Assessment Package, Land Use Conversion Summary (p10): http://www.cbwm.org/docs/financedocs/Assessment%20Package%20FY%202006-2007%20Final.pdf. Values after the conversion of all agricultural land eligible for conversion are based on Watermaster calculations (personal communication with Watermaster staff, July 12, 2007).

[14] Under baseline conditions, 1.3 AF of water is allocated to the appropriative pool based on share of safe operating yield in the baseline scenario. This value is not parsed out from the net agricultural transfer that occurs each year, because all water transfers between the agricultural pool and the appropriative pool are based on shares of safe operating yield and an amount greater than 1.3 AF per acre is transferred from the agricultural pool to the appropriative pool in each year.

baseline scenario, the agricultural pool transfer is calculated on an annual basis and timing lags in the delivery of water are suppressed. Differences in the actual timing of the water have no implications for the baseline values in the study, because the rate of water price inflation is taken to be equal to the discount rate, so that delays in water delivery have no implications for the present value calculation.

The sum of these components in each year gives Basin supply for each agency. This represents the first step of the supply function depicted in Figure 1.[15] In total, Basin supply among the ten largest agencies considered in the study rises from 116,044 AF to 164,014 AF over the 2007-2030 period, with the increase in supply generated through land use conversions and increased desalter water for urban supply. (This latter source of water supply is matched by an associated increase in the desalter replenishment obligation, as discussed below.)

4.2. Import Demand

Import demand for each agency in the Basin represents the amount of demand facing each agency that cannot be met with available Basin supplies (including supplies which can be purchased from other Basin agencies in the transfer market). Import demand for each agency, which must be met through some combination of replenishment water purchases and imported water purchases for direct use, is the sum of three components: (i) excess demand for water; (ii) storage account adjustments; and (iii) water transfers.

Excess demand for each agency in the Basin is calculated as residual demand less the available Basin supply. Excess demand for water is negative in each year for Fontana Union Water Co. and San Antonio Water Co., which implies that these agencies are water suppliers in the transfer market. In each year, approximately 70 percent of the excess demand for water in the Basin is derived from Cucamonga Valley Water District and the City of Ontario, which indicates a large water demand for Basin water among these agencies relative to their share of Basin supply.

In practice, the demand for water in dry years is met, in part, by smoothing the additional water supplies available in wet years across time through local storage. As discussed above, the model considers each year to be a representative year (30 percent dry and 70 percent wet), so that the annual amount of water held in local storage by each agency is 5/7 of the annual excess demand that cannot be met with contemporaneous supply. Local storage in the model, which represents the combined total held in local storage and local supplemental storage accounts in a representative year, increases over the period 2007-2030 from 83,706 AF to 141,565 AF among agencies in the study, where the growth in local storage over the period occurs in proportion to the 70 percent increase in excess demand for Basin water as population increases in the region.

Local storage accounts are not constructed for Fontana Union Water Co. and San Antonio Water Co., because these agencies have excess supply of water in each year above what is necessary to meet their urban water demands. In practice, these agencies may hold water in local storage to arbitrage expected differences in transfer prices between wet and dry years, but such arbitrage

[15] Because desalter water is not a unique source of supply, an accounting adjustment is made later to back out desalter water supplies from Basin supply by creating an off-setting replenishment obligation for each unit of desalter water used for urban supply.

opportunities are suppressed in the model, because variations in annual water availability are smoothed in the model to a basis of a representative hydrologic year.

In each year, a storage account adjustment is made for each agency by adding the incremental growth in local storage from the previous year's value to the excess demand for water. The amount of water held in local storage adjusts upward each year to meet the growth in excess demand, and this need for added storage to smooth increasing volumes of water between wet and dry years is deducted from contemporaneous water supply.

After storage account adjustments are made in each year, individual excess demand and individual excess supply conditions clear each year in the transfer market. Excess supply to be cleared in the transfer market in each year is comprised of sales by Fontana Union Water Co. and San Antonio Water Co., and, to a lesser extent, by Jurupa Community Services District beginning in 2021. Jurupa CSD becomes a net supplier of water in the transfer market due to the relatively large purchases of desalter water for urban supply in the data provided in IEUA's UWMP (2005). Water transfers are allocated from these suppliers to individual agencies with positive demand for transfer water in proportion to each agency's share of excess demand relative to total excess demand for water in the Basin. The total amount of water transacted in the Basin rises from 12,677 AF to 20,401 AF over the 2007-2030 period, and the largest buyers of transfer water in each period are Cucamonga Valley Water District and the City of Ontario.

4.3. Water Imports

Water is imported into the Basin to meet the sum of import demand for direct use and desalter replenishment requirements. Imported water is taken as replenishment water in each period up to the limit on recharge capacity in the Basin (i.e., the second step of the water supply relationship in Figure 1), and the residual quantity of imported water that cannot be met with replenishment water is taken as Tier 2 water imports. Under baseline conditions, the recharge capacity of the Basin is taken to be 29,000 AF per year, which represents the available spreading facilities discussed as pre-existing facilities in program element 2 of the OBMP.[16] Given the smoothing of production into the basis of representative hydrologic years, this implies that baseline conditions in the Basin can accommodate 20,300 AF of recharge per year (0.7*29,000 AF). This recharge capacity defines the limit to which imported water in the Basin can be taken at the lower MWD replenishment rate.[17]

Imported replenishment water in the Basin must first be taken to meet the replenishment obligation of the desalters. The desalter replenishment obligation under baseline conditions is desalter production for urban supply less a 2 percent storage loss component deducted from individual local storage accounts.[18] Under baseline conditions, the desalter replenishment obligation (net of the storage loss allocation) begins at 13,556 AF in 2007 and grows to 40,169 AF per year in 2030. In the year 2010, the desalter replenishment obligation rises to 22,604 AF,

[16] Implementation Plan: Optimal Basin Management Plan for the Chino Basin, p13;. http://www.cbwm.org/docs/legaldocs/Implementation_Plan.pdf.

[17] The increase in Basin recharge capacity, as described in the Recharge Master Plan (WEI, Black and Veatch 2001; http://www.cbwm.org/docs/rechdocs/rechmastplanphase2rep/chapters/pdf/) is a major program element considered in the Peace Agreement, both in terms of benefit and cost.

[18] Personal correspondence with Watermaster staff.

an amount in excess of the 20,300 AF recharge capacity of the Basin in the baseline scenario, and the replenishment obligation remains above the recharge capacity for the remainder of the time horizon. Over the period 2007-2009, the amount of recharge capacity in excess of the desalter replenishment requirement (e.g., 20,300 – 13,556 = 6,744 AF in 2007) is allocated to individual agencies in proportion to each agency's share of imported water demand relative to total imported water demand in the Basin. Over the period 2010-2030, the desalter replenishment obligation exceeds the recharge capacity of the Basin, and the remaining desalter replenishment obligation above 20,300 AF is met through in lieu production by individual agencies in the Basin. In the baseline scenario, the desalter replenishment obligation, both the portion met with replenishment water purchases and the portion taken as in lieu production, is met by individual agencies according to each agency's pro rata share of safe operating yield.[19]

Aggregate supply and demand are cleared each year on the third step of supply by reconciling effective Basin water supply (Basin supply plus Basin recharge) with import demand through purchases of Tier 2 water from MWD. Tier 2 MWD water purchases are allocated to individual agencies based on the share of each agency's imported water demand relative to total imported water demand in the Basin. Under baseline conditions, the total purchases of Tier 2 water among agencies in the Basin rises from 97,766 AF in 2007 to 200,097 AF in 2030, with the combined purchase share of Cucamonga Valley Water District and the City of Ontario—the two largest purchasers of imported water—representing between 62 percent and 73 percent of total Tier 2 water purchases in each year.

4.4. Water Procurement Costs

The total cost of water procurement to individual agencies is the sum of five components: (i) Tier 2 water purchases; (ii) transfer water purchases; (iii) desalter water purchases for urban supply; (iv) desalter replenishment costs; and (v) Watermaster general assessments on the appropriative pool. Water procurement costs associated with Basin production also exist, but these costs exist in all scenarios and consequently net out of the comparison of the various program net benefits.

For the purpose of allocating Watermaster assessments, Tier 2 water purchases are assumed to occur outside the framework of the cooperative organization. That is, the actual production level of each agency, as recorded by the Watermaster each fiscal year for the basis of assessments, does not include any production demands that an individual agency meets through Tier 2 purchases acquired from MWD. For this reason, a separate accounting calculation is made for actual production to recover the allocation of Watermaster assessment costs to individual agencies in each period. Actual production for each agency is residual demand for Basin water less Tier 2 water purchases less storage losses and adjustments to the storage account balance.

Watermaster replenishment assessments are levied to recover desalter replenishment costs (for units up to the 20,300 AF recharge capacity of the Basin) through replenishment water purchased from MWD each year. These costs are allocated to individual agencies according to each agencies pro rata share of safe operating yield.

Watermaster general assessments are levied under baseline conditions to cover the cost of administrative costs, exclusive of the OBMP costs and the special project costs that pertain to

[19] Personal correspondence with Watermaster staff (August 29, 2007).

Peace I and Peace II. In 2007, these costs account for $816 thousand of the projected $7.87 million costs to be levied for general assessments under prevailing Peace conditions. Under baseline conditions, moreover, only the appropriative pool share of general assessment costs is paid by the appropriative pool, which amounts to $624 thousand of the $816 thousand administrative costs in 2007, with the remaining share of costs paid by the overlying agricultural and non-agricultural pools. The costs attributed to the appropriative pool are allocated across to individual agencies according to each agency's share of actual production relative to total Basin production.

4.5. Summary of Baseline Outcomes

Table 1 provides a breakdown of the projected outcome for the eight largest producers under baseline conditions in the year 2015. Total urban water demand for these producers is 293,214 AF in 2015. Total residual demand, which is the difference between urban water demand and the Basin supply available to each agency, is 273,430 AF. Available Basin water supply, the sum of the shares of safe operating yield, net agricultural transfer (inclusive of land-use conversions), and desalter water for urban supply, is 123,554 AF in the year 2015. The total water transfers of 13,089 AF reflect sales by Fontana Union Water Company and San Antonio Water Company to the remaining producers encompassed by the study. The net storage acquisition of 1,022 AF reflects the change in the local storage balance between the year 2014 (106,032 AF) and the year 2015 (107,054 AF). This increment in the water held in local storage, which must be met by in lieu production by agencies, adds to residual demand for water in the Basin, and the difference between this term and the sum of available Basin water supply and water purchases in the transfer market results in a combined import demand among producers of 137,809 AF.

Total desalter production in the year 2015 is 34,122 AF, which exceeds the available recharge capacity of the Basin, so that imported water demand is met entirely with Tier 2 water purchases.[20] Actual production among these eight agencies (123,250 AF) is the difference between residual demand for Basin water, Tier 2 purchases from MWD, in lieu recharge taken to meet the desalter replenishment obligation, storage losses (2% of local storage = 2,141 AF), and the net storage acquisition. Watermaster administrative assessments are in 2015 are $1.2 million, of which $957 thousand is paid by agencies in the appropriative pool.

[20] An additional 3,905 AF of desalter water production is projected for the Santa Ana River Water Company and City of Norco, who are not considered in this study.

Table 1: Year 2015 Outcome Under the Baseline Scenario

	Appropriator								
Component	Chino	Chino Hills	Ontario	Upland	Cucamonga	Monte Vista	Jurupa	Pomona	**Total**
Urban Water Demand	26,200	24,700	66,600	22,500	72,500	14,100	36,350	30,264	**293,214**
Available Surface Water	0	0	0	5,200	3,000	0	500	0	**8,700**
Available Other Groundwater	0	0	0	3,800	5,400	0	0	1,884	**11,084**
Residual Demand	*26,200*	*24,700*	*66,600*	*13,500*	*64,100*	*14,100*	*35,850*	*28,380*	**273,430**
Safe Operating Yield	4,034	2,111	11,374	2,852	3,619	4,824	2,061	11,216	**42,092**
Net Ag Transfer	8,916	2,398	8,660	1,875	2,980	3,228	12,840	7,371	**48,268**
Desalter Water Supply	5,000	4,200	5,000	0	0	0	19,922	0	**34,122**
Available Supply	*17,950*	*8,709*	*25,033*	*4,727*	*6,600*	*8,052*	*33,896*	*18,587*	**123,554**
Net Storage	487	280	717	-122	1,039	108	-1,653	166	**1,022**
Transfers	758	1,411	3,668	750	5,078	534	26	864	**13,089**
Import Demand	*7,979*	*14,860*	*38,616*	*7,901*	*53,461*	*5,622*	*275*	*9,095*	**137,809**
Local Storage	5,893	11,422	29,690	6,266	41,072	4,320	1,396	6,995	**107,054**
Tier 2 Purchases	7,979	14,860	38,616	7,901	53,461	5,622	275	9,095	**137,809**
Actual Production	17,512	9,328	25,067	4,589	9,889	7,210	33,343	16,312	**123,250**
Watermaster Assessments	$97	$52	$139	$26	$55	$40	$185	$91	**$685**

Notes:

1. All figures in acre-feet except Watermaster assessments.
2. Watermaster assessments are expressed in real terms (1,000s of 2007$.)

5. Peace I Scenario

The Peace Agreement introduced various program elements in the Basin that were not present under baseline conditions. The main components of the Peace Agreement considered here that altered net benefits in the Basin are: (i) an increase in Basin recharge capacity from 29,000 AF to 134,000 AF; (ii) a change in the rules for land use conversion; (iii) transfer of agricultural pool assessments to the appropriative pool; (iv) the introduction of a storage and recovery program; (v) an increase in stormwater recovery from 5,000 AF per year to 12,000 AF per year; and (v) the Pomona credit. This section describes the changes that occurred through these program elements to alter net benefits received by individual agencies in relation to the earlier discussion of the baseline outcome detailed above.

5.1. Basin Supply

Under the set of Basin programs encompassed by the Peace Agreement, three factors led to changes in available Basin supply: (i) increased stormwater capture; (ii) a change in the water allocation resulting from land use conversions (including "early transfer"); and (iii) the introduction of the Dry Year Yield program for storage and recovery through MWD. The increased stormwater capture is represented by an annual increase in Basin supply by 12,000 AF of "new yield" in exchange for tying up 12,000 AF of recharge capacity.

The net agricultural transfer to each agency under Peace conditions increased the return to each converter from 1.3 AF of Basin water for each acre converted to 2.0 AF of Basin water for each acre converted. An early transfer program of 32,800 AF per year to the appropriative pool was also introduced, which ultimately led to an over-allocation of agricultural pool water to the appropriative pool.[21] The net agricultural pool allocation to individual agencies replicates the Watermaster calculation in each year, given the projected pattern of land use conversion calculated through 2030. The agricultural pool transfer provides a credit of 2.0 AF per acre for all land-use conversions taking place after the signing of the Peace Agreement and credits earlier conversions at the 1.3 AF per acre rate and the early transfer to members of the appropriative pool is based on each agency's share of safe operating yield. Because the sum of these two components and the projected agricultural pool production level after land-use conversions have been made exceeds the 82,800 AF of available agricultural pool water in every year, each agency is charged a replenishment obligation for the amount of over-allocated agricultural pool water in proportion to each agency's share of safe operating yield. This is equivalent to deducting the over-allocation of agricultural pool water from the 32,800 AF early transfer after land use conversions take place and dividing this residual amount of water (e.g., 32,800 – 4,270 = 28,530 AF in Fiscal Year 2006-2007) pro rata among members of the appropriative pool.

In total, the net agricultural pool transfer to the appropriative pool is the same under baseline and Peace rules (49,831 AF in 2007 and 76,909 AF in 2030). Among appropriators considered in the

[21] Watermaster, Fiscal Year 2006-2007 Final Assessment Package, Land Use Conversion Summary (p10): http://www.cbwm.org/docs/financdocs/Assessment%20Package%20FY%202006-2007%20Final.pdf. In the Fiscal Year 2006-2007 Final Assessment Package provided by the Watermaster, the amount of over-allocation was 4,270 AF (3,893 AF of which is incurred as a replenishment obligation to agencies encompassed by the study), and the model projects this total to increase through the process of future land use conversions to 5,127 AF in 2030 (4,674 AF of which is incurred as a replenishment obligation to agencies encompassed by the study).

study, which encompass 91.2 percent of safe operating yield but 100 percent of land use conversions, the change in land-use conversion rules under the Peace Agreement provides a slightly larger net agricultural transfer among agencies considered than under baseline conditions (e.g., 71,673 AF after all conversions take place compared to 71,377 AF under baseline rules). The outcome for individual agencies under the Peace rules for net agricultural pool transfer relative to the baseline scenario is discussed later.

The DYY storage and recovery program alters the allocation of Basin water supply by allowing individual agencies to purchase water from MWD in wet years and store it for use in subsequent dry years. The effective rate paid to MWD for DYY water inputs, net of subsidies paid to the participating agencies, is approximately equal to the current replenishment rate,[22] and the annual MWD replenishment rate is used in each period to price DYY water inputs to individual producers. The present analysis considers the value of the currently-approved 150,000 AF storage and recovery program.[23] Although further expansion beyond this level has been discussed, the study does not consider the potential expansion of this program to 500,000 AF nor the possibility for sales of this water to take place outside the Basin. The increase in the DYY program from 100,000 AF to 150,000 AF is assumed to take place immediately in the year 2007. To adjust the implied pattern of puts and takes of a 150,000 AF storage and recovery program to the smooth production horizon of a representative hydrologic year, we assume that water production in the DYY program is limited to 50,000 AF in each dry year. Given a 0.3 probability of a dry year, this implies an average of 15,000 AF of water is made available in the Basin each year through the DYY program. The distribution of the DYY program storage across individual agencies is given by the table of DYY shift obligations provided by IEUA for the current DYY-100 program, and these values are scaled upwards proportionately to 150,000 AF.[24] It is assumed that there is no storage loss for units of water placed in storage.[25] In effect, this implies that participating agencies in the DYY program purchase 15,000 AF of water in a representative hydrologic year at MWD replenishment rates and covert this amount into 15,000 AF of reliable Basin supply through the use of existing recharge facilities.

Among the ten largest agencies considered in the study, Basin supply under Peace conditions rises from 137,416 AF in 2007 to 185,692 AF in 2030. This reflects an approximate increase of 26,000 AF per year relative to baseline conditions (under baseline conditions, Basin supply is 111,486 AF in 2007 and 159,496 AF in 2030), and the source of the additional Basin supply under the Peace Agreement amounts to the roughly 11,000 AF increased stormwater yield (the share of the 12,000 AF "new yield" acquired by the ten largest agencies) plus the 15,000 AF recovery of DYY storage water.

5.2. Import Demand

Import demand for each agency in the Basin is calculated in the same manner as the baseline case. As noted above, this involves deducting Basin supply from the Basin water demand facing each agency to get excess demand, correcting excess demand to account for the dynamic adjustments that occur in local storage accounts, and then reconciling excess supply and excess

[22] Personal communication with IEUA staff.
[23] Personal communication with Watermaster staff.
[24] IEUA Urban Water Management Plan (2005), Table 6-5.
[25] Personal correspondence with Watermaster staff.

demand among individual agencies in the Basin through water transactions in the transfer market.

Two major changes occur under Peace in the resulting evaluation of import demand. First, import demand is now lower each year than under baseline conditions by the approximate 26,000 AF of additional Basin supply that is available each year. This ultimately defrays Tier 2 water purchases as the supply-side of the model is built upwards to the third step of supply. Second, the amount of water held in the local storage account of individual agencies decreases, for instance by 17,769 AF in 2007 (83,706 AF in the baseline versus 65,937 AF under Peace.) Much of this difference in local storage balances is the result of participation in the DYY program crowding-out storage activities that would otherwise take place in local storage accounts.

5.3. Water Imports

As in the baseline case, annual water imports must flow into the Basin to meet the sum of import demand and replenishment requirements, where the Basin replenishment requirements now include 12,000 AF of stormwater recharge and 15,000 AF of replenishment water purchases for the DYY program in addition to the desalter replenishment obligation. Imported replenishment water represents the second step of the water supply relationship in Figure 2, and this step is elongated under Peace by the increase in Basin recharge capacity to 134,000 AF. Given the smoothing of production, this implies that Basin recharge capacity is 93,800 AF per year (0.7*134,000 AF) in a representative hydrologic year. Of this amount, 27,000 AF per year of recharge capacity is now used to accommodate the combined requirements of stormwater recharge and DYY program recharge, and a substantial share of the remaining recharge capacity is used to fulfill the replenishment obligation of the desalters. The desalter replenishment obligation in each year is defined in the same manner as in the baseline scenario to be desalter production less storage losses of 2 percent deducted from the local storage accounts of producers in the Basin.[26]

Under Peace conditions the need for imported Tier 2 water is smaller than under the baseline. Three main effects drive this change: (i) the recharge capacity of the Basin can now accommodate the entire desalter replenishment obligation each year without requiring agencies to engage in in-lieu recharge; (ii) the amount of annual Basin over-production that can be sustained in the Basin is larger by the amount of the increase in recharge capacity; and (iii) the reduction in local storage reduces the allocation of Basin storage losses to the desalter. The first two components produce direct value to agencies on the extensive margin of supply by defraying Tier 2 purchases (as depicted in Figure 2). The third component, the change in the designation of storage losses against the replenishment obligation of the desalters, creates no economic benefit to the Basin and is purely redistributional in its effects, because the change in the designation of storage losses does not alter the physical recharge capacity of the Basin. An individual agency that incurs a one-unit storage loss gives up a unit of water from local storage, and the value of this unit of water is distributed back to other agencies in the form of a credit against the desalter replenishment obligation.

[26] Peace Agreement, Article 5.2b(xii).

Under Peace conditions, the amount of replenishment water that is purchased from MWD in each representative hydrologic year is 81,800 AF (93,800 AF of recharge capacity less the 12,000 AF stormwater recharge). This 81,800 AF of replenishment water, which is purchased at MWD replenishment rates, is allocated first to meet the 15,000 AF per year replenishment water requirement for DYY participants and to meet the replenishment obligation of the desalter, with the remaining recharge capacity in each year allocated among individual agencies according to each agency's imported water demand relative to total imported water demand in the Basin.

As in the baseline scenario, imported water demand in excess of the recharge capacity of the Basin is cleared each year in the Peace I scenario on the third step of supply through purchases of Tier 2 water from MWD. Tier 2 MWD water purchases, as in the baseline case, are allocated to individual agencies based on the share of each agency's imported water demand relative to total imported water demand in the Basin.

Under peace conditions, the total purchases of Tier 2 water among agencies in the Basin rise from 25,692 AF in 2007 to 127,710 AF in 2030, a decline of approximately 72,000 AF per year relative to the baseline scenario. This decline in Tier 2 water purchases is approximately equal to the increase in recharge capacity under the Peace Agreement and represents a replacement of Tier 2 water purchases with replenishment water purchases at the lower MWD rate in each year. Cucamonga Valley Water District and the City of Ontario, the two largest buyers of imported water in both the baseline and Peace I, receive the largest share of the net benefit of this offset in Tier 2 water, because of their disproportionate representation on the extensive margin of supply.

5.4. Water Procurement Costs

The total cost of water procurement to individual agencies is the sum of eight components: (i) Tier 2 water purchases; (ii) transfer water purchases; (iii) desalter water purchases for urban supply; (iv) replenishment water purchases; (v) desalter replenishment costs; (vi) Watermaster general assessments on the appropriative pool; (vii) Watermaster general assessments on the agricultural pool paid by the appropriative pool; and (viii) the Pomona credit. The first three components of water procurement cost are calculated in the same manner as in the baseline case, with the exception that the total quantities of Tier 2 purchases and transactions in the transfer market differ.[27]

Desalter replenishment costs are recovered through Watermaster replenishment assessments in an amount equal to the cost of replenishment water purchased from MWD to meet the replenishment obligation of the desalters each year. As in the baseline case, these costs are allocated to individual agencies according to each agencies pro rata share of safe operating yield.[28]

Replenishment water purchases allocated to individual agencies related to the DYY program are levied back on individual agencies in proportion to their storage claims in the program, as detailed above. Any remaining recharge capacity in excess of the amount needed to fulfill DYY

[27] Changes in the pattern of Tier 2 water purchases and water transfers that occur across scenarios and over time within each scenario can have equilibrium effects on market prices; however, price changes in these markets are not considered in the scope of the present study.

[28] Personal correspondence with Watermaster staff (August 29, 2007).

contributions and the replenishment obligation of the desalters and DYY is allocated in each year to individual agencies according to each agency's imported water demand relative to total imported water demand in the Basin.

The total costs recovered through Watermaster general assessments for the program elements in the Peace I scenario include OBMP assessments, special project assessments, and recharge debt payments. The additional OBMP and special project assessments in the Peace I scenario amount to a total $7.05 million out of the $7.87 million (90 percent) in total Watermaster expenses in 2007, and these additional costs of implementing the program elements in the Peace I scenario rise to $13.8 million in 2030. As in the baseline scenario, the allocation of all appropriative pool general assessments to individual agencies is made based on each agency's share of safe operating yield in the Basin.

The Peace Agreement negotiated the transfer of all general assessment fees from the agricultural pool to the appropriative pool. The total assessment fees paid by the agricultural pool, which are now assumed by members of the appropriative pool, amount to $1.1 million in 2007 and decline to $460 thousand in 2030 due to land use conversions that result in a decline in agricultural water use as a share of total Basin safe yield. In total, the general assessments paid by the appropriative pool inclusive of the transfer of agricultural pool assessments increase ten-fold from $624 thousand in the baseline scenario to $6.3 million under Peace conditions in 2007 and the assessment costs in the Peace I scenario remain at least 7 times as large as the costs attributable to baseline conditions in the Basin throughout the production horizon. The agricultural pool share of Watermaster assessment fees is paid by individual agencies in the appropriative pool according to the agency's share of the net agricultural transfer in each year.[29]

Finally, the Pomona credit of $66,667 per year is paid every year by each agency in proportion to the agency's share of safe operating yield.

5.5. Comparison of Baseline and Peace Agreement Outcomes

Under the terms of the Peace Agreement, the present value of the net benefit of the program elements for the ten agencies encompassed by the study is $182 million. The main component associated with this increased net benefit is the displacement of Tier 2 water with new Basin yield and replenishment water. Under baseline conditions, the present value of total Tier 2 water purchases over the 2007-2030 period is $1.53 billion, whereas, under Peace conditions, the present value of Tier 2 water purchase over the period decreases to $931 million. This decrease in Tier 2 water under Peace conditions was replaced with replenishment water at the lower MWD rate, and the combined cost of imported water in the Peace I scenario decreased by $310 million in present value terms (from $2.06 billion under baseline conditions to $1.75 billion under Peace conditions). This benefit was acquired at the expense of an increase in the present value of assessment costs from $16.7 million to $146 million.

[29] For details on this calculation and the distribution of general appropriative pool assessments based on pro rata share of safe operating yield, see Watermaster, Fiscal Year 2006-2007 Final Assessment Package, Pool 3 Assessments Summary (p5): http://www.cbwm.org/docs/financdocs/Assessment%20Package%20FY%202006-2007%20Final.pdf.

Table 2 provides a breakdown of the projected outcomes under Peace conditions in the year 2015 for the eight largest producers in the study. A comparison of these outcomes with those that emerge under baseline conditions in Table 1 provides a useful profile of the essential differences in Basin performance under each scenario. Residual demand for Basin water is identical in each scenario. This quantity corresponds to the value Q^* in Figure 1. The safe operating yield of the agencies considered is the same in both cases, as is desalter water for urban supply. The net agricultural pool allocation to the appropriative pool is slightly higher under Peace (48,848 AF relative to 48,268 AF under baseline rules). This is because the agencies considered in the study represent 91 percent of Basin production and nearly 100 percent of the land use conversions, which are credited with a larger water allocation under Peace. Available Basin supply in the Peace I scenario is accordingly higher by the sum of this component and the 15,000 AF of supply available to agencies through the DYY program, which leads to a commensurate reduction in imported water demand.

The level of local storage is lower under Peace by approximately the 15,000 AF of storage that is now accounted for in the DYY program. Replenishment purchases are now possible due to the increase in Basin recharge capacity, and the agencies combine to purchase 31,533 AF of replenishment water in the year 2015.

In total, Tier 2 water use falls from 137,809 AF under baseline conditions (inclusive of the purchases required by in lieu recharge) to 82,658 AF under Peace conditions. This decrease in Tier 2 water imports reflects the displacement of Tier 2 water purchases through a combination of new Basin yield and increased replenishment water purchases made possible by the expansion of Basin recharge capacity.

Actual production among these eight agencies is higher in the Peace I scenario by 36,953 AF in the year 2015 (160,203 AF vs. 123,250 AF in the baseline scenario). This increment in Basin production represents the effective increase in Basin recharge capacity available to these producers after accounting for the combined 27,000 AF of recharge capacity utilized by stormwater and DYY program recharge.

Table 2: Year 2015 Outcome Under Peace I Scenario

	Appropriator								
Component	Chino	Chino Hills	Ontario	Upland	Cucamonga	Monte Vista	Jurupa	Pomona	**Total**
Urban Water Demand	26,200	24,700	66,600	22,500	72,500	14,100	36,350	30,264	**293,214**
Available Surface Water	0	0	0	5,200	3,000	0	500	0	**8,700**
Available Other Groundwater	0	0	0	3,800	5,400	0	0	1,884	**11,084**
Residual Demand	*26,200*	*24,700*	*66,600*	*13,500*	*64,100*	*14,100*	*35,850*	*28,380*	**273,430**
Safe Operating Yield	4,034	2,111	11,374	2,852	3,619	4,824	2,061	11,216	**42,092**
New Yield	883	462	2,489	624	792	2,455	451	2,489	**10,645**
Net Ag Transfer	10,558	2,173	7,210	1,467	2,460	2,553	16,658	5,769	**48,848**
Desalter Water Supply	5,000	4,200	5,000	0	0	0	19,922	0	**34,122**
Storage & Recovery	527	658	3,671	1,364	5,160	1,801	909	909	**15,000**
Available Supply	*21,001*	*9,604*	*29,744*	*6,308*	*12,032*	*10,234*	*39,074*	*20,349*	**148,346**
Net Storage	428	288	771	-107	1,058	133	0	225	**2,797**
Transfers	726	1,985	4,854	914	6,854	516	-3,224	1,065	**13,690**
Import Demand	*4,901*	*13,399*	*32,773*	*6,171*	*46,272*	*3,483*	*0*	*7,192*	**114,191**
Local Storage	3,713	10,783	26,326	5,137	37,191	2,761	0	5,737	**91,649**
Replenishment Purchases	1,353	3,700	9,050	1,704	12,778	962	0	1,986	**31,533**
Tier 2 Purchases	3,548	9,699	23,723	4,467	33,494	2,521	0	5,206	**82,658**
Actual Production	21,653	11,373	34,071	7,119	18,142	10,695	35,850	21,299	**160,203**
Watermaster Assessments	$849	$401	$1,258	$267	$629	$411	$1,353	$795	**$5,963**

Figure 1 compares the benefit received by each agency from reduced water procurement costs to the increase in assessment cost that result from the implementation of the program elements in the Peace I scenario. The assessment costs associated with implementing the program elements considered in the Peace I scenario are represented by an overall increase from $16.7 million to $146 million in present value terms. The program benefits in present value terms in the Peace II scenario are reflected in the decrease in water procurement costs from $2.1 billion under baseline conditions to $1.8 billion in the Peace I scenario.

In terms of the total benefit, two agencies, City of Ontario and Cucamonga Valley Water District, receive the largest share of the benefits resulting from the Peace I program elements, while the assessment costs are distributed more equally among producers. In total, the City of Ontario and Cucamonga Valley Water District together receive 46 percent of the benefit of decreased water procurement costs and incur 32 percent of the increase in assessment costs. An important reason these agencies receive a large share of the net benefit from the agreements is due to a scale effect in the annual level of residual demand for Basin water, for instance in 2015 these two agencies combined account for 48 percent of residual demand for Basin water (130,700 AF out of 273,430 AF).

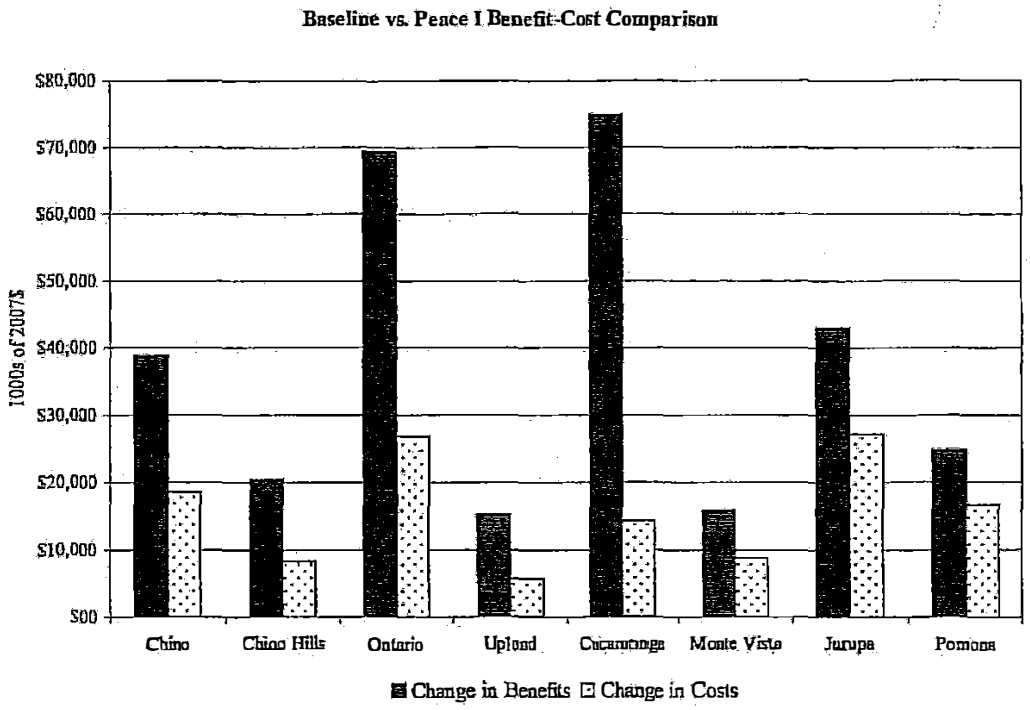

Figure 1

Distribution of Net Benefit, Peace I vs. Baseline ($/per AF)

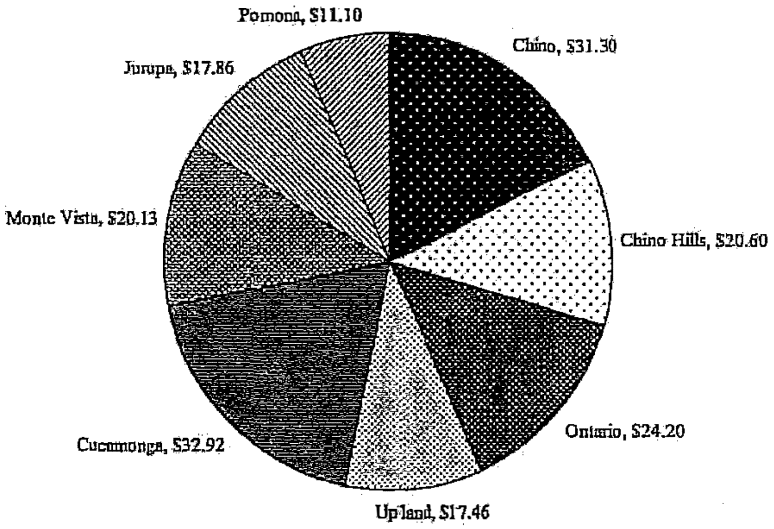

Figure 2

Figure 2 shows the distribution of net benefits per acre-foot of residual water demand across individual agencies in the Basin resulting from the program elements in the Peace I scenario. Fontana Union Water Company and San Antonio Water Company are not included in these calculations, because the available surface water and other groundwater supplies for these agencies exceed their total demand. Controlling for agency scale on the basis of residual demand for Basin water among the remaining producers, the net benefit resulting from the combined program elements in the Peace II Agreement is grouped between $11.10/AF for the City of Pomona to $32.92/AF for Cucamonga Valley Water District. Overall, the present value of the net benefit to all parties over the 24 year horizon resulting from a move from baseline conditions to Peace conditions is $182 million and the total residual demand for water over this period is 6.9 million AF, which implies an average return of $19.84 per acre-foot to the agencies encompassed by the study.

6. Peace II Scenario

The Peace II scenario introduces several major program elements in the Basin that build on the existing conditions under Peace. The main components of the Peace II scenario that alter market values in the Basin relative to the Peace I scenario are: (i) hydraulic control, which provides 400,000 AF of cumulative forgiveness and SAR inflow of 9,900 AF per year in the Basin; (ii)

the production of recycled water; (iii) a change in the allocation of the replenishment obligation associated with over-production in the agricultural pool transfer; (iv) a transfer of overlying non-agricultural pool water to the appropriative pool; and (v) a transfer of the Pomona credit from Basin agency to Three Valleys. This section describes the changes that occurred through these program elements to alter net benefits received by individual agencies in relation to the earlier discussion of the existing program elements in Peace Agreement.

6.1. Basin Supply

Under the set of programs encompassed by the Peace II Agreement, five factors led to changes in available Basin supply relative to prevailing conditions under Peace: (i) a change in the water allocation resulting from land use conversions; (ii) the influx of recycled water (for direct use and groundwater recharge), (iii) the transfer of 49,178 AF of overlying non-agricultural water to the appropriative pool; (iv) 9,900 AF per year of inflow from the Santa Ana River (SAR), eventually rising to 12,500 AF per year; and (v) 400,000 AF of cumulative forgiveness for Basin over-production. Unlike the program elements implemented in the Peace I scenario, all elements of the Peace II scenario (with the exception of the transfer of the Pomona credit to Three Valleys) fundamentally alter supply conditions on the lowest step of the supply relationship by contributing new sources of Basin yield.

The net agricultural transfer to each agency in the Peace II scenario maintains the return to each converter of 2.0 AF of Basin water for each acre converted and the early transfer of 32,800 AF per year to the appropriative pool, but alters the allocation rule for the replenishment obligation for the amount of over-allocated agricultural pool water. Under Peace II rules, the replenishment obligation for over-allocated agricultural pool water is made on the basis of a weighted average of the share of safe operating yield and share of cumulative land-use conversions for each agency (the "proportion of water available for reallocation (PAR)") rather than in proportion to each agency's share of safe operating yield in the Peace I scenario. By placing greater weight on land use conversions, a greater share of the replenishment obligation for over-allocated agricultural pool water is placed on land-use converters. For instance, the combined share of safe operating yield of the two largest land-use converters in the Basin—City of Chino and Jurupa Community Services District—is approximately 10 percent, whereas the combined PAR share of these agencies in Fiscal Year 2006-2007 is 38 percent.[30]

The use of significant quantities of recycled water is made possible in the Basin by the attainment of hydraulic control.[31] Recycled water projections for direct use in the Basin increase from 11,924 AF in 2007 to 60,450 AF in 2030 and recycled water use for groundwater recharge rises over the period from 3,443 AF to 35,000 AF.[32, 33] The recycled water price charged by

[30] Watermaster, Fiscal Year 2006-2007 Final Assessment Package, Land Use Conversion Summary (p10): http://www.cbwm.org/docs/financdocs/Assessment%20Package%20FY%202006-2007%20Final.pdf.

[31] Personal correspondence with IEUA staff.

[32] Projections on recycled water deliveries for direct use and on total recycled water for groundwater recharge is provided for IEUA members in IEUA Urban Water Management Plan (2005), Table 3-13. The projections on recycled water deliveries for direct use to non-IEUA members as well as the distribution of recycled water deliveries for groundwater recharge across individual agencies are based on personal communication with IEUA staff (July 11, 2007).

[33] In no case does the amount of recycled water used for recharge exceed the DHS-approved dilution rates.

IEUA for recycled water deliveries in each period is viewed as sufficient to recover the fully amortized capital and operating costs of their recycled water operations.[34]

The amount of transfer of overlying non-agricultural water to the appropriative pool is taken to be 49,178 AF, which is the ending total balance in the pool 2 local storage account in the Watermaster final assessment package for fiscal year 2006-2007.[35] This amount of water is allocated proportionally in four equal installments over the four-year period 2007-2010 to agencies in the appropriative pool according to their share of safe operating yield, and the price in each period is set at 92 percent of the prevailing MWD replenishment rate.[36]

Finally, in meeting the goal of hydraulic control in the Peace II scenario, two sources of water are created: (i) the Santa Ana River (SAR) inflow is calculated to generate 9,900 AF of new Basin yield each year, eventually rising to 12,500 AF per year; and (ii) 400,000 AF of cumulative overdraft is necessary in the Basin over the period 2007-2030.[37] Both the 9,900 AF per year of SAR inflow and the allocation of the 400,000 AF of cumulative forgiveness are allocated to meet the replenishment obligation of the desalters. The dynamic path of forgiveness for the desalter obligation follows the most-rapid depletion path defined by the aggregate study, which assumes that the Basin overdraft occurs to whatever extent is necessary to meet the replenishment obligation of the desalters (net of storage losses and SAR inflow). Under the most-rapid depletion path, hydraulic control is achieved on the cumulative overdraft of 400,000 AF from the Basin in the year 2024, which raises the SAR inflow from 9,900 AF to 12,500 AF over the remaining period 2025-2030.

6.2. Import Demand

The demand for imported water for each agency in the Basin is calculated in the same manner as in the Peace scenario. In terms of the resulting values, the influx of new Basin water supply in response to recycled water use alter the resulting evaluation of import demand relative to the prevailing conditions under Peace in two significant ways. First, import demand is now lower each year relative to the outcome under Peace conditions by the amount of new Basin supply. This water ultimately defrays Tier 2 water purchases as the supply side of the model is built upwards and aggregated across each step towards the extensive margin of supply. As these supplies are developed, available supply in the Basin rises to 266,134 AF by the year 2030, an increase of 80,442 AF above the Peace I scenario and 106,678 AF above the baseline conditions.

Second, the amount of water held in local storage by individual agencies decreases to account for the effect of these new, reliable water sources in the Basin and the corresponding reduction in the need to smooth out the cyclical components of water supplies with puts and takes. As recycled water supplies are developed in the Basin, the need for local storage decreases; for instance, the total amount of water held in local storage in the Basin in 2030 decreases from 141,565 AF under baseline conditions, to 129,259 AF in the Peace I scenario, to 80,500 AF in the Peace II scenario.

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[34] IEUA, Operating and Capital Program Budget, Fiscal Year 2007/08, Volume 1 (July 2007), p231.
[35] Watermaster, Fiscal Year 2006-2007 Final Assessment Package, Pool 2 Water/Storage Transactions (p12): http://www.cbwm.org/docs/financdocs/Assessment%20Package%20FY%202006-2007%20Final.pdf.
[36] Non-Binding Term Sheet, item IX.C.
[37] Personal correspondence with staff at Wildermuth Environmental.

The quantity of water transactions in the water transfer market rises significantly as the number of agencies selling water increases with the influx of recycled water supplies. This changes the distribution of net benefits, both directly by the allocation of recycled water supplies based on proximity of users (rather than according to the share of safe operating yield) and indirectly by reducing the number of agencies that procure water on the extensive margin of supply.

6.3. Water Imports

An important outcome in the Peace II scenario as a result of hydraulic control is the decrease in Tier 2 water purchases relative to both the baseline and Peace I scenarios. Unlike the case of the Peace I scenario, in which the decline in Tier 2 purchases was largely offset by an increase in assessment costs to support the increase in recharge capacity, the avoided Tier 2 water purchases in the Peace II scenario are associated either with negligible costs (SAR inflow and forgiveness for Basin over-draft) or with the relatively low cost associated with recycled water, which is valued at IEUA recycled water rates. These differences are characterized in the discussion below.

In addition, the level of water imports increases slightly in the Peace II scenario, because of a reduction in the storage loss component allocated to meet the desalter replenishment obligation. In the Peace II scenario, the desalter replenishment obligation is taken to be desalter production less storage losses of 1 percent from the local storage accounts of producers in the Basin.[38]

6.4. Water Procurement Costs

All program costs that form the basis for Watermaster assessments in the Peace I scenario (as described above) are considered in the Peace II scenario, with the exception of the Pomona credit, which is no longer paid by appropriators in the Basin and is instead paid by Three Valleys Municipal Water District.[39] The removal of this fee from Watermaster assessments leads to an increase in net benefit to agencies in the Basin by $66,667, and this is returned to agencies in proportion to each agency's share of safe operating yield. The increase in net benefit is offset by a proportional increase in cost for Three Valleys Municipal Water District, and the present value of this stream of payments over the period 2007-2030 at the prevailing rate of discount (4.5 percent) is $1.0 million.

Recycled water costs are allocated to each agency using the recycled water prices provided by IEUA, as discussed above. The desalter replenishment obligation, which begins in the year 2024 after the 400,000 AF of over-draft credits are exhausted, is met in the Peace II scenario through Watermaster replenishment assessments as follows. Half of the desalter replenishment obligation is met by individual agencies according to pro rata shares of safe operating yield, as in the Peace I scenario, and the remaining half of the desalter replenishment obligation is met according to each agency's share of actual production relative to total production in the Basin.[40] This latter portion of the Watermaster replenishment assessments accords with the method of allocating Watermaster general assessments to the appropriative pool in all three scenarios considered. The

[38] Non-Binding Term Sheet, Item VI.B.1.
[39] Non-Binding Term Sheet, item VII.A.
[40] Personal correspondence with Watermaster staff (August 29, 2007).

method for calculating the remaining water procurement costs for each agency is identical to the method described above for the Peace I scenario.

6.5. Comparison of Baseline, Peace I, and Peace II Outcomes

Relative to baseline conditions, the present value of total net benefit among the ten agencies encompassed by the study for the program elements contained in the Peace II scenario is $904.6 million, which represents an additional net benefits of $722.5 million relative to the outcome of the Peace I scenario.

The main factor associated with this increased net benefit is the displacement of Tier 2 water with recycled water, SAR in-flow, and, in the period 2007-2024, with forgiveness for 400,000 AF of Basin over-draft to attain hydraulic control. Under peace I conditions, the present value of total Tier 2 water purchases over the period 2007-2030 is $931 million, whereas, in the Peace II scenario, the present value of Tier 2 water purchases over the period is $271 million. This decrease in Tier 2 water costs in the Peace II scenario was replaced with a combination of 400,000 AF of forgiveness for Basin over-draft and recycled water at the lower IEUA recycled water rate.[41] The combined present value of cost of imported water and recycled water inputs in the Peace II scenario is $1.0 billion, which represents a substantial reduction in the present value of water procurement cost from $1.75 billion in the Peace I scenario.

Table 3 depicts the projected outcomes to individual agencies in the Peace II scenario for the year 2015. A comparison of these outcomes with those that emerge in the baseline scenario in Table 1 and the Peace I scenario in Table 2 provides a useful profile of the essential differences in Basin performance under Peace II conditions. Residual demand, which corresponds to the value Q* in Figure 1, is identical in all three scenarios, as is the safe operating yield of the agencies and desalter production. The net agricultural pool transfer to the appropriative pool (48,530 AF) is between the values that emerge in the Peace I scenario (48,848 AF) and the baseline scenario (48,268 AF). Relative to the outcome under Peace I conditions, the new rules for assessing replenishment obligations for the over-allocated agricultural pool water redistribute the net returns away from the major land-use converters in the Basin (in particular, the City of Chino and Jurupa Community Services District).

Available Basin supply in the Peace II scenario in the year 2015 (208,199 AF) is considerably higher than the available Basin supply in the baseline scenario (123,554 AF) and Peace I scenario (148,346 AF), which leads to a commensurate reduction in imported water demand. Virtually the entire difference in imported water demand between the Peace I scenario and the Peace II scenario is the result of the 60,171 AF addition of recycled water (direct use plus groundwater replenishment).

The level of local storage in the Peace II scenario in, 53,293 AF, is lower than local storage levels in the baseline (107,054 AF) and Peace I scenarios (91,649 AF) due to the large influx of

[41] The allocation of the 400,000 AF of forgiveness to meet the replenishment obligations of the desalters is implicitly valued at the Tier 2 rate, because each unit of forgiveness that is credited against the desalter replenishment obligation, which is valued directly in the model at the replenishment rate, "frees up" a unit of recharge capacity that allows a unit of Tier 2 water to be displaced on the extensive margin of supply.

reliable Basin water through the development of the recycling program and the acquisition of SAR inflow. This greater availability of Basin water supply also facilitates a richer pattern of water transfers in the Peace II scenario.

In total, Tier 2 water purchases in the year 2015 are 10,186 AF, which represents a substantial reduction from the 137,089 AF of Tier 2 water purchases that take place under baseline conditions (inclusive of the purchases required by in lieu recharge) and the 82,658 AF under Peace I conditions. Replenishment water purchases increase in the Peace II scenario from 31,533 AF in the Peace I scenario to 41,800 AF in the Peace II scenario. The increase in replenishment imports reflects the replacement of 35,267 AF of replenishment obligations in the Peace I scenario with SAR inflow and desalter forgiveness in the year 2015, less the 20,671 AF claim on recharge facilities associated with the groundwater recharge component of the recycled water program in the Peace II scenario. The decrease in Tier 2 water imports of 72,430 AF between the Peace I and Peace II scenario is the result of the displacement of Tier 2 water purchases with a combination of recycled water, SAR in-flow, and allowed over-draft.

Actual production among these eight agencies in the year 2015 (182,170 AF) is higher in the Peace II scenario than in the Peace I scenario (160,203 AF) and the baseline scenario (121,138 AF). This increment in Basin production relative to the Peace I scenario represents the increase in Basin supply resulting from the use of recycled water for groundwater recharge as well as small adjustments in storage loss and net storage requirements.[42]

Finally, notice in the comparison of Tier 2 purchases by individual agencies in Tables 1-3 that the distribution of Tier 2 water purchases across individual agencies in the Basin differs in all three scenarios relative to the distributions of safe operating yield and the distribution of actual production. These elements together comprise the basis for the allocation of collective Basin net benefits to individual agencies, with the division of market benefits from Basin improvement activities determined by each agency's share of Tier 2 water purchases, and the allocation of cost determined through Watermaster formulas that are based either on a individual agency's share of actual production to total Basin production or on a individual agency's share of safe operating yield. Differences in the distributions of these three key values across individual agencies in the Basin are responsible for inequalities in the distribution the net benefit from the various program elements that improve the management of Chino Basin water resources.

[42] Recycled water for direct use offsets urban water demand, but does not otherwise influence Basin production.

Table 3: Year 2015 Outcome Under Peace II Scenario

	Appropriator								
Component	Chino	Chino Hills	Ontario	Upland	Cucamonga	Monte Vista	Jurupa	Pomona	Total
Urban Water Demand	26,200	24,700	66,600	22,500	72,500	14,100	36,350	30,264	293,214
Available Surface Water	0	0	0	5,200	3,000	0	500	0	8,700
Available Other Groundwater	0	0	0	3,800	5,400	0	0	1,884	11,084
Residual Demand	*26,200*	*24,700*	*66,600*	*13,500*	*64,100*	*14,100*	*35,850*	*28,380*	**273,430**
Safe Operating Yield	4,034	2,111	11,374	2,852	3,619	4,824	2,061	11,216	**42,092**
New Yield	883	462	2,489	624	792	2,455	451	2,489	**10,645**
Net Ag Transfer	10,103	2,176	7,559	1,581	2,560	2,739	15,599	6,215	**48,530**
Desalter Water Supply	5,000	4,200	5,000	0	0	0	19,922	0	**34,122**
Storage & Recovery	527	658	3,671	1,364	5,160	1,801	909	909	**15,000**
Recycled Water, Direct Use	6,300	4,000	8,800	0	15,900	500	2,500	1,500	**39,500**
Recycled Water, Replenishment	2,402	2,188	5,590	2,450	5,304	1,070	1,667	0	**20,671**
Available Supply	*29,248*	*15,796*	*44,482*	*8,871*	*33,336*	*11,990*	*42,181*	*22,294*	**208,199**
Net Storage	0	69	527	-153	5	94	0	217	**759**
Transfers	-3,048	2,784	7,026	1,389	9,546	684	-6,331	1,955	**14,004**
Import Demand	*0*	*6,190*	*15,619*	*3,087*	*21,223*	*1,520*	*0*	*4,347*	**51,986**
Local Storage	0	6,360	15,798	3,306	21,974	1,507	0	4,347	**53,293**
Replenishment Purchases	0	4,977	12,559	2,482	17,064	1,222	0	3,495	**41,800**
Tier 2 Purchases	0	1,213	3,060	605	4,158	298	0	852	**10,186**
Actual Production	19,900	14,516	42,550	10,227	26,762	12,159	33,350	22,706	**182,170**
Watermaster Assessments	$707	$447	$1,368	$327	$804	$411	$1,129	$753	**$5,946**

Figure 3 compares the benefit received by each agency from reduced water procurement costs to the increase in assessment cost that result from the implementation of the program elements in the Peace II scenario. The program costs in the Peace II scenario do not differ substantively from program costs in the Peace I scenario, and represent an overall increase from $17 million to $143.2 million in present value terms. The program benefits in present value terms in the Peace II scenario are reflected in the decrease in water procurement costs from $2.1 billion under baseline conditions to $1.1 billion in the Peace II scenario.

City of Ontario and Cucamonga Valley Water District receive the largest share of the benefits resulting from the Peace II program elements, while the assessment costs resulting from the Peace II program elements are notably smaller and distributed more equally across the agencies. In total, the City of Ontario and Cucamonga Valley Water District together receive 56 percent of the benefit of decreased water procurement costs and incur 39 percent of the increase in assessment costs.

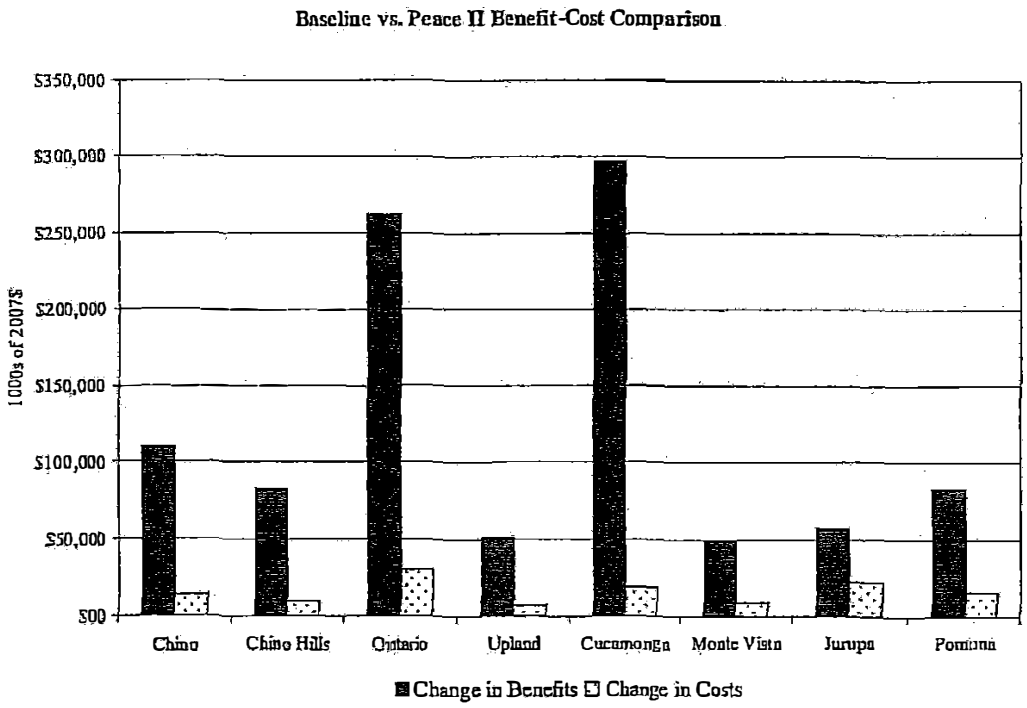

Figure 3

Distribution of Net Benefit, Peace II vs. Baseline ($/per AF)

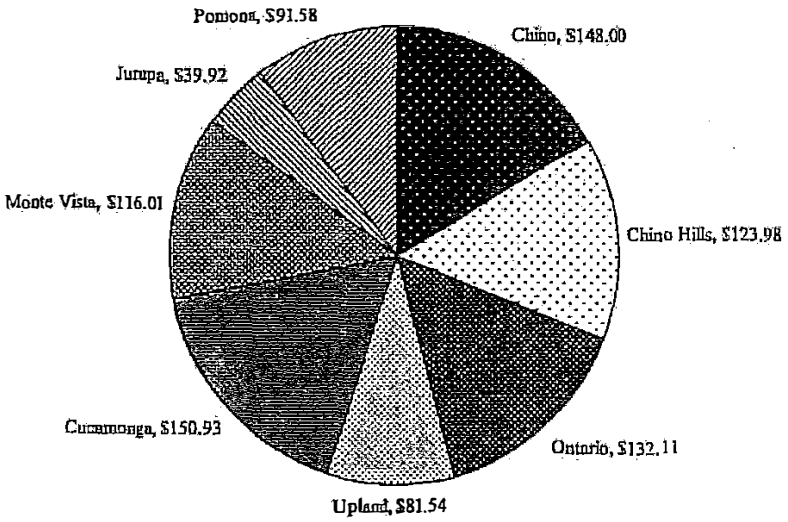

Figure 4

Figure 4 depicts the distribution of net benefits per acre-foot of residual water demand across individual agencies in the Basin resulting from the program elements in the Peace II scenario. Overall, the present value of the net benefit to all parties over the 24 year horizon resulting from a move from baseline conditions to Peace conditions is $905 million and the total projected water demand over this period is 9.1 million AF, which implies an average return of $98.53 per acre-foot to the agencies encompassed by the study.

Noting, as before, that Fontana Union Water Company and San Antonio Water Company have available surface water and other groundwater supplies in excess of their demand, and controlling for agency scale on the basis of residual demand for Basin water among the remaining producers, the net benefit resulting from the combined program elements in the Peace II Agreement lies between $39.92/AF for Jurupa CSD to $150.93 for Cucamonga Valley Water District.

The net benefit/AF received by Jurupa Community Services District is significantly smaller than the net benefit/AF received by other producers, because of systematic differences in the way this agency meets consumer water demand. Jurupa Community Services District is disadvantaged in the ability to capitalize on program elements that improve Basin performance by the large share of desalter water for urban water supply it receives, which cannot be defrayed by the development of new Basin supplies, and by a negligible reliance on imported water from MWD.

Among the remaining agencies, the Cities of Pomona and Upland receive a smaller share of the net benefit/AF, while Monte Vista Water District, the Cities of Chino, Ontario, Upland, and Chino Hills, and Cucamonga Valley Water District each receive a net benefit/AF above $116/AF.

7. Alternative Scenarios

This section examines the sensitivity of the results to variations in various assumptions underlying the model. In theory, each of the factors considered here has the potential to change the relative rankings among agencies with respect to benefits per acre-foot. For example, increasing the cost of capital will tend to elevate the ranking of agencies that receive benefits in early years. These sensitivity analyses are intended to bracket actual results and measure the sensitivity of outcomes to changes in assumptions.

Five parameters are varied and the model results are recalculated in each case. The alternative scenarios considered are: (i) variation in the share of the desalter replenishment obligation attributed to the appropriative pool in the baseline case; (ii) variation in the discount rate; (iii) variation in Urban Water Demands; (iv) variation in the availability of Tier 1 water to agencies in the Basin; and (v) increases in effective recycled water prices due to the long-run average cost of recycled water infrastructure improvements.

The model results are most sensitive to the scenario in which all Tier 2 water purchases in the model are replaced with Tier 1 water purchases at the lower MWD rate. The results of this scenario are shown in Table 4. This scenario provides a bracketing assumption on the value of the outside water options available to agencies and it is unlikely that each agency can meet annual increases in urban water demand every year with a continued expansion of Tier 1 purchases. To the extent that individual agencies differ in their access to Tier 1 water, moreover, market forces would lead to a displacement of Tier 2 water purchases on the extensive margin of supply before any displacement occurs of Tier 1 water purchases, so that a model that considered a relatively equal mix of Tier 1 and Tier 2 water supplies would not result in values near the mid-point between the Tier 1 scenario and the Tier 2 scenario. Nonetheless, the total net benefit in the Basin under Peace II scenario remains high—$611.7 million ($88.89/AF)—even when the entire increase in Basin supply is valued at the displacement cost of Tier 1 water.

The model results are fairly robust to variations in the remaining parameters. In total, the net benefit of the Peace II program elements varies across the scenarios in a range between $806.7 million - $864.4 million ($87.87/AF - $104.22/AF) in each scenario, relative to the $904.6 million ($98.53/AF) at baseline levels of the parameters.

Table 4: Tier 2 Replaced By Tier 1

	Net Benefit (1000s of $)		Net Benefit/AF	
	Peace I vs. Baseline	*Peace II vs. Baseline*	*Peace I vs. Baseline*	*Peace II vs. Baseline*
City of Chino	$8,549	$77,828	$13.18	$120.03
City of Chino Hills	$18	$46,218	$0.03	$77.92
City of Ontario	$1,451	$148,970	$0.83	$84.73
City of Upland	$328	$27,599	$0.61	$51.04
Cucamonga Valley Water District	$14,025	$175,240	$7.61	$95.10
Fontana Union Water Co.	$1,451	$26,880		
Monte Vista Water District	($2,090)	$27,005	($5.99)	$77.39
San Antonio Water Company	$342	$6,337		
Jurupa CSD	$10,611	$29,242	$12.01	$33.11
City of Pomona	($5,720)	$46,453	($7.76)	$62.99
Total	**$28,965**	**$611,773**	**$3.15**	**$66.63**

Table 5: 50% of Desalter Obligation Paid by Ag Pool

	Net Benefit (1000s of $)		Net Benefit/AF	
	Peace I vs. Baseline	*Peace II vs. Baseline*	*Peace I vs. Baseline*	*Peace II vs. Baseline*
City of Chino	$15,450	$91,122	$23.83	$140.53
City of Chino Hills	$9,681	$71,001	$16.32	$119.70
City of Ontario	$28,888	$218,613	$16.43	$124.34
City of Upland	$6,017	$40,661	$11.13	$75.20
Cucamonga Valley Water District	$56,320	$273,782	$30.56	$148.57
Fontana Union Water Co.	($2,836)	$22,592		
Monte Vista Water District	$1,232	$34,687	$3.53	$99.41
San Antonio Water Company	($669)	$5,326		
Jurupa CSD	$13,297	$32,779	$15.06	$37.11
City of Pomona	($5,280)	$54,068	($7.16)	$73.31
Total	**$122,101**	**$844,632**	**$13.30**	**$91.99**

Table 6: 5.5% Discount Rate

	Net Benefit (1000s of $)		Net Benefit/AF	
	Peace I vs. Baseline	*Peace II vs. Baseline*	*Peace I vs. Baseline*	*Peace II vs. Baseline*
City of Chino	$17,681	$84,906	$27.27	$130.95
City of Chino Hills	$11,108	$65,916	$18.73	$111.13
City of Ontario	$38,234	$207,227	$21.75	$117.86
City of Upland	$8,595	$39,560	$15.90	$73.16
Cucamonga Valley Water District	$54,862	$247,990	$29.77	$134.57
Fontana Union Water Co.	$4,231	$26,907		
Monte Vista Water District	$6,265	$36,087	$17.95	$103.42
San Antonio Water Company	$997	$6,343		
Jurupa CSD	$13,877	$31,426	$15.71	$35.58
City of Pomona	$7,315	$60,400	$9.92	$81.90
Total	**$163,165**	**$806,761**	**$17.77**	**$87.87**

Table 7: 10% Conservation

	Net Benefit (1000s of $)		Net Benefit/AF	
	Peace I vs. Baseline	*Peace II vs. Baseline*	*Peace I vs. Baseline*	*Peace II vs. Baseline*
City of Chino	$18,131	$88,819	$31.07	$152.20
City of Chino Hills	$13,070	$70,172	$24.48	$131.45
City of Ontario	$44,196	$223,937	$27.93	$141.52
City of Upland	$8,602	$39,805	$17.68	$81.80
Cucamonga Valley Water District	$64,718	$268,848	$39.02	$162.10
Fontana Union Water Co.	$4,989	$30,656		
Monte Vista Water District	$6,205	$37,920	$19.76	$120.75
San Antonio Water Company	$1,176	$7,227		
Jurupa CSD	$15,189	$33,707	$19.11	$42.40
City of Pomona	$6,788	$63,259	$10.23	$95.30
Total	**$183,064**	**$864,350**	**$22.07**	**$104.22**

Table 8: 50% Increase in Recycled Water Price

	Net Benefit (1000s of $)		Net Benefit/AF	
	Peace I vs. Baseline	*Peace II vs. Baseline*	*Peace I vs. Baseline*	*Peace II vs. Baseline*
City of Chino	$20,294	$88,913	$31.30	$137.13
City of Chino Hills	$12,217	$69,270	$20.60	$116.78
City of Ontario	$42,547	$220,779	$24.20	$125.57
City of Upland	$9,442	$42,215	$17.46	$78.07
Cucamonga Valley Water District	$60,667	$262,234	$32.92	$142.30
Fontana Union Water Co.	$4,839	$30,268		
Monte Vista Water District	$7,025	$39,277	$20.13	$112.56
San Antonio Water Company	$1,141	$7,136		
Jurupa CSD	$15,772	$31,962	$17.86	$36.19
City of Pomona	$8,189	$66,517	$11.10	$90.19
Total	**$182,133**	**$858,571**	**$19.84**	**$93.51**

CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Watermaster Fiscal Year 2026/27 Proposed Budget (Business Item II.B.)

Issue: Fiscal Year 2026/27 Budget consideration

Recommendation: Recommend Advisory Committee approval of the Watermaster Fiscal Year 2026/27 Proposed Budget as presented.

Financial Impact: The Fiscal Year 2026/27 Proposed Budget is $13,371,561 (excluding any Carryover Funds).

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Recommend Advisory Committee approval.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Recommend Advisory Committee approval.
Agricultural Pool – May 14, 2026 [Recommended]: Recommend Advisory Committee approval.
Advisory Committee – May 21, 2026 [Recommended]: Approve.
Watermaster Board – May 28, 2026 [Recommended]: Adopt (Advisory Committee Approval Required).

BACKGROUND

To prepare a budget of anticipated expenses each year, Watermaster conducts meetings with internal staff and consultants to discuss upcoming projects and anticipated work. As the budget is developed, the related budgeted expenses are continually refined based on feedback from the stakeholders. The following budget-related meetings were held during the past few months:

- Watermaster staff met with the West Yost staff on February 25, 2026 for an Engineering Services budget overview to discuss the ongoing engineering-related activities required by the Judgment, the Peace Agreements, Court orders, the Basin Plan, as well as other upcoming engineering activities.
- During the period of February through April 2026, Watermaster staff held numerous additional meetings and discussions with staff from West Yost to discuss questions and feedback regarding the Engineering Services budget and expected engineering activities for fiscal year (FY) 2026/27.
- Watermaster staff received and discussed the Legal Services budget and expected legal activities for FY 2026/27 with staff from Brownstein Hyatt Farber Schreck during the period of February through March 2026.
- In March 2026, the Treasurer of Inland Empire Utilities Agency, Mr. Alex Lopez, provided Watermaster's share of the Debt Service figures to be included in the budget for FY 2026/27 as well as the projected Pay-Go amounts for Project 23a.
- The Groundwater Recharge Coordinating Committee has met on a quarterly basis to review the anticipated costs of operations and maintenance activities and develop the scope of activities for the upcoming FY 2025/26 budget as recommended by IEUA. The last meeting was held on February 24, 2026.
- The Ground-Level Monitoring Committee met on March 5, 2026 to review and recommend a scope and budget for the Ground-Level Monitoring Program for FY 2026/27. The Technical Memorandum regarding the proposed recommendation for the scope and budget for the Ground-Level Monitoring Committee for FY 2026/27 was issued on February 19, 2026 and finalized on May 1, 2026.
- The Prado Basin Habitat Sustainability Committee met on March 19, 2026 to review and recommend a scope and budget for the Prado Basin Habitat Sustainability Program for FY 2026/27. The Technical Memorandum regarding the proposed recommendation for the scope and budget for the Prado Basin Habitat Sustainability Program for FY 2026/27 was issued on March 11, 2026.
- The Recharge Investigations and Projects Committee meets quarterly, and the most recent meeting was held on April 16, 2026. The purpose of these meetings is to review ongoing capital projects and future years' capital expense projections, and State Revolving Fund (SRF) loan and other financing activities.

Based on the above-mentioned activities of the various committees, along with other input from staff and consultants, Watermaster developed the Proposed FY 2026/27 Budget version dated May 14, 2026 in the amount of $13,371,561. Attachment 1 provides the Proposed FY 2026/27 Budget Detail.

DISCUSSION

On Thursday, March 19, 2026, Watermaster presented the Proposed FY 2026/27 Budget of $13,659,201 to the Advisory Committee in accordance with Section 30 (Annual Administrative Budget) of the Restated Judgment. The presentation provided the budget drivers, how the budget is developed, various budget comparison tables, the estimated assessment calculation, and future actions required. Representatives from West Yost and Brownstein Hyatt Farber Schreck presented their respective proposed budgets and provided information on new efforts, changes in budgets, and/or projects that are being removed for FY 2026/27.

Attendees at the meeting were requested to submit their budget-related questions using the FY 2026/27 Budget Questions portal located on the home page of Watermaster's website. As of this writing, there have been no questions posted on the portal.

Budget Workshop #1 was held on Tuesday, April 14, 2026 and representatives from West Yost, Brownstein Hyatt Farber Schreck, and IEUA were available during the meeting to answer questions related to their specific areas of focus as contained within the proposed budget. The workshop focused on covering the changes that occurred since the time of release, which were all captured on the Comparative Analysis supplemental schedule, as well as providing a detailed view on the multi-year Recharge Improvement projects budget. An opportunity was provided at the end of the workshop for attendees to ask any questions. Parties were instructed on how to navigate to the Watermaster website portal to submit their questions, and the workshop was concluded with future required actions and next steps.

Budget Workshop #2 was held on Tuesday, April 28, 2026 and similar to the first workshop, the team was present to answer any questions related to their specific areas of focus within the proposed budget. The workshop focused on reviewing the changes that occurred since the first workshop using the supplemental comparative schedule and analyzing the calculation for projected assessments should DYY production be excluded from the total assessable production. There were no new topics raised for discussion, and the meeting was concluded with future required actions and next steps.

Since the budget release on March 19, 2026, the following changes have occurred:

- The year-to-date actuals were updated from February to March 2026.
- Production numbers were projected based on actuals throughout Q3 and based on the feedback received by producers.
- Legal Miscellaneous services budget (account 6078) was reduced by $36,900 due to a clerical error and San Sevaine Litigation services (account 6907.51) was removed from the budget since that litigation is winding down, resulting in a total legal services budget decrease of $239,400.
- The engineering budget to Support Implementation of Safe Yield Court Order budget (account 7614) was reduced by $11,406.
- Capital project budget for Groundwater Recharge OIT and PLC Upgrades increased by $121,666 to properly account for Watermaster's share of costs.
- Capital project budget for Groundwater Recharge Condition Assessments decreased by $25,000 to properly account for Watermaster's share of costs.
- Capital project budget for College Heights Basin Well Sensor Installation decreased by $75,000 to properly account for Watermaster's share of costs.
- Capital project budget for Groundwater/Recycled Water Valve Actuator Replacement decreased by $37,500 to properly account for Watermaster's share of costs.
- Capital project budget for Groundwater Recharge SCADA Infrastructure Replacement decreased by $23,500 to properly account for Watermaster's share of costs.
- Watermaster increased the budget for annual report services (account 6061.3) by $2,500.

The comparative schedule of changes since the budget release is provided in Attachment 2. The budget total at the budget release was $13,659,201 and the total amount at the time of this report is $13,371,561, which has not changed since Workshop #1, and represents a total decrease of $287,640.

The expense sections below highlight the Proposed Fiscal Year 2026/27 budget.

	FY 2025/26 Amended Budget	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
Expenses				
Watermaster Expenses & Salaries	$ 3,871,216	$ 4,118,746	$ 247,530	6%
Engineering Services	2,659,500	3,272,047	612,548	23%
Legal Services	1,350,949	1,241,865	(109,084)	(8)%
Debt Service	687,653	1,528,007	840,354	122%
Recharge Basin O&M	3,448,412	3,210,895	(237,517)	(7)%
Total Expenses	**$ 12,017,729**	**$ 13,371,561**	**$ 1,353,832**	**11%**

WATERMASTER EXPENSES AND SALARIES - #1

The first section of the Proposed FY 2026/27 budget relates to Watermaster Expenses, Labor, and Burden. The proposed Watermaster expenses for FY 2026/27 are $1,012,048 or 5% above the previous year's Approved Budget of $966,789. Labor and Burden for FY 2026/27 are $3,106,698 which is $202,271 or 7% above the previous year's Approved Budget of $2,904,427. The Full Time Equivalent (FTE) number of Watermaster employees for the Proposed FY 2025/26 Budget is currently at 12 FTE though not all budgeted positions are presently filled.

	FY 2025/26 Amended Budget	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
Watermaster Expenses				
Total Expenses	$ 966,789	$ 1,012,048	$ 45,259	5%
Total Payroll and Payroll Burden	2,904,427	3,106,698	202,271	7%
Total Watermaster Expenses	**$ 3,871,216**	**$ 4,118,746**	**$ 247,530**	**6%**

All proposed adjustments to the Labor and Burden expense category are routine and follow past Watermaster practices and policy. Watermaster is using the approved Salary Schedule from FY 2025/26 and budgeting a 3.4 % Cost of Living adjustment effective July 1, 2026 using January CPI as published by the Bureau of Labor Statistics for the San Bernardino/Riverside areas. There are no new employee benefits being proposed that create additional costs for Watermaster. The draft FY 2026/27 Proposed Pay Schedule is shown in Attachment 3.

ENGINEERING SERVICES - #2

The second section of the Proposed FY 2026/27 budget relates to Watermaster Engineering Services. The Engineering Services budget is proposed at $3,272,047 which is $612,548 or 23% above the Approved FY 2025/26 Budget of $2,659,500 (which excludes Carry-Over funding for ongoing projects).

The Engineering Services documents are provided below in Attachment 4, a 49-page detailed narrative including Rationale, Scope of Work, Deliverables for each budget category, and 6 pages of supplemental information in Tables 1 through 4.

Incorporated within the Engineering Services budget of $3,272,047 are the GLMC recommendations for FY 2026/27. The GLMC recommended a proposed budget of $462,032 less anticipated "Carry-Over" funding of $0 for a budget amount of $462,032 for FY 2026/27. Based on the discussions at meetings held

by the Ground-Level Monitoring Committee, the recommendations and associated budget are shown below in Attachment 5.

The following chart details the proposed Engineering Services budget for FY 2026/27 categorized by Watermaster account number. The comparison is between the FY 2026/27 Proposed Budget of $3,272,047 and the FY 2025/26 Adopted Budget of $2,659,500 plus Carry-Over funding of $588,838 for ongoing projects.

	FY 2025/26 Amended Budget w/Carryover	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
WY Engineering Services				
Engineering Services				
5901.8 Admin-Meeting - West Yost	38,909	40,163	$ 1,253	3%
5906.71 Admin-Data Req-CBWM Staff	109,124	112,652	3,528	3%
5906.72 Admin-Data Req-Non CBWM Staff	56,483	58,316	1,833	3%
5925 Ag Prod & Estimation-West Yost	36,336	-	(36,336)	(100)%
5935 Admin-Mat'l Phy Inj Requests	41,668	36,096	(5,572)	(13)%
5945 WM Annual Report Prep-West Yost	17,762	18,334	572	3%
5965 Support Data Collect-West Yost	27,302	27,626	324	1%
6206 West Yost-Eng. Serv.-Advisory	22,624	23,367	743	3%
6306 West Yost-Eng. Services-Board	22,624	23,367	743	3%
6901.8 OBMP - Meeting - West Yost	38,909	40,163	1,253	3%
6901.95 OBMP - Reporting - West Yost	66,832	67,310	478	1%
6906 OBMP Engineering Services	65,810	67,966	2,156	3%
6906.1 OBMP-Watermaster Model Update	67,619	88,388	20,769	31%
6906.21 State of the Basin Report	-	169,740	169,740	-
7104.3 Grdwtr Level-Engineering	290,594	299,381	8,787	3%
7104.8 Grdwtr Level-Contracted Serv	29,128	41,168	12,040	41%
7104.9 Grdwtr Level-Capital Equip	19,000	19,000	-	0%
7202 Comp Recharge-Engineering	23,350	24,090	740	3%
7202.2 Engineering Svc	236,496	516,550	280,054	118%
7302 PBHSP Monitoring Prog-Eng. Serv	86,892	76,551	(10,341)	(12)%
7303 PE3&5-Engineering	21,080	21,760	680	3%
7306 PE3&5-Outside Professionals	31,500	6,750	(24,750)	(79)%
7402 PE4-Engineering	301,531	285,874	(15,658)	(5)%
7402.10 PE4 - Northwest MZ1 Area Proj.	294,166	107,696	(186,470)	(63)%
7403 PE4-Contract Svcs-InSar	28,600	17,600	(11,000)	(38)%
7406 PE4-Outside Professionals	55,155	31,140	(24,015)	(44)%
7408 PE4 - Network Equipment	19,107	19,722	615	3%
7502 PE6&7-Engineering	406,964	363,996	(42,968)	(11)%
7505 PE6&7-Lab Services	41,300	42,100	800	2%
7510 PE6&7-IEUA Salinity Mgmt. Plan	9,522	9,562	40	0%
7511 PE6&7-SAWBMPTask Force	28,022	33,590	5,568	20%
7517 Surface Water-Chino Creek-IEUA	48,434	33,982	(14,452)	(30)%
7520 Prep Water Quality Mgmt Plan	39,250	-	(39,250)	(100)%
7610 PE8&9-Support 2020 Mgmt. Plan	21,720	-	(21,720)	(100)%
7614 PE8&9-Support Implementation of SY Court Orde	248,619	236,739	(11,880)	(5)%
7615 PE8&9-Develop 2025 Storage Plan	137,816	166,080	28,264	21%
8306 West Yost-Eng. Services-AP	22,624	23,367	743	3%
8406 West Yost-Eng. Services-OAP	22,624	23,367	743	3%
8506 West Yost-Eng. Services-ONAP	22,624	23,367	743	3%
Engineering Services	$ 3,501,242	$ 3,513,272	$ 12,031	0%
IEUA Cost Share	(157,248)	(201,975)	(44,727)	28%
Carry-Over Work	(96,000)	(39,250)	56,750	(59)%
Total WY Engineering Services to be Assessed	**$ 3,247,994**	**$ 3,272,047**	**$ 24,054**	**1%**

LEGAL SERVICES - #3

The third section of the Proposed FY 2026/27 budget relates to Watermaster Legal Services. The Proposed FY 2026/27 Brownstein Hyatt Farber Schreck budget is $1,241,865 which is $109,084 or 8% below the FY 2025/26 Approved Budget of $1,350,949.

The following chart details the proposed Legal Services budget for FY 2026/27 categorized by Watermaster's account numbers. The comparison is between the FY 2026/27 Proposed Budget of $1,241,865 and the FY 2025/26 Approved Budget of $1,350,949.

	FY 2025/26 Amended Budget	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
BHFS Legal Services				
Administrative (6070s)				
6071 BHFS Legal - Court Coordination	76,000	80,400	4,400	6%
6072 BHFS Legal - Rules & Regs	10,495	11,075	580	6%
6073 BHFS Legal - Personnel Matters	28,150	30,500	2,350	8%
6074 BHFS Legal - Interagency Issues	40,536	48,600	8,064	20%
6077 BHFS Legal - Party Status Maint	13,590	14,950	1,360	10%
6078 BHFS Legal - Miscellaneous	177,240	187,800	10,560	6%
Administrative (6070s)	$ 346,011	$ 373,325	$ 27,314	8%
Meetings (62, 63, 83, 84, 85)				
6275 BHFS Legal - Advisory Committee	27,764	29,700	1,936	7%
6375 BHFS Legal - Board Meeting	88,704	95,040	6,336	7%
6375.1 BHFS Legal - Board Workshop(s)	29,215	31,275	2,060	7%
8375 BHFS Legal - Appropriative Pool	34,705	37,125	2,420	7%
8475 BHFS Legal - Agricultural Pool	34,705	37,125	2,420	7%
8575 BHFS Legal - Non-Ag Pool	34,705	37,125	2,420	7%
Meetings (62, 63, 83, 84, 85)	249,798	267,390	17,592	7%
OBMP (6900s)				
6907.31 Archibald South Plume	12,565	13,400	835	7%
6907.32 Chino Airport Plume	12,565	13,400	835	7%
6907.33 Desalter/Hydraulic Control	38,680	41,400	2,720	7%
6907.34 Santa Ana River Water Rights	21,405	22,425	1,020	5%
6907.38 Reg. Water Quality Cntrl Board	63,200	69,600	6,400	10%
6907.39 Recharge Master Plan	14,270	29,900	15,630	110%
6907.41 Prado Basin Habitat Sustain	10,290	10,850	560	5%
6907.44 SGMA Compliance	10,290	10,850	560	5%
6907.45 OBMP Update	177,240	187,800	10,560	6%
6907.47 2020 Safe Yield Reset	151,180	159,900	8,720	6%
6907.50 San Sev Dischrg-State Ct Litig	54,130	-	(54,130)	(100)%
6907.51 San Sev Dischrg-CWA Litigation	150,440	-	(150,440)	(100)%
6907.9 WM Legal Counsel-Unanticipated	38,885	41,625	2,740	7%
OBMP (6900s)	755,140	601,150	(153,990)	(20)%
Total BHFS Legal Services to be Assessed	**$ 1,350,949**	**$ 1,241,865**	**$ (109,084)**	**(8)%**

As with past practices over the last ten plus years, the Brownstein Hyatt Farber Schreck Legal Services budget has been developed using a formula of assumed hours to complete a specific task multiplied by the hourly rate. Brownstein Hyatt Farber Schreck hourly rates for some staff reflect an increase for FY 2026/27.

Brownstein has provided a detailed memorandum and worksheet which is provided below in Attachment 6 dated April 14, 2026.

DEBT SERVICE AND RECHARGE BASIN O&M COSTS - #4

The fourth section of the Proposed FY 2026/27 budget relates to Recharge Basin O&M, Debt Service, Pay-Go funding for Project 23a, and Capital Projects.

	FY 2025/26 Amended Budget	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
Recharge Water Program - Funding from CBWM				
Recharge Operations and Maintenance	$ 1,697,272	$ 1,528,250	$ (169,022)	(10)%
Debt Service	687,653	1,528,007	840,354	122%
Project 23A Funding (pay-go)	1,317,040	924,979	(392,061)	(30)%
Capital Projects	434,100	757,666	323,566	75%
Total Funding from CBWM to be Assessed	**$ 4,136,065**	**$ 4,738,902**	**$ 602,837**	**15%**

The Recharge Basin O&M expenses are shared costs between IEUA and Watermaster and are based upon the Agreement for Operations and Maintenance of Facilities to Implement the Chino Basin Recharge Master Plan. The pro-rata cost-sharing methodology is based on the relative proportion of recycled water to the total water recharged in the basins.

The total FY 2026/27 budget for the Watermaster's portion of the shared costs for Recharge Basin O&M expenses is $1,528,250. The 2025/26 budget for this category was $1,697,272. The detailed worksheets provided by IEUA for the FY 2026/27 budget are shown in Attachment 7.

The Debt Service is based upon principal and interest on the (1) 2020A Refunding (2008B Variable Revenue Rate Bonds) totaling $5.7M for 11 years @ 0.849% and matures in 2032; (2) San Sevaine Improvement (SRF Loan) totaling $1.5M for 30 years @1.8% and matures in December 2049; (3) Lower Day Improvement (SRF Loan) totaling $2.8M for 20 years @ .55% and matures in January 2042; and (4) Wineville/Jurupa/RP-3 Basin Recharge Improvements (SRF Loan) totaling $15.4M for 20 years @ .55% and matures in March 2046; and (5) Interfund Loan Interest. This section also includes the pay-go portion of the remaining amount for Project 23a (a Recharge Investigations and Projects Committee project) in the amount of $924,979.

The Proposed FY 2026/27 Debt Service budget is $1,528,007. The FY 2025/26 budget for this category was $687,653.

The current budget details regarding the Debt Service provided by IEUA are shown in Attachment 8.

ATTACHMENTS

1. 20260514 – FY 2026-27 Proposed Budget Detail_$13,371,561
2. 20260514 – FY 2026-27 Budget Comparative Schedule – Budget Release vs. Workshop 1
3. 20260514 – FY 2026-27 Proposed Pay Schedule_$3,106,698
4. 20260514 – FY 2026-27 Engineering Services Budget Narrative and Tables_$3,272,047
5. 20260514 – FY 2026-27 GLMC Technical Memorandum dated May 1, 2026_$462,032
6. 20260514 – FY 2026-27 BHFS Legal Services_$1,241,865
7. 20260514 – FY 2026-27 O&M Budget_$1,528,250
8. 20260514 – FY 2026-27 Debt Service and Recharge Basin O&M

CHINO BASIN WATERMASTER
PROPOSED ANNUAL BUDGET - DETAIL
FISCAL YEAR 2026-2027

	Proposed Annual Budget - Detail	A FY 2025/26 Approved Carryover Budget	B FY 2025/26 Amended Budget	YTD Actual 3/31/26	C FY 2025/26 Projected Ending	D FY 2026/27 Proposed Budget	E = D - (A+B) Budget Variance ($)	E = D / (A+B) Budget Variance (%)
1	**Revenue**							
2	**Administration Revenue**							
3	***4000 Mutual Agency Revenue***							
4	4040 Cooperative Agreement	-	195,850	195,850	195,850	200,750	4,900	3%
5	Local Agency Subsidies	-	195,850	195,850	195,850	200,750	4,900	3%
6	***4110 Appropriative Pool Assessments***							
7	4111 Gross Administration	-	2,781,459	3,503,085	3,503,085	2,949,391	167,932	6%
8	4111.2 OBMP - Adm Assessment	-	4,101,345	-	-	4,502,833	401,488	10%
9	4112 Agric. Pool Transfer	-	731,462	688,438	688,438	775,625	44,162	6%
10	4113 OBMP - Ag Pool Water Reall	-	1,078,563	1,015,123	1,015,123	1,184,146	105,582	10%
11	4115 Recharge Improvement Payment	-	434,100	875,570	875,570	757,666	323,566	75%
12	4116 Recharge Debt Payment	-	687,653	343,827	343,827	1,528,007	840,354	122%
13	4121 Project 23A Funding	-	1,317,040	-	-	924,979	(392,061)	-30%
14	Admin Assessments-Appropriative Pool	-	11,131,623	6,426,042	6,426,042	12,622,646	1,491,023	13%
15	***4120 Non-Agricultural Pool Assessments***							
16	4123 Non-Agricultural Pool	-	130,217	61,695	61,695	138,079	7,862	6%
17	4123.3 Non-Ag Pool-Special Assessment	-	-	31,000	31,000	-	-	0%
18	4124 OBMP Adm Assessment	-	192,009	90,962	90,962	210,805	18,796	10%
19	Admin Assessments-Non-Ag Pool	-	322,227	183,657	183,657	348,885	26,658	8%
20	**Total Administration Revenue**	**-**	**11,649,699**	**6,805,548**	**6,805,548**	**13,172,281**	**1,522,582**	**13%**
21	**Other Revenue**							
22	***4225 Interest Income***							
23	4225 Interest Income	-	368,030	220,755	294,340	199,280	(168,750)	-46%
24	***4730 Prorated Interest Income***							
25	4731 Interest - Agri. Pool	-	-	36,792	-	-	-	0%
26	4732 Interest - Approp. Pool	-	-	12,083	-	-	-	0%
27	4733 Interest - Non-Ag Pool	-	-	2,179	-	-	-	0%
28	4738 Interest - Replenishment	-	-	1,066	-	-	-	0%
29	Interest Income	-	368,030	272,874	294,340	199,280	(168,750)	-46%
30	Miscellaneous Income	-	-	-	-	-	-	0%
31	**Total Other Revenue**	**-**	**368,030**	**272,874**	**294,340**	**199,280**	**(168,750)**	**-46%**
32	**Total Revenue**	**-**	**12,017,729**	**7,078,422**	**7,099,888**	**13,371,561**	**1,353,832**	**11%**
33	**Expenses**							
34	**Judgment Administration Expense**							
35	***5900 Judgment Administration Costs***							
36	5901.1 Admin-Doc. Review-WM Staff	-	74,466	84,612	118,016	105,131	30,666	41%
37	5901.3 Admin-Field Work-WM Staff	-	14,357	594	854	9,672	(4,685)	-33%
38	5901.5 Admin-General-WM Staff	-	55,535	5,857	8,420	64,423	8,888	16%
39	5901.7 Admin-Meeting-WM Staff	-	45,648	41,354	56,319	58,626	12,978	28%
40	5901.8 Admin-Meeting - West Yost	-	38,909	-	-	40,163	1,253	3%
41	5901.9 Admin-Reporting-WM Staff	-	21,742	3,843	5,366	22,253	511	2%
42	5906.71 Admin-Data Req-CBWM Staff	-	109,124	75,128	106,635	112,652	3,528	3%
43	5906.72 Admin-Data Req-Non CBWM Staff	-	56,483	37,301	47,598	58,316	1,833	3%
44	5910 Court Coordination/Attend-WM	-	28,837	9,186	11,586	8,775	(20,061)	-70%
45	5911 Exhibit G-WM Staff	-	6,396	876	1,260	6,330	(66)	-1%
46	5921 Production Monitoring-WM Staff	-	9,471	-	-	8,011	(1,460)	-15%
47	5925 Ag Prod & Estimation-West Yost	4,344	31,992	25,757	39,367	-	(36,336)	-100%
48	5931 Recharge Applications-WM Staff	-	33,092	2,343	3,368	54,181	21,089	64%
49	5935 Admin-Mat'l Phy Inj Requests	-	41,668	2,639	22,251	36,096	(5,572)	-13%
50	5941 Reporting-WM Staff	-	44,602	1,155	1,660	52,315	7,713	17%
51	5945 WM Annual Report Prep-West Yost	-	17,762	12,260	12,760	18,334	572	3%
52	5951 Rules & Regs-WM Staff	-	11,350	-	-	1,650	(9,700)	-85%
53	5961 Safe Yield-WM Staff	-	106,006	68,504	98,077	79,210	(26,796)	-25%
54	5965 Support Data Collect-West Yost	10,000	17,302	16,431	27,302	27,626	324	1%
55	5971 Storage Agreements-WM Staff	-	20,671	4,215	6,058	7,991	(12,680)	-61%
56	5981 Water Acct/Database-WM Staff	-	112,036	88,785	121,458	115,133	3,097	3%
57	5991 Water Transactions-WM Staff	-	13,062	8,434	12,058	14,231	1,169	9%
58	Judgment Administration Costs	14,344	910,511	489,272	700,412	901,118	(23,736)	-3%
59	***6010 Administration Salary Costs***							
60	6011.11 WM Staff - Overtime	-	18,000	5,987	6,665	18,000	-	0%
61	6011.10 Accounting-WM Staff	-	280,410	209,489	286,480	329,920	49,510	18%
62	6011.15 Building Admin-WM Staff	-	31,040	11,644	15,963	41,290	10,250	33%

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CHINO BASIN WATERMASTER
PROPOSED ANNUAL BUDGET - DETAIL
FISCAL YEAR 2026-2027

		A	B		C	D	E = D - (A+B)	E = D / (A+B)
	Proposed Annual Budget - Detail	FY 2025/26 Approved Carryover Budget	FY 2025/26 Amended Budget	YTD Actual 3/31/26	FY 2025/26 Projected Ending	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
63	6011.20 Conference/Seminar-WM Staff	-	50,660	32,973	47,399	48,320	(2,340)	-5%
64	6011.25 Document Review-WM Staff	-	54,110	79,849	110,102	80,580	26,470	49%
65	6011.30 Field Work-WM Staff	-	-	909	1,307	-	-	0%
66	6011.50 General-WM Staff	-	278,870	201,136	282,025	269,320	(9,550)	-3%
67	6011.60 HR-WM Staff	-	100,980	45,901	63,158	142,720	41,740	41%
68	6011.70 IT-WM Staff	-	72,830	49,933	69,719	73,150	320	0%
69	6011.80 Meeting-WM Staff	-	93,640	101,687	141,124	115,570	21,930	23%
70	6011.90 Team Building-WM Staff	-	33,490	15,215	21,808	33,480	(10)	0%
71	6011.95 Training-Give/Receive-WM Staff	-	79,580	35,161	49,957	72,280	(7,300)	-9%
72	6012 Payroll Services	-	2,500	1,530	2,040	2,500	-	0%
73	6015.6 Retroactive Pay	-	-	2,178	2,178	-	-	0%
74	6016 New Employee Search Costs	-	3,480	285	285	3,500	20	1%
75	6017 Temporary Services	-	28,250	-	-	15,000	(13,250)	-47%
76	6018 Fringe Benefits	-	1,134,070	788,632	1,108,951	1,228,962	94,891	8%
77	60199 Payroll Burden Allocated	-	(1,134,070)	(779,841)	(1,108,951)	(1,228,962)	(94,891)	8%
78	Administration Salary Costs	-	1,127,840	802,667	1,100,210	1,245,630	117,790	10%
79	***6020 Office Building Expense***							
80	6021 Office Lease	-	142,835	122,362	159,320	152,200	9,365	7%
81	6022 Telephone	-	17,680	9,804	13,072	19,200	1,520	9%
82	6023 Office Utilities	-	32,020	26,405	35,207	39,500	7,480	23%
83	6024 Building Repair & Maintenance	-	25,000	18,093	24,123	31,200	6,200	25%
84	6025 Building Renovations	-	10,000	-	-	15,000	5,000	50%
85	6027 Air Access Door Lock Subscription	-	1,000	768	768	1,000	-	0%
86	Office Building Expense	-	228,535	177,432	232,491	258,100	29,565	13%
87	***6030 Office Supplies & Equip.***							
88	6031.1 Copy Paper	-	750	122	163	500	(250)	-33%
89	6031.7 General Office Supplies	-	20,000	10,671	14,228	17,000	(3,000)	-15%
90	6036 Minor Office Furniture	-	5,000	281	281	1,000	(4,000)	-80%
91	6038 Other Office Equipment	10,038	-	3,794	10,038	-	(10,038)	-100%
92	6039.1 Banking Service Charges	-	10,000	6,400	8,534	10,000	-	0%
93	6141.1 Meeting Supplies	-	8,970	6,507	8,676	10,500	1,530	17%
94	6147 Other Admin Expenses	-	660	120	120	300	(360)	-55%
95	Office Supplies & Equip.	10,038	45,380	27,896	42,040	39,300	(16,118)	-29%
96	***6040 Postage & Printing Costs***							
97	6042 Postage - General	-	5,190	3,192	4,256	4,500	(690)	-13%
98	6043 Copy Machine Lease	-	20,000	9,930	13,239	13,000	(7,000)	-35%
99	6045 Printing	-	1,500	-	-	1,500	-	0%
100	6046 Court Transcript Services	-	500	-	-	1,000	500	100%
101	Postage and Printing Costs	-	27,190	13,122	17,496	20,000	(7,190)	-26%
102	***6050 Information Services***							
103	6052.2 Database Support Services	-	91,000	3,998	5,330	91,000	-	0%
104	6052.4 IT Managed Services	-	51,000	24,637	32,849	48,000	(3,000)	-6%
105	6052.5 IT Data Backup/Storage	-	22,000	11,838	15,785	22,000	-	0%
106	6053 Internet Expense	-	15,600	10,015	13,354	12,000	(3,600)	-23%
107	6054 Computer Software	-	20,000	3,873	5,163	20,000	-	0%
108	6055 Computer Hardware	-	20,000	5,600	7,467	20,000	-	0%
109	6056 Website Services	-	4,800	745	993	3,500	(1,300)	-27%
110	Information Services	-	224,400	60,706	80,942	216,500	(7,900)	-4%
111	***6060 WM Special Contract Services***							
112	6061.1 Accounting Services Consultant	-	50,000	6,545	8,727	25,000	(25,000)	-50%
113	6061.2 HRIS System	-	4,800	2,389	3,186	4,800	-	0%
114	6061.3 Annual Report Services	-	20,000	21,856	24,356	24,500	4,500	23%
115	6062 Audit Services	-	19,450	18,820	18,820	25,000	5,550	29%
116	6062.5 Audit Support Services	-	1,700	1,530	1,530	3,500	1,800	106%
117	6068 Hearing Officer	-	8,000	-	-	5,000	(3,000)	-38%
118	WM Special Contract Services	-	103,950	51,140	56,619	87,800	(16,150)	-16%
119	***6070 Watermaster Legal Services***							
120	6071 BHFS Legal - Court Coordination	-	76,000	315,073	447,000	80,400	4,400	6%
121	6072 BHFS Legal - Rules & Regs	-	10,495	-	-	11,075	580	6%
122	6073 BHFS Legal - Personnel Matters	-	28,150	39,574	70,000	30,500	2,350	8%
123	6074 BHFS Legal - Interagency Issues	-	40,536	-	-	48,600	8,064	20%
124	6077 BHFS Legal - Party Status Maint	-	13,590	-	-	14,950	1,360	10%

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CHINO BASIN WATERMASTER
PROPOSED ANNUAL BUDGET - DETAIL
FISCAL YEAR 2026-2027

	Proposed Annual Budget - Detail	A FY 2025/26 Approved Carryover Budget	B FY 2025/26 Amended Budget	YTD Actual 3/31/26	C FY 2025/26 Projected Ending	D FY 2026/27 Proposed Budget	E = D - (A+B) Budget Variance ($)	E = D / (A+B) Budget Variance (%)
125	6078 BHFS Legal - Miscellaneous	-	177,240	166,254	250,000	187,800	10,560	6%
126	Watermaster Legal Services	-	346,011	520,902	767,000	373,325	27,314	8%
127	***6080 Insurance Expense***							
128	6085 Business Insurance Package	-	55,000	65,894	65,894	72,000	17,000	31%
129	Insurance Expense	-	55,000	65,894	65,894	72,000	17,000	31%
130	***6110 Dues and Subscriptions***							
131	6111 Membership Dues	-	40,000	37,383	37,383	40,000	-	0%
132	6112 Subscriptions/Publications	-	900	1,054	1,054	1,100	200	22%
133	Dues and Subscriptions	-	40,900	38,437	38,437	41,100	200	0%
134	***6150 Field Supplies & Equipment***							
135	6151 Small Tools & Equipment	-	1,000	966	966	1,100	100	10%
136	6152 Safety Shoes	-	800	-	800	900	100	13%
137	6154 Uniforms	-	2,100	1,144	1,525	2,300	200	10%
138	Field Supplies & Equipment	-	3,900	2,110	3,291	4,300	400	10%
139	***6170 Travel & Transportation***							
140	6171 Vehicle Allowance	-	20,400	14,400	19,200	19,200	(1,200)	-6%
141	6172 Rental Vehicle	-	1,000	-	-	1,000	-	0%
142	6173 Airfare/Mileage	-	5,000	163	218	5,000	-	0%
143	6175 Vehicle Fuel	-	3,600	1,445	1,927	2,500	(1,100)	-31%
144	6177 Vehicle Repairs & Maintenance	-	5,600	766	1,021	5,600	-	0%
145	Travel and Transportation	-	35,600	16,774	22,366	33,300	(2,300)	-6%
146	***6190 Conferences & Seminars***							
147	6191 Conferences - General	-	12,000	12,337	14,337	18,000	6,000	50%
148	6193 Employee Training	-	31,500	5,060	6,747	24,000	(7,500)	-24%
149	Conferences and Seminars	-	43,500	17,397	21,084	42,000	(1,500)	-3%
150	***6200 Advisory Committee Expenses***							
151	6201 WM Staff Salaries	-	61,397	35,191	48,509	83,643	22,246	36%
152	6206 West Yost-Eng. Serv.-Advisory	-	22,624	14,099	19,796	23,367	743	3%
153	6275 BHFS Legal - Advisory Committee	-	27,764	18,828	27,500	29,700	1,936	7%
154	Advisory Committee Expenses	-	111,785	68,118	95,805	136,710	24,925	22%
155	***6300 Watermaster Board Expenses***							
156	6301 WM Staff Salaries	-	101,669	79,023	109,400	114,655	12,986	13%
157	6306 West Yost-Eng. Services-Board	-	22,624	19,010	31,072	23,367	743	3%
158	6311 Board Member Compensation	-	40,000	23,625	31,500	40,000	-	0%
159	6312 Board Meeting Expenses	-	8,650	7,540	10,053	10,000	1,350	16%
160	6313 Board Member Expenses	-	300	-	-	2,000	1,700	567%
161	6375 BHFS Legal - Board Meeting	-	88,704	87,021	120,000	95,040	6,336	7%
162	6375.1 BHFS Legal - Board Workshop(s)	-	29,215	-	-	31,275	2,060	7%
163	6375.2 Board Workshop Expenses-Misc.	-	40,000	2,010	2,010	-	(40,000)	-100%
164	Watermaster Board Expenses	-	331,162	218,229	304,036	316,337	(14,825)	-4%
165	***8300 Appropriative Pool Administration***							
166	8301 WM Staff Salaries	-	89,707	71,848	99,449	98,190	8,483	9%
167	8306 West Yost-Eng. Services-AP	-	22,624	18,178	26,183	23,367	743	3%
168	8367 Legal Service	-	-	22,673	30,231	-	-	0%
169	8375 BHFS Legal - Appropriative Pool	-	34,705	14,086	25,000	37,125	2,420	7%
170	Appropriative Pool Administration	-	147,036	126,785	180,863	158,682	11,646	8%
171	***8400 Agricultural Pool Administration***							
172	8401 WM Staff	-	83,199	31,241	43,253	81,908	(1,291)	-2%
173	8406 West Yost-Eng. Services-OAP	-	22,624	13,083	21,478	23,367	743	3%
174	8467 Ag Legal & Technical Services	-	-	133,150	177,533	-	-	0%
175	8470 Ag Meeting Attend -Special	-	-	26,750	35,667	-	-	0%
176	8471 Ag Pool Expense	-	-	-	-	-	-	0%
177	8475 BHFS Legal - Agricultural Pool	-	34,705	13,426	25,000	37,125	2,420	7%
178	Agricultural Pool Administration	-	140,528	217,651	302,930	142,400	1,872	1%
179	***8500 Non-Agricultural Pool Administration***							
180	8501 WM Staff	-	66,256	21,521	29,850	75,258	9,001	14%
181	8506 West Yost-Eng. Services-ONAP	-	22,624	9,305	14,351	23,367	743	3%
182	8511 Non-Ag Pool Member Compensation	-	-	4,875	4,875	-	-	0%
183	8567 Non-Ag Legal Service	-	-	935	935	-	-	0%
184	8575 BHFS Legal - Non-Ag Pool	-	34,705	14,086	25,000	37,125	2,420	7%
185	Non-Agricultural Pool Administration	-	123,585	50,722	75,012	135,749	12,164	10%

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CHINO BASIN WATERMASTER
PROPOSED ANNUAL BUDGET - DETAIL
FISCAL YEAR 2026-2027

	Proposed Annual Budget - Detail	A FY 2025/26 Approved Carryover Budget	B FY 2025/26 Amended Budget	YTD Actual 3/31/26	C FY 2025/26 Projected Ending	D FY 2026/27 Proposed Budget	E = D - (A+B) Budget Variance ($)	E = D / (A+B) Budget Variance (%)
186	***9500 Allocated Administration Expenses***							
187	9500 Allocated Admin Expenditures	-	(403,675)	(347,392)	(463,189)	(361,257)	42,418	-11%
188	Allocated Administration Expenses	-	(403,675)	(347,392)	(463,189)	(361,257)	42,418	-11%
189	**Total Judgment Administration Expenses**	**24,382**	**3,643,139**	**2,617,863**	**3,643,740**	**3,863,095**	**195,574**	**5%**
190	**OBMP Expenses & Program Elements 1-9**							
191	***6900 Optimum Basin Mgmt Program***							
192	6901.1 OBMP - Doc. Review - WM Staff	-	50,364	39,102	54,290	61,961	11,597	23%
193	6901.3 OBMP - Field Work - WM Staff	-	9,471	2,116	3,042	9,672	201	2%
194	6901.5 OBMP - General - WM Staff	-	52,005	41,002	58,680	41,748	(10,257)	-20%
195	6901.7 OBMP - Meeting - WM Staff	-	33,487	46,427	63,317	20,692	(12,795)	-38%
196	6901.8 OBMP - Meeting - West Yost	-	38,909	34,280	56,888	40,163	1,253	3%
197	6901.9 OBMP - Reporting - WM Staff	-	39,176	4,987	7,103	19,000	(20,176)	-52%
198	6901.95 OBMP - Reporting - West Yost	-	66,832	64,394	66,081	67,310	478	1%
199	OBMP - WM Staff Salaries	-	290,249	232,308	309,401	260,545	(29,703)	-10%
200	***6903 OBMP - SAWPA Group***							
201	6903 OBMP SAWPA Group	-	18,952	7,608	7,608	8,986	(9,966)	-53%
202	OBMP - SAWPA Group	-	18,952	7,608	7,608	8,986	(9,966)	-53%
203	***6906 OBMP - Engineering Services***							
204	6906 OBMP Engineering Services	-	65,810	47,400	65,097	67,966	2,156	3%
205	6906.1 OBMP-Watermaster Model Update	59,443	8,176	41,706	64,329	88,388	20,769	31%
206	6906.14 Modeling for WSIP-100% IEUA	-	-	-	-	-	-	0%
207	6906.21 State of the Basin Report	-	-	-	-	169,740	169,740	0%
208	OBMP - Enginnering Services	59,443	73,992	89,106	129,426	326,094	192,659	144%
209	***6907 OBMP - Legal***							
210	6907.31 Archibald South Plume	-	12,565	-	-	13,400	835	7%
211	6907.32 Chino Airport Plume	-	12,565	-	-	13,400	835	7%
212	6907.33 Desalter/Hydraulic Control	-	38,680	-	-	41,400	2,720	7%
213	6907.34 Santa Ana River Water Rights	-	21,405	8,157	9,500	22,425	1,020	5%
214	6907.38 Reg. Water Quality Cntrl Board	-	63,200	-	20,000	69,600	6,400	10%
215	6907.39 Recharge Master Plan	-	14,270	8,948	12,000	29,900	15,630	110%
216	6907.41 Prado Basin Habitat Sustain	-	10,290	-	5,000	10,850	560	5%
217	6907.44 SGMA Compliance	-	10,290	-	2,500	10,850	560	5%
218	6907.45 OBMP Update	-	177,240	8,799	25,000	187,800	10,560	6%
219	6907.47 2020 Safe Yield Reset	-	151,180	28,353	100,000	159,900	8,720	6%
220	6907.50 San Sev Dischrg-State Ct Litig	-	54,130	-	-	-	(54,130)	-100%
221	6907.51 San Sev Dischrg-CWA Litigation	-	150,440	339,775	490,000	-	(150,440)	-100%
222	6907.9 WM Legal Counsel-Unanticipated	-	38,885	-	-	41,625	2,740	7%
223	OBMP - Legal Services	-	755,140	394,032	664,000	601,150	(153,990)	-20%
224	***6909 OBMP - Miscellaneous Expenses***							
225	6909.3 OBMP Permits	-	2,200	2,431	2,431	2,200	-	0%
226	6909.6 OBMP Expenses - Miscellaneous	-	96,000	-	-	96,000	-	0%
227	OBMP - Miscellaneous Expenses	-	98,200	2,431	2,431	98,200	-	0%
228	Optimum Basin Mgmt Program	59,443	1,236,523	725,485	1,112,866	1,294,975	(990)	0%
229	***7103 Groundwater Quality Monitoring***							
230	7103.6 Grdwtr Qual-Supplies	-	4,500	1,636	2,182	4,500	-	0%
231	Groundwater Quality Monitoring	-	4,500	1,636	2,182	4,500	-	0%
233	***7104 Groundwater Level Monitoring***							
234	7104.1 PE 1 Monitoring - WM Staff	-	166,708	182,184	252,882	160,502	(6,206)	-4%
235	7104.3 Grdwtr Level-Engineering	15,800	274,794	180,769	285,375	299,381	8,787	3%
236	7104.6 Grdwtr Level-Supplies	-	2,250	2,567	3,423	2,500	250	11%
237	7104.7 Grdwtr Level-WM Staff-Cap Equip	-	9,000	8,913	9,000	9,800	800	9%
238	7104.8 Grdwtr Level-Contracted Serv	-	29,128	6,246	26,692	41,168	12,040	41%
239	7104.9 Grdwtr Level-Capital Equip	-	19,000	5,063	23,768	19,000	-	0%
240	Groundwater Level Monitoring	15,800	500,880	385,743	601,140	532,350	15,671	3%
241	***7200 OBMP Pgm Element 2 - Comp Recharge***							
242	7201 PE2 Comp Recharge - WM Staff	-	49,649	74,803	105,783	92,004	42,354	85%
243	7202 Comp Recharge-Engineering	-	23,350	7,831	17,164	24,090	740	3%
244	7202.2 Engineering Svc	55,000	181,496	111,471	221,992	516,550	280,054	118%

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CHINO BASIN WATERMASTER
PROPOSED ANNUAL BUDGET - DETAIL
FISCAL YEAR 2026-2027

		A	B		C	D	E = D - (A+B)	E = D / (A+B)
	Proposed Annual Budget - Detail	FY 2025/26 Approved Carryover Budget	FY 2025/26 Amended Budget	YTD Actual 3/31/26	FY 2025/26 Projected Ending	FY 2026/27 Proposed Budget	Budget Variance ($)	Budget Variance (%)
245	7204 Comp Recharge-Supplies	-	2,000	-	-	2,000	-	0%
246	7205 Comp Recharge-Other Expense	-	14,500	14,306	14,306	15,500	1,000	7%
247	7206 Comp Recharge-O&M	-	1,697,272	847,236	1,697,272	1,528,250	(169,022)	-10%
248	OBMP Pgm Element 2 - Comp Recharge	55,000	1,968,267	1,055,648	2,056,518	2,178,393	155,126	8%
249	***7300 OBMP Pgm Element 3 & 5 - Water Supply Plan-Desalter***							
250	7301 PE3&5 Water Supply - WM Staff	-	19,189	-	-	13,796	(5,392)	-28%
251	7301.1 PE5 Regional Prgm - WM Staff	-	16,759	576	828	9,672	(7,087)	-42%
252	7302 PBHSP Monitoring Prog-Eng. Serv	9,100	77,792	56,240	87,321	76,551	(10,341)	-12%
253	7303 PE3&5-Engineering	-	21,080	8,425	18,080	21,760	680	3%
254	7305 PE3&5-Supplies	-	7,000	3,566	4,755	7,000	-	0%
255	7306 PE3&5-Outside Professionals	-	31,500	16,324	37,851	6,750	(24,750)	-79%
256	OBMP Pgm Element 3 & 5 - Water Supply Plan	9,100	173,320	85,131	148,835	135,529	(46,891)	-26%
257	***7400 OBMP Pgm Element 4 - Mgmt Zone Strategies***							
258	7401 PE 4 MZ1 Mgmt Plan - WM Staff	-	25,595	798	878	15,467	(10,127)	-40%
259	7402 PE4-Engineering	-	301,531	124,850	287,076	285,874	(15,658)	-5%
260	7402.10 PE4 - Northwest MZ1 Area Proj.	124,788	169,378	156,167	257,578	107,696	(186,470)	-63%
261	7403 PE4-Contract Svcs-InSar	-	28,600	23,277	25,600	17,600	(11,000)	-38%
262	7404 PE4-Supplies	-	2,210	2,292	2,292	2,300	90	4%
263	7405 PE4-Other Expense	-	2,500	304	405	1,500	(1,000)	-40%
264	7406 PE4-Outside Professionals	-	55,155	-	55,155	31,140	(24,015)	-44%
265	7408 PE4 - Network Equipment	-	19,107	5,144	17,377	19,722	615	3%
266	OBMP Pgm Element 4 - Mgmt Zone Strategies	124,788	604,076	312,832	646,362	481,299	(247,565)	-34%
267	***7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt***							
268	7501 PE6 Coop. Prgms - WM Staff	-	22,983	12,475	17,673	29,309	6,326	28%
269	7501.1 PE7 Salt Mgmt. Plan - WM Staff	-	16,786	594	854	14,665	(2,122)	-13%
270	7502 PE6&7-Engineering	41,400	365,564	192,932	346,002	363,996	(42,968)	-11%
271	7502.2 PE7-Groundwtr Quality Model	-	70,216	1,579	69,795	75,130	4,914	7%
272	7505 PE6&7-Lab Services	-	41,300	36,311	46,380	42,100	800	2%
273	7510 PE6&7-IEUA Salinity Mgmt. Plan	-	9,522	14,020	14,416	9,562	40	0%
274	7511 PE6&7-SAWBMPTask Force	-	28,022	21,686	28,022	33,590	5,568	20%
275	7517 Surface Water-Chino Creek-IEUA	20,000	28,434	28,751	31,458	33,982	(14,452)	-30%
276	7520 Prep Water Quality Mgmt Plan	-	39,250	-	-	-	(39,250)	-100%
277	7540 Meter Install - New Meter	-	150,000	-	-	150,000	-	0%
278	7545 Meter Install - Calibrate/Test	34,994	-	-	-	120,000	85,006	243%
279	OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	96,394	772,078	308,348	554,601	872,334	3,863	0%
280	***7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use***							
281	7601 PE8&9 Storage Mgmt. - WM Staff	-	33,288	48,286	69,151	34,358	1,070	3%
282	7604 PE8&9-Supplies	-	-	-	-	-	-	0%
283	7610 PE8&9-Support 2020 Mgmt. Plan	-	21,720	-	-	-	(21,720)	-100%
284	7614 PE8&9-Support Implementation of SY Court Order	168,963	79,656	483,161	434,236	236,739	(11,880)	-5%
285	7615 PE8&9-Develop 2025 Storage Plan	-	137,816	-	-	166,080	28,264	21%
286	OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	168,963	272,480	531,447	503,387	437,177	(4,266)	-1%
287	***7690 Recharge Improvement Debt & Projects***							
288	7690.1 Recharge Improvement Debt Pymts	-	687,653	565,507	687,653	1,528,007	840,354	122%
289	7691.1 Project 23A	-	1,317,040	-	-	924,979	(392,061)	-30%
290	7691.2 GWR-RW OIT Upgrades	-	25,000	-	-	671,666	646,666	2587%
291	7691.3 Ground Water Recharge Condition Assessments	-	25,000	-	-	25,000	- 0%	
292	7691.4 GWR Basin PLC Upgrades	-	250,000	-	-	-	(250,000)	-100%
293	7691.5 College Heights Basin Well Sensor Installation	-	75,000	-	-	-	(75,000)	-100%
294	7691.6 GWR/Recycled Water Valve Actuator Rplcmnt	-	37,500	-	-	37,500	- 0%	
295	7691.7 RW / GWR SCADA Infrastructure Replacement	-	21,600	-	-	23,500	1,900	9%
296	Recharge Improvement Debt & Projects	-	2,438,793	565,507	687,653	3,210,652	771,859	32%
297	***9501 Allocated Administration Expenses - OBMP***							
298	9501 Admin Exp. Allocated-OBMP	-	139,094	102,401	112,352	105,765	(33,329)	-24%
299	Allocated Administration Expenses - OBMP	-	139,094	102,401	112,352	105,765	(33,329)	-24%
300	***9502 Allocated Administration Expenses - PE 1-9***							
301	9502 Admin Exp. Allocated-PE 1-9	-	264,581	244,991	265,261	255,492	(9,089)	-3%
302	Allocated Administration Expenses - PE 1-9	-	264,581	244,991	265,261	255,492	(9,089)	-3%
303	**Total OBMP Program Elements 1-9**	**529,488**	**8,374,591**	**4,319,169**	**6,691,157**	**9,508,466**	**604,387**	**7%**
304	**Total Expenses**	**553,870**	**12,017,729**	**6,937,032**	**10,334,897**	**13,371,561**	**799,962**	**6%**
305	**Net Income/(Loss)**	**-**	**-**	**141,390**	**(3,235,008)**	-		

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CHINO BASIN WATERMASTER
ASSESSMENT CALCULATION - *PROJECTED*
FISCAL YEAR 2026/27
INCLUDES 10% JUDGMENT ADMINISTRATION AND 15% OBMP & PROGRAM ELEMENTS 1-9 OPERATING RESERVES

PRODUCTION BASIS	FY 2025/26 BUDGET [5]	FY 2026/27 BUDGET	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
2024/25 Production & Exchanges in AF (Actuals)			96,228.646	74,785.356	77.716%	18,184.178	18.897%	3,259.112	3.387%
2025/26 Production & Exchanges in AF (Projected) [1]			115,000.939	94,857.713	82.484%	17,484.105	15.203%	2,659.121	2.312%
BUDGET				**Judgment Admin**	**OBMP & PE 1-9**	**Judgment Admin**	**OBMP & PE 1-9**	**Judgment Admin**	**OBMP & PE 1-9**
Judgment Administration [2,3]	3,643,139	3,863,095	$3,863,095	$3,186,447		$587,324		$89,325	
OBMP & Program Elements 1-9 [2]	5,935,798	6,297,814	6,297,814		5,194,707		957,485		145,622
Judgment Admin, OBMP & PE 1-9 Assessments	$9,578,936	$10,160,909	10,160,909	3,186,447	5,194,707	587,324	957,485	89,325	145,622
TOTAL BUDGET			10,160,909	3,186,447	5,194,707	587,324	957,485	89,325	145,622
Less: Budgeted Interest Income	(368,030)	(199,280)	(199,280)		(164,375)		(30,297)		(4,608)
Less: Contributions from Outside Agencies	(195,850)	(200,750)	(200,750)		(165,587)		(30,521)		(4,642)
Subtotal: CASH DEMAND	9,015,056	9,760,879	9,760,879	3,186,447	4,864,746	587,324	896,666	89,325	136,372
Less: Net Excess Cash Reserves [4]	(1,254,684)								
FUNDS REQUIRED TO BE ASSESSED	$9,015,056	$9,760,879	**$9,760,879**	$3,186,447	$4,864,746	$587,324	$896,666	$89,325	$136,372
Proposed Assessments									
Judgment Admin, OBMP & PE 1-9 (Minimum $5.00 Per Producer)		A	Per Acre-Foot	**$33.59**	**$51.28**	**$33.59**	**$51.28**	**$33.59**	**$51.28**
Grand Total					**$84.87**		**$84.87**		**$84.87**
Prior Year Assessments, (Actuals) Information Only		B	Per Acre-Foot	$37.86	$55.82	$37.86	$55.82	$37.86	$55.82
Grand Total					$93.68		$93.68		$93.68
Variance Between Proposed Assessments and Prior Year Assessments		A - B		($4.27)	($4.54)	($4.27)	($4.54)	($4.27)	($4.54)
Grand Total					($8.81)		($8.81)		($8.81)
Estimated Assessment as of Amended Budget July 24, 2025, Information Only				$39.34	$58.01	$39.34	$58.01	$39.34	$58.01
Grand Total					$97.35		$97.35		$97.35

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[1] Due to the timing of when the Budget and the Assessment Package are prepared, actual production numbers on this page may differ from the Budget depending on any last minute corrections during the Assessment Package

[2] Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment, Recharge Improvement Projects, Replenishment Water purchases, or RTS charges.

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

[4] June 30th fund balance (estimated) less any funds required for Operating Reserves, OAP, AP, or ONAP Reserves, and Carryover replenishment obligations.

[5] The previous fiscal year's budget numbers are from the previously approved Assessment Package and does not reflect numbers from any amended budget that may have followed.

Chino Basin Watermaster
FY 25/26 Production & Exchanges in Acre-Feet
(Projected)

FY 2025/26 Projected Production (Based On Excel Forecast Model)		
Pool 1 Total:	17,484.105	
Pool 2 Total:	2,659.121	
Pool 3 Minus CDA Total:	94,857.713	
CDA Total:	40,000.000	
Overall Total:	155,000.940	
Overall Minus CDA Total:	115,000.940	

**Projections based on data as of Q3 March 31, 2026.*

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CHINO BASIN WATERMASTER
FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET
COMPARATIVE OF BUDGET CHANGES

				A	B	C	D	E = D - C	F	G	H = F + G
		FY 2025/26 Approved Carryover Budget	FY 2025/26 Amended Budget	YTD Actual 2/28/26	YTD Actual 3/31/26	Advisory Committee FY 2025/26 Projected Ending	Workshop #1 FY 2025/26 Projected Ending	Change in Projections	Advisory Commitee FY 2026/27 Proposed Budget	Proposed Budget Adjustments (+/-)	Workshop #1 FY 2026/27 Proposed Budget
1	**Revenue**										
2	**Administration Revenue**										
3	***4000 Mutual Agency Revenue***										
4	4040 Cooperative Agreement	-	195,850	195,850	195,850	195,850	195,850	-	200,750	-	200,750
5	Local Agency Subsidies	-	195,850	195,850	195,850	195,850	195,850	-	200,750	-	200,750
6	***4110 Appropriative Pool Assessments***										
7	4111 Gross Administration	-	2,781,459	3,503,085	3,503,085	3,503,085	3,503,085	-	2,970,411	(21,020)	2,949,391
8	4111.2 OBMP - Adm Assessment	-	4,101,345	-	-	-	-	-	4,717,534	(214,701)	4,502,833
9	4112 Agric. Pool Transfer	-	731,462	688,438	688,438	688,438	688,438	-	781,153	(5,528)	775,625
10	4113 OBMP - Ag Pool Water Reall	-	1,078,563	1,015,123	1,015,123	1,015,123	1,015,123	-	1,240,607	(56,462)	1,184,146
11	4115 Recharge Improvement Payment	-	434,100	875,570	875,570	875,570	875,570	-	797,000	(39,334)	757,666
12	4116 Recharge Debt Payment	-	687,653	343,827	343,827	343,827	343,827	-	1,528,007	-	1,528,007
13	4121 Project 23A Funding	-	1,317,040	-	-	-	-	-	924,979	-	924,979
14	Admin Assessments-Appropriative Pool	-	11,131,623	6,426,042	6,426,042	6,426,042	6,426,042	-	12,034,712	(337,044)	11,697,667
15	***4120 Non-Agricultural Pool Assessments***										
16	4123 Non-Agricultural Pool	-	130,217	61,695	61,695	61,695	61,695	-	139,063	(984)	138,079
17	4123.3 Non-Ag Pool-Special Assessment	-	-	31,000	31,000	31,000	31,000	-	-	-	-
18	4124 OBMP Adm Assessment	-	192,009	90,962	90,962	90,962	90,962	-	220,857	(10,051)	210,805
19	Admin Assessments-Non-Ag Pool	-	322,227	183,657	183,657	183,657	183,657	-	359,920	(11,036)	348,885
20	**Total Administration Revenue**	**-**	**11,649,699**	**6,805,548**	**6,805,548**	**6,805,548**	**6,805,548**	**-**	**13,520,361**	**(348,080)**	**13,172,281**
21	**Other Revenue**										
22	***4225 Interest Income***										
23	4225 Interest Income	-	368,030	174,034	220,755	261,052	294,340	33,288	138,840	60,440	199,280
24	***4730 Prorated Interest Income***										
25	4731 Interest - Agri. Pool	-	-	30,008	36,792	-	-	-	-	-	-
26	4732 Interest - Approp. Pool	-	-	9,971	12,083	-	-	-	-	-	-
27	4733 Interest - Non-Ag Pool	-	-	1,692	2,179	-	-	-	-	-	-
28	4738 Interest - Replenishment	-	-	677	1,066	-	-	-	-	-	-
29	Interest Income	-	368,030	216,382	272,874	261,052	294,340	33,288	138,840	60,440	199,280
30	Miscellaneous Income	-	-	-	-	-	-	-	-	-	-
31	**Total Other Revenue**	**-**	**368,030**	**216,382**	**272,874**	**261,052**	**294,340**	**33,288**	**138,840**	**60,440**	**199,280**
32	**Total Revenue**	**-**	**12,017,729**	**7,021,930**	**7,078,422**	**7,066,600**	**7,099,888**	**33,288**	**13,659,201**	**(287,640)**	**13,371,561**
33	**Expenses**										
34	**Judgment Administration Expense**										
35	***5900 Judgment Administration Costs***										
36	5901.1 Admin-Doc. Review-WM Staff	-	74,466	76,351	84,612	119,299	118,016	(1,283)	105,131	-	105,131
37	5901.3 Admin-Field Work-WM Staff	-	14,357	594	594	928	854	(74)	9,672	-	9,672
38	5901.5 Admin-General-WM Staff	-	55,535	5,857	5,857	9,152	8,420	(732)	64,423	-	64,423
39	5901.7 Admin-Meeting-WM Staff	-	45,648	34,207	41,354	53,448	56,319	2,871	58,626	-	58,626
40	5901.8 Admin-Meeting - West Yost	-	38,909	-	-	-	-	-	40,163	-	40,163
41	5901.9 Admin-Reporting-WM Staff	-	21,742	3,481	3,843	5,439	5,366	(73)	22,253	-	22,253
42	5906.71 Admin-Data Req-CBWM Staff	-	109,124	69,446	75,128	106,635	106,635	-	112,652	-	112,652
43	5906.72 Admin-Data Req-Non CBWM Staff	-	56,483	27,598	37,301	47,598	47,598	-	58,316	-	58,316
44	5910 Court Coordination/Attend-WM	-	28,837	5,487	9,186	8,573	11,586	3,013	8,775	-	8,775
45	5911 Exhibit G-WM Staff	-	6,396	876	876	1,369	1,260	(110)	6,330	-	6,330
46	5921 Production Monitoring-WM Staff	-	9,471	-	-	-	-	-	8,011	-	8,011
47	5925 Ag Prod & Estimation-West Yost	4,344	31,992	25,757	25,757	39,367	39,367	-	-	-	-
48	5931 Recharge Applications-WM Staff	-	33,092	2,343	2,343	3,661	3,368	(293)	54,181	-	54,181
49	5935 Admin-Mat'l Phy Inj Requests	-	41,668	2,251	2,639	22,251	22,251	-	36,096	-	36,096
50	5941 Reporting-WM Staff	-	44,602	1,155	1,155	1,804	1,660	(144)	52,315	-	52,315
51	5945 WM Annual Report Prep-West Yost	-	17,762	12,260	12,260	12,760	12,760	-	18,334	-	18,334
52	5951 Rules & Regs-WM Staff	-	11,350	-	-	-	-	-	1,650	-	1,650
53	5961 Safe Yield-WM Staff	-	106,006	67,597	68,504	105,620	98,077	(7,543)	79,210	-	79,210
54	5965 Support Data Collect-West Yost	10,000	17,302	16,431	16,431	27,302	27,302	-	27,626	-	27,626
55	5971 Storage Agreements-WM Staff	-	20,671	4,215	4,215	6,585	6,058	(527)	7,991	-	7,991
56	5981 Water Acct/Database-WM Staff	-	112,036	74,679	88,785	116,686	121,458	4,771	115,133	-	115,133
57	5991 Water Transactions-WM Staff	-	13,062	8,283	8,434	12,943	12,058	(885)	14,231	-	14,231
58	Judgment Administration Costs	14,344	910,511	438,867	489,272	701,421	700,412	(1,008)	901,118	-	901,118
59	***6010 Administration Salary Costs***										
60	6011.11 WM Staff - Overtime	-	18,000	5,308	5,987	5,308	6,665	1,357	18,000	-	18,000
61	6011.10 Accounting-WM Staff	-	280,410	175,978	209,489	274,965	286,480	11,515	329,920	-	329,920
62	6011.15 Building Admin-WM Staff	-	31,040	9,872	11,644	15,425	15,963	538	41,290	-	41,290
63	6011.20 Conference/Seminar-WM Staff	-	50,660	32,973	32,973	51,521	47,399	(4,122)	48,320	-	48,320
64	6011.25 Document Review-WM Staff	-	54,110	69,149	79,849	108,045	110,102	2,056	80,580	-	80,580
65	6011.30 Field Work-WM Staff	-	-	909	909	1,421	1,307	(114)	-	-	-
66	6011.50 General-WM Staff	-	278,870	184,891	201,136	288,892	282,025	(6,867)	269,320	-	269,320
67	6011.60 HR-WM Staff	-	100,980	39,446	45,901	61,634	63,158	1,525	142,720	-	142,720
68	6011.70 IT-WM Staff	-	72,830	45,225	49,933	70,665	69,719	(946)	73,150	-	73,150
69	6011.80 Meeting-WM Staff	-	93,640	90,143	101,687	140,848	141,124	276	115,570	-	115,570
70	6011.90 Team Building-WM Staff	-	33,490	15,070	15,215	23,547	21,808	(1,739)	33,480	-	33,480
71	6011.95 Training-Give/Receive-WM Staff	-	79,580	33,819	35,161	52,842	49,957	(2,885)	72,280	-	72,280
72	6012 Payroll Services	-	2,500	1,369	1,530	2,053	2,040	(13)	2,500	-	2,500
73	6015.6 Retroactive Pay	-	-	2,178	2,178	2,178	2,178	-	-	-	-
74	6016 New Employee Search Costs	-	3,480	-	285	-	285	285	3,500	-	3,500
75	6017 Temporary Services	-	28,250	-	-	-	-	-	15,000	-	15,000
76	6018 Fringe Benefits	-	1,134,070	695,727	788,632	1,087,073	1,108,951	21,878	1,228,962	-	1,228,962
77	60199 Payroll Burden Allocated	-	(1,134,070)	(697,395)	(779,841)	(1,087,073)	(1,108,951)	(21,878)	(1,228,962)	-	(1,228,962)
78	Administration Salary Costs	-	1,127,840	704,662	802,667	1,099,344	1,100,210	866	1,245,630	-	1,245,630
79	***6020 Office Building Expense***										
80	6021 Office Lease	-	142,835	110,042	122,362	147,001	159,320	12,320	152,200	-	152,200

CHINO BASIN WATERMASTER
FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET
COMPARATIVE OF BUDGET CHANGES

				A	B	C	D	E = D - C	F	G	H = F + G
		FY 2025/26 Approved Carryover Budget	FY 2025/26 Amended Budget	YTD Actual 2/28/26	YTD Actual 3/31/26	Advisory Committee FY 2025/26 Projected Ending	Workshop #1 FY 2025/26 Projected Ending	Change in Projections	Advisory Commitee FY 2026/27 Proposed Budget	Proposed Budget Adjustments (+/-)	Workshop #1 FY 2026/27 Proposed Budget
81	6022 Telephone	-	17,680	8,750	9,804	13,125	13,072	(54)	19,200	-	19,200
82	6023 Office Utilities	-	32,020	24,191	26,405	36,287	35,207	(1,079)	39,500	-	39,500
83	6024 Building Repair & Maintenance	-	25,000	16,343	18,093	24,515	24,123	(391)	31,200	-	31,200
84	6025 Building Renovations	-	10,000	-	-	-	-	-	15,000	-	15,000
85	6027 Air Access Door Lock Subscription	-	1,000	768	768	768	768	-	1,000	-	1,000
86	Office Building Expense	-	228,535	160,095	177,432	221,695	232,491	10,795	258,100	-	258,100
87	***6030 Office Supplies & Equip.***										
88	6031.1 Copy Paper	-	750	122	122	183	163	(20)	500	-	500
89	6031.7 General Office Supplies	-	20,000	9,872	10,671	14,807	14,228	(579)	17,000	-	17,000
90	6036 Minor Office Furniture	-	5,000	281	281	281	281	-	1,000	-	1,000
91	6038 Other Office Equipment	10,038	-	3,794	3,794	10,038	10,038	-	-	-	-
92	6039.1 Banking Service Charges	-	10,000	6,400	6,400	9,601	8,534	(1,067)	10,000	-	10,000
93	6141.1 Meeting Supplies	-	8,970	5,889	6,507	8,833	8,676	(157)	10,500	-	10,500
94	6147 Other Admin Expenses	-	660	120	120	120	120	-	300	-	300
95	Office Supplies & Equip.	10,038	45,380	26,478	27,896	43,864	42,040	(1,823)	39,300	-	39,300
96	***6040 Postage & Printing Costs***										
97	6042 Postage - General	-	5,190	2,650	3,192	3,975	4,256	281.04	4,500	-	4,500
98	6043 Copy Machine Lease	-	20,000	7,651	9,930	11,476	13,239	1,763.22	13,000	-	13,000
99	6045 Printing	-	1,500	-	-	-	-	-	1,500	-	1,500
100	6046 Court Transcript Services	-	500	-	-	-	-	-	1,000	-	1,000
101	Postage and Printing Costs	-	27,190	10,301	13,122	15,452	17,496	2,044	20,000	-	20,000
102	***6050 Information Services***										
103	6052.2 Database Support Services	-	91,000	3,150	3,998	4,725	5,330	605	91,000	-	91,000
104	6052.4 IT Managed Services	-	51,000	23,701	24,637	35,551	32,849	(2,701)	48,000	-	48,000
105	6052.5 IT Data Backup/Storage	-	22,000	10,806	11,838	16,209	15,785	(424)	22,000	-	22,000
106	6053 Internet Expense	-	15,600	9,145	10,015	13,718	13,354	(364)	12,000	-	12,000
107	6054 Computer Software	-	20,000	2,408	3,873	3,611	5,163	1,552	20,000	-	20,000
108	6055 Computer Hardware	-	20,000	5,600	5,600	8,401	7,467	(933)	20,000	-	20,000
109	6056 Website Services	-	4,800	650	745	975	993	18	3,500	-	3,500
110	Information Services	-	224,400	55,460	60,706	83,189	80,942	(2,247)	216,500	-	216,500
111	***6060 WM Special Contract Services***										
112	6061.1 Accounting Services Consultant	-	50,000	6,545	6,545	9,818	8,727	(1,090.88)	25,000	-	25,000
113	6061.2 HRIS System	-	4,800	2,093	2,389	3,139	3,186	46	4,800	-	4,800
114	6061.3 Annual Report Services	-	20,000	20,253	21,856	22,753	24,356	1,603	22,000	2,500	24,500
115	6062 Audit Services	-	19,450	18,820	18,820	18,820	18,820	-	25,000	-	25,000
116	6062.5 Audit Support Services	-	1,700	1,530	1,530	1,530	1,530	-	3,500	-	3,500
117	6068 Hearing Officer	-	8,000	-	-	-	-	-	5,000	-	5,000
118	WM Special Contract Services	-	103,950	49,241	51,140	56,060	56,619	559	85,300	2,500	87,800
119	***6070 Watermaster Legal Services***										
120	6071 BHFS Legal - Court Coordination	-	76,000	191,668	315,073	447,000	447,000	-	80,400	-	80,400
121	6072 BHFS Legal - Rules & Regs	-	10,495	-	-	-	-	-	11,075	-	11,075
122	6073 BHFS Legal - Personnel Matters	-	28,150	33,522	39,574	70,000	70,000	-	30,500	-	30,500
123	6074 BHFS Legal - Interagency Issues	-	40,536	-	-	-	-	-	48,600	-	48,600
124	6077 BHFS Legal - Party Status Maint	-	13,590	-	-	-	-	-	14,950	-	14,950
125	6078 BHFS Legal - Miscellaneous	-	177,240	133,419	166,254	250,000	250,000	-	224,700	(36,900)	187,800
126	Watermaster Legal Services	-	346,011	358,609	520,902	767,000	767,000	-	410,225	(36,900)	373,325
127	***6080 Insurance Expense***										
128	6085 Business Insurance Package	-	55,000	65,894	65,894	65,894	65,894	-	72,000	-	72,000
129	Insurance Expense	-	55,000	65,894	65,894	65,894	65,894	-	72,000	-	72,000
130	***6110 Dues and Subscriptions***										
131	6111 Membership Dues	-	40,000	37,383	37,383	37,383	37,383	-	40,000	-	40,000
132	6112 Subscriptions/Publications	-	900	979	1,054	979	1,054	75	1,100	-	1,100
133	Dues and Subscriptions	-	40,900	38,362	38,437	38,362	38,437	75	41,100	-	41,100
134	***6150 Field Supplies & Equipment***										
135	6151 Small Tools & Equipment	-	1,000	966	966	966	966	-	1,100	-	1,100
136	6152 Safety Shoes	-	800	-	-	800	800	-	900	-	900
137	6154 Uniforms	-	2,100	1,144	1,144	1,716	1,525	(191)	2,300	-	2,300
138	Field Supplies & Equipment	-	3,900	2,110	2,110	3,482	3,291	(191)	4,300	-	4,300
139	***6170 Travel & Transportation***										
140	6171 Vehicle Allowance	-	20,400	12,800	14,400	19,200	19,200	-	19,200	-	19,200
141	6172 Rental Vehicle	-	1,000	-	-	-	-	-	1,000	-	1,000
142	6173 Airfare/Mileage	-	5,000	89	163	134	218	84	5,000	-	5,000
143	6175 Vehicle Fuel	-	3,600	1,269	1,445	1,904	1,927	23	2,500	-	2,500
144	6177 Vehicle Repairs & Maintenance	-	5,600	766	766	1,149	1,021	(128)	5,600	-	5,600
145	Travel and Transportation	-	35,600	14,924	16,774	22,386	22,366	(20)	33,300	-	33,300
146	***6190 Conferences & Seminars***										
147	6191 Conferences - General	-	12,000	9,998	12,337	11,998	14,337	2,340	18,000	-	18,000
148	6193 Employee Training	-	31,500	4,835	5,060	7,253	6,747	(506)	24,000	-	24,000
149	Conferences and Seminars	-	43,500	14,833	17,397	19,250	21,084	1,834	42,000	-	42,000
150	***6200 Advisory Committee Expenses***										
151	6201 WM Staff Salaries	-	61,397	30,441	35,191	47,565	48,509	945	83,643	-	83,643
152	6206 West Yost-Eng. Serv.-Advisory	-	22,624	12,147	14,099	19,796	19,796	-	23,367	-	23,367
153	6275 BHFS Legal - Advisory Committee	-	27,764	10,578	18,828	27,500	27,500	-	29,700	-	29,700
154	Advisory Committee Expenses	-	111,785	53,166	68,118	94,861	95,805	945	136,710	-	136,710
155	***6300 Watermaster Board Expenses***										
156	6301 WM Staff Salaries	-	101,669	69,433	79,023	108,488	109,400	912	114,655	-	114,655
157	6306 West Yost-Eng. Services-Board	-	22,624	16,932	19,010	31,072	31,072	-	23,367	-	23,367
158	6311 Board Member Compensation	-	40,000	20,500	23,625	30,750	31,500	750	40,000	-	40,000
159	6312 Board Meeting Expenses	-	8,650	6,561	7,540	9,841	10,053	212	10,000	-	10,000

CHINO BASIN WATERMASTER
FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET
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				A	B	C	D	E = D - C	F	G	H = F + G
		FY 2025/26 Approved Carryover Budget	FY 2025/26 Amended Budget	YTD Actual 2/28/26	YTD Actual 3/31/26	Advisory Committee FY 2025/26 Projected Ending	Workshop #1 FY 2025/26 Projected Ending	Change in Projections	Advisory Commitee FY 2026/27 Proposed Budget	Proposed Budget Adjustments (+/-)	Workshop #1 FY 2026/27 Proposed Budget
160	6313 Board Member Expenses	-	300	-	-	-	-	-	2,000	-	2,000
161	6375 BHFS Legal - Board Meeting	-	88,704	55,965	87,021	120,000	120,000	-	95,040	-	95,040
162	6375.1 BHFS Legal - Board Workshop(s)	-	29,215	-	-	-	-	-	31,275	-	31,275
163	6375.2 Board Workshop Expenses-Misc.	-	40,000	1,816	2,010	1,816	2,010	194	-	-	-
164	Watermaster Board Expenses	-	331,162	171,206	218,229	301,967	304,036	2,068	316,337	-	316,337
165	***8300 Appropriative Pool Administration***										
166	8301 WM Staff Salaries	-	89,707	63,087	71,848	98,573	99,449	875	98,190	-	98,190
167	8306 West Yost-Eng. Services-AP	-	22,624	16,757	18,178	26,183	26,183	-	23,367	-	23,367
168	8367 Legal Service	-	-	12,286	22,673	18,429	30,231	11,802	-	-	-
169	8375 BHFS Legal - Appropriative Pool	-	34,705	10,786	14,086	25,000	25,000	-	37,125	-	37,125
170	Appropriative Pool Administration	-	147,036	102,916	126,785	168,186	180,863	12,677	158,682	-	158,682
171	***8400 Agricultural Pool Administration***										
172	8401 WM Staff	-	83,199	27,454	31,241	42,897	43,253	356	81,908	-	81,908
173	8406 West Yost-Eng. Services-OAP	-	22,624	12,051	13,083	21,478	21,478	-	23,367	-	23,367
174	8467 Ag Legal & Technical Services	-	-	113,288	133,150	169,931	177,533	7,602	-	-	-
175	8470 Ag Meeting Attend -Special	-	-	21,625	26,750	32,438	35,667	3,229	-	-	-
176	8475 BHFS Legal - Agricultural Pool	-	34,705	10,126	13,426	25,000	25,000	-	37,125	-	37,125
177	Agricultural Pool Administration	-	140,528	184,544	217,651	291,744	302,930	11,187	142,400	-	142,400
178	***8500 Non-Agricultural Pool Administration***										
179	8501 WM Staff	-	66,256	19,038	21,521	29,746	29,850	104	75,258	-	75,258
180	8506 West Yost-Eng. Services-ONAP	-	22,624	8,460	9,305	14,351	14,351	-	23,367	-	23,367
181	8511 Non-Ag Pool Member Compensation	-	-	4,875	4,875	4,875	4,875	-	-	-	-
182	8567 Non-Ag Legal Service	-	-	935	935	935	935	-	-	-	-
183	8575 BHFS Legal - Non-Ag Pool	-	34,705	10,786	14,086	25,000	25,000	-	37,125	-	37,125
184	Non-Agricultural Pool Administration	-	123,585	44,094	50,722	74,908	75,012	104	135,749	-	135,749
185	***9500 Allocated Administration Expenses***										
186	9500 Allocated Admin Expenditures	-	(403,675)	(317,170)	(347,392)	(475,754)	(463,189)	12,566	(368,125)	6,868	(361,257)
187	Allocated Administration Expenses	-	(403,675)	(317,170)	(347,392)	(475,754)	(463,189)	12,566	(368,125)	6,868	(361,257)
188	**Total Judgment Administration Expenses**	**24,382**	**3,643,139**	**2,178,590**	**2,617,863**	**3,593,310**	**3,643,740**	**50,430**	**3,890,627**	**(27,532)**	**3,863,095**
189	**OBMP Expenses & Program Elements 1-9**										
190	***6900 Optimum Basin Mgmt Program***										
191	6901.1 OBMP - Doc. Review - WM Staff	-	50,364	34,714	39,102	54,241	54,290	49	61,961	-	61,961
192	6901.3 OBMP - Field Work - WM Staff	-	9,471	2,116	2,116	3,306	3,042	(265)	9,672	-	9,672
193	6901.5 OBMP - General - WM Staff	-	52,005	40,408	41,002	63,137	58,680	(4,457)	41,748	-	41,748
194	6901.7 OBMP - Meeting - WM Staff	-	33,487	38,606	46,427	60,322	63,317	2,995	20,692	-	20,692
195	6901.8 OBMP - Meeting - West Yost	-	38,909	24,464	34,280	56,888	56,888	-	40,163	-	40,163
196	6901.9 OBMP - Reporting - WM Staff	-	39,176	4,836	4,987	7,557	7,103	(454)	19,000	-	19,000
197	6901.95 OBMP - Reporting - West Yost	-	66,832	54,140	64,394	66,081	66,081	-	67,310	-	67,310
198	OBMP - WM Staff Salaries	-	290,249	199,285	232,308	311,532	309,401	(2,131)	260,545	-	260,545
199	***6903 OBMP - SAWPA Group***										
200	6903 OBMP SAWPA Group	-	18,952	7,608	7,608	7,608	7,608	-	8,986	-	8,986
201	OBMP - SAWPA Group	-	18,952	7,608	7,608	7,608	7,608	-	8,986	-	8,986
202	***6906 OBMP - Engineering Services***										
203	6906 OBMP Engineering Services	-	65,810	36,097	47,400	65,097	65,097	-	67,966	-	67,966
204	6906.1 OBMP-Watermaster Model Update	59,443	8,176	41,706	41,706	64,329	64,329	-	88,388	-	88,388
205	6906.14 Modeling for WSIP-100% IEUA	-	-	-	-	-	-	-	-	-	-
206	6906.21 State of the Basin Report	-	-	-	-	-	-	-	169,740	-	169,740
207	OBMP - Enginnering Services	59,443	73,992	77,803	89,106	129,426	129,426	-	326,094	-	326,094
208	***6907 OBMP - Legal***										
209	6907.31 Archibald South Plume	-	12,565	-	-	-	-	-	13,400	-	13,400
210	6907.32 Chino Airport Plume	-	12,565	-	-	-	-	-	13,400	-	13,400
211	6907.33 Desalter/Hydraulic Control	-	38,680	-	-	-	-	-	41,400	-	41,400
212	6907.34 Santa Ana River Water Rights	-	21,405	6,050	8,157	9,500	9,500	-	22,425	-	22,425
213	6907.38 Reg. Water Quality Cntrl Board	-	63,200	-	-	20,000	20,000	-	69,600	-	69,600
214	6907.39 Recharge Master Plan	-	14,270	7,826	8,948	12,000	12,000	-	29,900	-	29,900
215	6907.41 Prado Basin Habitat Sustain	-	10,290	-	-	5,000	5,000	-	10,850	-	10,850
216	6907.44 SGMA Compliance	-	10,290	-	-	2,500	2,500	-	10,850	-	10,850
217	6907.45 OBMP Update	-	177,240	6,636	8,799	25,000	25,000	-	187,800	-	187,800
218	6907.47 2020 Safe Yield Reset	-	151,180	28,001	28,353	100,000	100,000	-	159,900	-	159,900
219	6907.50 San Sev Dischrg-State Ct Litig	-	54,130	-	-	-	-	-	-	-	-
220	6907.51 San Sev Dischrg-CWA Litigation	-	150,440	219,974	339,775	490,000	490,000	-	202,500	(202,500)	-
219	6907.9 WM Legal Counsel-Unanticipated	-	38,885	-	-	-	-	-	41,625	-	41,625
222	OBMP - Legal Services	-	755,140	268,487	394,032	664,000	664,000	-	803,650	(202,500)	601,150
223	***6909 OBMP - Miscellaneous Expenses***										
224	6909.3 OBMP Permits	-	2,200	2,431	2,431	2,431	2,431	-	2,200	-	2,200
225	6909.6 OBMP Expenses - Miscellaneous	-	96,000	-	-	-	-	-	96,000	-	96,000
226	OBMP - Miscellaneous Expenses	-	98,200	2,431	2,431	2,431	2,431	-	98,200	-	98,200
227	Optimum Basin Mgmt Program	59,443	1,236,523	555,614	725,485	1,114,997	1,112,866	(2,131)	1,497,475	(202,500)	1,294,975
228	***7103 Groundwater Quality Monitoring***										
229	7103.6 Grdwtr Qual-Supplies	-	4,500	1,636	1,636	2,455	2,182	(273)	4,500	-	4,500
230	Groundwater Quality Monitoring	-	4,500	1,636	1,636	2,455	2,182	(273)	4,500	-	4,500
232	***7104 Groundwater Level Monitoring***										
233	7104.1 PE 1 Monitoring - WM Staff	-	166,708	161,593	182,184	252,490	252,882	392	160,502	-	160,502
234	7104.3 Grdwtr Level-Engineering	15,800	274,794	166,675	180,769	285,375	285,375	-	299,381	-	299,381
235	7104.6 Grdwtr Level-Supplies	-	2,250	493	2,567	740	3,423	2,683	2,500	-	2,500
236	7104.7 Grdwtr Level-WM Staff-Cap Equip	-	9,000	3,727	8,913	9,000	9,000	-	9,800	-	9,800
237	7104.8 Grdwtr Level-Contracted Serv	-	29,128	6,192	6,246	26,692	26,692	-	41,168	-	41,168
238	7104.9 Grdwtr Level-Capital Equip	-	19,000	5,063	5,063	23,768	23,768	-	19,000	-	19,000
239	Groundwater Level Monitoring	15,800	500,880	343,743	385,743	598,065	601,140	3,075	532,350	-	532,350

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240	***7200 OBMP Pgm Element 2 - Comp Recharge***										
241	7201 PE2 Comp Recharge - WM Staff	-	49,649	70,812	74,803	110,643	105,783	(4,860)	92,004	-	92,004
242	7202 Comp Recharge-Engineering	-	23,350	3,764	7,831	17,164	17,164	-	24,090	-	24,090
243	7202.2 Engineering Svc	55,000	181,496	102,515	111,471	221,992	221,992	-	516,550	-	516,550
244	7204 Comp Recharge-Supplies	-	2,000	-	-	-	-	-	2,000	-	2,000
245	7205 Comp Recharge-Other Expense	-	14,500	14,306	14,306	14,306	14,306	-	15,500	-	15,500
246	7206 Comp Recharge-O&M	-	1,697,272	847,236	847,236	1,697,272	1,697,272	-	1,528,250	-	1,528,250
247	OBMP Pgm Element 2 - Comp Recharge	55,000	1,968,267	1,038,633	1,055,648	2,061,378	2,056,518	(4,860)	2,178,393	-	2,178,393
248	***7300 OBMP Pgm Element 3 & 5 - Water Supply Plan-Desalter***										
249	7301 PE3&5 Water Supply - WM Staff	-	19,189	-	-	-	-	-	13,796	-	13,796
250	7301.1 PE5 Regional Prgm - WM Staff	-	16,759	576	576	900	828	(72)	9,672	-	9,672
251	7302 PBHSP Monitoring Prog-Eng. Serv	9,100	77,792	46,813	56,240	87,321	87,321	-	76,551	-	76,551
252	7303 PE3&5-Engineering	-	21,080	8,425	8,425	18,080	18,080	-	21,760	-	21,760
253	7305 PE3&5-Supplies	-	7,000	-	3,566	-	4,755	4,755	7,000	-	7,000
254	7306 PE3&5-Outside Professionals	-	31,500	12,926	16,324	37,851	37,851	-	6,750	-	6,750
255	OBMP Pgm Element 3 & 5 - Water Supply Plan	9,100	173,320	68,739	85,131	144,152	148,835	4,683	135,529	-	135,529
256	***7400 OBMP Pgm Element 4 - Mgmt Zone Strategies***										
257	7401 PE 4 MZ1 Mgmt Plan - WM Staff	-	25,595	182	798	285	878	593	15,467	-	15,467
258	7402 PE4-Engineering	-	301,531	113,192	124,850	287,076	287,076	-	285,874	-	285,874
259	7402.10 PE4 - Northwest MZ1 Area Proj.	124,788	169,378	152,591	156,167	257,578	257,578	-	107,696	-	107,696
260	7403 PE4-Contract Svcs-InSar	-	28,600	17,600	23,277	25,600	25,600	-	17,600	-	17,600
261	7404 PE4-Supplies	-	2,210	2,101	2,292	2,101	2,292	191	2,300	-	2,300
262	7405 PE4-Other Expense	-	2,500	304	304	456	405	(51)	1,500	-	1,500
263	7406 PE4-Outside Professionals	-	55,155	-	-	55,155	55,155	-	31,140	-	31,140
264	7408 PE4 - Network Equipment	-	19,107	4,021	5,144	17,377	17,377	-	19,722	-	19,722
265	OBMP Pgm Element 4 - Mgmt Zone Strategies	124,788	604,076	289,991	312,832	645,628	646,362	733	481,299	-	481,299
266	***7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt***										
267	7501 PE6 Coop. Prgms - WM Staff	-	22,983	11,881	12,475	18,565	17,673	(891)	29,309	-	29,309
268	7501.1 PE7 Salt Mgmt. Plan - WM Staff	-	16,786	594	594	928	854	(74)	14,665	-	14,665
269	7502 PE6&7-Engineering	41,400	365,564	175,681	192,932	346,002	346,002	-	363,996	-	363,996
270	7502.2 PE7-Groundwtr Quality Model	-	70,216	1,579	1,579	69,795	69,795	-	75,130	-	75,130
271	7505 PE6&7-Lab Services	-	41,300	36,311	36,311	46,380	46,380	-	42,100	-	42,100
272	7510 PE6&7-IEUA Salinity Mgmt. Plan	-	9,522	11,333	14,020	14,416	14,416	-	9,562	-	9,562
273	7511 PE6&7-SAWBMPTask Force	-	28,022	21,686	21,686	28,022	28,022	-	33,590	-	33,590
274	7517 Surface Water-Chino Creek-IEUA	20,000	28,434	26,177	28,751	31,458	31,458	-	33,982	-	33,982
275	7520 Prep Water Quality Mgmt Plan	-	39,250	-	-	-	-	-	-	-	-
276	7540 Meter Install - New Meter	-	150,000	-	-	-	-	-	150,000	-	150,000
277	7545 Meter Install - Calibrate/Test	34,994	-	-	-	-	-	-	120,000	-	120,000
278	OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	96,394	772,078	285,242	308,348	555,566	554,601	(965)	872,334	-	872,334
279	***7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use***										
280	7601 PE8&9 Storage Mgmt. - WM Staff	-	33,288	47,692	48,286	74,518	69,151	(5,367)	34,358	-	34,358
281	7604 PE8&9-Supplies	-	-	-	-	-	-	-	-	-	-
282	7610 PE8&9-Support 2020 Mgmt. Plan	-	21,720	-	-	-	-	-	-	-	-
283	7614 PE8&9-Support Implementation of SY Court Order	168,963	79,656	389,589	483,161	434,236	434,236	-	248,145	(11,406)	236,739
284	7615 PE8&9-Develop 2025 Storage Plan	-	137,816	-	-	-	-	-	166,080	-	166,080
285	OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	168,963	272,480	437,281	531,447	508,755	503,387	(5,367)	448,583	(11,406)	437,177
286	***7690 Recharge Improvement Debt & Projects***										
287	7690.1 Recharge Improvement Debt Pymts	-	687,653	565,507	565,507	687,653	687,653	-	1,528,007	-	1,528,007
288	7691.1 Project 23A	-	1,317,040	-	-	-	-	-	924,979	-	924,979
289	7691.2 GWR-RW OIT Upgrades	-	25,000	-	-	-	-	-	550,000	121,666	671,666
290	7691.3 Ground Water Recharge Condition Assessments	-	25,000	-	-	-	-	-	50,000	(25,000)	25,000
291	7691.4 GWR Basin PLC Upgrades	-	250,000	-	-	-	-	-	-	-	-
292	7691.5 College Heights Basin Well Sensor Installation	-	75,000	-	-	-	-	-	75,000	(75,000)	-
293	7691.6 GWR/Recycled Water Valve Actuator Rplcmnt	-	37,500	-	-	-	-	-	75,000	(37,500)	37,500
294	7691.7 RW / GWR SCADA Infrastructure Replacement	-	21,600	-	-	-	-	-	47,000	(23,500)	23,500
295	Recharge Improvement Debt & Projects	-	2,438,793	565,507	565,507	687,653	687,653	-	3,249,986	(39,334)	3,210,652
296	***9501 Allocated Administration Expenses - OBMP***										
297	9501 Admin Exp. Allocated-OBMP	-	139,094	92,449	102,401	92,449	112,352	19,903	107,776	(2,011)	105,765
298	Allocated Administration Expenses - OBMP	-	139,094	92,449	102,401	92,449	112,352	19,903	107,776	(2,011)	105,765
299	***9502 Allocated Administration Expenses - PE 1-9***										
300	9502 Admin Exp. Allocated-PE 1-9	-	264,581	224,720	244,991	224,720	265,261	40,541	260,349	(4,857)	255,492
301	Allocated Administration Expenses - PE 1-9	-	264,581	224,720	244,991	224,720	265,261	40,541	260,349	(4,857)	255,492
302	**Total OBMP Program Elements 1-9**	**529,488**	**8,374,591**	**3,903,555**	**4,319,169**	**6,635,818**	**6,691,157**	**55,339**	**9,768,574**	**(260,108)**	**9,508,466**
303	**Total Expenses**	**553,870**	**12,017,729**	**6,082,145**	**6,937,032**	**10,229,128**	**10,334,897**	**105,769**	**13,659,201**	**(287,640)**	**13,371,561**
304	**Net Ordinary Income/(Loss)**	**(553,870)**	**-**	**939,785**	**141,390**	**(3,162,527)**	**(3,235,008)**	**(72,481)**	**-**	**(0)**	**-**
305	**9999 To/(From) Reserves**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**0**	**-**
306	**Net Income/(Loss)**	**(553,870)**	**-**	**939,785**	**141,390**	**(3,162,527)**	**(3,235,008)**	**(72,481)**	**-**	**-**	**-**

CHINO BASIN WATERMASTER — **PROPOSED - FISCAL YEAR 2026/27** — **Effective Date: July 1, 2026**

PAY SCHEDULE — Approved by Board:

Revision Date: March 19, 2026

POSITION	TYPE	FTE COUNT	HOURLY							MONTHLY						
										LOW			MEDIAN			HIGH
General Manager	1	1								$22,867.87	$24,011.87	$25,213.07	$26,473.20	$27,797.47	$29,187.60	$30,647.07
			STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G
Water Resources Management and Planning Director	2	1	$86.40	$90.72	$95.26	$100.02	$105.02	$110.27	$115.78	$14,976.00	$15,724.80	$16,511.73	$17,336.80	$18,203.47	$19,113.47	$20,068.53
Director of Administration	2	1	$82.84	$86.98	$91.33	$95.90	$100.70	$105.74	$111.03	$14,358.93	$15,076.53	$15,830.53	$16,622.67	$17,454.67	$18,328.27	$19,245.20
Water Resources Technical Manager	3	0	$65.83	$69.12	$72.58	$76.21	$80.02	$84.02	$88.22	$11,410.53	$11,980.80	$12,580.53	$13,209.73	$13,870.13	$14,563.47	$15,291.47
Data Services and Judgment Reporting Manager	3	1	$65.83	$69.12	$72.58	$76.21	$80.02	$84.02	$88.22	$11,410.53	$11,980.80	$12,580.53	$13,209.73	$13,870.13	$14,563.47	$15,291.47
Water Resources Sr. Associate	3	0	$50.66	$53.19	$55.85	$58.64	$61.57	$64.65	$67.88	$8,781.07	$9,219.60	$9,680.67	$10,164.27	$10,672.13	$11,206.00	$11,765.87
Water Resources Associate	3	1	$38.28	$40.19	$42.20	$44.31	$46.53	$48.86	$51.30	$6,635.20	$6,966.27	$7,314.67	$7,680.40	$8,065.20	$8,469.07	$8,892.00
Sr. Field Operations Specialist	3	1	$35.41	$37.18	$39.04	$40.99	$43.04	$45.19	$47.45	$6,137.73	$6,444.53	$6,766.93	$7,104.93	$7,460.27	$7,832.93	$8,224.67
Field Operations Specialist	3	1	$30.70	$32.24	$33.85	$35.54	$37.32	$39.19	$41.15	$5,321.33	$5,588.27	$5,867.33	$6,160.27	$6,468.80	$6,792.93	$7,132.67
Sr. Accountant	3	1	$50.66	$53.19	$55.85	$58.64	$61.57	$64.65	$67.88	$8,781.07	$9,219.60	$9,680.67	$10,164.27	$10,672.13	$11,206.00	$11,765.87
Executive Assistant II - Board Clerk	3	0	$44.83	$47.07	$49.42	$51.89	$54.48	$57.20	$60.06	$7,770.53	$8,158.80	$8,566.13	$8,994.27	$9,443.20	$9,914.67	$10,410.40
Executive Assistant I - Board Clerk	3	1	$35.12	$36.88	$38.72	$40.66	$42.69	$44.82	$47.06	$6,087.47	$6,392.53	$6,711.47	$7,047.73	$7,399.60	$7,768.80	$8,157.07
Sr. Administrative Analyst	3	0	$40.98	$43.03	$45.18	$47.44	$49.81	$52.30	$54.92	$7,103.20	$7,458.53	$7,831.20	$8,222.93	$8,633.73	$9,065.33	$9,519.47
Administrative Analyst	3	1	$34.14	$35.85	$37.64	$39.52	$41.50	$43.58	$45.76	$5,917.60	$6,214.00	$6,524.27	$6,850.13	$7,193.33	$7,553.87	$7,931.73
Accountant	3	0	$34.14	$35.85	$37.64	$39.52	$41.50	$43.58	$45.76	$5,917.60	$6,214.00	$6,524.27	$6,850.13	$7,193.33	$7,553.87	$7,931.73
Administrative Assistant	3	0	$30.59	$32.12	$33.73	$35.42	$37.19	$39.05	$41.00	$5,302.27	$5,567.47	$5,846.53	$6,139.47	$6,446.27	$6,768.67	$7,106.67
Office Specialist/Receptionist	3	0	$25.51	$26.79	$28.13	$29.54	$31.02	$32.57	$34.20	$4,421.73	$4,643.60	$4,875.87	$5,120.27	$5,376.80	$5,645.47	$5,928.00
TOTAL FULL-TIME EMPLOYEE COUNT		10														

Classifications:

Type 1: Exempt - Executive Management

Type 2: Exempt - Mid-Management/Supervisor

Type 3: Non-Exempt (Operations)

Type 3: Non-Exempt (Administration)

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April 2026

Chino Basin Watermaster Engineering Services *for Fiscal Year 2026/27*

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PREPARED FOR

Chino Basin Watermaster

PREPARED BY

WEST YOST
Water. Engineered.

Table of Contents

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Chino Basin Watermaster Engineering Services
Fiscal Year 2026/27

EXECUTIVE SUMMARY

This document summarizes a proposed scope-of-work and cost estimate for Watermaster Engineering Services in fiscal year (FY) 2026/27. For each engineering task in this summary, the following information is provided:

- **Cost Estimate**. This is the estimated cost to complete the task in FY 2026/27, which includes all costs for Watermaster Engineer labor, equipment rentals, laboratory analyses, travel, other subcontractors, etc. Subcontractor costs are passed through with no additional "markup." The cost estimates include costs that will be covered by cost sharing partners (e.g., IEUA) and/or carryover budget from the prior FY. Hence, the cost to the Watermaster Parties in 2026/27 will be less than the costs stated herein for those tasks with cost share and/or carryover funding.
- **Rationale**. This is a description of why the task is being proposed for FY 2026/27, including references to associated regulatory requirements, Court Orders, CEQA requirements, or agreements.
- **Scope**. This is a summary description of the scope of work required to complete the task.
- **Deliverables**. This is a summary of the task deliverables.

This summary is accompanied by four tables that describe the cost estimates in more detail and compare the cost estimates to the prior year Watermaster budget:

- **Table 1.** This is a detailed line-item cost estimate for each proposed task. It includes totals for the following:
  - **Total Engineering Cost Estimate**. The total cost to complete the task in 2026/27, including Watermaster Engineer labor, equipment rentals, laboratory analyses, travel, other subcontractors, etc.
  - **IEUA Cost Share**. The amount of Total Engineering Cost Estimate covered by IEUA under cost sharing agreements.
  - **Watermaster Engineering Cost Estimate**. The Total Engineering Cost Estimate minus the IEUA Cost Share.
  - **Expected Watermaster Carryover**. The estimated amount of unspent approved budget for work planned for FY 2025/26 that is now expected to be performed in FY 2026/27.[1]
  - **Proposed Watermaster Budget for Engineering Services 2026/27**. The Watermaster Engineering Cost Estimate minus Expected Carryover. This is the estimated costs that would be assessed to the Watermaster parties for 2026/27.
- **Table 2.** This table compares the Watermaster Engineering Cost Estimates for FY 2026/27 versus 2025/26.
- **Table 3**. This table explains the variances between the Watermaster Engineering Cost Estimates for FY 2026/27 versus 2025/26 for the tasks with variances greater than $15,000.

[1] The expected Watermaster carryover does not include the portion of carryover that IEUA would be responsible for in a cost-share; for cost-share projects that assume carryover, IEUA's portion of carryover is included in the "IEUA Cost Share" column.

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- **Table 4.** This table breaks down the Total Engineering Cost Estimate into the various expense categories of labor and other direct costs.

The total proposed cost estimate for engineering services in FY 2026/27 is $3,513,272. Cost sharing contributions by IEUA (~$201,975) reduces the estimated costs for Watermaster engineering services to $3,272,047, which is about $171,357 less than the Watermaster engineering costs for FY 2025/26. Currently, it is estimated that about $39,250 of the Watermaster engineering costs will be funded via carryover funds from the FY 2025/26 budget.

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8306, 8506, 8406, 6206, 6306 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Pool, Advisory, Watermaster Meetings

	Cost Estimate
Consultant Labor	$114,448
Other Direct Costs	$2,387
Total	**$116,835**

Rationale

The Watermaster General Manager and/or the Watermaster Board may direct West Yost to prepare for and attend the following meetings:

- Watermaster Pool meetings (Appropriative, Agricultural, and Overlying Non-Agricultural)
- Watermaster Advisory Committee meetings
- Watermaster Board meetings

Watermaster meetings are assumed to occur in all months except August and December.

Scope of Work

For each meeting, West Yost will prepare engineering updates with supporting maps, charts, tables, handouts, and PowerPoint presentations, as appropriate. West Yost shall also participate in conference calls with Watermaster's General Manager and staff to prepare for the meetings and may be asked by Watermaster staff to help prepare staff reports for business items.

Deliverables

West Yost will deliver the following to Watermaster:

- Maps, charts, tables, handouts, and PowerPoint presentations prepared by West Yost for the meetings.
- Other as-requested deliverables.

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6901.8, 5901.8 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Other General Meetings as Requested

	Cost Estimate
Consultant Labor	$78,416
Other Direct Costs	$1,909
Total	**$80,325**

Rationale

The Watermaster General Manager and/or the Watermaster Board may direct West Yost to prepare for and attend the following meetings:

- Other general meetings as requested by Watermaster's General Manager or Board.
- Coordination conference calls with Watermaster's General Manager and staff.

Work on this task will be performed only upon request by Watermaster's General Manager or the Board.

Scope of Work

For each meeting, West Yost will prepare supporting maps, charts, tables, handouts, and PowerPoint presentations, as appropriate, and may participate in conference calls to coordinate with Watermaster staff prior to or following the meetings.

Deliverables

West Yost will deliver the following to Watermaster:

- Maps, charts, tables, handouts, and PowerPoint presentations prepared by West Yost for the meetings.
- Other as-requested deliverables.

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5935 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Material Physical Injury Requests, Others

	Cost Estimate
Consultant Labor	$36,096
Other Direct Costs	$0
Total	**$36,096**

Rationale

At the direction of the Watermaster General Manager, West Yost will conduct a material physical injury analysis for each transfer application, storage application, and recharge application, or as otherwise directed by Watermaster and pursuant to the Peace Agreement and the Rules and Regulations. Specifically, Article 10 of the Watermaster Rules and Regulations (paragraph 10.10) requires that:

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

Per the Peace Agreement (page 8), material physical injury is defined as:

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

Scope of Work

This task provides engineering services to assist Watermaster staff in the evaluation of transfer, storage, and recharge applications. Occasionally, Watermaster staff requires engineering services in the evaluation of such transfers. Material physical injury analyses anticipated the fiscal year will cover water transfers among the parties, recharge applications, and storage application, as directed by Watermaster.

Deliverables

The deliverables for this work will be defined by specific Watermaster direction for projects requiring MPI analyses.

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5906.71 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Miscellaneous General Manager and Data Requests – from Watermaster Staff

	Cost Estimate
Consultant Labor	$112,352
Other Direct Costs	$300
Total	**$112,652**

Rationale

The Watermaster General Manager and/or Watermaster staff may direct West Yost to perform specific technical analyses and/or respond to miscellaneous data requests related to Chino Basin optimum management. The recommended budget estimate is based on prior years' experience.

Scope of Work

West Yost shall perform the following tasks:

- Perform ad hoc analyses and review of documents requested by the Watermaster General Manager and/or Watermaster staff.
- Fulfill requests from the Watermaster General Manager and/or Watermaster staff, including the preparation of PowerPoint presentations, maps, charts, and technical reports.
- Fulfill requests for hydrologic data, model files, model analyses, PowerPoint presentations, maps, charts, technical reports, etc., as requested by Watermaster staff.

Deliverables

West Yost shall deliver to Watermaster data-request deliverables as well as PowerPoint presentations, maps, charts, and technical reports, as requested.

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5906.72 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Miscellaneous Data Requests – from Non-Watermaster Staff, Watermaster Parties, and Non-Watermaster Entities

	Cost Estimate
Consultant Labor	$58,316
Other Direct Costs	$0
Total	**$58,316**

Rationale

The Watermaster General Manager and/or Watermaster staff may direct West Yost to perform specific technical analyses and/or respond to miscellaneous data requests from Watermaster parties, non-Watermaster staff, and non-Watermaster entities. The recommended budget estimate is based on prior years' experience.

Scope of Work

West Yost shall perform the following tasks:

- Perform ad hoc analyses requested by Watermaster parties, non-Watermaster staff, and non-Watermaster entities, as directed by the Watermaster General Manager and/or Watermaster staff.
- Fulfill requests for hydrologic data, model files, model analyses, PowerPoint presentations, maps, charts, technical reports, etc. requested by Watermaster parties, non-Watermaster staff, or non-Watermaster entities, as directed by Watermaster staff.

Deliverables

West Yost shall deliver to Watermaster the data-request deliverables as well as PowerPoint presentations, maps, charts, and technical reports, as requested by the Watermaster General Manager and/or Watermaster staff.

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6901.95 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

SGMA Reporting Requirement for April 1, 2027 WC Section 10720.8 (f).

	Cost Estimate
Consultant Labor	$24,858
Other Direct Costs	$0
Total	**$24,858**

Rationale

The Sustainable Groundwater Management Act (SGMA) has a requirement that the Watermaster or a local agency of an adjudicated basin identified in WC Section 10720.8(a) submit specific data, information, and reports for the previous water year annually to the California Department of Water Resources (DWR) by April 1 of each year. Pursuant to SGMA WC Section 10720.8(f), Watermaster is required to submit:

(A) Groundwater elevation data unless otherwise submitted pursuant to WC Section 10932
(B) Annual aggregated data identifying groundwater extraction
(C) Surface water supply used for or available for use for groundwater recharge or in-lieu use
(D) Total water use
(E) Change in groundwater storage
(F) The annual report submitted to the court

Scope of Work

The reporting period is water year 2025/26. Item (A) has already been submitted for the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, so no further data will be reported pursuant to the SGMA. Items (B) through (D) and (F) will be compiled from the appropriators, the IEUA, and Watermaster. Item (E) is a result from the Chino Basin groundwater model that will be updated with data through September 30, 2026. The change in storage will be estimated from the resulting water budget table for water year 2025/26.

The DWR has implemented an Adjudicated Basin Annual Reporting System, which is an on-line submission system that consists of specialized reporting templates for entering all the required information and provides the capability to upload supporting documents and reports. A Technical Memorandum will be prepared for Watermaster, explicitly documenting the information for Items (A) through (F) that will be populated into the reporting templates for the April 1 submittal.

Deliverables

West Yost shall deliver the following to Watermaster:

- A draft memorandum that documents the information submitted to the DWR Adjudicated Basin Annual Reporting System.
- The draft Memorandum will be submitted to Watermaster in February 2027 for Watermaster review and comment.
- The final Memorandum will be submitted to Watermaster by March 4, 2027 for review and approval by the Watermaster Pools, Advisory Committee, and Board.
- The required information and documents will be submitted to the DWR using the Adjudicated Basin Annual Reporting System by April 1, 2027.

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6906 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Project Management

	Cost Estimate
Consultant Labor	$67,966
Other Direct Costs	$0
Total	**$67,966**

Rationale

This task is for routine project management and the preparation of quarterly estimated-cost-at-completion reports.

Scope of Work

West Yost shall perform routine project management services, including:

- Set up and update the Integrated Schedule Budget Management (ISBM) system.
- Prepare, execute, and set up accounting for supplemental notice to proceeds and budget authorizations
- Analyze staffing requirements and make assignments for various tasks.
- Review the schedules of deliverables.
- Prepare monthly budget summary tables.
- Prepare the Estimated Cost at Completion (ECAC) and Earned Value (EV) estimates.
- Prepare quarterly progress reports on progress, schedule, and ECAC for Watermaster staff
- Attend joint Watermaster/West Yost senior staff meetings.
- Attend Watermaster budget workshops.

Deliverables

West Yost shall deliver the following to Watermaster:

- Quarterly summary of costs to date, ECACs, and estimates of progress on a task-by-task basis.
- Monthly budget summary tables.

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6906.1 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Watermaster Model Update and Required Demonstrations

	Task 1	Task 2	Total
Consultant Labor	$78,388	$10,000	$88,388
Other Direct Costs	$0	$0	$0
Total	**$78,388**	**$10,000**	**$88,388**

Rationale

Watermaster updated its groundwater models in 2007, 2013, 2020, and 2025. Watermaster applies its groundwater model to estimate net recharge and Safe Yield, to assess the state of hydraulic control, to assist with SGMA compliance, to conduct material physical injury assessments, to assist in the development of a storage framework and Storage Management Plan, and to support the development of TDS and nitrate concentration changes in the basin.

Activities historically performed in this task have included: the assessment of the adequacy of supplemental water recharge capacity pursuant to Section 7.3 of the Peace II Agreement; the evaluation of the balance of recharge and discharge; and the evaluation of the cumulative effects of transfers. Each year since 2012, a technical assessment of the adequacy of supplemental water recharge capacity was completed and reported to the Watermaster pursuant to Section 7.3 of the Peace II Agreement.

The evaluation of the balance of recharge and discharge and the cumulative effects of transfers was initiated in FY 2025/26 and will be completed in FY 2026/27 following the completion of the groundwater model update in summer 2026 (the 2025 Safe Yield Reevaluation). This effort will include the evaluation of the adequacy of the 6,500 afy supplemental water recharge requirement pursuant to Section 8.4(e) of the Peace II Agreement.

The work anticipated for this line item in FY 2026/27 includes the evaluation of the balance of recharge and discharge and the cumulative effect of transfers and the preparation of annual finding of compliance with Section 7.3 of the Peace II Agreement.

Scope of Work

The consultant shall perform the following tasks:

- **Task 1 – Evaluate the Balance of Recharge and Discharge and the Cumulative Effects of Transfers**
  - Task 1.1—Collect, Compile, and Review Data to Update Historical Hydrology and Prepare Annual Estimate of Balance of Recharge and Discharge. The evaluation of the balance of recharge and discharge is a retrospective analysis of the water budgets in each of the five OBMP management zones (MZs) from the period of July 1, 2020 through June 30, 2026. The consultant will collect and/or compile the necessary data to replace the projection data in the 2025 Chino Valley Model (CVM) for this period, including hydrologic data, pumping data, and recharge data.
  - Task 1.2—Evaluate the Minimum Recharge Quantity in MZ-1. This task will include preparing and running an alternative scenario of the historical model (Task 1.1) to simulate the impact of varying supplemental water recharge in MZ-1. The alternative scenario will be compared to the historical model, and the results will be compared to evaluate whether the minimum recharge quantity in MZ-1 should be greater than 6,500 acre-feet per year. The scope of this task will be precisely defined by the end of FY 2025/26.

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- Task 1.3—Compile the Historical Transfers in the Chino Basin and Determine the Annual Avoided Wet-Water Replenishment. The consultant will use the Watermaster Assessment Packages to calculate the avoided wet-water replenishment by Party by year.
- Task 1.4—Evaluate Basin Response to the Water Replenishment That Would Have Occurred in the Absence of Transfers. In this task, the consultant will create a new scenario that will be identical to the calibration run of the 2025 CVM, with imported water recharge increased to the volume that would have occurred in the absence of transfers for the period of July 1, 2000 through June 30, 2026. This scenario will be simulated and compared to the 2025 CVM calibration run (extended through June 30, 2026 in Task 1.1) and to determine the cumulative effect of transfers on the basin.
- Task 1.5—Prepare Report. In this task, the consultant will document the work in Tasks 1.1 through 1.4.

- **Task 2 Prepare Finding of Substantial Compliance.** The work required for this task includes review and update of planning information, testing the adequacy of existing wet-water recharge capacity to meet future wet-water replenishment obligations, and preparation of a technical memorandum to document substantial compliance as required by Section 7.3 of the Peace II Agreement.

Deliverables

For Task 1, West Yost will prepare a report for Watermaster documenting the evaluation of the balance of recharge and discharge, the minimum recharge quantity in MZ-1, and the cumulative effects of transfers.

For Task 2, West Yost will deliver a technical memorandum to Watermaster documenting the annual finding of substantial compliance.

DRAFT

5945 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

Assist Watermaster in Preparing the 49th Annual Report

	Cost Estimate
Consultant Labor	$18,334
Other Direct Costs	$0
Total	**$18,334**

Rationale

This work is required by the Chino Basin Judgment and the Sustainable Groundwater Management Act.

Scope of Work

This task includes support services to assist Watermaster staff in the preparation of the Watermaster's 49th Annual Report documenting Watermaster's activities and water accounting for FY 2025/26. West Yost will work closely with Watermaster staff and their contractor Martin Rauch to provide as-requested support to collect data and prepare content for the Annual Report.

Deliverables

West Yost's deliverables and associated schedule will be defined by Watermaster upon project kick-off in July 2026.

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6906.21 – OBMP/JUDGMENT ADMIN GENERAL ENGINEERING

2026 State of the Basin Report

	Cost Estimate
Consultant Labor	$169,740
Other Direct Costs	$0
Total	**$169,740**

Rationale

Pursuant to the November 15, 2001 Court Order, Watermaster prepares a State of the Basin report every two years. The State of the Basin reports are used to document how the state of the basin has changed since the implementation of the Peace Agreement in September 2000. The scope of the report includes a characterization of the time histories of groundwater levels and quality, storage, production, recharge (replenishment and other recharge), ground level, state of hydraulic control, desalter planning and engineering, and production meter installation.

Scope of Work

The consultant shall perform the following tasks:

- Compile and analyze production data for FY 2024/25 and FY 2025/26 and prepare exhibits showing production activities by pool and historical trends in production.
- Compile and analyze recharge and recycled water reuse data for FY 2024/25 and FY 2025/26 and prepare exhibits showing groundwater recharge trends.
- Compile and analyze surface water, climate, and land use data and prepare exhibits that show general hydraulic conditions and storage in the Basin.
- Analyze basin-wide water quality and prepare maps that show five-year maximum concentrations for constituents of concern, and historical trends in TDS and nitrate by management zone.
- Prepare rasters depicting the current extent of the VOC plumes.
- Analyze basin-wide groundwater levels and prepare that show historical trends in groundwater levels by management zone with production and recharge trends.
- Create groundwater elevation contours for spring 2026 for the entire basin and the HCMP area.
- Perform raster calculations and comparisons of groundwater-elevation changes that occurred between spring 2000 and spring 2026.
- Compile and analyze ground-level monitoring data for 2021 through 2026 and prepare exhibits showing trends in vertical ground motion in MZ1 and MZ2, and time histories of groundwater pumping, aquifer recharge, groundwater levels, and ground motion in these areas.
- Prepare text to describe analysis of hydrology, storage, production, recharge, groundwater levels, and groundwater quality
- Update ArcGIS Story Map graphics and text.

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Deliverables

The West Yost will deliver an updated web-based online interactive State of the Basin Report in ArcGIS StoryMaps. A draft online version will first go to Watermaster staff for review. A final version will be published on Watermaster's website. A digital export of the State of the Basin in a pdf format will be prepared for filing for the court.

The ArcGIS Online State of the Basin is a new format developed for the 2024 State of the Basin effort. Preparing the 2026 State of the Basin in this online format will result in cost savings because the foundational structure and workflows have already been established, and the effort is less intensive than producing a traditional report.

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7502, 7505 – PE1: COMPREHENSIVE MONITORING PROGRAM

Groundwater and Surface Water Quality Monitoring Program

	Cost Estimate
Consultant Labor	$222,534
Other Direct Costs	$51,500
Total	**$274,034**

Rationale

The OBMP, Peace Agreements, and Implementation Plan all call for a key-well monitoring program for groundwater quality as part of Program Element 1.[2] The data generated in Program Element 1 are used for the Biennial State of the Basin Report, the Groundwater Model update and calibration, material physical injury assessments, the evaluation of non-point source groundwater contamination and plumes associated with point-source discharge, Hydraulic Control demonstrations, the Triennial Ambient Water Quality Recomputation[3], and evaluation of groundwater/surface water interaction near riparian habitat in the Prado Basin. The groundwater-quality and surface water monitoring programs, as currently implemented, meet the minimum requirements for all the above uses.

The Hydraulic Control Monitoring Program (HCMP)[4] and the Prado Basin Habitat Sustainability Program (PBHSP)[5] are regulatory monitoring programs with groundwater and surface water monitoring components. Data collected for the HCMP and PBHSP are also used for all other basin-wide uses.[6]

Scope of Work

West Yost shall perform the following tasks:

- Assist Watermaster staff in conducting annual sampling at approximately 28 private wells and 11 monitoring wells between July and October 2026. Samples are sent to Clinical Laboratories for analysis. Sub-tasks include:
  - Annual re-evaluation of wells to sample for the key-well monitoring program.

[2] OBMP Program Element 1—*Develop and Implement Comprehensive Monitoring Program.*

[3] The Hydraulic Control demonstrations and the Triennial Ambient Water Quality Recomputation are salt-management requirements of the Basin Plan: http://www.swrcb.ca.gov/santaana/water_issues/programs/basin_plan/docs/chapter5.pdf

[4] The HCMP surface water and groundwater monitoring programs are maximum-benefit requirements are salt-management requirements of the Basin Plan: http://www.swrcb.ca.gov/santaana/water_issues/programs/basin_plan/docs/chapter5.pdf and are more specifically described in 2014 HCMP Work Plan.

[5] Pursuant to Mitigation Measure 4.4-3 in the Peace II CEQA SEIR, the PBHSP adaptive monitoring program includes groundwater and surface water monitoring components to ensure that Peace II Agreement activities to not adversely impact Prado Basin riparian habitat. The PBHSP is an adaptive monitoring program that is implemented under the guidance of the Prado Basin Habitat Sustainability Committee (PBHSC) with an annual process of evaluating results and interpretations of the monitoring data and adjusting the monitoring as needed. In FY 2024/25 the proposed PBHSP groundwater and surface water monitoring includes utilization of 15-minute temperature and specific conductance (EC) data measured in the transducers at the PBHSP monitoring wells, and the collection of field water quality parameters quarterly at four surface water sites along Mill and Chino Creeks. For efficiency, the work to download, process, and upload the 15-minute temperature and EC data at the wells is included with the PBHSP transducers in the Groundwater Level Monitoring Program 7104.3.

[6] Watermaster's groundwater quality monitoring program includes annual sampling at the 21 HCMP monitoring wells and triennial monitoring at the 17 PBHSP wells as part of the basin-wide monitoring program to be used for Watermaster's various purposes and characterization of water quality.

  - Perform field work to sample a portion of the wells on an as-needed basis.[7]
  - Process, perform quality assurance/quality control (QA/QC), review all field and laboratory data, and upload to HydroDaVE.
  - Coordinate and perform field oversight for well rehabilitation, well maintenance, and monitoring support on an as-needed basis.
- Obtain groundwater-quality and surface water-quality data routinely for about 1,100 wells and 50 surface water sites and from all appropriators and cooperators in and immediately adjacent to the Chino Basin. This includes collecting data from about 30 open investigation clean-up sites in the Chino Basin with data available on the GeoTracker[8] and EnviroStor[9] websites and checking for any new sites on GeoTracker and EnviroStor with confirmed or potential impacts to groundwater quality. All data collected are checked for reasonableness and compiled into HydroDaVE's centralized database. Subtasks include:
  - Place phone calls, send emails, and attend meetings with the water quality staff of appropriators and other cooperating parties.
  - Collect, process, review, and upload hardcopy, spreadsheet, database, and laboratory electronic data deliverables to HydroDaVE.
- Obtain groundwater and surface water quality data for the HCMP. West Yost shall perform the following tasks:
  - Collect and analyze annual groundwater-quality samples from the 21 HCMP monitoring wells, and quarterly groundwater-quality samples from the two USGS National Water-Quality Assessment Program (NAWQA) and two Santa Ana River Water Company (SARWC) wells. Samples are sent to Clinical Laboratories for analysis. Subtasks include:
    - Schedule field work and coordinate with analytical laboratory.
    - Perform field work. Field work follows the SOPs defined in the 2014 HCMP Work Plan.
    - Process, QA/QC, and upload field and laboratory data to HydroDaVE.
  - Collect and analyze quarterly surface-water quality grab samples at two specified surface-water stations on the Santa Ana River. Samples are sent to Clinical Laboratories for analysis. Subtasks include:
    - Schedule field work and coordinate with analytical laboratory.
    - Perform field work. Field work follows the SOPs defined in the 2014 HCMP Work Plan.
    - Process, QA/QC, and upload field and laboratory data to HydroDaVE.
- Collect, compile, review, and upload the following surface water data to HydroDaVE twice per year:
  - Daily discharge data from POTW discharge locations upstream of Prado Dam.

[7] An as-needed field budget is provided in the event that Watermaster staff needs assistance in completing the water quality sampling program during the target monitoring period of July 2026 through October 2026. The field work will be performed on an as-needed basis, as directed by Watermaster staff.

[8] http://geotracker.waterboards.ca.gov/

[9] http://www.envirostor.dtsc.ca.gov/public/

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  - Surface water discharge at six USGS gaging stations along the Santa Ana River and tributaries upstream of Prado Dam.
- Collect, review, and upload quarterly surface water quality field parameters for four surface water sites on Chino Creek and Mill Creek for the PBHSP:
  - Perform field work.
  - Process, QA/QC, and upload field data to HydroDaVE.

Deliverables

West Yost shall deliver the following to Watermaster no later than the date or dates indicated:

- All groundwater-quality data from the key well sampling program will be uploaded to HydroDaVE by December 31, 2026.
- All available groundwater-quality data collected from Chino Basin appropriators and cooperators for the January 1, 2026 to June 30, 2026 period will be uploaded to HydroDaVE by October 31, 2026.
- All available groundwater-quality data collected from Chino Basin appropriators and cooperators for the July 1, 2026 to December 31, 2026 period will be uploaded to HydroDaVE by April 30, 2027.
- All annual groundwater-quality data collected at the 21 HCMP monitoring wells, during August 2026 will be uploaded to HydroDaVE by September 30, 2026.
- All quarterly groundwater-quality data collected at the two NAWQA and two SARWC wells during July 2026, October 2026, January 2027, and April 2027, will be uploaded to HydroDaVE by August 31, 2026, November 30, 2026, February 28, 2027, and May 31, 2027, respectively.
- All quarterly surface water-quality data collected at the two Santa Ana River sites and surface water quality field parameters collected at four Chino Creek and Mill Creek sites during July 2026, October 2026, January 2027, and April 2027, will be uploaded to HydroDaVE by August 31, 2026, November 30, 2026, February 28, 2027, and May 31, 2027, respectively.
- All POTW surface water quality and discharge data for POTWs, and discharge data for the USGS gaging stations for January 2026 through September 2026 will be uploaded to HydroDaVE by November 30, 2026, and for October 2026 through December 2026 will be uploaded to HydroDaVE by February 28, 2027.

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7104.3, 7104.8, 7104.9 – PE1: COMPREHENSIVE MONITORING PROGRAM

Groundwater-Level Monitoring Program

	Cost Estimate
Consultant Labor	$299,364
Other Direct Costs	$60,185
Total	**$359,549**

Rationale

The OBMP, the Peace Agreements, and the Implementation Plan all call for a key well monitoring program for groundwater levels as part of Program Element 1. The data generated in Program Element 1 are used for the Biennial State of the Basin Report, Hydraulic Control demonstrations, land-subsidence monitoring, Groundwater Model development and recalibration, material physical injury assessments, the periodic assessment of Safe Yield, the estimation of storage change, evaluating the impacts of desalter production on nearby private wells, the California Statewide Groundwater Elevation Monitoring (CASGEM) Program,[10] the Triennial Ambient Water Quality Recomputation, and the monitoring of water levels near riparian habitat in Prado Basin to evaluate potential impacts from Peace II Agreement activities.[11] Hydraulic Control demonstrations and the Triennial Ambient Water Quality Recomputation are required by the Basin Plan.[12] The groundwater-level monitoring program, as currently implemented, meets the minimum requirements for all the above uses.

Scope of Work

West Yost shall perform the following tasks:

- Collect and compile groundwater-level measurements from about 1,200 wells. Of the 1,200 wells, about 140 wells are equipped with transducers that measure water levels every 15-minutes that are visited and downloaded quarterly by West Yost and Watermaster field staff. At about 50 wells, groundwater-level measurements are measured by Watermaster staff monthly. At about 1,000 wells in and immediately adjacent to the Chino Basin, groundwater-level measurements are measured by appropriators and cooperators, and the data are collected by West Yost or are provided to West Yost from the Watermaster. All data are checked for reasonableness regarding historical data at the well, converted from depth-to-water to groundwater-level elevation, and compiled into the centralized HydroDaVE database. Sub-tasks include:
  - Schedule field work for West Yost field staff.

[10] The California Department of Water Resources (DWR) developed the CASGEM Program in accordance with California State Senate Bill SB 6, which was passed in November 2009. CASGEM is a comprehensive groundwater-elevation monitoring program that utilizes locally implemented monitoring programs to track seasonal and long-term groundwater elevations in the state's alluvial groundwater basins and subbasins, as defined in DWR Bulletin 118. Pursuant to California Water Code Section 10927, Watermaster is the monitoring entity for the Chino and Cucamonga Groundwater Subbasins.

[11] Pursuant to Mitigation Measure 4.4-3 in the Peace II CEQA SEIR, monitoring described in the Adaptive Management Plan for the PBHSP is implemented to ensure that Peace II Agreement activities to not adversely impact Prado Basin riparian habitat.

[12] The Hydraulic Control demonstrations and the Triennial Ambient Water Quality Recomputation are salt-management requirements of the Basin Plan: http://www.swrcb.ca.gov/santaana/water_issues/programs/basin_plan/docs/chapter5.pdf

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- Perform field work to download and maintain approximately 100 transducers for various monitoring wells in Watermaster's monitoring network. (Field work follows the Standard Operating Procedures [SOPs] defined in the 2014 HCMP Work Plan.)
- Purchase and install replacement transducers and direct-read cables as needed for all wells in the transducer monitoring programs.
- Perform field work on an as-needed basis[13] to download transducer data from 30 wells routinely downloaded by Watermaster staff.
- Review and upload manual groundwater-level measurements collected by Watermaster staff monthly to HydroDaVE.
- Process, review, and upload transducer data downloaded quarterly by West Yost staff into HydroDaVE.
- Process, review, and upload cooperator groundwater-level measurements collected by West Yost to HydroDaVE.
- Review and upload transducer data downloaded quarterly by Watermaster staff, and Appropriative pool water-level measurements collected by Watermaster staff to HydroDaVE.
- Annually reevaluate the key well program due to abandoned and destroyed wells.
- Submit groundwater-level data collected at 46 wells to the Chino and Cucamonga CASGEM program[14] on a biennial basis (fall and spring).
- Help coordinate and contract subcontractors for as-needed well maintenance and rehabilitation services for wells in the monitoring network.

Deliverables

West Yost shall deliver the following to Watermaster no later than the date or dates indicated:

- All available groundwater-level data collected manually in the field or downloaded from transducers for the period of July 1, 2026 through September 31, 2026 will be uploaded to HydroDaVE by October 15, 2026.
- All available groundwater-level data collected manually in the field or downloaded from transducers for the period of October 1, 2026 through December 31, 2026 will be uploaded to HydroDaVE by January 15, 2027.
- All available groundwater-level data collected manually in the field or downloaded from transducers for the period of January 1, 2027 through March 31, 2027 will be uploaded into HydroDaVE by April 7, 2027.

[13] An as-needed budget is provided in the event that Watermaster staff needs assistance in completing the transducer downloads during the target monitoring period for each quarterly download event. The quarterly download of all wells should be completed during the first month at the beginning of each FY quarter—July 2026; October, 2026; January 2027; and April, 2027. Field work will be performed on an as-needed basis, as directed by Watermaster staff.

[14] Watermaster is the designated Monitoring Entity for the Chino and Cucamonga Basins CASGEM program. CASGEM is a mandated statewide monitoring and reporting program for the entire State of California, per the amended California State Water Code SBx7-6 in November 2009.

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- All available groundwater-level data collected manually in the field or downloaded from transducers for the period of April 1, 2027 through June 10, 2027 will be uploaded to HydroDaVE by June 30, 2027.
- All available groundwater-level data collected from appropriators in the Chino Basin for the April 1, 2026 through June 30, 2026 period will be uploaded to HydroDaVE by September 15, 2026.
- All available groundwater-level data collected from appropriators in the Chino Basin for the July 1, 2026 through September 30, 2026 period will be uploaded to HydroDaVE by December 15, 2026.
- All available groundwater-level data collected from appropriators in the Chino Basin for the October 1, 2026 through December 31, 2026 period will be uploaded to HydroDaVE by March 15, 2027.
- All available groundwater-level data collected from appropriators in the Chino Basin for the January 1, 2027 through March 31, 2027 period will be uploaded to HydroDaVE by May 31, 2027.
- The fall 2026 CASGEM data submittals will be provided to the DWR by December 31, 2026. The spring 2027 CASGEM data submittals will be provided to the DWR by June 30, 2027.
- Complete coordination and contracting of subcontractors as required to perform as-needed well maintenance and rehabilitation services for wells in the monitoring network.
- Purchase and installation of new replacement transducers and direct-read cables as needed throughout the year for all wells in the transducer monitoring programs.

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7402, 7403, 7406, 7408 – PE1: COMPREHENSIVE MONITORING PROGRAM

MZ-1 Ground-Level Monitoring Program

	Cost Estimate
Consultant Labor	$166,718
Other Direct Costs	$61,396
Total	**$228,114**

Rationale

Program Element 4 of the OBMP states that land subsidence and ground fissuring in MZ-1 are not acceptable and, to the extent that the cause is pumping in MZ-1, should be managed to tolerable levels. Watermaster conducts a ground-level monitoring program to support Program Element 4 per the requirements of the Peace Agreement, the subsequently developed and Court-approved Chino Basin Subsidence Management Plan, and the monitoring and mitigation requirements of the Peace II California Environmental Quality Act (CEQA) Supplemental Environmental Impact Report (SEIR).

Scope of Work

West Yost shall perform the following tasks:

- Maintain and replace (if necessary) the existing monitoring equipment at extensometer and well facilities in the MZ-1 Managed Area and the Areas of Subsidence Concern.
- Download, check, and store monitoring data from extensometers, wells, and recharge activities in the MZ-1 Managed Area and the Areas of Subsidence Concern.
- Conduct GPS surveys at four key control points in the Managed, Northwest, Southeast, and Northeast areas:
  - High-precision GPS acquisition at four control points is recommended over traditional benchmark surveys, as it provides a more cost-effective approach for monitoring vertical ground motion in areas of subsidence concern. This approach also allows for verification of InSAR-derived vertical ground motion estimates, supports calibration of 1D compaction models, and establishes reference elevations for future benchmark surveys.
- Conduct InSAR monitoring of ground motion across western Chino Basin from March 2026 to March 2027 using information collected by the TerraSAR-X satellite.

Deliverables

West Yost shall deliver the following to Watermaster no later than the date or dates indicated:

- All ground-level monitoring data, available as of May 1, 2027, will be uploaded into Watermaster's database by June 30, 2027.

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7302, 7306 – PE1: COMPREHENSIVE MONITORING PROGRAM

Prado Basin Habitat Monitoring, Data Analysis and Reporting – 50% IEUA Cost Share

	Cost Estimate[15]
Consultant Labor	$152,861
Other Direct Costs	$13,740
Total	**$166,601**

Rationale

Mitigation Measure 4.4-3 of the Peace II CEQA SEIR (Biological Resources/Land Use & Planning) calls for the IEUA, Watermaster, and the Orange County Water District to form the Prado Basin Habitat Sustainability Committee (PBHSC). The purpose of the PBHSC is to ensure that the Peace II Agreement actions will not significantly or adversely impact the Prado Basin riparian habitat. The responsibilities of the PBHSC are to develop and implement an adaptive monitoring program for the Prado Basin Habitat Sustainability Program (PBHSP) and to prepare annual reports that include recommendations for ongoing monitoring and any adaptive management actions required to mitigate any measured or prospective loss of riparian habitat that is attributable to the Peace II Agreement.

Scope of Work

The PBHSP is implemented as described in the Adaptive Management Plan and recommendations in the Annual Reports. The PBHSP includes the implementation of a monitoring program and the preparation of an annual report. The monitoring program includes monitoring of riparian habitat and all factors that can affect the riparian habitat such as changes in groundwater levels, surface water discharge, climate, and other factors.[16] The PBHSP for FY2026/27 is described in the Recommended Scope and Budget Technical Memorandum of the PBHSP for FY 2026/27 developed through the PBHSC. This work includes the following:

- Collect, compile, and review the following riparian habitat data:
  - High-resolution air photo of the Prado Basin region in July 2026.
  - Landsat remote sensing data in the Prado Basin region over the 2026 water year.
- Collect, compile, review, and upload the 2026 climatic data to HydroDaVE.
- Analyze data and prepare a draft and final 2026 Annual Report of the PBHSC.
- Prepare a Recommended Scope and Budget of the PBHSP for FY 2027/28.
- Prepare for and participate in PBHSC meetings.

[15] IEUA will cost share 50 percent of this task.

[16] The groundwater and surface water monitoring components of the PBHSP are included with Tasks 7103.3 and 7104.3 because the data collected are also used for basin-wide monitoring efforts such as for the Biennial State of the Basin report, groundwater modeling, demonstration of Hydraulic Control, and the triennial Ambient Groundwater Quality Recomputation.

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Deliverables

West Yost shall deliver the following to Watermaster no later than the date or dates indicated:

- All riparian habitat and climatic data through water year 2026 uploaded to HydroDaVE by November 30, 2026.
- High-resolution air photo of the Prado Basin region completed by July 31, 2026.
- A Recommended Scope and Budget memorandum for the PBHSP for FY 2027/28 by March 15, 2027
- Draft Annual Report of the PBHSC by May 10, 2027.
- Final Annual Report of the PBHSC by June 15, 2027.

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7202 – PE1: COMPREHENSIVE MONITORING PROGRAM

Recharge and Well Monitoring Program: Review Documents for Chino Basin Recycled Water GW Recharge Program

	Cost Estimate
Consultant Labor	$24,090
Other Direct Costs	$0
Total	**$24,090**

Rationale

The IEUA and Watermaster are required to submit specific reports as part of the Chino Basin Recycled Water Groundwater Recharge Program (RWGRP). The RWGRP is being implemented by the IEUA and Watermaster as co-permittees. Annual reporting is performed pursuant to the requirements of the following orders:

- California Regional Water Quality Control Board, Santa Ana Region. Order No. R8-2007-0039. Water Recycling Requirements for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, June 29, 2007.
- California Regional Water Quality Control Board, Santa Ana Region. Monitoring and Reporting Program No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, June 29, 2007.
- California Regional Water Quality Control Board, Santa Ana Region. Order No. R8-2009-0057 Amending Order No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, October 23, 2009.
- California Regional Water Quality Control Board, Santa Ana Region. Revised Monitoring and Reporting Program No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water.

Watermaster prepares reports pertaining to the HCMP with IEUA review. IEUA prepares reports pertaining to the RWGRP with Watermaster review.[17]

Scope of Work

West Yost will review quarterly and annual reports prepared by the IEUA for the RWGRP as well as other reports prepared by the IEUA pursuant to the recharge permit. West Yost will also review other reports or as needed analyses prepared by IEUA per the direction of the Regional Board and the California Department of Drinking Water (DDW), such as five-year engineering reports, and additional monitoring orders or required analyses to demonstrate compliance. West Yost will provide comments and recommendations to the IEUA through the Watermaster as the co-permittee.

Deliverables

West Yost will provide comments on the reports and analyses within ten days of their receipt.

[17] This is a component of the "Bright-Line Agreement" between Watermaster and the IEUA.

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5965 – PE1: COMPREHENSIVE MONITORING PROGRAM

Support for Development and Implementation of Improved Data Collection and Visualization Tools

	Cost Estimate
Consultant Labor	$27,626
Other Direct Costs	$0
Total	**$27,626**

Rationale

Watermaster collects and manages multiple datasets from the Watermaster Parties (Parties) and the IEUA to support the management of the Chino Basin pursuant to the 1978 Judgement, the ongoing implementation of the OBMP, and the regulatory requirements of State and local agencies. Additionally, the IEUA requests and collects analogous datasets from some of the Parties located within IEUA's service area. As such, the Parties receive multiple requests for duplicate data and information, and the datasets collected separately by Watermaster and the IEUA can contain discrepancies.

In FY 2019/20, Watermaster requested West Yost to develop a recommendation for an improved data collection and management process to eliminate duplicate data requests, avoid discrepancies between collected datasets, and create a centralized location for Watermaster and IEUA to access the data. The recommended process included a centralized portal and database where data are collected and managed by Watermaster monthly or annually using data templates customized for each Party. IEUA would have access to the portal and database to download and review information on its member agencies. From FY 2020/21 through 2025/26, Watermaster implemented the recommended approach to develop the Data Portal for data collection and management. In FY 2024/25 and FY 2025/26, Watermaster identified additional needs to support the development of online data visualization tools, such as ArcGIS Online, to support Watermaster with field monitoring operations and visualization of uploaded data.

Watermaster plans to launch the Data Portal in FY 2026/27. During this period, West Yost will continue to provide support to Watermaster including as needed requests to support the launch of the Data Portal and development of data visualization tools.

Scope of Work

Support Watermaster with as requested support with:

- Development of Data Portal including updating data-collection template, providing solutions to potential issues, and assisting with describing the new process to the Parties.
- Development of online data visualization tools such as ArcGIS Online and other as needed tools.

Deliverables

The deliverables and associated schedule will be defined by Watermaster staff.

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7202.2 & 6901.95 – PE2: COMPREHENSIVE RECHARGE PROGRAM

SWRCB and CDFW Water Rights Reporting

	Cost Estimate
Consultant Labor	$42,452
Other Direct Costs	$0
Total	**$42,452**

Rationale

Watermaster holds three diversion permits, issued by the SWRCB, that provide authorization to Watermaster to divert and recharge storm and dry-weather discharge. Under this permit, Watermaster is required to conduct the following reporting:

- Annual Streamflow Monitoring Report for Water Rights Permit 21225 to the CDFW, summarizing the findings of a specialized hydrologic assessment of the relative impacts of the diversions of storm water for recharge by Watermaster pursuant to Watermaster's Permit 21225
- Annual Water Rights Reporting to the SWRCB, which includes documentation of water diversion for the prior water year.

Scope of Work

West Yost shall perform the following tasks:

- Task 1 – Annual Streamflow Monitoring Report for Water Rights Permit 21225. This task includes engineering services to prepare a specialized hydrologic assessment of the relative impacts of the diversions of storm water for recharge by Watermaster pursuant to Watermaster's Permit 21225 issued by the State Water Resources Control Board. A report summarizing the analysis is due to the California Department of Fish and Wildlife each year by October 1st. This work involves estimating the discharge to the Santa Ana River from its tributaries that flow across the Chino Basin and where storm water is diverted for recharge. The discharge from these tributaries to the Santa Ana River is estimated with and without the Watermaster diversions for recharge, and the relative changes in discharge are computed. The latest version of the Chino Basin surface water model that was developed for the 2025 Safe Yield Reevaluation will be used for this effort.
- Task 2 – Annual Water Rights Reporting to the SWRCB. This task includes providing as-needed assistance to Watermaster staff to update the "Water Diversion Measurement" section of progress reports for Watermaster's water rights permits. For one of the permitted points of diversion, modeling is needed to estimate diversions. The latest version of the Chino Basin surface water model that was developed for the 2025 Safe Yield Reevaluation will be used for this effort.

Deliverables

West Yost shall deliver the following to Watermaster:

- Task 1 – Annual Streamflow Monitoring Report for Water Rights Permit 21225
  - A letter report entitled, Annual Streamflow Monitoring Report for Water Rights Permit 21225, Fiscal 2025/26, which Watermaster and its attorney will review and forward to the California Department of Fish and Wildlife and State Water Resources Control Board by October 1, 2026.

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  - The draft report will be delivered to Watermaster and its Attorney for review and comment by September 15, 2026.
  - The final report will be delivered to Watermaster and its Attorney by September 27, 2026.
- Task 2 – Annual Water Rights Reporting to the SWRCB
  - Estimates of stormwater recharge, including maximum daily diversions by month by permit.
  - The "Water Diversion Measurement" section of Watermaster's annual progress reports to the SWRCB.
  - Electronic data files required by SWRCB at time of filing.

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7202.2 – PE2: COMPREHENSIVE RECHARGE PROGRAM

General Engineering Services

	Cost Estimate
Consultant Labor	$176,604
Other Direct Costs	$636
Total	**$177,240**

Rationale

Watermaster and the IEUA began implementing the 2013 Amendment to the 2010 Recharge Master Plan (RMPU) in FY 2014/15. The services anticipated in FY 2026/27 include technical support (numerical model simulations, hydraulic calculations, project refinement, conceptual integrity review, etc.) to assist Watermaster and the IEUA in the start-up of the 2013 RMPU projects and evaluate non-2013 RMPU projects, monthly meetings with IEUA and Watermaster staff to review the progress of the RMPU projects, and supporting the implementation of the 2023 RMPU. At Watermaster's request, West Yost will attend quarterly GRCC and RIPComm meetings.

Scope of Work

- Attend GRCC, RIPComm and other meetings with Watermaster and IEUA staff
- Conduct as-needed analysis to support recharge projects
- Support the implementation of the 2013 & 2023 RMPU, including:
  - Perform as-requested technical support for the start-up of the 2013 RMPU projects
  - Refine and implement of the Renewal and Replacement (R&R) Plan including: sharing updated R&R forecasts with Watermaster to obtain feedback and confirm assumptions, meeting with all recharge facilities owners to review assets in 10-year R&R forecast and identify needs for condition assessments, and develop a work plan for conducting condition assessments and other work identified through collaboration with Watermaster.

Deliverables

West Yost will provide guidance and support in the implementation of the 2013 and 2023 RMP. West Yost's deliverables for as-need requests will be determined with each request.

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7202.2 – PE2: COMPREHENSIVE RECHARGE PROGRAM

2028 Recharge Master Plan

	Cost Estimate
Consultant Labor	$338,832
Other Direct Costs	$477
Total	**$339,309**

Rationale

Pursuant to the Peace II Agreement, Watermaster and the IEUA must update and/or amend the Recharge Master Plan for the Chino Basin no less than every five years. The most recent update, the 2023 Recharge Master Plan, was completed and submitted to the Court in October 2023. The next Recharge Master Plan update (RMPU) must be completed and submitted to the Court in 2028.

During FY 2025/26, the "Annual Finding of Substantial Compliance with the Recharge Master Plan" concluded that under low groundwater level conditions (Scenario 5 of the SYR, which represents high demands, high groundwater utilization, and hot/dry climate/hydrology) the supplemental wet-water recharge capacity is sufficient through 2050 if imported water is available every year. If imported water is available one out of five years, the supplemental wet-water recharge capacity will become insufficient to meet projected replenishment obligations after managed storage accounts reach zero (projected to occur around 2044 in Scenario 5). Additionally, there is a potential loss of recharge from the planned development at the existing Turner 4 Basin.

Based on this, Watermaster is interested in considering and evaluating new recharge projects in the 2028 RMPU. Consideration of new projects will likely result in a 2-year effort for completion the 2028 RMPU, and thus work needs to start in FY 2026/27.

Scope of Work

The scope of work for the 2028 RMPU for FY 2026/27 incudes:

- Define objectives and refine scope of work. Under this task, Watermaster will review and refine the scope of the 2028 RMPU through a couple of workshops.
- Develop planning, screening, and evaluation criteria. Under this task Watermaster will develop criteria on how and where to conduct recharge, and to screen and evaluate projects (design, financial, operation, screening and selection criteria) and prepare corresponding section in 2028 RMPU report.
- Describe recharge enhancement opportunities. Under this task, Watermaster will identify potential recharge projects, screen them based on the defined criteria, and determine which project to analyze further.

The work to prepare the 2028 RMPU will continue through October 2028.

Deliverables

West Yost shall deliver the following to Watermaster:

- Workshop agendas, prep materials and notes.
- Documentation of the scope of work to prepare the 2028 RMPU through completion in October 2028.
- Description of the selected planning, screening, and evaluation criteria for project selection.

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7303 – PE3/5: WATER SUPPLY PLAN – DESALTERS

Engineering Support for Desalters

	Cost Estimate
Consultant Labor	$21,760
Other Direct Costs	$0
Total	**$21,760**

Rationale

The 2004 Basin Plan Amendment approved by the Regional Board and the State Water Resources Control Board established the "maximum benefit" objectives and established certain milestones that must be achieved by Watermaster and the IEUA. To demonstrate compliance with the Regional Board order, Watermaster and the IEUA agreed to achieve Hydraulic Control. The well fields of the Chino Basin Desalter Authority (CDA) are critical to the achievement and maintenance of Hydraulic Control and the demonstration of maximum benefit. The CDA periodically requests from the Watermaster technical assistance, data, information, and attendance at meetings with regulators to support desalter expansion and operations, and the development and implementation of a monitoring and reporting plan for the CDA clean-up project funded by Prop 1 Grant Agreement No. D1712507.

Scope of Work

West Yost shall perform the following tasks at the discretion of the Watermaster General Manager:

- Review and prepare comments on CDA status reports.
- Perform ad hoc analyses requested by the Watermaster General Manager or the CDA.
- Fulfill requests for hydrologic data, model files, model analyses, PowerPoint presentations, maps, charts, technical reports, etc., as requested by the CDA or its consultants.
- Attend meetings and conference calls, as requested by the CDA or its consultants.

Deliverables

West Yost shall deliver the following, at the discretion of the Watermaster General Manager:

- Written comments on the CDA status reports, as requested by the Watermaster general manager.
- PowerPoint presentations, maps, charts, model files, data, technical reports, and recommendations as requested by the CDA.
- Written summaries of meetings.

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7402 – PE4: MANAGEMENT ZONE STRATEGIES

MZ-1: Data Analyses, Reports, Meetings, and Administration

	Cost Estimate
Consultant Labor	$125,858
Other Direct Costs	$364
Total	**$126,222**

Rationale

Program Element 4 of the OBMP states that land subsidence and ground fissuring in MZ-1 are not acceptable and, to the extent that the cause is pumping, should be managed to tolerable levels. Watermaster conducts a ground-motion monitoring program to support Program Element 4 per the requirements of the Peace Agreement, the subsequently developed Court-approved MZ-1 Subsidence Management Plan (MZ-1 Plan) and its revisions (2015 Chino Basin Subsidence Management Plan), and the monitoring and mitigation requirements of the Peace II CEQA SEIR. The 2015 Chino Basin Subsidence Management Plan calls for the annual evaluation of data derived from the monitoring program and revisions to the Subsidence Management Plan and/or the monitoring program if necessary.

Scope of Work

West Yost shall perform the following tasks:

- Prepare the draft FY 2025/26 Annual Report for the Ground Level Monitoring Program (GLMP).
- Finalize the FY 2025/26 Annual Report for the GLMP based on comments received from the Ground Level Monitoring Committee (GLMC).
- Analyze all data collected during FY 2026/27 under the GLMP to support the preparation of the FY 2026/27 Annual Report for the GLMP. These data include groundwater levels, groundwater production, aquifer recharge, aquifer-system deformation, tectonic deformation, pumping test results, ground-level and GPS surveys, horizontal strain, and InSAR.
- Conduct meetings with the GLMC to review the data and analyses and develop a list of potential activities and cost estimates for FY 2027/28.

Deliverables

West Yost will deliver the following to Watermaster no later than the date or dates indicated:

- The FY 2025/26 Annual Report for the GLMP by November 2, 2026, featuring charts and maps of monitoring data, conclusions regarding the protective nature of the Subsidence Management Plan, the Watermaster-approved activities for the next fiscal year (FY 2026/27), and the revised Subsidence Management Plan, if revisions are necessary.
- Recommended scope of services and budget for the GLMP in FY 2027/28 by April 1, 2027, to support the Watermaster's budgeting process.

DRAFT

7402.1 – PE4: MANAGEMENT ZONE STRATEGIES

MZ-1: Develop a Subsidence Management Plan for Northwest MZ-1

	Cost Estimate
Consultant Labor	$107,696
Other Direct Costs	$0
Total	**$107,696**

Rationale

The MZ-1 Subsidence Management Plan (MZ-1 Plan) states that if data from existing monitoring efforts in the Areas of Subsidence Concern indicate the potential for adverse impacts due to subsidence, Watermaster will revise the MZ-1 Plan in an attempt to avoid adverse impacts. Land subsidence in Northwest MZ-1 was first identified as a concern in the MZ-1 Summary Report (2006) and in the MZ-1 Plan (2007). Since then, Watermaster has been monitoring subsidence in this area via InSAR, leveling surveys, and groundwater-levels with pressure transducers at selected wells. Of particular concern, subsidence in Northwest MZ-1 has occurred differentially across the San Jose Fault—the same spatial pattern of differential subsidence that occurred in the MZ1 Managed Area during the time of ground fissuring. Watermaster, consistent with input from the Ground Level Monitoring Committee (GLMC), determined that the MZ-1 Plan needs to be updated to include a *Subsidence Management Plan for Northwest MZ-1* with the long-term objective of minimizing or abating the occurrence of the differential land subsidence.

Developing a Subsidence Management Plan for Northwest MZ-1 is a multi-year effort. The GLMC oversees a work plan[18] to execute this effort. The scope of work below describes the next year of the work plan.

Scope of Work

West Yost shall perform the following tasks to implement the work plan to develop a Subsidence Management Plan for Northwest MZ-1:

- **Monitoring**. The established monitoring program of piezometric levels and pumping at wells in Northwest MZ-1 will continue through various techniques, including: (i) SCADA based monitoring by the Monte Vista Water District; (ii) monitoring of piezometric levels via sonar; (iii) monitoring of piezometric levels via pressure transducers at City of Pomona production wells; and (iv) manual measurements of piezometric levels. These data are collected under the Watermaster's groundwater-level monitoring program but are analyzed under this task. Charts and data graphics of pumping, piezometric levels, and aquifer system deformation will be updated every three months, which will improve the understanding of the hydrogeology in Northwest MZ-1, will be used to develop the Subsidence Management Plan for Northwest MZ-1, and in the future, will be used to adapt the Chino Basin Subsidence Management Plan, as appropriate.

[18] CBWM. 2015. Workplan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area.

DRAFT

- **Refine and Evaluate Subsidence-Management Alternatives.** The 2025 Safe Yield Reevaluation (2025 SYR) involves the development and evaluation of multiple projection scenarios of future hydrology, pumping, managed recharge, and use of managed storage in the Chino Basin. These projection scenarios are being simulated with an updated Chino Valley Model (CVM). The CVM results are being used to determine a tentative Safe Yield, which will be evaluated for MPI and then used to evaluate the current Safe Yield of the Chino Basin. The CVM results for piezometric levels (by CVM layer) will be used as input data for the 1D Model at PX to predict the potential for future subsidence associated with operating at the Safe Yield.

  The results of the 1D model predictions of future subsidence can be used to inform "guidance criteria" for the Subsidence Management Plan for Northwest MZ-1. If the potential future subsidence is deemed significant and undesirable, then the Watermaster Engineer may recommend that up to two (2) additional Subsidence-Management Alternatives (SMAs) be developed and evaluated with the CVM and 1D Model to test the effectiveness of the SMAs at abating future subsidence or minimizing it to tolerable levels. This work will be performed and completed in FY 2025/26.

  In FY 2026/27, the Watermaster Engineer will run the CVM and PX 1D Model under the additional SMAs. The assumptions underlying the SMA(s), including groundwater production and replenishment/recharge plans of the Chino Basin parties, will be reviewed and discussed with the GLMC before any modeling is performed. Verbal and written feedback from the GLMC will be incorporated to finalize the SMA(s).

  Then, the CVM and 1D Model will be used to evaluate the potential future subsidence in Northwest MZ-1 under the SMAs. Again, the objective of this task is to test the effectiveness of the SMAs at abating future subsidence or minimizing it to tolerable levels. The model results, interpretations, and recommendations will be documented in a draft TM and distributed to the GLMC. A GLMC meeting will be held to review the draft TM and receive GLMC feedback. The verbal and written feedback from the GLMC will be used to finalize the TM. The final TM could be used to finalize the Subsidence Management Plan for Northwest MZ-1, and will be shared with all Watermaster Parties through the monthly Pool, Advisory Committee, and Board meetings.

Deliverables

West Yost shall deliver the following to Watermaster no later than the date or dates indicated:

- Draft and final technical memoranda on the CVM and 1D model results, interpretations, and recommendations under the SMAs.

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7502 – PE6/7: COOPERATIVE EFFORTS/SALT MANAGEMENT

Engineering Services

	Cost Estimate[19]
Consultant Labor	$280,622
Other Direct Costs	$1,700
Total	**$282,322**

Rationale

In the Judgment, Watermaster is provided with discretionary powers to address water quality issues in the basin: "Watermaster, with the advice of the Advisory and Pool Committees, is granted discretionary powers in order to develop an optimum basin management program for Chino Basin, including both water quantity and quality considerations." In the Implementation Plan of the Peace Agreement, Watermaster committed to certain responsibilities under Program Elements 6 and 7.

Program Element 6 - Develop and Implement Cooperative Programs with the Regional Board and Other Agencies to Improve Basin Management. Pursuant to Program Element 6, Watermaster has committed resources to managing water quality contaminants as follows:

- Identify water-quality anomalies through monitoring and analysis.
- Assisting the Santa Ana Water Board in determining sources of the water quality anomalies.
- Establishing priorities for clean-up jointly with the Regional Board; and seeking funding from outside sources to accelerate detection and cleanup efforts.
- Identifying opportunities to remove organic contaminants through regional groundwater treatment projects in the southern half of the Basin; and collaborating with the Chino Desalter Authority to implement such solutions.
- Conducting investigations to assist the Santa Ana Water Board in accomplishing mutually beneficial objectives.

Much of the work listed above was started by the Chino Basin Water Quality Committee (WQC) from 2003 through 2010. Since 2010, Watermaster has supported ongoing monitoring and analysis to ensure the efforts to manage water quality contamination under Program Element 6 are achieving the intended outcomes and identify any outcomes that may be of concern. This primarily involves analyzing water quality data to assess the movement of identified plumes in the Basin, but also includes as-needed work to support the Santa Ana Water Board or others in assessing groundwater quality conditions in and around the plumes.

Program Element 7 – Salt Management Program. Pursuant to Program Element 7, the Watermaster and IEUA have been implementing the Chino Basin maximum-benefit salt and nutrient management plan (Maximum Benefit SNMP) since 2004. Implementation of the Maximum Benefit SNMP is a regulatory requirement defined in the Santa Ana River Basin[20] (Basin Plan). The Maximum Benefit SNMP and the

[19] This project includes a cost shared effort with IEUA. The shared cost of this total by IEUA is $75,130.

[20] http://www.swrcb.ca.gov/santaana/water_issues/programs/basin_plan/docs/chapter5.pdf

DRAFT

associated management commitments (Maximum Benefit Commitments) were developed to enable maximum beneficial use of recycled water in the Chino Basin. Watermaster and IEUA are required to implement the Maximum Benefit Commitments in accordance with the scheduled defined in Table 5-8a of the Basin Plan. If the Regional Board determines that Watermaster and IEUA are not being implementing the Maximum Benefit Commitments in accordance with Table 5-8a, then maximum benefit is not demonstrated, the Regional Board has the discretion to (1) impose the more stringent antidegradation objectives for Chino-1, Chino-2, and Chino-3 GMZs and (2) require Watermaster and IEUA to retroactively mitigate the use of recycled and imported waters with TDS concentrations that exceeded the antidegradation objectives for the GMZs since the adoption of the maximum benefit SNMP in 2004.

The Maximum Benefit Commitments include:

1. The implementation of a surface-water monitoring program.
2. The implementation of a groundwater monitoring program.
3. The expansion of the Chino-I Desalter to a capacity of 10 million gallons per day (mgd) and the construction of the Chino-II Desalter with a design capacity of 10 mgd.
4. The additional expansion of desalter capacity (to 40 mgd) pursuant to the OBMP and the Peace Agreement, the timing for which is tied to the IEUA's agency-wide effluent concentration)[21]
5. The completion of the groundwater recharge facilities included in the 2001 Watermaster Recharge Master Plan.
6. The management of recycled water quality to ensure that the IEUA agency-wide, 12-month volume-weighted running average effluent TDS concentration does not equal or exceed 550 mgl and the TIN concentration does not equal or exceed 8 mgl.
7. The management of basin-wide, volume-weighted TDS and nitrate concentrations in artificial recharge to less than or equal to the maximum-benefit objectives on a five-year volume-weighted basis.
8. The achievement and maintenance of the "hydraulic control" of groundwater outflow from the Chino Basin, specifically from the Chino-North GMZ, in order to protect Santa Ana River water quality and downstream beneficial uses.
9. The determination of ambient TDS and nitrate concentrations of Chino and Cucamonga GMZs every five years.

The majority of the ongoing work to comply with the Maximum Benefit Commitments is performed under other program elements, by IEUA, or CDA.

To demonstrate compliance, Watermaster prepares the Maximum Benefit Annual Report. The report describes the status of compliance with each of the Maximum Benefit Commitments defined in the Basin Plan. The annual report is due to the Regional Board by April 15th of each year.

[21] The expansion to provide an additional 20 mgd of desalter pumping capacity was initially required to occur when the 12-month running average for the IEUA agency-wide effluent TDS concentration exceeded 545 mgl for three consecutive months. The expansion has occurred even though this water quality condition has never been triggered and has instead been driven by the implementation of the Peace II Agreement and achieving hydraulic control.

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As part of the Basin Plan amendment (see Task 7510 description below), Watermaster is required to: (1) update the monitoring work plan for the Maximum Benefit SNMP, (2) prepare a work plan to improve the Chino Basin Groundwater Quality Model, and (3) project basin-wide TDS and nitrate concentrations every five years. These requirements were identified during the technical work conducted in support of the Basin Plan amendment and are also mandated by the State Water Resources Control Board's 2019 Recycled Water Policy.

Watermaster has initiated efforts to develop the 2025 Maximum Benefit Monitoring Program Work Plan and the Chino Basin Water Quality Model Improvement Work Plan. Both work plans are scheduled to be drafted by June 30, 2025. The next projection of basin-wide TDS and nitrate concentrations for the Chino Basin is due to the Regional Board by December 2028.

During the FY 2026/27 period, Watermaster plans to finalize the 2025 Maximum Benefit Monitoring Program Work Plan and Chino Basin Water Quality Model Improvement Work Plan, continue to coordinate with the Regional Water and other agencies with the management of basin groundwater quality, prepare the Maximum Benefit Annual Report, continue to update the monitoring work plan, and provide other as-needed support on Maximum Benefit SNMP implementation or compliance. Additionally, to support the projection of basin-wide TDS and nitrate projection, Watermaster will also initiate the effort to update the groundwater quality model and collect data as recommended in the Chino Basin Water Quality Model Improvement Work Plan.

Scope of Work

For FY 2026/27, West Yost shall perform the following tasks:

- Consulting for Program Element 6 to continue efforts to track identified contaminant plumes in the Chino Basin.
  - South Archibald Plume and Chino Airport Plume. Subtasks include:
    - Prepare semi-annual plume status reports for the Watermaster Pools, Advisory Committee, and Board meetings.
    - Assist Watermaster with coordination and negotiation with the plume responsible parties and Santa Ana Water Board.
    - Provide technical oversight and review of plume investigation and remediation reports.
    - Prepare as-requested technical analyses, such as analyze groundwater-elevation and quality data, develop revised VOC plume maps, and/or perform groundwater model runs to demonstrate the capture of the plume by the desalter well fields.
  - Other point sources of concern. Other point sources of concern include but are not limited to, the General Electric Flatiron Facility, General Electric Test Cell Facility, Rialto-Colton perchlorate plume, the Alumax Recycling Facility, Kaiser Steel Mill, Milliken Landfill, and the Stringfellow site. Subtasks could include:
    - Provide technical oversight and review of investigations and remediation reports.
    - Prepare annual plume status report for the Watermaster Pools, Advisory Committee, and Board meetings.
    - Prepare as-requested technical analyses, such as analyze groundwater-elevation and quality data, review potential impacts to Chino Basin water quality, and/or develop revised plume delineations.

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- Support for implementation of Program Element 7
  - Prepare the 2026 Maximum Benefit Annual Report. This includes:
    - Analyze and interpret the data and compare with metrics. All data required for reporting in the 2026 Maximum Benefit Annual Report shall be analyzed by West Yost and used to support the demonstration of compliance with the Maximum Benefit Commitments.
    - Reporting. West Yost shall prepare a draft 2026 Maximum Benefit Annual Report. This report will be submitted to Watermaster and the IEUA for review. Comments will be incorporated, and West Yost shall prepare the final 2026 Maximum Benefit Annual Report for submittal to the Santa Ana Water Board. West Yost will respond to comments from the Santa Ana Water Board and other stakeholders, as necessary.
    - Ad-hoc meetings. Prepare for and attend meetings with Watermaster, IEUA, and/or Santa Ana Water Board staff, as requested, to present the draft and final 2026 Maximum Benefit Annual Reports.
  - Finalize the 2025 Maximum Benefit Monitoring Program Work Plan, which includes:
    - Update the draft work plan based on comments by Watermaster and IEUA and submit the updated work plan to the Santa Ana Water Board.
    - Coordinate and address comments by the Santa Ana Water Board, if any.
  - Finalize the Chino Basin Groundwater Quality Model Improvement Work Plan and initiate efforts to support the basin-wide TDS and nitrate projection[22], which includes:
    - Update the draft work plan based on comments by Watermaster and IEUA and submit the updated work plan to the Santa Ana Water Board
    - Coordinate and address comments by the Santa Ana Water Board, if any.
    - Perform model updates, collect planning data, and implement other efforts to support the basin-wide projection.
  - As-needed support for implementation of PE-6 and PE-7:
    - Prepare as-requested technical analyses
    - Prepare for and attend as-requested meetings with the Santa Ana Water Board and others

Deliverables

West Yost will deliver the following to Watermaster:

- Semi-annual status reports for the Archibald and Chino Airport plumes in October 2026 and April 2027.
- Annual status reports for the remaining identified plumes in October 2026.
- Draft and final 2026 Maximum Benefit Annual Report by April 2026.
- Updated 2025 Maximum Benefit Monitoring Program Work by August 2026.
- Updated Chino Basin Groundwater Quality Model Improvement Work Plan by December 2026.
- Other as-needed deliverables.

[22] This effort is cost shared with IEUA. The cost of IEUA share for this effort is $75,130.

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7510 – PE6/7: COOPERATIVE EFFORTS/SALT MANAGEMENT

Update IEUA's Recycled Water Permits/Maximum Benefit Salinity Management Plan – IEUA Cost Share

	Cost Estimate[23]
Consultant Labor	$15,525
Other Direct Costs	$3,600
Total	**$19,125**

Rationale

In 2004, the Santa Ana Water Board amended the Basin Plan to incorporate the Maximum Benefit SNMP for the Chino Basin to incorporate numerically higher, maximum-benefit-based TDS and nitrate objectives for the Chino-North groundwater management zone. The maximum benefit objectives created assimilative capacity and enables the cost-efficient, maximum reuse of recycled water for irrigation and recharge. The SNMP includes nine Maximum Benefit Commitments that Watermaster and IEUA must implement to obtain continued access to assimilative capacity.

The Chino Basin Maximum Benefit SNMP and related permits establish TDS and total inorganic nitrogen (TIN) limits for discharge and reuse of IEUA's recycled water within the Chino Basin. The respective limits for TDS and TIN are 550 mgl and 8 mgl. Compliance is measured as the 12-month, flow-weighted running average concentration of the IEUA agency-wide effluent. Pursuant to Maximum Benefit Commitment No. 6, Watermaster and IEUA are required to prepare and implement a plan and schedule to improve effluent water quality and achieve compliance with the effluent compliance metrics when the 12-month flow-weighted running average TDS or TIN equals or exceeds the action limits of 545 mgl TDS for three consecutive months or 8 mgl TIN for any one month.

In 2015, the 12-month running average TDS concentration of the IEUA recycled water reached a historical high of 534 mgl, which was only 11 mgl below the action limit, for three consecutive months. Although the TDS concentration declined before exceeding the action limit, it was an important indicator that the TDS concentration of recycled water is likely to approach or exceed the limit and trigger the planning for recycled water quality improvements during the next prolonged dry period. Given the potential cost of implementing recycled water quality improvements for what might only be short-term exceedances of the action limit based on the 12-month flow-weighted running average, the IEUA and Watermaster petitioned the Santa Ana Water Board to modify the recycled water permits and the Basin Plan to allow for a longer-term averaging period for determining compliance with the TDS limit.

To obtain approval from the Santa Ana Water Board for the Basin Plan modifications, and any associated permit modifications, the IEUA and Watermaster began a detailed evaluation of the TDS and nitrate concentration impacts to Chino Basin by developing the 2020 Chino Basin Water Quality Model. The technical work was completed in December 2021, and the results were used to develop a proposed regulatory compliance plan. The Regulatory Compliance Proposal was submitted to the Santa Ana Water Board in March 2022. The Santa Ana Water Board approved the Regulatory Compliance Proposal in July 2022 and requested that Watermaster and IEUA coordinate with Jurupa Community Services District (JCSD), which had also completed a regulatory compliance proposal in 2022 that would require amendments to the Chino Basin Maximum Benefit SNMP in the Basin Plan. The extra costs to combine the Basin Plan efforts into one amendment are being covered directly by the JCSD.

[23] This project includes 50% cost shared with IEUA.

Since approval of the Regulatory Compliance Proposal in 2022, Watermaster and IEUA have worked with Santa Ana Water Board staff to prepare documents supporting the Basin Plan amendment. Watermaster and IEUA have developed the required amendment materials, including the Staff Report, Substitute Environmental Document (SED), Economic Analysis, Resolution, peer view package and responses to peer review comments. These draft documents are currently pending review by the Santa Ana Water Board staff. Due to evolving Basin Plan amendment requirements and limited staff availability, the Santa Ana Water Board's review period is ongoing and has been extended, resulting in corresponding delays to the overall Basin Plan amendment schedule.

Following completion of the Santa Ana Water Board's review, the remaining tasks will include finalizing the amendment documents, ensuring compliance with Americans with Disabilities Act (ADA), and providing as-needed support to the Santa Ana Water Board staff to advance the amendment through the adoption process.

Regional Board adoption of the Basin Plan amendment is anticipated in June 2026. After Santa Ana Water Board adoption, additional support will be required to assist with State Water Resources Control Board adoption and Office of Administrative Law (OAL) approval, which are anticipated by January 2027.

Scope of Work

West Yost shall perform the following tasks in FY 2026/27. While some of these efforts may be completed in the current fiscal year, the tasks listed below represent the full scope of work required if the Regional Board adoption schedule is delayed to after June 2026:

- Finalize Staff Report, SED, Economic Analysis, Resolution, and responses to peer review comments based on input from the Santa Ana Water Board staff.
- Ensure that all Basin Plan amendment documents comply with the ADA, including selecting and coordinating with an ADA subconsultant.
- Prepare draft PowerPoint presentation for Santa Ana Water Board staff to present the Basin Plan amendment for Santa Ana Water Board adoption.
- Support development of the Administrative Record.
- Regular coordination with Santa Ana Water Board staff to keep the process moving forward.
- Perform monthly project management activities, including participating in progress status calls with Watermaster and IEUA staff.

Deliverables

The FY 2026/27 deliverables for this work include:

- Final Basin Plan amendment support documents, including the SED, Staff Report, Economic Analysis, and other supporting documentation. Including, ADA compliant Basin Plan amendment documents.
- PowerPoint presentations and handout materials for any project team, Santa Ana Water Board, and stakeholder meetings.

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7511 – PE6/7: COOPERATIVE EFFORTS/SALT MANAGEMENT

As-needed services to support Watermaster in its participation in Santa Ana Watershed Project Authority Task Force

	Cost Estimate
Consultant Labor	$33,010
Other Direct Costs	$580
Total	**$33,590**

Rationale

The Santa Ana Watershed Project Authority (SAWPA) administers various multi-stakeholder efforts to monitor and analyze water quality in the Santa Ana River Watershed in collaboration with Regional Board. Two of the task forces that generate information relevant to Chino Basin OBMP efforts under Program Element 6 and Program Element 7 are the Basin Monitoring Program Task Force (BMPTF) and the Emerging Constituents Task Force (ECTF). The BMPTF is focused on compliance with watershed-wide the salt and nutrient plan defined in the Basin Plan, such as computing ambient water quality and performing the Wasteload Allocation analysis. These activities have the potential to impact recycled water use permitting. The ECTF focuses on the investigation of emerging constituents, tracking regulations, and implementing collaborative approaches to compliance and water quality protection. IEUA and Watermaster are members of these Task Forces.

Some of the key activities performed by the Task Forces include:

- Collection and compilation of data used to support the management of water quality in the Santa Ana River Watershed.
- Preparation of the Annual Report of Santa Ana River water quality.
- Preparation of the Annual EC Sampling Report.
- Periodic recomputation of ambient water quality for the Santa Ana River Watershed groundwater management zones (GMZs).
- Periodic review and evaluation of the wasteload allocation for recycled water discharges to the Santa Ana River and its tributaries.
- Periodic assessment of monitoring gaps in the Watershed.
- Periodic assessment and/or review of proposed changes to the Basin Plan SNMP.
- Monthly Task Force meetings.

SAWPA contracts with technical and policy consultants to support the BMPTF and ECTF to implement various studies and activities. The technical and policy work is reviewed at monthly Task Force meetings. The outcomes of the work performed by the Task Forces have direct implications for the planning activities of the Watermaster and IEUA parties.

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During FY 2026/27, the BMPTF will be performing the following activities:

- Periodic (monthly to quarterly) meetings to review and discuss current and future Basin Plan SNMP implementation activities.
- Implement groundwater and surface water monitoring plans.
- Develop tools in support of performing annual data collection.
- Collect and review 2022 through 2026 groundwater data.
- Update storage models for selected groundwater management zones.
- Other as-needed work to support the Task Force's mission and objectives.

During FY 2026/27, the ECTF will be performing the following activities:

- Quarterly meetings to review and discuss current and future Basin Plan SNMP implementation activities.
- Implementation of EC monitoring program.
- Advancing discussions on PFAS regulations, and other emerging contaminant regulations.

Scope of Work

West Yost will perform as-requested services to support the Watermaster and IEUA's participation in the Task Force activities. The budget anticipates the following as-requested services for FY 2026/27:

- Attendance at up to 12 monthly Task Force meetings.
- Preparation of Task Force meeting summaries for information relevant to Watermaster.
- Review and comment on interim and final project deliverables prepared by the Task Forces or its consultants.
- Attendance at as-needed meetings with Watermaster and IEUA staff to discuss Task Force draft project deliverables.
- As-needed coordination with Watermaster and IEUA staff on Task Force activities that arise during the year.

Deliverables

The FY 2026/27 deliverables for this work could include:

- Task Force meeting summaries.
- Draft and final review comments on interim and final deliverables prepared by the Task Force or its consultants.
- Other as-requested deliverables defined by Watermaster.

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7517 – PE6/7: COOPERATIVE EFFORTS/SALT MANAGEMENT

Implement Chino Creek Monitoring Program – IEUA Cost Share

	Cost Estimate[24]
Consultant Labor	$64,423
Other Direct Costs	$3,540
Total	**$67,963**

Rationale

Pursuant to the Federal Clean Water Act (CWA) Section 303(d) and 305(b), the Regional Board is required to periodically assess the water quality of the surface water bodies in the Santa Ana Watershed and publish a list of surface waters that do not meet the water quality standards for beneficial uses and objectives defined in the Basin Plan. The current assessment and listing determinations for the Santa Ana Watershed are included in the 2024 California Integrated Report (2024 Integrated Report).

The Final 2024 Integrated Report concluded that there is insufficient data to determine water quality conditions within reach 1B of Chino Creek (Chino Creek 1B). Specifically, there is insufficient data to determine if water quality is consistent with Basin Plan objectives, which was established to support beneficial uses, but the limited data indicates that beneficial uses may be potentially threatened (305[b] Category 3). Without more data, Chino Creek 1B could be listed as impaired in future Integrated Reports, which will require an extensive, multi-stakeholder effort to develop and implement a Total Maximum Daily Loads (TMDL) program and could impact recycled water permits and uses in the Chino Basin. The Regional Board expressed that more data is needed to assess water quality conditions compared to objectives in future Integrated Reports. Recognizing the TMDL impact on IEUA and Watermaster's recycled water activities, the Regional Board requested Watermaster and IEUA to develop a surface water monitoring program to characterize conditions along Chino Creek (Chino Creek Monitoring Program).

During FY 2022/23, Watermaster and IEUA collaborated with Regional Board staff to develop the Chino Creek Monitoring Program Work Plan and the Quality Assurance Project Plan (QAPP) that will satisfy the requirements of the California Clean Water Act Section 303 (d) List (Listing Policy) for Chino Creek. The QAPP and the work plan were submitted to the Regional Board in July 2024. The Chino Creek Monitoring Program includes: monthly surface water quality monitoring, annual data review and upload to California Environmental Data Exchange Network (CEDEN), and in-depth assessment of monitoring data and evaluation if ongoing monitoring is needed following the completion of 3-year monitoring period. Watermaster and IEUA have been implementing the work plan since August 2024. Watermaster and IEUA will continue to implement the work plan in FY 2026/27 to complete the 3-year of monitoring period. In-depth data analysis will be performed in FY 2027/28.

Scope of Work

In FY 2026/27, West Yost will perform the following tasks in accordance with the Chino Creek Monitoring Program Workplan:

- Perform 12 monthly surface water sampling events at the recommended surface water sites.
- Coordinate with the IEUA operation and laboratory teams on sampling.

[24] This project includes 50% cost shared with IEUA.

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- Perform quality assurance/quality control (QA/QC) check, compile, and process laboratory results into centralized project database.
- Review data and prepare figures to characterize surface water conditions.
- Upload surface water quality data to CEDEN annually.
- Conduct as-needed meetings with Watermaster, IEUA, Basin Monitoring Program Task Force, and the Regional Board on project status and sampling results.

Deliverables

- Figures and text characterizing surface water quality conditions.

Cost Estimate for FY 2027/28

- The Class 3 cost estimate[25] to continue this work over FY 2027/28 is about $60,000.

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[25] Class 3 cost estimates have an expected accuracy of between -20% and +30% of the actual costs.

7520 – PE6/7: COOPERATIVE EFFORTS/SALT MANAGEMENT

Water Quality Management Program

	Cost Estimate[26]
Consultant Labor	$39,000
Other Direct Costs	$250
Total	**$39,250**

Rationale

As part of the 2020 OBMPU, the stakeholders identified several management activities necessary to achieve the goals of the 2020 OBMPU. Two of the 2020 OBMPU activities address groundwater quality:

- Develop and implement a water-quality management plan to address current and future water quality issues and protect beneficial uses."
- Develop strategic regulatory-compliance solutions that achieve multiple benefits in managing water quality.

The specific action defined to encapsulate these activities within the 2020 OBMPU was the development of a Water Quality Management Plan that addresses emerging contaminants to better prepare the parties for addressing compliance with new State and Federal drinking water regulations and provides for the long-term maximum beneficial use of the basin. It was identified that reconvening the Watermaster's Water Quality Committee (WQC) would be the ideal approach to guide the development and implementation of such a management plan to guide the activities over the next several years.

In FY 2023/24 Watermaster reconvened the WQC and conducted three meetings. The first meeting was to educate participants on historical water quality activities performed by Watermaster pursuant to the 2000 OBMP, review the successes of the WQC's past work, and obtain feedback from the stakeholders on the opportunity and proposed scope and objectives for developing a water quality management plan, including development of an Emerging Contaminants Monitoring Plan (ECMP). The other two WQC meetings were to develop the ECMP and obtain stakeholder feedback and review its methods.

Based on feedback received through the WQC, the concept of a water quality management plan was re-envisioned into a simpler, more adaptable Water Quality Management Program (WQMP) led by the WQC, following the approach used from 2003 to 2010 under Program Element 6 of the 2000 OBMP. As re-envisioned, the WQMP is an ongoing process where the focus of the work performed each year will be defined/refined based on stakeholder input received through the WQC. Under the WQMP, the WQC would meet up to address some or all the following objectives:

- Informing stakeholders on the available data and information on water quality in the Chino Basin
- Regularly educating and sharing information on potential future water quality regulations
- Implementing an ECMP to monitor and characterize contaminant occurrence in the Chino Basin where data is not available to assess potential impacts of regulations

[26] The $39,250 will be funded entirely with carryover from FY 2025/26.

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- Tracking available grant funding and loan opportunities to advance water quality programs and projects
- Identifying opportunities for multi-agency and/or multi-benefit projects
- Enhancing the ability to characterize potential impacts to the Chino Basin as a result of Parties' operational/management responses to water quality regulations (e.g., impacts to Safe Yield or recycled water recharge program)
- Conducting other activities of interest to the stakeholders to address water quality management or concerns.

In FY 2024/25, West Yost assisted Watermaster staff in coordinating and implementing the sampling for the ECMP. This involved Watermaster conducting sampling for a list of emerging contaminants during routine sampling at monitoring wells, and additional voluntary sampling by the Appropriators for some emerging contaminants. There were no WQC meetings in FY 2024/25 and FY 2025/26. The Watermaster may conduct two WQC meetings in FY 2026/27.

Scope of Work

For FY 2026/27, West Yost will support Watermaster Staff in implementing the WQMP by supporting the WQC process. The work will include:

- Prepare for and conduct up to two meetings of the WQC, including preparing supporting materials, such as agendas, handouts, meeting summaries, etc. The specific meeting topics will be identified by the Watermaster according to the parties' needs.

Deliverables

- Meeting agendas, handouts, presentations, and meeting summaries for the WQC meetings
- Maps characterizing the extent of emerging contaminants in the Basin

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7614 – PE8/9: STORAGE MANAGEMENT/CONJUNCTIVE USE

Support Implementation of the Safe Yield Court Order

	Task 1	Task 2	Total
Consultant Labor	$118,679	$102,548	$221,227
Other Direct Costs	$15,312	$200	$15,512
Total	**$133,991**	**$102,748**	**$236,739**

Rationale

The Safe Yield of the Chino Basin was recalculated in May 2020 pursuant to the methodology approved by the Court on April 28, 2017. The Court adopted a Safe Yield of 131,000 acre-feet per year for the period of fiscal year 2020/21 through 2029/30. The Court-approved methodology was outlined in a Court Order from April 28, 2017 (2017 Court Order). The Court Order also included requirements for (1) annual data collection and evaluation, (2) a reevaluation of the current Safe Yield by June 30, 2025 (the 2025 Safe Yield Reevaluation, or 2025 SYR), and (3) peer review to support these efforts.

West Yost began the work to implement the 2017 Court Order in fiscal year 2021/22.[27] This work included updating the Safe Yield Reset methodology, developing annual data collection and evaluation reports covering the periods through FY 2024/25, and completing the 2025 SYR.

Scope of Work

The work required in FY 2025/26 will include the annual data collection and evaluation, supporting the implementation of the 2025 Safe Yield Reevaluation, and facilitating the associated peer review. This scope is broken down into the following tasks:

- **Task 1 – Annual data collection and evaluation.** Pursuant to pages 16 and 17 of the Court Order, Task 1 includes collecting data from the parties and other sources and analyzing the data in the context of West Yost's groundwater modeling. Data collection will begin in July 2026 for fiscal year 2025/26. The scope of Task 1 assumes the following:
  - Existing data collection efforts (e.g., groundwater pumping measurements) will be collected via other Watermaster efforts and are not included in this scope.
  - Annual land use surveying will be completed by Land IQ, the subcontractor that has been preparing annual land use surveys in the Chino Basin for the past several years to support the annual data collection and agricultural production estimation.
  - West Yost will review the 2025 Urban Water Management Plans (UWMPs) for the major Appropriative Pool Parties and wholesale agencies and conduct outreach with these agencies to interpret projected water demands. This information will be used to develop revised projections of water use patterns for comparison with the 2025 SYR projection scenarios.
  - West Yost will develop exhibits to compare the collected data to previous historical and modeling data as necessary to document the data collection in an annual report and present the data to the peer review committee.

[27] All deliverables for the implementation of the 2017 Court Order can be found on Watermaster's website here: Chino Basin Watermaster - 2017 Safe Yield Court Order Implementation

DRAFT

  - West Yost will prepare a draft and final data collection report. The draft report will be reviewed with the Peer Review committee, comments will be incorporated, and the final report will be submitted to the Court no later than June 30, 2027.

- **Task 2 – Support Implementation of the 2025 Safe Yield Reevaluation.** Following the submittal of the 2025 SYR Report, Watermaster will require support to implement any of the findings of the 2025 SYR and respond to requests from the parties. The scope is anticipated to include:
  - Support for Court motions that may result from the 2025 SYR, including additional documentation (e.g., Court declarations) or Court appearances.
  - Additional simulations of the groundwater model or additional analysis of groundwater model results to respond to party or Watermaster staff requests.
  - Preparation of exhibits, presentation materials, and support to conduct workshops.

  The specific scope of any support for implementation of the 2025 SYR will be defined and agreed upon with Watermaster staff prior to the execution of the scope.

Deliverables

West Yost's primary deliverables will be the following draft technical memoranda/reports:

- A draft and final report documenting the data collection process and the data collected through FY 2025/26.
- West Yost will prepare other deliverables as needed to support the technical workshops and meetings in Tasks 1 and 2.

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7615 – PE8/9: STORAGE MANAGEMENT/CONJUNCTIVE USE

Develop 2027 Storage Management Plan

	Cost Estimate
Consultant Labor	$165,880
Other Direct Costs	$200
Total	**$166,080**

Rationale

The 1978 Judgment established a Watermaster to administer the decree under the Court's continuing jurisdiction and empowered it to manage and control the Basin's available storage capacity and to enter into agreements for the storage of water. As a prerequisite to implementing the Optimum Basin Management Program (OBMP), the Parties executed the Peace Agreement, providing direction and guidance to Watermaster on how storage should be prioritized and managed. The OBMP addresses the management of groundwater pumping, recharge, storage and recovery, and the transfer of water.

The original OBMP included plans for storage management and conjunctive-use activities, including groundwater pumping, recharge, storage and recovery, and the transfer of water. As part of the 2020 OBMP Update (2020 OBMPU), Watermaster reviewed and refined the original storage management planning work and developed the 2020 Storage Management Plan (SMP). The 2020 SMP describes the existing and projected uses of storage by the Parties, agencies engaged in Storage and Recovery Programs, the need for recharge capacity to satisfy replenishment obligations, the Parties' storage management activities, guidance for Storage and Recovery Programs, and the storage agreement application process.

The SMP is required to be reviewed and updated (1) at least every five years, (2) when the Safe Yield is recalculated, or (3) when Watermaster determines that a review is warranted based on new information or the needs of the Parties or the Basin. Because the 2020 SMP was completed in October 2020, it was originally scheduled for update in 2025. However, the delay in the Safe Yield Reevaluation, the results of which inform the SMP, has shifted the initiation of the SMP update to FY 2025/26, with completion anticipated in FY 2026/27.

In parallel with the SMP update, the 2020 OBMPU identified several management activities necessary to achieve the goals of the OBMPU. Activity B under Program Element 9 is to develop, implement, and optimize Storage and Recovery Programs to increase water supply reliability, protect or enhance Safe Yield, and improve water quality. Exhibit 7 of the 2020 OBMPU outlined a multi-year process for advancing this activity:

1. Convene the Storage and Recovery Program Committee (Committee), define objectives, and refine scope of work.
2. Develop conceptual alternatives for Storage and Recovery Programs at various scales.
3. Describe and evaluate reconnaissance-level facility plans and costs for Storage and Recovery Program alternatives.
4. Prepare a *Storage and Recovery Master Framework (SRMF).*

Watermaster staff initiated Step 1 in FY 2023/24 by convening the Committee and conducting a kickoff meeting to discuss objectives and potential program concepts. This effort was paused in FY 2024/25 to allow the completion of the 2025 Safe Yield Reevaluation.

The SMP update provides an opportunity to reintegrate and advance the SRMF effort, ensuring that the updated storage management policies, projected storage demands, and future Storage and Recovery Programs are evaluated within a consistent planning framework.

Scope of Work

The work in FY 2026/27 will continue development of the updated SMP using the latest planning information, technical understanding, and policy guidance regarding the use and management of storage in the Basin, including the results of the 2025 Safe Yield Reevaluation.

The SMP update will include stakeholder engagement and technical evaluation to assess current and projected storage use, recharge capacity needs, and storage management policies. This effort will include three workshops with the Parties to:

- Review the regulatory and technical requirements of the SMP update.
- Present and discuss updated storage projections and planning assumptions.
- Review the draft SMP and gather feedback from the Parties.

Consistent with the objectives of the 2020 OBMPU Activity B, the SMP update will also incorporate planning activities related to the development of the Storage and Recovery Master Framework (SRMF). The SRMF will provide a strategic planning framework for evaluating future Storage and Recovery Programs, including potential program concepts, infrastructure needs, operational considerations, and implementation pathways.

As part of this effort, West Yost will work with Watermaster staff and the Parties to define the next phase of work for the SRMF. This will include:

- Preparing and conducting one Storage and Recovery Program Committee meeting to review the outcomes and conclusions of the 2023 Committee kickoff meeting.
- Confirming objectives and priorities for advancing the SRMF.
- Developing a detailed scope of work and budget for Steps 2 through 4 of the SRMF process, including development of program alternatives, evaluation of reconnaissance-level facility concepts and costs, and preparation of the SRMF.

The resulting scope and budget for the SRMF will be presented through the Watermaster process for review and approval and will guide future work to support the implementation of Storage and Recovery Programs consistent with the updated SMP.

Deliverables

West Yost's deliverables will include a draft and final version of the SMP, as well as presentation materials to support the workshops.

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Table 1: Cost Estimates for Watermaster Engineering Services -- FY 2026/27

Watermaster Account	Group	Notes	Task	Total Labor Person Days	Total Labor Cost Task	Total Labor Cost Project	Total Labor Cost Account	Other Direct Costs Total ODCs Task	Other Direct Costs Total ODCs Project	Other Direct Costs Total ODCs Account	Expected Total Carryover from 2025/26	Total Engineering Cost Estimate 2026/27	IEUA Cost Share & IEUA Carryover from 2025/26	Watermaster Engineering Cost Estimate 2026/27	Expected Watermaster Carryover from 2025/26	Proposed Watermaster Budget for Engineering Services 2026/27 Task	Proposed Watermaster Budget for Engineering Services 2026/27 Project	Proposed Watermaster Budget for Engineering Services 2026/27 Account
General Optimum Basin Management Program/Judgment Administration							***$768,914***			***$4,596***	***$0***	***$773,510***	***$0***	***$773,510***	***$0***			***$773,510***
General E 6906 OBMP Engineering						*$768,914*			*$4,596*		*$0*	*$773,510*	*$0*	*$773,510*	*$0*		***$773,510***	
8306, 8506, 8406, 6206, 6306	General	f	Pool, Advisory, Watermaster Meetings	44.0	$114,448			$2,387				$116,835		$116,835		$116,835		
5901.8, 6901.8	General	f	Other General Meetings as Requested	30.0	$78,416			$1,909				$80,325		$80,325		$80,325		
5935	General	abcC	Material Physical Injury Requests	16.0	$36,096							$36,096		$36,096		$36,096		
5906.71	General	f	Miscellaneous Data Requests - GM/Watermaster Staff	50.0	$112,352			$300				$112,652		$112,652		$112,652		
5906.72	General	f	Miscellaneous Data Requests - Non CBWM Staff/RFI	25.3	$58,316							$58,316		$58,316		$58,316		
6901.95	General	e	SGMA Reporting Requirement for WC Section 10720.8 (f)	11.8	$24,858							$24,858		$24,858		$24,858		
6906	General	f	Project Management	29.3	$67,966							$67,966		$67,966		$67,966		
6906.1	General	bdC	Watermaster Model Application and Required Demonstrations	41.5	$88,388							$88,388		$88,388		$88,388		
5945	General	eJ	Assist Watermaster in Preparing the 49th Annual Report	8.0	$18,334							$18,334		$18,334		$18,334		
6906.21	General		2026 State of the Basin Report	84.3	$169,740							$169,740		$169,740		$169,740		
Program Element 1: Comprehensive Monitoring Program							***$893,192***			***$186,821***	***$0***	***$1,080,013***	***$83,301***	***$996,713***	***$0***			***$996,713***
7502 and 7505 Groundwater and Surface Water Quality Monitoring						*$222,534*			*$51,500*		*$0*	*$274,034*	*$0*	*$274,034*	*$0*		***$274,034***	
7502	PE1/GWQMP	abcd	GWQMP: KEY	5.3	$11,398							$11,398		$11,398		$11,398		
7502	PE1/GWQMP	abcd	GWQMP: FIELD-as needed field support	14.5	$22,230			$2,580				$24,810		$24,810		$24,810		
7505	PE1/GWQMP	abcd	GWQMP: LAB	0.0				$21,400				$21,400		$21,400		$21,400		
7502	PE1/GWQMP	abcd	GWQMP: DB-Field-Lab	7.0	$12,528							$12,528		$12,528		$12,528		
7502	PE1/GWQMP	abcd	GWQMP: DB-CBDC	67.0	$119,848							$119,848		$119,848		$119,848		
7502	PE1/HCMP	Ccd	HCMP: GWQ/SWQ - SARWC/NAWQA/SAR	17.5	$27,752			$3,440				$31,192		$31,192		$31,192		
7505	PE1/HCMP	Ccd	HCMP: GWQ/SWQ - SARWC/NAWQA/SAR - LAB	0.0				$8,200				$8,200		$8,200		$8,200		
7502	PE1/HCMP	Ccd	HCMP: GWQ HCMP MWs	14.5	$22,538			$3,180				$25,718		$25,718		$25,718		
7505	PE1/HCMP	Ccd	HCMP: GWQ HCMP MWs - LAB	0.0				$12,500				$12,500		$12,500		$12,500		
7502	PE1/RWGRP	ce	PBHSP: SWQMP	3.3	$6,240			$200				$6,440		$6,440		$6,440		
7104.3 Groundwater Level Monitoring Program						*$299,364*			*$60,185*		*$0*	*$359,549*	*$0*	*$359,549*	*$0*		***$359,549***	
7104.3	PE1/GWLMP	abcd	GWLMP: HCMP/GWR/MZ1/MZ3/MWL: SCHED	3.3	$7,032							$7,032		$7,032		$7,032		
7104.3	PE1/GWLMP	abcd	GWLMP: KEY	3.0	$5,748							$5,748		$5,748		$5,748		
7104.3	PE1/GWLMP	abcd	GWLMP: HCMP/GWR/MZ1/MZ3/MWL: FIELD	42.0	$62,382			$5,300				$67,682		$67,682		$67,682		
7104.3	PE1/GWLMP	abcd	GWLMP: HCMP/GWR/MZ1/MZ3/MWL: DB-WL	40.5	$70,356							$70,356		$70,356		$70,356		
7104.3	PE1/GWLMP	abcd	GWLMP: DB-CBDC	42.5	$73,564							$73,564		$73,564		$73,564		
7104.3	PE1/GWLMP	e	CASGEM Reporting	5.1	$8,736							$8,736		$8,736		$8,736		
7104.8	PE1/GWLMP	abcd	GWLMP: Contract Services	5.5	$9,168			$32,000				$41,168		$41,168		$41,168		
7104.9	PE1/GWLMP	abcd	GWLMP: Capital Equipment (Transducers)					$19,000				$19,000		$19,000		$19,000		
7104.3	PE4/MZ-1	abC	GWLMP: Northwest MZ-1 Area: GWLMP	16.0	$26,560			$2,685				$29,245		$29,245		$29,245		
7104.3	PE1/RWGRP	ce	GWLMP: PBHSP	20.8	$35,818			$1,200				$37,018		$37,018		$37,018		
7402 MZ-1 Ground Level Monitoring Program						*$166,718*			*$61,396*		*$0*	*$228,114*	*$0*	*$228,114*	*$0*		***$228,114***	
Subtask 1 - Setup and Maintenance of the Monitoring Network											*$0*	*$54,622*	*$0*	*$54,622*	*$0*			
7402	PE1/GLMP	abC	MZ1-GLMP: Setup and Maintenance of Monitoring Network	21	$32,010			$2,890				$34,900		$34,900		$34,900		
7408	PE1/GLMP	abC	MZ1-GLMP: Setup and Maintenance of Monitoring Network - Equipment	6.0	$11,696			$8,026				$19,722		$19,722		$19,722		
Subtask 2 - MZ-1: Aquifer-System Monitoring and Testing											*$0*	*$37,296*	*$0*	*$37,296*	*$0*			
7402	PE1/GLMP	abC	MZ1-GLMP: Aquifer System Monitoring and Testing	22.0	$35,556			$1,740				$37,296		$37,296		$37,296		
Subtask 3 - Basin-Wide: InSAR											*$0*	*$90,904*	*$0*	*$90,904*	*$0*			
7402	PE1/GLMP	abC	BW-GLMP: InSAR	30.0	$73,304							$73,304		$73,304		$73,304		
7403	PE1/GLMP	abC	BW-GLMP: InSAR - Outside Pro					$17,600				$17,600		$17,600		$17,600		
Subtask 4 - Ground-Level Surveys											*$0*	*$45,292*	*$0*	*$45,292*	*$0*			
7402	PE1/GLMP	abC	MZ1-GLMP: Ground Level Surveys	7.5	$14,152							$14,152		$14,152		$14,152		
7406	PE1/GLMP	abC	MZ1-GLMP: Ground Level Surveys - Outside Pro					$31,140				$31,140		$31,140		$31,140		
7302 Prado Basin Habitat Monitoring, Data Analysis and Reporting - 50% IEUA Cost Share						*$152,861*			*$13,740*		*$0*	*$166,601*	*$83,301*	*$83,301*	*$0*		***$83,301***	
7302	PE1/RWGRP	ce	PBHSP - Vegetation Monitoring Program	13.3	$28,042							$28,042	$14,021	$14,021		$14,021		
7306	PE1/RWGRP	ce	PBHSP - Vegetation Monitoring Program - Outside Pro					$13,500				$13,500	$6,750	$6,750		$6,750		
7302	PE1/RWGRP	ce	PBHSP - Climate Monitoring Program	1.6	$3,999							$3,999	$2,000	$2,000		$2,000		
7302	PE1/RWGRP	ce	PBHSP - Prepare Annual Report	46.3	$95,706			$120				$95,826	$47,913	$47,913		$47,913		
7302	PE1/RWGRP	ce	PBHSP - Meetings and Project Administration	10.5	$25,114			$120				$25,234	$12,617	$12,617		$12,617		
7202 Recharge and Well Monitoring Program: Pursuant to the Groundwater Recharge Permit and Maximum Benefit						*$24,090*			*$0*		*$0*	*$24,090*	*$0*	*$24,090*	*$0*		***$24,090***	
7202	PE1/RWGRP	e	RWGRP: Review Documents for Chino Basin Recycled Water GW Recharge Program	10.3	$24,090							$24,090		$24,090		$24,090		

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Table 1: Cost Estimates for Watermaster Engineering Services -- FY 2026/27

Watermaster Account	Group	Notes	Task	Total Labor Person Days	Total Labor Cost Task	Total Labor Cost Project	Total Labor Cost Account	Other Direct Costs Total ODCs Task	Other Direct Costs Total ODCs Project	Other Direct Costs Total ODCs Account	Expected Total Carryover from 2025/26	Total Engineering Cost Estimate 2026/27	IEUA Cost Share & IEUA Carryover from 2025/26	Watermaster Engineering Cost Estimate 2026/27	Expected Watermaster Carryover from 2025/26	Proposed Watermaster Budget for Engineering Services 2026/27 Task	Proposed Watermaster Budget for Engineering Services 2026/27 Project	Proposed Watermaster Budget for Engineering Services 2026/27 Account
5965 Support for Implementation of Improved Data Collection and Management Process						*$27,626*			*$0*		*$0*	*$27,626*	*$0*	*$27,626*	*$0*		***$27,626***	
5965	General	f	Support for Improved Data Collection and Visualization Tools	14.5	$27,626							$27,626		$27,626		$27,626		
7200 Program Element 2: Comprehensive Recharge Program							***$557,888***			***$1,114***	***$0***	***$559,002***	***$0***	***$559,002***	***$0***			***$559,002***
7202 Engineering Services						*$557,888*			*$1,114*		*$0*	*$559,002*	*$0*	*$559,002*	*$0*		***$559,002***	
6901.95	PE2		SWRCB and CDFW Water Rights Reporting	19.5	$42,452							$42,452		$42,452		$42,452		
7202.2	PE2	abcdC	RIPComm & GRCC Meetings & As-Requested Analyses	32.5	$73,528			$636				$74,164		$74,164		$74,164		
7202.2	PE2	abcdC	2013 & 2023 RMPU Implementation	44.5	$103,076							$103,076		$103,076		$103,076		
7202.2	PE2	abcdC	2028 Recharge Master Plan Update	153.0	$338,832			$477				$339,309		$339,309		$339,309		
7300 Program Elements 3 & 5: Water Supply Plan - Desalters							***$21,760***			***$0***	***$0***	***$21,760***	***$0***	***$21,760***	***$0***			***$21,760***
7303 Engineering Services						*$21,760*			*$0*		*$0*	*$21,760*	*$0*	*$21,760*	*$0*		***$21,760***	
7303	PE3-5	f	PE3-5: Engineering Support for Desalters	9.0	$21,760							$21,760		$21,760		$21,760		
7400 Program Element 4: Mgmt Zone Strategies							***$233,554***			***$364***	***$0***	***$233,918***	***$0***	***$233,918***	***$0***			***$233,918***
7402 Engineering Services						*$233,554*			*$364*		*$0*	*$233,918*	*$0*	*$233,918*	*$0*		***$233,918***	
Subtask 5 - Data Analyses and Reports												*$72,012*	*$0*	*$72,012*	*$0*			
7402	PE4/MZ-1	abC	PE4/MZ-1: Data Analyses and Reports	36.5	$72,012							$72,012		$72,012		$72,012		
Subtask 6 - Develop a Subsidence Management Plan for Northwest MZ-1											*$0*	*$107,696*	*$0*	*$107,696*	*$0*			
7402.1	PE4/MZ-1	abC	Aquifer-System Monitoring	4.0	$7,104							$7,104		$7,104		$7,104		
7402.1	PE4/MZ-1	abC	Refine and Evaluate Subsidence-Management Alternatives	45.0	$100,592							$100,592		$100,592		$100,592		
Subtask 7 - Meetings and Administration											*$0*	*$54,210*	*$0*	*$54,210*	*$0*			
7402	PE4/MZ-1	abC	PE4/MZ-1: Meetings and Administration	24.3	$53,846			$364				$54,210		$54,210		$54,210		
7500 Program Elements 6 & 7: Coop Efforts/Salt Mgmt							***$393,580***			***$9,421***	***$39,250***	***$442,251***	***$118,674***	***$284,326***	***$39,250***			***$284,326***
7502 Engineering Services						*$280,622*			*$1,700*		*$0*	*$282,322*	*$75,130*	*$207,192*	*$0*		***$207,192***	
7502	PE6-7	abC	PE6: Analysis of Chino Basin Contaminant Plumes	29.5	$54,168			$200				$54,368		$54,368		$54,368		
7502	PE6-7	Ccd	PE7: Maximum Benefit Annual Report	23.5	$44,896							$44,896		$44,896		$44,896		
7502	PE6-7	de	PE7: Finalize the Updated Chino Basin Maximum Benefit Monitoring Work Plan	7.0	$15,216							$15,216		$15,216		$15,216		
7502.2	PE6-7	de	PE7: Finalize Water Quality Improvements Work Plan and Implement Efforts to Project Basin-Wide TDS and Nitrate - **50% IEUA Cost Share**	63.0	$150,260							$150,260	$75,130	$75,130		$75,130		
7502	PE6-7	abC	As needed support for implementation of PE 6/7	7.0	$16,082			$1,500				$17,582		$17,582		$17,582		
7510 Update IEUA's Recycled Water Permit/Maximum Benefit Salinity Management Plan						*$15,525*			*$3,600*		*$0*	*$19,125*	*$9,562*	*$9,562*	*$0*		***$9,562***	
7510	PE6-7	df	Update IEUA's Recycled Water Permits/Maximum Benefit Salinity Management Plan for the Chino Basin - **50% IEUA Cost Share**	7.1	$15,525			$3,600				$19,125	$9,562	$9,562		$9,562		
7511 Support Watermaster in Participation and Review of Santa Ana Watershed Basin Monitoring Program Task Force						*$33,010*			*$581*		*$0*	*$33,590*	*$0*	*$33,590*	*$0*		***$33,590***	
7511	PE6-7	df	As requested services to support Watermaster in its participation in and review of work performed by the Santa Ana Watershed Basin Monitoring Program Task Force	13.8	$33,010			$581				$33,590		$33,590		$33,590		
7517 Prepare Monitoring Work Plan for Chino Creek						*$64,423*			*$3,540*		*$0*	*$67,963*	*$33,982*	*$33,982*	*$0*		***$33,982***	
7517	PE6-7	de	Implementation of Chino Creek Monitoring Program - **50% IEUA Cost Share**	37.9	$64,423			$3,540				$67,963	$33,982	$33,982		$33,982		
7520 Preparation of Water Quality Management Plan						*$0*			*$0*		*$39,250*	*$39,250*	*$0*	*$0*	*$39,250*		***$0***	
7520	PE6-7	a	Water Quality Management Program								$39,250	$39,250		$0	$39,250			
7600 Program Elements 8 & 9: Storage Mgmt/Conj Use							***$387,107***			***$15,712***	***$0***	***$402,819***	***$0***	***$402,819***	***$0***			***$402,819***
7602 Engineering Services						*$387,107*			*$15,712*		*$0*	*$402,819*	*$0*	*$402,819*	*$0*		***$402,819***	
7614	PE8-9	beC	Support Implementation of the Safe Yield Court Order	100.9	$221,227			$15,512				$236,739		$236,739		$236,739		
7615	PE8-9	abJ	Develop 2027 Storage Management Plan	72.0	$165,880			$200				$166,080		$166,080		$166,080		
Totals				**1,560**	**$3,255,995**	**$3,255,995**	**$3,255,995**	**$218,027**	**$218,027**	**$218,027**	**$39,250**	**$3,513,272**	**$201,975**	**$3,272,047**	**$39,250**	**$3,272,047**	**$3,272,047**	**$3,272,047**

Notes:

Work mandated by:

a OBMP & Peace Agreement
b OBMP Implementation Plan
c Peace II
d Water Quality Control Plan for the Santa Ana River Basin (Basin Plan)
e Other Regulatory Compliance
f Watermaster staff request
g New scope item related to Watermaster Process and Testimony at Court if required
C Court Order
J Judgment

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Table 2: Comparison of Watermaster Engineering Costs
FY 2026/27 versus FY 2025/26

FY 2026/27 Account No(s).	Task	Watermaster Engineering Cost Estimate FY 26/27[1]	Watermaster Engineering Cost Estimate FY 25/26[2]	Net Change
General Optimum Basin Management Program/Judgment Administration		**$773,510**	**$573,474**	**$200,036**
8306, 8506, 8406, 6206, 6306	Pool, Advisory, Watermaster Meetings	$116,835	$113,121	$3,713
6901.8, 5901.8	Other General Meetings as Requested	$80,325	$77,818	$2,507
5935	Material Physical Injury Requests	$36,096	$41,668	($5,572)
5906.71	Miscellaneous Data Requests - GM/Watermaster Staff	$112,652	$109,124	$3,528
5906.72	Miscellaneous Data Requests - Non CBWM Staff/RFI	$58,316	$56,483	$1,833
6901.95	SGMA Reporting Requirement for WC Section 10720.8 (f)	$24,858	$24,068	$790
6906	Project Management	$67,966	$65,810	$2,156
6906.1	Watermaster Model Application and Required Demonstrations	$88,388	$67,619	$20,769
5945	Assist Watermaster in Preparing the 49th Annual Report	$18,334	$17,762	$572
6906.21	2026 State of the Basin Report	$169,740	$0	$169,740
7100 Program Element 1: Comprehensive Monitoring Program		**$996,713**	**$1,099,729**	**($103,017)**
7502, 7505	Groundwater Quality Monitoring Program	$274,034	$276,552	($2,518)
7104.3, 7104.8, 7104.9	Groundwater Level Monitoring Program	$359,549	$338,722	$20,827
7402, 7403, 7406, 7408	Ground Level Monitoring Program	$228,114	$261,834	($33,721)
7302, 7306	PBHSP - Monitoring Program- IEUA Cost Share	$83,301	$135,633	($52,333)
7202	Review Documents for Chino Basin Recycled Water GW Recharge Program	$24,090	$23,350	$740
5925	Agricultural Production Estimation	$0	$36,336	($36,336)
5965	Support for Improved Data Collection and Visualization Tools	$27,626	$27,302	$324
7200 Program Element 2: Comprehensive Recharge Program		**$559,002**	**$279,260**	**$279,742**
6901.95	SWRCB and CDFW Water Rights Reporting	$42,452	$42,764	($312)
7202.2	PE2: Comprehensive Recharge Program	$177,240	$236,496	($59,256)
7202.2	2028 Recharge Master Plan Update	$339,309	$0	$339,309
7300 Program Elements 3 & 5: Water Supply Plan - Desalter		**$21,760**	**$21,080**	**$680**
7303	PE3-5: Engineering Support for Desalters	$21,760	$21,080	$680
7400 Program Element 4: Management Zone Strategies		**$233,918**	**$436,725**	**($202,807)**
7402	PE4/MZ-1: Data Analyses, Reports, Meetings, and Administration	$126,222	$142,559	($16,337)
7402.1	PE4: Subsidence Management Plan for Northwest MZ-1	$107,696	$294,166	($186,470)
7500 Program Elements 6 & 7: Cooperative Efforts/Salt Management		**$284,326**	**$322,048**	**($37,722)**
7502, 7502.2	PE6-7: Consulting Services for Water Quality under PE 6/7	$207,192	$206,820	$372
7510	Update IEUA's Recycled Water Permits/Maximum Benefit Salinity Management Plan for the Chino Basin - 50% IEUA Cost Share	$9,562	$9,522	$40
7511	As Requested Services to Review of Work Performed by Santa Ana Watershed BMPTF	$33,590	$28,022	$5,568
7517	Implementation of Chino Creek Monitoring Program - 50% IEUA Cost Share	$33,982	$38,434	($4,452)
7520	Water Quality Management Program	$0	$39,250	($39,250)
7600 Program Elements 8 & 9: Storage Management/Conjunctive Use		**$402,819**	**$711,089**	**($308,270)**
7610	Develop Storage and Recovery Master Framework	$0	$21,720	($21,720)
7614	Support Implementation of the Safe Yield Court Order	$236,739	$551,553	($314,814)
7615	Develop 2027 Storage Management Plan	$166,080	$137,816	$28,264
Totals		**$3,272,047**	**$3,443,405**	**($171,357)**

Notes:

[1] Total engineering cost estimate ($3,513,272) minus estimated IEUA cost-share contribution ($201,975) from Table 1

[2] Total engineering cost estimate ($3,618,518.50) minus estimated IEUA cost-share contribution ($175,114)

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Table 3: Variance Explanations for Engineering Costs
FY 2026/27 versus FY 2025/26

FY 2026/27 Account No(s).	Task	Change from FY 25/26	Variance Explanation
General Optimum Basin Management Program/Judgment Administration		**$200,036**	
8306, 8506, 8406, 6206, 6306	Pool, Advisory, Watermaster Meetings	$3,713	
6901.8, 5901.8	Other General Meetings as Requested	$2,507	
5935	Material Physical Injury Requests	($5,572)	
5906.71	Miscellaneous Data Requests - GM/Watermaster Staff	$3,528	
5906.72	Miscellaneous Data Requests - Non CBWM Staff/RFI	$1,833	
6901.95	SGMA Reporting Requirement for WC Section 10720.8 (f)	$790	
6906	Project Management	$2,156	
6906.1	Watermaster Model Application and Required Demonstrations	$20,769	The increase in cost compared to FY 2025/26 is due to the addition of the study for supplemental water recharge in MZ-1 (Peace II Agreement Section 8.4[e]) and the addition of FY 2025/26 to the historical period being modeled.
5945	Assist Watermaster in Preparing the 49th Annual Report	$572	
6906.21	2026 State of the Basin Report	$169,740	This is a biennial task that is to be completed in FY 2026/27.
7100 Program Element 1: Comprehensive Monitoring Program		**($103,017)**	
7502, 7505	Groundwater Quality Monitoring Program	($2,518)	
7104.3, 7104.8, 7104.9	Groundwater Level Monitoring Program	$20,827	Increased cost due to budget added to hire outside contractors to perform rehab of an old well to convert it for monitoring water quality and water levels to fill a data gap required by the Regional Board.
7402, 7403, 7406, 7408	Ground Level Monitoring Program	($33,721)	Cost decrease compared to FY 2025/26 is primarily due to recommending GPS surveys instead of traditional benchmark leveling surveys. Additional savings result from final payoff for the GAMMA software to process InSAR data.
7302, 7306	PBHSP - Monitoring Program- IEUA Cost Share	($52,333)	The decrease in cost in FY 2026/27 is due to the triennial field vegetation surveys not being performed this year.
7202	Review Documents for Chino Basin Recycled Water GW Recharge Program	$740	
5925	Agricultural Production Estimation	($36,336)	This task was completed in FY 2025/26.
5965	Support for Improved Data Collection and Visualization Tools	$324	
7200 Program Element 2: Comprehensive Recharge Program		**$279,742**	
6901.95	SWRCB and CDFW Water Rights Reporting	($312)	
7202.2	PE2: Comprehensive Recharge Program	($59,256)	The scope of work excludes the one-time Turner Basin analysis completed in FY2025/26 and the collection of MS4 data.
7202.2	2028 Recharge Master Plan Update	$339,309	The Recharge Master Plan Update (RMPU) is due to the Court every five years. This budget assumes that the 2028 RMPU will evaluate new recharge projects
7300 Program Elements 3 & 5: Water Supply Plan - Desalter		**$680**	
7303	PE3-5: Engineering Support for Desalters	$680	
7400 Program Element 4: Mgmt Zone Strategies		**($202,807)**	
7402	PE4/MZ-1: Data Analyses, Reports, Meetings, and Administration	($16,337)	The cost decrease compared to FY 2025/26 is primarily due to the completion of the Whispering Lakes Subsidence Study.
7402.1	PE4: Subsidence Management Plan for Northwest MZ-1	($186,470)	The cost decrease compared to FY 2025/26 is primarily due to completion of the PX refurbishment and the construction and calibration of the additional 1D compaction models.
7500 Program Elements 6 & 7: Coop Efforts/Salt Mgmt		**($37,722)**	
7502	PE6-7: Consulting Services for Water Quality under PE 6/7	$372	

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Table 3: Variance Explanations for Engineering Costs
FY 2026/27 versus FY 2025/26

FY 2026/27 Account No(s).	Task	Change from FY 25/26	Variance Explanation
7510	Update IEUA's Recycled Water Permits/Maximum Benefit Salinity Management Plan for the Chino Basin - 50% IEUA Cost Share	$40	
7511	As Requested Services to Review of Work Performed by Santa Ana Watershed BMPTF	$5,568	
7517	Implementation of Chino Creek Monitoring Program - 50% IEUA Cost Share	($4,452)	
7520	Water Quality Management Program	($39,250)	No work was initiated in FY 2025/26, and the remaining budget will carry over to FY 2026/27. The timing of WQC meetings and WQMP scope will be determined by Watermaster as-needed.
7600 Program Elements 8 & 9: Storage Mgmt/Conj Use		**($308,270)**	
7610	Develop Storage and Recovery Master Framework	($21,720)	The scope in FY 2026/27 has been combined with Task 7615.
7614	Support Implementation of the Safe Yield Court Order	($314,814)	The 2025 Safe Yield Reevaluation was completed in FY 2025/26.
7615	Develop 2027 Storage Management Plan	$28,264	The scope in FY 2026/27 is greater than the prior year because the majority of the work to complete the 2027 Storage Management Plan will take place in FY 2026/27 and will include initiating the Storage and Recovery Master Framework.
Total		**($171,357)**	

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Table 4: Engineering Cost Estimates by Expense Category*

FY 2026/27 Account No(s).

FY 2026/27 Account No(s).	Task	Total Engineering Cost Estimates	Expense Category						
			WY Labor Expense	WY Travel Expense	Equipment Rental	Repro Expense	Equipment Purchases	Lab Expense	Outside Pros
General Optimum Basin Management Program/Judgment Administration		**$ 773,510**	**$ 768,914**	**$ 4,596**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
8306, 8506, 8406, 6206, 6306	Pool, Advisory, Watermaster Meetings	$ 116,835	114,448	2,387	-	-	-	-	-
6901.8, 5901.8	Other General Meetings as Requested	$ 80,325	78,416	1,909	-	-	-	-	-
5935	Material Physical Injury Requests, Other	$ 36,096	36,096	-	-	-	-	-	-
6906.71, 5906.71	Miscellaneous Data Requests - GM/Watermaster Staff	$ 112,652	112,352	300	-	-	-	-	-
6906.72, 5906.72	Miscellaneous Data Requests - Non CBWM Staff/RFI	$ 58,316	58,316	-	-	-	-	-	-
6901.95	SGMA Reporting Requirement for WC Section 10720.8 (f)	$ 24,858	24,858	-	-	-	-	-	-
6906	Project Management	$ 67,966	67,966	-	-	-	-	-	-
6906.1	Watermaster Model Application and Required Demonstrations	$ 88,388	88,388	-	-	-	-	-	-
5945	Assist Watermaster in Preparing the 49th Annual Report	$ 18,334	18,334	-	-	-	-	-	-
6906.21	2026 State of the Basin Report	$ 169,740	169,740	-	-	-	-	-	-
7100 Program Element 1: Comprehensive Monitoring Program		**$ 1,080,013**	**$ 893,192**	**$ 14,155**	**$ 9,480**	**$ 1,596**	**$ 25,250**	**$ 42,100**	**$ 94,240**
7502, 7505	Groundwater Quality Monitoring Program	$ 274,034	222,534	3,240	6,160	-	-	42,100	-
7104.3, 7104.8, 7104.9	Groundwater Level Monitoring Program	$ 359,549	299,364	7,235	1,950	-	19,000	-	32,000
7402, 7403, 7406, 7408	Ground Level Monitoring Program	$ 228,114	166,718	3,440	1,370	1,596	6,250	-	48,740
7302, 7306	PBHSP - Monitoring Program- IEUA Cost Share	$ 166,601	152,861	240	-	-	-	-	13,500
7202	Review Documents for Chino Basin Recycled Water GW Recharge Program	$ 24,090	24,090	-	-	-	-	-	-
5965	Support for Improved Data Collection and Visualization Tools	$ 27,626	27,626	-	-	-	-	-	-
7200 Program Element 2: Comprehensive Recharge Program		**$ 559,002**	**$ 557,888**	**$ 1,114**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
6901.95	SWRCB and CDFW Water Rights Reporting	$ 42,452	42,452	-	-	-	-	-	-
7202.2	PE2: Comprehensive Recharge Program	$ 177,240	176,604	636	-	-	-	-	-
7202.2	2028 Recharge Master Plan Update	$ 339,309	338,832	477	-	-	-	-	-
7300 Program Elements 3 & 5: Water Supply Plan - Desalter		**$ 21,760**	**$ 21,760**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
7303	PE3-5: Engineering Support for Desalters	$ 21,760	21,760	-	-	-	-	-	-
7400 Program Element 4: Mgmt Zone Strategies		**$ 233,918**	**$ 233,554**	**$ 364**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
7402	PE4/MZ-1: Data Analyses, Reports, Meetings, and Administration	$ 126,222	125,858	364	-	-	-	-	-
7402.1	PE4: Subsidence Management Plan for Northwest MZ-1	$ 107,696	107,696	-	-	-	-	-	-
7500 Program Elements 6 & 7: Coop Efforts/Salt Mgmt		**$ 442,251**	**$ 432,830**	**$ 4,781**	**$ 1,140**	**$ -**	**$ -**	**$ -**	**$ 3,500**
7502	PE6-7: As-needed consulting for Plumes and Maximum Benefit Annual Reporting	$ 282,322	280,622	1,700	-	-	-	-	-
7510	Update IEUA's Recycled Water Permit and Water Salinity MP - IEUA Cost Share	$ 19,125	15,525	100	-	-	-	-	3,500
7511	As requested services to support Watermaster in its participation in and review of work performed by the Santa Ana Watershed Basin Monitoring Program Task Force	$ 33,590	33,010	581	-	-	-	-	-
7517	Implementation of Chino Creek Monitoring Program - 50% IEUA Cost Share	$ 67,963	64,423	2,400	1,140	-	-	-	-
7520	Water Quality Management Program	$ 39,250	39,250	-	-	-	-	-	-
7600 Program Elements 8 & 9: Storage Mgmt/Conj Use		**$ 402,819**	**$ 387,107**	**$ 400**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 15,312**
7614	Support Implementation of the Safe Yield Court Order	$ 236,739	221,227	200	-	-	-	-	15,312
7615	Develop 2027 Storage Management Plan	$ 166,080	165,880	200	-	-	-	-	-
Totals		**$ 3,513,272**	**$ 3,295,245**	**$ 25,409**	**$ 10,620**	**$ 1,596**	**$ 25,250**	**$ 42,100**	**$ 113,052**

Notes:

* Total engineering cost estimates include IEUA cost sharing contributions and Carryover

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TECHNICAL MEMORANDUM

DATE: May 1, 2026 Project No.: 941-80-25-21

TO: Ground-Level Monitoring Committee

FROM: West Yost Associates

REVIEWED BY: Andy Malone, PG

SUBJECT: Recommended Scope-of-Work and Budget for the Ground-Level Monitoring Program for Fiscal Year 2026/27 **(FINAL)**

BACKGROUND AND PURPOSE

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

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

This Technical Memorandum (TM) describes the Watermaster Engineer's recommended activities for the GLMP for FY 2026/27 in the form of a proposed scope-of-work and budget.

Members of the GLMC are asked to:

- Review this draft TM prior to March 5, 2026.
- Attend a meeting of the GLMC at 10:00 am on March 5, 2026 to discuss the proposed scope-of-work and budget for FY 2026/27.
- Submit comments and suggested revisions on the proposed scope-of-work and budget for FY 2026/27 to the Watermaster by April 2, 2026.

Table 1. Work Breakdown Structure and Cost Estimates for the Ground-Level Monitoring Program: FY 2026/27

Task Description			Notes	Labor (days)		Other Direct Costs						Totals			
				Person Days	Total	Travel	New Equip.	Equip. Rental	Outside Pro	Misc.	Total	Totals by Task	Recommended Budget *2026/27*	Approved Budget *2025/26*	Net Change *from 2025/26*
													a	*b*	*a - b*
Task 1. Setup and Maintenance of the Monitoring Network					**$43,706**						**$10,916**	**$54,622**	**$54,622**	**$51,357**	**$3,264**
1.1	Maintain Extensometer Facilities														
	1.1.1	Routine maintenance of Ayala Park, Chino Creek, and Pomona extensometer facilities		21	$32,010	$1,720	$250	$920			$2,890	$34,900	$34,900	$32,250	$2,649
	1.1.2	Replacement/repair of equipment at extensometer facilities		6	$11,696	$430	$6,000				$6,430	$18,126	$18,126	$17,511	$615
1.2	Annual Lease Fees for the Chino Creek extensometer facility			0	$0					$1,596	$1,596	$1,596	$1,596	$1,596	$0
Task 2. MZ-1: Aquifer-System Monitoring and Testing					**$35,556**						**$1,740**	**$37,296**	**$37,296**	**$35,230**	**$2,066**
2.1	Conduct Quarterly Monitoring at Extensometers Facilities														
	2.1.1	Download data from the Ayala Park Extensometer facility		4	$5,916	$430		$150			$580	$6,496	$6,496	$6,111	$385
	2.1.2	Download data from the Chino Creek Extensometer facility		4	$5,916	$430		$150			$580	$6,496	$6,496	$5,760	$736
	2.1.3	Download data from Pomona Extensometer facility		4	$5,916	$430		$150			$580	$6,496	$6,496	$6,111	$385
	2.1.4	Process, check, and upload data to database		10	$17,808						$0	$17,808	$17,808	$17,248	$560
Task 3. Basin Wide Ground-Level Monitoring Program (InSAR)					**$73,304**						**$17,600**	**$90,904**	**$90,904**	**$111,216**	**-$20,312**
3.1	Satellite tasking and data selection with AirBus for 2026/27			0.5	$1,240					$1,000	$1,000	$2,240	$2,240	$2,200	$40
3.2	Assess SAR baselines for 2026/27 and select/purchase TerraSAR-X frames from Airbus			0.5	$1,240					$10,000	$10,000	$11,240	$11,240	$11,200	$40
3.3	Prepare and check interferograms for 2026/27			28	$68,344						$0	$68,344	$68,344	$66,144	$2,200
3.4	GAMMA software maintenance for InSAR processing			1	$2,480					$6,600	$6,600	$9,080	$9,080	$17,600	-$8,520
3.5	Compile and prepare DWR InSAR estimates for Chino Basin; Compare to TerraSAR-X			0	$0						$0	$0	$0	$14,072	-$14,072
Task 4. Perform Ground-Level Surveys					**$14,152**						**$31,140**	**$45,292**	**$45,292**	**$64,031**	**-$18,739**
4.1	Conduct Spring-2027 Elevation surveys in Northwest MZ-1			0	$0				$64,270		$0	$0	$0	$42,887	-$42,887
4.2	Conduct Spring-2027 Elevation Survey in the Northeast Area			0	$0				$122,480		$0	$0	$0	$0	$0
4.3	Conduct Spring-2027 Elevation Survey in the Southeast Area			0	$0				$78,695		$0	$0	$0	$0	$0
4.4	Conduct Spring-2027 Elevation and EDM Surveys in the Managed Area/Fissure Zone			0	$0				$75,890		$0	$0	$0	$0	$0
4.5	Conduct GPS Surveys at Four Control Points in the Northwest, Northeast, Southeast, and Managed Areas			0	$7,808				$26,140		$26,140	$33,948	$33,948	$5,000	$28,948
4.6	Replace Destroyed Benchmarks (if needed)			0	$0				$5,000		$5,000	$5,000	$5,000	$10,000	-$5,000
4.7	Process, Check, and Update Database			3	$6,344						$0	$6,344	$6,344	$6,144	$200
Task 5. Data Analysis and Reporting					**$72,012**						**$0**	**$72,012**	**$72,012**	**$81,668**	**-$9,656**
5.1	Prepare Draft 2025/26 Annual Report of the Ground-Level Monitoring Committee			18	$33,992						$0	$33,992	$33,992	$34,896	-$904
5.2	Prepare Final 2025/26 Annual Report of the Ground-Level Monitoring Committee			5.5	$12,612						$0	$12,612	$12,612	$14,432	-$1,820
5.3	Compile and Analyze Data from the 2026/27 Ground-Level Monitoring Program			13	$25,408						$0	$25,408	$25,408	$22,704	$2,704
5.4	Continue Whispering Lakes Subsidence Investigation			0	$0						$0	$0	$0	$9,636	-$9,636
Task 6. Develop a Subsidence-Management Plan for Northwest MZ-1					**$107,696**						**$0**	**$107,696**	**$107,696**	**$169,378**	**-$61,682**
6.1	Aquifer-System Monitoring														
	6.1.1	Collect pumping and piezometric data from agencies every three months; check and upload data to HDX		0	$0						$0	$0	$0	$0	$0
	6.1.2	Prepare and analyze charts and data graphics of pumping and recharge (Northwest MZ-1), piezometric levels, and aquifer-system deformation from PX		4	$7,104						$0	$7,104	$7,104	$4,792	$2,312
	6.1.3	PX Refurbishment - Continue to periodically check and adjust extensometers		0	$0						$0	$0	$0	$46,250	-$46,250
6.2	Refine and Evaluate Subsidence-Management Alternatives														
	6.2.1	Recalibrate PX 1D Model (if necessary) and update the CVM at the PX Site		0	$0						$0	$0	$0		
	6.2.2	Run PX 1D Model using the 2025 SYR results		0	$0						$0	$0	$0		
	6.2.3	Prepare draft TM summarizing model results and up to two SMAs, and meet with the GLMC for feedback		0	$0						$0	$0	$0		
	6.2.4	Run the SMAs with the CVM and 1D Models		23	$52,392						$0	$52,392	$52,392	$118,336	-$17,744
	6.2.5	Prepare draft TM to describe SMA results, interpretations and recommendations		12.5	$26,556						$0	$26,556	$26,556		
	6.2.6	Prepare for and meet with the GLMC to receive feedback on the draft TM		5	$11,512						$0	$11,512	$11,512		
	6.2.7	Prepare final TM to describe SMA results, interpretations and recommendations		4.5	$10,132						$0	$10,132	$10,132		
Task 7. Meetings and Administration					**$53,846**						**$364**	**$54,210**	**$54,210**	**$60,891**	**-$6,681**
7.1	Prepare for and Conduct Two Meetings of the Ground-Level Monitoring Committee		a	10	$22,712	$243					$243	$22,955	$22,955	$33,619	-$10,664
7.2	Prepare for and Conduct One As-Requested Ad-Hoc Meeting		a	4	$9,136	$121					$121	$9,257	$9,257	$7,216	$2,041
7.3	Perform Monthly Project Management			4.5	$9,516						$0	$9,516	$9,516	$8,112	$1,404
7.4	Prepare a Recommended Scope and Budget for the GLMC for FY 2027/28			5.75	$12,482						$0	$12,482	$12,482	$11,944	$538
Totals					**$400,272**						**$61,760**		**$462,032**	**$573,772**	**-$111,740**

Notes:

a Assumes in-person meetings.

A final recommended scope-of-work and budget that addresses the comments and suggested revisions of the GLMC will be included in the Watermaster staff's proposed budget for FY 2026/27. The final scope-of-work and budget for FY 2026/27 approved by the Watermaster will be included in Section 4 of the *2025/26 Annual Report for the GLMP*.

RECOMMENDED SCOPE-OF-WORK AND BUDGET – FY 2026/27

A proposed scope-of-work and budget for the GLMP for FY 2026/27 is shown in Table 1 as a line-item cost estimate. The proposed scope-of-work is summarized below.

Task 1. Setup and Maintenance of the Monitoring Network

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

Task 1.1. Maintain Extensometer Facilities

This subtask includes performing monthly visits to the extensometer facilities at Ayala Park (APX), Chino Creek (CCX), and Pomona (PX) to ensure functionality and calibration of the monitoring equipment and data loggers. Two staff members are required for these visits due to safety concerns.

Non-routine efforts to be performed under this subtask during FY 2026/27 may include:

- As-needed adjustments to the extensometers to ensure the accuracy of the measurements of aquifer-system deformation.
- As-needed repair or replacement of linear potentiometers, transducers, and/or the CR1000X data loggers.

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

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

Task 2. Aquifer-System Monitoring and Testing

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

Task 2.1. Conduct Quarterly Monitoring at Extensometer Facilities

This subtask involves quarterly data collection, processing, and checking from the three extensometer facilities. This frequency of data collection/checking is needed to ensure that the monitoring equipment is in good working order and to minimize the risk of losing data because of equipment malfunction. For this subtask, the complete extensometer and piezometer

records from the APX, CCX, and PX facilities are loaded to HydroDaVE℠ (Hydrologic Database and Visual Explanations), the annual report figures are updated, and all the new data are checked for accuracy. If the data indicate malfunctioning equipment or inaccurate measurements, then any necessary adjustments to the monitoring equipment are made. Two staff members are required for these visits due to safety concerns.

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

This task involves the annual collection and analysis of Synthetic Aperture Radar (SAR) scenes to estimate the vertical ground motion across the western portion of Chino Basin from March 2026 to March 2027.[1]

In this subtask, five SAR scenes that are acquired by the TerraSAR-X satellite from March 2026 to March 2027 are purchased from the German Aerospace Center. West Yost will use the SAR scenes to prepare 12 interferograms (InSAR) that describe the incremental and cumulative vertical ground motion that occurred from March 2026 to March 2027, and since 2011. The associated costs to task, acquire, purchase, and process the InSAR data is as follows:

- Task TerraSAR-X for five SAR acquisitions for the western Chino Basin ($1,000)
- Purchase TerraSAR-X data ($10,000)
- Prepare and check InSAR results, including the interferograms and GIS-generated rasters ($76,448)

In addition, West Yost purchased and maintains the GAMMA software that is necessary to process the SAR data and prepare the InSAR estimates of vertical ground motion. The annual maintenance cost for the GAMMA software is $6,600.

Task 4. Perform Ground-Level Surveys

This task involves conducting traditional leveling and GPS elevation surveys at benchmark monuments across defined areas of western Chino Basin to estimate the vertical ground motion that occurred since the prior survey. Figure 1 shows the location of the benchmark monuments surveyed across the western Chino Basin. Electronic distance measurements (EDM surveys) are also performed periodically between monuments to estimate horizontal ground motion in areas where ground fissuring due to differential land subsidence is a concern. Table 2 documents the traditional leveling and GPS surveys conducted since 2018 as part of the GLMP.

[1] West Yost is performing this task internally instead of subcontracting the work. This was made possible by West Yost hiring the InSAR subconsultant directly and purchasing/maintaining the necessary hardware and software.

Relative Change in Land Surface Elevation
as Estimated by InSAR
(March 2011 to March 2025)

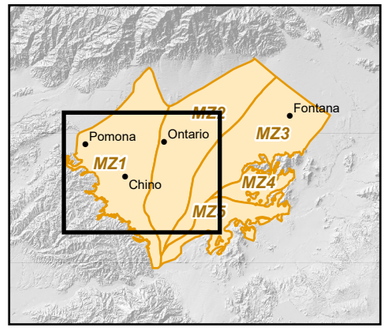
High : 0.75 ft

0 ft

Low : -0.75 ft

InSAR absent or incoherent

- Areas of Subsidence Concern
- Pomona Extensometer Facility
- Chino Creek Extensometer Facility
- Ayala Park Extensometer Facility
- Ground-Level Survey Benchmark
- Ground-Level GPS Station
- Chino Desalter Authority Well
- SB County Extraction Well
- Ground Fissures
- Approximate Location of the Riley Barrier
- Santa Ana Watershed Rivers



WEST YOST

Chino Basin Watermaster
Ground-Level Monitoring Program

Figure 1

Ground-Level Monitoring Program
Fiscal Year 2026/27

Table 2. History of Ground-Level Surveys

Ground-Level Survey Area	Ground-Level Survey Completed (Y/N)?									
	2018	2019	2020	2021	2022	2023	2024	2025	2026[c]	2027[d]
Managed Area	Y	N	N	N	N	N	Y	N	N	N
Fissure Zone Area[a]	Y	N	N	N	N	N	N	N	N	N
Central Area	N	N	N	N	N	N	N	N	N	N
Northwest Area	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
San Jose Fault Zone Area[a]	Y	Y	Y	Y	Y	N	N	N	N	N
Southeast Area	Y	N	N	N	Y	N	N	N	N	N
Northeast Area	Y	Y	Y	N	N	N	N	N	N	N
GPS points in key areas[b]	-	-	-	-	-	-	-	-	-	Y

(a) Denotes EDM survey area (measurements of horizontal strain).

(b) As an alternative to traditional ground-level surveys, a new recommendation for Spring 2027 is to conduct GPS surveys at four key control points in the Managed, Northwest, Northeast, and Southeast areas.

(c) The 2026 surveys are scheduled to begin in March 2026.

(d) The 2027 surveys are scheduled to begin in March 2027.

The surveys recommended for FY 2026/27 include the following:

Task 4.5. Conduct GPS Surveys at Four Control Points in the Northwest, Northeast, Southeast, and Managed Areas

As an alternative to traditional ground-level surveys, a new recommendation for Spring 2027 is to conduct GPS surveys at four key control points in the Managed, Northwest, Southeast, and Northeast areas:

- APEXO-1 at the Ayala Park Extensometer (Managed Area)
- MPEXO-1 at the Pomona Extensometer (Northwest Area)
- B-290 at the Chino Creek Extensometer (Southeast Area)
- A new control point near the 1D modeling location at Ontario Well 33 (Northeast Area)

These control points will be referenced to the Ayala Park elevation datum at the APX.

This strategy offers a more cost-effective approach, since the results of the GLMP indicate that InSAR monitoring is providing accurate estimates of vertical ground motion at high spatial resolution and across all Areas of Subsidence Concern. The GPS survey results will be used to verify InSAR estimates of vertical ground motion, support calibration of the 1D subsidence models, and provide reference elevations for any future differential leveling surveys in these four Areas of Subsidence Concern. This subtask also includes labor by field staff to escort the contractor to each GPS control point.

Task 4.6. Replace Destroyed Benchmarks (if needed)

In this subtask, the surveyor replaces benchmark monuments that have been destroyed since the last survey, if any. If additional benchmarks are required, the surveyor will provide a cost estimate to complete the task.

Task 4.7. Process, Check, and Update Database

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

Ground-Level Surveys Not Recommended for Spring 2027

Ground-level surveys are **not** recommended for Spring 2027 in the Managed, Central, Northwest, Northeast and Southeast Areas. This recommendation is justified because:

- InSAR is proving to be an accurate, more efficient, higher-resolution method to monitor vertical ground motion across the western Chino Basin.
- Hydraulic heads and vertical ground motion in some of these areas are stable or increasing.
- The cost of conducting traditional leveling surveys has increased significantly in recent years.

Task 5. Data Analysis and Reporting

Task 5.1. Prepare Draft 2025/26 Annual Report for the Ground-Level Monitoring Program

Prepare the text, tables, and figures for a draft *2025/26 Annual Report for the GLMP* and submit the report to the GLMC by September 17, 2026, for review and comment.

Task 5.2. Prepare Final 2025/26 Annual Report for the Ground-Level Monitoring Program

Update the text, tables, and figures based on the comments received from the GLMC and prepare a final *2025/26 Annual Report for the GLMP* by November 2, 2026. Responses to GLMC comments will be included as an appendix to the final report. The report will be included in the agenda packet for the November 2026 Watermaster meetings for approval.

Task 5.3. Compile and Analyze Data from the 2026/27 Ground-Level Monitoring Program

During the winter and spring of 2027, the monitoring data generated from the GLMP during 2026/27 is checked, mapped, charted, and analyzed as the first step in the preparation of the subsequent annual report. Some of the maps, charts, and tables are shared with the GLMC at its meetings in early 2027 during the development of a recommended scope of services and budget for FY 2027/28.

Future Reporting Frequency and Format

Following completion of the 2025/26 Annual Report, the Watermaster Engineer recommends evaluating opportunities to improve reporting efficiency, including the potential to reduce the reporting frequency to bi-annual, which could be coordinated with the bi-annual State of the Basin Report, subject to Court approval.

Under this approach, the Watermaster Engineer would continue to provide annual data summaries and updates to the GLMC during a special meeting each spring. A written report would be prepared every two years and/or presented in coordination with the State of the Basin Report.

Any modification to the reporting frequency or format would be implemented only upon recommendation by the GLMC, the Watermaster Pools, Advisory Committee, and Board, and Court approval. This approach has the potential to reduce long-term administrative and reporting costs while maintaining annual oversight and GLMC collaboration.

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

In the Northeast Area, the long-term and short-term InSAR estimates indicate that persistent downward ground motion has occurred in a concentrated area south of the Ontario International Airport between Vineyard Avenue and Archibald Avenue in the vicinity of Whispering Lakes Golf Course. This concentrated area of subsidence is herein referred to as the Whispering Lakes Subsidence Feature.

In FY 2021/22, the Watermaster Engineer conducted a Reconnaissance-Level Investigation that included the review and analysis of readily-available borehole and lithologic data, historical air photos, pumping and recharge data, hydraulic head data, and InSAR estimates of vertical ground motion. Figures and charts were prepared and analyzed to derive interpretations and recommendations for future investigations and monitoring. The investigation and recommendations were included in the *FY 2021/22 Annual Report for the GLMP*.

The investigation and subsequent monitoring show that the subsidence feature directly overlies the Whispering Lakes Golf Course, and hence, suggest that the most plausible mechanism for this subsidence feature is shallow soil consolidation associated with the golf course and/or the prior overlying land uses. If true, groundwater management will have no effect on the Whispering Lakes Subsidence Feature. However, the possibility remains that deeper aquifer-system compaction is at least a contributing mechanism for the land subsidence.

Based on these findings, the Watermaster Engineer does **not** recommend continuing the limited monitoring program in FY 2026/27 for the following reasons:

- Vertical ground motion in this area will continue to be evaluated using high-resolution InSAR analyses developed for the GLMP Annual Report.

- The Watermaster Engineer has been unsuccessful in outreach efforts to install transducers in nearby deep groundwater pumping wells at the Niagara Bottling Facility. However, pumping data reported for these wells will continue to be provided to Watermaster and summarized in the GLMP Annual Report.

Although the limited monitoring program is **not** recommended for FY 2026/27, it should be reconsidered in future fiscal years if InSAR patterns change substantially at the Whispering Lakes Subsidence Feature or if the Watermaster Engineer is granted permission to install and download transducer data at the nearby Niagara Bottling Facility. Such reassessment would help determine whether aquitard drainage and groundwater utilization are contributing factors to the observed subsidence.

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

The 2007 SMP called for ongoing monitoring and data analysis of the Managed Area; including annual reporting and adjustments to the SMP, as warranted by the data. The 2007 SMP also called for expanded monitoring of the aquifer-system and land subsidence in other areas of subsidence and ground fissuring concern. Figure 1 shows the location of these so-called Areas of Subsidence Concern: Central MZ-1, Northwest MZ-1, Northeast Area, and Southeast Area. The expanded monitoring efforts outside of the Managed Area are consistent with the requirements of OBMP Program Element 1 and its implementation plan contained in the Peace Agreement.[2]

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

The Watermaster had been monitoring vertical ground motion in Northwest MZ-1 via InSAR during the development of the 2007 SMP. Land subsidence in Northwest MZ-1 was first identified as a concern in 2006 in the MZ-1 Summary Report and again in 2007 in the 2007 SMP. Of particular concern was the occurrence of concentrated differential subsidence across the San Jose Fault in Northwest MZ-1—the same spatial pattern of differential subsidence that occurred in the Managed Area during the time of ground fissuring. Ground fissuring is the main subsidence-related threat to infrastructure. The issue of differential subsidence, and the potential for ground fissuring in Northwest MZ-1, has been discussed at prior GLMC meetings, and the subsidence has been documented and described as a concern in the Watermaster's

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

State of the Basin Reports, the annual reports of the GLMP, and in the *Initial Hydrologic Conceptual Model and Monitoring and Testing Program for the Northwest MZ-1 Area* (WEI, 2017). The Watermaster increased monitoring efforts in Northwest MZ-1 beginning in FY 2012/13 to include ground elevation surveys and electronic distance measurements (EDM) to monitor ground motion and the potential for fissuring.

In 2015, the Watermaster's Engineer developed the *Work Plan to Develop a Subsidence Management Plan for the Northwest MZ-1 Area* (Work Plan; WEI 2015b).[3] The Work Plan is characterized as an ongoing Watermaster effort and includes a description of a multi-year scope-of-work, a cost estimate, and an implementation schedule. The Work Plan was included in the 2015 SMP as Appendix B. Implementation of the Work Plan began in July 2015. On an annual basis, the GLMP analyzes the data and information generated by the implementation of the Work Plan. The results and interpretations generated from the analysis are documented in the annual report for the GLMP and used to prepare recommendations for future activities.

Progress to Implement Work Plan through FY 2025/26

The progress that has been made to implement the Work Plan through FY 2025/26 is described below:

- An initial hydrogeologic conceptual model of the Northwest MZ-1 Area was developed, and a report was published in 2017.[4] This report described the hydrogeology of the area, speculated on the causes of the observed land subsidence, and included a recommended monitoring program.

- A preliminary one-dimensional (1D) compaction model, based on hydrogeologic information from the MVWD-28 well site, was constructed, calibrated and used to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater production and artificial recharge and to identify potential subsidence mitigation strategies. A report[5] was published to document the results and interpretations of the modeling, which were: ***the deep aquifer system is most susceptible to future compaction and associated land subsidence, and hence, heads will need to increase in the deep aquifer system to minimize or abate future subsidence in Northwest MZ-1***. The report also included a recommendation to construct the Pomona Extensometer.

- The initial monitoring program was implemented to closely track groundwater-levels, groundwater production, recharge, and ground motion across Northwest MZ-1. This

[3] Work Plan to Develop a Subsidence-Management Plan for Northwest MZ-1

[4] https://www.cbwm.org/docs/engdocs/GLMC/nwmz1/Final_NWMZ1_Task1_Report.pdf

[5] https://www.cbwm.org/docs/engdocs/GLMC/nwmz1/20171220%20Final%20NWMZ1%20Task3-4%20Tech%20Memo.pdf

monitoring program included the construction of the Pomona Extensometer to measure and record depth-specific heads and aquifer-system deformation. Implementation of the monitoring program is ongoing.

- A new 1D model was constructed and calibrated using the hydrogeologic information collected at the Pomona Extensometer. The 1D model at MVWD-28 was also updated and recalibrated using current information. The objectives of this exercise were to: (i) describe the subsidence mechanisms and the pre-consolidation head by aquifer-system layer in Northwest MZ-1 and (ii) develop modeling tools that can be used to explore the future occurrence of subsidence in Northwest MZ-1 under various basin-operation scenarios of groundwater production and artificial recharge and to identify potential subsidence mitigation strategies. This work was reviewed by the GLMC, and additional model calibration refinements and sensitivity analyses were performed based on GLMC input. In November 2022, the Watermaster Engineer published a final report[6] on the 1D Model calibrations and sensitivity analyses (with review by the GLMC) and deemed the 1D Models sufficient to simulation future land subsidence under prospective plans for pumping and recharge.

- In 2023, the Watermaster Engineer, with review and input from the GLMC, developed an initial "Subsidence Management Alternative" for Northwest MZ-1 called SMA-1. SMA-1 is equivalent to the planning scenario that was simulated with the 2020 Chino Valley Model (CVM) to support the 2020 Safe Yield Recalculation (2020 SYR). The 2020 SYR was intended to represent and simulate the Parties' projected pumping, recharge, and use of storage through 2050. The results of the 2020 SYR (*i.e.,* projected hydraulic heads by CVM layer) were used as input data for the 1D Model simulations to predict the potential future occurrence of subsidence through 2050. In September 2023, the Watermaster Engineer published a draft TM titled *1D Model Simulation of Subsidence in Northwest MZ-1—Subsidence Management Alternative #1*. The Watermaster's recommendations from this work were the following:

    a. Establish a *preliminary* "Northwest MZ-1 Guidance Level" of 630 ft-amsl for hydraulic heads in Layers 3 and 5 at the PX location. The *preliminary* Guidance Level is based on the physics of aquitard drainage and an aspirational Watermaster recommendation that, if achieved, would likely slow or stop aquitard compaction and land subsidence in Northwest MZ-1. While it is true that the rate of subsidence has slowed in Northwest MZ-1, the threat of future groundwater level declines and associated subsidence (and ground fissuring) remains, which is a reason why the Watermaster conducts the subsidence

[6] https://www.cbwm.org/docs/engdocs/GLMC/nwmz1/TM%20-%20941%20-%201D%20Model%20-%20Final.pdf

monitoring program and is developing a Subsidence Management Plan for Northwest MZ-1.

b. Compliance with the Guidance Level should be measured at the PX-2/3 piezometer, which is generally representative of heads in Layers 3 and 5.

c. The methods to achieve the Guidance Level could include but are not limited to: voluntary modification of pumping patterns; in-lieu recharge; wet-water recharge via spreading and/or injection; or a combination of methods. These methods might necessitate: voluntary modification of water-supply plans of the purveyors in the Chino Basin; modification of Watermaster practices for recharge and replenishment; and/or the implementation of regional-scale storage or conjunctive-use programs.

d. Additional SMAs should be developed and evaluated with the 1D Models to generate the necessary information to finalize the Guidance Level and the *Subsidence Management Plan for Northwest MZ-1*. The additional SMAs could be developed during Watermaster's groundwater modeling efforts associated with the 2025 Safe Yield Reevaluation and the development of the Storage and Recovery Master Plan. The GLMC should participate in the scenario building exercises associated with these Watermaster efforts to develop the SMAs, so that the scenarios include various methods to achieve the Guidance Level. Then, the 1D Models should be used to evaluate the potential future subsidence in Northwest MZ-1 under the SMAs. These model results and evaluations will support the establishment of a Guidance Level in the *Subsidence Management Plan for Northwest MZ-1*. It should be noted that future monitoring and analyses always hold the potential for revisions to the Guidance Level, consistent with the adaptive management approach called for in the Chino Basin Subsidence Management Plan.

Based on the expected progress through FY 2025/26, the following work is recommended for FY 2026/27 to develop the *Subsidence Management Plan for Northwest MZ-1*:

Task 6.1. Aquifer-System Monitoring

The established monitoring program of piezometric levels and pumping at wells in Northwest MZ-1 will continue through various techniques, including: (i) SCADA-based monitoring by the Monte Vista Water District; (ii) monitoring of piezometric levels via sonar[7]; (iii) monitoring of piezometric levels via pressure transducers at City of Pomona production wells; and (iv) manual measurements of piezometric levels. These data, along with data collected from the PX in Task

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

2.1, will improve the understanding of the hydrogeology in Northwest MZ-1, will be used to develop the *Subsidence Management Plan for Northwest MZ-1*, and in the future, will be used to adapt the Chino Basin Subsidence Management Plan, as appropriate.

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

The Watermaster Engineer has previously reported that the PX monitoring facility is not recording accurate extensometer data. The primary causes of these inaccuracies include entanglement of the steel extensometer cables with transducer cables within the well casings, as well as malfunctioning linear potentiometers and/or data loggers. In FY 2025/26, the Watermaster Engineer refurbished the facility with assistance from an well rehab subcontractor, with completion expected in April 2026. For FY 2026/27, **no** additional funding is recommended for refurbishment of this facility, as periodic maintenance and repairs are included under Tasks 1 and 2.

Task 6.2. Refine and Evaluate Subsidence-Management Alternatives

During FY 2025/26, the Watermaster is conducting the 2025 SYR, which involves the development and evaluation of multiple projection scenarios of future hydrology, pumping, managed recharge, and use of managed storage in the Chino Basin. These projection scenarios are being simulated with an updated CVM. The CVM results provide basin-scale projections of groundwater levels by model layer and are used to evaluate the Safe Yield and the potential for MPI in the future. The evaluation of MPI in the 2025 SYR is based on groundwater-level criteria (i.e., minimum historical groundwater elevations that, if exceeded, may cause new land subsidence).

The GLMP Task 6.2 is a more detailed, subsidence-focused evaluation of potential future subsidence in Northwest MZ-1, where projected groundwater levels from the 2025 SYR are used as input data for the 1D Model at the PX location to evaluate the potential for future subsidence in Northwest MZ-1. Based on the 1D Model results, the Watermaster Engineer may recommend that additional SMAs be developed and evaluated with the CVM and 1D Model to generate the necessary information to finalize the Guidance Level and the Subsidence Management Plan for Northwest MZ-1.

In this way, the GLMP work augments the 2025 SYR analysis by providing a more detailed evaluation of potential future subsidence in Northwest MZ-1 and will support the development of management criteria aimed at reducing the risk of future subsidence-related MPI.

During FY 2025/26, the Watermaster Engineer plans to complete the following:

- Run the PX 1D Model using the results from the 2025 SYR.
- Develop up to two (2) additional SMAs that would be designed to mitigate any potential future subsidence predicted in Northwest MZ-1. A draft TM will be prepared to describe

the 1D Model results and the proposed SMAs—including groundwater production and replenishment/recharge plans of the Chino Basin parties. The TM is expected to be prepared and distributed to the GLMC in June 2026.

During FY 2026/27, the Watermaster Engineer plans to complete the following:

- Hold a GLMC meeting in June 2026 to review the recommended SMA(s) and to receive feedback on the TM. The verbal and written feedback from the GLMC will be used to finalize the SMA(s) in FY 2026/27 (using carryover budget from FY 2025/26).
- Evaluate the potential future subsidence in Northwest MZ-1 under the SMAs using the CVM and PX 1D Model. Again, the objective of this task is to recommend a final Guidance Level for Northwest MZ-1 and the Subsidence Management Plan for Northwest MZ-1.
- Document model results, interpretations, and recommendations in a draft TM for distribution to the GLMC.
- Hold a GLMC meeting to review the draft TM and receive GLMC feedback. The verbal and written feedback from the GLMC will be used to finalize the TM. The final TM and its recommendations will be shared with all Watermaster Parties through the monthly Pool, Advisory Committee, and Board meetings.

It should be noted that future monitoring and analyses always hold the potential for revisions to the Guidance Level, consistent with the adaptive management approach called for in the Chino Basin Subsidence Management Plan.

Task 7. Meetings and Administration

Task 7.1. Prepare for and Conduct Two Meetings of the Ground-Level Monitoring Committee

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

- October 2026 – Review the draft 2025/26 Annual Report for the GLMP.
- March 2027 – Review the draft recommended scope and budget for FY 2027/28.

Task 7.2. Prepare for and Conduct One As-Requested Ad-Hoc Meeting

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

Task 7.3. Perform Monthly Project Management

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

Task 7.4. Prepare a Recommended Scope and Budget for the GLMC for FY 2027/28

This subtask includes preparing a draft and final recommended scope of services and budget for FY 2027/28 for the GLMP to support the Watermaster's budgeting process.

Listed below are:

- Comments received from the GLMC as of April 9, 2026 on the draft *Recommended Scope-of-Work and Budget for the Ground Level Monitoring Program for Fiscal Year 2026/27* (dated March 18, 2026)
- Watermaster staff responses to GLMC comments

Comments from Monte Vista Water District (Justin Scott-Coe) – March 18, 2026

Comment 1 – Overall comment. PX Data Use for Final Guidance Level.

Issuance of a final guidance level is proposed for FY26/27 without some key inputs from monitoring and modeling efforts. The Pomona Extensometer (PX), where tangled datalogger cables have impeded extensometer monitoring for several years, has been rehabbed and may begin to collect data as early as April 2026. Extensometer data should be used to inform whether key hypotheses are correct (e.g. delayed dewatering in the deep aquifer from legacy dewatering, as a mechanism for current InSAR vertical ground motion in Northwest MZ-1.) The preliminary guidance level should be evaluated relative to the recent stabilization of vertical ground motion in Northwest MZ-1 prior to establishing a final guidance level.

Watermaster Response:

The PX facility may begin generating improved data as early as April 2026; however, several months of data collection and evaluation will be needed to assess its accuracy and reliability. If the data prove reliable, they may help inform the FY 2026/27 work, although the period of record will likely be too short to fully support key conclusions. Accordingly, the FY 2026/27 analyses will primarily rely on the 2025 SYR results together with the updated CVM and 1D modeling framework to evaluate future subsidence and support a recommendation for a Guidance Level for Northwest MZ-1.

The intent of the FY 2026/27 scope is not to treat the Guidance Level as fixed irrespective of new information. Rather, the Guidance Level will continue to be evaluated in light of additional monitoring data and model results, with input from the GLMC, consistent with the adaptive management approach outlined in the Subsidence Management Plan.

Comment 2 – Task 6. Develop a Subsidence-Management Plan for Northwest MZ-1

"…the same pattern of differential subsidence that occurred in the Managed Area during the time of ground fissuring."

- As commented previously, the language suggests that conditions in Northwest MZ-1 are the same as the Managed Area during the time of ground fissuring. MVWD recommends

clarifying the language so as not to suggest the two areas are experiencing identical conditions.

Watermaster Response:

The phrase has been revised to read "spatial pattern of differential subsidence" to distinguish it from rates and magnitudes of subsidence.

Comment 3 – Task 6.2. Refine and Evaluate Subsidence-Management Alternatives

"The CVM results are being used to evaluate the 2020 Safe Yield and the potential for MPI in the future. The evaluation for MPI associated with land subsidence in Northwest MZ-1 is being performed using the CVM results. However, the GLMP includes a more detailed evaluation where the CVM results (i.e., future groundwater levels by CVM layer) will be used as input data for the 1D Model at the PX location to predict the potential for future subsidence associated with the 2025 SYR. Based on the results of the 1D Modeling effort, the Watermaster Engineer may recommend that additional SMAs be developed and evaluated with the CVM and 1D Model to generate the necessary information to finalize the Guidance Level and the Subsidence Management Plan for Northwest MZ-1."

In the *Analysis of Material Physical Injury and Undesirable Results for the 2025 Safe Yield Reevaluation*, Watermaster Engineer defined the threshold for Material Physical Injury in Northwest MZ-1 as *"the historical rate of compaction measured by the interferometric synthetic aperture radar (InSAR) data between March 2011 and March 2024 (approximately 0.033 feet per year)."*

- Recommend including some additional discussion on the interrelation/timing between the Safe Yield Reevaluation and the scope of work here-in. How do the Guidance Level (to be established in FY26/27) and the threshold for Material Physical Injury relate/overlap in terms of this subsidence management scope? How will the SMAs proposed to evaluate Northwest MZ-1 inform the Safe Yield Reevaluation, or do they only inform the Guidance Level and Subsidence Management Plan?
- Why was the March 2011 to March 2024 period selected as a threshold for Material Physical Injury in the SYR work? That seems overly conservative given no Material Physical Injury occurred during that or earlier periods.

Watermaster Response:

- Regarding the first bulleted comment above:
    - The 2025 SYR/CVM work provides basin-scale projections of hydraulic heads by model layer and supports evaluation of Safe Yield and the potential for future MPI. The GLMP FY 2026/27 Task 6.2 effort then uses the projected heads as input to the 1D model at the Pomona Extensometer location to evaluate the potential for future subsidence in Northwest MZ-1 under the 2025 SYR scenarios and to

assess the potential need to develop and evaluate additional SMAs. In this way, the GLMP work augments the 2025 SYR analysis by providing a more detailed evaluation of potential future subsidence to support development of a Guidance Level and subsidence-management recommendations aimed at reducing the risk of potential future subsidence-related MPI in Northwest MZ-1 (i.e., finalize the Subsidence Management Plan for Northwest MZ-1). The description of the scope of work herein has been revised in Task 6.2 to provide additional clarification regarding the interrelationship and timing between the 2025 SYR and the GLMP scope of work.

- Regarding the second bulleted comment above:
    - The description of the MPI threshold based on the March 2011 to March 2024 InSAR-derived compaction rate reflects an earlier proposed approach. The 2025 SYR incorporates an updated metric for evaluating subsidence-related MPI that is based on groundwater levels rather than a historical subsidence rate. The revised approach to evaluate subsidence-related MPI using groundwater levels as a proxy for subsidence was made because the additional 1D models across all areas of subsidence concern were not available in time to utilize in the 2025 SYR. The revised approach was described in the first draft report for the 2025 SYR in October 2025.

Comment 4 – Task 6.2. Refine and Evaluate Subsidence-Management Alternatives

Previous scope discussion in FY 2025/26 included the development of SMAs to *"Evaluate the minimum recharge quantity of supplemental water in MZ-1, as required by the Peace II Agreement."*

- MVWD's understanding is that an evaluation of this recharge quantity has not been completed but mention of this purpose is absent from the scope of work for FY 2026/27. We recommend including language discussing recharge evaluation pursuant to Peace II obligations because, as commented previously, the Watermaster has yet to perform an assessment of minimum recharge quantity of supplemental water in MZ-1. It has taken Watermaster 15 years to finally fulfill this obligation under Peace II.
- MVWD also continues to recommend evaluating the existing model's ability to predict the recent stabilization of subsidence trends in Northwest MZ-1 at current groundwater levels in the deep aquifer. Does the current model match the latest observed data and trends with additional recharge in Northwest MZ-1? Is the preliminary guidance level appropriate given the recent stabilization in vertical ground motion at lower water levels than the guidance level? Will this evaluation occur during FY26/27 prior to issuance of a final Guidance Level?

Watermaster Response:

- Regarding the first bulleted comment above:
    - The omission of this language from the FY 2026/27 GLMP draft scope was not intended to suggest that the Peace II obligation no longer applies. The obligation will be fulfilled under a different CBWM FY 2026/27 task—*Model Update and Required Demonstrations*.
- Regarding the second bulleted comment above:
    - We agree that evaluation of the recent stabilization of subsidence trends, and the ability of the current modeling framework to reproduce those trends, is an important component of the FY 2026/27 effort. The 2024/25 Annual Report noted that the recent reductions in pumping and increases in recharge in Northwest MZ-1 functioned as an empirical test of the model simulations and generally confirmed the model results that decreased pumping and increased recharge could elevate hydraulic heads and minimize or abate ongoing subsidence.

      FY 2026/27 Task 6.2 will use the updated CVM and 1D modeling framework, together with recent monitoring data, to further evaluate whether the model results are consistent with the observed slowing or stabilization of vertical ground motion and to reassess the preliminary Guidance Level before recommending a final Guidance Level.

      Watermaster notes, however, that recent increases in groundwater levels and slowing of subsidence rates do not eliminate the risk of future subsidence if groundwater levels decline in the future.

Comment 5 – Task 7.1. Prepare for and Conduct Two Meetings of the Ground-Level Monitoring Committee

This subtask includes preparing for and conducting two meetings of the GLMC: *"Section 6.2: Hold a GLMC meeting in June 2026 to review the recommended SMA(s) and to receive feedback on the TM. The verbal and written feedback from the GLMC will be used to finalize the SMA(s) in FY 2026/27."*

- There is some conflict regarding the number and scheduling of GLMC meetings. The header discusses four meetings, the sub header identifies two meetings, and text in Section 6.2 mentions a GLMC meeting in June 2026 not identified in Section 7.1. Please resolve differences in scope.

Watermaster Response:

- The final scope has been updated to resolve the inconsistency in the Task 7.1 header. The proposed meeting schedule for the remainder of FY 2025/26 and FY 2026/27 is as follows:
    - Task 6.2.3**:** (1) meeting in FY 2025/26, tentatively scheduled for June 2026, but may be held in July 2026 using carryover funds, to review PX 1D Model simulations using results from the 2025 SYR and to discuss SMA recommendations to be evaluated in FY 2026/27;
    - Task 6.2.6**:** (1) meeting in FY 2026/27 to present SMA modeling results and receive feedback. These results will be used to support recommendation of a final Guidance Level and the Subsidence Management Plan for Northwest MZ-1; and
    - Task 7.1**:** (2) meetings in FY 2026/27 to review the draft 2025/26 Annual Report for the GLMP (October 2026) and the draft recommended scope and budget for FY 2027/28 (March 2027).

Brownstein Hyatt Farber Schreck

Memorandum

DATE: April 14, 2026

TO: Watermaster Staff

FROM: Brownstein Hyatt Farber Schreck, LLP

RE: FY 2026-2027 Legal Counsel Budget Detail and Analysis

This worksheet has been prepared at your request to provide additional detail regarding the expected legal fees and costs that will be incurred if Watermaster implements its responsibilities under the Restated Judgment, pending Court Orders, including the Peace I and Peace II Agreements, and the Optimum Basin Management Program (OBMP). The Nine Member Board is expected to implement these measures. Additional fees and costs may be incurred in connection with actions that are within Watermaster's duties and implementation authority but outside the control of staff and counsel. That is, Parties to the Restated Judgment and persons not bound by the Restated Judgment may initiate actions that require a response from Watermaster.

This worksheet utilizes the budget as estimated by legal counsel as of the above date, and will be updated, as necessary, so that any adjustments in the budgeted amount can be made considering actual projections concerning time and level of activity associated with anticipated budget line items. The experience of Watermaster over the past more than twenty-five years since Brownstein Hyatt Farber Schreck (Brownstein) was retained as counsel provides a basis for the budget based upon a customary level of activity. These projections are included within the budget as requested to provide service as legal counsel to the Board. Thus, the proposed budget amount analyzed below is $1,241,865, which includes a roughly $41,000 allocation for unanticipated activities.

Budget Assumptions: The number of hours expended to provide the desired level of service is the primary factor in legal counsel expense. The budgeted amount includes reimbursement for out-of-pocket costs that include phone charges, electronic legal research charges, travel costs (including mileage, lodging, etc.) and other incidental costs. While these costs traditionally vary from month to month, they do not constitute a material portion of the budget. Typically, 2-5% of a monthly bill is cost recovery.

Brownstein has represented Watermaster for over 25 years and consequently, as a matter of Brownstein policy, Watermaster enjoys a continuing and gradually steepening discount against standard rates. In some cases, the discount approaches 45%.

Slater and Herrema are the principal lawyers assigned to the Watermaster matter. Over the years, Slater's activities are generally reserved to Watermaster Board meetings, assignments directed by the Board, and task driven.

Definition of "unanticipated expenses": For the purposes of this memorandum, "unanticipated expenses" refers to an amount of money that is budgeted to account for legal issues that may arise post budget approval that were not anticipated in the budget, or to account for underestimates in the budget for the anticipated matters as a result of unforeseen complexity. Historically, the Watermaster budget preference had been to underfund all parts of the budget, including contingency, so as to not create an expectancy of higher expenditure. Experience suggests that the Watermaster Board and the Parties to the Restated Judgment have been more comfortable with assigning additional funding to a matter after the actual need has been identified. Such funds whose use requires a Board-approved budget transfer/amendment are sometimes identified as "contingency." This analysis uses the term "unanticipated expenses" in the first sense to refer to an amount of money that is budgeted to account for unanticipated expenses.

Detail articulated below includes:

Regular Meeting Attendance	$236,115
Board Briefings/Workshops	$ 31,275
Court Coordination	$ 80,400
Rules and Regs Rewrite	$ 11,075
Personnel Matters	$ 30,500
Interagency and Miscellaneous	$236,400
Party Status Maintenance	$ 14,950
Total:	$640,715

Regular Meeting Attendance (6275, 6375, 8375, 8475, 8575) $236,115

Assumptions: Three meeting days per month staffed by one attorney per meeting. Assumed hours commitment of 5 hours per Pool Committee meeting and 4 hours per Advisory Committee meeting, inclusive of attendance, travel and preparation. Assumption of regular attendance by Slater at the Board meeting (12 hours x 11 months = 132 hours), and by Herrema at Pool Committees and Advisory Committee (5 hours x 3 pool committees x 11 months + 4 hours x 11 months = 209 hours) for an approximate total of $236,115.

Board Briefings/Workshops (6375.1) $ 31,275

Over the past few years, Watermaster staff and legal counsel have conducted Board Briefings to provide Board members with information as to the legal background for Watermaster's activities, the functions of the Pool Committees, Advisory Committee and Board, the role of Watermaster staff and current issues. This budget assumes that one or two briefings or workshops will take place in FY 2026-2027. Responsibility for this task is shared by Slater (20 hours) and Herrema (25 hours) for an approximate total of $31,275.

Court Coordination (6071)

Activities:

(1) Regular court hearings $80,400

Based on present trends in the motion practice before the Court, we anticipate a moderate level of effort in 2026-2027 in regard to interactions with the Court. Given that Court hearings require more preparation than regular monthly meetings, this category assumed an hour commitment of 30 hours per hearing inclusive of attendance, travel and preparation of reports or other filings. This category assumes one attorney per hearing, though it is often necessary to staff a hearing with more than one attorney. Responsibility for this task is shared equally between Slater (40 hours) and Herrema (40 hours) with assistance from associate attorney Ben Markham or an equivalent billing attorney (60 hours) for an approximate total of $80,400.

(2) Rules and Regulations Rewrite (6072) $ 11,075

The Watermaster Board has directed that the Rules and Regulations be reviewed for any necessary updates every other year. A planned update is proceeding during FY 2026-2027. This budget item presents the level of effort for such a rewrite. Responsibility for this task is shared by Slater (5 hours), Herrema (5 hours), and Markham (10 hours) for an approximate total of $11,075.

Personnel (6073) $ 30,500

It is not anticipated that any significant personnel issues will arise in FY 2026-2027, though some level of activity is the norm in any year. Thus, we have proposed a nominal budget for this item for employment and benefits counsel, Christine Samsel and Nancy Strelau of 50 hours, and an approximate total of $30,500.

Interagency Issues and Miscellaneous (6074 and 6078) 236,400

There are always a variety of day-to-day matters that arise throughout a month concerning questions that require interpretation of the Restated Judgment, Rules, agreements, etc. Herrema (120 hours) is the attorney responsible for these matters, with assistance from Slater (80 hours) and Markham (120 hours), with an approximate cost of $187,800.

To the extent that agreements between the parties arise, there will likely be nominal involvement from legal counsel. In addition, it is likely that several interagency agreements will be required in FY 2026-2027 as in past years. These activities assume the work will be done by Herrema (72 hours) for an approximate total of $48,600.

Party Status Maintenance (6077) $ 14,950

In each year, there is a small amount of work to do to regarding the proper placement of parties in Pools and the Pool and party rosters. The proposed budget assumes working with Watermaster staff to undertake this clean-up. The proposed budget assumes that Herrema will be the primary attorneys assigned to this task (10 hours) with assistance from Markham (20 hours), for an approximate total of $14,950.

Archibald South Plume (6907.31) $ 13,400

The proposed budget assumes that Slater will be the primary attorney assigned to the task of any necessary ABGL facilitation (5 hours) with input from Mark Mathews (5 hours) and involvement from Herrema (10 hours) for an approximate total of $13,400.

Chino Airport Plume (6907.32) $ 13,400

The proposed budget assumes that Slater will be the primary attorney assigned to the task of any facilitation related to the Chino Airport Plume (5 hours) with input from Mark Mathews (5 hours) and involvement from Herrema (10 hours) for an approximate total of $13,400.

Desalter/Hydraulic Control Issues (6907.33) $ 41,400
Regional Water Quality Control Board (6907.38) $ 69,600

Given the significance of the Desalter and Hydraulic Control issues to the OBMP, legal counsel believes it is appropriate to expect continuing activity on this issue continuing into FY 2025-2026 – specifically in light of the reduced groundwater production in areas of the Basin due to water quality concerns. Given his participation in the CDA facilitation, Slater will be the primary attorney (20 hours) with assistance from Herrema (40 hours), for an approximate total of $41,400.

Regarding the Regional Water Quality Control Board, a Basin Plan Amendment related to the revision to the Salt and Nutrient Management Plan is planned to be completed in FY 2026-2027. On this matter, work will be conducted by Slater (25 hours), Herrema (40 hours), and Markham (60 hours) for an approximate total of $69,600.

Santa Ana River Water Rights (6907.34) $ 22,425

Legal counsel is currently completing a process to extend the time in which Watermaster must seek to license its water right permit numbers 19895 and 20753 – a substantial amount of work was completed on this in FY 2017-2018, and additional progress was been made in FY 2021-2022 but it is likely that the SWRCB's processing will not be completed until FY 2026.-2027. SWRCB staff have requested additional information in order to complete this process. Watermaster additionally is required to complete annual reporting to the Department of Fish and Wildlife and the SWRCB regarding its diversions under its permit 21225. In addition, given the history on the Santa Ana River it is prudent to account for some level of activity regarding water rights on the River. Work under this budget item is split 1/3 Herrema (15 hours) and 2/3 Markham or an equivalent billing attorney (30 hours) for an approximate total of $22,425.

Recharge Master Plan (6907.39) $ 29,900

Each year, counsel spends a limited amount of time assisting with administration of the projects approved as part of the RMPUs. Additionally, an update to the Recharge Master Plan must be completed by October 2028, and this effort may begin in FY 2026-2027. It is anticipated that the effort in this regard will be spread among Herrema (20 hours) and Markham or an equivalent billing attorney (40 hours) for an approximate total of $29,900.

Prado Basin Habitat Sustainability (6907.41) $ 10,850

The Peace II Subsequent Environmental Impact Report includes mitigation requirements as to the development of a Prado Basin Habitat Sustainability Committee and Program be developed. Watermaster and IEUA have entered into a cost sharing agreement as to the required mitigation and Watermaster will have ongoing obligations thereunder. It is anticipated that Herrema will provide (10 hours) and Markham (10 hours) for an approximate total of $10,850.

SGMA Compliance (6907.44) $ 10,850

Based on the Chino Basin's adjudicated status, Watermaster has certain obligations to annually report information to DWR. It is anticipated that there will also be a minimal amount of work associated with tracking and evaluating how new SGMA directives may affect the Basin or suggest changes to Basin management. This will include work by Herrema (10 hours) and Markham or an equivalent billing attorney (10 hours) for an approximate total of $10,850.

OBMP Update (6907.45) $187,800

The Watermaster Board approved the 2020 OBMP in October 2020. The LSLS was approved in July. Work in 2026-2027 would include assistance with OBMPU implementation and assisting the parties with issues associated with potential amendments to the Peace Agreement and OBMPU Implementation Plan. This effort would include work by Slater (80 hours), Herrema (120 hours) and Markham or an equivalent billing attorney (120 hours) for an approximate total of $187,800.

2020 Safe Yield Reset (6907.47) $159,900

The Court's 2017, 2019, and 2020 orders as to future Safe Yield resets include processes for potential update to the reset methodology, peer review, and the outcome of the State's process regarding water use efficiency requirements. There will be work in FY 2025-2026 associated with the implementation of these orders, including the completion of the 2025 Model Update and Safe Yield Evaluation and any ensuing action by the Parties and Watermaster. This will include work by Slater (60 hours), Herrema (100 hours), and Markham or an equivalent billing attorney (120 hours) for an approximate total of $159,900.

Unanticipated Activities (6907.9) $ 41,625

Regarding the unanticipated activities that may occur during the year (please see the discussion on page 1, above), Slater has been budgeted at (25 hours) and Herrema is budgeted (35 hours) for an approximate total of $41,625.

DRAFT

Brownstein Hyatt Farber Schreck **FY 2026-2027 Proposed Budget** **14-Apr-26**

Account	Description		Note	Labor (Cost) Total Hours	Cost Task	Cost Account	FY 2026/2027 Budget	FY 2025/2026 Budget
	WM Legal Services - Meetings, Business Items, Associated Activities						***$ 267,390***	***$ 249,798***
6275	Advisory Committee Meetings	4 Hours/Month X 11 Months @ $675		44	$ 29,700			
6375	Board Meetings	12 Hours/Month X 11 Months @ $720		132	$ 95,040			
6375.1	Board Briefings/Workshops	20 Hrs @ $720, 25 Hrs @ $675		45	$ 31,275			
8375	Appropriative Pool Meetings	5 Hours/Month X 11 Months @ $675		55	$ 37,125			
8475	Agricultural Pool Meetings	5 Hours/Month X 11 Months @ $675		55	$ 37,125			
8575	Non-Agricultural Pool Meetings	5 Hours/Month X 11 Months @ $675		55	$ 37,125			
	Total for Activity			***386***	***$ 267,390***	***$ 267,390***		
6070	***WM Legal Services***						***$ 373,325***	***$ 346,011***
6071	Court Coordination	40 Hrs @ $720, 40 Hrs @ $675, 60 Hrs @ $410		140	$ 80,400			
6072	Rules and Regs	5 Hrs @ $720, 5 Hrs @ $675, 10 Hrs @ $410		20	$ 11,075			
6073	Personnel Matters	50 Hrs @ $610	A	50	$ 30,500			
6074	Interagency Issues	72 Hrs @ $675	B	72	$ 48,600			
6077	Party Status Maintenance	10 Hrs @ $675, 20 Hrs @ $410	C	30	$ 14,950			
6078	Miscellaneous	80 Hrs @ $720, 120 Hrs @ $675, 120 Hrs @ $410	D	320	$ 187,800			
	Total for Activity			***632***	***$ 373,325***	***$ 373,325***		
6907.31	***Archibald South Plume***						***$ 13,400***	***$ 12,565***
	Archibald South Plume	5 Hrs @ $720, 5 Hrs @ $610, 10 Hrs @ $675		20	$ 13,400			
	Total for Activity			***20***	***$ 13,400***	***$ 13,400***		
6907.32	***Chino Airport Plume***						***$ 13,400***	***$ 12,565***
	Chino Airport Plume	5 Hrs @ $720, 5 Hrs @ $610, 10 Hrs @ $675		20	$ 13,400			
	Total for Activity			***20***	***$ 13,400***	***$ 13,400***		
6907.33	***Desalter/Hydraulic Control Issues***						***$ 41,400***	***$ 38,680***
	Continued CDA Support	10 Hrs @ $720, 20 Hrs @ $675		30	$ 20,700			
	Hydraulic Control	10 Hrs @ $720, 20 Hrs @ $675		30	$ 20,700			
	Total for Activity			***60***	***$ 41,400***	***$ 41,400***		
6907.34	***Santa Ana River Water Rights***						***$ 22,425***	***$ 21,405***
	Water Right Permits 21225, 20753 and 19895	15 Hrs @ $675, 30 Hrs @ $410		45	$ 22,425			
	Total for Activity			***45***	***$ 22,425***	***$ 22,425***		
6907.38	***Reg. Water Quality Control Board***						***$ 69,600***	***$ 63,200***
	Legal counsel involvement in ongoing issues	25 Hrs @ $720, 40 Hrs @ $675, 60 Hrs @ $410		125	$ 69,600			
	Total for Activity			***125***	***$ 69,600***	***$ 69,600***		
6907.39	***Recharge Master Plan***						***$ 29,900***	***$ 14,270***
	Implementation/Update	20 Hrs @ $675, 40 Hrs @ $410		60	$ 29,900			
	Total for Activity			***60***	***$ 29,900***	***$ 29,900***		
6907.41	***Prado Basin Habitat Sustainability***						***$ 10,850***	***$ 10,290***
	Prado Basin Habitat	10 Hrs @ $675, 10 Hrs @ $410		20	$ 10,850			
	Total for Activity			***20***	***$ 10,850***	***$ 10,850***		
6907.44	***SGMA Compliance***						***$ 10,850***	***$ 10,290***
	SGMA Compliance	10 Hrs @ $675, 10 Hrs @ $410		20	$ 10,850			
	Total for Activity			***20***	***$ 10,850***	***$ 10,850***		
6907.45	***OBMP Update***						***$ 187,800***	***$ 177,240***
	OBMP Update	80 Hrs @ $720, 120 Hrs @ $675, 120 Hrs @ $410		320	$ 187,800			
	Total for Activity			***320***	***$ 187,800***	***$ 187,800***		
6907.47	***2020 Safe Yield Reset***						***$ 159,900***	***$ 151,180***
	2020 Safe Yield Reset	60 Hrs @ $720, 100 Hrs @ $675, 120 Hrs @ $410		280	$ 159,900			
	Total for Activity			***280***	***$ 159,900***	***$ 159,900***		
6907.9	***WM Legal Counsel - Unanticipated***						***$ 41,625***	***$ 38,885***
	Miscellaneous	25 Hrs @ $720, 35 Hrs @ $675		60	$ 41,625			
	Total for Activity			***60***	***$ 41,625***	***$ 41,625***		
	Total--All Accounts			***2,048***	***$ 1,241,865***	***$ 1,241,865***	***$ 1,241,865***	***$ 1,350,949***

Notes:
(A) Includes attorney and witness preparation, hearing attendance and potential post-hearing activities.
(B) Variety of day-to-day matters that arise throughout the month concerning the Judgment, Rules, agreements, etc.
(C) Activities related to clean-up and maintenance of Watermaster's roster of parties and Pool members, along with potential Court filings.
(D) Variety of day-to-day activities such as workshop reviews; research Pool membership issues; stormwater and new yield; review agreements and contracts; coordination of ongoing Watermaster projects; review of draft documents; special activities as requested by GM, etc.

General Notes:

* Brownstein maintains a 10% discount on all fees over $100,000 as part of the original contract with Watermaster.

* Rather than attempt to project which budget items would be affected by the 10% discount, and which out-of-pocket cost items might be relevant to which budget items, the budget detail assumes they offset each other.

* Rates for most BHFS attorneys reflect an increase for the first time in several years.

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Groundwater Recharge Pro Rata Cost Sharing Methodology
60-Month (5-Year) Recharge History to Proposed Budget

FY26/27 Draft Budget

[A] [B] Drainage / Facility	[C] Facility Site Weight	[D] [E] [F] [G] 60-Month (5-year) Recharge (AF) February 2021 to January 2026				[H] CBWM Pro Rata	[I] IEUA Pro Rata	[J] [K] [L] [M] [N] [O] GWR O&M FY Budgeted Expenses (2024/25)*						[P] [Q] Cost Share*	
		SW/LR	MWD	RW	Recharge Total	SW/LR & MWD	RW	Basin Maintenance Services	Basin Maintenance SBC and WCD	O&M Labor	Utilities	Contracted Specialty Repairs	Facility Cost Subtotal	CBWM Share	IEUA Share
Facilities That Can Be Utilized for Recharge With Recycled Water															
San Antonio Channel															
Brooks	1.00	2,319	0	3,699	6,018	39%	61%	$ 19,140.000	$ 500.00	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 81,934.60	$ 31,568.92	$ 50,365.68
West Cucamonga Creek															
7th & 8th Street	1.00	5,036	127	7,752	12,915	40%	60%	$ 398,768.000	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 461,919.74	$ 184,656.31	$ 277,263.43
Ely	1.00	8,408	0	3,877	12,285	68%	32%	$ 42,536.000	$ 500.00	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 105,330.60	$ 72,088.97	$ 33,241.63
Cucamonga Creek															
Turner 1 & 2	1.00	3,864	1,184	1,950	6,998	72%	28%	$ 38,920.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 102,071.74	$ 73,625.78	$ 28,445.96
Deer Creek															
Turner 3, 4, 5 & 8	1.00	2,483	0	2,537	5,020	49%	51%	$ 23,956.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 87,107.74	$ 43,091.45	$ 44,016.30
Etiwanda Creek															
Victoria	1.00	3,029	99	6,554	9,682	32%	68%	$ 393,156.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 456,307.74	$ 147,428.95	$ 308,878.79
San Sevaine Creek															
San Sevaine 1,2,3, 4, & 5	1.00	6,864	11,034	12,660	30,557	59%	41%	$ 51,200.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 114,351.74	$ 66,977.32	$ 47,374.43
West Fontana Channel															
Banana	1.00	1,134	0	3,865	5,000	23%	77%	$ 332,960.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 396,111.74	$ 89,870.90	$ 306,240.85
Hickory	1.00	1,398	1,039	3,278	5,715	43%	57%	$ 16,760.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 79,911.74	$ 34,075.69	$ 45,836.05
Declez Channel															
RP-3 Cells 1, 2R, 3, and 4 (2M recharge)	0.80	3,731	683	29,009	33,423	13%	87%	$ 29,448.00	$ -	$ 33,475.68	$ 6,800.00	$ 9,560.00	$ 79,283.68	$ 10,469.52	$ 68,815.74
Declez	1.00	3,591	0	4,098	7,689	47%	53%	$ 19,592.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 82,743.74	$ 38,642.37	$ 44,101.37
Subtotals	10.80	41,856	14,167	79,279	135,302			$ 1,366,436.00	$ 7,857.14	$ 451,921.68	$ 91,800.00	$ 129,060.00	$ 2,047,074.82	$ 792,496.18	$ 1,254,580.23
Facilities That Can Be Utilized for Recharge with Imported and Stormwater Only															
San Antonio Channel															
College Heights	1.00	193	8,147	0	8,340	100%	0%	$ 12,000.00	$ 500.00	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 74,794.60	$ 74,794.60	$ -
Upland	1.00	2,662	2,965	0	5,627	100%	0%	$ 9,250.00	$ -	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 71,544.60	$ 71,544.60	$ -
Montclair 1 - 4	1.00	7,069	34,621	0	41,690	100%	0%	$ 8,500.00	$ 500.00	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 71,294.60	$ 71,294.60	$ -
Day Creek															
Lower Day	1.00	4,522	5,095	0	9,617	100%	0%	$ 15,328.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 78,479.74	$ 78,479.74	$ -
Wineville	1.00	0	0	0	0	100%	0%	$ 28,500.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 91,651.74	$ 91,651.74	$ -
Etiwanda Creek															
Etiwanda Debris Basin	1.00	2,484	5,089	0	7,573	100%	0%	$ 14,488.00	$ 857.14	$ 41,844.60	$ -	$ 11,950.00	$ 69,139.74	$ 69,139.74	$ -
San Sevaine Creek															
Jurupa	1.00	3,541	1,132	0	4,674	100%	0%	$ 19,312.00	$ 857.14	$ 41,844.60	$ -	$ 11,950.00	$ 73,963.74	$ 73,962.16	$ -
Declez Channel															
RP3 Cell 2M (cost)	0.20					100%	0%	$ 18,400.00	$ 857.14	$ 8,368.92	$ 1,700.00	$ 2,390.00	$ 31,716.06	$ 31,716.06	$ -
Misc.															
Grove Basin	1.00	1,523	0	0	1,523	100%	0%	$ 14,356.00	$ 857.14	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 77,507.74	$ 77,507.74	$ -
MWD Turnouts	1.00					100%	0%	$ 8,368.00	$ -	$ 41,844.60	$ 8,500.00	$ 11,950.00	$ 70,662.60	$ 70,662.60	$ -
by basin ~~Rubber Dams~~	~~0.00~~					~~50%~~	~~50%~~						~~$ -~~	~~$ -~~	~~$ -~~
Subtotals	9.20	21,994	57,049	0	79,043			$ 148,502.00	$ 6,142.86	$ 384,970.32	$ 61,200.00	$ 109,940.00	$ 710,755.18	$ 710,753.59	$ -
Subtotal - All Facilities General O&M	20.00	63,850	71,215	79,280	214,345			$ 1,514,938.00	$ 14,000.00	$ 836,892.00	$ 153,000.00	$ 239,000.00	$ 2,757,830.00	$ 1,503,249.77	$ 1,254,580.23
Special O&M Projects															
None	1.00					50%	50%							$ -	$ -
														$ -	$ -
Subtotals													$ -	$ -	$ -
Total - General O&M and Projects	20.00	63,850	71,215	79,280	214,345			$ 1,514,938.00	$ 14,000.00	$ 836,892.00	$ 153,000.00	$ 239,000.00	$ 2,757,830.00	$ 1,503,249.77	$ 1,254,580.23

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Footnotes:

* On quarterly invoices, IEUA will credit CBWM for an estimated pro rata cost share based on this cost sharing methodology
At the conclusion of the fiscal year upon obtaining final budget actuals, IEUA will account for a pro rata credit/debit to be applied to the then current fisccal invoicing cycle.

\\cbwmfps01\FinanceData$\Budget\2026-2027 Budget\IEUA\[Draft GWR Budget for FY2627.xlsx]GWR Draft 2026-27

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Recharge Water Program FY 2026/27 Proposed Debt Service & Operations and Maintenance Budget

Alexander Lopez
Treasurer

March 2026

2 Debt Service Summary

Debt Type	FY 2026/27 Budget	Funding from CBWM	Funding from IEUA
2020A Refunding Bonds (2008B Variable)	$956,708	$478,354	$478,354
San Sevaine Basin Improvement (SRF loan)	101,947	50,973	50,974
Lower Day Basin Improvement (SRF Loan)	159,484	159,484	0
Wineville/Jurupa Improvement (SRF Loan)*	770,966	770,966	0
RP-3 Basin Recharge Improvement (SRF Loan)*	42,460	21,230	21,230
Interfund Loan Interest**	50,000	47,000	3,000
Total Debt Service	**$2,081,565**	**$1,528,007**	**$553,558**

*Payment amount per the SWRCB Amortization schedule as of 07/03/2024, amount is subject to change pending final loan disbursement.

**FY 2026/27 budget includes interest on outstanding interfund loans of $50,000, this amount is based on the average annual LAIF yield and is subject to change. Interfund loans used as bridge financing for the RMPU projects totaled $10.1 million. As of fiscal year end 2025, the outstanding loan balance is $5.1 million. Interfund loan principal of $3.1 million is expected be repaid in FY 2025/26 and the remaining $2 million to be repaid in FY 2026/27.

3 Bond Debt Service

2020A Refunding (2008B Variable) $5.7M 11 years @ 0.849% Matures 2032	FY 2026/27 Budget	Funding from CBWM	Funding from IEUA
Principal Payment	$713,595	$356,798	$356,797
Interest Expense	242,470	121,235	121,235
Financial Expense	643	321	322
Total Bond Debt Service	**$956,708**	**$478,354**	**$478,354**

4 SRF Loan Debt Service

San Sevaine Basin Improvements (SRF Loan) $1.5M 30 Years @ 1.8% Matures Dec. 2049	FY 2026/27 Budget	Funding from CBWM	Funding from IEUA
Principal Payment	$66,431	$33,215	$33,216
Interest Expense	35,516	17,758	17,758
Debt Service	**$101,947**	**$50,973**	**$50,974**

Lower Day Improvement (SRF Loan) $2.8M 20 Years @ .55% Matures Jan. 2042	FY 2026/27 Budget	Funding from CBWM	Funding from IEUA
Principal Payment	$146,084	$146,084	$0
Interest Expense	13,400	13,400	0
Debt Service	**$159,484**	**$159,484**	**$0**

5 SRF Loan Debt Service

Wineville/Jurupa/RP-3 Basin Recharge Improvements (SRF Loan) $15.4M 20 Years @ .55% Matures Mar. 2046	FY 2026/27 Budget*	Funding from CBWM	Funding from IEUA
Wineville/Jurupa Improvements Project Principal Payment	$692,628	$692,628	$0
Wineville/Jurupa Improvements Project Interest Expense	78,338	78,338	0
RP-3 Basin Recharge Improvements Project Principal Payment	38,146	19,073	19,073
RP-3 Basin Recharge Improvements Project Interest Expense	4,314	2,157	2,157
Total Debt Service	**$813,426**	**$792,196**	**$21,230**

*Payment amount per the SWRCB Amortization schedule as of 07/03/2024, amount is subject to change pending final loan disbursement.

6 Future SRF Loan Debt Service

Montclair Basin Improvement (SRF Loan) $2.06M 20 Years @ .55% Matures Dec. 2046	FY 2027/28 Budget	Funding from CBWM	Funding from IEUA
Principal Payment	$97,930	$97,930	$0
Interest Expense	11,354	11,354	0
Debt Service	**$109,284**	**$109,284**	**$0**

Information is from SWRCB payment schedule dated 11/01/24, debt service amounts are subject to change. Projections are based on total project costs and related total loan draws.

7 Projected Pay-Go for Wineville/Jurupa/RP-3 Basin Improvements Projects

- First project costs incurred in 2017
- IEUA unreimbursed pay-go to date $8,516,740
- Final SRF reimbursement of $6.7 million projected after July 2026

Expense	FY 2026/27 Budget	Funding from CBWM (50%)	Funding from IEUA (50%)
RW15003.05 - RP-3 Basin Improvements Project Projected Pay-go*	$803,255	$401,627	$401,628
Total RW15003.05 Projected Pay-go	**$803,255**	**$401,627**	**$401,268**

Expense	FY 2026/27 Budget	Funding from CBWM (100%)	Funding from IEUA (0%)
RW15003.06 - Wineville/Jurupa/Force Main Improvements Project Projected Pay-go*	$1,840,392	$1,840,392	$0
Total RW15003.06 Projected Pay-go	**$1,840,392**	**$1,840,392**	**$0**
Total Projected Pay-go	**$2,643,647**	**$2,242,019**	**$401,628**

*Pay-Go amounts are subject to change pending final SRF allowable cost reimbursements and final total project costs.

8 Operations and Maintenance

Expense	FY 2026/27 Budget	Funding from CBWM*	Funding from IEUA*
SBCFCD	$12,000	8,402	3,598
CBWCD	2,000	1,400	600
IEUA – Operations & Maintenance:			
General Basin	1,514,938	637,065	877,873
GWR Administration	689,180	483,123	206,057
Specialty O&M	136,000	95,338	40,662
Utilities	153,000	102,170	50,830
General Allocation (10%)	250,712	175,752	74,960
Total O&M Expense	**$2,757,830**	**$1,503,250**	**$1,254,580**
AM26010 – Groundwater Recharge Condition Assessments (per task order 14)	$50,000	$25,000	$25,000
Total O&M Project Expense	**$50,000**	**$25,000**	**$25,000**
Total O&M & Project Expense	**$2,807,830**	**$1,528,250**	**$1,279,580**

** Based on Groundwater Recharge Pro-Rata Cost Sharing Methodology Draft Budget*

Thank You

@IEUAwater

ieua.org

CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Fiscal Year 2025/26 Assessment Package
(Business Item II.C.)

Issue: To review the Chino Basin Watermaster Fiscal Year 2025/26 Assessment Package, based on Production Year 2024/25. [Within WM Duties and Powers]

Recommendation: Review the final Fiscal Year 2025/26 Assessment Package and reconciliation, as presented, and provide advice and assistance to Watermaster.

Financial Impact: Collection of assessments according to the Assessment Package provides funding for current fiscal year budgeted expenses and replenishment obligations (if required).

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Advice and assistance.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Advisory Committee – May 21, 2026 [Recommended]: Advice and assistance.
Watermaster Board – May 28, 2026 [Recommended]: Approval.

BACKGROUND

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

DISCUSSION

Normal Process for Development of Annual Assessment Package

The Parties of the Overlying (Non-Agricultural) Pool and the Appropriative Pool were each sent a copy of their Water Activity Report in August 2025 that summarized their water activities for the previous year, including production, Dry Year Yield (DYY), land use conversion, transfers, voluntary agreements, and assignments. Each Party was asked to verify the data gathered and summarized by Watermaster. The Water Activity Reports were received, compiled, and all necessary corrections were made.

Each Appropriative Pool Party's Water Activity Report was accompanied by a "Transfer from Storage to Satisfy Desalter Replenishment Obligation (DRO)" form, and summaries of DRO and Local Storage Accounts' balances. Using the form, the Parties submitted their preference on how they would like their share of DRO to be satisfied with stored water. Those transfers were then executed in September 2025 and the Parties' storage account balances were adjusted accordingly.

The total DRO for production year 2024/25 is 27,411.9 acre-feet. This includes the 10,000 acre-feet of DRO Contribution and 17,411.9 acre-feet of Remaining DRO. In August and September 2025, the Appropriative Pool Parties were given an opportunity to transfer water to satisfy their share of DRO. The Parties have submitted their requests and the DRO was satisfied with a combination of store water, annual water rights, and Exhibit "G" Form A transfers. These transfers resulted in 3.2 acre-feet of the residual DRO to be assessed.

Assessments generate funds to cover the current FY 2025/26 approved budget and reserves pursuant to existing reserve policies. The Assessment Package does not factor in unspent monies as those are returned to Parties through Watermaster's Excess Cash Reserve evaluation process. If credit is due, it will appear as a line item on the invoice which will be accompanied by a refund calculation table.

The total Operating Safe Yield (OSY) of the Appropriative Pool is 40,834 acre-feet. Backfill of declines in Safe Yield have first priority and Land Use Conversions have second priority ahead of Early Transfers in calculating the Agricultural Pool Safe Yield Reallocation.

The Assessment Package is based on the production-based assessments of $9,015,057 from the FY 2025/26 Amended Budget and identifies total assessable production for all Pools as 96,228.6 acre-feet, resulting in assessments of $37.86/acre-foot for Judgment Administration and $55.82/acre-foot for OBMP & Program Elements 1-9, excluding recharge debt service, recharge improvement project expenses, "Pomona Credit" assessments, and assessments for replenishment and Cumulative Unmet Replenishment Obligation (CURO) water.

Since the FY 2025/26 Approved Budget was prepared before the end of the production year, the assessments were estimated based on a projected total production of 92,598.1 acre-feet, which resulted in projected assessments of $39.34/acre-foot for Judgment Administration and $57.02/acre-foot for OBMP & Program Elements 1-9. Once the actual production numbers were compiled, the resulting actual total production was higher than the projected production, causing the per acre-foot assessments to decrease by $2.68/acre-foot, including the budget amendment that was approved in July 2025 which increased the total budget by $92,000.

In September 2025, Watermaster received an RTS invoice from IEUA in the amount of $62,834.35. The

Readiness to Serve (RTS) assessment is for water purchased during FY 2016/17 and FY 2017/18 through IEUA. A portion of the RTS is the eighth of ten annual installments for the 5,767.037 acre-feet of water purchased during FY 2016/17. The other portion is the seventh of ten annual installments for the 1,145.9 acre-feet of water purchased during FY 2017/18. The 85/15 Rule is applied where applicable for the RTS charges.

The additional assessments approved as part of the budget, allocated amongst the Appropriators based on their percentage of OSY, are the Pomona Credit assessment of $66,667.00, recharge debt payment assessment of $687,653, and recharge improvement project assessment of $1,751,140.

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

In cases where the ending balances of a storage account have increased from the beginning balance on July 1, 2025, a new storage agreement is required. Parties with increased storage balances as of the approval of the Assessment Package have already submitted storage applications to Watermaster. The application submitted by the Overlying (Non-Agricultural) Pool was approved by the Watermaster Board on July 24, 2025, and the application submitted by the Appropriative Pool was approved by the Watermaster Board on December 18, 2025. Following the approval of the FY 2025/26 Assessment Package, a new storage agreement will be sent for signature to those Parties with increased balances.

Decision to Levy a Partial-Year Assessment for FY 2025/26

Watermaster held two Assessment Package Workshops: one on October 21, 2025, and the other on October 28, 2025. The purpose of the workshops was to provide the Parties with information pertaining to the Assessment Package and opportunities to raise questions, concerns, and provide feedback.

The FY 2025/26 Assessment Package was presented to the Pool Committees for advice and assistance on November 13, 2025. It was also scheduled for presentation to the Advisory Committee for advice and assistance, and to the Watermaster Board for approval on November 20, 2025. However, due to the unresolved DYY matter, and issues raised in the FY 2025/26 Assessment Package that could be resolved along with the Revised FY ended 2022 and 2023 Assessment Packages, the three Pool Committees moved to defer the approval of the FY 2025/26 Assessment Package until the matter has been resolved. In the meantime, and at the Pool Committees' recommendation, partial assessments were instead approved by the Advisory Committee and Watermaster Board with the direction that there will be a reconciliation following the resolution on the DYY matter later in the fiscal year.

In addition to the line items detailed within the FY 2025/26 Partial Assessments, additional credits and charges were added to assessment invoices as directed by specific action(s) of the Pool(s), or by action of Watermaster per past practice; these items are not dependent on the Board's approval of the Assessment Package. Charges for Pool Administration/Legal Services were also included on the FY 2025/26 Partial Assessment invoices as approved by each Pool Committee.

For the production year 2024/25, there is a replenishment obligation of 46.7 acre-feet for overproduction, and 3.2 acre-feet for DRO. When the FY 2025/26 Partial Assessment invoices were sent to the Parties, the replenishment obligation was assessed at 100%. The replenishment rate at that time was $929 per acre-foot, which is MWD's 2025 Untreated rate at $912 plus OCWD's $2 connection fee plus TVMWD's $15 surcharge. Since the FY 2025/26 Assessment Package had been deferred, replenishment water purchase was also deferred. Three Valleys Municipal Water District began charging their own 2026 Tier 1 untreated water at the rate of $1,016 per acre-foot this year. Replenishment water is anticipated to be purchased and delivered later this year, and the price change will be reconciled in the next Assessment Package.

On March 26, 2026, the Watermaster Board approved the FY 2021/22 and 2022/23 Corrected and Amended Assessment Packages, which brought the DYY matter to a stage where the current FY 2025/26 Assessment Package can once again be presented to the Pool Committees for advice and assistance. It is included as Attachment 1 and is scheduled to be presented to the Advisory Committee on May 21, 2026,

and then to the Watermaster Board on May 28, 2026. If approved by the Board, the assessments will be reconciled (Attachment 2), and the remaining balance will be invoiced to the Parties immediately following the Board's approval. Payments will be due to Watermaster within 30 days of the invoice date.

Throughout the reconciliation process, Watermaster has received various questions and comments. The responses to those questions/comments are included in Attachment 3.

ATTACHMENTS

1. Fiscal Year 2025/26 Assessment Package (DRAFT)
2. Reconciliation of Outstanding Fiscal Year 2025/26 Assessments
3. Responses to Fiscal Year 2025-26 Assessment Package Questions

CHINO BASIN WATERMASTER

DRAFT

2025/2026 ASSESSMENT PACKAGE
(PRODUCTION YEAR 2024/2025)

PRINTED OCTOBER 28, 2025

DRAFT

Table of Contents

Assessment Year 2025-2026 (Production Year 2024-2025)

DRAFT

POOL 1

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Production Overview

AGRICULTURAL POOL SUMMARY IN ACRE FEET

Agricultural Pool Safe Yield	82,800.0
Agricultural Total Pool Production	(18,184.2)
	64,615.8
Safe Yield Reduction (Backfill)	(9,000.0)
Total Conversions	(36,091.9)
	(45,091.9)
Early Transfer:	**19,524.0**

Well County	Physical Production	Voluntary Agreements	Total Ag Pool Production
Los Angeles County	225.9	0.0	225.9
Riverside County	1,709.7	0.0	1,709.7
San Bernardino County	8,826.1	7,422.5	16,248.6
	10,761.7	**7,422.5**	**18,184.2**

DRAFT

POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Fee Summary

		Non-Agricultural Pool		Replenishment Assessments					
	AF Production	$37.86 AF/Admin	$55.82 AF/OBMP	*AF Over Annual Right*	$929.00 Per AF	CURO Adjmnt	RTS Charges	Other Adjmnts	Total Assmnts Due
9W Halo Western OpCo L.P.	*36.7*	1,390.45	2,050.05	*19.8*	18,409.06	(740.01)	689.89	0.00	21,799.45
ANG II (Multi) LLC	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
Aqua Capital Management LP	*0.0*	0.00	0.00	*0.0*	0.00	0.00	522.38	0.00	522.38
California Speedway Corporation	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
California Steel Industries, Inc.	*1,383.9*	52,395.48	77,250.81	*0.0*	0.00	0.00	0.00	0.00	129,646.29
CalMat Co.	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
CCG Ontario, LLC	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
City of Ontario (Non-Ag)	*1,331.0*	50,390.11	74,294.13	*0.0*	0.00	0.00	0.00	0.00	124,684.24
County of San Bernardino (Non-Ag)	*66.4*	2,515.15	3,708.29	*0.0*	0.00	0.00	0.00	0.00	6,223.44
General Electric Company	*3.7*	141.60	208.77	*3.7*	3,474.46	(43.34)	0.55	0.00	3,782.04
Hamner Park Associates, a California Limited Partnership	*312.1*	11,815.95	17,421.20	*0.0*	0.00	0.00	0.00	0.00	29,237.15
Linde Inc.	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
Monte Vista Water District (Non-Ag)	*30.1*	1,141.37	1,682.81	*0.0*	0.00	0.00	0.00	0.00	2,824.18
Riboli Family and San Antonio Winery, Inc.	*1.4*	52.10	76.81	*1.4*	1,278.30	(90.75)	345.63	0.00	1,662.10
Space Center Mira Loma, Inc.	*93.7*	3,547.78	5,230.78	*0.0*	0.00	0.00	0.00	0.00	8,778.56
TAMCO	*0.0*	0.00	0.00	*0.0*	0.00	0.00	330.51	0.00	330.51
West Venture Development Company	*0.0*	0.00	0.00	*0.0*	0.00	0.00	0.00	0.00	0.00
	3,259.1	**123,389.99**	**181,923.65**	***24.9***	**23,161.83**	**(874.10)**	**1,888.97**	**0.00**	**329,490.34**
	2A	2B	2C	2D	2E	2F	2G	2H	2I

Notes:
1)

DRAFT

POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Production Overview

	Physical Production	Assignments	Other Adjustments	Actual FY Production (Assmnt Pkg Column 4H)
9W Halo Western OpCo L.P.	36.7	0.0	0.0	36.7
ANG II (Multi) LLC	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0
California Speedway Corporation	0.0	0.0	0.0	0.0
California Steel Industries, Inc.	1,383.9	0.0	0.0	1,383.9
CalMat Co.	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	1,331.0	0.0	1,331.0
County of San Bernardino (Non-Ag)	0.0	66.4	0.0	66.4
General Electric Company	991.0	0.0	(987.3)	3.7
Hamner Park Associates, a California Limited Partnership	0.0	312.1	0.0	312.1
Linde Inc.	0.0	0.0	0.0	0.0
Monte Vista Water District (Non-Ag)	0.0	30.1	0.0	30.1
Riboli Family and San Antonio Winery, Inc.	1.4	0.0	0.0	1.4
Space Center Mira Loma, Inc.	0.0	93.7	0.0	93.7
TAMCO	0.0	0.0	0.0	0.0
West Venture Development Company	0.0	0.0	0.0	0.0
	2,413.0	**1,833.3**	**(987.3)**	**3,259.1**
	3A	3B	3C	3D

Notes:
Other Adj:
1) General Electric Company extracted 991.0 AF of water and subsequently injected 901.9 AF and discharged 85.35 AF into the Ely Basins during the fiscal year.

DRAFT

POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Production Summary

	Percent of Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Safe Yield (AF)	Water Transaction Activity	Other Adjust-ments	Annual Production Right	Actual Fiscal Year Production	Net Over Production	Under Production Balances		
										Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
9W Halo Western OpCo L.P.	*0.256%*	0.0	0.0	18.8	(1.9)	0.0	16.9	36.7	19.8	0.0	0.0	0.0
ANG II (Multi) LLC	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	*13.605%*	1,000.0	0.0	1,000.0	(100.0)	0.0	1,900.0	0.0	0.0	1,900.0	1,000.0	900.0
California Steel Industries, Inc.	*21.974%*	1,615.1	0.0	1,615.1	(161.5)	0.0	3,068.8	1,383.9	0.0	1,684.8	1,615.1	69.7
CalMat Co.	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	*53.338%*	0.0	0.0	3,920.6	(2,589.6)	0.0	1,331.0	1,331.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	*1.821%*	133.9	0.0	133.9	(13.4)	0.0	254.4	66.4	0.0	187.9	133.9	54.1
General Electric Company	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	3.7	3.7	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	*6.316%*	464.2	0.0	464.2	(46.4)	0.0	882.1	312.1	0.0	570.0	464.2	105.7
Linde Inc.	*0.014%*	1.0	0.0	1.0	(0.1)	0.0	1.9	0.0	0.0	1.9	1.0	0.9
Monte Vista Water District (Non-Ag)	*0.680%*	50.0	0.0	50.0	(5.0)	0.0	95.0	30.1	0.0	64.9	50.0	14.9
Riboli Family and San Antonio Winery, Inc.	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.4	0.0	0.0	0.0
Space Center Mira Loma, Inc.	*1.417%*	0.0	0.0	104.1	(10.4)	0.0	93.7	93.7	0.0	0.0	0.0	0.0
TAMCO	*0.579%*	42.6	0.0	42.6	(4.3)	0.0	81.0	0.0	0.0	81.0	42.6	38.4
West Venture Development Company	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.00%	**3,306.9**	**0.0**	**7,350.3**	**(2,932.6)**	**0.0**	**7,724.6**	**3,259.1**	**24.9**	**4,490.4**	**3,306.9**	**1,183.6**
	4A	4B	4C	4D	4E	4F	4G	4H	4I	4J	4K	4L

Notes:
1) City of Ontario (Non-Ag) dedicated 2,197.6 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2025/26 DRO pursuant to an Exhibit "G" Section 10 Form A.

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POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Local Storage Accounts Summary

	Local Excess Carry Over Storage Account (ECO)					Local Supplemental Storage Account				Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Under-Production	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Ending Balance	Ending Balance
9W Halo Western OpCo L.P.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	3,887.2	(2.7)	0.0	900.0	4,784.5	0.0	0.0	0.0	0.0	4,784.5
California Steel Industries, Inc.	3,915.9	(2.7)	0.0	69.7	3,982.8	0.0	0.0	0.0	0.0	3,982.8
CalMat Co.	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	390.8	(0.3)	0.0	54.1	444.5	0.0	0.0	0.0	0.0	444.5
General Electric Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	1,999.4	(1.4)	0.0	105.7	2,103.7	0.0	0.0	0.0	0.0	2,103.7
Linde Inc.	66.9	0.0	0.0	0.9	67.7	0.0	0.0	0.0	0.0	67.7
Monte Vista Water District (Non-Ag)	196.6	(0.1)	0.0	14.9	211.3	0.0	0.0	0.0	0.0	211.3
Riboli Family and San Antonio Winery, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	370.5	(0.3)	0.0	38.4	408.6	0.0	0.0	0.0	0.0	408.6
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	10,832.2	**(7.6)**	**0.0**	**1,183.6**	**12,008.2**	**0.0**	**0.0**	**0.0**	**0.0**	**12,008.2**
	5A	5B	5C	5D	5E	5F	5G	5H	5I	5J

Notes:

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POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Transaction Summary

	Percent of Safe Yield	Assigned Share of Safe Yield (AF)	Water Transactions: 10% of Operating Safe Yield ("Haircut")	Water Transactions: Transfers (To) / From ECO Account	Water Transactions: General Transfers / Exhibit G Water Sales	Water Transactions: Total Water Transactions
9W Halo Western OpCo L.P.	0.256%	18.8	(1.9)	0.0	0.0	(1.9)
ANG II (Multi) LLC	0.000%	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.000%	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	(100.0)	0.0	0.0	(100.0)
California Steel Industries, Inc.	21.974%	1,615.1	(161.5)	0.0	0.0	(161.5)
CalMat Co.	0.000%	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	53.338%	3,920.6	(392.1)	0.0	(2,197.6)	(2,589.6)
County of San Bernardino (Non-Ag)	1.821%	133.9	(13.4)	0.0	0.0	(13.4)
General Electric Company	0.000%	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	(46.4)	0.0	0.0	(46.4)
Linde Inc.	0.014%	1.0	(0.1)	0.0	0.0	(0.1)
Monte Vista Water District (Non-Ag)	0.680%	50.0	(5.0)	0.0	0.0	(5.0)
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	1.417%	104.1	(10.4)	0.0	0.0	(10.4)
TAMCO	0.579%	42.6	(4.3)	0.0	0.0	(4.3)
West Venture Development Company	0.000%	0.0	0.0	0.0	0.0	0.0
	100.000%	**7,350.3**	**(735.0)**	**0.0**	**(2,197.6)**	**(2,932.6)**
	6A	6B	6C	6D	6E	6F

Notes:
1) City of Ontario (Non-Ag) dedicated 2,197.6 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2025/26 DRO pursuant to an Exhibit "G" Section 10 Form A.

DRAFT

POOL 2

Assessment Year 2025-2026 (Production Year 2024-2025)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:	AF
Appropriative - 100	0.0
Appropriative - 15/85	16.5
Non-Agricultural - 100	22.5
	39.0

Replenishment Rates	
2025 Rate	$929.00
2024 Rate	$920.00

Pool 2 Non-Agricultural

Company	Outstanding Obligation (AF)	Fund Balance ($)	Outstanding Obligation ($)
9W Halo Western OpCo L.P.	20.6	$19,846.75	($740.01)
ANG II (Multi) LLC	0.0	$0.00	$0.00
Aqua Capital Management LP	0.0	$0.00	$0.00
California Speedway Corporation	0.0	$0.00	$0.00
California Steel Industries, Inc.	0.0	$0.00	$0.00
CalMat Co.	0.0	$0.00	$0.00
CCG Ontario, LLC	0.0	$0.00	$0.00
City of Ontario (Non-Ag)	0.0	$0.00	$0.00
County of San Bernardino (Non-Ag)	0.0	$0.00	$0.00
General Electric Company	1.2	$1,203.66	($43.34)
Hamner Park Associates, a California Limited Partnership	0.0	$0.00	$0.00
Linde Inc.	0.0	$0.00	$0.00
Monte Vista Water District (Non-Ag)	0.0	$0.00	$0.00
Riboli Family and San Antonio Winery, Inc.	0.7	$726.19	($90.75)
Space Center Mira Loma, Inc.	0.0	$0.00	$0.00
TAMCO	0.0	$0.00	$0.00
West Venture Development Company	0.0	$0.00	$0.00
Pool 2 Non-Agricultural Total	**22.5**	**$21,776.60**	**($874.10)**
	7A	7B	7C

Notes:
1) The 2025 replenishment rate includes MWD's Full Service Untreated volumetric cost of $912/AF, a $15/AF surcharge from Three Valleys Municipal Water District, and a $2/AF connection fee from Orange County Water District.
2) MWD's 2014 Purchase Order contract was not renewed and expired on December 31, 2024. As a result, MWD has a single supply rate for the 2025 and 2026 calendar years.

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Fee Summary

	AF Production and Exchanges	Appropriative Pool		Ag Pool SY Reallocation			Replenishment Assessments			85/15 Activity		CURO Adjmt	ASSESSMENTS DUE							
		$37.86 AF/Admin	$55.82 AF/OBMP	AF Total Realloc-ation	$688,438 $10.65 AF/Admin	$1,015,123 $15.71 AF/OBMP	$139.35 AF/15%	$789.65 AF/85%	$929.00 AF/100%	15% Producer Credits	15% Pro-rated Debits		Total Production Based	Pomona Credit	Recharge Debt Payment	Recharge Imprvmnt Project	RTS Charges	Other Adjmts	DRO	Total Due
BlueTriton Brands, Inc.	301.6	11,417.40	16,833.58	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,250.98	0.00	0.00	0.00	13,487.22	0.00	0.00	41,738.20
CalMat Co. (Appropriative)	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chino Hills, City Of	1,436.8	54,395.70	80,199.89	2,376.5	25,319.71	37,334.68	69.46	0.00	0.00	0.00	29,556.25	(2.17)	226,873.52	2,567.35	26,481.52	67,436.40	1.86	0.00	0.00	323,360.65
Chino, City Of	4,338.2	164,245.73	242,160.50	11,847.7	126,229.70	186,129.57	209.73	0.00	0.00	0.00	89,243.98	(6.54)	808,212.67	4,904.69	50,590.63	128,831.37	0.10	0.00	0.00	992,539.46
Cucamonga Valley Water District	15,623.2	591,492.46	872,084.23	2,481.2	26,435.84	38,980.46	755.30	0.00	0.00	(482,811.81)	321,391.26	(23.54)	1,368,304.20	4,400.69	45,391.97	115,592.75	21.69	0.00	0.00	1,533,711.31
Desalter Authority	40,646.9	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fontana Union Water Company	0.0	0.00	0.00	3,325.0	35,426.05	52,236.80	0.00	0.00	0.00	0.00	0.00	0.00	87,662.85	7,771.37	80,159.71	204,130.39	0.00	0.00	0.00	379,724.32
Fontana Water Company	8,323.7	315,137.10	464,631.61	834.6	8,891.78	13,111.20	402.41	0.00	0.00	(768,222.01)	171,231.79	(12.54)	205,171.34	1.33	13.75	35.02	16.41	0.00	0.00	205,237.85
Fontana, City Of	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Golden State Water Company	938.4	35,529.04	52,383.27	213.9	2,279.28	3,360.87	45.37	0.00	0.00	(38,937.52)	19,304.93	(1.41)	73,963.83	500.00	5,157.40	13,133.55	0.90	0.00	0.00	92,755.68
Jurupa Community Services District	10,646.2	403,064.87	594,270.49	17,111.0	182,306.67	268,816.79	514.69	0.00	0.00	0.00	219,007.91	(16.04)	1,667,965.38	2,506.01	25,848.88	65,825.35	10.42	0.00	0.00	1,762,156.04
Marygold Mutual Water Company	639.4	24,205.83	35,688.57	340.9	3,631.64	5,354.97	0.00	0.00	0.00	0.00	0.00	0.00	68,881.01	796.67	8,217.45	20,926.12	1,371.34	0.00	0.00	100,192.59
Monte Vista Irrigation Company	0.0	0.00	0.00	352.0	3,750.17	5,529.75	0.00	0.00	0.00	0.00	0.00	0.00	9,279.92	822.67	8,485.64	21,609.07	0.00	0.00	0.00	40,197.30
Monte Vista Water District	7,231.9	273,797.88	403,681.92	2,614.9	27,859.65	41,079.92	349.62	0.00	0.00	0.00	148,769.85	(10.90)	895,527.94	5,864.70	60,492.83	154,047.79	8.73	0.00	0.00	1,115,941.99
NCL Co, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Niagara Bottling, LLC	1,338.1	50,661.22	74,693.86	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,443.87)	123,911.21	0.00	0.00	0.00	42,932.69	(912.98)	0.00	165,930.92
Nicholson Family Trust	0.0	0.00	0.00	2.0	21.28	31.37	0.00	0.00	0.00	0.00	0.00	0.00	52.65	4.67	48.14	122.58	0.00	0.00	0.00	228.04
Norco, City Of	0.0	0.00	0.00	105.0	1,118.36	1,649.06	0.00	0.00	0.00	0.00	0.00	0.00	2,767.42	245.33	2,530.56	6,444.20	0.00	0.00	0.00	11,987.51
Ontario, City Of	12,001.0	454,356.38	669,893.64	13,404.2	142,813.11	210,582.33	580.19	0.00	0.00	0.00	246,877.49	(18.08)	1,725,085.06	13,828.07	142,632.99	363,221.46	20.18	0.00	0.00	2,244,787.76
Pomona, City Of	9,799.5	371,009.90	547,009.32	5,834.3	62,160.45	91,657.49	0.00	0.00	0.00	0.00	0.00	0.00	1,071,837.16	(53,030.93)	140,652.54	358,178.18	0.00	0.00	0.00	1,517,636.95
San Antonio Water Company	816.4	30,907.12	45,568.82	783.8	8,351.28	12,314.21	39.47	0.00	0.00	0.00	16,793.59	(1.23)	113,973.26	1,832.01	18,896.70	48,121.33	1.02	0.00	0.00	182,824.31
San Bernardino, County of (Shooting Park)	21.8	823.64	1,214.36	0.0	0.00	0.00	1.05	17,178.84	0.00	0.00	447.53	(535.49)	19,129.93	0.00	0.00	0.00	485.75	(106.94)	2,948.65	22,457.39
Santa Ana River Water Company	39.8	1,505.84	2,220.18	676.9	7,211.64	10,633.78	1.92	0.00	0.00	0.00	818.21	(0.06)	22,391.51	1,582.01	16,318.01	41,554.55	1,730.15	0.00	0.00	83,576.23
Upland, City Of	1,289.6	48,823.46	71,984.30	1,483.8	15,809.07	23,310.96	62.34	0.00	0.00	0.00	26,528.54	(1.94)	186,516.73	3,468.02	35,771.71	91,094.30	2.49	0.00	0.00	316,853.25
West End Consolidated Water Co	0.0	0.00	0.00	492.9	5,251.45	7,743.43	0.00	0.00	0.00	0.00	0.00	0.00	12,994.88	1,152.01	11,882.64	30,259.70	0.00	0.00	0.00	56,289.23
West Valley Water District	0.0	0.00	0.00	335.2	3,570.87	5,265.36	0.00	0.00	0.00	0.00	0.00	0.00	8,836.23	783.34	8,079.92	20,575.90	854.43	0.00	0.00	39,129.82
	115,432.2	**2,831,373.57**	**4,174,518.54**	**64,615.8**	**688,438.00**	**1,015,123.00**	**3,031.55**	**17,178.84**	**0.00**	**(1,289,971.34)**	**1,289,971.33**	**(2,073.81)**	**8,727,589.68**	**0.01**	**687,652.99**	**1,751,140.00**	**60,945.38**	**(1,019.92)**	**2,948.65**	**11,229,256.79**
	8A	8B	8C	8D	8E	8F	8G	8H	8I	8J	8K	8L	8M	8N	8O	8P	8Q	8R	8S	8T

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

DRAFT

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Production Overview

	Physical Production	Voluntary Agreements (w/ Ag)	Assignments (w/ Non-Ag)	Other Adjustments	Actual FY Production (Assmnt Pkg Column 10I)
BlueTriton Brands, Inc.	301.6	0.0	0.0	0.0	301.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	1,500.0	(63.2)	0.0	0.0	1,436.8
Chino, City Of	6,185.8	(1,781.1)	(66.4)	0.0	4,338.2
Cucamonga Valley Water District	15,623.2	0.0	0.0	0.0	15,623.2
Desalter Authority	40,682.2	0.0	0.0	(35.3)	40,646.9
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	8,323.7	0.0	0.0	0.0	8,323.7
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	938.4	0.0	0.0	0.0	938.4
Jurupa Community Services District	11,056.5	0.0	(405.8)	(4.5)	10,646.2
Marygold Mutual Water Company	639.4	0.0	0.0	0.0	639.4
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	3,614.4	(110.2)	(30.1)	(11.7)	3,462.5
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	1,338.1	0.0	0.0	0.0	1,338.1
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	18,799.8	(5,467.9)	(1,331.0)	0.0	12,001.0
Pomona, City Of	9,799.5	0.0	0.0	0.0	9,799.5
San Antonio Water Company	816.4	0.0	0.0	0.0	816.4
San Bernardino, County of (Shooting Park)	21.8	0.0	0.0	0.0	21.8
Santa Ana River Water Company	0.0	0.0	0.0	39.8	39.8
Upland, City Of	1,393.6	0.0	0.0	(104.0)	1,289.6
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	121,034.3	**(7,422.5)**	**(1,833.3)**	**(115.7)**	**111,662.8**
Less Desalter Authority Production					**(40,646.9)**
Total Less Desalter Authority Production					**71,016.0**
	9A	9B	9C	9D	9E

Notes:
Other Adjustments:
1) CDA provided 35.3 AF to JCSD for irrigation at Orchard Park.
2) Monte Vista Water District received a credit of 11.7 AF after evaporative loss due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.
3) Santa Ana River Water Company exceeded its allotment with Jurupa Community Services District by 39.8 AF.
4) City of Upland received a credit of 104.0 AF after evporative loss due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.

DRAFT

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
												85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
BlueTriton Brands, Inc.	*0.000%*	0.0	0.0	0.0	0.0	301.6	0.0	301.6	301.6	0.0	301.6	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	*3.851%*	1,572.5	0.0	1,572.5	2,376.5	0.0	0.0	5,521.5	1,436.8	0.0	1,436.8	0.0	0.0	4,084.7	1,572.5	2,512.2
Chino, City Of	*7.357%*	3,004.2	0.0	3,004.2	11,847.7	0.0	0.0	17,856.1	4,338.2	0.0	4,338.2	0.0	0.0	13,517.8	3,004.2	10,513.7
Cucamonga Valley Water District	*6.601%*	0.0	0.0	2,695.5	2,481.2	10,588.8	(142.3)	15,623.2	15,623.2	0.0	15,623.2	0.0	0.0	0.0	0.0	0.0
Desalter Authority	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,646.9	0.0	40,646.9	0.0	40,646.9	0.0	0.0	0.0
Fontana Union Water Company	*11.657%*	0.0	0.0	4,760.0	3,325.0	(8,085.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	*0.002%*	0.8	0.0	0.8	834.6	9,292.0	0.0	10,128.2	8,323.7	0.0	8,323.7	0.0	0.0	1,804.5	0.8	1,803.6
Fontana, City Of	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	*0.750%*	38.7	0.0	306.3	213.9	466.4	0.0	1,025.3	938.4	0.0	938.4	0.0	0.0	86.9	86.9	0.0
Jurupa Community Services District	*3.759%*	1,535.0	0.0	1,535.0	17,111.0	0.0	0.0	20,180.9	10,646.2	0.0	10,646.2	0.0	0.0	9,534.8	1,535.0	7,999.8
Marygold Mutual Water Company	*1.195%*	488.0	0.0	488.0	340.9	0.0	0.0	1,316.8	639.4	0.0	639.4	0.0	0.0	677.4	488.0	189.5
Monte Vista Irrigation Company	*1.234%*	503.9	0.0	503.9	352.0	0.0	0.0	1,359.8	0.0	0.0	0.0	0.0	0.0	1,359.8	503.9	855.9
Monte Vista Water District	*8.797%*	2,603.4	0.0	3,592.2	2,614.9	(1,578.5)	0.0	7,231.9	3,462.5	3,769.4	7,231.9	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	*0.000%*	0.0	0.0	0.0	0.0	1,338.1	0.0	1,338.1	1,338.1	0.0	1,338.1	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	*0.007%*	2.6	0.0	2.9	2.0	(5.0)	0.0	2.4	0.0	0.0	0.0	0.0	0.0	2.4	2.4	0.0
Norco, City Of	*0.368%*	150.3	0.0	150.3	105.0	0.0	0.0	405.5	0.0	0.0	0.0	0.0	0.0	405.5	150.3	255.2
Ontario, City Of	*20.742%*	8,469.8	0.0	8,469.8	13,404.2	0.0	0.0	30,343.8	12,001.0	0.0	12,001.0	0.0	0.0	18,342.9	8,469.8	9,873.1
Pomona, City Of	*20.454%*	8,352.2	0.0	8,352.2	5,834.3	0.0	0.0	22,538.7	9,799.5	0.0	9,799.5	0.0	0.0	12,739.1	8,352.2	4,387.0
San Antonio Water Company	*2.748%*	1,122.1	0.0	1,122.1	783.8	0.0	0.0	3,028.1	816.4	0.0	816.4	0.0	0.0	2,211.7	1,122.1	1,089.6
San Bernardino, County of (Shooting Park)	*0.000%*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.8	0.0	21.8	21.8	0.0	0.0	0.0	0.0
Santa Ana River Water Company	*2.373%*	969.0	0.0	969.0	676.9	(1,000.0)	0.0	1,614.9	39.8	0.0	39.8	0.0	0.0	1,575.1	969.0	606.1
Upland, City Of	*5.202%*	2,124.2	0.0	2,124.2	1,483.8	308.3	0.0	6,040.5	1,289.6	0.0	1,289.6	0.0	0.0	4,750.9	2,124.2	2,626.7
West End Consolidated Water Co	*1.728%*	705.6	0.0	705.6	492.9	(66.4)	0.0	1,837.7	0.0	0.0	0.0	0.0	0.0	1,837.7	705.6	1,132.1
West Valley Water District	*1.175%*	479.8	0.0	479.8	335.2	0.0	0.0	1,294.8	0.0	0.0	0.0	0.0	0.0	1,294.8	479.8	815.0
	100.00%	**32,121.9**	**0.0**	**40,834.0**	**64,615.8**	**11,560.1**	**(142.3)**	**148,989.6**	**111,662.8**	**3,769.4**	**115,432.2**	**21.8**	**40,646.9**	**74,226.0**	**29,566.6**	**44,659.4**
Less Desalter Authority Production									**(40,646.9)**		**(40,646.9)**		**(40,646.9)**			
Total Less Desalter Authority Production									**71,016.0**		**74,785.4**		**0.0**			
		10A	10B	10C	10D	10E	10F	10G	10H	10I	10J	10K	10L	10M	10N	10O	10P

Notes:
1) BlueTriton Brands, Inc. transferred 301.6 AF out of their ECO account to offset their Production Year 2024/25 overproduction obligations.
2) Cucamonga Valley Water District transferred 7,105.4 AF out of their Quantified Supplemental account to offset their Production Year 2024/25 overproduction obligations.
3) Cucamonga Valley Water District lost 142.3 AF of their purchased FY 2024/25 Recharged Recycled water, which was used to replenish their production year 2024/25 overproduction, to evaporative losses.
4) Niagara Bottling, LLC transferred 1,338.1 AF out of their ECO account to offset their Production Year 2024/25 overproduction obligations.

DRAFT

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Local Excess Carry Over Storage Account Summary

	Excess Carry Over Account (ECO)					
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Supplemental Storage	From Under-Production	Ending Balance
BlueTriton Brands, Inc.	564.3	(0.4)	(345.6)	0.0	0.0	218.3
CalMat Co. (Appropriative)	0.4	0.0	0.0	0.0	0.0	0.4
Chino Hills, City Of	18,896.5	(13.2)	0.0	0.0	2,512.2	21,395.5
Chino, City Of	124,154.2	(86.9)	(2,231.8)	0.0	10,513.7	132,349.2
Cucamonga Valley Water District	2,093.4	(1.5)	(9,197.4)	7,105.4	0.0	0.0
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	20,615.9	(14.4)	(1,249.5)	0.0	1,803.6	21,155.6
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	56,985.0	(39.9)	(3,551.5)	0.0	7,999.8	61,393.5
Marygold Mutual Water Company	150.6	(0.1)	(266.1)	0.0	189.5	73.9
Monte Vista Irrigation Company	12,925.7	(9.0)	(178.4)	0.0	855.9	13,594.1
Monte Vista Water District	2,253.8	(1.6)	(761.0)	0.0	0.0	1,491.3
NCL Co, LLC	4.0	0.0	0.0	0.0	0.0	4.0
Niagara Bottling, LLC	3,445.2	(2.4)	(1,533.4)	0.0	0.0	1,909.4
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	3,211.1	(2.2)	(53.2)	0.0	255.2	3,410.9
Ontario, City Of	63,483.6	(44.4)	(3,262.6)	0.0	9,873.1	70,049.6
Pomona, City Of	25,903.2	(18.1)	(4,387.2)	0.0	4,387.0	25,884.9
San Antonio Water Company	7,805.6	(5.5)	(516.4)	0.0	1,089.6	8,373.4
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	8,535.2	(6.0)	(348.9)	0.0	606.1	8,786.4
Upland, City Of	17,118.5	(12.0)	(940.3)	0.0	2,626.7	18,792.9
West End Consolidated Water Co	6,136.3	(4.3)	(958.1)	0.0	1,132.1	6,306.0
West Valley Water District	7,992.1	(5.6)	(169.9)	0.0	815.0	8,631.6
	382,274.6	**(267.6)**	**(29,951.2)**	**7,105.4**	**44,659.4**	**403,820.7**
	11A	11B	11C	11D	11E	11F

Notes:
1) BlueTriton Brands, Inc. transferred 301.6 AF out of their ECO account to offset their Production Year 2024/25 overproduction obligations.
2) Niagara Bottling, LLC transferred 1,338.1 AF out of their ECO account to offset their Production Year 2024/25 overproduction obligations.

DRAFT

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Local Supplemental Storage Account Summary

	Recharged Recycled Account					Quantified (Pre 7/1/2000) Account					New (Post 7/1/2000) Account					Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Ending Balance
BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	16,308.8	(11.4)	773.7	0.0	17,071.2	1,916.0	(1.3)	0.0	0.0	1,914.7	0.0	0.0	0.0	0.0	0.0	18,985.9
Chino, City Of	11,540.4	(8.1)	2,085.0	0.0	13,617.3	1,048.8	(0.7)	0.0	0.0	1,048.1	1,921.2	(1.3)	0.0	0.0	1,919.9	16,585.3
Cucamonga Valley Water District	51,424.8	(36.0)	(1,166.9)	0.0	50,221.9	10,663.5	(7.5)	0.0	(7,105.4)	3,550.5	1,665.9	(1.2)	0.0	0.0	1,664.7	55,437.1
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	1,622.3	(1.1)	689.9	0.0	2,311.1	0.0	0.0	0.0	0.0	0.0	572.8	(0.4)	194.8	0.0	767.1	3,078.2
Fontana, City Of	43.9	0.0	0.0	0.0	43.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43.9
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	589.1	(0.4)	(245.4)	0.0	343.4	0.0	0.0	0.0	0.0	0.0	343.4
Jurupa Community Services District	4,818.9	(3.4)	0.0	0.0	4,815.5	0.0	0.0	0.0	0.0	0.0	2,083.5	(1.5)	0.0	0.0	2,082.1	6,897.6
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	5,434.8	(3.8)	0.0	0.0	5,431.0	0.0	0.0	0.0	0.0	0.0	5,431.0
Monte Vista Water District	1,126.7	(0.8)	754.2	0.0	1,880.1	3,367.1	(2.4)	0.0	0.0	3,364.7	0.0	0.0	0.0	0.0	0.0	5,244.8
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	96.1	(0.1)	0.0	0.0	96.0	96.0
Ontario, City Of	65,428.9	(45.8)	5,480.0	0.0	70,863.0	8,027.6	(5.6)	0.0	0.0	8,022.0	0.0	0.0	0.0	0.0	0.0	78,885.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	10,881.5	(7.6)	0.0	0.0	10,873.9	1,555.5	(1.1)	0.0	0.0	1,554.4	12,428.3
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7,808.0	(5.5)	0.0	0.0	7,802.5	7,802.5
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	479.7	(0.3)	0.0	0.0	479.4	479.4
Upland, City Of	17,569.4	(12.3)	1,713.8	0.0	19,270.9	5,786.9	(4.1)	0.0	0.0	5,782.9	0.0	0.0	0.0	0.0	0.0	25,053.8
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	451.3	(0.3)	0.0	0.0	451.0	451.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	306.9	(0.2)	0.0	0.0	306.6	306.6
	169,884.0	**(118.9)**	**10,329.7**	**0.0**	**180,094.9**	**47,715.4**	**(33.4)**	**(245.4)**	**(7,105.4)**	**40,331.2**	**16,940.8**	**(11.9)**	**194.8**	**0.0**	**17,123.7**	**237,549.8**
	12A	12B	12C	12D	12E	12F	12G	12H	12I	12J	12K	12L	12M	12N	12O	12P

Notes:
1) Cucamonga Valley Water District transferred 7,105.4 AF out of their Quantified Supplemental account to offset their Production Year 2024/25 overproduction obligations.
2) Cucamonga Valley Water District elected to utilize this year's Recharged Recycled water purchase to replenish a portion of their production year 2024/25 overproduction obligation.

DRAFT

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Other Storage and Replenishment Accounts

DESALTER REPLENISHMENT	Beginning Balance	Water Purchases	Transfers To	Transfers From	Ending Balance
CONTROLLED OVERDRAFT AND OFFSETS					
Re-Op Offset Pre-Peace II / CDA	1,286.7		0.0	0.0	1,286.7
Re-Op Offset Peace II Expansion	37,500.0		0.0	(12,500.0)	25,000.0
Non-Ag OBMP Special Assessment	0.0		735.0	(735.0)	0.0
Non-Ag Dedication	0.0		0.0	0.0	0.0
	38,786.7		**735.0**	**(13,235.0)**	**26,286.7**
DEDICATED REPLENISHMENT					
BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	1,685.4	(1,685.4)	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	1,578.5	(1,578.5)	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	1.0	(1.0)	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	0.0	2,197.6	(2,197.6)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	0.0	**0.0**	**5,462.5**	**(5,462.5)**	**0.0**
	13A	13B	13C	13D	13E

STORAGE AND RECOVERY	Beginning Balance	Storage Loss	MWD "Puts"	In-Lieu "Puts"/ (Takes)	Ending Balance
METROPOLITAN WATER DISTRICT					
Dry Year Yield / Conjuctive Use Program	45,908.2	(32.1)	14,163.2	3,769.4	63,808.6
	13F	13G	13H	13I	13J

Notes:

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Transaction Summary

	Water Transactions				
	Assigned Rights	General Transfer	Transfers (To) / From ECO Account	Transfers (To) Desalter Replenishment	Total Water Transactions
BlueTriton Brands, Inc.	0.0	0.0	301.6	0.0	301.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	(2,916.4)	6,399.7	7,105.4	0.0	10,588.8
Desalter Authority	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	(6,399.7)	0.0	(1,685.4)	(8,085.1)
Fontana Water Company	9,292.0	0.0	0.0	0.0	9,292.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	466.4	0.0	0.0	0.0	466.4
Jurupa Community Services District	(788.0)	0.0	788.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	(1,578.5)	(1,578.5)
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	1,338.1	0.0	1,338.1
Nicholson Family Trust	(4.0)	0.0	0.0	(1.0)	(5.0)
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	2,197.6	0.0	(2,197.6)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	(1,000.0)	0.0	0.0	0.0	(1,000.0)
Upland, City Of	308.3	0.0	0.0	0.0	308.3
West End Consolidated Water Co	(774.7)	0.0	708.3	0.0	(66.4)
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	4,583.6	**2,197.6**	**10,241.4**	**(5,462.5)**	**11,560.1**
	14A	14B	14C	14D	14E

Notes:

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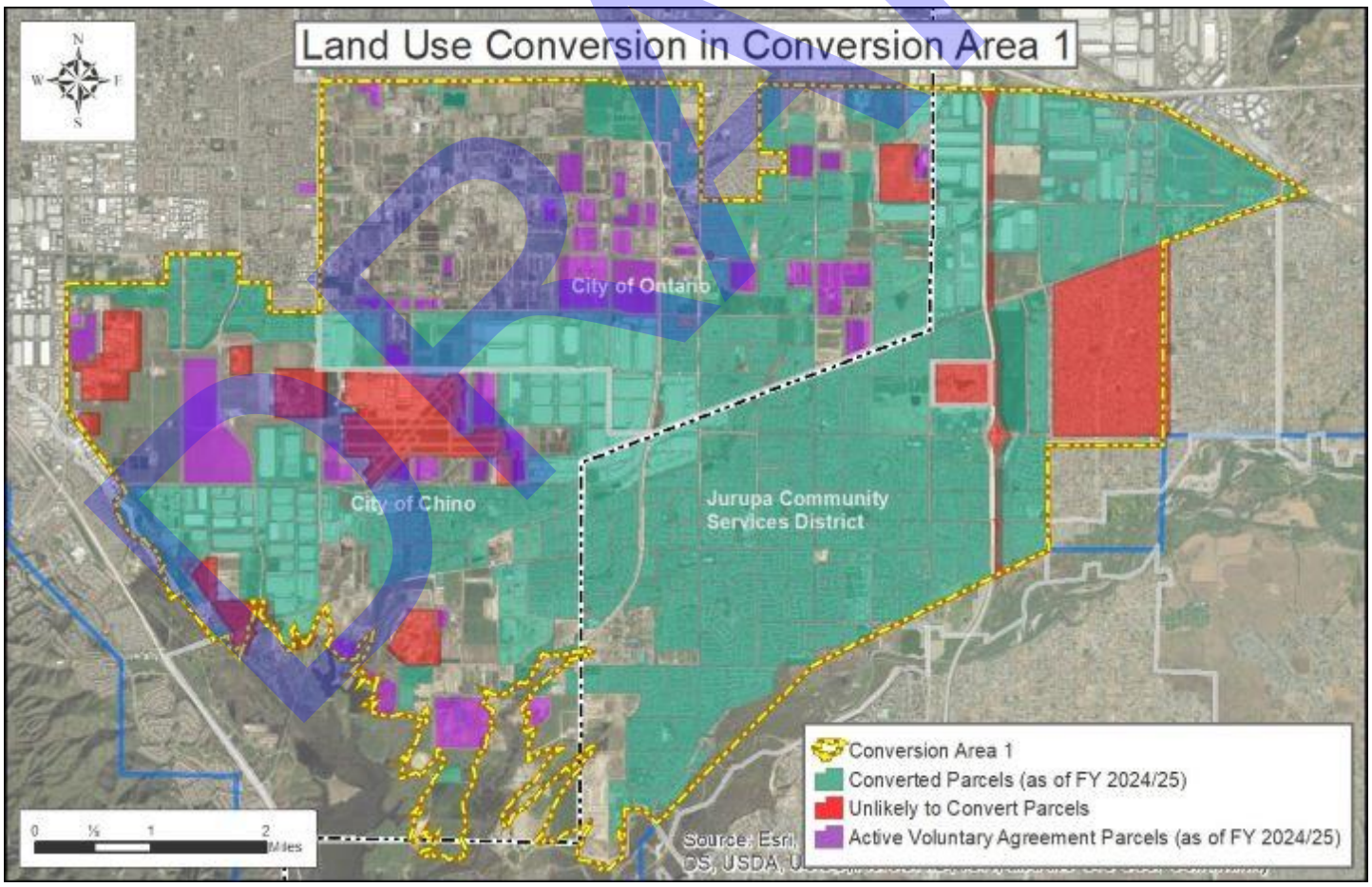
POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Land Use Conversion Summary

	Prior Conversion	Conversion @ 1.3 af/ac		Total Prior to Peace Agrmt Converted AF	Conversion @ 2.0 af/ac		Total Land Use Conversion Acre-Feet
		Acres	Acre-Feet		Acres	Acre-Feet	
Chino Hills, City Of	0.0	670.266	871.3	871.3	203.334	406.7	1,278.0
Chino, City Of	196.2	1,434.750	1,865.2	2,061.4	3,843.912	7,687.8	9,749.2
Cucamonga Valley Water District	0.0	460.280	598.4	598.4	0.000	0.0	598.4
Fontana Water Company	0.0	0.000	0.0	0.0	417.000	834.0	834.0
Jurupa Community Services District	0.0	2,756.920	3,584.0	3,584.0	6,227.418	12,454.8	16,038.8
Monte Vista Water District	0.0	48.150	62.6	62.6	21.510	43.0	105.6
Ontario, City Of	209.4	527.044	685.2	894.6	3,296.620	6,593.2	7,487.8
	405.6	**5,897.410**	**7,666.6**	**8,072.3**	**14,009.794**	**28,019.6**	**36,091.9**
	15A	15B	15C	15D	15E	15F	15G



Notes:

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Agricultural Pool Reallocation Summary

	% Share of Operating Safe Yield	Reallocation of Agricutural Pool Safe Yield			
		Safe Yield Reduction[1]	Land Use Conversions	Early Transfer	Total AG Pool Reallocation
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	346.6	1,278.0	751.9	2,376.5
Chino, City Of	7.357%	662.1	9,749.2	1,436.4	11,847.7
Cucamonga Valley Water District	6.601%	594.1	598.4	1,288.8	2,481.2
Desalter Authority	0.000%	0.0	0.0	0.0	0.0
Fontana Union Water Company	11.657%	1,049.1	0.0	2,275.9	3,325.0
Fontana Water Company	0.002%	0.2	834.0	0.4	834.6
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	67.5	0.0	146.4	213.9
Jurupa Community Services District	3.759%	338.3	16,038.8	733.9	17,111.0
Marygold Mutual Water Company	1.195%	107.6	0.0	233.3	340.9
Monte Vista Irrigation Company	1.234%	111.1	0.0	240.9	352.0
Monte Vista Water District	8.797%	791.7	105.6	1,717.5	2,614.9
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.007%	0.6	0.0	1.4	2.0
Norco, City Of	0.368%	33.1	0.0	71.8	105.0
Ontario, City Of	20.742%	1,866.8	7,487.8	4,049.7	13,404.2
Pomona, City Of	20.454%	1,840.9	0.0	3,993.4	5,834.3
San Antonio Water Company	2.748%	247.3	0.0	536.5	783.8
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	213.6	0.0	463.3	676.9
Upland, City Of	5.202%	468.2	0.0	1,015.6	1,483.8
West End Consolidated Water Co	1.728%	155.5	0.0	337.4	492.9
West Valley Water District	1.175%	105.8	0.0	229.4	335.2
	100%	**9,000.0**	**36,091.9**	**19,524.0**	**64,615.8**
		16A	16B	16C	16D	16E

Agricultural Pool Safe Yield	82,800.0
Agricultural Pool Production	(18,184.2)
Safe Yield Reduction[1]	(9,000.0)
Land Use Conversions	(36,091.9)
Early Transfer [16D]	19,524.0

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

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Assessment Year 2025-2026 (Production Year 2024-2025)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:	AF
Appropriative - 100	0.0
Appropriative - 15/85	16.5
Non-Agricultural - 100	22.5
	39.0

Replenishment Rates	
2025 Rate	$929.00
2024 Rate	$920.00

Pool 3 Appropriative

Company	Outstanding Obligation (AF)	Fund Balance ($)	Outstanding Obligation ($)	*AF Production and Exchanges*	85/15 Producers	Percent	15%	85%	100%	Total
BlueTriton Brands, Inc.	0.0	$0.00	$0.00	*301.6*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
CalMat Co. (Appropriative)	0.0	$0.00	$0.00	*0.0*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
Chino Hills, City Of	0.0	$0.00	$0.00	*1,436.8*	1,436.8	2.291%	($2.17)	$0.00	xxxxxxxxxx	($2.17)
Chino, City Of	0.0	$0.00	$0.00	*4,338.2*	4,338.2	6.918%	($6.54)	$0.00	xxxxxxxxxx	($6.54)
Cucamonga Valley Water District	0.0	$0.00	$0.00	*15,623.2*	15,623.2	24.915%	($23.54)	$0.00	xxxxxxxxxx	($23.54)
Desalter Authority	0.0	$0.00	$0.00	*40,646.9*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	$0.00
Fontana Union Water Company	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
Fontana Water Company	0.0	$0.00	$0.00	*8,323.7*	8,323.7	13.274%	($12.54)	$0.00	xxxxxxxxxx	($12.54)
Fontana, City Of	0.0	$0.00	$0.00	*0.0*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
Golden State Water Company	0.0	$0.00	$0.00	*938.4*	938.4	1.497%	($1.41)	$0.00	xxxxxxxxxx	($1.41)
Jurupa Community Services District	0.0	$0.00	$0.00	*10,646.2*	10,646.2	16.978%	($16.04)	$0.00	xxxxxxxxxx	($16.04)
Marygold Mutual Water Company	0.0	$0.00	$0.00	*639.4*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
Monte Vista Irrigation Company	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
Monte Vista Water District	0.0	$0.00	$0.00	*7,231.9*	7,231.9	11.533%	($10.90)	$0.00	xxxxxxxxxx	($10.90)
NCL Co, LLC	0.0	$0.00	$0.00	*0.0*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
Niagara Bottling, LLC	0.0	$1,443.87	($1,443.87)	*1,338.1*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	($1,443.87)	($1,443.87)
Nicholson Family Trust	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
Norco, City Of	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
Ontario, City Of	0.0	$0.00	$0.00	*12,001.0*	12,001.0	19.138%	($18.08)	$0.00	xxxxxxxxxx	($18.08)
Pomona, City Of	0.0	$0.00	$0.00	*9,799.5*	xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	$0.00	$0.00
San Antonio Water Company	0.0	$0.00	$0.00	*816.4*	816.4	1.302%	($1.23)	$0.00	xxxxxxxxxx	($1.23)
San Bernardino, County of (Shooting Park)	16.5	$15,946.37	($629.95)	*21.8*	21.8	0.035%	($0.03)	($535.46)	xxxxxxxxxx	($535.49)
Santa Ana River Water Company	0.0	$0.00	$0.00	*39.8*	39.8	0.063%	($0.06)	$0.00	xxxxxxxxxx	($0.06)
Upland, City Of	0.0	$0.00	$0.00	*1,289.6*	1,289.6	2.057%	($1.94)	$0.00	xxxxxxxxxx	($1.94)
West End Consolidated Water Co	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
West Valley Water District	0.0	$0.00	$0.00	*0.0*	0.0	0.000%	$0.00	$0.00	xxxxxxxxxx	$0.00
Pool 3 Appropriative Total	**16.5**	**$17,390.24**	**($2,073.82)**	***115,432.2***	**62,706.8**	**100.000%**	**($94.48)**	**($535.46)**	**($1,443.87)**	**($2,073.81)**
	17A	17B	17C	17D	17E	17F	17G	17H	17I	17J

Notes:
1) The 2025 replenishment rate includes MWD's Full Service Untreated volumetric cost of $912/AF, a $15/AF surcharge from Three Valleys Municipal Water District, and a $2/AF connection fee from Orange County Water District.
2) MWD's 2014 Purchase Order contract was not renewed and expired on December 31, 2024. As a result, MWD has a single supply rate for the 2025 and 2026 calendar years.

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Desalter Replenishment Accounting[1]

Production Year	Desalter Production			Desalter Replenishment										
								Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi)						
	Pre-Peace II Desalter Production	Peace II Desalter Expansion Production[2]	Total	Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i)	Paragraph 31 Settlement Agreements Dedication[3] PIIA, 6.2(a)(ii)	"Leave Behind" Losses PIIA, 6.2(a)(iv)	Safe Yield Contributed by Parties PIIA, 6.2(a)(v)	Allocation to Pre-Peace II Desalters[4,8]	Allocation to All Desalters[5]	Balance	Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii)	Non-Ag OBMP Assessment (10% Haircut)[6] PIIA, 6.2(b)(i)	Remaining Desalter Replenishment Obligation[4,7] PIIA, 6.2(b)(iii)
2000 / 2001	7,989.0	0.0	7,989.0	3,994.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,994.5
2001 / 2002	9,457.8	0.0	9,457.8	4,728.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,728.9
2002 / 2003	10,438.5	0.0	10,438.5	5,219.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,219.3
2003 / 2004	10,605.0	0.0	10,605.0	5,302.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,302.5
2004 / 2005	9,853.6	0.0	9,853.6	4,926.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,926.8
2005 / 2006	16,475.8	0.0	16,475.8	11,579.1	0.0	0.0	0.0	0.0	0.0	400,000.0	0.0	0.0	0.0	4,896.7
2006 / 2007	26,356.2	0.0	26,356.2	608.4	4,273.1	0.0	0.0	21,474.7	0.0	378,525.3	0.0	0.0	0.0	0.0
2007 / 2008	26,972.1	0.0	26,972.1	0.0	0.0	0.0	0.0	26,972.1	0.0	351,553.2	0.0	0.0	0.0	0.0
2008 / 2009	32,920.5	0.0	32,920.5	0.0	0.0	0.0	0.0	61,989.1	0.0	289,564.1	0.0	0.0	0.0	(29,068.6)
2009 / 2010	28,516.7	0.0	28,516.7	0.0	0.0	0.0	0.0	28,516.7	0.0	261,047.4	0.0	0.0	0.0	0.0
2010 / 2011	29,318.7	0.0	29,318.7	0.0	0.0	0.0	0.0	29,318.7	0.0	231,728.7	0.0	0.0	0.0	0.0
2011 / 2012	28,378.9	0.0	28,378.9	0.0	0.0	0.0	0.0	28,378.9	0.0	203,349.7	0.0	0.0	0.0	0.0
2012 / 2013	27,061.7	0.0	27,061.7	0.0	0.0	0.0	0.0	27,061.7	0.0	176,288.1	0.0	0.0	0.0	0.0
2013 / 2014	29,228.0	14.6	29,242.6	0.0	0.0	0.0	0.0	0.0	12,500.0	163,788.1	10,000.0	0.0	0.0	6,742.6
2014 / 2015	29,541.3	448.7	29,990.0	0.0	0.0	0.0	0.0	0.0	12,500.0	151,288.1	10,000.0	0.0	0.0	7,490.0
2015 / 2016	27,008.8	1,154.1	28,162.9	0.0	0.0	0.0	0.0	0.0	12,500.0	138,788.1	10,000.0	0.0	0.0	5,662.9
2016 / 2017	26,725.6	1,527.2	28,252.8	0.0	0.0	0.0	0.0	0.0	12,500.0	126,288.1	10,000.0	735.0	0.0	5,017.8
2017 / 2018	28,589.8	1,462.5	30,052.3	0.0	0.0	0.0	0.0	0.0	12,500.0	113,788.1	10,000.0	735.0	0.0	6,817.3
2018 / 2019	25,502.9	5,696.3	31,199.2	0.0	0.0	0.0	0.0	0.0	12,500.0	101,288.1	10,000.0	735.0	0.0	7,964.2
2019 / 2020	27,593.6	8,003.4	35,597.1	0.0	0.0	0.0	0.0	0.0	12,500.0	88,788.1	10,000.0	735.0	0.0	12,362.0
2020 / 2021	31,944.8	8,169.7	40,114.5	0.0	0.0	0.0	0.0	0.0	12,500.0	76,288.1	10,000.0	735.0	0.0	16,879.4
2021 / 2022	28,678.0	11,847.4	40,525.4	0.0	0.0	0.0	0.0	0.0	12,500.0	63,788.1	10,000.0	735.0	0.0	17,290.4
2022 / 2023	30,223.8	9,591.2	39,815.0	0.0	0.0	0.0	0.0	0.0	12,500.0	51,288.1	10,000.0	735.0	0.0	16,580.0
2023 / 2024	29,007.3	11,301.2	40,308.5	0.0	0.0	0.0	0.0	0.0	12,500.0	38,788.1	10,000.0	735.0	0.0	17,073.5
2024 / 2025	**30,469.6**	**10,177.3**	**40,646.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**12,500.0**	**26,288.1**	**10,000.0**	**735.0**	**0.0**	**17,411.9**
2025 / 2026	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	21,288.1	10,000.0	735.0	0.0	24,265.0
2026 / 2027	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	16,288.1	10,000.0	735.0	0.0	24,265.0
2027 / 2028	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	11,288.1	10,000.0	735.0	0.0	24,265.0
2028 / 2029	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	6,288.1	10,000.0	735.0	0.0	24,265.0
2029 / 2030	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0	0.0	0.0	5,000.0	1,288.1	10,000.0	735.0	0.0	24,265.0
	758,858.2	**119,393.5**	**878,251.7**	**36,359.6**	**4,273.1**	**0.0**	**0.0**	**223,711.9**	**175,000.0**		**170,000.0**	**10,290.5**	**0.0**	**258,616.9**
	18A	18B	18C	18D	18E	18F	18G	18H	18I	18J	18K	18L	18M	

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

POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Desalter Replenishment Obligation Contribution

	Percent of Operating Safe Yield	Land Use Conversions	Percent of Land Use Conversions	85% DROC Based on % OSY	15% DROC Based on % of LUC	Total DRO Contribution
BlueTriton Brands, Inc.	0.000%	0.0	0.000%	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.000%	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,278.0	3.541%	327.3	53.1	380.5
Chino, City Of	7.357%	9,749.2	27.012%	625.3	405.2	1,030.5
Cucamonga Valley Water District	6.601%	598.4	1.658%	561.1	24.9	586.0
Fontana Union Water Company	11.657%	0.0	0.000%	990.8	0.0	990.8
Fontana Water Company	0.002%	834.0	2.311%	0.2	34.7	34.8
Fontana, City Of	0.000%	0.0	0.000%	0.0	0.0	0.0
Golden State Water Company	0.750%	0.0	0.000%	63.8	0.0	63.8
Jurupa Community Services District	3.759%	16,038.8	44.439%	319.5	666.6	986.1
Marygold Mutual Water Company	1.195%	0.0	0.000%	101.6	0.0	101.6
Monte Vista Irrigation Company	1.234%	0.0	0.000%	104.9	0.0	104.9
Monte Vista Water District	8.797%	105.6	0.293%	747.7	4.4	752.1
NCL Co, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Nicholson Family Trust	0.007%	0.0	0.000%	0.6	0.0	0.6
Norco, City Of	0.368%	0.0	0.000%	31.3	0.0	31.3
Ontario, City Of	20.742%	7,487.8	20.747%	1,763.1	311.2	2,074.3
Pomona, City Of	20.454%	0.0	0.000%	1,738.6	0.0	1,738.6
San Antonio Water Company	2.748%	0.0	0.000%	233.6	0.0	233.6
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.000%	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	0.0	0.000%	201.7	0.0	201.7
Upland, City Of	5.202%	0.0	0.000%	442.2	0.0	442.2
West End Consolidated Water Co	1.728%	0.0	0.000%	146.9	0.0	146.9
West Valley Water District	1.175%	0.0	0.000%	99.9	0.0	99.9
	100.000%	**36,091.9**	**100.000%**	**8,500.0**	**1,500.0**	**10,000.0**
	19A	19B	19C	19D	19E	19F

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

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Remaining Desalter Replenishment Obligation (RDRO)

	Assigned Share of Operating Safe Yield	CALCULATING THE ADJUSTED PHYSICAL PRODUCTION						ALLOCATING THE RDRO		
		Physical Production	50% of Voluntary Agreements with Ag	Assignments with Non-Ag	Storage and Recovery Programs	Other Adjustments	Total Adjusted Physical Production	Total Production and OSY Basis (20A+20G)	Percentage (20H) / Sum(20H)	Total Remaining Desalter Replenishment Obligation
BlueTriton Brands, Inc.	0.0	301.6	0.0	0.0	0.0	0.0	301.6	301.6	0.253%	44.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Chino Hills, City Of	1,572.5	1,500.0	(31.6)	0.0	0.0	0.0	1,468.4	3,040.9	2.548%	443.7
Chino, City Of	3,004.2	6,185.8	(890.6)	(66.4)	0.0	0.0	5,228.8	8,233.0	6.899%	1,201.3
Cucamonga Valley Water District	2,695.5	15,623.2	0.0	0.0	0.0	0.0	15,623.2	18,318.6	15.351%	2,672.9
Fontana Union Water Company	4,760.0	0.0	0.0	0.0	0.0	0.0	0.0	4,760.0	3.989%	694.5
Fontana Water Company	0.8	8,323.7	0.0	0.0	0.0	0.0	8,323.7	8,324.6	6.976%	1,214.7
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Golden State Water Company	306.3	938.4	0.0	0.0	0.0	0.0	938.4	1,244.7	1.043%	181.6
Jurupa Community Services District	1,535.0	11,056.5	0.0	(405.8)	0.0	(4.5)	10,646.2	12,181.1	10.208%	1,777.4
Marygold Mutual Water Company	488.0	639.4	0.0	0.0	0.0	0.0	639.4	1,127.3	0.945%	164.5
Monte Vista Irrigation Company	503.9	0.0	0.0	0.0	0.0	0.0	0.0	503.9	0.422%	73.5
Monte Vista Water District	3,592.2	3,614.4	(55.1)	(30.1)	3,769.4	(11.7)	7,286.9	10,879.1	9.117%	1,587.4
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.0
Niagara Bottling, LLC	0.0	1,338.1	0.0	0.0	0.0	0.0	1,338.1	1,338.1	1.121%	195.2
Nicholson Family Trust	2.9	0.0	0.0	0.0	0.0	0.0	0.0	2.9	0.002%	0.4
Norco, City Of	150.3	0.0	0.0	0.0	0.0	0.0	0.0	150.3	0.126%	21.9
Ontario, City Of	8,469.8	18,799.8	(2,734.0)	(1,331.0)	0.0	0.0	14,734.9	23,204.7	19.446%	3,385.9
Pomona, City Of	8,352.2	9,799.5	0.0	0.0	0.0	0.0	9,799.5	18,151.7	15.211%	2,648.6
San Antonio Water Company	1,122.1	816.4	0.0	0.0	0.0	0.0	816.4	1,938.5	1.624%	282.8
San Bernardino, County of (Shooting Park)	0.0	21.8	0.0	0.0	0.0	0.0	21.8	21.8	0.018%	3.2
Santa Ana River Water Company	969.0	0.0	0.0	0.0	0.0	39.8	39.8	1,008.8	0.845%	147.2
Upland, City Of	2,124.2	1,393.6	0.0	0.0	0.0	(104.0)	1,289.6	3,413.8	2.861%	498.1
West End Consolidated Water Co	705.6	0.0	0.0	0.0	0.0	0.0	0.0	705.6	0.591%	103.0
West Valley Water District	479.8	0.0	0.0	0.0	0.0	0.0	0.0	479.8	0.402%	70.0
	40,834.0	**80,352.2**	**(3,711.2)**	**(1,833.3)**	**3,769.4**	**(80.4)**	**78,496.5**	**119,330.6**	**100.000%**	**17,411.9**
	20A	20B	20C	20D	20E	20F	20G	20H	20I	20J

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

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POOL 3

Assessment Year 2025-2026 (Production Year 2024-2025)

Desalter Replenishment Summary

	Desalter Replenishment Obligation in AF			Total DRO Fulfillment Activity							Assessments	
	Desalter Replenishment Obligation Contribution	Remaining Desalter Replenishment Obligation	Total Desalter Replenishment Obligation	Transfer from Dedicated Replenishment Account	Transfer from Excess Carry Over Storage Account	Transfer from Recharged Recycled Storage Account	Transfer from Quantified Storage Account	Transfer from Post 7/1/2000 Storage Account	Replenishment Water Purchase	Total Transfers and Water Purchases	Residual DRO (AF)	Assessments Due On Residual DRO ($)
BlueTriton Brands, Inc.	0.0	(44.0)	(44.0)	0.0	44.0	0.0	0.0	0.0	0.0	44.0	0.0	0.00
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Chino Hills, City Of	(380.5)	(443.7)	(824.2)	0.0	0.0	824.2	0.0	0.0	0.0	824.2	0.0	0.00
Chino, City Of	(1,030.5)	(1,201.3)	(2,231.8)	0.0	2,231.8	0.0	0.0	0.0	0.0	2,231.8	0.0	0.00
Cucamonga Valley Water District	(586.0)	(2,672.9)	(3,258.9)	0.0	2,092.0	1,166.9	0.0	0.0	0.0	3,258.9	0.0	0.00
Fontana Union Water Company	(990.8)	(694.5)	(1,685.4)	1,685.4	0.0	0.0	0.0	0.0	0.0	1,685.4	0.0	0.00
Fontana Water Company	(34.8)	(1,214.7)	(1,249.5)	0.0	1,249.5	0.0	0.0	0.0	0.0	1,249.5	0.0	0.00
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Golden State Water Company	(63.8)	(181.6)	(245.4)	0.0	0.0	0.0	245.4	0.0	0.0	245.4	0.0	0.00
Jurupa Community Services District	(986.1)	(1,777.4)	(2,763.5)	0.0	2,763.5	0.0	0.0	0.0	0.0	2,763.5	0.0	0.00
Marygold Mutual Water Company	(101.6)	(164.5)	(266.1)	0.0	266.1	0.0	0.0	0.0	0.0	266.1	0.0	0.00
Monte Vista Irrigation Company	(104.9)	(73.5)	(178.4)	0.0	178.4	0.0	0.0	0.0	0.0	178.4	0.0	0.00
Monte Vista Water District	(752.1)	(1,587.4)	(2,339.5)	1,578.5	761.0	0.0	0.0	0.0	0.0	2,339.5	0.0	0.00
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00
Niagara Bottling, LLC	0.0	(195.2)	(195.2)	0.0	195.2	0.0	0.0	0.0	0.0	195.2	0.0	0.00
Nicholson Family Trust	(0.6)	(0.4)	(1.0)	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.00
Norco, City Of	(31.3)	(21.9)	(53.2)	0.0	53.2	0.0	0.0	0.0	0.0	53.2	0.0	0.00
Ontario, City Of	(2,074.3)	(3,385.9)	(5,460.1)	2,197.6	3,262.6	0.0	0.0	0.0	0.0	5,460.1	0.0	0.00
Pomona, City Of	(1,738.6)	(2,648.6)	(4,387.2)	0.0	4,387.2	0.0	0.0	0.0	0.0	4,387.2	0.0	0.00
San Antonio Water Company	(233.6)	(282.8)	(516.4)	0.0	516.4	0.0	0.0	0.0	0.0	516.4	0.0	0.00
San Bernardino, County of (Shooting Park)	0.0	(3.2)	(3.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(3.2)	2,948.65
Santa Ana River Water Company	(201.7)	(147.2)	(348.9)	0.0	348.9	0.0	0.0	0.0	0.0	348.9	0.0	0.00
Upland, City Of	(442.2)	(498.1)	(940.3)	0.0	940.3	0.0	0.0	0.0	0.0	940.3	0.0	0.00
West End Consolidated Water Co	(146.9)	(103.0)	(249.8)	0.0	249.8	0.0	0.0	0.0	0.0	249.8	0.0	0.00
West Valley Water District	(99.9)	(70.0)	(169.9)	0.0	169.9	0.0	0.0	0.0	0.0	169.9	0.0	0.00
	(10,000.0)	**(17,411.9)**	**(27,411.9)**	**5,462.5**	**19,709.8**	**1,991.1**	**245.4**	**0.0**	**0.0**	**27,408.7**	**(3.2)**	**2,948.65**
	21A	21B	21C	21D	21E	21F	21G	21H	21I	21J	21K	21L

Notes:
1) City of Ontario (Non-Ag) dedicated 2,197.6 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2025/26 DRO pursuant to an Exhibit "G" Section 10 Form A.

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ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

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

			FY 2024/25 Budget [5]	FY 2025/26 Budget	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
PRODUCTION BASIS											
2023/2024 Production and Exchanges in Acre-Feet (Actuals)					77,415.609	56,820.238	73.396%	17,716.582	22.885%	2,878.789	3.719%
2024/2025 Production and Exchanges in Acre-Feet (Actuals)[1]					96,228.646	74,785.356	77.716%	18,184.178	18.897%	3,259.112	3.387%
BUDGET						**Judgment Administration**	**OBMP & PE 1-9**	**Judgment Administration**	**OBMP & PE 1-9**	**Judgment Administration**	**OBMP & PE 1-9**
Judgment Administration [2,3]			$3,321,620	$3,643,139	$3,643,139	$2,831,313		$688,438		$123,387	
OBMP & Program Elements 1-9 [2]			$6,408,960	$5,935,798	$5,935,798		$4,613,083		$1,121,679		$201,036
Judgment Administration, OBMP & PE 1-9 Assessments			$9,730,580	$9,578,937	$9,578,937	$2,831,313	$4,613,083	$688,438	$1,121,679	$123,387	$201,036
TOTAL BUDGET					$9,578,937	$2,831,313	$4,613,083	$688,438	$1,121,679	$123,387	$201,036
Less: Budgeted Interest Income			($478,500)	($368,030)	($368,030)		($286,019)		($69,546)		($12,465)
Less: Contributions from Outside Agencies			($191,070)	($195,850)	($195,850)		($152,207)		($37,009)		($6,633)
Subtotal: CASH DEMAND			$9,061,010	$9,015,057	$9,015,057	$2,831,313	$4,174,856	$688,438	$1,015,123	$123,387	$181,938
Less: Cash Balance on Hand Available for Assessments [4]			($1,293,506)								
FUNDS REQUIRED TO BE ASSESSED			$9,061,010	$9,015,057	$9,015,057	$2,831,313	$4,174,856	$688,438	$1,015,123	$123,387	$181,938
Proposed Assessments											
Judgment Administration, OBMP & PE 1-9 Assessments (Minimum $5.00 Per Producer)	[A]	Per Acre-Foot				$37.86	$55.82	$37.86	$55.82	$37.86	$55.82
Grand Total							$93.68		$93.68		$93.68
Prior Year Assessments, (Actuals) Information Only	[B]	Per Acre-Foot				$42.91	$74.14	$42.91	$74.14	$42.91	$74.14
Grand Total							$117.05		$117.05		$117.05
Variance Between Proposed Assessments and Prior Year Assessments	[A] - [B]					($5.05)	($18.32)	($5.05)	($18.32)	($5.05)	($18.32)
Grand Total							($23.37)		($23.37)		($23.37)
Estimated Assessment as of "Approved" Budget May 22, 2025, Information Only						$39.34	$57.02	$39.34	$57.02	$39.34	$57.02
Grand Total							$96.36		$96.36		$96.36

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

ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

Water Transaction Detail

Standard Transactions

To:	From:	Date of Submittal	Quantity	$ / Acre Feet	Total $	If 85/15 Rule Applies: 85%	15%	WM Pays
Cucamonga Valley Water District	Inland Empire Utilities Agency	6/30/2025	4,046.8	795.38	3,218,745.37	2,735,933.57	482,811.81	Cucamonga Valley Water District
	Recharged Recycled Water Purchase							
	Inland Empire Utilities Agency	6/30/2025	536.8	795.38	426,993.39			
	Recharged Recycled Water Purchase							
Fontana Water Company	Santa Ana River Water Company Annual Account	4/14/2025	1,000.0	684.00	684,000.00	581,400.00	102,600.00	Fontana Water Company
	Cucamonga Valley Water District Annual Account	4/22/2025	6,487.5	684.00	4,437,480.10	3,771,858.08	665,622.01	Fontana Water Company
	Cucamonga Valley Water District Annual Account	4/22/2025	1,012.5	684.00	692,519.90			
	Nicholson Family Trust Annual Account	4/25/2025	4.0	684.00	2,736.00			
	Jurupa Community Services District Storage Account	6/30/2025	788.0					
	Sale Price Not Disclosed, 85/15 Rule Not Applied.							
Golden State Water Company	Upland, City Of Annual Account	5/30/2025	379.5	684.00	259,583.47	220,645.95	38,937.52	Golden State Water Company
	Upland, City Of Annual Account	5/30/2025	20.5	684.00	14,016.53			
	West End Consolidated Water Co Annual Account	5/30/2025	66.4	49.00	3,253.60			
	85/15 Rule Does Not Apply, Utilizing West End Shares							
Upland, City Of	West End Consolidated Water Co Storage Account	5/29/2025	708.3	49.00	34,706.70			
	85/15 Rule Does Not Apply, Utilizing West End Shares							
			15,050.3		**9,774,035.06**	**7,309,837.60**	**1,289,971.34**	

Total 15% Credits from all Transactions: $1,289,971.34

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Assessment Year 2025-2026 (Production Year 2024-2025)

Water Transaction Detail

Applied Recurring Transactions:

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

Notes:
1) The Water Transaction between Fontana Water Company and Cucamonga Valley Water District submitted on 4/22/2025 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
2) The Water Transaction between Golden State Water Company and City of Upland submitted on 5/30/2025 for the amount of 400 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
3) Cucamonga Valley Water District is utilizing their Recharged Recycled Water purchase of 4,583.6 AF (before evaporative loss) to replenish their production year 2024/25 overproduction. This transaction had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.

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ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

Analysis of the 85/15 Rule Application to Water Transfers

To	(Over)/Under Production Excluding Water Transfer(s)	From	Date of Submittal	Transfer Quantity	Is Buyer an 85/15 Party?	Is Transfer Being Placed into Annual Account?	Is Purpose of Transfer to Utilize SAWCO or West End Shares?	Amount of Transfer Eligible for 85/15 Rule
Cucamonga Valley Water District	(4,046.8)	Inland Empire Utilities Agency	6/30/2025	4,046.8	Yes	Yes	No	4,046.8
		Recharged Recycled Water Purchase						
		Inland Empire Utilities Agency	6/30/2025	536.8	Yes	Yes	No	0.0
		Recharged Recycled Water Purchase						
Fontana Water Company	(7,487.5)	Santa Ana River Water Company Annual Account	4/14/2025	1,000.0	Yes	Yes	No	1,000.0
		Cucamonga Valley Water District Annual Account	4/22/2025	6,487.5	Yes	Yes	No	6,487.5
		Cucamonga Valley Water District Annual Account	4/22/2025	1,012.5	Yes	Yes	No	0.0
		Nicholson Family Trust Annual Account	4/25/2025	4.0	Yes	Yes	No	0.0
		Jurupa Community Services District Storage Account	6/30/2025	788.0	Yes	Yes	No	0.0
		Sale Price Not Disclosed, 85/15 Rule Not Applied.						
Golden State Water Company	(379.5)	Upland, City Of Annual Account	5/30/2025	379.5	Yes	Yes	No	379.5
		Upland, City Of Annual Account	5/30/2025	20.5	Yes	Yes	No	0.0
		West End Consolidated Water Co Annual Account	5/30/2025	66.4	Yes	Yes	Yes	0.0
		85/15 Rule Does Not Apply, Utilizing West End Shares						
Upland, City Of	4,442.6	West End Consolidated Water Co Storage Account	5/29/2025	708.3	Yes	Yes	Yes	0.0
		85/15 Rule Does Not Apply, Utilizing West End Shares						

Notes:
1) The Water Transaction between Fontana Water Company and Cucamonga Valley Water District submitted on 4/22/2025 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
2) The Water Transaction between Golden State Water Company and City of Upland submitted on 5/30/2025 for the amount of 400 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.
3) Cucamonga Valley Water District is utilizing their Recharged Recycled Water purchase of 4,583.6 AF (before evaporative loss) to replenish their production year 2024/25 overproduction. This transaction had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriative Pool on November 2, 2011.

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ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

Watermaster Replenishment Calculation

Cost of Replenishment Water per acre foot:

Watermaster Replenishment Cost	$912.00
Projected Spreading - OCWD Connection Fee	$2.00
Projected Spreading - Delivery Surcharge	$15.00
Pre-purchased Credit	$0.00
Total Replenishment Cost per acre foot (see footnote)	**$929.00**

Replenishment Obligation:	**AF @ $929.00**	**15%**	**85%**	**Total**
Appropriative - 100	0.0			$0.00
Appropriative - 15/85	21.8	$3,031.56	$17,178.84	$20,210.40
Non-Agricultural - 100	24.9			$23,161.83
	46.7			**$43,372.22**

Company	**AF Production and Exchanges**	**85/15 Producers**	**Percent of Total 85/15 Producers**	**15% Replenishment Assessment**	**15% Water Transaction Debits**
BlueTriton Brands, Inc.	301.6			-	-
CalMat Co. (Appropriative)	0.0			-	-
Chino Hills, City Of	1,436.8	1,436.8	2.291%	$69.46	$29,556.25
Chino, City Of	4,338.2	4,338.2	6.918%	$209.73	$89,243.98
Cucamonga Valley Water District	15,623.2	15,623.2	24.915%	$755.30	$321,391.26
Desalter Authority	40,646.9			-	-
Fontana Union Water Company	0.0	0.0	0.000%	-	-
Fontana Water Company	8,323.7	8,323.7	13.274%	$402.41	$171,231.79
Fontana, City Of	0.0			-	-
Golden State Water Company	938.4	938.4	1.497%	$45.37	$19,304.93
Jurupa Community Services District	10,646.2	10,646.2	16.978%	$514.69	$219,007.91
Marygold Mutual Water Company	639.4			-	-
Monte Vista Irrigation Company	0.0	0.0	0.000%	-	-
Monte Vista Water District	7,231.9	7,231.9	11.533%	$349.62	$148,769.85
NCL Co, LLC	0.0			-	-
Niagara Bottling, LLC	1,338.1			-	-
Nicholson Family Trust	0.0	0.0	0.000%	-	-
Norco, City Of	0.0	0.0	0.000%	-	-
Ontario, City Of	12,001.0	12,001.0	19.138%	$580.19	$246,877.49
Pomona, City Of	9,799.5			-	-
San Antonio Water Company	816.4	816.4	1.302%	$39.47	$16,793.59
San Bernardino, County of (Shooting Park)	21.8	21.8	0.035%	$1.05	$447.53
Santa Ana River Water Company	39.8	39.8	0.063%	$1.92	$818.21
Upland, City Of	1,289.6	1,289.6	2.057%	$62.34	$26,528.54
West End Consolidated Water Co	0.0	0.0	0.000%	-	-
West Valley Water District	0.0	0.0	0.000%	-	-
** *Fee assessment total is 15% of Appropriative 15/85 replenishment obligation*	**115,432.2**	**62,706.8**	**	**$3,031.55**	**$1,289,971.33**
				Transfers to **8G**	*Transfers to* **8K**

Notes: The 2025 rate includes a $15 delivery surcharge from Three Valleys Municipal Water District.

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ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

Readiness to Serve (RTS) Charges

Total Water Purchased: 6,912.9 AF **Total RTS Charge: $62,834.35 ($9.09/AF)**

RO = Replenishment Obligation
DRO = Desalter Replenishment Obligation
yyyymmdd = Order #

Appropriative or Non-Agricultural Pool Party	FY 2016/2017 Water Purchases: Purchased Water in AF 20160623 RO	20160623 DRO	20161216 DRO	20170418 RO	85/15 Breakdown AF @ 100%	AF @ 85/15	AF Total	2015/16 Prod & Exch From 85/15 Producers Acre-Feet	Percent	Year 8 RTS Charges 15% $1.36	85% $7.73	100% $9.09	FY 2017/2018 Water Purchase: Purchased Water in AF 20171211 RO	20171211 DRO	2016/17 Prod & Exch From 85/15 Producers Acre-Feet	Percent	Year 7 RTS Charges 15% $1.36	85% $7.73	100% $9.09	TOTAL RTS CHARGES
BlueTriton Brands, Inc.	1,135.3	8.9	4.0	335.7	1,483.8	0.0	1,483.8	0.0	0.000%	0.00	0.00	13,486.40	0.1	0.0	0.0	0.000%	0.00	0.00	0.82	13,487.22
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,548.3	2.009%	1.32	0.00	0.00	0.0	0.0	2,152.0	3.002%	0.54	0.00	0.00	1.86
Chino, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	388.9	0.543%	0.10	0.00	0.00	0.10
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20,534.7	26.648%	17.52	0.00	0.00	0.0	0.0	16,562.0	23.104%	4.17	0.00	0.00	21.69
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Fontana Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15,317.2	19.877%	13.07	0.00	0.00	0.0	0.0	13,250.5	18.484%	3.34	0.00	0.00	16.41
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	807.4	1.048%	0.69	0.00	0.00	0.0	0.0	850.3	1.186%	0.21	0.00	0.00	0.90
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,952.8	11.618%	7.64	0.00	0.00	0.0	0.0	11,023.2	15.377%	2.78	0.00	0.00	10.42
Marygold Mutual Water Company	78.7	51.9	20.3	0.0	150.9	0.0	150.9	0.0	0.000%	0.00	0.00	1,371.34	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	1,371.34
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,203.7	10.646%	7.00	0.00	0.00	0.0	0.0	6,865.0	9.577%	1.73	0.00	0.00	8.73
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Niagara Bottling, LLC	2,567.5	35.5	0.0	1,174.3	3,777.3	0.0	3,777.3	0.0	0.000%	0.00	0.00	34,333.59	946.1	0.0	0.0	0.000%	0.00	0.00	8,599.10	42,932.69
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Ontario, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18,053.8	23.429%	15.41	0.00	0.00	0.0	0.0	18,970.2	26.463%	4.78	0.00	0.00	20.18
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,030.8	1.338%	0.88	0.00	0.00	0.0	0.0	537.7	0.750%	0.14	0.00	0.00	1.02
San Bernardino, County of (Shooting Park)	38.8	0.3	0.1	9.4	0.4	48.2	48.6	9.4	0.012%	0.01	372.65	3.62	13.2	0.8	13.0	0.018%	0.00	102.28	7.20	485.75
Santa Ana River Water Company	0.0	48.0	23.7	0.0	71.7	0.0	71.7	0.0	0.000%	0.00	0.00	651.56	0.0	118.7	0.0	0.000%	0.00	0.00	1,078.59	1,730.15
Upland, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,600.7	3.375%	2.22	0.00	0.00	0.0	0.0	1,071.9	1.495%	0.27	0.00	0.00	2.49
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
West Valley Water District	0.0	23.5	11.8	0.0	35.3	0.0	35.3	0.0	0.000%	0.00	0.00	320.41	0.0	58.8	0.0	0.000%	0.00	0.00	534.02	854.43
9W Halo Western OpCo L.P.	62.2	0.0	0.0	10.6	72.9	0.0	72.9	0.0	0.000%	0.00	0.00	662.37	3.0	0.0	0.0	0.000%	0.00	0.00	27.52	689.89
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Aqua Capital Management LP	57.5	0.0	0.0	0.0	57.5	0.0	57.5	0.0	0.000%	0.00	0.00	522.38	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	522.38
California Speedway Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
California Steel Industries, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
CalMat Co.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
County of San Bernardino (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
General Electric Company	0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.0	0.000%	0.00	0.00	0.55	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.55
Hamner Park Associates, a California Limited Partnershi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Linde Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Monte Vista Water District (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
Riboli Family and San Antonio Winery, Inc.	28.8	0.0	0.0	4.0	32.8	0.0	32.8	0.0	0.000%	0.00	0.00	297.80	5.3	0.0	0.0	0.000%	0.00	0.00	47.84	345.63
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
TAMCO	19.8	0.0	0.0	16.5	36.4	0.0	36.4	0.0	0.000%	0.00	0.00	330.47	0.0	0.0	0.0	0.000%	0.00	0.00	0.04	330.51
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
	3,988.7	**168.0**	**59.9**	**1,550.5**	**5,718.8**	**48.2**	**5,767.0**	**77,058.9**	**100.0%**	**65.76**	**372.65**	**51,980.49**	**967.7**	**178.2**	**71,684.9**	**100.0%**	**18.05**	**102.28**	**10,295.13**	**62,834.34**
	26A	26B	26C	26D	26E	26F	26G	26H	26I	26J	26K	26L	26M	26N	26O	26P	26Q	26R	26S	26T

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

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package Notes

Page	Note
All (a)	A change in a Party's name will be reflected in the Assessment Package for the production year in which the name change occurred. For example, if a Party changed its name on June 30, 2025, it will be reflected in the FY 2025/2026 Assessment Package (for Production Year 2024/2025). Additionally, if a Party changed its name on July 1, 2025, it will be reflected in the FY 2026/2027 Assessment Package (for Production Year 2025/2026).
All (b)	To avoid the possibility of being mistakenly identified as one of other similarly named organizations, the Chino Basin Desalter Authority is referred to as Desalter Authority.
pg01	"Agricultural Total Pool Production" includes Voluntary Agreements between Appropriators and Agricultural Pool Parties.
pg02-07	ANG II (Multi) LLC temporarily leased their rights to 9W Halo Western OpCo L.P. (as successor to Angelica) beginning on March 2010 through January 2030.
pg04 (a)	Transfers in Column [4E] include the annual transfer of 10% of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2, and also the Exhibit "G" physical solution.
pg04 (b)	Column [4H], "Actual Fiscal Year Production," includes physical production and Assignments between Appropriators and Non-Ag Pool Parties.
pg04 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg05 (a)	Hydraulic Control was achieved on February 1, 2016. Pursuant to Paragraph 7.4(b) of the Peace II Agreement, Storage Loss is now calculated at 0.07%.
pg05 (b)	When applicable, Column [5C] includes the Exhibit "G" physical solution transfers to the Appropriative Pool.
pg06	Transfers in Column [6C] is the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2.
pg07 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg07 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg07 (c)	Outstanding Obligation ($) is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance ($).
pg07 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation ($) is the money owed by the Parties or credited to the Parties.
pg08 (a)	Recharge Debt Payment expenses [8O] and Recharge Improvement Project expenses [8P] are each allocated on % OSY, based on the approved budget.
pg08 (b)	Pursuant to Paragraph 5.4(b) of the Peace Agreement, the City of Pomona shall be allowed a credit of up to $2 million against OBMP Assessments through 2030. This equates to $66,667 per year. TVMWD elected to discontinue payment of the "Pomona Credit," effective FY 2012/2013. It is now paid by the Appropriative Pool Parties, allocated on % OSY (Column [8N]).
pg09 (a)	Other Adjustments [9D] include water provided to another Appropriator, pump-to-waste that has been captured in a recharge basin (as verified by IEUA), and other miscellaneous recharge / injection of native water.
pg09 (b)	Evaporative Losses will be applied to recharged water from Pump-to-Waste activities beginning in October 2017. (Evaporative Loss Rates: 1.5% Nov - Mar; 4.2% Apr - Oct)
pg10 (a)	The Restated Judgment allowed an accumulated overdraft of 200,000 AF over 40 years. The total Operating Safe Yield is now 40,834 AF, allocated by percentage of Operating Safe Yield.
pg10 (b)	Column [10I], "Actual Fiscal Year Production," includes physical production, Voluntary Agreements, Assignments, and, if applicable, other adjustments. A detailed breakdown can be found on Page 9.1.

DRAFT

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package Notes

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

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package Notes

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

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ALL POOLS

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
2A	**AF Production** Actual fiscal year production by each Party. Copied from [4H].
2B	**Non-Agricultural Pool - AF/Admin** Production [2A] <times> per acre-foot Admin fee.
2C	**Non-Agricultural Pool - AF/OBMP** Production [2A] <times> per acre-foot OBMP fee.
2D	**Replenishment Assessments - AF Exceeding Annual Right** Over-production for each Party beyond their annual production right. Copied from [4I].
2E	**Replenishment Assessments - $929 Per AF** Amount overproduced [2D] <times> the current replenishment rate.
2F	**CURO Adjustment** Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 7.1.
2G	**RTS Charges** Annual Readiness to Serve charges for water purchased in prior years.
2H	**Other Adjustments** Used as necessary for any other monetary adjustments needed to the Assessment Package.
2I	**Total Assessments Due** Total fees assessed based on Party production. [2B] + [2C] + [2E] + [2F] + [2G] + [2H].
3A	**Physical Production** Fiscal year physical production by each Party.
3B	**Assignments** Total of water received from an Appropriator by each Party.
3C	**Other Adjustments** Any other adjustments that result in off-set of the fiscal year's production.
3D	**Actual FY Production (Assmnt Pkg Column 4H)** Total adjusted production for the fiscal year. Also known as Assessable Production. [3A] + [3B] + [3C].
4A	**Percent of Safe Yield** The Party's yearly percentage of Safe Yield.
4B	**Carryover Beginning Balance** The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
4C	**Prior Year Adjustments** This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
4D	**Assigned Share of Safe Yield (AF)** The Party's yearly volume of Safe Yield.
4E	**Water Transaction Activity** Total of one-time water transfers between Parties for this period, including the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation, as stated in the Peace II Agreement, and Exhibit "G" physical solution transfers to the Appropriative Pool.
4F	**Other Adjustments** This number reflects adjusted production rights, in the event that corrections are needed.
4G	**Annual Production Right** Current Year Production Right. [4B] + [4C] + [4D] + [4E] + [4F].

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

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

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

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

DRAFT

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
8Q	**ASSESSMENTS DUE - RTS Charges** Annual Readiness to Serve charges for water purchased in prior years. Copied from [26T].
8R	**ASSESSMENTS DUE - Other Adjustments** Used as necessary for any other monetary adjustments needed to the Assessment Package.
8S	**ASSESSMENTS DUE - DRO** Total assessments due for Desalter Replenishment. Copied from [21L].
8T	**ASSESSMENTS DUE - Total Due** Total assessments. [8M] + [8N] + [8O] + [8P] + [8Q] + [8R] + [8S].
9A	**Physical Production** Fiscal year physical production by each Party.
9B	**Voluntary Agreements (w/ Ag)** Total of water provided to Agricultural Pool Parties.
9C	**Assignments (w / Non-Ag)** Total of water provided to Non-Agricultural Pool Parties.
9D	**Other Adjustments** Total of water received from, or provided to, another Appropriator. Also includes production off-sets.
9E	**Actual FY Production (Assmnt Pkg Column 10I)** Total adjusted production for the fiscal year. [9A] + [9B] + [9C] + [9D].
10A	**Percent of Operating Safe Yield** The Party's yearly percentage of Operating Safe Yield.
10B	**Carryover Beginning Balance** The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
10C	**Prior Year Adjustments** This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
10D	**Assigned Share of Operating Safe Yield** The Party's yearly volume of Operating Safe Yield.
10E	**Net Ag Pool Reallocation** Reallocation of Ag Pool Safe Yield. Copied from [16E]. The calculations that lead to this are made on Page 16.1.
10F	**Water Transaction Activity** Water transactions. Copied from [14E]. The calculations that lead to this are made on Page 14.1.
10G	**Other Adjustments** This number reflects adjusted production rights, in the event that corrections are needed.
10H	**Annual Production Right** Current Year Production Right. [10B] + [10C] + [10D] + [10E] + [10F] + [10G].
10I	**Actual Fiscal Year Production** Fiscal year production, including Assignments and Voluntary Agreements, from CBWM's production system (as verified by each Party on their Water Activity Report). Includes a sub note subtracting Desalter production.
10J	**Storage and Recover Program(s)** Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). A DYY in-lieu "put" is shown as a positive number and a DYY "take" is shown as a negative number.
10K	**Total Production and Exchanges** Actual production [10I] <plus> Storage and Recovery exchanges [10J]. Includes a sub note subtracting Desalter production. Also known as Assessable Production.

DRAFT

Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

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

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
12J	**Quantified (Pre 7/1/2000) Account - Ending Balance** The current balance in each Quantified Supplemental account. [12F] + [12G] + [12H] + [12I].
12K	**New (Post 7/1/2000) Account - Beginning Balance** The beginning balance in each New Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12L	**New (Post 7/1/2000) Account - 0.07% Storage Loss** Beginning balance [12K] <times> -0.0007.
12M	**New (Post 7/1/2000) Account - Transfers To / (From)** Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12N	**New (Post 7/1/2000) Account - Transfer to ECO Account** Total of water transferred to the ECO Account, as shown on Page 11.1.
12O	**New (Post 7/1/2000) Account - Ending Balance** The current balance in each New Supplemental Account. [12K] + [12L] + [12M] + [12N].
12P	**Combined - Ending Balance** The combined amount in all supplemental storage accounts [12E] + [12J] + [12O].
13A	**Dedicated Replenishment - Beginning Balance** The beginning balances in each Dedicated Replenishment account. These numbers carry forward from the ending balances in the previous period Assessment Package.
13B	**Dedicated Replenishment - Water Purchases** Where applicable, the total of water purchased by each Dedicated Replenishment account.
13C	**Dedicated Replenishment - Transfers To** Where applicable, the total of water transferred to each Dedicated Replenishment account. Includes transfers from Exhibit "G" Section 10 Form A, and transfers from the Annual Account.
13D	**Dedicated Replenishment - Transfers From** Total of water transferred from each Dedicated Replenishment account. The inverse amounts in this column goes to column [21D] on page 21.1.
13E	**Dedicated Replenishment - Ending Balance** The current balances in each Dedicated Replenishment account. [13A] + [13B] + [13C] + [13D].
13F	**Storage and Recovery - Beginning Balance** The beginning balance in the Storage and Recovery (DYY) Account. This number carries forward from the ending balance in the previous period Assessment Package.
13G	**Storage and Recovery - Storage Loss** Beginning balance [13F] <times> -0.0007.
13H	**Storage and Recovery - MWD "Puts"** Total of water transferred to the Storage and Recovery Account (“puts”).
13I	**Storage and Recovery - In-Lieu "Puts" / (Takes)** Total of water transferred from the Storage and Recovery Account (“takes”).
13J	**Storage and Recovery - Ending Balance** The current balance in the Storage and Recovery Account. [13F] + [13G] + [13H] + [13I].
14A	**Water Transactions - Assigned Rights** Total of assigned transactions for this period, including annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit “G” physical solution transfers from the Non-Ag Pool.
14B	**Water Transactions - General Transfer** Total of water transfers between Parties for this period.
14C	**Water Transactions - Transfers (To) / From ECO Account** Total of water transferred between the Annual Account and ECO Account.

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
14D	**Water Transactions - Transfers (To) Desalter Replenishment** Total of water transferred from the Annual Account to the Desalter Replenishment Account.
14E	**Water Transactions - Total Water Transactions** Total water transactions. [14A]+ [14B] + [14C] + [14D]. This column is used to populate [10F].
15A	**Prior Conversion** Prior Land Use Conversion in acre-feet.
15B	**Conversion @ 1.3 af/ac - Acres** Converted parcels in acres at 1.3 acre-feet per acre.
15C	**Conversion @ 1.3 af/ac - Acre-Feet** Converted parcels in acre-feet at 1.3 acre-feet per acre. [15B] <times> 1.3.
15D	**Total Prior to Peace Agrmt Converted AF** Total Land Use Conversion in acre-feet prior to the Peace Agreement. [15A] + [15C].
15E	**Conversion @ 2.0 af/ac - Acres** Converted parcels in acres at 2.0 acre-feet per acre.
15F	**Conversion @ 2.0 af/ac - Acre-Feet** Converted parcels in acre-feet at 2.0 acre-feet per acre. [15E] <times> 2.0.
15G	**Total Land Use Conversion Acre-Feet** Total Land Use Conversion in acre-feet for each Party. [15D] + [15F].
16A	**% Share of Operating Safe Yield** The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
16B	**Reallocation of Agricultural Pool Safe Yield - Safe Yield Reduction** The Party's percent share of Operating Safe Yield [16A] multiplied by 9,000.
16C	**Reallocation of Agricultural Pool Safe Yield - Land Use Conversions** Total land use conversions claimed on Page 15.1 (as verified by each Party on their Water Activity Report). Copied from [15G].
16D	**Reallocation of Agricultural Pool Safe Yield - Early Transfer** The remaining Agricultural Pool Safe Yield (82,800 <minus> Agricultural Pool Production <minus> Safe Yield Reduction <minus> Land Use Conversion) multiplied by percent share of Operating Safe Yield [16A].
16E	**Reallocation of Agricultural Pool Safe Yield - Total Ag Pool Reallocation** Each Party's Agricultural Pool Reallocation. [16B] + [16C] + [16D]. This column is used to populate [10E].
17A	**Outstanding Obligation (AF)** The amount of obligation carried over from prior Assessment Package(s) that were not met due to various reasons, including but not limited to MWD not having replenishment water available to purchase.
17B	**Fund Balance ($)** The amount of money collected or owed for replenishment assessments from prior Assessment Package(s).
17C	**Outstanding Obligation ($)** The amount of money that each Party owes or is credited based on current replenishment rate. [17A] <times> [CURRENT RATE] <minus> [17B].
17D	**AF Production and Exchanges** Each Party's total production and exchanges. Copied from [10K].
17E	**85/15 Producers** The total production and exchanges of 85/15 Producers only.
17F	**Percent** The percentage of each 85/15 Producer's total production and exchanges [17E] divided by the sum of [17E].

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
17G	**15%** If an 85/15 Producer, then the 85/15 Producers' total Outstanding Obligation ($) at 15%, multiplied by their production and exchanges percentage. [17C] total of 85/15 Producers <times> 15% <times> [17F].
17H	**85%** If an 85/15 Producer, then the Outstanding Obligation ($) at 85%.
17I	**100%** If not an 85/15 Producer, then the Outstanding Obligation ($) at 100%.
17J	**Total** The total CURO for the year. [17G] + [17H] + [17I].
18A	**Desalter Production - Pre-Peace II Desalter Production** Production from the Pre-Peace II Desalter Wells.
18B	**Desalter Production - Peace II Desalter Expansion Production** Production from the Peace II Desalter Expansion Wells.
18C	**Desalter Production - Total** The combined production from all Desalter Wells. [18A] + [18B].
18D	**Desalter Replenishment - Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i)** Credit applied to the total Desalter Production from the Kaiser account.
18E	**Desalter Replenishment - Paragraph 31 Settlement Agreements Dedication PIIA, 6.2(a)(ii)** Credit applied to the total Desalter Production from "dedication of water from the Overlying (Non-Agricultural) Pool Storage Account or from any contribution arising from an annual authorized Physical Solution Transfer in accordance with amended Exhibit G.
18F	**Desalter Replenishment - "Leave Behind" Losses PIIA, 6.2(a)(iv)** Credit applied to the total Desalter Production from "any declared losses from storage in excess of actual losses enforced as a "Leave Behind"".
18G	**Desalter Replenishment - Safe Yield Contributed by Parties PIIA, 6.2(a)(v)** Credit applied to the total Desalter Production from "Safe Yield that may be contributed by the parties."
18H	**Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to Pre-Peace II Desalters** The 225,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Pre-Peace II Desalter production.
18I	**Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to All Desalters** The 175,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Peace II Desalter Expansion production but is now allocated to all Desalter production per set schedule.
18J	**Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Balance** The remaining balance of the 400,000 AF Controlled Overdraft.
18K	**Desalter Replenishment - Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii)** The 10,000 AF contribution to the Desalter Replenishment Obligation by the Appropriative Pool.
18L	**Desalter Replenishment - Non-Ag OBMP Assessment (10% Haircut) PIIA, 6.2(b)(i)** The 10% of the Non-Agricultural Pool Safe Yield used to offset the total Desalter Replenishment Obligation beginning with production year 2016/2017.
18M	**Remaining Desalter Replenishment Obligation PIIA, 6.2(b)(iii)** Total Desalter Production minus Desalter Replenishment. [18C] - [18D] - [18E] - [18F] - [18G] - [18H] - [18I] - [18K] - [18L].
19A	**Percent of Operating Safe Yield** The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
19B	**Land Use Conversions** Total Land Use Conversion in acre-feet for each Party. Copied from [15G].
19C	**Percent of Land Use Conversions** Each Party's pro rata share of Land Use Conversions [19B] from the total of [19B].

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
19D	**85% DROC Based on Percent OSY** Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on OSY. 10,000 <times> 0.85 <times> [19A].
19E	**15% DROC Based on Percent of LUC** Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on Percent of Land Use Conversions. 10,000 <times> 0.15 <times> [19C].
19F	**Total Desalter Replenishment** Each Party's share of the 10,000 AF Desalter Replenishment Obligation. [19D] + [19E].
20A	**Assigned Share of Operating Safe Yield** The Party's yearly volume of Operating Safe Yield. Copied from [10D].
20B	**Physical Production Adjustment Calculation - Physical Production** Fiscal year physical production by each Party. Copied from [9A].
20C	**Physical Production Adjustment Calculation - 50% of Voluntary Agreements with Ag** Total of water provided to Agricultural Pool Parties multiplied by 50%. [9B] <times> 0.50.
20D	**Physical Production Adjustment Calculation - Assignments with Non-Ag** Total of water provided to Non-Agricultural Pool Parties. Copied from [9C].
20E	**Physical Production Adjustment Calculation - Storage and Recovery Programs** Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). Copied from [10J].
20F	**Physical Production Adjustment Calculation - Other Adjustments** Total of water received from, or provided to, another Appropriator. Also includes production off-sets. Copied from [9D] but does not include production adjustments to prevent a negative annual production to a Party.
20G	**Physical Production Adjustment Calculation - Total Adjusted Production** Each Party's Adjusted Physical Production. [20B] + [20C] + [20D] + [20E] + [20F].
20H	**RDRO Calculation - Total Production and OSY Basis** The sum of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield. [20A] + [20G].
20I	**RDRO Calculation - Percentage** The percentage of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield basis. [20H] divided by the sum of [20H].
20J	**RDRO Calculation - Individual Party RDRO** Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. [20I] <times> Total RDRO.
21A	**Desalter Replenishment Obligation in AF - Desalter Replenishment Obligation Contribution (DROC)** Each Party's share of the 10,000 AF Desalter Replenishment Obligation Contribution. Copied from [19F].
21B	**Desalter Replenishment Obligation in AF - Remaining Desalter Replenishment Obligation (RDRO)** Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. Copied from [20J].
21C	**Desalter Replenishment Obligation in AF - Total Desalter Replenishment Obligation** The sum of Desalter Replenishment Obligation Contribution, and Remaining Desalter Replenishment Obligation. [21A] + [21B].
21D	**Total DRO Fulfillment Activity - Transfer from Dedicated Replenishment Account** Total of water transferred from Desalter Dedicated Replenishment Account to satisfy the desalter replenishment obligation.
21E	**Total DRO Fulfillment Activity - Transfer from Excess Carry Over Storage Account** Total of water transferred from Excess Carry Over Storage Account to satisfy the desalter replenishment obligation.
21F	**Total DRO Fulfillment Activity - Transfer from Recharged Recycled Storage Account** Total of water transferred from Recharged Recycle Storage Account to satisfy the desalter replenishment obligation.
21G	**Total DRO Fulfillment Activity - Transfer from Quantified Storage Account** Total of water transferred from Quantified Storage Account to satisfy the desalter replenishment obligation.

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
21H	**Total DRO Fulfillment Activity - Transfer from Post 7/1/2000 Storage Account** Total of water transferred from Post 7/1/2000 Storage Account to satisfy the desalter replenishment obligation.
21I	**Total DRO Fulfillment Activity - Replenishment Water Purchase** Total of water purchased to satisfy the desalter replenishment obligation.
21J	**Total DRO Fulfillment Activity - Total Transfers and Water Purchases** The sum of all transfers and purchases to satisfy the desalter replenishment obligation. [21D] + [21E] + [21F] + [21G] + [21H] + [21I].
21K	**Assessments - Residual DRO (AF)** Total residual Desalter Replenishment Obligation after transfers and purchases. [21C] + [21J].
21L	**Assessments - Assessments Due On Residual DRO ($)** Total assessments due for Desalter Replenishment. [21K] <times> [Current Replenishment Rate]. This column is used to populate [8S].
26A	**FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - RO** The amount of water purchased to satisfy the accumulated replenishment obligation through the end of production year 2014/15. Water was delivered in October 2016.
26B	**FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - DRO** The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in October 2016.
26C	**FY 2016/2017 Water Purchases - Purchased Water in AF - 20161216 - DRO** The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2016.
26D	**FY 2016/2017 Water Purchases - Purchased Water in AF - 20170418 - RO** The amount of water purchased to satisfy production year 2015/16 replenishment obligation. Water was delivered in April 2018.
26E	**FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 100%** The amount of water purchased subject to 100% RTS rate. This applies to: DRO water; RO water of non-85/15 Pool 3 producers; and RO water of Pool 2 producers. 1) Pool 3, 85/15 Ineligible: [26A] + [26B] + [26C] + [26D]. 2) Pool 3, 85/15 Eligible: [26B] + [26C]. 3) Pool 2: [26A] + [26D].
26F	**FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 85/15** The amount of water purchased subject to the 85/15 Rule. This applies to RO water of 85/15 Pool 3 producers. 1) Pool 3, 85/15 Eligible: [26A] + [26D].
26G	**FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF Total** Total water purchased by each Appropriative Pool or Non-Agricultural Pool Party. [26E] + [26F].
26H	**FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Acre-Feet** Total production and exchanges of 85/15 Producers from fiscal year 2015/16. This is the basis of the 85/15 Rule for water purchased in fiscal year 2016/17.
26I	**FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Percent** The percentage of each 85/15 Producer's total production and exchanges. [26H] divided by the sum of [26H].
26J	**FY 2016/2017 Water Purchases - Year 7 RTS Charges - 15%** If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water. "Total RTS Charge" <divided by> "Total Water Purchased" <times> 0.15 <times> [26F] Total <times> [26I].
26K	**FY 2016/2017 Water Purchases - Year 7 RTS Charges - 85%** If an 85/15 Producer, then their RTS charge of 85/15 eligible water at 85%. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26F] <times> 0.85.
26L	**FY 2016/2017 Water Purchases - Year 7 RTS Charges - 100%** RTS charge on all water not subject to the 85/15 Rule. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26E].
26M	**FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - RO** The amount of water purchased to satisfy replenishment obligations through the end of production year 2014/15. Water was delivered in December 2017.

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Assessment Year 2025-2026 (Production Year 2024-2025)

Assessment Package References and Definitions

Column	Title Description
26N	**FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - DRO** The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2017.
26O	**FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Acre-Feet** Total production and exchanges of 85/15 Producers from fiscal year 2016/17. This is the basis of the 85/15 Rule for water purchased in fiscal year 2017/18.
26P	**FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Percent** The percentage of each 85/15 Producer's total production and exchanges. [26O] divided by the sum of [26O].
26Q	**FY 2017/2018 Water Purchase - Year 6 RTS Charges - 15%** If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water in [26M].
26R	**FY 2017/2018 Water Purchase - Year 6 RTS Charges - 85%** If an 85/15 Producer, then their RTS charge of 85/15 eligible water in [26M] at 85%.
26S	**FY 2017/2018 Water Purchase - Year 6 RTS Charges - 100%** RTS charge on all water in {26N] and water not subject to the 85/15 Rule in [26M].
26T	**TOTAL RTS CHARGES** Total RTS Charge. [26J] + [26K] + [26L] + [26Q] + [26R] + [26S].

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Reconciliation of Outstanding
Fiscal Year 2025/26 Assessments

Production Year 2024-2025

	$/AF	Total Assessments	Total Collected	Total Due
1 OVERLYING (NON-AGRICULTURAL) POOL				
a. 2025/26 Budget				
Judgment Administration	$ 37.86	$ 123,389.99	$ 61,695.00	$ 61,695.00
OBMP Program Elements 1-9	$ 55.82	$ 181,923.65	$ 90,961.83	$ 90,961.83
b. Replenishment	$ 929.00	$ 23,161.83	$ 23,161.83	$ -
c. CURO		$ (874.10)	$ (874.10)	$ -
d. RTS Charges		$ 1,888.97	$ 1,888.97	$ -
2 APPROPRIATIVE POOL				
a. Administration				
2025/26 Budget				
Judgment Administration	$ 37.86	$ 2,831,373.57	$ 1,415,656.50	$ 1,415,717.07
OBMP Program Elements 1-9	$ 55.82	$ 4,174,518.54	$ 2,087,428.00	$ 2,087,090.54
Ag Pool Reallocated				
Judgment Administration	$ 10.65	$ 688,438.00	$ 688,438.00	$ -
OBMP Program Elements 1-9	$ 15.71	$ 1,015,123.00	$ 1,015,123.00	$ -
b. 100% Net Replenishment	$ 929.00	$ -	$ -	$ -
c. 15/85 Water Activity				
15% Replenishment Assessments		$ 3,031.55	$ 3,031.55	$ -
85% Replenishment Assessments		$ 17,178.84	$ 17,178.84	$ -
15% Water Transaction Activity		$ 1,289,971.33	$ -	$ 1,289,971.33
d. CURO		$ (2,073.81)	$ (2,073.81)	$ -
e. Pomona Credit		$ 66,667.00	$ 33,333.50	$ 33,333.50
f. Recharge Debt Payment		$ 687,653.00	$ 343,826.50	$ 343,826.50
g. Recharge Improvement Project		$ 1,751,140.00	$ 875,570.00	$ 875,570.00
h. RTS Charges		$ 60,945.38	$ 60,945.38	$ -
i. DRO (New Charges & Adjustments)		$ 1,928.73	$ 1,928.73	$ -
		$ 12,915,385.47	**$ 6,717,219.71**	**$ 6,198,165.76**

CHINO BASIN WATERMASTER

To: Pool Committee Members

From: Watermaster Staff and Legal Counsel

Date: May 14, 2026

RE: Responses to Fiscal Year 2025-26 Assessment Package Questions

Watermaster (WM) has received requests and questions in the form of letters from the Cucamonga Valley Water District (CVWD) (dated 10/27/25 & 11/19/25) and the City of Ontario (Ontario) (dated 11/10/25 & 12/23/25) and a comment made during a meeting from the Monte Vista Water District (MVWD) regarding WM's justification to the methodologies used in the preparation of the Fiscal Year (FY) 2025-26 Assessment Package materials. The subject matter of the requests for a written response from WM can be summarized as follows:

CVWD	Requests information regarding the Appropriative Pool (AP) production that has been excluded from AP production assessments and classified as Agricultural Pool (Ag Pool) production as a Voluntary Agreement pursuant to Section 5.3(i) of the Peace Agreement.
CVWD	Requests supporting documentation Watermaster relied upon to determine the historical maximum annual quantity of water previously used on each property claimed under a Voluntary Agreement in the FY 25/26 Assessment Package.
CVWD	Requests WM limit current and future application of Voluntary Agreement credits to non-groundwater supplies, absent written justification citing specific provisions in the Judgment or Peace Agreement authorization and revise past assessment packages if not justified.
CVWD	Requests clarification regarding the basis for excluding Chino Desalter Authority (CDA) production from the annual production-based assessment calculation.
Ontario	Requests WM clarify its interpretation and application of the 2011 "85-15 Rule" policy to preemptive replenishment, particularly where the policy only involves transfers of unused Operating Safe Yield and stored supplemental water.
Ontario	Requests WM clarify whether stored supplemental water is being Produced and assessed as part of the FY 2025/26 Assessment Package and provide specific provisions and authorities to support WM implementation.
Ontario	Requests WM consider whether Judgment, Paragraph 49 should be adhered to considering the basin has ample water in storage and a historic declining safe yield.
MVWD	Requests WM clarify the source of authority to the calculation of a Desalter Replenishment Obligation in excess of 40,000 acre-feet per year.

The matters raised in the letters and comments received can be grouped in four subject categories: Voluntary Agreements, 85-15 Rule, CDA Production assessments, CDA production replenishment obligation limit.

Voluntary Agreements

Voluntary Agreements were established under Section 5.3(i) "Transfers" of the 2000 Peace Agreement. This provision grants members of the Agricultural Pool, including the State of California, the right to enter into voluntary agreements with

appropriators whose service areas are contiguous with or inclusive of agricultural land. The appropriator can provide the required water to the overlying land on behalf of the member of the Ag Pool. The appropriator providing the service is then entitled to receive a credit to off-set Production to the extent it is serving the overlying land up to the historical maximum annual quantity of water previously used on the property.

Comments request that WM limit the application of Voluntary Agreements to situations in which the appropriator providing service to the agricultural property provides groundwater to the property.

Since WM was ordered by the Court to implement the Peace Agreement, it has not attempted to characterize the molecules of water provided to the agricultural property that is the subject of the Voluntary Agreement. Many appropriators rely on a mix of water supplies (e.g., groundwater, purchased water, recycled water), and it may be impracticable to trace the origin of supplies provided under a Voluntary Agreement. The Assessment Packages accounting for Voluntary Agreement since the date of the Peace Agreement have similarly not limited the credit against Assessable Production (which is offset by an Assessable Production quantity assigned to the Ag Pool) based on the character of the water provided to an Agricultural Property.[1] No Assessment Package has been challenged or revised on this basis.

Ultimately, WM is required by court order to implement the Peace Agreement but is not itself a party to that agreement. Therefore, if the parties elect to amend the provisions regarding Voluntary Agreements, WM will implement the Agreement as amended.

The 85-15 Rule

Ontario has requested that WM clarify its interpretation and application of the 85-15 Rule as it pertains to the application of the Rule to an 85-15 Rule party's purchase of recycled water from the Inland Empire Utilities Agency to replenish its overproduction in a Production Year. The 85-15 Rule originates in the Appropriative Pool Pooling Plan, which is Exhibit "H" to the Judgment. The Rule and its application are the subject of Watermaster Policy 5.1, which was promulgated by the Appropriative Pool in November 2011. Both the 85-15 Rule itself and Policy 5.1 appear silent as to the application of the Rule to specific sources of water purchased to offset overproduction, such as recycled water, as well as any cap on the cost of supplies purchased to offset overproduction. Given the Rule's origin and the Appropriative Pool's policy, WM believes it is appropriate to ask the Pool to direct it as to how to apply the Pool's Rule in regard to these issues and asks that the Pool do so that WM may effectuate the Rule in the 2025-26 Assessment as the Pool believes is appropriate.

Land Use Conversions

The allocation of the right to Produce water associated with the conversion of land from being subject to service from the Overlying (Agricultural) Pool ("Ag Pool") to being subject to service by an Appropriator similarly originates in the Appropriative Pool Pooling Plan, which is Exhibit "H" to the Judgment. Conversion claims were the subject of a 1995 Land Conversion Amendment to the 1978 Judgment, replacing Paragraph 10(b) of the Pooling Plan, as well as Paragraph 5.3(h) of the Peace Agreement.[2]

Historically, fallow parcels were eligible for Land Use Conversion claims. In October 25, 2007, a requirement was added that a parcel must have an issued grading permit to qualify. This requirement has only been applied prospectively, and certain fallow parcels have been allowed to remain the subject of claims if those claims had been approved pursuant to earlier rules.

[1] In Fiscal Years 2011-12 through 2015-16, when the City of Chino provided a quantity of water to agricultural property that exceeded the volume of groundwater it pumped from the Basin, the Assessment Packages did limit the offset credit against Assessable Production to the total volume pumped.
[2] The Peace II Agreement required that Watermaster, by resolution, "ratify all current Watermaster accounting practices with regard to Land Use Conversions...and continue to implement such provisions in a consistent manner." (Peace II Agreement, Attachment "F", I.D.)

As Land Use Conversions arise out of the Appropriative Pooling Plan, and the continuing approval of conversion claims for fallow parcels that were originally approved under the previously approved rules has continued for 18 years without challenge, WM seeks the Appropriative Pool's direction as to whether it should apply the Pooling Plan in a different manner.

Desalter Pumping

The comments raise two issues regarding the Assessment Package's treatment of pumping by the Desalters: (1) whether Desalter Pumping should be subject to a Production Assessment, and (2) whether the parties' Desalter Replenishment Obligation (DRO) should extend to Desalter pumping beyond 40,000 acre-feet in any Production Year.

Assessment of Desalter Pumping

The Assessment Package does not propose to treat Desalter pumping as Assessable Production. This is consistent with every approved Assessment Package since the inception of Desalter pumping.[3] Desalter pumping is conducted by the Chino Basin Desalter Authority (CDA), which is not, and has never been required to be, a party to the Judgment. Desalter pumping is performed for multiple purposes: it provides water supply to CDA members but also provides basin wide benefits associated with addressing water quality concerns and the achievement and maintenance of hydrologic control – which are WM obligations pursuant to permits issued by the Regional Water Quality Control Board. WM has not been presented with any evidence that would compel a change in the Assessment Package treatment of Desalter pumping in the FY 2025-26 Assessment Package.

DRO

The Assessment Package does not propose to limit the parties' DRO obligation to only 40,000 acre-feet of the 40,646.9 acre-feet pumped by the Desalters in FY 2024-25. The concept of DRO originates in paragraph 7.5 of the Peace Agreement, and its allocation among the parties is described in paragraph 6.2 of the Peace II Agreement. The specific manner in which the Appropriative Pool parties would collectively fulfill the Pool's DRO was additionally the subject of negotiated resolution and a court order approving the agreed upon sharing mechanism in 2019. None of these documents indicate an intention to limit the obligation to the first 40,000 AF of water pumped by the Desalters in any Production Year[4], and DRO has been applied to pumping in excess of 40,000 AF in each of the applicable Production Years since FY 2020-21. WM has not been presented with any evidence that would support revising this approach in the Assessment Package treatment of DRO in this regard in the FY 2025-26 Assessment Package.

[3] At least six Assessment Packages approved during that timeframe have subsequently been amended or required to be amended and none of these amendments provided for the treatment of Desalter pumping as Assessable Production.
[4] Watermaster notes that there are instances in the Peace Agreement where anticipated expanded Desalter pumping is described as either "about" or "approximately" 40,000 acre-feet per year. (Peace II Agreement, section 5.1, Attachment A.

CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 14, 2026

TO: AP/ONAP/OAP Committee Members

SUBJECT: Resolution 2026-02 to Levy Remaining Replenishment and Administrative Assessments for Fiscal Year 2025/26, Based on Production Year 2024/25 (Business Item II.D.)

Issue: A Resolution is required for the Chino Basin Watermaster to levy remaining administrative, special project, and replenishment assessments for Fiscal Year 2025/26. [Within WM Duties and Powers]

Recommendation: Review Resolution 2026-02, as presented, and offer advice to Watermaster.

Financial Impact: Collection of assessments according to the Assessment Package provides funding for current fiscal year budgeted expenses and replenishment obligations (if required).

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Advice and assistance.
Non-Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Agricultural Pool – May 14, 2026 [Recommended]: Advice and assistance.
Advisory Committee – May 21, 2026 [Recommended]: Advice and assistance.
Watermaster Board – May 28, 2026 [Recommended]: Approval.

BACKGROUND

Watermaster issues an Assessment Package annually based on the previous production year (July 1 through June 30). Production information is generally collected quarterly, and other necessary information is collected annually. Watermaster calculates the proposed assessments in the annual Assessment Package which are charged and collected to fund current fiscal-year budgeted expenses. Assessments are based on the approved budget divided by the total assessable production of the previous fiscal year in the Basin.

Watermaster has authorized powers to levy and collect administrative, special project, and replenishment assessments necessary to maintain water levels and to fund the costs of administering the Chino Basin Restated Judgment. A resolution of the Watermaster Board is needed to levy the assessments and issue invoices to parties for Fiscal Year 2025/26. On November 20, 2025, Resolution 2025-03 was adopted by the Watermaster Board, directing Watermaster to levy partial assessments to the parties. Resolution 2026-02 will direct Watermaster to collect the remaining assessments for Fiscal Year 2025/26. Pursuant to the Restated Judgment, each party has thirty (30) days from the date of invoice to remit the payment for assessments due. Thereafter, interest will accrue on any portion which was due as provided for in Section 55(c) of the Restated Judgment.

DISCUSSION

The FY 2025/26 Assessment Package was presented to the Pool Committees for advice and assistance on November 13, 2025. It was also scheduled for presentation to the Advisory Committee for advice and assistance, and to the Watermaster Board for approval on November 20, 2025. However, due to the unresolved DYY matter and questions raised about the FY 2025/26 Assessment Package, the three Pool Committees moved to defer the FY 2025/26 Assessment Package to provide time for the matters to be resolved. In the meantime, and at the Pool Committees' recommendation, partial assessments were instead approved by the Advisory Committee and Watermaster Board with the direction that there will be a reconciliation following the resolution on the DYY matter later in the FY 2025/26 fiscal year. Resolution 2025-03, as adopted on November 20, 2025, directed Watermaster to collect those partial assessments.

The draft FY 2025/26 Assessment Package is being presented once again to the Committees for advice and assistance and approval by the Board this month under Business Item II.C. The corresponding Resolution 2026-02 to levy the remaining assessments has been drafted for the Watermaster Board's consideration as shown in Attachment 1. A summary of what has been collected and what remains to be collected from the total FY 2025/26 assessments is shown in Attachment 2. Resolution 2025-03 is also included as Attachment 3 for reference.

If Resolution 2026-02 and the draft Fiscal Year 2025/26 Assessment Package are approved through the Watermaster process this month, the invoices to collect the remaining assessments will be emailed immediately, and payment will be due 30 days later.

ATTACHMENTS

1. Resolution 2026-02: A Resolution of the Chino Basin Watermaster Levying Remaining Administrative, Replenishment, and Special Project Assessments for Fiscal Year 2025/26
2. Reconciliation of Outstanding Fiscal Year 2025/26 Assessments
3. Resolution 2025-03: A Resolution of the Chino Basin Watermaster Levying Partial Administrative, Replenishment, and Special Project Assessments for Fiscal Year 2025/26

RESOLUTION 2026-02

A RESOLUTION OF THE CHINO BASIN WATERMASTER LEVYING REMAINING ADMINISTRATIVE, REPLENISHMENT, AND SPECIAL PROJECT ASSESSMENTS FOR FISCAL YEAR 2025-2026

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under Case No. RCVRS 51010 (formerly case No. SCV 164327) entitled Chino Basin Municipal Water District v. City of Chino, et al., with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment; and

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2025-2026 Budget on May 22, 2025 and subsequently amended on July 24, 2025, to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the production-based assessments to be collected for the Fiscal Year 2025-2026 Budget is $9,015,057, of which $5,359,302 was previously collected, covering Judgment Administration and OBMP & Program Elements 1 through 9; and

WHEREAS, the partial assessments previously collected were based on production year 2023/24 for the Appropriative Pool and production year 2024/25 for the Overlying (Non-Agricultural) Pool,

WHEREAS, the parties named in this Judgment have pumped 46.7 acre-feet of water in excess of the operating safe yield, which the parties have been previously assessed in accordance with the assessment formulas for the respective pools,

WHEREAS, on November 20, 2025, the Watermaster Board unanimously voted to adopt Resolution 2025-03, authorizing Watermaster to “Levy Fiscal Year 2025/26 Interim Assessments” for the collection of partial assessments approved by each of the Pool Committees.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster reconciles and levies the respective assessments based on production year 2024/25 for each pool effective May 28, 2026 as shown on Exhibit “A” attached hereto.

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty (30) days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

THE FOREGOING RESOLUTION was

ADOPTED by the Watermaster Board on the 28th day of May 2026.

By:_____
Chair – Watermaster Board

ATTEST:

_____
Secretary/Treasurer – Watermaster Board

DRAFT

Exhibit "A"

Resolution 2026-02

Summary of Remaining Assessments
Fiscal Year 2025-2026
Production Year 2024-2025

1. OVERLYING (NON-AGRICULTURAL) POOL

a.	2025-2026 Budget	$ 18.93	Per AF - Admin.
		$ 27.91	Per AF - OBMP
b.	Replenishment	$ N/A	Per AF
c.	CURO	$ N/A	Total

2. APPROPRIATIVE POOL

a. Administration

1. 2025-2026 Budget	$ 1,415,717.07	Total (18.93/AF) - Admin.
	$ 2,087,090.54	Total (27.91/AF) - OBMP
2. Ag Pool Reallocated		
	$ N/A	Per AF - Admin.
	$ N/A	Per AF - OBMP

b.	100% Net Replenishment	$ N/A	Per AF
c.	15/85 Water Activity		
	15% Replenishment Assessments	$ N/A	Total
	15% Water Transaction Activity	$ 1,289,971.33	Total
d.	CURO	$ N/A	Total
e.	Pomona Credit	$ 33,333.50	Total
f.	Recharge Debt Payment	$ 343,826.50	Total
g.	Recharge Improvement Project	$ 875,570.00	Total

DRAFT

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Robert Bowcock, Secretary/Treasurer of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2026-02, was adopted at a regular meeting of the Chino Basin Watermaster Board on May 28, 2026 by the following vote:

AYES: 0

NOES: 0

ABSENT: 0

ABSTAIN: 0

CHINO BASIN WATERMASTER

_____

Secretary

Date: May 28, 2026

DRAFT

Reconciliation of Outstanding
Fiscal Year 2025/26 Assessments

Production Year 2024-2025

		$/AF	Total Assessments	Total Collected	Total Due
1	**OVERLYING (NON-AGRICULTURAL) POOL**				
	a. 2025/26 Budget				
	Judgment Administration	$ 37.86	$ 123,389.99	$ 61,695.00	$ 61,695.00
	OBMP Program Elements 1-9	$ 55.82	$ 181,923.65	$ 90,961.83	$ 90,961.83
	b. Replenishment	$ 929.00	$ 23,161.83	$ 23,161.83	$ -
	c. CURO		$ (874.10)	$ (874.10)	$ -
	d. RTS Charges		$ 1,888.97	$ 1,888.97	$ -
2	**APPROPRIATIVE POOL**				
	a. Administration				
	2025/26 Budget				
	Judgment Administration	$ 37.86	$ 2,831,373.57	$ 1,415,656.50	$ 1,415,717.07
	OBMP Program Elements 1-9	$ 55.82	$ 4,174,518.54	$ 2,087,428.00	$ 2,087,090.54
	Ag Pool Reallocated				
	Judgment Administration	$ 10.65	$ 688,438.00	$ 688,438.00	$ -
	OBMP Program Elements 1-9	$ 15.71	$ 1,015,123.00	$ 1,015,123.00	$ -
	b. 100% Net Replenishment	$ 929.00	$ -	$ -	$ -
	c. 15/85 Water Activity				
	15% Replenishment Assessments		$ 3,031.55	$ 3,031.55	$ -
	85% Replenishment Assessments		$ 17,178.84	$ 17,178.84	$ -
	15% Water Transaction Activity		$ 1,289,971.33	$ -	$ 1,289,971.33
	d. CURO		$ (2,073.81)	$ (2,073.81)	$ -
	e. Pomona Credit		$ 66,667.00	$ 33,333.50	$ 33,333.50
	f. Recharge Debt Payment		$ 687,653.00	$ 343,826.50	$ 343,826.50
	g. Recharge Improvement Project		$ 1,751,140.00	$ 875,570.00	$ 875,570.00
	h. RTS Charges		$ 60,945.38	$ 60,945.38	$ -
	i. DRO (New Charges & Adjustments)		$ 1,928.73	$ 1,928.73	$ -
			$ 12,915,385.47	**$ 6,717,219.71**	**$ 6,198,165.76**

RESOLUTION 2025-03

A RESOLUTION OF THE CHINO BASIN WATERMASTER LEVYING PARTIAL ADMINISTRATIVE, REPLENISHMENT, AND SPECIAL PROJECT ASSESSMENTS FOR FISCAL YEAR 2025-2026

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under Case No. RCVRS 51010 (formerly case No. SCV 164327) entitled Chino Basin Municipal Water District v. City of Chino, et al., with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment; and

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2025-2026 Budget on May 22, 2025 and subsequently amended on July 24, 2025, to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the production-based assessments to be collected for the Fiscal Year 2025-2026 Budget is $9,015,057, covering Judgment Administration and OBMP & Program Elements 1 through 9; and

WHEREAS, the parties have agreed to be partially assessed until issues relating to the Court of Appeals ruling on the DYY Program, the assessment of CDA production, the application of the 85/15 Rule to recycled water, the replenishment of CDA production in excess of 40,000 acre-feet, and the provision of recycled water pursuant to Voluntary Agreements have been resolved; and

WHEREAS, the parties named in this Judgment have pumped 46.7 acre-feet of water in excess of the operating safe yield, which is required to be replaced at the expense of the parties in accordance with the assessment formulas for the respective pools.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective November 20, 2025 as shown on Exhibit "A" attached hereto.

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty (30) days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

THE FOREGOING RESOLUTION was

ADOPTED by the Watermaster Board on the 20th day of November 2025.

By:_____
Chair – Watermaster Board

ATTEST:

_____
Secretary/Treasurer – Watermaster Board

Exhibit "A"

Resolution 2025-03

Summary of Partial Assessments
Fiscal Year 2025-2026

1. OVERLYING (NON-AGRICULTURAL) POOL (PRODUCTION YEAR 2024/25)

a.	2025-2026 Budget	$ 18.93	Per AF - Admin.
		$ 27.91	Per AF - OBMP
b.	Replenishment	$ 929.00	Per AF
c.	CURO	$ (874.10)	Total

2. APPROPRIATIVE POOL (PRODUCTION YEAR 2023/24)

a. Administration

1. 2025-2026 Budget	$ 1,415,656.50	Total (18.93/AF) - Admin.
	$ 2,087,428.00	Total (27.91/AF) - OBMP
2. Ag Pool Reallocated (100%)	$ 688,438.00	Total - Admin.
	$ 1,015,123.00	Total – OBMP

b.	100% Net Replenishment	$ 929.00	Per AF
c.	15/85 Water Activity		
	15% Replenishment Assessments	$ 3,031.55	Total
	15% Water Transaction Activity	$ 0.00	Total (On Hold)
d.	CURO	$ (2,073.81)	Total
e.	Pomona Credit	$ 33,333.50	Total
f.	Recharge Debt Payment	$ 343,826.50	Total
g.	Recharge Improvement Project	$ 875,570.00	Total

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Robert Bowcock, Secretary/Treasurer of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2025-03, was adopted at a regular meeting of the Chino Basin Watermaster Board on November 20, 2025 by the following vote:

AYES: 9

NOES: 0

ABSENT: 0

ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary

Date: November 20, 2025

CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: May 14, 2026

TO: AP Committee Members

SUBJECT: Calendar Year 2026 Appropriative Pool Committee Volume Vote (Business Item II.E.)

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

Recommendation: Approve the Calendar Year 2026 Appropriative Pool Committee Volume Vote, as presented, subject to Watermaster Board approval of the Fiscal Year 2025/26 Assessment Package at the May 28, 2026 meeting.

Financial Impact: None.

ACTIONS:
Appropriative Pool – May 14, 2026 [Recommended]: Approval.

BACKGROUND

Following the approval of the Assessment Package each year, Volume Vote calculations for the new calendar year are performed and Parties are allocated a voting percentage. The 2025/26 Assessment Package was scheduled for Watermaster Board approval on November 20, 2025, and thus the Calendar Year 2026 Appropriative Pool Committee Volume Vote was predicated on that approval.

Pursuant to the Appropriative Pool Pooling Plan (Restated Judgment, Exhibit "H") and Appropriative Pool Committee Rules and Regulations Section 2.09, the total voting power on the Pool Committee is 1,000 votes. Of these, 500 votes are allocated based on each Party's percentage of Operating Safe Yield. The remaining 500 votes are allocated proportionally based on assessable production during the preceding year.

DISCUSSION

All Water Activity Reports except for one have been received from Pool members, and the Volume Vote had been calculated. The one missing Water Activity Report was for an Appropriator that had no production nor Operating Safe Yield and therefore, the input data, as prepared, has been deemed to be final.

The FY 2025/26 Assessment Package was presented to the Pool Committees for advice and assistance on November 13, 2025. It was also scheduled for presentation to the Advisory Committee for advice and assistance, and to the Watermaster Board for approval on November 20, 2025. However, due to the unresolved DYY matter and issues raised about the FY 2025/26 Assessment Package, the three Pool Committees moved to defer the FY 2025/26 Assessment Package to allow time for matters to be resolved. In the meantime, and at the Appropriative Pool Committee's direction, an interim volume vote based on Production Year 2023/24 was approved for use.

After the May 14, 2026 Pool Committee meetings, the FY 2025/26 Assessment Package is scheduled to be presented to the Advisory Committee on May 21, 2026, and then to the Watermaster Board on May 28, 2026. Once the Assessment Package is approved by the Board, the Volume Vote is then officialized for use after adoption by the Watermaster Board.

The 2026 Appropriative Pool Committee Volume Vote allocation has been completed and is provided for review and use (Attachment 1). The current 2026 Interim Volume Vote allocation is also attached for reference (Attachment 2).

ATTACHMENTS

1. 2026 Appropriative Pool Volume Vote
2. 2026 Appropriative Pool Interim Volume Vote

Chino Basin Watermaster
2026 Appropriative Pool Volume Vote

Assessment Year 2025-2026 (Production Year 2024-2025)

	Assessable Production			Share of Safe Yield		TOTAL VOLUME VOTE	
	Acre-Ft	Percentage	Votes	Acre-Ft	Votes	Non-Minor	Minor
BlueTriton Brands, Inc.	301.6	0.403%	2.016	0.0	0.000		2.016
CalMat Co. (Appropriative)	0.0	0.000%	0.000	0.0	0.000		0.000
Chino Hills, City Of	1,436.8	1.921%	9.606	1,572.5	19.255	28.861	
Chino, City Of	4,338.2	5.801%	29.005	3,004.2	36.785	65.790	
Cucamonga Valley Water District	15,623.2	20.891%	104.453	2,695.5	33.005	137.458	
Fontana Union Water Company	0.0	0.000%	0.000	4,760.0	58.285	58.285	
Fontana Water Company	8,323.7	11.130%	55.651	0.8	0.010	55.661	
Fontana, City Of	0.0	0.000%	0.000	0.0	0.000		0.000
Golden State Water Company	938.4	1.255%	6.274	306.3	3.750		10.024
Jurupa Community Services District	10,646.2	14.236%	71.178	1,535.0	18.795	89.973	
Marygold Mutual Water Company	639.4	0.855%	4.275	488.0	5.975		10.250
Monte Vista Irrigation Company	0.0	0.000%	0.000	503.9	6.170		6.170
Monte Vista Water District	7,231.9	9.670%	48.351	3,592.2	43.985	92.336	
NCL Co, LLC	0.0	0.000%	0.000	0.0	0.000		0.000
Niagara Bottling, LLC	1,338.1	1.789%	8.946	0.0	0.000		8.946
Nicholson Family Trust	0.0	0.000%	0.000	2.9	0.035		0.035
Norco, City Of	0.0	0.000%	0.000	150.3	1.840		1.840
Ontario, City Of	12,001.0	16.047%	80.236	8,469.8	103.710	183.946	
Pomona, City Of	9,799.5	13.104%	65.518	8,352.2	102.270	167.788	
San Antonio Water Company	816.4	1.092%	5.458	1,122.1	13.740		19.198
San Bernardino, County of (Shooting Park)	21.8	0.029%	0.145	0.0	0.000		0.145
Santa Ana River Water Company	39.8	0.053%	0.266	969.0	11.865		12.131
Upland, City Of	1,289.6	1.724%	8.622	2,124.2	26.010	34.632	
West End Consolidated Water Co	0.0	0.000%	0.000	705.6	8.640		8.640
West Valley Water District	0.0	0.000%	0.000	479.8	5.875		5.875
TOTAL	**74,785.4**	**100.000%**	**500.000**	**40,834.0**	**500.000**	**914.729**	**85.271**
							1,000.000

Chino Basin Watermaster
2026 Appropriative Pool Interim[1] Volume Vote

(Based on Production Year 2023-2024)

	Assessable Production			Share of Safe Yield		TOTAL VOLUME VOTE	
	Acre-Ft	Percentage	Votes	Acre-Ft	Votes	Non-Minor	Minor
BlueTriton Brands, Inc.	231.2	0.407%	2.035	0.0	0.000		2.035
CalMat Co. (Appropriative)	0.0	0.000%	0.000	0.0	0.000		0.000
Chino Hills, City Of	1,557.1	2.740%	13.702	1,572.5	19.255	32.957	
Chino, City Of	3,369.9	5.931%	29.654	3,004.2	36.785	66.439	
Cucamonga Valley Water District	12,621.4	22.213%	111.065	2,695.5	33.005	144.070	
Fontana Union Water Company	0.0	0.000%	0.000	4,760.0	58.285	58.285	
Fontana Water Company	2,861.8	5.037%	25.183	0.8	0.010	25.193	
Fontana, City Of	0.0	0.000%	0.000	0.0	0.000		0.000
Golden State Water Company	990.9	1.744%	8.720	306.3	3.750		12.470
Jurupa Community Services District	7,390.1	13.006%	65.030	1,535.0	18.795	83.825	
Marygold Mutual Water Company	584.9	1.029%	5.147	488.0	5.975		11.122
Monte Vista Irrigation Company	0.0	0.000%	0.000	503.9	6.170		6.170
Monte Vista Water District	5,132.1	9.032%	45.161	3,592.2	43.985	89.146	
NCL Co, LLC	0.0	0.000%	0.000	0.0	0.000		0.000
Niagara Bottling, LLC	1,254.9	2.209%	11.043	0.0	0.000		11.043
Nicholson Family Trust	0.0	0.000%	0.000	2.9	0.035		0.035
Norco, City Of	0.0	0.000%	0.000	150.3	1.840		1.840
Ontario, City Of	9,107.5	16.029%	80.143	8,469.8	103.710	183.853	
Pomona, City Of	10,453.8	18.398%	91.990	8,352.2	102.270	194.260	
San Antonio Water Company	104.0	0.183%	0.915	1,122.1	13.740		14.655
San Bernardino, County of (Shooting Park)	16.5	0.029%	0.145	0.0	0.000		0.145
Santa Ana River Water Company	0.0	0.000%	0.000	969.0	11.865		11.865
Upland, City Of	1,144.1	2.014%	10.068	2,124.2	26.010	36.078	
West End Consolidated Water Co	0.0	0.000%	0.000	705.6	8.640		8.640
West Valley Water District	0.0	0.000%	0.000	479.8	5.875		5.875
TOTAL	**56,820.2**	**100.000%**	**500.000**	**40,834.0**	**500.000**	**914.105**	**85.895**
							1,000.000

[1] Approved by the Appropriative Pool Committee on December 11, 2025, to be used until the Fiscal Year 2025/26 Assessment Package is approved/ adopted by the Board.


Wineville Rubber Dam


New Wineville Pumps


Pump flow into Jurupa


New SW Diversion at Jurupa


New Jurupa Pump


Added Basin at RP3

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

Cost Summary:

- Actual/POs Cost: **$28,673,459**
- Remaining Budget: **$172,557 (finalizing cost)**

Completed scope items (all project items completed)

- New added basin at RP3 Basin
- Rubber dam system at Wineville Basin's spillway
- Control slide gates within Wineville Basin
- Basin grading for a new pump station at Wineville
- Power, controls, and communication systems at Wineville
- 2-miles of 30-Inch Pipeline passing through Fontana and Ontario.
- Stormwater diversion to Jurupa Basin.
- All new pumps fully installed and tested
- All system controls and SCADA connections tested and functional.

Updates:

- March 30, 2026, the contract work with SCW for the final phase of the Project—the installation and testing of the new pumps at the Wineville and Jurupa Basins—was substantially completed/closing out the project
- April 2, 2026, IEUA completed a final inspection with the State Water Resources Control Board to verify compliance for the $15 million State Revolving Fund Loan and $9.8 million Storm Water Grant.
- IEUA staff will host the U.S. Bureau of Reclamation for its final inspection of the Wineville and Jurupa Basin Improvements on May 5, 2026, for which USBR provided $740,000 in construction funding.