

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, April 23, 2026

11:00 a.m. – Watermaster Board Meeting

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – April 23, 2026

Mr. Marty Zvirbulis, 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:

1. Minutes of the Watermaster Board Meeting held March 26, 2026 (*Page 1*)

B. FINANCIAL REPORTS

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

II. BUSINESS ITEMS

A. REVIEW AND DISCUSSION OF WATERMASTER RULES AND REGULATIONS – SECTION 2.10

(*Page 7*)

Discussion only.

B. AWARD OF THREE-YEAR CONTRACT FOR FINANCIAL AUDIT SERVICES (*Page 19*)

Approve the audit engagement letter with Rogers, Anderson, Malody & Scott, LLP (RAMS), as presented, and authorize the General Manager to execute the contract on behalf of Watermaster.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. March 27, 2026 Court Hearing (Watermaster Motion for Court to Receive and File 48th Annual Report)
2. June 12, 2026 Court Hearing (Watermaster Motion for Approval of Corrected and Amended Assessment Packages; Request for Approval of Intervention of San Gabriel Band of Mission Indians)
3. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
4. Court of Appeal Case No. E088249 (City of Ontario appeal re: January 30, 2026 Attorney Fees Ruling)

B. ENGINEER

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

C. GENERAL MANAGER

1. Fiscal Year 2026/27 Budget
2. Fiscal Year 2025/26 Assessment Package
3. Personnel Committee Meeting on April 13, 2026
4. Other

IV. INFORMATION

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

(Page 35, and Page 45)

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.

None

VIII. FUTURE MEETINGS AT WATERMASTER

04/23/26	Thu	9:30 a.m.	Watermaster Orientation (in person only)
04/23/26	Thu	11:00 a.m.	Watermaster Board
04/28/26	Tue	10:00 a.m.	Budget Workshop #2
05/06/26	Wed	2:00 p.m.	Prado Basin Habitat Sustainability Committee (PBHSC)
05/14/26	Thu	9:00 a.m.	Appropriative Pool Committee
05/14/26	Thu	11:00 a.m.	Non-Agricultural Pool Committee
05/14/26	Thu	1:30 p.m.	Agricultural Pool Committee
05/20/26	Wed	9:00 a.m.	2025 SYR Workshop – Revised Draft 2025 SYR Report
05/21/26	Thu	9:00 a.m.	Advisory Committee
05/26/26	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
05/28/26	Thu	9:30 a.m.	Watermaster Orientation (in person only)
05/28/26	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

March 26, 2026

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 March 26, 2026.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

Marty Zvirbulis, Chair	Fontana Water Company
Jeff Pierson, Vice-Chair	Agricultural Pool – Crops
Bob Bowcock, Secretary/Treasurer	Non-Agricultural Pool – CalMat Co.
Curt Burton	City of Chino
Steve Elie	Inland Empire Utilities Agency
Mike Gardner	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Jimmy Medrano	Agricultural Pool – State of CA
Bill Velto	City of Upland

WATERMASTER STAFF PRESENT

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

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

WATERMASTER CONSULTANTS PRESENT ON ZOOM

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

OTHERS PRESENT AT WATERMASTER

Bob Feenstra	Agricultural Pool – Dairy
Lewis Callahan	Agricultural Pool – State of CA
Eunice Ulloa	City of Chino
Ben Orosco	City of Chino
Debra Porada	City of Ontario
Scott Burton	City of Ontario
Chris Diggs	City of Pomona
Nicole deMoet	City of Upland
Eduardo Espinoza	Cucamonga Valley Water District
Jiwon Seung	Cucamonga Valley Water District
Cris Fealy	Fontana Water Company
Josh Swift	Fontana Union Water Company
Justin Castruita	Fontana Union Water Company
Bryan Smith	Jurupa Community Services District
Jesse Pompa	Jurupa Community Services District

Eddie Lin
John Russ
Aimee Zhao
Michelle Licea
Brian Geye
Kati Parker
Sylvie Lee
Laura Roughton

Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Monte Vista Water District
Non-Agricultural Pool – CA Speedway
San Antonio Water Company
Three Valleys Municipal Water District
Western Municipal Water District

OTHERS PRESENT ON ZOOM

Christen Miller
Gino Filippi
Michael Maeda
Tariq Awan
Jessica Singletary
Ron Craig
Alexis Mascarinas
Chad Nishida
Courtney Jones
Melissa Cansino
Nichole Horton
Norberto Ferreira
Amanda Coker
John Bosler
Mark Gibboney
Brian Hamilton
Tracy Egoscue
Derek Hoffman
Anna McReynolds
Toby Moore
John Schatz
Clifford Button
Manny Martinez
Stephanie Reimer
John Lopez
Elizabeth Ewens
David De Jesus
Jorge Marquez
Matt Litchfield
Mallory O'Conor
Richard Rees

Agricultural Pool – County of San Bernardino
Agricultural Pool – Crops
Agricultural Pool – State of CA
Agricultural Pool – State of CA
City of Chino
City of Chino Hills
City of Ontario
City of Ontario
City of Ontario
City of Pomona
City of Pomona
City of Upland
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Downey Brand LLP
Egoscue Law Group, Inc.
Fennemore Law
Fontana Water Company
Golden State Water Company
John J. Schatz, Attorney at Law
Jurupa Community Services District
Monte Vista Water District
Monte Vista Water District
Santa Ana River Water Company
Stoel Rives LLP
Three Valleys Municipal Water District
Three Valleys Municipal Water District
Three Valleys Municipal Water District
Western Municipal Water District
WSP USA

CALL TO ORDER

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

FLAG SALUTE

(00:00:20) Chair Zvirbulis led the Board in the flag salute.

ROLL CALL

(00:00:47) 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.

(00:02:09) Mr. Bob Feenstra commented on Basin relationships.

AGENDA – ADDITIONS/REORDER

(00:04:59) Mr. Corbin requested that the room be rearranged for Board member photos. Chair Zvirbulis then called for a brief recess, and the meeting resumed at 11:10 a.m.

SAFETY MINUTE

(00:05:43) Mr. Corbin reminded everyone of the importance of maintaining situational awareness in the workplace. He noted that a vagrant had been on the Chino Basin Watermaster premises and described a similar situation with an individual who attacked his spouse and a coworker while in their work parking lot.

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

1. Minutes of the Watermaster Board Meeting held February 26, 2026
2. Minutes of the Watermaster Board Special Meeting held March 13, 2026

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Reports for the Reporting Period Ended January 31, 2026

C. OBMP SEMI-ANNUAL STATUS REPORT 2025-2

Adopt the Semi-Annual OBMP Status Report 2025-2, and direct staff to file a copy with the Court, subject to any necessary non-substantive changes.

D. SGMA REPORTING FOR WATER YEAR 2025

Approve and direct staff to file the information/reports with the State Department of Water Resources.

E. APPLICATION: WATER TRANSACTION – 137.95 AF FROM SAN ANTONIO WATER COMPANY TO CITY OF ONTARIO

Approve the proposed transaction.

(00:06:56)

Motion by Vice-Chair Jeff Pierson, seconded by Mr. Mike Gardner, there being no dissent, the item passed unanimously by voice vote among those present.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

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

Recommend Court approval of the intervention request subject to intervenor's express consent to the Court's jurisdiction and to be bound by the terms of the Restated Judgments and the Court's orders.

(00:07:37) Mr. Edgar Tellez Foster gave a report. A discussion ensued.

(00:10:08)

Motion by Mr. Bob Kuhn, seconded by Vice-Chair Pierson, there being no dissent, the item passed unanimously by voice vote among those present.

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

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

Approve the Fiscal Years 2021/22 and 2022/23 (Revised) Draft Corrected and Amended Assessment Packages and direct staff to file with the Court as directed.

(00:10:23) Chair Zvirbulis stated that comment letters had been received and inquired whether the public had any comments. Public comments were provided by the City of Ontario and the Cucamonga Valley Water District.

(00:36:52) Mr. Corbin gave a presentation. A discussion ensued.

(01:30:24)

Motion by Vice-Chair Pierson, seconded by Mr. Bob Kuhn; the item passed by majority by roll call vote as attached to these minutes.

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

C. REVIEW AND DISCUSSION OF WATERMASTER RULES AND REGULATIONS – SECTION 2.10 (DISCUSSION ONLY)

(01:31:32) Mr. Corbin gave a report. A discussion ensued.

(01:33:34) Mr. Burton, who requested the item be put on the agenda, and Chair Zvirbulis provided comments.

(01:36:14) Public comment was provided by the City of Ontario.

(01:38:10) Messrs. Velto, Pierson, Kuhn and Elie provided comments.

(01:37:39) The Board directed staff to bring the item back through the Watermaster process next month.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. March 27, 2026 Court Hearing (Watermaster Motion for Court to Receive and File 48th Annual Report)
2. Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)
3. Las Posas Basin Groundwater Adjudication Court of Appeal Rulings

(01:45:35) Mr. Slater gave a report.

B. ENGINEER

- 1. 2025 Safe Yield Reevaluation
- 2. SGMA WY 2025 Annual Reporting for Chino Basin Adjudicated Basin

(01:47:12) Mr. Malone gave a report.

C. GENERAL MANAGER

- 1. Status Report: Fiscal Year 2025/26 Exhibit G Physical Solution Transfers
- 2. Fiscal Year 2026/2027 Budget
- 3. New Employee Introduction
- 4. Other

(01:49:16) For Item 1, Mr. Corbin reported that no members expressed interest in purchasing Exhibit "G" water from the Overlying Non-Agricultural Pool during the Fiscal Year 2025/26 sales cycle. For Item 2, Mr. Corbin reported that the budget release was presented at the Advisory Committee meeting this month and that two workshops are scheduled for the month of April. For Item 3, he invited Ms. Nelson to introduce Ms. Noemi Medrano as the newest member of the Watermaster team.

IV. INFORMATION

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

Informational item only.

V. BOARD MEMBER COMMENTS

(01:53:34) Vice-Chair Pierson stated that he was pleased with the discussion and the actions taken. Mr. Kuhn concurred and expressed the hope for continued collaboration among the parties. Chair Zvirbulis echoed these comments and thanked the Board for the process.

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 1:00 p.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; b) Inland Empire Utilities Agency, et al. v. LS-Fontana LLC (C.D. Cal Cases Nos.: 5:25-cv-00809, 5:25 cv01159)

Confidential session concluded at 1:10 p.m. with no reportable action.

ADJOURNMENT

Chair Zvirbulis adjourned the Watermaster Board meeting at 1:10 p.m.

Secretary: _____

Approved: _____

Attachment:

- 1. 20260326 Roll Call Vote Outcome for BusinBsgdt5m II.B.

ATTACHMENT 1

March 26, 2026 Watermaster Board Roll Call Vote Outcome

Member	Alternate	Business Item II.B.
Bowcock, Bob		No
Burton, Curt		No
Elie, Steve		Yes
Gardner, Mike		Yes
Kuhn, Bob		Yes
Medrano, Jimmy		Yes
Pierson, Jeff, Vice-Chair		Yes
Velto, Bill		Yes
Zvirbulis, Marty, Chair		Yes
	OUTCOME:	Passed by Majority



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: April 23, 2026
TO: Board Members
SUBJECT: Review and Discussion of Watermaster Rules and Regulations – Section 2.10
(Business Item II.A.) (Discussion Only)

Issue: To review and discuss Watermaster Rules and Regulations – Section 2.10 along with written communications from the City of Ontario and Watermaster.

Recommendation: Provide feedback and direction to staff.

Financial Impact: None

ACTIONS:

Watermaster Board – March 26, 2026 [Final]: Requested item be reviewed and considered by the Pools and Advisory Committee.

Appropriative Pool – April 9, 2026 [Final] – Requested the creation of an Ad-hoc Committee to review

Overlying Non-Ag Pool – April 9, 2026 [Final] – Supported request of the Appropriative Pool

Advisory Committee – April 16, 2026 [Final] – Supported the request of the Appropriative Pool

Watermaster Board – April 23, 2026 [Recommendation] – Provide feedback and direction to staff

BACKGROUND

In its letter of February 20, 2026 (Attachment 2), the City of Ontario (“Ontario”) raises concerns about what it characterizes as the failure of Watermaster to act as a neutral arm of the Court and the failure of Watermaster Board members to recuse themselves from Watermaster confidential session discussions involving contested litigation with the potential to impact their agencies’ financial or other interests.

Watermaster notes that Ontario has raised these similar concerns on prior occasions, in filings with the Superior Court, and by way of correspondence to Watermaster from Ms. Courtney Jones on July 24, 2025 (Attachment 3), and January 22, 2025 (Attachment 5). In short summary, Watermaster has consistently responded that it acts in accordance with the Court approved Chino Basin Watermaster Rules and Regulations that have now governed Watermaster for 25 years and comply with all applicable laws.

DISCUSSION

Watermaster’s Conflict of Interest policies and rules are found in Watermaster’s Rules and Regulations, Section 2.10. Section 2.10 of the Rules and Regulations explains that “Watermaster is an interest based governing structure in which various interests must be represented in decision-making. It is expected and preferred that each interest to be allowed to participate in Watermaster decisions...” Section 2.10 requires that “each member of the Watermaster Board ... shall vote on matters before the Board.... unless that member has a conflict of interest.” Section 2.10(b) addresses the precise circumstances when a conflict of interest arises that is “direct personal and financial interest” that is distinguishable “from matters of general interest to the respective pool... or party to the Judgment, which the Watermaster member has been appointed to represent on the Watermaster Board.” The content of Section 2.10 were carefully negotiated among all stakeholders, and were unanimously approved by action of the three Pool Committees, the Advisory Committee and the Board in 2001.

Ontario’s Concerns

Notwithstanding Watermaster’s prior responses to Ontario’s expressed concerns regarding these Court-approved Watermaster conflict of interest and recusal rules, and the consistent historical administration, Ontario now “suggests that Watermaster, in conjunction with the Chino Basin parties, cooperatively develop a conflict-of-interest policy to be submitted to the Court for adoption...” As Watermaster already has a Court-approved conflict of interest policy as embodied in its rules, we reasonably infer that Ontario means it seeks changes in the current rules. In Ontario’s letter provided in Attachment 2, Ontario suggests changes to the existing Watermaster policy in Section 2.10 of the Rules and Regulations such as amending the policy to be consistent with the Fair Political Practices Act and Political Reform Act.

Legal Background

The legal framework for Watermaster is that it serves, not as a governmental entity, but an entity created by stipulation among the parties, as “an agent of the Court”. (*Las Posas Valley Water Rights Coalition v. Ventura County* (2026) _ Cal.App.5th _2d _ hereinafter *Las Posas*) The court is a judicial branch of the state and not a local agency. (See Cal. Const. article VI Section 1.). Watermaster is not a public entity. (*Las Posas* __ Cal.App.5th at p. 38). It is not subject to requirements that attach to actions of local government, such as the California Environmental Quality Act (*Hillside Memorial Park & Mortuary v. Golden State Water Company* (2011) 205 Cal.App.4th 534, 550) or Proposition 2018 (*Las Posas* __ Cal.App.5th at p.38). Whatever actions Watermaster takes, they are distinct from the obligations pertinent to those held by governmental parties to the Judgment. (See *Water Replenishment District of Southern California v. City of Cerritos* (2012) 202 Cal.App.4th 1063, 1072).

As first identified when Conflict of Interest policies were enacted and consistently followed by Watermaster for a quarter of a century, concerns arising from a single agency action are accounted for and ameliorated by virtue of a 9-member Board that is representative of diverse stakeholder interests. These interests include agriculture and the State of California, industrial uses and large and small municipal entities. The Appropriate Pool itself has committed to its own internal process to equitably select its representatives. These considerations were fundamental to the establishment of the 9-member Board reflected in the Court’s 1998 Order establishing the current form of Watermaster.² There are representatives of the three Pools (Appropriate, Agricultural and Non-Agricultural) and rotational representation among the members

² *Chino Basin Municipal Water District v. City of Chino* (Superior Court San Bernardino County, No. RCV 51010, Feb. 19, 1998) Ruling Appointing Nine-Member Watermaster Board.

of the Appropriative Pool that assures broad participation by its members. Three Municipal Water Districts, that produce no groundwater appoint representatives that are elected to their Boards by popular vote. Moreover, all actions taken by Watermaster under the Judgment are reviewable by law and motion before the trial court and as an entity, the trial court may remove, reconstitute and replace Watermaster. As such, the conflict-of-interest provisions of the Political Reform Act are not applicable to Watermaster and in fact are antithetical to its purpose and function as an arm of the Court.

Closed Sessions and Watermaster Board Actions

Watermaster is bound by Court Order to act in accordance with the Rules and Regulations generally and specifically 2.6(1)(i) which establishes the right of the Watermaster Board to confer with counsel in confidential session. The Watermaster Board's confidential deliberations are subject to the requirement that the Chairs of each of the three Pools are entitled to observe the proceedings to ensure there are no irregularities. It also true that during years in which Ontario Utilities Manager S. Burton represented the Appropriative Pool on the Watermaster Board as an appointed representative for the Monte Vista Water District and the City of Ontario, these rules were followed to allow his participation in confidential sessions even though the City of Ontario, his employer, was a party to the subject matter of the closed session.³ Additionally, during those years, the Watermaster Board Chair J. Curatalo representing the Cucamonga Valley Water District also participated in closed sessions even though his agency was also a party to the subject of the closed session.

Staff and counsel leave to the parties, the Board, and the Court as to their desire to develop disclosure categories and requirements of its' Board members educational, training and incompatibility measures for senior Watermaster staff, Advisory Committee, Pool Officers. However, as for the conflict and recusal requirements, which constitute the consistent gravamen of Ontario's concerns about Watermaster neutrality, the point staff and counsel have made repeatedly remains the same. That is, as referenced above, the Watermaster Conflict of Interest Policy as embodied in Section 2.10 – is by design, express consent and consistent application, a decision that agency adversity and interest in a decision is **not** a conflict. Section 2.10(b) states that "Watermaster representatives are expressly intended to act in a representative capacity for their constituents. A member of the Board or the Advisory Committee shall not be considered to have a discrete or particular financial advantage unless a decision may result in their obtaining a financial benefit that is not enjoyed by any other person."

As a practical matter, the application of Ontario's suggestion of recusal for agency interest would serve to disqualify most, if not all, Appropriative Pool appointees from participating in the review and approval of general Watermaster business such as assessment packages and Watermaster programs in which their agencies have a financial interest especially in light of the economic injury findings by the Court of Appeal in the Dry Year Yield case. Instead of a 9-member board with diverse membership, the most consequential financial decisions would be left to the Agricultural Pool and the three Municipal Water District representatives. In fact, the Agricultural Pool representatives, along with the Municipal Water District representatives, would be the most financially disinterested representatives and most frequently eligible decision-makers. Staff and counsel believe such a result is entirely inconsistent with the desire and directives of the Appropriative Pool to control and direct expenditures towards preferred initiatives over the past two decades.

Policy Review Process

On March 26, 2026, the Watermaster Board discussed this item. The Board provided direction to staff in its concluding comments, with no opposition, that the report prepared by Watermaster staff and legal counsel should be sent back through the Watermaster process and presented to the Pools and Advisory Committee for comments and feedback for the Board to consider.

On April 9, 2026, the item was presented and discussed at the Appropriative Pool. A motion was approved, without dissent, to create an ad-hoc committee to further review Section 2.10 of the Watermaster Rules and Regulations and determine if further refinements should be recommended. The committee composition should consist, at a minimum, representative(s) from the three Pool Committees plus any interested stakeholders.

³ Mr. S. Burton served as a representative of the Appropriative Pool from Jan 2022 to Dec 2022 appointed by Monte Vista Water District and from Jan 2023 to Dec 2024 appointed by the City of Ontario.

On April 9, 2026, the Overlying Non-Agricultural Pool discussed the item and concurred by consensus to support the Appropriative Pool action earlier that day.

On April 16, 2026, the Advisory Committee discussed the item and concurred, by consensus, to support the actions of the Appropriative Pool and Overlying Non-Agricultural Pool in the establishment of the ad-hoc committee to discuss the issue. The Committee emphasized that any recommendations from the ad-hoc committee be brought back through the Watermaster Pools and Advisory Committee process before going to the Board.

Staff and counsel will be prepared to explain the background and application of the current policy, its legal framework, and current court rulings and respond to comments and recommendations as the Board may direct.

ATTACHMENTS

1. Watermaster Rules and Regulations – Section 2.10
2. City of Ontario letter dated February 26, 2026
3. City of Ontario letter dated July 24, 2025
4. Watermaster response letter dated March 26, 2025
5. City of Ontario letter dated January 22, 2025

disqualified by reason of an opinion of the Watermaster counsel that the member of the board has a conflict of interest, shall be required to vote.

2.10 Conflict of Interest. Watermaster is an interest based governing structure in which various interests must be represented in decision-making. It is expected and preferred that each interest be allowed to participate in Watermaster decisions except as provided in these Rules and Regulations. Each member of the Watermaster Board or the Advisory Committee shall vote on matters before the Board or Advisory Committee unless that member has a conflict of interest as described in this Rule or other provision of general law. No member of the Watermaster Board or Advisory Committee may vote, participate in meetings or hearings pertaining to, or otherwise use his or her position to influence a Watermaster decision in which he knows or has reason to know he has both a direct personal and financial interest.

(a) Subject to the qualification provided for in section 2.10(b) herein, a member of the Watermaster Board or Advisory Committee is deemed to have a direct personal and financial interest in a decision where it is reasonably foreseeable that the decision will have a material effect on the Watermaster member, members of his or her immediate family, or the Watermaster member's other business, property, and commercial interests.

(b) To be classified as a direct personal and financial interest, the particular matter must be distinguishable from matters of general interest to the respective pool (Appropriative, Non-Agricultural, or Agricultural) or party to the Judgment, which the Watermaster member has been appointed to represent on the Watermaster Board or Advisory Committee. The member must stand to personally gain discrete and particular advantage from the outcome of the decision beyond that generally realized by any other person or the interests he or she represents. Moreover, Watermaster representatives are expressly intended to act in a representative capacity for their constituents. A member of the Board or Advisory Committee shall not be considered to have a discrete and particular financial advantage unless a decision may result in their obtaining a financial benefit that is not enjoyed by any other person. In those instances where the Board member or Advisory Committee member does have a conflict of interest, that respective interest may be represented by that interest's designated alternate and the Board or Advisory Committee member with the identified conflict of interest may address the Board or Committee or participate in the hearing or meeting as a party to the Judgment.

2.11 Minutes. The secretary (or in the absence thereof any person so designated at said meeting) shall cause the preparation and subscription of the minutes of each meeting and make available a copy thereof to all Active Parties and each person who has filed a request for copies of all minutes or notices in writing. The minutes shall constitute notice of all actions therein reported. Unless a reading of the minutes is ordered by a majority of the members of the Board acting as Watermaster, minutes may be approved without reading. [Based on Judgment ¶ 37(d).] Watermaster shall publish a copy of its minutes on the Watermaster website.

C I T Y O F

303 EAST B STREET | ONTARIO, CALIFORNIA 91764



O N T A R I O

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PAUL S. LEON
MAYORALAN D. WAPNER
MAYOR PRO TEMJIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERSSHEILA MAUTZ
CITY CLERKJAMES R. MILHISER
CITY TREASURERSCOTT OCHOA
CITY MANAGER

February 20, 2026

VIA EMAIL

Chino Basin Watermaster Board
 9641 San Bernardino Road
 Rancho Cucamonga, CA 91730
 Email: RFavelaQuintero@cbwm.org

Re: Chino Basin Watermaster Conflict of Interest Policy

Dear Members of the Watermaster Board,

As addressed in prior letters, Ontario has continued concerns about the failure of Watermaster to act as a neutral arm of the Court and, specifically, the failure of Watermaster Board members to recuse themselves from closed session discussions involving contested litigation with the potential to impact their agencies' financial or other interests. It is critically important to effective Basin management that Watermaster preserve its neutrality and act in an open and transparent manner. Added safeguards are necessary to avoid either actual conflicts of interest or the appearance of conflicts of interest. To that end, Ontario suggests that Watermaster, in conjunction with the Chino Basin parties, cooperatively develop a conflict of interest policy ("Policy") to be submitted to the Court for adoption pursuant to the Court's continuing jurisdiction.

Specifically, the Policy should be consistent with the Fair Political Practices Act and Political Reform Act and govern all Watermaster operations. Ontario further suggests that the Policy should contain the following components:

- An annual requirement for members of the Watermaster Board, Watermaster senior staff, and Watermaster counsel to file Statements of Economic Interests (Form 700).
- The identification of specific disclosure categories, detailing the types of financial interests that must be reported by the Watermaster Board members, Watermaster senior staff, and Watermaster counsel.

- Provisions requiring Watermaster Board members to disqualify themselves from participating in decisions or deliberations where they, or their agency, have a financial interest that could be materially and differentially affected by the decision.
- The identification of activities that are inconsistent or incompatible with the duties of Watermaster, the Watermaster Board, Watermaster senior staff, and Watermaster counsel, such as influencing the use of Basin resources for private gain.
- Provisions for training and advisory services regarding the Policy.
- An enforcement mechanism in the event that there are violations of the Policy.

Ultimately, the Policy will promote increased confidence in Watermaster and ensure that Watermaster's role as a neutral arm of the court is not compromised.

Ontario appreciates Watermaster's recent commitment to review rules and regulations governing Basin management and Watermaster's consideration of the above. To help maintain progress, Ontario would appreciate a response from the Watermaster Board on this item by March 6, 2026. Ontario looks forward to partnering with Watermaster and other stakeholders in the Basin in the development of this Policy.

Sincerely,



Scott Burton, P.E.
City of Ontario, Utilities General Manager

cc: Todd Corbin, General Manager – Chino Basin Watermaster
Scott Ochoa, City Manager – City of Ontario

C I T Y O F

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PAUL S. LEON
MAYORSHEILA MAUTZ
CITY CLERKALAN D. WAPNER
MAYOR PRO TEMJAMES R. MILHISER
CITY TREASURER

July 24, 2025

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERSSCOTT OCHOA
CITY MANAGER

Chino Basin Watermaster Board

Marty Zvirbulis or alternate, Fontana Water Company appointed Board Member

Chair James Curatalo or alternate, Cucamonga Valley Water District appointed Board Member

Steve Elie or alternate, Inland Empire Utilities Agency appointed Board Member

Bob Kuhn or alternate, Three Valleys Municipal Water District appointed Board Member

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

Re: *Chino Basin Municipal Water District v. City of Ontario* (E080457, E082127) (Dry Year Yield Program Litigation) – Renewed Request for Recusal

Dear Chino Basin Watermaster Board,

As you are aware, the Court of Appeal (COA) issued its final decision in the Dry Year Yield Program (DYY Program) litigation and ruled in favor of the City of Ontario (Ontario). The COA directed the superior court to enter new orders (1) granting Ontario's challenges and (2) directing Chino Basin Watermaster (Watermaster) to correct and amend its FY 2021/2022 and 2022/2023 Assessment Packages (Assessment Packages). As previously addressed in Ontario's January 22, 2025 letter to Watermaster, attached, the correction and amendment of the Assessment Packages in a manner that is consistent with the COA opinion stands to directly impact the financial and other interests of Fontana Water Company (Fontana), Cucamonga Valley Water District (CVWD), Inland Empire Utilities Agency (IEUA), and Three Valleys Municipal Water District (TVMWD). Each agency was a party to the DYY Program litigation, each opposed Ontario's challenges, and representatives appointed by each of these agencies currently serve as members of the Watermaster Board.

Watermaster serves as an arm of the court and in that capacity must ensure its neutrality - free from conflicts of interest or bias – in its decision making. Fontana, CVWD, and IEUA zealously opposed Ontario in the DYY Litigation and have substantial pecuniary and other interests that stand to be affected by the amendment of the Assessment Packages. As an arm of the court, Watermaster cannot credibly maintain its neutrality while allowing interested Board members to participate in closed session conferences on matters regarding the DYY Program litigation and implementation of the COA decision. For this reason, Ontario renews its request that the conflicted Board members representing Fontana, CVWD, IEUA, and TVMWD recuse themselves from any and all closed sessions relating to the DYY

Program litigation and also abstain from votes, if any, concerning the correction and amendment of the Assessment Packages.

Ontario reserves its rights to seek appropriate relief with the trial court under its continuing jurisdiction if these issues are not resolved. Ontario appreciates Watermaster's consideration of these requests.

Sincerely,



Courtney Jones, P.E.
Deputy General Manager
City of Ontario

cc: City of Ontario City Council Members
Scott Ochoa, City of Ontario City Manager
Scott Burton, City of Ontario Utilities General Manager
Elizabeth Ewens, City of Ontario Legal Counsel
Josh Swift, Fontana Water Company General Manager
CVWD Board of Directors
IEUA Board of Directors
TVMWD Board of Directors
Todd Corbin, Watermaster General Manager
Scott Slater, Watermaster Counsel

Encl.: January 22, 2025, City of Ontario Letter to Chino Basin Watermaster "Re: *Chino Basin Municipal Water District v. City of Ontario* (E080457, E082127) (Dry Year Yield Program Litigation)"



CHINO BASIN WATERMASTER

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BOARD MEMBERS

James Curatalo
Chair
*Appropriative Pool
Cucamonga Valley Water District*

Jeffrey Pierson
Vice-Chair
*Overlying Agricultural Pool
Crops*

Robert Bowcock
Secretary/Treasurer
*Overlying Non-Agricultural Pool
CalMat Co., Inc.*

Steve Elie
Board Member
*Municipal
Inland Empire Utilities Agency*

Mike Gardner
Board Member
*Municipal
Western Municipal Water District*

Bob Kuhn
Board Member
*Municipal
Three Valleys Municipal Water
District*

Jimmy Medrano
Board Member
*Overlying Agricultural Pool
State of California*

Bill Velto
Board Member
*Appropriative Pool
City of Upland*

Marty Zvirbulis
Board Member
*Appropriative Pool
Fontana Water Company*

General Manager
Todd M. Corbin

Legal Counsel
BHFS, LLP
*Brownstein Hyatt Farber
Schreck, LLP*

March 26, 2025

Ms. Courtney Jones, Deputy General Manager
City of Ontario
303 East "B" Street
Ontario, CA 91764

Re: Ontario Correspondence 1/22/25
Subj: Watermaster Closed Session and Discussion of the Dry Year Yield Program

Dear Ms. Jones,

We have received your January 22, 2025 letter regarding two pending matters before the Fourth District, Court of Appeal ("Assessment Packages Appeals"). As described in your letter, the Court of Appeal has issued a tentative ruling in the Assessment Packages Appeals. Since your letter, the Court has scheduled Oral Argument on April 1, 2025. Until there is a final Opinion from the Court of Appeal, the parties are in the same position they have been since the City of Ontario initiated its appeal in December 2022. As the arm of the Court, Watermaster will defend the trial court's ruling on appeal.

The Watermaster Board has scheduled a confidential session for Thursday, March 27, 2025 in accordance Section 2.6 of the court-approved Chino Basin Watermaster Rules and Regulations, now in place for twenty-four years. Section 2.6(1)(i) authorizes the Watermaster Board to confer with counsel regarding pending litigation. As noted above, the matters before the Court of Appeal are currently "pending" and the noticed confidential session is appropriate. We note that the Watermaster Board is joined in confidential session by the Chairs of the three Pools that observe the confidential session to provide an additional layer of assurance that the use of the confidential session process is not abused. This is the practice that has been followed for decades.

Your letter also suggests that certain current members of the Watermaster Board should recuse themselves from participating in the confidential session because the entities that appointed them to the Watermaster Board (Cucamonga Valley Water

District, Fontana Water Company and IEUA) are involved and impacted by the pending litigation. Your concern is expressly addressed by Section 2.10 of Watermaster Rules and Regulations, which explains that “Watermaster is an interest based governing structure in which various interests must be represented in decision-making. It is expected and preferred that each interest be allowed to participate in Watermaster decisions...” Accordingly, Section 2.10 requires that “each member of the Watermaster Board . . . shall vote on matters before the Board . . . unless that member has a conflict of interest.” Section 2.10(b) makes clear that such a conflict of interest arises when a Board member has a “direct personal and financial interest” that is distinguishable “from matters of general interest to the respective pool . . . or party to the Judgment, which the Watermaster member has been appointed to represent on the Watermaster Board.”¹ We are unaware of any such direct personal financial interest held by any Board member that would cause recusal.

Both Section 2.6, Section 2.10 were approved by the Court² and it has been Watermaster’s pattern and practice and course of dealing to follow these rules as written, for twenty-four years, and during substantial periods where representatives from the City of Ontario have served on the Watermaster Board.³ This occurred in each of the last two years, in which two cases involving Ontario challenging a trial court ruling were resolved by Court of Appeal and Ontario’s appointed representative attended closed sessions.

In closing, the nature of Watermaster’s responsibility is to make recommendations and where required, to resolve disputes among competing interests when it comes to administration. Regardless of final outcome of the pending appeal, Watermaster acknowledges its responsibility to fairly and consistently administer the decree among all parties as required under the Judgment and judicial orders.

Sincerely,



Todd M. Corbin
General Manager

¹ “Moreover, Watermaster representatives are expressly intended to act in a representative capacity for their constituents. A member of the Board or Advisory Committee shall not be considered to have a discrete and particular financial advantage unless a decision may result in their obtaining a financial benefit that is not enjoyed by any other person.” (Watermaster Rules and Regulations, Section 2.10(b).)

² See Motion to Approve Chino Basin Watermaster Rules and Regulations, dated March 22, 2001, p. 3; Order Granting Final Approval of Watermaster Rules and Regulations, dated July 19, 2001, p. 2.

³ See Motion to Approve Chino Basin Watermaster Rules and Regulations, dated March 22, 2001, p. 3; Order Granting Final Approval of Watermaster Rules and Regulations, dated July 19, 2001, p. 2.

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MAYOR PRO TEMJIM W. BOWMAN
DEBRA PORADA
DAISY MACIASSHEILA MAUTZ
CITY CLERKJAMES R. MILHISER
CITY TREASURERSCOTT OCHOA
CITY MANAGER

1/22/2025

Re: Chino Basin Municipal Water District v. City of Ontario (E080457, E082127) (Dry Year Yield Program Litigation)

Dear Mr. Corbin,

As Watermaster is aware, the Court of Appeal recently issued a tentative opinion in the Dry Year Yield Program (DYY Program) litigation. Final resolution of the appeal, including Watermaster's ultimate implementation of a final order or negotiation of potential compromise solutions, is of considerable import to Ontario and others throughout the basin. Indeed, while there undoubtedly is a financial component to the DYY Program issues involved, these issues also encompass the structure and operation of a significant storage and recovery program as well as foundational procedural processes required to be utilized by Watermaster in the conduct of its business.

Given the import of the issues before Watermaster, Ontario urges Watermaster to conduct its discussions concerning the DYY Program in open session. Fundamentally, given Watermaster's position as an arm of the court, it is critically important that Watermaster preserve its neutrality and act in an open and transparent manner. Accordingly, Ontario requests that Watermaster reconsider its decision to deliberate on matters impacting the future of the DYY Program, and/or the interpretation or compliance with a final Court order, in closed session.

Alternatively, representatives of parties to the DYY Program litigation who also serve on the Watermaster Board should recuse themselves from all closed session discussions and otherwise abstain from any other Watermaster actions or decisions involving the DYY Program. Specifically, as parties to the DYY Program litigation, Cucamonga Valley Water District, Fontana Water Company, and Inland Empire Utilities Agency have financial and other interests in the outcome of the litigation and implementation of a final order. In short, it is foreseeable that Watermaster recommendations or actions relating to the DYY Program litigation, and any future orders stemming from that litigation, will have a material impact on the individual interests of these agencies. Accordingly, the best course to protect and preserve the neutrality of the Watermaster Board is for these parties to recuse themselves.

Ontario appreciates Watermaster's consideration of these requests.

Sincerely,

Courtney Jones
Deputy General Manager
City of Ontario

cc: Scott Slater, Watermaster Counsel
Scott Burton, City of Ontario Utilities General Manager



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: April 23, 2026
TO: Board Members
SUBJECT: Award of Three-Year Contract for Financial Audit Services
(Business Item II.B.)

Issue: To award a three-year contract to Rogers, Anderson, Malody & Scott, LLP. [Normal Course of Business]

Recommendation: Approve the audit engagement letter with Rogers, Anderson, Malody & Scott, LLP (RAMS), as presented, and authorize the General Manager to execute the contract on behalf of Watermaster.

Financial Impact: This item has been included in the Fiscal Year 26/27 Budget.

ACTIONS:

Watermaster Board – April 23, 2026 [Recommended]: Approve and authorize the General Manager to sign the contract.

BACKGROUND

Chino Basin Watermaster is required to have an annual audit performed every year. According to California law, an auditor cannot continuously perform audits for a public agency for more than six consecutive fiscal years which is the limit for how long a lead audit partner or coordinating partner can be involved with an agency's audit before rotation requirements apply. This requirement applies to both local agencies and school districts.

Key points about California public agency audits:

- **Six-year limit:**
 The California Government Code section 12410.6(b) states that a public accounting firm cannot provide audit services to a local agency if the lead audit partner has performed services for that agency for six consecutive fiscal years.

- **Auditor rotation:**
 This rule essentially mandates auditor rotation, meaning a different audit firm or partner must take over after six years.

DISCUSSION

Chino Basin Watermaster has a long-standing relationship with C.J. Brown & Company, CPAs (C.J. Brown) and each iteration of ownership of the firm since Fiscal Year 2011 as shown in the table below. The Fiscal Year 2024/25 audit was undertaken by the firm which was C.J. Brown's third continuous audit under the Lead Partner, Mr. Jonathan Abadesco. The firm is familiar with Watermaster's governance, operations and financial reporting requirements, which contributes to an efficient and informed audit process. Watermaster has not had any problems or issues with the firm in the past fifteen years since C.J. Brown (through various changes in company ownership and lead audit partner) has been performing the services. However, it is prudent on a routine basis to issue a Request for Proposal (RFP) to ensure the quality and pricing of audit services remain competitive.

Firm	Lead Partner	Fiscal Years		Total Year(s)
		From	To	
Charles Z. Fedak	Chuck Fedak	FY 2011	2014	4
Fedak & Brown LLP	Chris Brown	FY 2015	2020	6
Fedak & Brown LLP	Andy Beck	FY 2021		1
Fedak & Brown LLP	Jonathan Abadesco	FY 2022		1
C.J. Brown & Company	Jonathan Abadesco	FY 2023	2025	3

An RFP was issued to (8) local and regional audit firms on January 29, 2026. The list included our current audit firm, C.J. Brown. Watermaster received five proposals from the following audit firms on or before February 20, 2026. The total overall price for three years was between \$55,650 and \$85,560:

1. **Rogers, Anderson, Malody & Scott, LLP**
2. Nigro & Nigro, PC
3. Moss, Levy & Hartzheim, LLP
4. Davis Farr, LLP
5. C.J. Brown & Company

Several factors were considered when deciding on which audit firm to recommend. Cost was not the only deciding factor. Staff considered the following seven basic points: (1) the firm's qualifications and experience in doing audits for organizations similar to Chino Basin Watermaster; (2) the firm's overall and local reputation; (3) the firm's quality-control systems; (4) the firm's peer review statement; (5) any conflicts that may compromise the firm's independence; (6) the firm's resources to conduct the audit; and (7) the final product that the auditor will ultimately provide to Chino Basin Watermaster.

Three firms were selected to be interviewed. The interview panel consisted of Watermaster's General Manager and Senior Accountant, and an executive representative with a finance background from the Appropriative Pool. The interviewers scored each firm individually and confidentially and provided their scores to Watermaster's Administrative Analyst to compile the scores into a scoring matrix. Based on the results of the interview, RAMS was selected as the preferred firm for recommendation to the Board.

The audit engagement letter from RAMS outlines their responsibilities in auditing Watermaster's financial statements for the fiscal year ending June 30, 2026. The audit will be conducted in accordance with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards, with a focus on providing reasonable assurance that the financial statements are free from material misstatement. As part of the engagement, RAMS will also perform limited procedures on required supplementary information and express an opinion on selected supplementary schedules. Their scope of work includes compliance testing and a final report that will be presented to the Board of Directors, outlining significant audit findings, if any.

Staff recommends that the Board authorize the General Manager to sign the three-year engagement letter with RAMS to conduct its Fiscal Year 2025/26 audit and beyond.

ATTACHMENTS

1. Rogers, Anderson, Malody & Scott, LLP Audit Engagement Letter
2. Rogers, Anderson, Malody & Scott, LLP Letter to Governance

April 15, 2026

To the Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

The following represents our understanding of the services we will provide the Chino Basin Watermaster.

You have requested that we audit the financial statements of Chino Basin Watermaster (the entity), as of June 30, 2026, and for the year then ended and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America (*Government Auditing Standards*), will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP) require that supplementary information, such as management's discussion and analysis, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis
2. Pension Related Schedules
3. OPEB Related Schedules

Supplementary information other than RSI will accompany the entity's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Combining Statements/Schedules

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

1. Introductory Section

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and *Government Auditing Standards*. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls.
- Obtain an understanding of the system of internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although we are currently in the planning stage of our audit, we have identified the following significant risks during our audit to date that require special audit consideration:

- Management's override of internal controls is considered an inherent risk according to GAAS.
- Improper revenue recognition is considered an inherent risk according to GAAS.
- Significant estimates: Auditors must consider and respond to the risk of management bias in significant accounting estimates.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
- To provide us with:
 - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements including disclosures such as records, documentation, and other matters;
 - Additional information that we may request from management for the purpose of the audit; and
 - Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence.
- For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in the system of internal control and others where fraud could have a material effect on the financials;
- For the accuracy and completeness of all information provided;

- For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform, we will not assume any management responsibilities on behalf of the entity. However, we will provide advice and recommendations to assist management of the entity in performing its responsibilities.

The following are nonattest services that may be requested by the entity, which can include, but are not limited to the following:

- Propose adjusting or correcting journal entries to be reviewed and approved by management;
- Assist management with drafting management's financial statements based on the entity's trial balances;
- Annual Financial Transaction Report preparation; and
- Other agreed upon procedures.

The entity's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitoring the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards, and
- The nonattest services are limited to the services requested by the entity, and agreed to by us. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the entity's basic financial statements. Our report will be addressed to the Board of Directors of the entity. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinion on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

If it is determined a Single Audit is needed subsequent to this engagement letter, we will provide the entity with another engagement letter covering the terms and conditions related to a Single Audit and the Uniform Guidance.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Provisions of Engagement Administration, Timing and Fees

Scott Manno, CPA, CGMA is the engagement partner for the audit services specified in this letter. The engagement partner's responsibilities include supervising the firm's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fee for the audit will be \$23,000. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the entity's personnel to assist in the preparation of schedules and analysis of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

Our proposed fee is also dependent on all items requested being completed in the format requested or in a mutually agreed-upon format and uploaded to the Engagement Organizer hosted by our firm in a timely manner in accordance with the agreed-upon audit timeline.

We understand that the entity may occasionally implement software changes or conversions as part of its ongoing efforts to improve operational efficiency and financial management. Our firm is well equipped to support clients through these transitions and ensure that the audit process remains seamless. If the entity initiates a software change or conversion, our firm will work closely with entity staff to update account numbers, names, coding, and other financial data elements in alignment with the new system. However, due to the additional time and resources required to accommodate these changes, there will be a minimum charge of \$5,000 associated with this work.

This fee covers:

- Data Mapping and Reconciliation:
 - Updating account structures and mapping old accounts to the new accounts in our audit software.
 - Verifying accuracy and consistency in account names, numbers, and coding between the new system and our audit software.
- System Testing and Validation:
 - Testing reports and financial statements generated from the new system to ensure they align with audit requirements.
 - Addressing discrepancies or issues resulting from the conversion.
- Process Adjustments:
 - Modifying audit procedures to align with the new system's capabilities and reporting outputs.
 - Providing guidance on system-generated reports required for audit purposes.

Our fee for this engagement assumes the following: the entity will be adequately prepared for the audit and the entity's financial operations and working trial balance will be consistent from year to year. If, after we receive the working trial balances, we notice there are excessive new accounts over the prior year, or there are excessive subsequent journal entries, or prepared by client workpapers that do not agree to the working trial balances, or there are new funds/functions within the entity, or other changes that necessitate a significant amount of time to address, we will need to come to an agreed-upon change order to address any possible additional costs incurred by the firm. If the need for additional work does come to our attention, we will immediately notify entity staff. If you choose to have us perform the additional work, then such work will be performed at the same hourly rates applicable to the audit work and set forth in an addendum to the contract between the entity and our firm.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The audit documentation for this engagement is the property of our firm and constitutes confidential information. However, we may be requested to make certain audit documentation available to various regulators, federal agencies, and to the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of our firm's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. For example, such transmissions might include, but not be limited to exchanging documents via our secure portals. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

Management is also responsible for the implementation of new standards issued by the GASB. We will provide reasonable assistance in the preparation of the items noted herein, but any significant time needed to complete the financial statements will be billed separately.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report. Upon expiration of this period, we will be free to destroy our records related to the engagement. However, we do not keep original client documents, so we will return those as they are used during each engagement. It is management's responsibility to retain and protect the records for possible future use, including examination by regulators and federal agencies.

We require that a copy of the final trial balance (i.e., a trial balance ready to audit) be delivered to us at least 10 business days prior to the start of the audit, otherwise we may reschedule the start of the audit.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and

- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Non-solicit Clause

We value each and every one of our clients as well as each and every one of our employees. We have spent a great deal of time and resources to locate, train and retain our employees. We respectfully request that you do not solicit our employees to work for you. If you do hire one of our employees within 2 years of when they last worked for our firm, we will be due a finder's fee equal to 50% of the annual salary they were earning as of their last day of employment. Payment will be due within 10 days of your receipt of our invoice.

To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Mediation

If a dispute arises out of or relates to this Agreement, including the scope of services contained herein, or the breach thereof, and it cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under the AAA Accounting and Related Services Arbitration Rules and Mediation Procedures before resorting to arbitration, litigation, or any other dispute resolution procedure. The mediator will be selected by mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. The mediation will be conducted in California.

The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs of legal representation shall be borne by the hiring party.

This provision shall not apply to any dispute of fees owed, billed or due.

Indemnification of Rogers, Anderson, Malody & Scott, LLP

You agree to hold us harmless from any and all claims which arise from knowing misrepresentations to us, or the intentional withholding or concealment of information from us by your management. You also agree to indemnify us for any claims made against us by third parties, which arise from any of these actions by your management. The provisions of this paragraph shall apply regardless of the nature of the claim.

Independent Contractor

When providing services to your company, we will function as an independent contractor and in no event will we or any of our employees be an officer of you, nor will our relationship be that of joint venturers, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to you.

Board of Directors
Chino Basin Watermaster

Our obligations under this Agreement are solely obligations of our firm, and no Stakeholder shall be subjected to any personal liability whatsoever to you or any person or entity.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Force Majeure

Neither party shall be held liable for any delays resulting from circumstances or causes beyond our reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, epidemics or pandemics as defined by The Centers for Disease Control and Prevention, or any law, order or requirement of any governmental agency or authority. However, no Force Majeure event shall excuse you of any obligation to pay any outstanding invoice or fee or from any indemnification obligation under this Agreement.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature intended to replicate a written signature shall be presumed valid, and we may reasonably rely upon it. For purposes hereof, "electronic signature" includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. Documents may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

International Alliance Membership

Our firm is an independent member firm of Alliot Global Alliance, which is an international alliance of independent accounting, law, and specialist firms. Alliot Global Alliance and its member firms are legally distinct and separate entities. These entities are not and shall not be construed to be in the relationship of a parent firm, subsidiary, partner, joint venture, agent, or a network. No Alliot Global Alliance member firm has any authority (actual, apparent, implied, or otherwise) to obligate or bind Alliot Global Alliance or any other Alliot Global Alliance member firm in any manner whatsoever. Equally, neither Alliot Global Alliance nor any other member firm has any authority to obligate or bind us or any other member firm. All Alliot Global Alliance members are independent firms, and as such, they each render their services entirely on their own account (including benefit and risk). In connection with the engagement contemplated by this letter or any other services from time to time provided by us, we may seek advice from or may recommend the retention of an Alliot Global Alliance member firm. Alliot Global Alliance and its other member firms shall have no liability for advice rendered by us or such consulted or retained Alliot Global Alliance member firm. Nor shall we have liability for advice rendered by any of the other Alliot Global Alliance member firms, even if consulted or recommended to you by our firm.

Information Exchange/Data Hosting (Engagement Organizer)

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. The Engagement Organizer is used solely as a method of transferring data and is not intended for the storage of the entity's information. Upon conclusion of the engagement, we will provide the entity with a copy of the deliverables and relevant data from the Engagement Organizer relating to the engagement in a mutually agreed-upon format. If the engagement occurs over multiple years, this exchange will occur at least annually. The data and other content will either be removed from the Engagement Organizer or become unavailable to the entity within a reasonable period of time. If the engagement is multi-year, the completion of the engagement occurs each year when the deliverables are completed for that year. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Please electronically sign this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities. Please download a copy of the letter for your records once you have completed the signature process.

As a reminder, we will not initiate services until we receive the signed letter.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,



RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the Chino Basin Watermaster by:

Name: _____

Title: _____

Date: _____

Report on the Firm's System of Quality Control

August 26, 2024

To Rogers, Anderson, Malody & Scott, LLP and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.



GRANT BENNETT ASSOCIATES
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Certified Public Accountants



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Together as One. Grant Bennett Associates is a Member of the Alliott Global Alliance of independent professional firms.

April 15, 2026

To the Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

This letter is provided in connection with our engagement to audit the financial statements of the Chino Basin Watermaster (the entity) as of and for the year ended June 30, 2026. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

Our Responsibilities

As stated in our engagement letter dated April 15, 2026, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* for the purpose of forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

Our responsibility relating to other information, whether financial or nonfinancial information (other than financial statements and the auditor's report thereon), included in the entity's annual report includes only the information identified in our report. We have no responsibility for determining whether the introductory information is properly stated. We require that we receive the final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report, or if that is not possible, as soon as practicable and, in any case, prior to the entity's issuance of such information.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.

However, we will communicate to you at the conclusion of our audit any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Disagreements with management, if any, encountered during the audit;
- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

Certain significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although we are currently in the planning stage of our audit, the following presumptive significant risks are applicable to our audit and require special audit considerations:

- *Management's override of internal controls over financial reporting:* Auditors must consider and respond to the risk of management override of internal controls, which is the intervention by management in handling financial information and making decisions contrary to internal control policy.
- *Revenue recognition:* Auditors must consider and respond to the risk of management subversion of generally accepted accounting principles in determining how and when revenue is recognized.
- *Significant estimates:* Auditors must consider and respond to the risk of management bias in significant accounting estimates. Financial statement areas containing significant estimates can include, but are not limited to, net pension liability and related deferred inflows/outflows, net OPEB liability and related deferred inflows/outflows, leases receivable and related deferred inflows of resources, lease and subscription liabilities, right-to-use assets, depreciation and amortization expenses, fair value measurements and compensated absence liabilities.

We expect to begin our audit in approximately June 2026. Scott Manno, CPA, CGMA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the information and use of the Board of Directors and management of the entity and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

Rogers, Anderson, Malody & Scott, LLP.

Semi-Annual Plume Status Report

Chino Airport Plumes April 2026

CONTAMINANTS

San Bernardino County Department of Airports (County) identifies four primary volatile organic compound (VOC) contaminants associated with the Chino Airport groundwater plumes: trichloroethene (TCE), 1,2,3-trichloropropane (1,2,3-TCP), cis-1,2-dichloroethene (cis-1,2-DCE), and 1,2-dichloroethane (1,2-DCA) with TCE and 1,2,3-TCP being the most frequently detected contaminants at the highest concentrations. For each of the four primary contaminants, the table below lists the California maximum contaminant level (MCL) and the maximum concentration detected in groundwater samples from wells within the plumes over the last five years.

Maximum Concentration of Contaminants of Concern from January 2021 to December 2025				
Contaminant	MCL, micrograms per liter, µg/l	Max Concentration, µg/l	Sample Date	Well
TCE	5	2,900	December 2025	CAMW73
1,2,3-TCP	0.005	39	November 2024	CAMW75
cis-1,2-DCE	6	1,300	November 2024	CAMW73
1,2- DCA	0.5	8.9	December 2025	CAMW75

Secondary contaminants of concern include 1,1-dichloroethene (1,1-DCE), carbon tetrachloride, 1,4-dioxane, tert-butyl alcohol (TBA), and 1,4-dichlorobenzene.

LOCATION

The Chino Airport is located in the southwestern portion of the Chino Basin within the City of Chino. Exhibit 1 shows the spatial extent of the TCE and 1,2,3-TCP plumes in groundwater, as delineated by both the Chino Basin Watermaster (Watermaster) for the *2024 State of the Basin Report* and the County for their *Semiannual Groundwater Monitoring Report – Winter and Spring 2025*.^{1,2} The delineations prepared by Watermaster show the spatial extent of the plumes with detectable concentrations of TCE and 1,2,3- TCP based on the five-year maximum concentrations measured over the period of July 2019 to June 2024. The delineations by the County show the area where TCE concentrations are greater than or equal

¹ West Yost. (2025). *Optimum Basin Management Program – 2024 State of the Basin Report*. Prepared for the Chino Basin Watermaster. September 2025.

² Tetra Tech. (2025). *Semiannual Groundwater Monitoring Report-Winter and Spring 2025*. Prepared for San Bernardino County Department of Airports. October 31, 2025.

to the MCL of 5 micrograms per liter ($\mu\text{g/l}$), and where 1,2,3-TCP concentrations are greater than or equal to the MCL of 0.005 $\mu\text{g/l}$, based on concentrations measured during the 2025 winter and spring sampling events and data provided by Chino Basin Desalter Authority (CDA) for the desalter wells within the plumes.

The County characterizes West and East plumes, originating from two different main source areas at the Chino Airport. TCE and 1,2,3-TCP concentrations are higher within the West plumes than the East plumes, and the extents of the West plumes are also longer. The West and East TCE plumes have been interpreted as commingling within the airport boundaries since 2017. The West and East 1,2,3-TCP plumes were shown to be commingled within the airport property since 2021. During investigation activities in 2024, contaminants of concern from an additional source area on airport property were also detected in shallow to intermediate-depth groundwater and commingling with the West and East plumes at low concentrations at intermediate depths.

TCE and 1,2,3-TCP Plumes

The extent of the West TCE Plume with detectable TCE concentrations greater than 0.5 $\mu\text{g/l}$ is about 2.5 miles long. The plume extends south-southwest approximately two miles from the source area in the northwestern quadrant of the Chino Airport to just north of Pine Avenue and then turns southeast extending another 0.6 miles in this direction terminating south of Pine Avenue. The change in direction of the plume in this area may be associated with the location of the Central Avenue Fault that forms a local groundwater barrier and historical pumping at irrigation wells. The source of the smaller East TCE Plume is located approximately 1,500 feet east-northeast of the source of the West TCE Plume. The East TCE Plume commingles with the West TCE Plume on the airport property and extends southeast from the source area about 0.8 miles towards CDA Well I-20. The known lateral extent of TCE at concentrations above the MCL covers an area of approximately 735 acres.

The extent of the West 1,2,3-TCP Plume with detectable 1,2,3-TCP concentrations greater than 0.005 $\mu\text{g/l}$ follows the same general path as the West TCE Plume and extends about 2.9 miles southwest past Pine Avenue, turning southeast for approximately 0.6 miles just east of Euclid Avenue. The smaller East 1,2,3-TCP Plume is approximately 0.7 miles lengthwise trending south and commingling with the West 1,2,3-TCP Plume on airport property. The known lateral extent of 1,2,3-TCP in groundwater above the MCL currently covers an area of approximately 1,450 acres.

Over time, the vertical and lateral extents of the plumes have changed in response to groundwater production at nearby wells and other hydrological factors. Since monitoring began, groundwater production at CDA Wells I-1, I-2, and I-3 has increased the vertical thickness of the West Plumes by more than 100 feet, and the pumping from the Chino II desalter wells east of the Airport and CDA Wells I-20 and I-21 has drawn the East plumes laterally in a southeast direction. Additionally, detections of 1,2,3-TCP in 2022 indicated that the low concentration portion of the 1,2,3-TCP plume south of Pine Avenue may exist further to the south, compared to earlier interpretation.

REGULATORY ORDERS

- Cleanup and Abatement Order (CAO) No. 90-134 for the County of San Bernardino Department of Airports, Chino Airport—Issued to the County to address the groundwater contamination originating from the Chino Airport.
- CAO No. R8-2008-0064 for the San Bernardino County Department of Airports, Chino Airport—Required the County to define the lateral and vertical extent of the plume offsite from the Chino Airport and prepare a remedial action plan (RAP).

- CAO No. R8-2017-0011 for the San Bernardino County Department of Airports, Chino Airport—Required the County to respond to Santa Ana Regional Water Quality Control Board (Santa Ana Water Board) comments on the draft Feasibility Study and submit a final Feasibility Study. Additionally, it required the County to submit a final RAP within 60 days of the Santa Ana Water Board approval of the Final Feasibility Study and implement the RAP.

REGULATORY AND MONITORING HISTORY

In 1990, the Santa Ana Water Board issued CAO No. 90-134 to address groundwater contamination originating from the Chino Airport. From 1991 to 1992, ten inactive underground storage tanks and 310 containers of hazardous waste were removed, and 81 soil borings were drilled and sampled on the Chino Airport property. From 2003 to 2005, nine onsite monitoring wells were installed and used to collect groundwater quality samples. In 2007, the County conducted its first offsite groundwater characterization effort, which included 22 cone penetrometer tests (CPT) and direct push borings from which water quality samples were collected. In 2008, the Santa Ana Water Board issued CAO No. R8-2008-0064, requiring the County to define the lateral and vertical extent of the plume offsite and to prepare a RAP. From 2009 to 2012, 33 offsite monitoring wells were installed at 15 locations to characterize the extent of the contamination downgradient from the Chino Airport property. From 2013 to 2014, the County conducted an extensive investigation of 20 areas of concern identified for additional characterization of the soil and groundwater contamination associated with the Chino Airport. The investigative work included: piezocone-penetrometer tests, vertical-aquifer-profiling (VAP) borings with depth-discrete groundwater sampling, soil-gas probe sampling, high-resolution soil sampling and analysis, real-time data analysis, and three-dimensional contaminant distribution modeling. Following the completion of this investigative work, from September 2014 through February 2015, an additional 33 groundwater monitoring wells were installed in 17 locations on and adjacent to the Chino Airport property.

The County completed a draft feasibility study in August 2016 that identified remedial action objectives for groundwater contaminants originating from the Chino Airport and evaluated potential remediation alternatives for mitigation.³ On January 11, 2017, the Santa Ana Water Board issued CAO R8-2017-0011 to the County, which superseded CAO R8-2008-0064. The order required that the County: (1) submit a final feasibility study within 60 days of receiving the Santa Ana Water Board's comments on the draft feasibility study, (2) submit a final RAP within 60 days of the Santa Ana Water Board approval of the final feasibility study, (3) implement the RAP in accordance with a Santa Ana Water Board-approved schedule, and (4) prepare and submit technical reports and work plans as the Santa Ana Water Board deems necessary. The County submitted the final feasibility study on May 15, 2017.⁴ The feasibility study identified a groundwater pump-and-treat system as the preferred remedial action to provide hydraulic containment and cleanup of both the West and the East Plumes. The Santa Ana Water Board approved the final feasibility study on June 7, 2017, and requested that a RAP be prepared.

On December 18, 2017, the County submitted a draft interim RAP (2017 IRAP).⁵ The 2017 IRAP was considered "interim" because the County is moving forward on an interim basis to initiate the remedial action as soon as possible, with the opportunity to evaluate and modify the remedy in the future. The

³ Tetra Tech. (2016). *Draft Feasibility Study Chino Airport San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. August 2016.

⁴ Tetra Tech. (2017). *Final Feasibility Study Chino Airport San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. May 2017.

⁵ Tetra Tech. (2017). *Draft Interim Remedial Action Plan Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. December 2017.

2017 IRAP identified a combination of institutional controls, monitored natural attenuation, and groundwater extraction and ex-situ treatment as the best remedial alternative. From April 2018 to January 2019 a CEQA analysis was completed for the proposed remedial strategy.⁶ During this time, the Santa Ana Water Board and County went through a series of comments and response to comments on the 2017 IRAP. Modifications were made to the 2017 IRAP and the Final IRAP was submitted to the Santa Ana Water Board on May 18, 2020.⁷ The Final IRAP was approved by the Santa Ana Water Board on November 4, 2020.

In April and May 2020, the County installed a cluster of three downgradient wells to monitor the increasing concentrations of TCE in wells located along the southeastern plume boundary. While the County was reviewing and finalizing the 2017 IRAP, they were simultaneously working on a Human Health and Screening Ecological Risk Assessment (HHERA) to support the IRAP by identifying remedial actions to protect human health and the environment. A draft of the HHERA was submitted to the Santa Ana Water Board for review in August 2018, and at the Board's and Office of Environmental Health Hazard Assessment direction, the County conducted several subsequent investigations from 2019 to 2025 of soil vapor, soil, groundwater and indoor air to fill data gaps.^{8,9,10} In July and August 2024, the County installed six new monitoring wells (CAMW-71 through CAMW-76) in areas where high concentrations of contaminants of concern were detected in the vapor sampling (see Exhibit 1). Monitoring at these new wells resulted in the identification of an additional source area beneath the northwestern portion of the airport property.

REMEDIAL ACTION

As described in the IRAP, the remedial action for the TCE and 1,2,3-TCP plumes consists of a groundwater pump-and-treat system, institutional controls, and monitored natural attenuation. The groundwater pump-and-treat system includes a total of 22 wells located across ten extraction well sites (EW-1 through EW-10) both onsite and offsite, termed "County extraction wells." Each extraction well site will consist of up to three individual wells to focus extraction at different depths. Exhibit 1 shows the location of the ten existing and proposed well sites for the County extraction wells. Once fully operational, the County extraction wells are predicted to produce approximately 1,700 gallons per minute (gpm) of groundwater, with individual wells ranging from 20-200 gpm each. The pump-and-treat system also includes existing CDA Wells I-16, I-17, and I-18 to pump up to an additional 630 gpm of groundwater; and potentially CDA Wells I-20 and I-21 if treatment is required at those wells in the future.

⁶ Filing of the Notice of Determination for the Mitigated Negative Declaration was completed on January 29, 2019.

⁷ Tetra Tech. (2020). *Final Interim Remedial Action Plan Chino Airport San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. May 18, 2020.

⁸ Tetra Tech. (2021). *Final Work Plan for Supplemental Data Collection for Vapor Intrusion and Shallow Soil, Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. April 9, 2021.

⁹ Tetra Tech. (2021). *Supplemental Vapor Intrusion and Shallow Soil Investigation Report, Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. September 2021.

¹⁰ Tetra Tech. (2023). *Work Plan for Focused Supplemental Investigation at Areas of Concern EE, HH, and J/K, Chino Airport, San Bernardino County, California*. Prepared for the California Regional Water Quality Control Board, Santa Ana Region. January 3, 2023.

Extracted groundwater will be conveyed via a pipeline network to the main raw water influent line to the existing CDA Chino-I Desalter facility, where it will be treated for VOCs (including 1,2,3-TCP and TCE) at a new granular activated carbon (GAC) treatment system constructed at the CDA's existing Chino-I Desalter facility (South GAC System). The South GAC System is designed to treat a maximum flow rate of 2,400 gpm from the County extraction wells and CDA Wells I-16, I-17, I-18, with an initial operating flow rate of 2,325 gpm. In the future the South GAC System may be expanded to accommodate an additional 800 gpm for CDA Wells I-20 and I-21. Once treated at the South GAC System, water will be conveyed to the existing Chino-I Desalter that uses reverse osmosis and ion exchange to treat for total dissolved solids (TDS) and nitrates, both of which are regional contaminants and not associated with Chino Airport operations or plumes. Treated water will be discharged for use as potable municipal water supply. In April 2023, pumping began at CDA Wells I-16, I-17, and I-18 for treatment at the South GAC System at the Chino-I Desalter facility. An additional treatment system, the North GAC Treatment System, was also constructed by the CDA and began treating water from four CDA Wells (I-1 through I-4) that produce from the lower aquifer in April 2023; however, this system is not associated with the County's remedial action.

To assist in the design of the groundwater pump-and-treat system, the County installed two of the extraction well sites (EW-2 and EW-5) in 2018, along with 12 piezometers and 11 monitoring wells, and conducted aquifer pumping tests at these locations. The findings were submitted to the Santa Ana Water Board on June 19, 2019, and used by the County to refine the system design.¹¹ On December 8, 2021, the County submitted the *Final Preliminary Well Design Report* for the pump-and-treat system for remediation of the plumes and began working on a remedial action work plan (RAWP) to provide a detailed description of the remediation and construction activities associated with the implementation of the remedial action, including the construction and installation of the extraction wells, pipelines for conveyance of extracted groundwater, and the groundwater treatment system.¹² The 2022 RAWP was submitted to the Santa Ana Water Board on July 22, 2022 and approved in November 2024.¹³

The RAWP divides the construction of the pump-and-treat system into two phases: Phase 1 includes the construction of onsite extraction wells and conveyance piping, as well as five monitoring wells; and Phase 2 includes the construction of offsite extraction wells and conveyance piping. Phase 1 construction, is complete and includes: five extraction wells at two well sites (EW-2 and EW-5) installed in 2018; five extraction wells at three well sites (EW-1, EW-3, and EW-4) installed in December 2023 along with their associated piezometers; and a conveyance pipeline to connect the onsite wells to the South GAC System completed in July 2024. Well construction reports for all onsite extraction wells constructed in Phase 1 are available on GeoTracker. Groundwater pumping and treatment at the onsite extraction wells commenced in February 2026 following the January 2026 issuance of the State Water Resources Control Board, Division of Drinking Water (DDW), amendment to include the County extraction wells in CDA's permit. Offsite Well EW-10 was constructed at the end of the Phase 1 construction period since the County had secured the necessary access agreements with the property owner. The well equipping and conveyance piping for EW-10, however, will be completed with the other Phase 2 construction, which is currently on hold since the remainder of the offsite property access agreements have not yet been executed. As of March 2026, the County is getting close to executing property access agreements for three

¹¹ Tetra Tech. (2019). *Well Installation, Well Destruction, and Aquifer Pumping Test Report, Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. June 19, 2019.

¹² Tetra Tech. (2021). *Final Preliminary Well Design Report, Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. December 8, 2021.

¹³ Tetra Tech. (2022). *Remedial Action Work Plan, Chino Airport, San Bernardino County, California*. Prepared for San Bernardino County Department of Airports. July 22, 2022.

of the offsite well sites (EW-6, 8, and 9) and are in negotiations with the property owner and developer to obtain access for the EW-7 well site. Because the 2022 RAWP only addresses Phase 1 construction, an addendum to the RAWP will be submitted for Phase 2 construction. This Phase 2 RAWP Addendum will be completed once all agreements have been executed, likely during Q4 2026 with construction commencing shortly after in Q1 2027.

The onsite County extraction wells constructed for Phase 1, along with the offsite County extraction wells to be constructed for Phase 2, will be operated, maintained, and monitored by CDA through a joint agreement between the County and CDA.

MONITORING AND REPORTING

The County conducts a groundwater monitoring program pursuant to CAO No. R8-2008-0064 to track the extent of the plume. Monitoring is performed per the 2023 *Sampling and Analysis Plan Update (SAP)* with the sampling frequency determined by well classification (i.e., background wells, horizontal or vertical extent wells, seasonal/increasing trend wells, and guard wells), which is updated annually and included in the Groundwater Monitoring Reports.¹⁴ Groundwater quality samples are collected quarterly, annually, or biennially at 95 site-related monitoring wells and four onsite agricultural wells, if in operation, to monitor the plume extents. Quarterly water-level monitoring is performed at the 95 site-related monitoring wells, ten extraction wells, 15 onsite piezometers, and six riparian habitat area piezometers. All water quality data collected by the County are posted on the State Water Resources Control Board's GeoTracker website.¹⁵ Conclusions from the monitoring program can also be found in the semi-annual reports posted on GeoTracker. The most recent monitoring report, the *Semiannual Groundwater Monitoring Report-Winter and Spring 2025*, was submitted to the Santa Ana Water Board in October 2025.¹⁶

In August 2021, CDA submitted a groundwater sampling and analysis plan to the State DDW for the Chino I Desalter facility.¹⁷ The plan includes the characterization of raw water from groundwater extraction wells, as specified by DDW policy Memo 97-005 for groundwater classified as an 'extremely impaired source'. Based on the results of the initial monitoring event, the monitoring schedule for sampling was revised and the updated plan was approved in September 2022.¹⁸ Per these requirements, the County, in cooperation with CDA, has been performing quarterly baseline water quality monitoring since fall 2021 at extraction wells, proxy wells located near proposed extraction well locations, and surveillance wells, all of which are analyzed for drinking water methods. This data is submitted directly to the DDW for compliance and is not routinely posted on GeoTracker.

On April 7, 2025, the Santa Ana Regional Board approved the monitoring and reporting plan submitted by the County in June 2024 for the operation and performance monitoring of the Groundwater Extraction

¹⁴ Tetra Tech. (2023). *Sampling and Analysis Plan Update, Chino Airport, San Bernardino County, CA*. Prepared for San Bernardino County Department of Airports. May 5, 2023.

¹⁵ https://geotracker.waterboards.ca.gov/profile_report?global_id=SL208634049

¹⁶ Tetra Tech. (2025). *Semiannual Groundwater Monitoring Report-Winter and Spring 2025*. Prepared for San Bernardino County Department of Airports. October 31, 2025.

¹⁷ Tetra Tech. (2021). *Groundwater Monitoring Sampling and Analyses Plan for Developing Baseline Water Quality, Groundwater Monitoring for Policy Memo 97-500 Purposes, Chino Airport Project, County of San Bernardino*. August 6, 2021.

¹⁸ Tetra Tech. (2022). *Revised Groundwater Monitoring Sampling and Analyses Plan for Developing Baseline Water Quality, Groundwater Monitoring for Policy Memo 97-500 Purposes, Chino Airport Project, County of San Bernardino*. 2022.

and Treatment System (GETS).¹⁹ Monitoring is performed by CDA and the results are evaluated by the County to determine the efficacy of the groundwater remediation program to permanently reduce concentrations of contaminants of concern in compliance with CAO R8-2017-0011. Results of the operations, maintenance, and monitoring activities are presented in quarterly reports, which are available on GeoTracker and the performance monitoring program will be reevaluated every five years and updated as needed.

Watermaster also collects groundwater quality samples from private wells in the plume area and at its HCMP-4 monitoring well, located at the southern end of the plumes. Watermaster uses data from the County, CDA, and its own sampling to perform an independent characterization of the areal extent and concentration of the TCE and 1,2,3-TCP plumes.

RECENT ACTIVITY

The County has continued quarterly groundwater monitoring events pursuant to CAO No. R8-2008-0064 through the fourth quarter of 2025, and the data is available on GeoTracker. The most recent groundwater monitoring report prepared by the County was for the winter and spring 2025 sampling events and was submitted to the Santa Ana Water Board in October 2025.²⁰ During these two sample events a total of 123 samples were analyzed for VOCs and seven wells were sampled for 1,4-dioxane in spring 2025. Key updates from this report include:

- TCE was detected above the MCL in 32 percent of wells with a maximum concentration of 1,400 µg/l.
- 1,2,3-TCP was detected above the MCL in 20 percent of the wells analyzed using method 8260B and 39 percent of the wells analyzed using method 8260B-SIM with a maximum concentration of 33 µg/l.
- Cis- 1,2- DCE, 1,2-DCA, carbon tetrachloride, and 1,4-dichlorobenzene were also detected above their respective MCLs in at least one sample.
- 1,4-dioxane was only detected in three of the seven samples and all the detections were below the notification level of 1 µg/l.
- Overall concentrations of TCE, 1,2,3-TCP, and other contaminants of concern were consistent with previous monitoring results, and the extent and general configuration of the plumes have remained fairly consistent since monitoring began.
- Overall decreasing contaminant concentrations near the source areas in the West and East plumes indicate that the dissolved source mass is generally declining.
- Elevated concentrations along the southeastern boundary of the East Plumes reflect continued plume migration to the southeast influenced by groundwater gradients and pumping at wells on the southern boundary of the Airport.
- Water levels continued to decrease more in the deeper wells than in the shallow wells, indicating that influence from active production wells may be affecting water-level drawdown and vertical gradients.

¹⁹ Tetra Tech. (2024). *GETS Monitoring and Reporting Plan for the Chino Airport*. 2024.

²⁰ Tetra Tech. (2025). *Semiannual Groundwater Monitoring Report-Winter and Spring 2025*. Prepared for San Bernardino County Department of Airports. October 31, 2025.

Pursuant to the 2024 GETS Monitoring and Reporting Plan, the County continues to submit quarterly Remedial Action Operation and Monitoring Reports with the results of the operations, maintenance, and monitoring activities for the GETS. The most recent report is the *Fourth Quarter 2025 Remedial Action Operation and Monitoring Report* for the period of October 1 through December 31, 2025, which is available on GeoTracker.²¹ Key updates from this report include:

- North GAC System:
 - Approximately 1,184 million gallons (MG) of groundwater have been extracted and treated.
 - An estimated 235.8 pounds of TCE and 9.1 pounds of 1,2,3-TCP have been removed.
- South GAC System:
 - Approximately 550 MG of groundwater have been extracted and treated.
 - An estimated 196.4 pounds of TCE and 11.3 pounds of 1,2,3-TPC have been removed.

In September 2025, the County prepared a technical memorandum summarizing the results of the June 2024 and February 2025 paired indoor air and sub-slab vapor sampling completed as part of the Supplemental Investigation of Areas of Concern EE, HH, and J/K at various buildings in Areas of Concern HH and EE to evaluate the potential vapor intrusion risk inside buildings.²² The results indicate that there is no unacceptable vapor intrusion risk at any of the buildings currently and will be used to update the human health risk assessment and an addendum to the August 2018 HHERA.²³

In January 2026 the DDW issued a permit amendment to add the County extraction wells to CDA's permit. Pumping and treatment of groundwater from the ten County onsite extraction wells commenced shortly after, in February 2026.

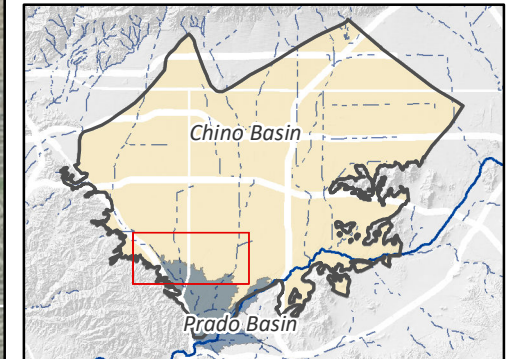
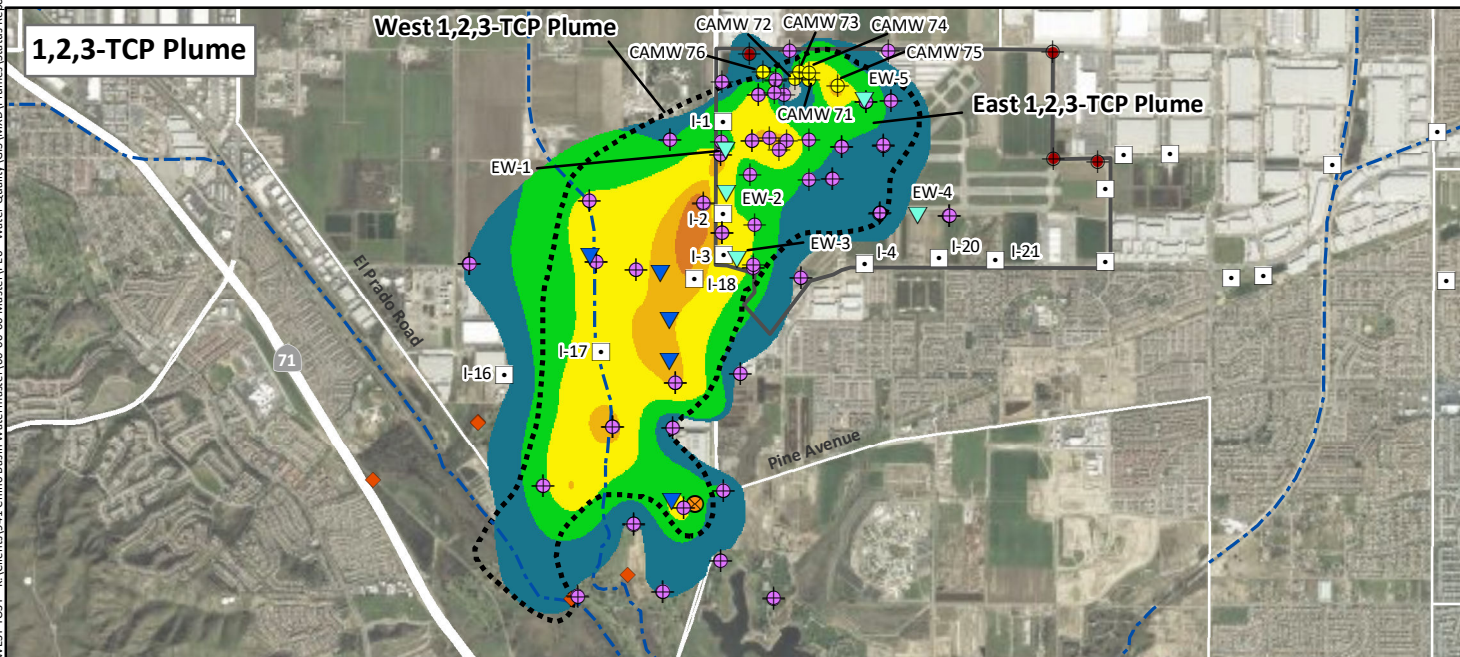
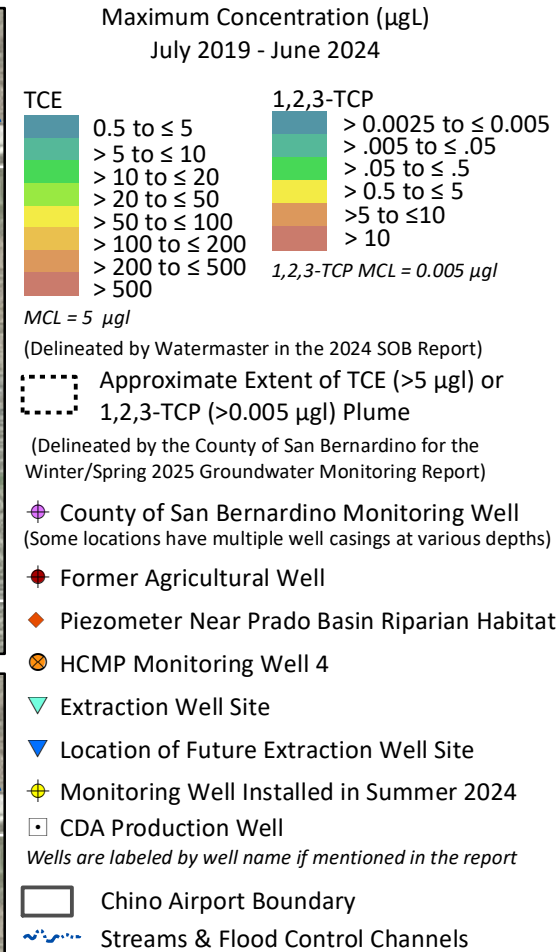
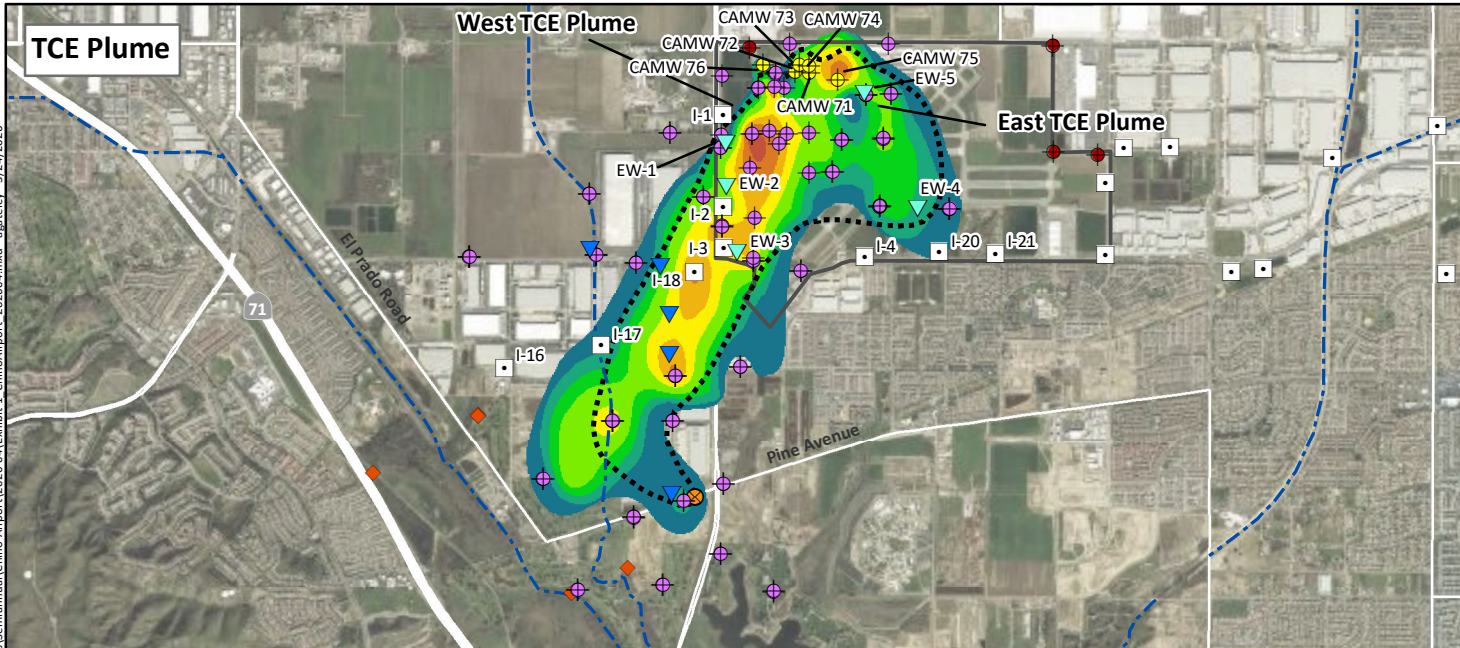
²¹ Tetra Tech. (2025). *Fourth Quarter 2025 Remedial Action Operation and Monitoring Report*. Prepared for San Bernardino County Department of Airports. January 29, 2026.

²² Tetra Tech. (2025). *Paired Indoor Air and Sub-Slab Vapor Sampling in Buildings A340, A515 and A532*. Technical memorandum. September 23, 2025.

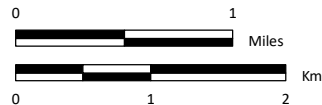
Exhibit 1

The exhibit presented below is intended to be interpreted alongside the above Status Report.

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Prepared by:



Prepared for:

Chino Basin Watermaster
Semi-Annual Plume Report



Chino Airport
TCE and 1,2,3-TCP Plumes

Semi-Annual Plume Status Report

South Archibald Plume April 2026

CONTAMINANTS

The primary contaminant is trichloroethene (TCE). The California maximum contaminant level (MCL) for TCE is 5 micrograms per liter ($\mu\text{g/l}$). The maximum TCE concentration detected in a groundwater sample collected from wells within the plume during the last five years (January 2021 to December 2025) is 74 $\mu\text{g/l}$.

LOCATION

The South Archibald TCE plume is located in the southern Chino Basin within the City of Ontario. Exhibit 1 shows the spatial extent of the plume where detectable TCE concentrations are equal to or greater than 0.5 $\mu\text{g/l}$, as delineated by the Chino Basin Watermaster (Watermaster) for the *2024 State of the Basin Report*.¹ This extent is based on the five-year maximum TCE concentration measured from July 2019 to June 2024. The TCE plume is approximately 23,200 feet long, extending southward from State Route 60 to roughly Kimball Avenue, and is about 14,300 feet wide extending from Grove Avenue to Turner Avenue. Exhibit 1 also shows the complete extent of the plume and the extent of the plume with concentrations greater than 5 $\mu\text{g/l}$ as delineated by the responsible parties during the most recent sampling event in 2025.

Regulatory Orders

- 2005 Draft Cleanup and Abatement Orders (CAOs) — In 2005, six Draft CAOs were issued to the following parties: Aerojet-General Corporation, The Boeing Company, Northrop Grumman Corporation, Lockheed Martin Corporation, General Electric Company, and United States Department of Defense.
- Draft CAO R8-2012-00XX for the City of Ontario, City of Upland, and Inland Empire Utilities Agency (IEUA), Former Ontario-Upland Sewage Treatment Plant (Regional Recycling Plant No. 1), City of Ontario, San Bernardino County — This CAO was issued jointly to the City of Ontario, City of Upland, and IEUA.
- Stipulated Settlement and CAO No. R8-2016-0016 for the City of Ontario, the City of Upland, the IEUA, Aerojet Rocketdyne, Inc.², The Boeing Company, General Electric Company, Lockheed Martin Corporation and the United States of America, Former Ontario-Upland Sewage Treatment Plant (Regional Recycling Plant No. 1) City of Ontario— This was the final CAO issued to all parties previously issued Draft CAOs in 2005 and 2012, excluding Northrop Grumman.

¹ West Yost. (2025). *Optimum Basin Management Program – 2024 State of the Basin Report*. Prepared for the Chino Basin Watermaster. September 2025.

² Formerly known as Aerojet-General Corporation.

REGULATORY AND MONITORING HISTORY

In the mid-1980s, as part of its work associated with the Chino Basin Storage Program, the Metropolitan Water District of Southern California collected water quality samples that indicated that TCE was present in private wells in the southern Chino Basin. The Santa Ana Regional Water Quality Control Board (Santa Ana Water Board) confirmed these findings through subsequent rounds of sampling.

In 2005, the Santa Ana Water Board issued Draft CAOs to six parties who were tenants on the Ontario Airport property. On a voluntary basis, four of these parties — Aerojet-General Corporation, The Boeing Company, General Electric Company, and Lockheed Martin Corporation, collectively the ABGL parties, worked with the U.S. Department of Defense to investigate the source of contamination. As part of the investigation, the ABGL parties collected water quality samples from private wells and residential taps, as well from four triple-nested monitoring wells (ABGL wells) constructed in the northern portion of the plume. Private residences in the area where TCE concentrations in groundwater were above the MCL were provided alternative water systems.

In 2008, Santa Ana Water Board staff conducted research to identify the likely source of TCE contamination. Based on their findings, the Santa Ana Water Board staff identified discharges of wastewater to the RP-1 treatment plant and associated disposal areas as potential sources of TCE. Several industries, including previously identified tenants of the Ontario Airport property, were found to have likely used TCE solvents before and during the early 1970's and discharged waste into the sewage system of the Cities of Ontario and Upland, which were tributary to the RP-1 treatment plant and disposal areas. In 2012, the Santa Ana Water Board issued an additional Draft CAO jointly to the City of Ontario, City of Upland, and IEUA as the previous and current operators of the RP-1 treatment plant and disposal area (collectively the RP-1 parties).

From 2007 through 2014, under the oversight of the Santa Ana Water Board, the ABGL parties and the RP-1 parties individually and jointly conducted sampling at private residential wells and taps in areas where groundwater was potentially contaminated with TCE approximately every two years. By 2014, the ABGL parties had sampled all private wells and taps within the plume area at least once as part of the monitoring program. The data was documented in a report published in November 2014.³ Both the ABGL and RP-1 parties provided potable water to residences in the area where water contained TCE concentrations equal to or above 80 percent of the MCL for TCE (e.g., equal to or greater than 4.0 µg/l) either through water tank systems or by bottled water service.

In July 2015, the RP-1 parties completed a draft feasibility study report for the South Archibald plume (Feasibility Study).⁴ The Feasibility Study established cleanup objectives for domestic water supply and plume remediation and evaluated alternatives to achieve these objectives. In August 2015, the RP-1 parties prepared a Draft Remedial Action Plan (RAP) presenting the preferred alternatives for plume remediation and domestic water supply.⁵ A public review period followed, and two community meetings were held in September 2015 to educate the public about the plume, the Feasibility Study, and the RAP, and to solicit comments on these reports. In November 2015, the revised Draft Feasibility Study and RAP,

³ Erler & Kalinowski, Inc. (2014). *Supplemental Data Report Trichloroethene Plume Central Chino Basin*. Prepared for Aerojet Rocketdyne, Boeing, General Electric, and Lockheed Martin. November 19, 2014.

⁴ Dudek. (2015). *Draft Feasibility Study Report South Archibald Plume, Ontario, California*. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. July 2015.

⁵ Dudek. (2015). *Draft Remedial Action Plan South Archibald Plume, Ontario, California*. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. August 2015.

along with responses to comments, were completed to address input from the public, ABGL, and other parties.^{6,7}

In September 2016, the Santa Ana Water Board issued the Final Stipulated Settlement and CAO R8-2016-0016 (Stipulated CAO) jointly to the RP-1 parties and the ABGL parties (excluding Northrop Grumman). The Stipulated CAO was adopted by all parties in November 2016, thus approving the preferred plume remediation and domestic water supply alternatives identified in the RAP. The parties also reached a settlement agreement that aligned with the Stipulated CAO and authorized funding to initiate implementation of the plume remediation alternative.

In July 2021, the RP-1 parties collaborated with the Santa Ana Water Board and Watermaster to distribute a Community Fact Sheet to residences overlying the plume. The Fact Sheet addressed the health and environmental impacts of TCE and other potential contaminants such as per- and polyfluoroalkyl substances (PFAS), as well as their presence in the plume area, and available sampling resources.⁸

REMEDIAL ACTION

Plume Remediation

The plume remediation alternative identified in the Feasibility Study, RAP, and Stipulated CAO involves utilizing both existing and newly constructed Chino Basin Desalter Authority (CDA) wells and treatment facilities. The RP-1 parties and the CDA reached a Joint Facility Development Agreement for implementation of a project designed to remediate the South Archibald plume by modifying the CDA facilities to treat TCE and other volatile organic compounds (VOCs) while continuing to use existing facilities (i.e., reverse osmosis membranes) to treat total dissolved solids (TDS) and nitrate. The project consisted of the construction and operation of three new CDA wells (II-10, II-11, and II-12), the construction of a dedicated pipeline to convey groundwater produced from these wells to the Chino-II Desalter treatment facility, and the replacement of existing decarbonators at the Chino-II Desalter facility with an air stripping system to remove TCE and other VOCs from the water treated through the reverse osmosis (RO) trains. Additionally, a new pipeline was constructed to connect existing CDA Well I-11 to the pipeline conveying groundwater produced at the new CDA wells to the Chino-II Desalter facility.

Portions of project construction were funded by Proposition 1 Grant Agreement No. D1712507 (Prop 1 Grant Agreement) and Title XVI grants from the United States Bureau of Reclamation. Construction of CDA wells II-10 and II-11 was completed in September 2015. The equipping of these wells was completed in 2018, and pumping initiated at wells II-11 and II-10 in July and September 2018, respectively. An onsite monitoring well (II-MW-3) near the proposed location of Well II-12 was constructed in 2019 and the construction of Well II-12 was completed in November 2020. The CDA finished equipping Well II-12 in July 2021, and pumping began on August 24, 2021.

⁶ Dudek. (2015). *Draft Feasibility Study Report South Archibald Plume, Ontario, California*. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁷ Dudek. (2015). *Draft Remedial Action Plan South Archibald Plume, Ontario, California*. Prepared for City of Ontario, City of Upland, and Inland Empire Utilities Agency. November 2015.

⁸ Santa Ana Water Board. (2021). Community Fact Sheet.
https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/9334058463/20210407_CommunityFactSheet_SouthArchibaldPrivateWells-Short_ADA_Final.pdf

Domestic Water Supply

The domestic water supply alternative identified in the Feasibility Study and RAP is a hybrid between the installation of tank systems for some residences, where potable water is delivered from the City of Ontario, and the installation of a pipeline to connect residences directly to the City of Ontario potable water system. Pursuant to the Stipulated CAO, the Cities of Ontario and Upland assumed the responsibility for implementing the domestic water supply alternative and in February 2017, the Cities submitted a *Domestic Water Supply Work Plan* to the Santa Ana Water Board (2017 Work Plan), outlining the approach to provide alternative water supplies to affected residences that were receiving bottled water at the time.⁹ The Santa Ana Water Board approved the 2017 Work Plan on March 3, 2017.¹⁰ At that time, 32 residences were using previously installed tank systems and 21 residences were receiving bottled water.

The alternative water supply plan options included: 1) installation of a tank system; 2) connection to an existing City of Ontario water main; 3) connection to a future City of Ontario water main; or 4) remain on bottled water. In accordance with the schedule in the Stipulated CAO and the work plan, tank systems were to be installed within six months of resident consent, connections to Ontario's existing municipal water system were to be constructed within three months of resident consent, and construction and connection to a new water main was to occur within 18 months of resident consent. Additionally, bottled water would be supplied to any newly affected residents immediately upon the determination of the presence of TCE in their water supply at concentrations greater than 4 µg/l. Since 2017, the City of Ontario has continued to conduct annual monitoring at private wells and taps in the area in support of the Stipulated CAO and 2017 Work Plan.

MONITORING AND REPORTING

Pursuant to the Stipulated CAO and the 2017 Work Plan, the Cities of Ontario and Upland collect annual groundwater quality samples from approximately 50-60 private wells and taps at about 45 residential and agricultural locations within the plume area. The purpose of this sampling is to: 1) evaluate the lateral extent of the plume in accordance with the Stipulated CAO, 2) identify locations where TCE concentrations in private water supply wells exceed the MCL, 3) identify locations where TCE concentrations that were previously above the MCL are now below 80 percent of the MCL, and 4) identify residences that may qualify for participation in the City of Ontario's alternative water supply program. Since 2017, the Cities of Ontario and Upland have conducted nine rounds of sampling, and all the results are documented in annual groundwater monitoring reports submitted to the Santa Ana Water Board. The annual reports are all available to view on the State Water Resources Control Board's GeoTracker online portal.¹¹

The IEUA and CDA also conduct groundwater quality sampling under a monitoring and reporting plan developed in 2021 pursuant to the Prop 1 Grant Agreement for the funding of the expansion of the CDA facilities to cleanup TCE in the South Archibald plume, in addition to the high nitrates and TDS in groundwater (Prop 1 Monitoring Plan¹²). The Prop 1 Monitoring Plan includes collecting samples at the CDA production and monitoring wells located within and near the plume. As part of the monitoring

⁹ Dudek. (2017). *Domestic Water Supply Work Plan South Archibald Plume, Ontario, California*. Prepared for the City of Ontario, City of Upland. February 2017.

¹⁰ Santa Ana Water Board. (2017). *Domestic Water Supply Workplan – South Archibald Trichloroethylene Plume, Ontario, California*. Letter to the City of Ontario from Kurt Berchtold. March 3, 2017.

¹¹ https://geotracker.waterboards.ca.gov/profile_report?global_id=T10000004658

¹² Hazen and Sawyer. (2021). *Monitoring Plan – Chino Basin Improvement and Groundwater Clean-up Project*. Prepared for CDA and IEUA. January 2021.

program, two CDA monitoring wells were constructed at the request of the Santa Ana Water Board and California State Water Resources Control Board (State Board) to monitor key locations in the plume: 1) multi-nested Well II-MW-5 (a, b, c, d) located within the area of the highest concentration of TCE within the plume; and 2) Well II-MW-4 located just upgradient of CDA Well II-12.^{13,14} The locations of II-MW-5 (a, b, c, d) and II-MW-4 are shown in Exhibit 1.

The Prop 1 Monitoring Plan includes quarterly sampling for TCE, nitrate, and TDS at CDA production and monitoring wells. The Prop 1 Monitoring Plan also includes sampling for the following additional constituents at all wells except II-MW-5: 1,2,3-trichloropropane (1,2,3-TCP), 1,4-dioxane, perchlorate, and hexavalent chromium. Per the Prop 1 Monitoring Plan, sampling for these additional constituents were conducted at all four well casings at II-MW-5 upon construction completion (March 2021) and then again after the first (2022) and second years (2023). In April and September 2025, the IEUA conducted two more rounds of optional sampling to provide additional data. Moving forward, these constituents will also be sampled at two newly constructed monitoring wells (II-MW-6 and II-MW-7), as outlined in Section 2.2 of the Prop 1 Monitoring Plan and described in the Recent Activity section.

The Prop 1 Monitoring Plan also requires the submission of quarterly and annual Operational Reports¹⁵, which include data collected during each reporting period. Additionally, the groundwater data is uploaded to the State Board's GeoTracker website.

In addition to the monitoring conducted by the CDA and the RP-1 Parties, Watermaster routinely collects groundwater samples from private wells in the plume area. Watermaster uses data from its own monitoring efforts, along with data collected by the CDA, IEUA, and the City of Ontario, to delineate the South Archibald TCE plume as part of the biennial Chino Basin State of the Basin Report.

RECENT ACTIVITY

In accordance with the Stipulated CAO, the most recent annual sampling event conducted by the Cities of Ontario and Upland at private wells and taps within the plume area took place from October through November 2025. The sampling was conducted pursuant to the 2025 Sampling Workplan, which was submitted by the City of Ontario in June 2025 and approved by the Santa Ana Water Board on August 22, 2025.¹⁶ During the 2025 sampling event, a total of 47 samples were collected at 35 residential, commercial, and agricultural locations. Additionally, the CDA collected samples from ten CDA pumping and monitoring wells located within and adjacent to the plume. The results of these sampling efforts are documented in the *2025 Annual Groundwater Monitoring Report*¹⁷ and summarized below:

- TCE was detected in 17 samples at residential, commercial, and agricultural locations, ranging from 0.31 µg/l to 46 µg/l and exceeded the MCL of 5 µg/l in six of these samples.

¹³ CDA Board of Directors July 2020 Meeting Agenda and Minutes.
<https://www.chinodesalter.org/AgendaCenter/ViewFile/Agenda/07022020-309>

¹⁴ Santa Ana Water Board. (2020). *Comments on Responses to Comments on Monitoring and Reporting Plan and Request for Additional Monitoring for Inland Empire Utilities Agency and Chino Basin Desalter Authority Clean-Up Project (Grant Agreement No. D1712507)*. April 24, 2020.

¹⁵ Operational Reports are required to be submitted after the end of the grant term in January 2026.

¹⁶ EEC Environmental. 2025. *Workplan Private Water Supply Well Sampling*. Prepared for City of Ontario. June 30, 2025.

¹⁷ Dudek. (2025). *Annual Groundwater Monitoring Report South Archibald TCE Plume – Ontario, California*. Prepared for the City of Ontario and City of Upland. December 2025.

- TCE was also detected at nine CDA production and monitoring wells sampled throughout 2025.
 - TCE was detected in all groundwater samples from CDA production wells I-10, I-11, II-11, and II-12 with concentrations ranging from 1 µg/l at I-10 to 32 µg/l at II-12 in the center of the plume but only exceeded the MCL of 5 µg/l in CDA Well II-12.
 - The concentration of TCE ranged from 1.2 µg/l to 50 µg/l in groundwater samples collected at various screen intervals from Well II-MW-5 and from 13 µg/l to 40 µg/l in samples collected from Well II-MW-4.
- TCE concentrations in fourteen residential locations along the western edge of the plume are continuing to decline over time. TCE concentrations at CDA Well II-12 and three of the monitoring well intervals in CDA Well II-MW-5 also had a statistically significant decreasing trend.
- TCE concentrations remain the highest in the north-central part of the plume with increasing concentrations observed in residential locations and at CDA Well II-MW-4 in the central part of the plume just north of CDA Well II-12, likely due to groundwater pumping at Well II-12.
- TCE concentrations are also increasing at CDA Wells I-8 and I-11 at the southern extent of the plume. This likely reflects concentrations of TCE in groundwater south of CDA Well II-12 prior to installation.
- Two residential locations were identified as suitable candidates for removal from the alternative water supply program.

On February 17, 2026, the Santa Ana Water Board reviewed the *2025 Annual Groundwater Monitoring Report* and had no comments.

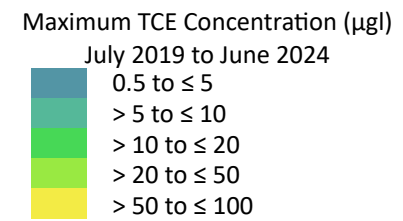
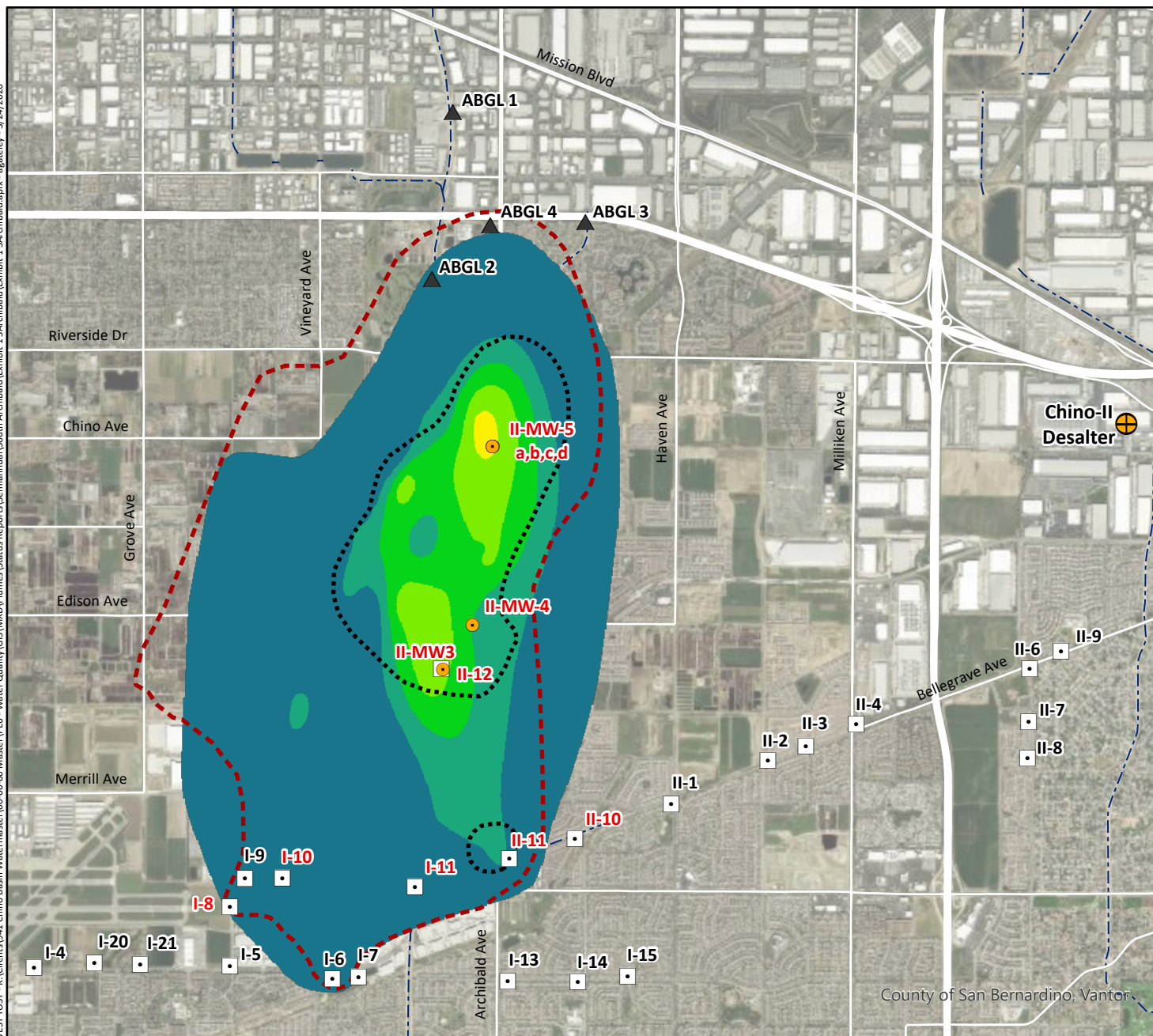
As of the end of 2025, 19 affected residences are supplied water by 13 tank systems. Of these, approximately ten systems are located at the western edge of the plume, where TCE concentrations have remained stable or are declining over time. The City of Ontario will continue to monitor TCE at all potentially affected residences and provide residences with TCE concentrations that exceed 80 percent of the MCL with an alternative water supply.

Construction of all Prop 1 facilities was completed in January 2026 with the completion of new monitoring wells II-MW-6 and II-MW-7. The last Progress Report was submitted in December 2025 and the grant completion date, which marks the transition to the Operational Period was January 31, 2026. The first Operational Report will be due in August 2026 and will cover the full first quarter of the Operational Period from February to April 2026, as well as June 2026.

Exhibit 1

The exhibit presented below is intended to be interpreted alongside the above Status Report.

WEST YOST - K:\Clients\941 Chino Basin Watermaster\00-00-00 Master\PE6 - Water Quality\GIS\WXD\Plumes\Stat.us.Reports\Semianual\South Archibald\Exhibit 1.SArchibald.aprx - 3/24/2026



(Delineated by Chino Basin Watermaster in the 2024 State of the Basin Report)

Approximate Extent of the Plume Delineated in the 2025 Annual Groundwater Monitoring Report

- Extent Greater Than 5 µg/l
- Complete Extent

- Chino Basin Desalter Authority Facilities:
- Pumping Well*
 - Monitoring Well*
 - Chino-II Desalter Treatment Facility
 - ABGL Monitoring Well
 - Streams & Flood Control Channels

*Red labels indicate wells that are specifically discussed in the report.

