

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, August 28, 2025

11:00 a.m. – Watermaster Board Meeting

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – August 28, 2025

Mr. Jim Curatalo, Chair

Mr. Jeff Pierson, Vice-Chair

Mr. Bob Bowcock, Secretary/Treasurer

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

FLAG SALUTE

ROLL CALL

PUBLIC COMMENTS

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

AGENDA – ADDITIONS/REORDER

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 Watermaster Board Meeting held July 24, 2025 (*Page 1*)

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Report for the Period Ended June 30, 2025 (*Page 8*)

C. APPLICATION: WATER TRANSACTION – 708.3 AF WEST END CONSOLIDATED WATER COMPANY TO CITY OF UPLAND (*Page 23*)

Approve the proposed transaction.

D. APPLICATION: WATER TRANSACTION – 66.4 AF WEST END CONSOLIDATED WATER COMPANY TO GOLDEN STATE WATER COMPANY (*Page 30*)

Approve the proposed transaction.

E. APPLICATION: WATER TRANSACTION – 400 AF CITY OF UPLAND TO GOLDEN STATE WATER COMPANY *(Page 37)*

Approve the proposed transaction.

F. FRONTIER COMMUNICATIONS DEDICATED INTERNET ACCESS CONTRACT *(Page 44)*

Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

II. BUSINESS ITEMS

A. CONSIDERATION OF THE FISCAL YEAR 2025/26 CARRYOVER BUDGET *(Page 51)*

Approve the budget amendment (Form A-25-08-01) as presented.

B. OPTIMUM BASIN MANAGEMENT PROGRAM – ECONOMIC ANALYSIS UPDATE (INFORMATION ONLY) *(Page 55)*

C. PEER REVIEW OF THE DRAFT 2025 SAFE YIELD REEVALUATION FINAL REPORT UPDATE (INFORMATION ONLY) *(Page 62)*

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. September 12, 2025, Status Conference re Court of Appeal Remittitur in Consolidated Cases No. E080457 and E082127; Court Hearing (Watermaster Motion for Receipt and Filing of Semi-Annual OBMP Status Report 2024-2; IEUA Motion for Costs and Fees; Watermaster Motion for Extension of Time to Complete Safe Yield Evaluation)
2. October 3, 2025, Court Hearing (Appropriative Pool Motion for Costs and Fees)
3. October 31, 2025, Court Hearing (Ontario Motion for Attorney's Fees and Costs)
4. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re: Fiscal Year 2021-22 and 2022-23 Assessment Packages)
5. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25-cv-01159)
6. Agricultural Pool Notice RE Extension of Peace Agreement Term

B. ENGINEER

1. 2024 State of the Basin Report (Update)

C. GENERAL MANAGER

1. Implementation of Appellate Court Ruling RE Dry Year Yield Program Update (Information Only) *(Page 68)*
2. ACWA Committee Consideration – Deadline September 19, 2025
3. Other

IV. INFORMATION

A. RECHARGE INVESTIGATION AND PROJECTS COMMITTEE (PROJECT 23a STATUS) *(Page 95)*

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION: a) Chino Basin Municipal Water District v. City of Ontario et al., 4th District Court of Appeal Case No. E080457 and E082127
2. General Manager Performance Evaluation

VIII. FUTURE MEETINGS AT WATERMASTER

08/26/25	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
08/28/25	Thu	9:30 a.m.	Watermaster Orientation*
08/28/25	Thu	11:00 a.m.	Watermaster Board
09/11/25	Thu	9:00 a.m.	Appropriative Pool Committee
09/11/25	Thu	11:00 a.m.	Non-Agricultural Pool Committee
09/11/25	Thu	1:30 p.m.	Agricultural Pool Committee
09/18/25	Thu	9:00 a.m.	Advisory Committee
09/25/25	Thu	9:30 a.m.	Watermaster Orientation*
09/25/25	Thu	11:00 a.m.	Watermaster Board

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

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING
July 24, 2025

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) on July 24, 2025.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Cucamonga Valley Water District
Jeff Pierson, Vice-Chair	Agricultural Pool – Crops
Steve Elie	Inland Empire Utilities Agency
Bob Feenstra for Jimmy Medrano	Agricultural Pool – Dairy
Mike Gardner	Western Municipal Water District
Brian Geye for Bob Bowcock	Non-Agricultural Pool – CA Speedway Corp.
Bob Kuhn	Three Valleys Municipal Water District
Bill Velto	City of Upland
Marty Zvirbulis	Fontana Water Company

BOARD MEMBERS ABSENT

Bob Bowcock	Non-Agricultural Pool – CalMat Co.
Jimmy Medrano	Agricultural Pool – State of CA

WATERMASTER STAFF PRESENT

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

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Scott Slater	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Garrett Rapp	West Yost
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OTHERS PRESENT AT WATERMASTER

Elizabeth Willis	Chino Basin Water Conservation District
Hye Jin Lee	City of Chino
Ben Orosco	City of Chino
Ron Craig	City of Chino Hills
Debra Porada	City of Ontario
Amanda Coker	Cucamonga Valley Water District
Eduardo Espinoza	Cucamonga Valley Water District
Jimmie Moffatt	Cucamonga Valley Water District
Chris Diggs	City of Pomona
Tara Bravo	CV Strategies
Josh Swift	Fontana Union Water Company
Chris Berch	Jurupa Community Services District

Bryan Smith
Eddie Lin
Aimee Zhao
Chris Robles
Laura Roughton

Jurupa Community Services District
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Resident of City of Ontario (Fair Ontario)
Western Municipal Water District

OTHERS PRESENT ON ZOOM

Christen Miller
Gino Filippi
Carol Boyd
Lewis Callahan
Tariq Awan
Alexis Mascarinas
Chad Nishida
Mark Gibboney
Randall Reed
Jiwon Seung
Derek Hoffman
Cris Fealy
Megan Sims
Toby Moore
Clifford Button
Justin Scott-Coe
Justin Scott-Coe
Manny Martinez
John Lopez
David De Jesus
Mallory O'Connor
Richard Rees

Agricultural Pool – County of San Bernardino
Agricultural Pool – Crops
Agricultural Pool – State of CA
Agricultural Pool – State of CA
Agricultural Pool – State of CA
City of Ontario
City of Ontario
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Fennemore Law
Fontana Water Company
Fontana Water Company
Golden State Water Company
Jurupa Community Services District
Monte Vista Irrigation Company
Monte Vista Water District
Monte Vista Water District
Santa Ana River Water Company
Three Valleys Municipal Water District
Western Municipal Water District
WSP USA

CALL TO ORDER

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

FLAG SALUTE

(00:00:22) Chair Curatalo led the Board in the flag salute.

ROLL CALL

(00:00:56) Ms. Nelson conducted the roll call and announced that a quorum was present.

PUBLIC COMMENTS

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

(00:01:46) Mr. Chris Robles, founder of Fair Ontario, stated that he attended the June Watermaster Board meeting and is concerned that the County is looking to develop the areas at Turner Basin. He offered his support in maintaining the basins if needed.

AGENDA – ADDITIONS/REORDER

None

SAFETY MINUTE

(00:04:07) Mr. Corbin emphasized the importance of staying focused and avoiding distractions while driving which reduces accidents.

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

Minutes of the Watermaster Board Meeting held June 26, 2025

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Report for the Period Ended May 31, 2025

C. APPLICATION: WATER TRANSACTION – 4.0 AF NICHOLSON FAMILY TRUST TO FONTANA WATER COMPANY

Approve the proposed transaction.

D. APPLICATION: WATER TRANSACTION – 7,500 AF CUCAMONGA VALLEY WATER DISTRICT TO FONTANA WATER COMPANY

Approve the proposed transaction.

E. PROFESSIONAL SERVICES AGREEMENT BETWEEN EIDE BAILLY, LLP AND CHINO BASIN WATERMASTER

Approve and authorize the General Manager to execute the engagement letter on behalf of Watermaster.

(00:05:18)

Motion by Mr. Mike Gardner, seconded by Vice-Chair Jeff Pierson, and passed by majority voice vote with a no vote from Mr. Bob Kuhn on Item I.E.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. APPLICATION: LOCAL STORAGE AGREEMENT (ONAP)

Approve the proposed agreement.

(00:05:59) Mr. Corbin gave a report. A discussion ensued.

(00:18:42)

Motion by Mr. Steve Elie, seconded by Mr. Brian Geye, and passed by majority roll call vote (with a no vote by Mr. Bob Feenstra) as attached to these minutes.

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

**B. BUDGET AMENDMENT A-25-07-01 – OPTIMUM BASIN MANAGEMENT PROGRAM
ECONOMIC ANALYSIS SCOPE OF WORK**

Adopt the budget amendment Form A-25-07-01 in the amount of \$92,000 as presented and authorize Watermaster general manager to engage a consultant, by contract, to conduct the Economic Analysis study in accordance with the Scope of Work.

(00:29:32) Mr. Corbin prefaced the item and invited Mr. Edgar Tellez Foster to give a report. A discussion ensued.

(00:33:58)

Motion by Mr. Bill Velto, seconded by Mr. Marty Zvirbulis, and passed by majority roll call vote (with a no vote by Mr. Bob Kuhn) as attached to these minutes.

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

**C. PEER REVIEW OF THE DRAFT 2025 SAFE YIELD REEVALUATION FINAL REPORT
(INFORMATION ONLY)**

(00:35:51) Mr. Corbin gave a report. A discussion ensued.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. September 12, 2025, Court Hearing (Watermaster Motion for Receipt and Filing of Semi-Annual OBMP Status Report 2024-2; IEUA Motion for Costs and Fees; Watermaster Motion for Extension of Time to Complete Safe Yield Evaluation)
2. October 3, 2025, Court Hearing (Appropriative Pool Motion for Costs and Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re: Fiscal Year 2021-22 and 2022-23 Assessment Packages)
4. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25-cv-01159)

(00:38:30) Mr. Slater gave a report. A discussion ensued.

B. ENGINEER

1. 2024 State of the Basin Report

(00:40:09) Mr. Malone gave a report.

C. GENERAL MANAGER

1. Implementation of Dry Year Yield Appellate Court Ruling – Workshops
2. WaterSMART Drought Resiliency (IEUA improvements to the Montclair Basins)
3. Other

(00:40:58) Mr. Corbin reported that for Item 1, Watermaster will schedule two workshops, one in July and one in August, to discuss implementation of the Appellate Court's ruling regarding assessments for the Dry Year Yield program. The first workshop will be held on July 23, 2025, at the Watermaster office, and the purpose is to host a listening session to allow the parties to discuss and provide comments. For Item 2, he shared that the Inland Empire Utilities Agency reported the receipt of \$1.39 million of funding for the Montclair Basins and mentioned the continued success of the Basin's recharge projects and partnership with the Chino Basin Water Conservation District. For Item 3, he reported that there will be a scope of work kickoff meeting to review the Turner Basins concept plan with West Yost. Finally, he mentioned that he received a letter from the City of Ontario regarding the Court of Appeal DYY ruling that was shared with the Board members and alternates.

IV. INFORMATION

A. CALIFORNIA AB1413 SUSTAINABLE GROUNDWATER MANAGEMENT ACT: groundwater adjudication

(00:48:59) Mr. Corbin informed the Board that this was an informational item and that there was nothing new to report.

B. VOLUNTARY AGREEMENTS PROCESSING IN THE ASSESSMENT PACKAGE (PRESENTATION PROVIDED TO THE POOLS COMMITTEES ON JULY 10, 2025)

(00:49:47) Mr. Corbin gave a report. The Board declined to see the presentation.

V. BOARD MEMBER COMMENTS

(00:51:09) Mr. Elie commented on the City of Ontario DYY letter.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

The Board convened into Confidential Session at 11:54 a.m. to discuss the following:

1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION: a) Chino Basin Municipal Water District v. City of Ontario et al., 4th District Court of Appeal Case No. E080457 and E082127
2. General Manager Performance Evaluation

Confidential session concluded at 1:03 p.m. with no reportable action.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board meeting at 1:04 p.m.

Secretary: _____

Approved: _____

Attachments:

1. 20250724 Roll Call Vote Outcome for Business Item II.A.
2. 20250724 Roll Call Vote Outcome for Business Item II.B.

ATTACHMENT 1**July 24, 2025 Watermaster Board Roll Call Vote Outcome**

Member	Alternate	Business Item II.A.
Medrano, Jimmy*	Feenstra, Bob	No
Pierson, Jeff, Vice-Chair		Yes
Velto, Bill		Yes
Zvirbulis, Marty		Yes
Bowcock, Bob*	Geye, Brian	Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Kuhn, Bob		Yes
Curatalo, James, Chair		Yes
*Absent	OUTCOME:	Passed By Majority

ATTACHMENT 2

July 24, 2025 Watermaster Board Roll Call Vote Outcome

Member	Alternate	Business Item II.B.
Pierson, Jeff, Vice-Chair		Yes
Velto, Bill		Yes
Zvirbulis, Marty		Yes
Bowcock, Bob*	Geye, Brian	Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Kuhn, Bob		No
Medrano, Jimmy*	Feenstra, Bob	Yes
Curatalo, James, Chair		Yes
*Absent	OUTCOME:	Passed By Majority



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 2025
TO: Watermaster Committees & Board
SUBJECT: Monthly Financial Reports (For the Reporting Period Ended June 30, 2025)
(Consent Calendar Item I.B.)

Issue: Record of monthly financial reports for the reporting period ended June 30, 2025
[Normal Course of Business]

Recommendation: Receive and file monthly financial reports for the reporting period ended June 30, 2025
(unaudited) 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.

ACTIONS:

Appropriative Pool – August 14, 2025 [Final]: Received and filed.
Non-Agricultural Pool – August 14, 2025 [Final]: Received and filed without approval.
Agricultural Pool – August 14, 2025 [Final]: Received and filed.
Advisory Committee – August 21, 2025 [Final]: Received and filed.
Watermaster Board – August 28, 2025 [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 adopted 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, and engineering expense.

DISCUSSION

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

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

The attached financial reports for the 12-month reporting period ended June 30, 2025, represent data that has not been audited.

ATTACHMENT

1. Monthly Financial Reports (Period Ended June 30, 2025, Unaudited)



Chino Basin Watermaster

Cash Disbursements

June 2025

ATTACHMENT 1

Date	Number	Vendor Name	Description	Amount
06/01/2025	ACH6/1/25	CALPERS	June medical insurance premiums	\$ (18,210.85)
06/02/2025	ACH6/2/25	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	May Unfunded Accrued Liability-Plan 3299	(12,164.17)
06/02/2025	ACH6/2/25	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	May Unfunded Accrued Liability-Plan 27239	(172.92)
06/05/2025	25486	ACWA JOINT POWERS INSURANCE AUTHORITY	July life insurance	(284.47)
06/05/2025	25487	BURRTEC WASTE INDUSTRIES, INC.	Utilities: Waste	(168.62)
06/05/2025	25488	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	Utilities: Water	(368.02)
06/05/2025	25489	CURATALO, JAMES		(750.00)
06/05/2025	25490	DE BOOM, NATHAN		(125.00)
06/05/2025	25491	ELIE, STEVEN		(250.00)
06/05/2025	25492	FILIPPI, GINO		(375.00)
06/05/2025	25493	GEYE, BRIAN		(375.00)
06/05/2025	25494	PETTY CASH	Petty cash replenishment	(460.49)
06/05/2025	25495	STATE COMPENSATION INSURANCE FUND	FY 25 worker's compensation insurance	(2,264.99)
06/05/2025	25496	UNION 76	May fuel purchases	(11.10)
06/05/2025	25497	VANGUARD CLEANING SYSTEMS	June janitorial service	(1,000.00)
06/05/2025	25498	VC3, INC.	IT services - Protect shield deployment implementation	(1,400.00)
06/05/2025	25499	VELTO, BILL		(500.00)
06/05/2025	25500	VISION SERVICE PLAN	June vision insurance coverage	(122.09)
06/05/2025	25501	BAY ALARM COMPANY	July security alarm monitoring service	(137.00)
06/05/2025	25502	WESTERN MUNICIPAL WATER DISTRICT		(375.00)
06/05/2025	25503	THREE VALLEYS MUNICIPAL WATER DIST	Leadership breakfast	(120.00)
06/05/2025	25504	C.J. BROWN & COMPANY, CPAs	FY 25 audit services	(630.00)
06/05/2025	ACH6/5/25	JOHN J. SCHATZ	March AP legal services	(33,725.33)
06/12/2025	25505	BAY ALARM COMPANY	Quarterly security alarm monitoring service	(240.24)
06/12/2025	25506	CALIFORNIA BANK & TRUST	Account ending 6198 - See detail attached	(5,706.32)
06/12/2025	25507	CORELOGIC INFORMATION SOLUTIONS	May geographic package services	(125.00)
06/12/2025	25508	FRONTIER COMMUNICATIONS	Landline connection for Bay Alarm system	(153.86)
06/12/2025	25509	IRELAND SOUND SYSTEMS INC	FY 26 AV yearly maintenance service agreement	(5,340.00)
06/12/2025	25510	KUHN, BOB		(500.00)
06/12/2025	25511	RAUCH COMMUNICATION CONSULTANTS, INC.	Annual report services	(255.00)
06/12/2025	25512	READY REFRESH	Office water dispenser June lease and deliveries	(85.05)
06/12/2025	25513	SPECTRUM ENTERPRISE	June internet services	(1,172.02)
06/12/2025	25514	VANGUARD CLEANING SYSTEMS	May electrostatic spraying	(220.00)
06/12/2025	25515	EGOSCUE LAW GROUP, INC.	May OAP legal services	(15,350.00)
06/12/2025	25516	PIERSON, JEFFREY		(3,125.00)
06/18/2025	25517	CUCAMONGA VALLEY WATER DISTRICT	July lease	(11,902.91)
06/18/2025	25518	LEGAL SHIELD	February through June employee paid legal insurance	(358.65)
06/18/2025	25519	NELSON, ANNA	Reimbursement: Tuition	(10,500.00)
06/18/2025	25520	RUBEN LLAMAS		(250.00)
06/18/2025	25521	SOUTHERN CA EDISON	Utilities: Electric	(1,752.11)
06/18/2025	25522	VC3, INC.	May IT services	(3,674.02)
06/18/2025	25523	VERIZON WIRELESS	Internet services for Field Ops tablets	(239.16)
06/18/2025	25524	VIDES, ERIK	Reimbursement: Work boots	(132.59)
06/18/2025	25525	GARCIA, JORDAN	Reimbursement: Tuition	(231.00)
06/18/2025	25526	OFFICE & ERGONOMIC SOLUTIONS, INC.	Furniture deposit for senior accountant office	(1,140.75)
06/25/2025	25527	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	Utilities: Water	(378.64)
06/25/2025	25528	INLAND EMPIRE UTILITIES AGENCY	FY 24/25 Q4 Groundwater recharge O&M	(397,082.47)
06/25/2025	25530	SAN BERNARDINO COUNTY - DEPT. AIRPORTS	July rent for extensometer site	(190.98)
06/25/2025	25531	SOCALGAS	Utilities: Gas	(65.51)
06/25/2025	25532	STANDARD INSURANCE CO.	July life and disability coverage	(1,095.71)
06/25/2025	25533	WEST YOST	May engineering services	(341,510.61)
06/30/2025	25535	PETTY CASH	Petty cash replenishment	(134.05)
06/30/2025	ACH6/30/25	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	June Unfunded Accrued Liability-Plan 3299	(12,164.17)
06/30/2025	ACH6/30/25	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	June Unfunded Accrued Liability-Plan 27239	(172.92)
06/30/2025	ACH6/30/25	CALPERS	July medical insurance premiums	(18,210.85)
Total for Month				\$ (907,449.64)



Chino Basin Watermaster

Credit Card Expense Detail

June 2025

Date	Number	Description	Expense Account	Amount
06/12/2025	25506	CALIFORNIA BANK & TRUST		
		The Deli - Lunch meeting - E. Tellez-Foster, IEUA	6141.1 · Meeting Supplies	(111.16)
		Tutti Frutti - WM staff field tour dessert - CBWM Staff	6141.1 · Meeting Supplies	(75.81)
		Amazon - Amazon Web Services - April 2025	6056 · Website Services	(287.59)
		Panera Bread - OPS Meeting	6141.1 · Meeting Supplies	(98.30)
		The Deli - Lunch meeting - E. Tellez-Foster, T. Corbin, A. Malone	6141.1 · Meeting Supplies	(103.89)
		Southwest - ACWA Spring Conference - Flight - E. Tellez-Foster	6173 · Airfare/Mileage	(770.00)
		AVIS - ACWA Spring Conference - Car Rental - E. Tellez-Foster	6173 · Airfare/Mileage	(264.83)
		RockFish Harbor Grill - Lunch meeting - E. Tellez-Foster, IEUA	6141.1 · Meeting Supplies	(64.58)
		Uber - ACWA Spring Conference - E. Tellez-Foster	6173 · Airfare/Mileage	(10.09)
		Monterey Bay Inn - ACWA Spring Conference - Lodging - E. Tellez-Foster	6191 · Conferences - General	(1,248.45)
		Microsoft Software - Mapping and visualization software subscription	6054 · Computer Software	(13.80)
		Chevron - Vehicle fuel for rental car - E. Tellez-Foster	6175 · Vehicle Fuel	(49.12)
		REV Subscription - Speech to text transcription services	6112 · Subscriptions/Publications	(27.59)
		Coffee Bean & Tea - Chino Basin Day - Coffee supply	6141.1 · Meeting Supplies	(46.44)
		Heroes Restaurant & Brewhouse - Lunch meeting - J. Bosler, T. Corbin	6141.1 · Meeting Supplies	(61.66)
		Coco's Bakery - Lunch meeting - C. Diggs, T. Corbin	6141.1 · Meeting Supplies	(39.79)
		Corner Bakery - Lunch meeting - S. Elie, T. Corbin	6141.1 · Meeting Supplies	(29.13)
		Coldstone Creamery - WM staff field tour dessert - CBWM Staff	6141.1 · Meeting Supplies	(21.67)
		Mariscos Las Brisas- WM staff field tour lunch - CBWM Staff	6141.1 · Meeting Supplies	(227.90)
		Amazon - Batteries and first aid kits	6031.7 · General Office Supplies	(36.95)
		Costco Business - Membership renewal	6111 · Membership Dues	(179.40)
		Costco - Meeting snacks and drinks	6312 · Board Meeting Expenses	(368.23)
		RC Mongolian - Admin meeting - A. Nelson, R. Favela Quintero, D. Uriarte, K. Dolar	6141.1 · Meeting Supplies	(89.27)
		BambooHR - HRIS and Payroll System	6061.2 · HRIS System	(275.06)
		FedEx - Pools meeting package - B. Geye	6042 · Postage - General	(21.24)
		Land's End - Employee uniforms - J. Nakano, E. Vides, J. Garcia, A. Jurado, K. Dolar	6154 · Uniforms	(214.22)
		FedEx - Pools meeting package - J. Pierson, P. Hofer, R. Feenstra	6042 · Postage - General	(110.62)
		BlueHost - Monthly Software Renewal - Standard VPN Server with cPanel	6056 · Website Services	(84.63)
		Amazon - Sunscreen	6031.7 · General Office Supplies	(23.77)
		Amazon -Disinfecting spray	6031.7 · General Office Supplies	(34.72)
		CalPERS - Pathway for Women Conference 2025 - Registration - A. Nelson	6191 · Conferences - General	(229.07)
		Amazon - Mechanical pencils	6031.7 · General Office Supplies	(10.40)
		FedEx - Board meeting package - J. Pierson	6042 · Postage - General	(8.46)
		IAAP - CAP recertification fee - A. Nelson	6111 · Membership Dues	(138.00)
		Corky's Kitchen - Dessert for May staff meeting	6141.1 · Meeting Supplies	(16.84)
		FedEx - Board meeting package - S. Elie	6042 · Postage - General	(8.46)
		Simple Simon's - Chino Basin Day - Lunch order	6141 · Meeting Expenses	(305.18)
Total for Month				\$ (5,706.32)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2024 through June 30, 2025

(Unaudited)

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2024-2025 WITH CARRYOVER
				AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	\$ 9,834,155	\$ -	\$ 9,834,155	\$ 99,200	\$ -	\$ 31,000	\$ -	\$ 9,964,355	\$ 9,833,780
Interest Revenue	-	465,080	465,080	19,563	63,394	3,401	4,343	555,781	478,500
Groundwater Replenishment	-	-	-	-	-	-	(87,377)	(87,377)	-
Mutual Agency Project Revenue	191,073	-	191,073	-	-	-	-	191,073	191,070
Miscellaneous Income	1,468	-	1,468	-	-	-	-	1,468	-
Total Administrative Revenues	10,026,695	465,080	10,491,775	118,763	63,394	34,401	(83,034)	10,625,300	10,503,350
Administrative & Project Expenditures:									
Watermaster Administration	2,989,433	-	2,989,433	-	-	-	-	2,989,433	2,528,540
Watermaster Board-Advisory Committee	279,609	-	279,609	-	-	-	-	279,609	422,420
Optimum Basin Mgmt Administration	-	941,769	941,769	-	-	-	-	941,769	1,437,940
OBMP Project Costs	-	4,980,912	4,980,912	-	-	-	-	4,980,912	4,971,020
Pool Legal Services	-	-	-	116,448	163,050	13,959	-	293,457	-
Pool Meeting Compensation	-	-	-	-	29,375	5,875	-	35,250	-
Pool Special Projects	-	-	-	-	9,454	-	-	9,454	-
Pool Administration	-	-	-	-	-	-	-	-	370,660
Debt Service	-	955,086	955,086	-	-	-	-	955,086	772,770
Agricultural Expense Transfer ¹	-	-	-	201,879	(201,879)	-	-	-	-
Replenishment Water Assessments	-	-	-	-	-	-	54,425	54,425	180,234
Total Administrative Expenses	3,269,042	6,877,766	10,146,808	318,327	-	19,834	54,425	10,539,393	10,683,584
Net Ordinary Income	6,757,654	(6,412,687)	344,967	(199,564)	63,394	14,567	(137,459)	85,907	(180,234)
Other Income/(Expense)									
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Carryover Budget*	-	-	-	-	-	-	-	-	454,875
Net Other Income/(Expense)	-	-	-	-	-	-	-	-	454,875
Net Transfers To/(From) Reserves	\$ 6,757,654	\$ (6,412,687)	\$ 344,967	\$ (199,564)	\$ 63,394	\$ 14,567	\$ (137,458)	\$ 85,907	\$ 274,640
Net Assets, July 1, 2024			8,794,214	555,405	1,404,964	65,733	180,234	11,000,551	
Refund-Excess Operating Reserves			-					-	
Net Assets, End of Period			9,139,181	355,842	1,468,359	80,300	42,776	11,086,458	
Pool Assessments Outstanding				(86,315)	(586,852)	-			
Payments received in FY 25 for prior year assessments				231,381	-	-			
Pool Fund Balance				\$ 500,907	\$ 881,507	\$ 80,300			

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

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



Chino Basin Watermaster

Treasurer's Report

June 2025

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	4.27%	\$ 665,832	\$ 666,630	5.2%
CA CLASS Prime Fund **	Investment	4.34%	11,685,865	\$ 11,685,669	91.8%
Bank of America	Checking		371,903	371,903	2.9%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 12,723,600	\$ 12,724,202	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, 2024 to June 30, 2025

(Unaudited)

	June 2025	YTD Actual	FY 25 Adopted Budget with Carryover	\$ Over / (Under) Budget	% of Budget
1 Administration Revenue					
2 Local Agency Subsidies	\$ -	\$ 191,073	\$ 191,070	\$ 3	100%
3 Admin Assessments-Appropriative Pool	-	9,497,193	9,521,030	(23,837)	100%
4 Admin Assessments-Non-Ag Pool	-	336,962	312,750	24,212	108%
5 Total Administration Revenue	-	10,025,228	10,024,850	378	100%
6 Other Revenue					
7 Appropriative Pool-Replenishment	-	(103,383)	-	(103,383)	N/A
8 Non-Ag Pool-Replenishment	-	16,006	-	16,006	N/A
9 Interest Income	41,397	465,080	478,500	(13,420)	97%
10 Miscellaneous Income	-	1,468	-	1,468	N/A
11 Carryover Budget	-	-	454,875	(454,875)	0%
12 Total Other Revenue	41,397	379,170	933,375	(554,204)	41%
13 Total Revenue	41,397	10,404,398	10,958,225	(553,826)	95%
14 Judgment Administration Expense					
15 Judgment Administration	82,421	503,695	721,010	(217,315)	70%
16 Admin. Salary/Benefit Costs	97,669	1,186,549	1,032,120	154,429	115%
17 Office Building Expense	14,463	242,484	234,470	8,014	103%
18 Office Supplies & Equip.	4,665	30,248	46,760	(16,512)	65%
19 Postage & Printing Costs	2,139	21,497	32,950	(11,453)	65%
20 Information Services	5,391	133,657	232,530	(98,873)	57%
21 Contract Services	729	49,051	111,460	(62,409)	44%
22 Watermaster Legal Services	-	738,621	414,060	324,561	178%
23 Insurance	-	40,737	50,950	(10,213)	80%
24 Dues and Subscriptions	30	37,042	25,900	11,142	143%
25 Watermaster Administrative Expenses	577	10,083	9,630	453	105%
26 Field Supplies	133	2,594	3,200	(606)	81%
27 Travel & Transportation	3,351	91,273	104,960	(13,687)	87%
28 Training, Conferences, Seminars	10,851	36,045	49,370	(13,325)	73%
29 Advisory Committee Expenses	4,065	60,195	134,130	(73,935)	45%
30 Watermaster Board Expenses	13,845	219,413	288,290	(68,877)	76%
31 ONAP - WM & Administration	3,677	43,628	120,940	(77,312)	36%
32 OAP - WM & Administration	6,160	63,052	124,220	(61,168)	51%
33 Appropriative Pool- WM & Administration	13,544	146,935	125,500	21,435	117%
34 Allocated G&A Expenditures	(40,423)	(387,757)	(540,830)	153,073	72%
35 Total Judgment Administration Expense	223,288	3,269,042	3,321,620	(52,578)	98%
36 Optimum Basin Management Plan (OBMP)					
37 Optimum Basin Management Plan	87,727	941,769	1,437,940	(496,171)	65%
38 Groundwater Level Monitoring	74,893	526,192	585,050	(58,858)	90%
39 Program Element (PE)2- Comp Recharge	427,929	1,989,494	1,774,300	215,194	112%
40 PE3&5-Water Supply/Desalte	8,400	89,967	122,010	(32,043)	74%
41 PE4- Management Plan	77,828	494,075	412,400	81,675	120%
42 PE6&7-CoopEfforts/SaltMgmt	144,553	851,333	669,380	181,953	127%
43 PE8&9-StorageMgmt/Conj Use	78,951	642,093	867,050	(224,957)	74%
44 Recharge Improvements	-	955,086	772,770	182,316	124%
45 Administration Expenses Allocated-OBMP	17,372	139,806	232,750	(92,944)	60%
46 Administration Expenses Allocated-PE 1-9	23,051	247,951	308,080	(60,129)	80%
47 Total OBMP Expense	940,703	6,877,766	7,181,730	(303,964)	96%
48 Other Expense					
49 Groundwater Replenishment	-	54,425	180,234	(125,810)	30%
50 Other Expenses	-	-	-	-	N/A
51 Total Other Expense	-	54,425	180,234	(125,810)	30%
52 Total Expenses	1,163,990	10,201,233	10,683,584	(482,352)	95%
53 Increase / (Decrease) to Reserves	\$ (1,122,593)	\$ 203,165	\$ 274,640	\$ (71,475)	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Budget to Actual

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

Revenues

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

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

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

Expenses

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

- Line 16 Admin Salary/Benefit Costs includes wages and benefits for Watermaster administrative staff. The account ended over budget due to vacation and severance payouts done in July.
- Line 17 Office Building Expense includes office lease, telephone, utilities, repair and maintenance, and building interior renovation costs. The account ended over budget due to conference room audio and video installation not originally anticipated in the budget.
- Line 22 Watermaster Legal Services includes outside legal counsel expenses. The account ended over budget due to personnel matters not anticipated in the budget.
- Line 24 Dues and Subscriptions include annual dues for ACWA, SHRM, and other miscellaneous subscriptions. The account ended over budget due to the reinstatement of the CA Groundwater Coalition membership that was originally not anticipated in the budget.
- Line 25 Watermaster Administrative Expenses include expenses for meetings, supplies, lunch meetings, and other various expenses. The account ended over budget due to photography supplies purchased in December not anticipated in the budget.

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

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



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Pool Services Fund Accounting

Each Pool has a fund account created to pay their own legal service invoices. The legal services invoices are funded and paid using the fund accounts (8467 for the Overlying Agricultural Pool (OAP), 8567 for the Overlying Non-Agricultural Pool (ONAP), and 8367 for the Appropriate Pool (AP)). Along with the legal services fund account for the OAP (8467), the OAP also has two other fund accounts for Ag Pool Meeting Attendance expenses (8470), and Special Projects expenses (8471). The ONAP also has a meeting compensation fund account (8511). Additionally, the OAP has a reserve fund that is held by Watermaster and spent at the direction of the OAP. The AP also has account 8368 relating to the Tom Harder contract. These fund accounts are replenished at the direction of each Pool, and the legal service invoices are approved by the Pool leadership and when paid by Watermaster, are deducted from the existing fund account balances. If the fund account for any pool reaches zero, no further payments can be paid from the fund, and a replenishment action must be initiated by the Pool.

The following tables detail the fund balance accounts as of June 30, 2025 (continued next page):

Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services		Fund Balance For Appropriate Pool Account 8367 - Legal Services	
Beginning Balance July 1, 2024:	\$ 63,483.09	Beginning Balance July 1, 2024:	\$ (9,472.87)
Additions:		Additions:	
Interest Earnings	3,401.40	Interest Earnings	19,563.00
Payments received on ONAP Assessment invoices issued 11/26/24	25,000.00	Payments received on AP Assessment invoices issued 11/18/21	27,343.35
Subtotal Additions:	28,401.40	Payments received on AP Assessment invoices issued 4/21/22	39,013.34
		Payments received on AP Assessment invoices issued 10/14/22	70,478.86
Reductions:		Payments received on AP Assessment invoices issued 4/19/23	26,262.54
Invoices paid July 2024 - June 2025	(13,959.00)	Payments received on AP Assessment invoices issued 10/30/23	68,282.61
Subtotal Reductions:	(13,959.00)	Payments received on AP Assessment invoices issued 11/26/24	67,701.53
		Payments received for appeal legal expenses 2/28/25	31,498.58
Available Fund Balance as of June 30, 2025	\$ 77,925.49	Subtotal Additions:	350,143.81
		Reductions:	
		Invoices paid July 2024 - June 2025	(116,447.71)
		Subtotal Reductions:	(116,447.71)
		Available Fund Balance as of June 30, 2025	\$ 224,223.23

Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation		Fund Balance For Appropriate Pool Account 8368 - Tom Harder Contract	
Beginning Balance July 1, 2024:	\$ 2,250.00	Beginning Balance July 1, 2024:	\$ 20,577.61
Additions:		Additions:	
Payments received on ONAP Assessment invoices issued 11/26/24	6,000.00		
Subtotal Additions:	6,000.00	Subtotal Additions:	-
Reductions:		Reductions:	
Compensation paid July 2024 - June 2025	(5,875.00)	Invoices paid July 2024 - June 2025	-
Subtotal Reductions:	(5,875.00)	Subtotal Reductions:	-
Available Fund Balance as of June 30, 2025	\$ 2,375.00	Available Fund Balance as of June 30, 2025	\$ 20,577.61



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Pool Services Fund Accounting – Cont.

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

Beginning Balance July 1, 2024*:	\$ 388,647.51
Reductions:	
Invoices paid July 2024 - June 2025	(163,050.00)
Subtotal Reductions:	(163,050.00)
Available Fund Balance as of June 30, 2025	\$ 225,597.51

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

Agricultural Pool Reserve Funds As shown on the Combining Schedules

Beginning Balance July 1, 2024*:	\$ 818,112.17
Additions:	
YTD Interest earned on Ag Pool Funds FY 25	63,394.33
Transfer of Funds from AP to Special Fund for Legal Service Invoices	163,050.00
Total Additions:	226,444.33
Reductions:	
Legal service invoices paid July 2024 - June 2025	(163,050.00)
Subtotal Reductions:	(163,050.00)
Agricultural Pool Reserve Funds Balance as of June 30, 2025:	\$ 881,506.50

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

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

Beginning Balance July 1, 2024:	\$ 17,694.65
Additions:	
Budget Transfers ¹	30,000.00
Subtotal Additions:	30,000.00
Reductions:	
Compensation paid July 2024 - June 2025	(29,375.00)
Subtotal Reductions:	(29,375.00)
Available Fund Balance as of June 30, 2025	\$ 18,319.65

¹ Transfer scheduled in April 16, 2025 per communication with OAP legal counsel.

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

Beginning Balance July 1, 2024:	\$ 51,643.00
Reductions:	
Invoices paid July 2024 - June 2025	(9,454.00)
Budget Transfers ¹	(30,000.00)
Subtotal Reductions:	(39,454.00)
Available Fund Balance as of June 30, 2025	\$ 12,189.00

¹ Transfer scheduled in April 16, 2025 per communication with OAP legal counsel.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened salary costs compared to the FY 25 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	75,600	93,860	(18,260)	80.5%
5901.3 · Judgment Admin - Field Work	2,283	11,860	(9,577)	19.3%
5901.5 · Judgment Admin - General	9,461	81,090	(71,629)	11.7%
5901.7 · Judgment Admin - Meeting	49,516	39,710	9,806	124.7%
5901.9 · Judgment Admin - Reporting	3,557	13,890	(10,333)	25.6%
5910 · Judgment Admin - Court Coord./Attendance	7,434	16,970	(9,536)	43.8%
5911 · Judgment Admin - Exhibit G	1,588	6,400	(4,812)	24.8%
5921 · Judgment Admin - Production Monitoring	1,002	5,440	(4,438)	18.4%
5931 · Judgment Admin - Recharge Applications	2,519	-	2,519	100.0%
5941 · Judgment Admin - Reporting	1,648	2,140	(492)	77.0%
5951 · Judgment Admin - Rules & Regs	2,241	11,260	(9,019)	19.9%
5961 · Judgment Admin - Safe Yield	72,145	9,510	62,635	758.6%
5971 · Judgment Admin - Storage Agreements	8,313	13,000	(4,687)	63.9%
5981 · Judgment Admin - Water Accounting/Database	93,513	108,290	(14,777)	86.4%
5991 · Judgment Admin - Water Transactions	6,605	5,330	1,275	123.9%
6011.11 · WM Staff - Overtime	7,331	18,000	(10,669)	40.7%
6011.10 · Admin - Accounting	230,782	278,330	(47,548)	82.9%
6011.15 · Admin - Building Admin	51,650	31,200	20,450	165.5%
6011.20 · Admin - Conference/Seminars	47,710	58,530	(10,820)	81.5%
6011.25 · Admin - Document Review	59,856	2,620	57,236	2284.6%
6011.50 · Admin - General	312,579	362,560	(49,981)	86.2%
6011.60 · Admin - HR	108,060	50,450	57,610	214.2%
6011.70 · Admin - IT	95,859	34,070	61,789	281.4%
6011.80 · Admin - Meeting	112,001	39,760	72,241	281.7%
6011.90 · Admin - Team Building	25,725	41,550	(15,825)	61.9%
6011.95 · Admin - Training (Give/Receive)	42,230	64,160	(21,930)	65.8%
6017 · Temporary Services	24,229	26,040	(1,811)	93.0%
6201 · Advisory Committee	33,752	82,850	(49,098)	40.7%
6301 · Watermaster Board	86,784	83,910	2,874	103.4%
8301 · Appropriative Pool	111,958	67,280	44,678	166.4%
8401 · Agricultural Pool	34,108	66,000	(31,892)	51.7%
8501 · Non-Agricultural Pool	21,444	62,710	(41,266)	34.2%
6901.1 · OBMP - Document Review	36,815	95,290	(58,475)	38.6%
6901.3 · OBMP - Field Work	4,842	50,870	(46,028)	9.5%
6901.5 · OBMP - General	104,326	81,120	23,206	128.6%
6901.7 · OBMP - Meeting	39,722	80,360	(40,638)	49.4%
6901.9 · OBMP - Reporting	8,936	11,040	(2,104)	80.9%
7104.1 · PE1 - Monitoring Program	209,731	275,490	(65,759)	76.1%
7201 · PE2 - Comprehensive Recharge	83,433	71,750	11,683	116.3%
7301 · PE3&5 - Water Supply/Desalter	934	9,510	(8,576)	9.8%
7301.1 · PE5 - Reg. Supply Water Prgm.	2,798	9,510	(6,712)	29.4%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	1,759	14,040	(12,281)	12.5%
7501 · PE6 - Coop. Programs/Salt Mgmt.	14,174	9,510	4,664	149.0%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	6,753	9,510	(2,757)	71.0%
7601 · PE8&9 - Storage Mgmt./Recovery	25,672	22,520	3,152	114.0%
Subtotal WM Staff Costs	2,285,821	2,529,290	(243,469)	90%
60184.1 · Administrative Leave	51	6,550	(6,499)	0.8%
60185 · Vacation	113,296	90,280	23,016	125.5%
60185.1 · Comp Time	11,014	-	11,014	100.0%
60186 · Sick Leave	44,985	79,450	(34,465)	56.6%
60187 · Holidays	82,870	99,330	(16,460)	83.4%
Subtotal WM Paid Leaves	252,217	275,610	(23,393)	92%
Total WM Salary Costs	2,538,038	2,804,900	(266,862)	90.5%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Engineering

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · Judgment Admin - Meetings-Engineering Services	\$ -	\$ -	\$ -	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	57,285	101,048	(43,763)	56.7%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	39,021	37,008	2,013	105.4%
5925 · Judgment Admin - Ag Production & Estimation	26,751	31,096	(4,345)	86.0%
5935 · Judgment Admin - Mat'l Physical Injury Requests	1,488	39,452	(37,965)	3.8%
5945 · Judgment Admin - WM Annual Report Preparation	12,659	16,924	(4,266)	74.8%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	29,067	39,659	(10,592)	73.3%
6206 · Advisory Committee Meetings-WY Staff	12,717	11,755	962	108.2%
6306 · Watermaster Board Meetings-WY Staff	27,126	35,265	(8,139)	76.9%
8306 · Appropriative Pool Meetings-WY Staff	21,841	23,510	(1,669)	92.9%
8406 · Agricultural Pool Meetings-WY Staff	15,810	23,510	(7,700)	67.2%
8506 · Non-Agricultural Pool Meetings-WY Staff	9,050	23,510	(14,461)	38.5%
6901.8 · OBMP - Meetings-WY Staff	65,452	74,132	(8,680)	88.3%
6901.95 · OBMP - Reporting-WY Staff	57,096	62,606	(5,510)	91.2%
6906 · OBMP Engineering Services - Other	66,751	51,440	15,311	129.8%
6906.1 · OBMP Watermaster Model Update	8,153	67,596	(59,444)	12.1%
6906.21 · State of the Basin Report	198,123	195,188	2,935	101.5%
7104.3 · Grdwtr Level-Engineering	240,583	254,627	(14,044)	94.5%
7104.8 · Grdwtr Level-Contracted Services	27,960	26,174	1,786	106.8%
7104.9 · Grdwtr Level-Capital Equipment	28,768	17,000	11,768	169.2%
7202 · PE2-Comp Recharge-Engineering Services	17,400	23,496	(6,096)	74.1%
7202.2 · PE2-Comp Recharge-Engineering Services	174,853	75,944	98,909	230.2%
7302 · PE3&5-PBHSP Monitoring Program	69,233	74,305	(5,072)	93.2%
7303 · PE3&5-Engineering - Other	8,011	16,180	(8,170)	49.5%
7306 · PE3&5-Engineering - Outside Professionals	4,500	5,500	(1,000)	81.8%
7402 · PE4-Engineering	326,412	281,239	45,173	116.1%
7402.10 · PE4-Northwest MZ1 Area Project	87,193	16,656	70,537	523.5%
7403 · PE4-Eng. Services-Contracted Services-InSar	32,366	39,600	(7,235)	81.7%
7406 · PE4-Engineering Services-Outside Professionals	28,346	38,600	(10,254)	73.4%
7408 · PE4-Engineering Services-Network Equipment	14,289	17,553	(3,264)	81.4%
7502 · PE6&7-Engineering	381,182	401,399	(20,217)	95.0%
7505 · PE6&7-Laboratory Services	50,452	58,152	(7,701)	86.8%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	21,802	-	21,802	100.0%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	25,632	27,067	(1,435)	94.7%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	26,301	33,574	(7,273)	78.3%
7520 · Preparation of Water Quality Mgmt. Plan	2,783	130,164	(127,381)	2.1%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	32,584	(32,584)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	616,421	768,963	(152,542)	80.2%
7615 · PE8&9-Develop 2025 Storage Plan	-	42,632	(42,632)	0.0%
Total Engineering Services Costs	\$ 2,832,873	\$ 3,215,108	\$ (382,235)	88.1%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses and costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ 268,714	\$ 144,040	\$ 124,674	186.6%
6072 · BHFS Legal - Rules & Regulations	5,308	10,495	(5,187)	50.6%
6073 · BHFS Legal - Personnel Matters	306,594	28,150	278,444	1089.1%
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)	158,005	177,240	(19,236)	89.1%
Total 6070 · Watermaster Legal Services	738,621	414,051	324,570	178.4%
6275 · BHFS Legal - Advisory Committee	13,726	27,764	(14,038)	49.4%
6375 · BHFS Legal - Board Meeting	64,569	88,704	(24,135)	72.8%
6375.1 · BHFS Legal - Board Workshop(s)	-	29,215	(29,215)	0.0%
8375 · BHFS Legal - Appropriative Pool	13,135	34,705	(21,570)	37.8%
8475 · BHFS Legal - Agricultural Pool	13,135	34,705	(21,570)	37.8%
8575 · BHFS Legal - Non-Ag Pool	13,135	34,705	(21,570)	37.8%
Total BHFS Legal Services	117,700	249,798	(132,098)	47.1%
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	1,972	21,405	(19,433)	9.2%
6907.36 · Santa Ana River Habitat	-	31,280	(31,280)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	5,280	63,200	(57,920)	8.4%
6907.39 · Recharge Master Plan	87,479	14,270	73,209	613.0%
6907.41 · Prado Basin Habitat Sustainability	3,654	10,290	(6,636)	35.5%
6907.44 · SGMA Compliance	1,294	10,290	(8,996)	12.6%
6907.45 · OBMP Update	15,380	177,240	(161,860)	8.7%
6907.47 · 2020 Safe Yield Reset	84,111	80,190	3,921	104.9%
6907.48 · Ely Basin Investigation	5,633	64,890	(59,257)	8.7%
6907.49 · San Sevaine Basin Discharge	94,824	110,080	(15,256)	86.1%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · WM Legal Counsel	299,627	685,830	(386,203)	43.7%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ 1,155,947	\$ 1,349,679	\$ (193,732)	85.6%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	\$ 36,815	\$ 95,294	\$ (58,479)	38.6%
6901.3 · OBMP - Field Work-WM Staff	4,842	50,870	(46,028)	9.5%
6901.5 · OBMP - General-WM Staff	104,326	81,120	23,206	128.6%
6901.7 · OBMP - Meeting-WM Staff	39,722	80,360	(40,638)	49.4%
6901.8 · OBMP - Meeting-West Yost	65,452	37,066	28,386	176.6%
6901.9 · OBMP - Reporting-WM Staff	8,936	11,040	(2,104)	80.9%
6901.95 · OBMP - Reporting-West Yost	57,096	62,606	(5,510)	91.2%
Total 6901 · OBMP WM and West Yost Staff	317,188	418,356	(101,168)	75.8%
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	15,984	15,990	(6)	100.0%
Total 6903 · OBMP - SAWPA	15,984	15,990	(6)	100.0%
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	8,153	67,596	(59,444)	12.1%
6906.21 · State of the Basin Report	198,123	195,188	2,935	101.5%
6906 · OBMP Engineering Services - Other	66,751	51,440	15,311	129.8%
Total 6906 · OBMP Engineering Services	273,027	314,224	(41,198)	86.9%
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	1,972	21,405	(19,433)	9.2%
6907.36 · Santa Ana River Habitat	-	31,280	(31,280)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	5,280	63,200	(57,920)	8.4%
6907.39 · Recharge Master Plan	87,479	14,270	73,209	613.0%
6907.41 · Prado Basin Habitat Sustainability	3,654	10,290	(6,636)	35.5%
6907.44 · SGMA Compliance	1,294	10,290	(8,996)	12.6%
6907.45 · OBMP Update	15,380	177,240	(161,860)	8.7%
6907.47 · 2020 Safe Yield Reset	84,111	80,190	3,921	104.9%
6907.48 · Ely Basin Investigation	5,633	64,890	(59,257)	8.7%
6907.49 · San Sevaine Basin Discharge	94,824	110,080	(15,256)	86.1%
6907.90 · WM Legal Counsel - Unanticipated	-	38,885	(38,885)	0.0%
Total 6907 · OBMP Legal Fees	299,627	685,830	(386,203)	43.7%
6909 · OBMP Other Expenses				
6909.6 · OBMP Expenses - Miscellaneous	-	-	-	0.0%
Total 6909 · OBMP Other Expenses	2,172	3,540	(1,368)	61.4%
Total 6900 · Optimum Basin Mgmt Plan	\$ 907,997	\$ 1,437,940	\$ (529,943)	63.1%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2024 to June 30, 2025

(Unaudited)

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 24 adopted budget. The "\$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget.

	Year to Date Actual	FY 24-25 Budget	\$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	\$ 75,600	\$ 93,860	\$ (18,260)	80.5%
5901.3 · Admin-Field Work-WM Staff	2,283	11,860	(9,577)	19.3%
5901.5 · Admin-General-WM Staff	9,461	81,090	(71,629)	11.7%
5901.7 · Admin-Meeting-WM Staff	49,516	39,710	9,806	124.7%
5901.8 · Admin-Meeting - West Yost	-	37,066	(37,066)	0.0%
5901.9 · Admin-Reporting-WM Staff	3,557	13,890	(10,333)	25.6%
Total 5901 · Admin-WM Staff	140,417	277,476	(137,059)	50.6%
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	57,285	101,048	(43,763)	56.7%
5906.72 · Admin-Data Req-Non CBWM Staff	39,021	37,008	2,013	105.4%
5910 · Court Coordination/Attend-WM	7,434	16,970	(9,536)	43.8%
5911 · Exhibit G-WM Staff	1,588	6,400	(4,812)	24.8%
5921 · Production Monitoring-WM Staff	1,002	5,440	(4,438)	18.4%
5925 · Ag Prod & Estimation-West Yost	26,751	31,096	(4,345)	86.0%
5931 · Recharge Applications-WM Staff	2,519	-	2,519	100.0%
5935 · Admin-Mat'l Phy Inj Requests	1,488	39,459	(37,972)	3.8%
5941 · Reporting-WM Staff	1,648	2,140	(492)	77.0%
5945 · WM Annual Report Prep-West Yost	12,659	16,924	(4,266)	74.8%
5951 · Rules & Regs-WM Staff	2,241	11,260	(9,019)	19.9%
5961 · Safe Yield-WM Staff	72,145	9,510	62,635	758.6%
5965 · Support Data Collect-West Yost	29,067	39,659	(10,592)	73.3%
5971 · Storage Agreements-WM Staff	8,313	13,000	(4,687)	63.9%
5981 · Water Acct/Database-WM Staff	93,513	108,290	(14,777)	86.4%
5991 · Water Transactions-WM Staff	6,605	5,330	1,275	123.9%
Total 5900 · Judgment Admin Other Expenses	363,278	443,534	(80,256)	81.9%
Total 5900 · Judgment Administration	\$ 503,695	\$ 721,010	\$ (217,315)	69.9%



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 28, 2025
TO: Board Members
SUBJECT: Application: Water Transaction – 708.3 AF from West End Consolidated Water Company to City of Upland (Consent Calendar Item I.C.)

Issue: The Purchase of 708.3 acre-feet of water from West End Consolidated Water Company by City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carryover Account. The City of Upland is utilizing this transaction to produce from its West End Consolidated Water Company shares. [Within WM Duties and Powers]

Recommendation: Approve the proposed transaction.

Financial Impact: None.

ACTIONS:

Appropriative Pool – July 10, 2025 [Final]: Provided advice and assistance.
Non-Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.
Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.
Advisory Committee – August 21, 2025 [Final]: Provided advice and assistance.
Watermaster Board – August 28, 2025 [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 there is no Material Physical Injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption, under the Peace Agreement, that most of the transactions do not result in Material Physical Injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The date of this application is May 29, 2025. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on July 3, 2025.

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 to 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 in the month of August 2025.

At the Pool Committee meetings held on July 10, 2025, the Appropriative and Overlying (Agricultural) Pools unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve the proposed transaction; the Overlying (Non-Agricultural) Pool unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate. On August 21, 2025, the proposed transaction was presented to the Advisory Committee where it unanimously recommended the Watermaster Board to approve the proposed transaction.

ATTACHMENTS

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

ATTACHMENT 1

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2024 - 2025

DATE REQUESTED: May 29, 2025

AMOUNT REQUESTED: 708.3 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>West End Consolidated Water Company</u>	<u>The City of Upland</u>
Name of Party	Name of Party
<u>1370 N. Benson Ave.</u>	<u>460 N. Euclid</u>
Street Address	Street Address
<u>Upland</u> <u>CA</u> <u>91786</u>	<u>Upland</u> <u>CA</u> <u>91786</u>
City State Zip Code	City State Zip Code
<u>(909) 291-2970</u>	<u>(909) 931-4102</u>
Telephone	Telephone
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?

Yes ☐ No ☒

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes ☐ No ☒

Is the Buyer an 85/15 Party? Yes ☒ No ☐

Is the purpose of the transfer to meet a current demand over and above production right? Yes ☐ No ☒

Is the water being placed into the Buyer's Annual Account? Yes ☒ No ☐

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

700-1,100 gpm

Projected Rate of Recapture

Projected Duration of Recapture

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Regular Production Wells

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

Nitrate 56 ppm and DBCP .35ppb

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

Static Water Level 55 to 61 bgs

MATERIAL PHYSICAL INJURY

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

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

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

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes ☐ No ☒



Seller / Transferor Representative Signature

Nicole deMoet, General Manager

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Michael Blay, City Manager

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: July 3, 2025

DATE OF APPROVAL FROM APPROPRIATIVE POOL: July 10, 2025

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: July 10, 2025

DATE OF APPROVAL FROM AGRICULTURAL POOL: July 10, 2025

HEARING DATE, IF ANY: N/A

DATE OF ADVISORY COMMITTEE APPROVAL: August 21, 2025

DATE OF BOARD APPROVAL: _____



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

July 3, 2025

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: **May 29, 2025**

Date of this notice: **July 03, 2025**

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

- Notice of Sale or Transfer – The purchase of 708.3 acre-feet of water from West End Consolidated Water Company by City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carryover Account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: July 10, 2025

Non-Agricultural Pool: July 10, 2025

Agricultural Pool: July 10, 2025

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: August 28, 2025

TO: Board Members

SUBJECT: Application: Water Transaction – 66.4 AF from West End Consolidated Water Company to Golden State Water Company (Consent Calendar Item I.D.)

Issue: The Purchase of 66.4 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Annual Production Right. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. [Within WM Duties and Powers]

Recommendation: Approve the proposed transaction.

Financial Impact: None.

ACTIONS:

Appropriative Pool – July 10, 2025 [Final]: Provided advice and assistance.

Non-Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.

Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.

Advisory Committee – August 21, 2025 [Final]: Provided advice and assistance.

Watermaster Board – August 28, 2025 [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 there is no Material Physical Injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption, under the Peace Agreement, that most of the transactions do not result in Material Physical Injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The date of this application is May 30, 2025. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on July 3, 2025.

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 to the Judgment, or to the Basin.

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FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

FISCAL YEAR 2024 - 2025

DATE REQUESTED: May 30, 2025

AMOUNT REQUESTED: 66.4 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>West End Consolidated Water Company</u>	<u>Golden State Water Company</u>
Name of Party	Name of Party
<u>1370 North Benson Avenue</u>	<u>630 East Foothill Boulevard</u>
Street Address	Street Address
<u>Upland</u> <u>CA</u> <u>91786</u>	<u>San Dimas</u> <u>CA</u> <u>91733</u>
City State Zip Code	City State Zip Code
<u>909.291.2931</u>	<u>909.394.3600</u>
Telephone	Telephone
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?

Yes ☐ No ☒

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

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

WATER IS TO BE TRANSFERRED TO:

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

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes ☐ No ☒

Is the Buyer an 85/15 Party? Yes ☒ No ☐

Is the purpose of the transfer to meet a current demand over and above production right? Yes ☒ No ☐

Is the water being placed into the Buyer's Annual Account? Yes ☒ No ☐

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Margarita well

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

WATER QUALITY AND WATER LEVELS

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

If yes, please explain:

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

MATERIAL PHYSICAL INJURY

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

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

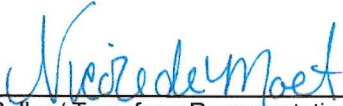
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

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

ADDITIONAL INFORMATION ATTACHED

Yes ☐ No ☒



Seller / Transferor Representative Signature
Nicole deMoet, General Manager

Seller / Transferor Representative Name (Printed)

Eva G. Tang Digitally signed by Eva G. Tang
Date: 2025.06.03 13:23:57 -07'00'

Buyer / Transferee Representative Signature
Eva Tang

Buyer / Transferee Representative Name (Printed)
Dave Schickling Digitally signed by Dave Schickling
Date: 2025.06.02 14:46:44 -07'00'

Buyer / Transferee Representative Signature
Dave Schickling

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: July 3, 2025

DATE OF APPROVAL FROM APPROPRIATIVE POOL: July 10, 2025

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: July 10, 2025

DATE OF APPROVAL FROM AGRICULTURAL POOL: July 10, 2025

HEARING DATE, IF ANY: N/A

DATE OF ADVISORY COMMITTEE APPROVAL: August 21, 2025

DATE OF BOARD APPROVAL: _____



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

July 3, 2025

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: **May 30, 2025**

Date of this notice: **July 03, 2025**

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

- Notice of Sale or Transfer – The purchase of 66.4 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Annual Production Right. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

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

Appropriative Pool: July 10, 2025

Non-Agricultural Pool: July 10, 2025

Agricultural Pool: July 10, 2025

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: August 28, 2025

TO: Board Members

SUBJECT: Application: Water Transaction – 400 AF from City of Upland to Golden State Water Company (Consent Calendar Item I.E.)

Issue: The Purchase of 400 acre-feet of water from City of Upland by Golden State Water Company. This purchase is made from City of Upland's Annual Production Right. [Within WM Duties and Powers]

Recommendation: Approve the proposed transaction.

Financial Impact: None.

ACTIONS:

Appropriative Pool – July 10, 2025 [Final]: Provided advice and assistance.

Non-Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.

Agricultural Pool – July 10, 2025 [Final]: Provided advice and assistance.

Advisory Committee – August 21, 2025 [Final]: Provided advice and assistance.

Watermaster Board – August 28, 2025 [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 there is no Material Physical Injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption, under the Peace Agreement, that most of the transactions do not result in Material Physical Injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The date of this application is May 30, 2025. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on July 3, 2025.

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 to 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 in the month of August 2025.

At the Pool Committee meetings held on July 10, 2025, the Appropriative and Overlying (Agricultural) Pools unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve the proposed transaction; the Overlying (Non-Agricultural) Pool unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate. On August 21, 2025, the proposed transaction was presented to the Advisory Committee where it unanimously recommended the Watermaster Board to approve the proposed transaction.

ATTACHMENTS

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

ATTACHMENT 1

Consolidated Forms 3, 4 & 5

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

FISCAL YEAR 2024 - 2025

DATE REQUESTED: May 30, 2025

AMOUNT REQUESTED: 400 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>City of Upland</u> Name of Party	<u>Golden State Water Company</u> Name of Party
<u>1370 North Benson Avenue</u> Street Address	<u>630 East Foothill Boulevard</u> Street Address
<u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code	<u>San Dimas</u> <u>CA</u> <u>91733</u> City State Zip Code
<u>909.291.2931</u> Telephone	<u>909.394.3600</u> Telephone
 Facsimile	 Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?

Yes ☐ No ☒

PURPOSE OF TRANSFER:

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

WATER IS TO BE TRANSFERRED FROM:

- ☒ Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
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☐ 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.")

Is the Buyer an 85/15 Party?	Yes ☒	No ☐
Is the purpose of the transfer to meet a current demand over and above production right?	Yes ☒	No ☐
Is the water being placed into the Buyer's Annual Account?	Yes ☒	No ☐

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture _____

Projected Duration of Recapture _____

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

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Margarita well

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?

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- (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 ☒


Michael Blay (Jun 24, 2025 08:38 PDT)

Seller / Transferor Representative Signature
Michael Blay

Seller / Transferor Representative Name (Printed)

Eva G. Tang Digitally signed by Eva G. Tang
Date: 2025.06.03 13:24:42 -07'00'

Buyer / Transferee Representative Signature
Eva Tang

Buyer / Transferee Representative Name (Printed)
Dave Schickling Digitally signed by Dave Schickling
Date: 2025.06.02 14:45:28 -07'00'

Buyer / Transferee Representative Signature
Dave Schickling

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: July 3, 2025

DATE OF APPROVAL FROM APPROPRIATIVE POOL: July 10, 2025

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: July 10, 2025

DATE OF APPROVAL FROM AGRICULTURAL POOL: July 10, 2025

HEARING DATE, IF ANY: N/A

DATE OF ADVISORY COMMITTEE APPROVAL: August 21, 2025

DATE OF BOARD APPROVAL: _____



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

July 3, 2025

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: **May 30, 2025**

Date of this notice: **July 03, 2025**

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

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Agricultural Pool:	July 10, 2025

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Watermaster address:

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 28, 2025
TO: Board Members
SUBJECT: Frontier Communications Dedicated Internet Access Contract
(Consent Calendar Item I.F.)

Issue: To consider a new contract with Frontier Communications for a 36-month Dedicated Internet Access service. [Normal Course of Business]

Recommendation: Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

Financial Impact: Approval of this contract will result in a reduction of ~\$2,600 per year and has been included in the Fiscal Year 2025/26 Budget.

ACTIONS:

Watermaster Board – August 28, 2025 [Recommended]: Approve and authorize the General Manager to execute the contract on behalf of Watermaster.

BACKGROUND

Watermaster has relied on Spectrum Enterprise since July 2019 to provide reliable internet connection for its business operations. As technology changes, and needs have grown, a more robust, and cost-effective solution is necessary to support current and future needs.

Spectrum Enterprise currently provides internet service at \$1,091 per month.

DISCUSSION

The transition to Frontier Communications will provide a significant improvement, with 1 Gbps internet speed—about five times faster than the current 200 Mbps connection.

Frontier offers a fixed monthly rate of \$870 for a 36-month contract, resulting in savings of \$221 per month, or \$2,652 annually. The improved internet speed will enhance technological performance, particularly for tasks like large data transfers, video conferencing, and cloud-based applications. Additionally, a more reliable internet service will improve communication and collaboration across teams, contributing to a more efficient office environment.

The 36-month contract with Frontier guarantees fixed pricing over the term, ensuring predictable costs without unexpected rate increases. Frontier's competitive pricing, coupled with the speed and reliability of their service, makes them the best choice to support Watermaster's evolving needs.

The transition is set to begin with Board approval, with service expected to start by the end of August or early September 2025.

Staff recommends proceeding with the transition to Frontier Communications to enhance and modernize office operations and achieve long-term cost savings.

ATTACHMENT

1. Frontier Communications Dedicated Internet Access (DIA) Contract (DRAFT)



Dedicated Internet Access (DIA) Schedule

Frontier Confidential

This is Schedule Number S-5550197910 to the Frontier Services Agreement dated 05/20/2024 ("FSA") by and between Chino Basin Watermaster ("Customer") and Frontier Communications of America, Inc. on behalf of itself and its affiliates ("Frontier"). Customer orders and Frontier agrees to provide the Services and Equipment identified in the Schedule below.

Primary Service Location:	9641 San Bernardino Rd Rancho Cucamonga, California	Schedule Date:	07/28/2025
Schedule Type/Purpose:	Renew existing services (this schedule supersedes)	Service Term:	36 Month(s)

Services Provided					
Service Address	Service Description	Partnered	Quantity	Charges	
				Total NRC	Total MRC
9641 San Bernardino Rd, Rancho Cucamonga, California, 91730-2738	IP//29 = 5 IPs	No	1	\$0.00	\$0.00
9641 San Bernardino Rd, Rancho Cucamonga, California, 91730-2738	DIA (Dedicated Internet Access)/1 Gbps/Silver	No	1	\$0.00	\$870.00
Subtotal:				\$0.00	\$870.00

1. Service Description.

a. **Dedicated Internet Access ("DIA").** DIA is an internet connection, delivered via Ethernet from Customer Service Location to the Frontier IP network then to the public Internet which provides reliable, dedicated and scalable bandwidth. Physical termination shall conform to applicable rules and regulations with respect to Minimum Point of Entry (MPoE) and demarcation point. If Customer requests extensions beyond the MPoE, such extension(s) shall be subject to Frontier's cabling service policies and Frontier's charges related thereto per separate Frontier Cabling Service and Fee Schedule.

b. **Partnered and/or Type II** service is a delivery method where a Frontier third-party Service provider is used to deliver the local access to Customer ("Partner Provider").

c. **Overhead.** Ethernet technology, which is what the Frontier Dedicated Internet circuits utilize, requires packets to have headers, a checksum, interframe gaps and preambles. Those components ensure that the data packets get sent to the right place and end up in the right order and each use a small amount of bytes, commonly known as "overhead." Overhead is the gap between the subscribed bandwidth speed and usable bandwidth speed. Additionally, actual data transmission or throughput may be lower than the connection speed due to internet congestion, server or router speeds, protocol overheads, and other factors which cannot be controlled by Frontier.

2. Pre-installation cancellation fees, FOC Notice, Partnered Access Costs and Special Construction.

a. **Pre-installation cancellation fees.** Cancellation relating to newly identified costs and expenses: If Customer cancels any Service or Equipment prior to delivery of any Equipment or installation of the Service or Equipment due to Customer's determination that Customer is not able or willing to incur the costs and expenses of Frontier identified Customer required pre-installation requirements (other than previously identified NRC or CIAC set forth in this Schedule), then notwithstanding any provision of the FSA, Customer shall not be required to pay the FSA Section 4(a) cancellation charge.

b. **Cancellation after FOC Notice.** Frontier will provide Customer with notice (the "FOC Notice") of the project completion date (the "FOC Date") as soon as possible in light of the requested services and customer's location. If Customer cancels more than ten (10) business days after the issuance of the FOC Notice, then, notwithstanding any provision of the FSA, Customer shall pay a processing fee of Seven Hundred Fifty Dollars (\$750.00) and the total costs and expenditures of Frontier in connection with establishing the Service and / or providing the Equipment prior to Frontier's receipt of notice of cancellation including but not limited to any construction and engineering costs and Equipment restocking fees.

c. **Partnered Access costs.** Notwithstanding any provision to the contrary in the FSA or this Service Schedule, if Customer cancels any Service or Equipment prior to delivery of any Equipment or installation of the Service or Equipment for any reason, then Customer shall reimburse Frontier for any costs and/or expenditures related to Partnered Access for which Frontier is obligated in connection with establishing the Service via Partnered Access including but not limited to any Partnered Access fees, charges, costs or early termination fees charged to Frontier.

d. Special Construction.



Dedicated Internet Access (DIA) Schedule

Frontier Confidential

i. **General.** All Services are subject to availability and Frontier Network limitations. The rates identified in this Schedule are estimated based on standard installation costs and Services may not be available at all Service Locations at the rates identified. If Frontier determines, in its reasonable discretion, that the costs of provisioning Service to any Service Location are materially higher than normal, Frontier will notify Customer of the additional costs associated with provision of the Services and request Customer's acceptance of such costs as a condition to proceeding ("Special Construction").

ii. **Frontier assistance with Special Construction.** Frontier may determine, on a project-by-project basis, whether and the extent to which, if any, Frontier may provide additional assistance with respect to Special Construction. If Frontier determines in its sole discretion that Frontier will provide financial assistance, Frontier will notify Customer of such assistance and related conditions or requirements with respect to the Special Construction project.

iii. **Customer Special Construction costs.** Upon notification that Special Construction costs are required; Customer will have ten (10) business days to notify Frontier of Customer's acceptance of such costs. If the Customer does not agree to the Special Construction costs within ten (10) business days, the Customer shall be deemed to have cancelled the Service Schedule and notwithstanding any provision of the FSA, Customer shall not be required to pay the FSA Section 4(a) cancellation charge. If the Customer agrees to the Special Construction costs, Frontier and Customer will execute a replacement Schedule.

3. Obligations of Customer. Customer is responsible to ensure appropriate processes and protocols are in place for rate shaping to the amount of throughput ordered. Customer acknowledges that failure to comply with this responsibility may negatively impact Service performance. Customer shall provide and maintain an email distribution contact list with correct telephone and email information for service escalation that indicates who to contact, at what priority level, and the precedent of the contact order, and for any service modifications. Customer shall identify points of contact with decision-making and approval authority. Customer must be present during installation and provide a Customer project manager and complete all sign-off documentation.

Customer will not use, or permit use of the DIA Solution in a manner which is (i) illegal; or (ii) infringes the patent, copyright, trademark, confidential information or intellectual property rights of a third-party; collectively "Unauthorized Use". Frontier reserves the right to immediately terminate, modify or suspend Customer's DIA Solution if it is determined by Frontier in its sole discretion that Customer has used the DIA Solution for any Unauthorized Use. Customer will defend and indemnify Frontier and its affiliates with respect to claims arising from Customer's or third parties' Unauthorized Use.

4. After Hours/Holiday Labor Hours. If Customer desires coordinated turn up services ("After Hours") during non-business hours, defined below, then the After-Hours services shall be provided at the rate of \$175.00 per hour. Non-business hours include: (1) weeknights between the hours of 5:00 p.m. and 7:59 a.m. local time; (2) weekends, including Saturday and/or Sunday and (3) the Frontier designated holidays (New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day).

Such After-Hours services may be subject to change, based upon Frontier's reasonable determination of increases in actual costs to provide such After-Hours services, determined in accordance with generally accepted commercial accounting practices, and consistent with After Hours service charges for projects comparable to the project outlined in this Schedule

5. Internet Acceptable Use Policy and Security. Customer shall comply, and shall cause all Service users to comply, with Frontier's Acceptable Use Policy ("AUP"), which Frontier may modify at any time. The current AUP is available for review at the following address, subject to change: http://www.frontier.com/policies/commercial_aup/. Customer is responsible for maintaining awareness of the current AUP and adhering to the AUP as it may be amended from time to time. Failure to comply with the AUP is grounds for immediate suspension or termination of Frontier Internet Service, notwithstanding any notice requirement provisions of the FSA. Customer is responsible for the security of its own networks, equipment, hardware, software and software applications. Abuse that occurs as a result of Customer's systems or account being compromised or as a result of activities of third parties permitted by Customer may result in suspension of Customer's accounts or Internet access by Frontier. Customer will defend and indemnify Frontier and its affiliates with respect to claims arising from Customer's or third parties' usage of Frontier Internet access through Customer's hardware or software.

6. Producer Price Index Adjustment. Unless otherwise prohibited by tariff, regulation or applicable law, Frontier shall, once per year in July, increase the above MRC for each service by the annual increase in the Producer Price Index for Total Final Demand as published by the U.S. Bureau of Labor Statistics ("PPI-FD"). The adjustment will be based on the percentage increase, if any, in PPI-FD for the most recent yearly period ending April 30th compared to the prior 12 month period ending April 30th and shall not exceed 9.5% in any year. The increase, if any, will be reflected as either an increase in the base MRC or as a separately stated item and occur for the first time in July of the calendar year after service installation.

7. Service Level Agreement. The Dedicated Internet Access Service Level Agreement for Dedicated Internet Access is attached hereto and incorporated herein as Exhibit 1.



Dedicated Internet Access (DIA) Schedule

Frontier Confidential

This Schedule is not effective, and pricing, dates and terms are subject to change until signed by both parties. This Schedule and any of the provisions hereof may not be modified in any manner except by mutual written agreement. The above rates do not include any taxes, fees or surcharges applicable to the Service. This Schedule, and all terms and conditions of the FSA, is the entire agreement between the parties with respect to the Services described herein, and supersedes any and all prior or contemporaneous agreements, representations, statements, negotiations, and undertakings written or oral with respect to the subject matter hereof.

Frontier Communications of America, Inc.

Chino Basin Watermaster

Signature: _____
Printed _____
Name: _____
Title: _____
Date: _____

Signature: _____
Printed _____
Name: _____
Title: _____
Date: _____



EXHIBIT 1
Service Level Agreement

This **Dedicated Internet Access Service Level Agreement ("SLA")** applies to a Dedicated Internet Access (DIA) Schedule, executed by and between **Chino Basin Watermaster ("Customer")** and **Frontier Communications of America, Inc. ("Frontier")**. The terms of this SLA apply exclusively to the Dedicated Internet Access network elements directly within Frontier's management responsibility and control ("DIA Service"), including Partnered delivered service.

1. Operational Objectives

- A. **Availability:** Circuit Availability is the ability to exchange data packets with the nearest Frontier Internet Point of Presence ("POP") or DIA Customer egress port (Z location) via the ingress port (A location). "Service Outage" occurs when packet transport is unavailable or when the output signal is outside the limits of this service guarantee. Availability is measured by the number of minutes during a calendar month that the Service is operational, divided by the total minutes in that calendar month. Calculation is based on the stop-clock method beginning at the date and time of the Customer-initiated trouble ticket and ends when Frontier restores SLA-compliant circuit operation. Frontier's Service Availability commitment and applicable Service credit are outlined in **Table 1A**, subject to Sections 3 and 4 below.

Table 1A: Dedicated Internet Access		
Circuit Availability (CA)		MRC Service Credit
Availability	99.99%	Below 99.99% Service Credit 30% MRC

- B. **Mean Time to Repair (MTTR):** MTTR is a monthly calculation of the average duration of time between Trouble Ticket initiation (in accordance with Section 2B) and Frontier's reinstatement of the DIA Service to meet the Availability performance objective. The MTTR objectives, and credits applicable to a failure to meet such objectives, are outlined in **Table 1B**, subject to Sections 3 and 4 below.

Table 1B: Dedicated Internet Access		
Mean Time To Repair		MRC Service Credit
MTTR	4 Hours	25 % MRC above 4 hrs.
		50% MRC above 6 hrs.

- C. To the extent applicable, the Customer is entitled to one Service Credit per Service Outage (i.e., for either the higher of Circuit Availability credit or Mean Time to Repair credit, if applicable). If applicable, the On-Time Provisioning credit would be in addition to the Service Outage credit.

2. Service Outage Reporting Procedure.

- A. Frontier will maintain a point-of-contact for Customer to report a Service Outage, twenty-four (24) hours a day, seven (7) days a week.
- B. When DIA Service is impacted from a Service Outage, Customer must contact Frontier's commercial customer support center (also known as the "NOC") at 1-(888) 637-9620 to identify the Service Outage and initiate an investigation of the cause ("Trouble Ticket"). Responsibility for Trouble Ticket initiation rests solely with Customer. Once the Trouble Ticket has been opened, the appropriate Frontier departments will initiate diagnostic testing and isolation activities to determine the source. In the event of a Service Outage, Frontier and Customer will cooperate to restore the Service. If the cause of a Service Outage is a failure of Frontier's equipment or facilities, Frontier will be responsible for the repair. If the degradation is caused by a factor outside the control of Frontier, Frontier will cooperate with Customer to conduct testing and repair activities at Customer's cost and at Frontier's standard technician rates.
- C. A Service Outage begins when a Trouble Ticket is initiated and ends when the affected DIA Service is Available; provided that if the Customer reports a problem with a Service but declines to allow Frontier access for testing and repair, the Service will be considered to be impaired, but will not be deemed a Service Outage subject to these terms.
- D. If Frontier dispatches a field technician to perform diagnostic troubleshooting and the failure was caused by the acts or omissions of Customer or its employees, affiliates, contractors, agents, representatives, or invitees; then Customer will pay Frontier for all related time and material costs at Frontier's standard rates.

3. Credit Request and Eligibility.

- A. In the event of a Service Outage, Customer may be entitled to a credit against the applicable DIA Service MRC if (i) Customer initiated a Trouble Ticket; (ii) the Service Outage was caused by a failure of Frontier's equipment, facilities or personnel; (iii) the Service Outage warrants a credit based on the terms of Section 1; and (iv) Customer requests the credit within thirty (30) days of last day of the calendar month in which the Service Outage occurred.



Dedicated Internet Access (DIA) Schedule

Frontier Confidential

- B. Credits do not apply to Service Outages caused, in whole or in part, by one or more of the following: (i) the acts or omissions of Customer or its employees, affiliates, contractors, agents, representatives or invitees; (ii) failure of power; (iii) the failure or malfunction of non-Frontier equipment or systems; (iv) circumstances or causes beyond the control of Frontier or its representatives; (v) a Planned Service Interruption; (vi) Emergency Maintenance or (vii) interruptions resulting from Force Majeure events as defined in Customer's FSA. In addition, Customer will not be issued credits for a Service Outage during any period in which Frontier is not provided with access to the Service location or any Frontier network element, or while Customer is testing and/or verifying that the problem has been resolved. "Planned Service Interruption" means any Service Outage caused by scheduled maintenance, planned enhancements or upgrades to the Frontier network; provided that Frontier will endeavor to provide at least five (5) business days' notice prior to any such activity if it will impact the Services provided to Customer. "Emergency Maintenance" means maintenance which, if not performed promptly, could result in a serious degradation or loss of service over the Frontier network.
- C. Notwithstanding anything to the contrary, all credit allowances will be limited to maximum of 50% of the MRC for the impacted DIA Service, per month. For cascading failures, only the primary or causal failure is used in determining Service Outage and associated consequences. Only one service level component metric can be used for determining Service credits. In the event of the failure of the Service to meet multiple metrics in a one-month period, the highest Service credit will apply, not the sum of multiple Service credits. For example, If Customer's Service Outage triggers both operational objectives (i.e., Circuit Availability and Mean Time to Repair), Customer will receive the highest available Service Credit, but not both.
- D. This SLA guarantees service performance of Frontier's Dedicated Internet Access services only. This SLA does not cover TDM services [DS1, NxDS1, or DS3 services] or other voice or data services provided by Frontier. This SLA does not apply to services provided over third-party non-partner facilities, through a carrier hotel, or over Frontier facilities which terminate through a meet point circuit with a third-party non-partner carrier.
- E. The final determination of whether Frontier has or has not met SLA metrics will be based on Frontier's methodology for assessment of compliant performance. Service Outage credits are calculated based on the duration of the Service Outage, regardless of whether such Service Outage is the result of failure of the Service to meet one or more performance metric.
- F. Credit allowances, if any, will be deducted from the charges payable by Customer hereunder and will be expressly indicated on a subsequent bill to Customer. Credits provided pursuant to this SLA shall be Customer's sole remedy with regard to Service Outages.
4. **Chronic Outage:** An individual DIA Service qualifies for "Chronic Outage" status if such service fails to meet the Availability objectives, and one or more of the following: (a) a single Trouble Ticket extends for longer than 24 hours, (b) more than 3 Trouble Tickets extend for more than 8 hours, during a rolling 6-month period, or (c) 15 separate Trouble Tickets of any duration within a calendar month. If a DIA Service reaches Chronic Outage status, then Customer may terminate the affected DIA Service without penalty; provided that Customer must exercise such right within ten (10) days of the DIA Service reaching Chronic Outage status and provide a minimum of 15 days prior written notice to Frontier of the intent to exercise such termination right.



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 28, 2025
TO: Watermaster Board
SUBJECT: Consideration of the FY 2025/26 Carryover Budget (Business Item II.A.)

Issue: To consider Fiscal Year 2025/26 Carryover Budget.

Recommendation: Approve the budget amendment (Form A-25-08-01) as presented.

Financial Impact: The total Carryover Budget request is \$553,869.68.

ACTIONS:

Appropriative Pool – August 14, 2025 [Final]: Recommend Advisory Committee to approve budget amendment in a revised amount of \$553,869.68.

Non-Agricultural Pool – August 14, 2025 [Final]: Recommend Advisory Committee to approve budget amendment in a revised amount of \$553,869.68.

Agricultural Pool – August 14, 2025 [Final]: Recommend Advisory Committee to approve budget amendment in a revised amount of \$553,869.68.

Advisory Committee – August 21, 2025 [Final]: Approved as presented.

Watermaster Board – August 28, 2025 [Recommended]: Approval

BACKGROUND

Watermaster has used a number of different methods to approve carryover funding in the past. Often, the final carryover balances were not identified until the financial audit of the prior fiscal year was completed. To avoid delaying the disclosure and approval of these funds necessary for funding of ongoing projects, the item is brought forward for consideration.

Prior actions related to the Carryover Budget for Fiscal Year 2024/25 are as follows:

- February 27, 2025: Approval to hold Fiscal Year 2023/24 Carryover Budget funds for Capital Projects in the amount of \$918,709.78 until the Fiscal Year 2025/26 was completed.
- March 27, 2025: Approval to close the project task order for the Santa Ana River Watershed Habitat Conservation Plan with a remaining balance of \$20,062.88 which was included in the February 27, 2025 Board action under Business Item II.A. This amount was added to Watermaster Reserves to be evaluated at the end of the calendar year during the Excess Cash Reserve reconciliation process.
- March 27, 2025: Approval to close the project task order for the Lower Day project with a remaining balance of \$238,646.90 which was included in the March 27, 2025 Board action under Business Item II.B. This amount was moved to the Watermaster Reserves. This amount was added to Watermaster Reserves to be evaluated at the end of the calendar year during the Excess Cash Reserve reconciliation process.

The current carryover budget funding from all categories (Administrative, Operations, Engineering, Capital) for the Fiscal Year 2025/26 as amended by action of the Pool Committees on August 14, 2025 are detailed in Attachment 1.

The Appropriative Pool (AP) requested that the carryover funds from the Jurupa Basin Berm, Trash Boom, and Ramp projects and Undesignated project funds totaling \$660,000.00 be transferred to reserves and not included as part of the Carryover Budget request. If funds are needed for these or any other projects, the AP requested a new item be brought back through the Watermaster process. The balance of the carryover funds was approved as presented. The actions by the Overlying Non-Agricultural and Agricultural Pools were consistent with the AP's action.

The proposed Carryover Budget was presented to the Advisory Committee on August 21, 2025, where it was approved by majority with one abstention by Monte Vista Water District.

DISCUSSION

The proposed Carryover Budget for Fiscal Year 2025/26 represents the unexpended funding approved in the Fiscal Year 2024/25 Budget for certain administrative, engineering, operations, as well as assessments received by Watermaster for capital project funding that has not been expended to date. The Carryover Budget (Attachment 1) by category is as follows:

• Administrative	\$ 10,037.93
• Operations	\$ 34,993.75
• Engineering	<u>\$ 508,838.00</u>
Total	<u>\$ 553,869.68</u>

Adoption by the Watermaster Board provides a clear audit trail of budget authorizations. Once adopted, Budget Amendment Form (A-25-08-01) (Attachment 2) will be processed accordingly.

ATTACHMENTS

1. Carryover Budget Fiscal Year 2025/26
2. Budget Amendment Form (A-25-08-01)



Chino Basin Watermaster

Carryover Budget Fiscal Year 2025/26

ATTACHMENT 1

Description	Amount	Spent to Date	Remaining	Carryover Amount	Account	Fiscal Year	Type
Other Office Equipment - Boardroom Upgrades	\$ 10,037.93				6038	FY 2020/21	ADMIN
Subtotal				\$ 10,037.93			
Meter Installation - New Meter Installation	\$ 175,400.00	\$ 245,187.50	\$ (69,787.50)		7540	FY 2018/19	OBMP
Meter Installation - Calibration and Testing	181,650.00	76,868.75	104,781.25		7545	FY 2018/19	OBMP
Subtotal	357,050.00	322,056.25	34,993.75	\$ 34,993.75			
Agriculture Production and Estimation	\$ 4,344.00				5925	FY 2024/25	ENG
Support for Implementation of Improved Data Collection and Management Process	10,000.00				5965	FY 2024/25	ENG
Watermaster Model Application and Required Demonstrations	59,443.00				6906.1	FY 2024/25	ENG
Groundwater Level Monitoring Program	15,800.00				7104.3	FY 2024/25	ENG
Comprehensive Recharge Program	55,000.00				7202.2	FY 2024/25	ENG
PBHSP Monitoring Program- 50% IEUA Cost Share	9,100.00				7302	FY 2024/25	ENG
PE4/MZ-1: Subsidence Management Plan for Northwest MZ-1	124,788.00				7402.1	FY 2024/25	ENG
Groundwater Quality Monitoring and Reporting Program and as-needed Consulting	41,400.00				7502	FY 2024/25	ENG
Implementation of Chino Creek Monitoring Program - IEUA Cost Share	20,000.00				7517	FY 2024/25	ENG
Support Implementation of the Safe Yield Court Order	168,963.00				7614	FY 2024/25	ENG
Subtotal				\$ 508,838.00			
Jurupa Basin Berm & Trash Boom	358,000.00				7690.23	FY 2022/23	PROJ
Jurupa Basin Ramp	102,000.00				7690.24	FY 2023/24	PROJ
Funds on Hold for Projects/Refund	200,000.00				7690.9	FY 2017/18	PROJ
Per Appropriative Pool, ONAP and OAP motions on 08/14/25	(660,000.00)				various	various	PROJ
Subtotal				\$ -			
Balance at 7/31/25				<u>\$ 553,869.68</u>			



CHINO BASIN WATERMASTER BUDGET AMENDMENT (A-25-08-01)

ATTACHMENT 2

To: All Parties
From: Daniela Uriarte, Senior Accountant

Fiscal Year: 2025/26
Date: August 28, 2025

Describe reason for the budget amendment here: For audit purposes, the budget amendment is presented to approve the carryover funds needed for the below categories for FY 25-26. There will not be an additional assessment for these line items.

Expenditure Amendment				
Line Item Description	Account Number	Approved Budget	Amended Budget	Amendment Amount
Other Office Equipment - Boardroom Upgrades	6038	\$0	\$10,038	\$10,038
Meter Installation - New Meter Installation	7540	\$150,000	\$80,213	-\$69,788
Meter Installation - Calibration and Testing	7545	\$0	\$104,781	\$104,781
Agriculture Production and Estimation	5925	\$31,992	\$36,336	\$4,344
Support for Implementation of Improved Data Collection and Management Process	5965	\$17,302	\$27,302	\$10,000
Watermaster Model Application and Required Demonstrations	6906.1	\$8,176	\$67,619	\$59,443
Groundwater Level Monitoring Program	7104.3	\$274,794	\$290,594	\$15,800
Comprehensive Recharge Program	7202.2	\$181,496	\$236,496	\$55,000
PBHSP Monitoring Program- 50% IEUA Cost Share	7302	\$77,792	\$86,892	\$9,100
PE4/MZ-1: Subsidence Management Plan for Northwest MZ-1	7402.1	\$169,378	\$294,166	\$124,788
Groundwater Quality Monitoring and Reporting Program and as-needed Consulting	7502	\$365,564	\$406,964	\$41,400
Implementation of Chino Creek Monitoring Program - IEUA Cost Share	7517	\$28,434	\$48,434	\$20,000
Support Implementation of the Safe Yield Court Order	7614	\$79,656	\$248,619	\$168,963
Jurupa Basin Berm & Trash Boom (as presented to Pools)	7690.23	\$0	\$358,000	\$358,000
Jurupa Basin Ramp (as presented to Pools)	7690.24	\$0	\$102,000	\$102,000
Funds on Hold for Projects/Refund (as presented to Pools)	7690.9	\$0	\$200,000	\$200,000
Per Appropriative Pool, ONAP and OAP motions on 08/14/25	7690.23, 7690.24, 7690.9	\$0	-\$660,000	-\$660,000
TOTAL:			\$	553,870

Revenue Source				
Line Item Description	Account Number	Approved Budget	Amended Budget	Amendment Amount
Retained Earnings	3900	-\$1,384,584	(\$1,938,454)	-\$553,870
			\$	(553,870)

Amendment Procedure	
1. Staff takes amendment requests to the Pools, Advisory Committee & Board for approval.	
2. The Chief Financial Officer will prepare and process the budget entry.	
4. A log will be maintained by the Finance Department detailing the adjustment.	
5. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.	

Update to the Chino Basin Socioeconomic Studies from 2006-2007

AUGUST 28, 2025

WATERMASTER BOARD





Purpose and Objectives

Purpose:

Update 2006–2007 economic studies of the Chino Basin to reflect current legal, hydrologic, and institutional realities.

Objectives:

- Integrate updated data on groundwater rights, recycled water, infrastructure, and energy costs.
- Revise Net Present Value models with Monte Carlo simulations.
- Assess equity and efficiency of benefit distribution.



Team

Dr. Luis Peña-Lévano (UC Davis)

- Dairy economics, resource economics, optimization, policy
- \$1.9M+ in research funding, IFAMA Rising Star 2023

Dr. Luis Garcia-Covarrubias (UC Davis)

- Sustainability, resource economics, labor economics, ROA
- Published in Choices, AJAE, and QOpen

Dr. Ellen Bruno (UC Berkeley)

- Water policy, groundwater economics
- Published in Nature Climate Change, JPubE, AJAE



Timeline

August 4 – September 30, 2025

- Weeks 1–2: Data collection & stakeholder interviews
- Weeks 3–4: Model updates & legal/institutional integration
- Weeks 5–6: Scenario modeling & benefit distribution analysis
- Weeks 7–8: Sensitivity testing & report drafting
- Final Days: Outreach materials



Methodology

- Updated NPV models aligned with current accounting standards
- Monte Carlo simulations (10,000+ iterations)

Scenario Development:

- Reflect current groundwater production, recharge capacity, and cost structures
- Evaluate benefit distribution across agencies
- Use interactive maps for stakeholder engagement



Kick-off Meeting

- Held on August 5, 2025
- WM and UCD/UCB attendees
- Set the stage for structured interviews to be conducted
- Marked the formal launch of the economic study update



QUESTIONS?

Peer Review of the 2025 Safe Yield Evaluation Report

AUGUST 28, 2025

WATERMASTER BOARD





MEETING DETAILS

- Weekly Meetings (via Teams)
- Attendees/Participants:
 - WM staff (2)
 - West Yost staff (2)
 - Consultant (S.S. Papadopoulos) (2)



MEETING DETAILS

- Peer Review Meetings:
 - Regular exchanges between SSPA, WY, and WM.
 - Shared resources like the 2020 Safe Yield Recalculation Report.
 - Coordination on R4 table and model insights.



Topics Discussed

- HSPF and R4 Model Questions:
 - SSPA raised questions on spatial connections and data validation.
 - Focused discussions on precipitation and ET terms for water budget.
- Hydrographs Questions:
 - SSPA shared PDF with observed vs simulated head trends.
 - WY requested list of wells analyzed for review.



- Thursday, September 18th - Peer Review presentation at Advisory Committee
- Thursday, September 25th - Final Peer Review report complete (Board meeting)
- Thursday, October 23rd - Draft 2025 SYR Report distributed to parties for review (Board meeting)
- Thursday, October 30th (approx.) - Workshop with parties to review draft 2025 SYR Report
- Wednesday, November 26th (day before Thanksgiving) - deadline for comments on 2025 SYR Report
- Thursday, December 18th (assuming AC/Board combined day) - Final 2025 SYR Report published



QUESTIONS?



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 28, 2025
TO: Watermaster Board
SUBJECT: Implementation of Appellate Court Ruling RE Dry Year Yield Program (Information Only)
(Reports/Updates Item C.1.)

Issue: To receive information regarding the second workshop discussing the implementation of the Appellate Court Ruling regarding the Dry Yield Program.

Recommendation: No action is required.

Financial Impact: None.

BACKGROUND

Watermaster has held two workshops, as directed by the Watermaster Board, to discuss the implementation of the Appellate Court ruling regarding the application of elements of the Dry Year Yield Program in the Assessment Packages for fiscal years ended June 30, 2022 and June 30, 2023.

Watermaster held the first workshop on July 23, 2025 to provide parties the opportunity to share their perspectives on the final ruling. The workshop was structured as a listening session to receive input from all parties before the revisions of the Assessment Packages for fiscal years ended June 30, 2022 and June 30, 2023, as ordered by the Appellate Court, begin. During the workshop, a suggestion was made for Watermaster to develop a "Decision Tree" to help identify which decisions relating to the Appellate Court ruling need to be made.

Additionally, Watermaster encouraged parties to submit comment letters prior to the second workshop to ensure all perspectives were considered. The letters received are provided in Attachment 3.

A second workshop was held on August 20, 2025. Watermaster staff presented a proposed Decision Tree (Attachment 2) along with a presentation (Attachment 1) to help facilitate a discussion among both the parties present in the meeting room and online. The workshop concluded after a 2-hour discussion among the parties, legal counsel representing certain parties, Watermaster staff and Watermaster legal counsel.

DISCUSSION

Watermaster General Manager, staff and legal counsel will discuss the materials contained in the attachments and answer all questions which the Board may have.

ATTACHMENTS

1. Appellate Court Ruling - PowerPoint
2. Decision Tree illustration
3. Comment Letters

Appellate Court Ruling

Challenge of Assessment Packages for FY 2022 & FY 2023

AUGUST 20, 2025





Challenge Described

- (Page 2)
 - *Watermaster failed to levy assessments on the groundwater voluntarily produced as part of the DYY Program based upon **its erroneous interpretation and application of the 2019 Letter Agreement** that amended the agreement that governs the DYY Program.*



Court of Appeal (COA) - Conclusion

- (Page 1)
 - *Reversed and remanded with directions.*
- (Page 3)
 - *We conclude the superior court erred in finding Ontario's challenges to be untimely and in affirming Watermaster's interpretation of the 2019 Letter Agreement. We therefore reverse.*



Court of Appeal (COA) - Directions

- (Page 39)
 - *...direct Watermaster to correct and amend the FY 2021/2022 and 2022/2023 Assessment Packages consistent with the original DYY Program agreements, the Judgment, and prior court orders.*
- (Page 39)
 - Superior Court orders of November 3, 2022, and August 23, 2023, are reversed.
 - *The superior court is directed to enter new orders granting Ontario's challenges and directing Watermaster to correct and amend its FY 2021/2022 and 2022/2023 Assessment Packages.*



Court of Appeal (COA) - Directions

- (Page 39)
 - Resolve the following issues *prior to judicial intervention*
 - 1) *whether water from the DYY Program is withdrawn (not produced),*
 - 2) *whether stored and supplemental water are simply two types of ground water,*
 - 3) *whether all stored and supplemental water in the Basin is categorically exempt from assessment, and*
 - 4) *the future viability and application of the 2019 Letter Agreement*



Court of Appeal (COA) - Directions

- (Page 25)

As to the other issues raised, we leave them in the hands of the parties, who are much better suited than the superior and appellate courts to decide. ...we express no opinion on them, preferring to allow the parties to resolve them prior to judicial intervention, as they have done in the past.



Court of Appeal (COA) - Comments

- (Page 25)
 - *Thus, our focus is on the interpretation and application of the 2019 Letter Agreement.*
- (Page 39)
 - Superior Court orders of November 3, 2022, and August 23, 2023, are reversed.
 - *The superior court is directed to enter new orders granting Ontario's challenges and directing Watermaster to correct and amend its FY 2021/2022 and 2022/2023 Assessment Packages.*



Court of Appeal (COA) - Comments

- (Page 28)
 - *We Agree.*
 - *...Watermaster's **interpretation and application** of the 2019 Letter Agreement violated the Judgment and the agreements that created the DYY Program.*



Court of Appeal (COA) - Comments

- (Page 30)
 - *We Agree.*
 - The 2019 Letter Agreement (*as interpreted and applied by Watermaster*) allowed a nonparty to produce water from the DYY storage account and allowed a party to *voluntarily produce* more than its allocated share *without any corresponding reductions in imported water.*



Court of Appeal (COA) - Comments

- (Page 35)
 - *...financial injury*
 - *... assessments for both FY 2021/2022 and 2022/2023 increased due to the exemption of voluntary production of water from the DYY Program storage account.*
 - *... financial injury constitutes a significant adverse impact.*



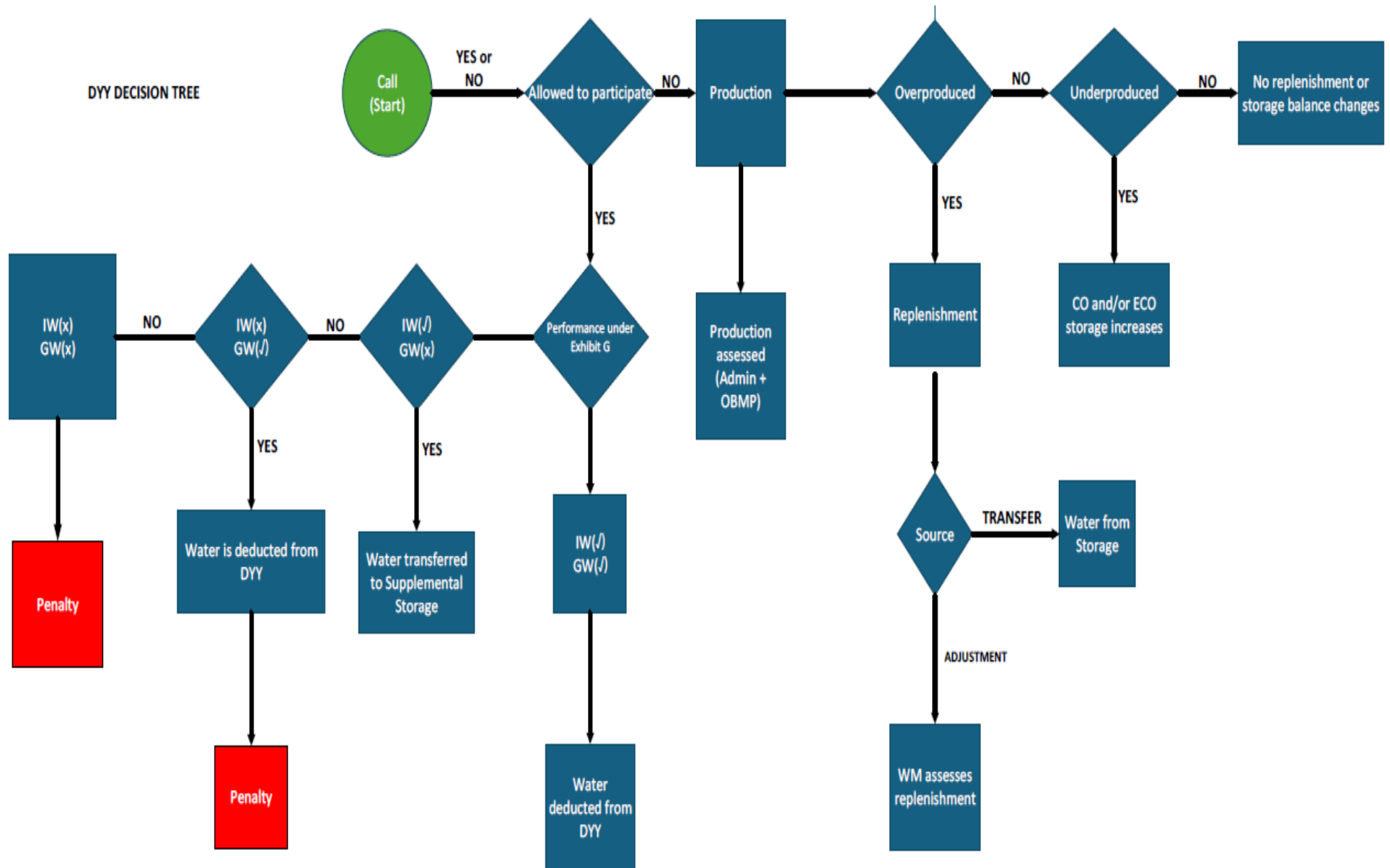


NEXT STEP(S)?



QUESTIONS?

ATTACHMENT 2





Justin Scott-Coe, PhD
GENERAL MANAGER

January 25, 2022

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

Dry Year Yield Program

Dear Mr. Kavounas,

Monte Vista Water District (District) appreciates this opportunity to respond to Chino Basin Watermaster's (Watermaster) request for advice and assistance concerning the Dry Year Yield Storage and Recovery Program (DYY Program). The District believes there are important issues regarding the DYY Program that should be addressed in further implementation of the program and in the development and implementation of future Storage and Recovery Programs.

- **Agreement Amendments and Imported Water Baseline**

Watermaster is empowered by the Chino Basin Judgment (Judgment) to manage groundwater storage through the development and execution of groundwater storage agreements. Watermaster is further empowered to enter into contracts for the performance of its powers, with a requirement that any contract with Inland Empire Utilities Agency (IEUA) receive prior recommendation and approval from the Advisory Committee and be pursuant to written order of the Court (§25). The Peace Agreement established the storage category of Storage and Recovery Program and the uniform criteria for this type of storage agreement.

Watermaster's entry into the DYY Program Funding Agreement with Metropolitan Water District of Southern California (Metropolitan), IEUA, and Three Valleys Municipal Water District was approved by the Watermaster Advisory Committee and Board and ordered by the Court in 2003, with the subsequent Storage and Recovery Program Agreement receiving similar authorization the following year. In turn, IEUA entered into separate Local Agency Agreements with groundwater producers participating in the DYY Program, including the District. These agreements were also approved by Watermaster and the Court.



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Sandra S. Rose
PRESIDENT

G. Michael Milhiser
VICE PRESIDENT

Manny Martinez
DIRECTOR / BOARD AUDITOR

Philip L. Erwin
DIRECTOR

Tony Lopez
DIRECTOR

The first seven amendments to the Funding Agreement were handled administratively, having to do with funding and extensions of time to complete facilities. However, the eighth amendment dealt directly with local agency performance under the DYY Program and was approved by the Watermaster Advisory Committee and Board. Additionally, participating local agencies' Local Agency Agreements were formally amended consistent with the eighth amendment.

The 2019 letter agreement does not present itself as an amendment to the Funding Agreement. However, the letter agreement clearly changes local agency performance under the DYY Program. The letter agreement introduces a methodology whereby parties may voluntarily purchase water from the DYY Program storage account through production above their calculated Chino Groundwater Baseline as defined in Exhibit "G" to the Funding Agreement. No mention is made in the letter agreement as to the Imported Water Baseline provisions of Exhibit "G" which are used to certify that the groundwater produced out of the DYY Program storage account is produced in lieu of using imported water. The voluntary methodology and the waiver of an Imported Water Baseline to measure performance are material changes to Exhibit "G" provisions and meet the criteria for amending the Funding Agreement in a similar way to the eighth amendment. Therefore, in the District's opinion the 2019 letter agreement should have been approved as an amendment to the Funding Agreement following the same approval process as the eighth amendment.

The purpose of the DYY Program, as a conjunctive use program, is for program participants to replace imported water with groundwater during dry years. If participants take groundwater without accounting for a corresponding reduction in import water (because there is no Import Water Baseline in which to measure against the in-lieu take), then that changes the nature of the DYY Program from its original conjunctive use goals. As stated in the District's Local Agency Agreement with IEUA:

Metropolitan anticipated that programs funded by the Prop. 13 Funds [such as the DYY Program] would store water (by various methods) that Metropolitan imports from the State Water Project and the Colorado River. This stored water would be pumped by the member agency (or a sub-agency) with a corresponding reduction in surface water deliveries from Metropolitan. As a result, Metropolitan would have a greater amount of water to distribute within its service area.

As we currently face a series of unprecedented dry years and the potential severe limitation of imported water supply availability from Metropolitan, the District recommends that the DYY Program return to its primary role in providing imported water supply reliability during dry years such as those we are currently experiencing. This may mean setting aside the provisions of the 2019 letter agreement and returning the DYY Program to the terms of the most recent Funding Agreement amendment.

- **Groundwater Production Assessments**

The producing parties to the Judgment and the various Court-approved management agreements invest millions of dollars in basin management through annual groundwater production assessments. The District is unaware of any provision in the Judgment, Peace Agreement, or the DYY Program's Funding Agreement or Storage and Recovery Program Agreement that exempts production from the DYY Program storage account from production-based assessments. The District is aware that past DYY Program implementation has exempted this production from assessment, while use of imported water in lieu of groundwater production has been assessed.

The voluntary purchase methodology introduced in the 2019 letter agreement creates the potential for differential impact on producing parties due to the waiving of production assessments for those parties who voluntarily produce groundwater from the DYY Program account. Additionally, the lack of an Imported Water Baseline makes it impossible to certify that production from the account is in lieu of imported water use.

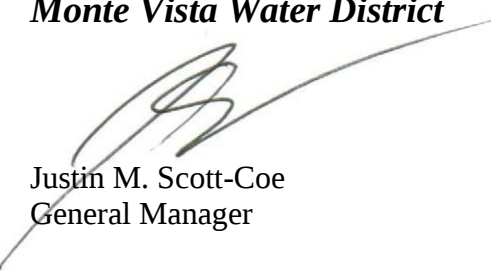
The District recommends that clear and consistent criteria be developed and agreed to by all DYY Program parties, including local agencies, for how Watermaster assesses groundwater produced from the DYY Program account. This agreement should be in the form of a Funding Agreement amendment approved by all parties and local agencies.

Watermaster serves an important function in overseeing Storage and Recovery Programs, enforcing the terms of storage agreements, and ensuring that all program criteria as established by the Peace Agreement are met during program implementation. We offer these comments and recommendations in the spirit of assisting Watermaster in fulfilling its obligations under the Judgment, Peace Agreement, and other contracts and agreements.

Once again, thank you for this opportunity to provide the District's perspective on the recent implementation of the DYY Program.

Sincerely,

Monte Vista Water District



Justin M. Scott-Coe
General Manager

John Bosler
Secretary/General Manager/CEO

August 6, 2025

Mr. Todd Corbin
General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Email: tcorbin@cbwm.org

Re: July 23rd Workshop on the Implementation of Dry Year Yield Appellate Court Ruling Comments

Dear Mr. Corbin,

Cucamonga Valley Water District (“CVWD”) appreciates the opportunity to provide written comments on the workshop facilitated by the Chino Basin Watermaster (“Watermaster”) on July 23, 2025, and for the opportunity to discuss the implementation of the appellate court ruling which pertains to the Watermaster’s Dry Year Yield Program (“DYYP”). CVWD is a long-term participant in the DYYP, through our Local Agency Agreement with the Inland Empire Utilities Agency (“IEUA”) and has consistently met CVWD’s performance obligations throughout the history of the program and in accordance with eight contract amendments to the 2004 DYYP Agreement, and the 2019 Letter Agreement that provided additional clarity on obligations of the Parties participating in the DYYP. Although CVWD has been able to meet performance obligations throughout the duration of the DYYP because of investments it has made in accordance with its obligations under the DYYP, other participating DYYP agencies, such as the City of Ontario (“Ontario”) have been challenged with water quality/blending requirements and infrastructure concerns that have limited their ability to comply with DYYP calls by the Metropolitan Water District (“MWD”), and have ultimately led to several of the contract amendments and the 2019 Letter Agreement so as to allow the DYYP program to function as designed.

During fiscal year 16/17 and 17/18, MWD, the entity which “owns” the imported water stored in the DYYP storage account, made a request to Watermaster to deliver 45,000 acre-feet (AF) of imported water to the DYYP storage account due to a series of wet years and excess water availability in Northern California. Due to the past performance concerns associated with infrastructure limitations for certain agencies, including the City of Ontario, MWD agreed, via the 2019 Letter Agreement, to expand the terms for performance from the DYYP storage account to allow for voluntary extractions to avoid stranding MWD stored water at the end of the agreement term in 2028 and to give MWD an additional location to store excess water from Northern California. If water remained in the account after the 2028 expiration of the agreement, it would be billed to all of the DYYP participating parties at the MWD tier 1 rate. The 2019 Letter Agreement between MWD, Watermaster, Three Valleys Municipal Water District (TVMWD) and IEUA memorialized the shift in how MWD would administer the program so as to allow sufficient quantities of the DYYP stored water to be timely withdrawn from the account, notwithstanding the inability of some agencies, who had taken significant funds from MWD to construct DYYP facilities, to perform their obligations under the amended DYYP. The changes implemented via the 2019 Letter Agreement were seen as a benefit to all of the performing parties as it would allow participating agencies with sufficient pumping capacity to draw down the DYYP storage account, which would alleviate the need for agencies with pumping challenges to perform according to their otherwise applicable contractual obligation during a call by MWD.

Additionally, the Chino Basin was approaching expiration of a maximum groundwater storage limit on June 30, 2021, which included Chino Basin parties’ local storage in addition to MWD’s DYYP stored water. The 2019 Letter Agreement and associated voluntary take provision was a way to maintain storage below the limit and provide additional time while the Watermaster, and their consultants and attorneys, studied and obtained CEQA clearance and Court approval to raise the storage limit to accommodate increasing volumes of local storage, primarily consisting of excess carry over.

With the 2019 Letter Agreement executed by the four parties to the amended DYYP contract (MWD, Watermaster, TVMWD, and IEUA), CVWD in good faith proceeded with voluntary takes that were specifically authorized by the 2019 Letter Agreement,¹ by shifting importing water purchases to groundwater production. It is important to note that CVWD paid MWD for the voluntary takes, since DYYP stored water is owned by MWD and is in essence imported water, which means CVWD paid MWD Tier 1 volumetric rates plus the share of MWD Readiness to Serve (RTS) charges which are factored into the ten-year rolling average calculation. CVWD has paid MWD a total of \$15 million for water purchased through MWD under the DYYP plus CVWD's RTS share which has thus far resulted in an additional \$1.3 million with an estimated total of \$5.2 million over the ten-year period. That means the total cost to CVWD for participating during the two years in question is about \$20 million, inclusive of the credit provided by MWD but not factoring in pumping and transmission costs, which was offset by the O&M credit.

In FY2018 and FY2019, CVWD had a strategy to produce imported water in quantities of around 30,000 AF/Y to preserve its groundwater storage for drought years and increase its imported water baseline during MWD/IEUA allocation years. This strategy came at a cost and was an investment, whether purchasing imported water delivered as surface water or pumped from the DYYP storage account. CVWD's strategy can be seen going into effect FY2018 (CBWM Assessment Year 2019) and FY 2019. If the 2019 Letter Agreement did not exist, CVWD would have produced imported water in similar quantities as the two prior years before the Agreement allowed voluntary participation assessment years in question, resulting in the same production assessment.

Following CVWD and Fontana Water company's participation in voluntary takes from the DYYP, Ontario challenged the FY21/22 and FY22/23 Watermaster Assessment packages. The result of the ensuing litigation was a California Court of Appeals ("Court") disposition reversing the Superior Court's November 3, 2022, and August 23, 2023, orders. The superior court was directed to enter new orders and directed Watermaster to correct and amend its FY 2021/2022 and 2022/2023 Assessment Packages.

We are providing the following comments on CVWD's interpretation of the disposition and how that corresponds to implementation of the appellate court ruling.

- **Define Ontario's Financial Harm**

The court of appeals stated there was financial harm to the City of Ontario, but it is unclear what that harm is. Indeed, we can discern no possible harm to Ontario since any increased costs to Watermaster associated with implementing the DYYP would have been offset by MWD's annual administrative fees per Section VI.D.3 of the DYYP Agreement. All of the parties to the DYYP would greatly benefit from Ontario's clarification on the financial injury it has sustained as that is the very issue that Watermaster is tasked with addressing on remand through revision of the assessment packages. Further, it is difficult to conceive how Ontario could be financially harmed under the DYYP where Ontario cannot demonstrate it has the ability to meet its performance requirements under the DYYP.

- **If all water must be assessed, CDA production must be included**

The City of Ontario argued in its briefs and in its argument to the Court of Appeal that all water produced from the Basin should be included in the Watermaster production assessment, and that a cost shift resulted from the omission of DYYP production to those parties who did not voluntarily produce per the 2019 Letter Agreement. While CVWD does not agree that a cost shift occurred due to its participation in the DYYP, following the logic of the Ontario argument production from the Chino Basin Desalter Authority (CDA) should also be subject to production assessment—and CDA extractions should likely be retroactively assessed going back four years.² Omission of CDA production from the assessment calculation has resulted in a substantial shift in production assessments negatively impacting CVWD (and creating a windfall for Ontario and other CDA participants based on

¹ Page 2 of the 2019 Letter Agreement states, in pertinent part "[b]y agreement of the parties, any water stored after June 1, 2017, would be purchased from the account by IEUA and Three Valleys when the parties pump over the groundwater baseline as defined in Exhibit G. A copy of Exhibit G is enclosed in this letter. This pumping could be the result of a response to a call for pumping made by Metropolitan or it could be through normal operational decisions made by the individual parties in a given year." CVWD was specifically authorized by the 2019 Letter Agreement to pump above and beyond the amounts listed in Exhibit G to DYYP Amendment 8, and CVWD promptly complied with its obligation to "submit a certification for extraction from the account" to IEUA.

² In its Opening Brief before the Court of Appeal, Ontario argued that "Watermaster's position--that it may pick and choose when to assess water produced from the Basin--invites gamesmanship. Water suppliers can easily categorize water in ways that would allow them to avoid paying normal assessments for production. By 'coloring the water something else'--i.e., by stating that they produced 2,500 acre-feet of imported or stored groundwater rather than native groundwater--parties like FWC and CVWD can circumvent fees and improperly shift costs to others, as they have done here."

Ontario's previous arguments), and CVWD therefore requests that CDA production be assessed both within the revised FY 21/22 and 22/23 assessment packages and into the future with the upcoming assessment packages.

- **MWD and operating committee should weigh in on determining performance under the 2015 amendment**

Absent of the 2019 Letter Agreement, performance obligations under the DYYP revert to Amendment No. 8 to the Agreement for the Chino Basin Groundwater Storage Program approved in 2015 (2015 Amendment), with performance requirements specified in Exhibit G. CVWD asks that MWD and the DYYP Operating Committee provide guidance on performance under the 2015 Amendment. It is CVWD's understanding that MWD is the agency which determines if performance requirements are met, not Ontario, and MWD's determination is entitled to deference. Our analysis of Exhibit G of the 2015 Amendment results in performance being met under both the groundwater and imported water baselines with CVWD imported water purchases reduced below the 3-year baseline and groundwater pumping increased above the 3-year baseline, as evidenced by MWD certification. If performance is confirmed by MWD, production under the DYYP for the years in question was proper and should not be considered for retroactive assessment. Additionally, water stored in the DYYP belongs to MWD. MWD has sold that water to CVWD and the water has been produced. Consequently, there should be no recalculation of storage account balances considered.

- **2019 Letter Agreement is not invalid, should go through the WM process for approval**

While Ontario asserts that the Court of Appeals invalidated the 2019 Letter Agreement between IEUA, MWD, TVWD and Watermaster, this is not what the Court of Appeals decision actually says. Indeed, on remand, Watermaster is directed to evaluate the future viability and application of the 2019 Letter Agreement (see COA Opinion at p. 39), which would not be possible had the Court of Appeals actually invalidated the 2019 Letter Agreement as Ontario now contends. While the Court expressed concerns about the 2019 Letter Agreement and the manner of its approval, it was not invalidated by the Court.³ CVWD believes that the intent and objectives of the 2019 Letter Agreement retain vitality through the remaining term of the DYYP through 2018, and it can be harmonized with the DYY Program Agreement as amended. CVWD therefore requests that the Watermaster route the 2019 Letter Agreement through the Watermaster process and ultimately seek Watermaster Board approval at the earliest opportunity.

- **MWD annual admin fee should be considered as payment for any assessments**

Additionally, as part of the DYYP agreement MWD paid substantial incentives to the DYYP parties for infrastructure in exchange and preparation to perform on call years. On top of that, the DYYP agreement includes provisions for MWD to pay an annual fee to CBWM towards administrative expenses, regardless of if water is recharged or produced from the program in any given year. CVWD contends that this administrative fee should cover any production assessments levied on DYYP withdrawals resulting from performance calls or voluntary takes. MWD has paid over \$3 million in administrative assessments thus far, with an additional \$800,000 estimated through the end of the term.

Thank you again for the opportunity to provide comments, we look forward to a resolution which acknowledges CVWD's good faith participation in the DYYP under the guidance of MWD, Watermaster, IEUA and TVMWD.

Sincerely,



John Bosler, PE
General Manager/CEO
Cucamonga Valley Water District

³ The Court of Appeals concluded "that Watermaster erred in its interpretation and application of the 2019 Letter Agreement ... [thus] our focus is on the interpretation and application of the 2019 Letter Agreement." (COA Opinion at p. 25.)



PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
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DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

August 11, 2025

Todd Corbin, General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Email: tcorbin@cbwm.org

RE: Implementation of Dry Year Yield Appellate Court Ruling - Workshop 1 on July 23, 2025

Dear Mr. Corbin,

These comments are submitted by the City of Ontario ("Ontario") ahead of Watermaster's second "DYY (Dry Year Yield) Appellate Court Ruling Workshop" scheduled for August 20, 2025. These comments include requested feedback on the draft "DYY Decision Tree" circulated by Watermaster. While Ontario appreciates the continued collaboration between Watermaster and stakeholders in the basin, the DYY Decision Tree simply is not necessary to comply with the Court of Appeal's (COA) order requiring Watermaster to correct the FY 2021/2022 and FY 2022/2023 Assessment Packages ("Assessment Packages"). Similarly, the DYY Decision Tree does not appear to advance the resolution of the four forward-looking issues identified by the COA.

The COA Opinion requires "Watermaster to correct and amend its FY 2021/2022 and 2022/2023 Assessment Packages." (COA Opinion, p. 39.) This can be accomplished within the four corners of the existing Assessment Packages. It is, in short, a numbers exercise. The COA held that when calculating annual assessments, Watermaster improperly ignored the absence of a Local Agency Agreement (FWC) and the performance criteria set forth in Exhibit G (CVWD). These calculations need to be corrected so that, for example, FWC and CVWD's production of basin water (that was incorrectly categorized as a withdrawal from the DYY storage and recovery program) is assessed. No new workflow or decision tree is required to do this math.

The COA also identified four issues reserved for future resolution, preferably by the parties: (1) whether water from the DYY Program is withdrawn (not produced), (2) whether stored and supplemental water are simply two types of groundwater, (3) whether all stored and supplemental water in the basin is categorically exempt from assessment, and (4) the future viability and application of the 2019 Letter Agreement (the "Four Issues"). Notably, the COA held that it need not resolve these issues as part of its ruling in favor of Ontario "because we conclude that Watermaster erred in its interpretation and

application of the 2019 Letter Agreement.” (COA Opinion, p. 25.) Consistent with its Opinion and the COA’s ultimate disposition, resolution of the Four Issues is not necessary to correct and amend the Assessment Packages.

Given the above, the purpose of the DYY Decision Tree is unclear and needs to be clarified. Is it meant to influence the manner in which the Assessment Packages are corrected and re-calculated? If so, why is this necessary? Or is the DYY Decision Tree meant to guide resolution of one or more of the Four Issues? If so, then which one(s)? Or is the DYY Decision Tree meant to serve some other purpose? If so, that needs to be clearly identified.

Separate and apart from compliance with the COA Opinion, the parties need clarity about how Watermaster will assess each category of production or withdrawals from the basin going forward and the legal basis for each.

To avoid future disputes similar to the litigation that arose from the DYY Program, Ontario also suggests that the parties address appropriate amendments to the Watermaster Rules and Regulations and/or clarification of the required processes under the Judgment to ensure transparency in Watermaster’s decision-making and compliance with procedures that are mandated by the Judgment and other court orders.¹

Ontario appreciates the opportunity to provide comments in advance of the next workshop. In submitting these comments, Ontario specifically reserves all of its rights, including with respect to issues not expressly addressed above.

Sincerely,



Chad Nishida, P.E.
Water Resources Manager

cc: Scott Burton, Utilities General Manager – Ontario Municipal Utilities Company
Courtney Jones, Deputy General Manager – Ontario Municipal Utilities Company
Elizabeth Ewens, Legal Counsel – Stoel Rives
Anna Truong Nelson, Director of Administration – Chino Basin Watermaster

¹ In this regard, it is notable that the COA specifically found that the “2019 Letter Agreement was incorrectly interpreted at best, or imprudently executed at worst.” (COA Opinion, p. 19.)



FONTANA WATER COMPANY

A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY

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August 11, 2025

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

Subject: Response to Implementation of Court of Appeal's Ruling Regarding the
Fiscal Year 2021-22 and 2022-23 Assessment Packages - Workshop 1

Mr. Corbin:

On July 23, 2025, the Chino Basin Watermaster ("Watermaster") held a workshop regarding the implementation of the April 18, 2025, Court of Appeal's opinion and subsequent remittitur dated June 20, 2025. Watermaster has requested that any written comments be provided by August 11, 2025. All comments would be considered for incorporation into a decision tree that will be presented at the next workshop scheduled for August 20, 2025. In response, Fontana Water Company ("FWC") offers the following comments:

- FWC disagrees with the claim made by Ontario at the workshop that amendment of the FY 2021/2022 and FY 2022/2023 Assessment Packages does not require resolution of the four subsequent issues listed in Section III of the Opinion referenced above. To the contrary, the Court specifically left resolution of these issues "in the hands of the parties" which "should be resolved by the parties **prior to judicial intervention.**" Resolution of these issues is necessary to amend the assessment packages as directed by the Court and is essential for parties in understanding the far-reaching implications of the Court of Appeal's opinion and subsequent remittitur, including to ensure that cost shifting activities by Ontario and other Parties are addressed in these and subsequent Assessment Packages.
- During Workshop 1, a summary of the quantity, type and beneficiary of all water in storage was requested including the status of whether or not that water has been assessed. The table should identify and quantify cost shifting due to avoided assessments by party so a reasonable determination of the impact can be made and incorporated in any amended or future Assessment Package prepared by Watermaster. For example, are Non-Agricultural Pool transfers to Appropriate Pool Parties assessed? Is stored water dedicated to desalters assessed?
- Ontario asserts economic injury but is yet to offer an explanation of specific causes, scope and magnitude of injury. Understanding their claims is essential and will inform the parties of further cost shifting that may occur in any proposed

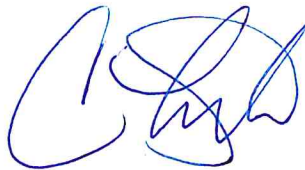
changes of past and subsequent Assessment Packages that may likely cause economic injury to FWC and other parties.

- The Peace Agreement as amended in 2004 and in 2007 prohibits the approval of a water storage and recovery project if it will cause any **Material Physical Injury** to any party to the judgment. Additionally, the Funding Agreement requires that groundwater storage agreements are to contain terms that will preclude operations having a **substantial adverse impact** on other producers. FWC seeks clarification on the relationship between definitions of “Material Physical Injury” and “substantial adverse impact” to ensure alignment in interpretation and application among all the parties involved.
- Prior to the letter agreement titled Chino Basin Storage Actions and Voluntary Purchase Methodology dated February 5, 2019 (“2019 Letter Agreement”)ⁱ signed by Metropolitan Water District of Southern California (“MWD”), Inland Empire Utilities Agency (“IEUA”), Three Valleys Municipal Water District (“TVMWD”) and Watermaster, MWD had delivered to their storage account more than 45,000 acre-feet of imported water. In an effort to ensure MWD’s stored water would be extracted from storage prior to the expiration of the agreement and as a result of past experience during Dry Year Yield Program (“DYYP”) calls, and the ability to perform by certain agencies, including Ontario, MWD agreed to allow voluntary withdrawals from their storage account subject to the terms of the 2019 Letter Agreement. FWC reasonably relied on the provisions of the 2019 Letter Agreement to inform its operational decisions and elected to participate in this voluntary program. FWC requests clarity on how interpretation of the Court of Appeal’s opinion and subsequent remittitur referenced above will affect storage allocations, assessment responsibilities, and reimbursement for DYY water purchased, particularly for FWC and other participating parties.
- If it is determined, as Ontario argued in its briefs and argument to the Court of Appeal that all water produced from the Basin should be assessed by Watermaster, then desalter production should also be assessed retroactively from the FY 2021-22 and all subsequent and future Assessment Packages to address substantial cost shifting impacts to non-desalter parties that receive minimal benefit.
- If it is determined that not all water produced from the Basin should be assessed by Watermaster, then what specific measures will be implemented to mitigate potential cost-shifting among different parties? Those measures must be developed through the lens that “[s]ubsurface storage space in a groundwater basin is a public resource, which must be put to beneficial use under Article X, section 2 of the California Constitution.” If stored water is not being put to beneficial use what are the impacts to the safe yield? How does that impact the parties and do the impacts lead to cost-shifting?

Todd Corbin
Page 3
August 11, 2025

FWC requests Watermaster consider a methodology that takes a holistic approach and provides a fair and equitable distribution of assessments among Watermaster parties. FWC appreciates the opportunity to provide comments. If you have any questions, please contact me at (909) 201-7338.

Very truly yours,



Cris Fealy
Director of Water Resources

MEZ:cif:arr:mn
Enclosure

ⁱ FWC agrees with and hereby incorporates the comments of Cucamonga Valley Water District that the 2019 Letter Agreement is not invalid.

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 Cost as of June 6, 2025: **\$ 26,736,992**
- Remaining Budget: **\$ 2,109,024**

Progress:

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

Completed scope items

- 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.

Remaining scope items:

- Testing of SCADA and Communication Systems
- Purchase pumps for Wineville Basin and Jurupa Basin
- Install and test the new pumps

Updates:

- Continuing with SCADA Testing Wineville/Jurupa
- Requesting additional SRF funds
- See updated progress schedule
 - Pump delivery moved to Nov/Dec due to factory backlogs/high demands

TASK	PROGRESS	START	END
Prepare Solicitation Documents		06-Jun-24	11-Nov-24
Draft Documents	100%	06-Jun-24	22-Aug-24
Review Documents	100%	23-Aug-24	28-Aug-24
Finalize Documents	100%	29-Aug-24	11-Nov-24
Request for Qualification of Pump Suppliers		19-Nov-24	14-Jan-25
Enter into PlanetBids	100%	19-Nov-24	19-Nov-24
Solicitation (Q&A Period)	100%	20-Nov-24	12-Dec-24
Final Week of Solicitation for RFQ	100%	16-Dec-24	19-Dec-24
Close Solicitation for RFQ (milestone)	100%	19-Dec-24	19-Dec-24
Review Responses to the RFQ	100%	20-Dec-24	13-Jan-25
Notify Prequalified Suppliers (milestone)	100%	14-Jan-25	14-Jan-25
Request for Proposal of Prequalified Suppliers		14-Jan-25	21-May-25
Prequalified Supplier Draft Initial Submittal and Pricing	100%	14-Jan-25	13-Feb-25
Receive Initial Submittal (milestone)	100%	13-Feb-25	13-Feb-25
Review Initial Submittal	100%	13-Feb-25	27-Feb-25
Prequalified Supplier Draft Final Submittal	100%	28-Feb-25	21-Mar-25
Receive Final Submittal (milestone)	100%	21-Mar-25	21-Mar-25
IEUA Reviews Final Submittal to Decide Pump Supplier	100%	24-Mar-25	07-Apr-25
Board of Directors' Authorization of Purchase Order (milestone)	100%	21-May-25	21-May-25
Pump Fabrication/Installation/Testing/Close-out		22-May-25	17-Mar-26
Finalized Pump Submittals	100%	22-May-25	01-Jul-25
Fabrication	23%	22-May-25	18-Nov-25
Delivery	0%	18-Nov-25	02-Dec-25
Installation	0%	02-Dec-25	31-Jan-26
Testing	0%	31-Jan-26	03-Mar-26
Close Out	0%	03-Mar-26	17-Mar-26



Outlet Control Gate/Rubber Dam System



Control/Pump Station Building