

Notice and Agenda of a Meeting of the **Beaumont Basin Watermaster**

Tuesday, September 14, 2010 at 11:00 a.m.

MEETING LOCATION:

Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, California 92223

WATERMASTER MEMBERS:

Beaumont-Cherry Valley Water District - Represented by Anthony Lara
City of Banning - Represented by Duane Burk
City of Beaumont - Represented by Dave Dillon
South Mesa Water Company - Represented by George Jorritsma
Yucaipa Valley Water District - Represented by Joseph Zoba

- I. Call to Order
- II. Roll Call
 - A. Beaumont-Cherry Valley Water District - Anthony Lara
 - B. City of Banning - Duane Burk
 - C. City of Beaumont - Dave Dillon
 - D. South Mesa Water Company - George Jorritsma
 - E. Yucaipa Valley Water District - Joseph Zoba
- III. Pledge of Allegiance
- IV. Public Comments: At this time, members of the public may address the Beaumont Basin Watermaster on matters within its jurisdiction; however, no action or discussion may take place on any item not on the agenda. To provide comments on specific agenda items, please complete a Request to Speak form and provide that form to the Chairman prior to the commencement of the meeting.
- V. Consent Calendar
 - A. Minutes of the May 11, 2010 Watermaster Meeting
- VI. Discussion Items:
 - A. Acceptance of the Financial Audit for the Period Ending June 30, 2010 [Watermaster Memorandum No. 10-013]

RECOMMENDATION: That the members of the Watermaster accept the financial audit prepared by Siebert, Botkin, Hickey & Associates.

- B. Presentation of Draft Budget for Fiscal Year 2010-2011 [Watermaster Memorandum No. 10-014]

RECOMMENDATION: This agenda item is presented for discussion by the Watermaster members with the goal of adopting an operating budget for Fiscal Year 2010-11.

- C. Application for a Groundwater Storage Agreement for the City of Banning and the City of Beaumont [Watermaster Memorandum No. 10-015]

RECOMMENDATION: The Watermaster Engineer recommends approval of the Groundwater Storage Agreements.

- D. Request by the San Gorgonio Pass Water Agency to Negotiate a Storage Agreement with the Watermaster [Watermaster Memorandum No. 10-016]

RECOMMENDATION: This agenda item has been prepared to provide an open forum between the Watermaster and the San Gorgonio Pass Water Agency.

- E. Discussion Regarding the Collection and Compilation of Water Production Information Related to the Preparation of the Annual Report [Watermaster Memorandum No. 10-017]

RECOMMENDATION: No recommendation.

- F. Authorization to Reimburse Yucaipa Valley Water District for Website Related Expenses [Watermaster Memorandum No. 10-018]

RECOMMENDATION: That the members of the Watermaster authorize the payment of \$318.34 to YVWD from reserve funds.

VII. Watermaster Member Comments

VIII. Adjournment

**DRAFT RECORD OF THE MINUTES OF THE
BEAUMONT BASIN WATERMASTER MEETING
May 11, 2010**

Watermaster Members Present:

City of Banning:	Duane Burk
Beaumont Cherry Valley Water District:	Anthony Lara
South Mesa Water Company:	George Jorritsma
Yucaipa Valley Water District:	Joseph Zoba

Watermaster Members Absent:

City of Beaumont:	Dave Dillon
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Consultants Present:

Joseph Aklufi	Aklufi & Wysocki
Mark Wildermuth (arrived 10 min late)	Wildermuth Environmental Inc
Samantha Adams (arrived 10 min late)	Wildermuth Environmental Inc

Others Present:

Niki Magee	Self
Luwana Ryan	Self
Patsy Reeley	Self
Judith Bingham	Self
Frances Flanders	Self
Barbara Voigt	SGPWA
Jeff Davis	SGPWA
Dave Dysart	SGPWA
Stella Parks	BCVWD
Dr. Blair Ball	BCVWD
John Halliwill	BCVWD
Blanca Marin	BCVWD
John Ohanian	Oak Valley Partners

1. Call to Order

Chairman Jorritsma called the meeting to order at 9:05 a.m., 560 Magnolia Avenue, Beaumont, California

2. Roll Call

Member Dillon was absent to this meeting.

3. Pledge of Allegiance

Chairman Jorritsma led the pledge.

4. Oral and Written Communication

Chairman Jorritsma invited Judy Bingham to address the Commission on an item not on the agenda. Ms. Bingham addressed her concerns on several conflicts of interests that are "allowed" by the Watermaster. Her first concern is that Mr. Wildermuth is employed by both, the City of Beaumont and the Watermaster creating a conflict of interest as Mr. Wildermuth can not serve two "masters". Mr. Wildermuth's contract never goes out to bid and there are always task orders for his services. She

indicated that Mr. Wildermuth has no credibility with the public after he "lied" about the sewerage of Cherry Valley and now the public will never accept him again. She indicated that the scam was

engineered to facilitate the annexation of Cherry Valley into the City of Beaumont, so that Urban Logic Consultants could increase their territory and therefore, make more money as they do up to 9% of all the City's public works. She further stated that Dave Dillon, Ernie Eager and Dee Pak Moorjani have a private corporation which made four million in 2006 and 2007 and 4.8 million in 2008. She further expressed her opinion about Mr. Aklufi by stating that "is he the god father or is he the enforcer?" She indicated that it is time that the Commission hires a legal consultant whose job is not to protect Urban Logic's profits or "the very corrupt" City of Beaumont. She offered to provide copies to back up this information if anyone was interested.

Chairman Jorritsma invited Frances Flanders to address the Commission on an item not on the agenda. Ms. Flanders expressed her agreement to Ms. Bingham's statements because she does not agree that Mr. Wildermuth and Mr. Aklufi should serve individual people in this Commission. She would like to see an independent person doing the kinds of jobs where one person does not do work for both.

5. Consent Calendar

- A. Approve Minutes of April 14, 2010*
- B. Treasurer's Report for the period ending April 30, 2010*

Member Zoba moved to approve the Consent Calendar. Member Burk seconded. The motion passed with Member Dillon absent.

6. Action Items

- A. Mandatory and Discretionary Duties of the Watermaster
(Memorandum 10-10)

Member Zoba reported on this item indicating that at the April 14, 2010 meeting he asked for a list of mandatory and discretionary duties of the Watermaster. His intent was to focus the Watermaster into the mandatory functions. Another purpose was to use this list of mandatory and discretionary duties as a base for the Watermaster budget and to further identify what the mandatory functions of the Watermaster are and then adequately fund them. He indicated that the General Administration of the Watermaster function is primarily completed by the Annual Report. He indicated that he also noticed that the Biennial Engineer's report does not fall under the mandatory duties of the Watermaster and in some cases it duplicates the Annual Report. He would like the members of the Commission to consider including some of the mandatory duties in the Annual Report so that it becomes only one report which can be then updated yearly. A lot of the functions will become then discretionary and if any member wants to bring any of these items for discussion for the Committee to review and to determine as to how the funding will look like and determine whether or not to pursue it.

Chairman Jorritsma invited Luwana Ryan to address the Commission on this item. Ms. Ryan stated that after rereading the duties and responsibilities in the Adjudication, she found no judicial classifications of mandatory and discretionary powers and duties. She indicated that the responsibilities to decide what the Watermaster want or might not want to do should probably go back to the court. When the adjudication happened there were approximately 500 people who were not notified. She stated that the Commission should let a judge decide on what is mandatory and what is discretionary. She recommended that the Commission should read the adjudication if they want to know what their responsibilities are.

Chairman Jorritsma invited Dr. Blair Ball to address the Commission on this item. Dr. Ball, speaking as a rate payer, asked that the Commission be judicious at what they do as a Watermaster, as due to the economic times the Watermaster needs to do what they are obligated to do. He suggested letting other agencies do what they do best, so that the Watermaster does not have to "reinvent the wheel".

Member Zoba commented that it is important for the agencies in this region to identify what their roles are. If each agency defines their role and minimize the overlap then the agencies will operate more efficiently. He indicated that the Yucaipa Valley Water District Board could work with other agencies'

boards to do cooperative projects. He further stated that the Judgment is very specific and that it is a good idea that the Commission reviews this document and decides on any changes.

Chairman Jorritsma invited Niki Magee to address the Commission on this item. Ms. Magee expressed her concern regarding the adjudication not granting Beaumont Cherry Valley Water District overlied rights. She indicated that this might be the responsibility of the Watermaster. She recommended that the Watermaster obtain from the Beaumont Cherry Valley Water District copies of the deeds to determine whether or not it requires an action in court.

Member Lara commented that it was his understanding that if you have an overlied right, you exercise it but you have to use that on your land and the District does not do that as the District does not own all of the land it serves.

Ms. Magee explained that the deeds supersede the judgment. She stated that "The fact is, water was segregated from the land when the deeds were issued. In a case of a large parcel, the land is segregated from the water the District owns the water, yet the owner of the land was given the rights to the water."

B. Presentation of the Draft Fiscal Year 2010/2011 Budget Proposal
(Memorandum 10-11)

Member Zoba provided a brief verbal report on this item indicating the memorandum included in the agenda was providing three options in the budget for the Watermaster to consider. He indicated that the recommendation made on the first two options is not to fund the Chief of Watermaster Services position. Member Zoba welcomed Members of the Watermaster to submit any comments and or suggestions to be included in the budget. He indicated that all task orders expire on June 30th, 2010.

Member Burke questioned about what Mandatory and Discretionary duties fall under the options A and B provided in the Draft Budget.

Member Zoba indicated that a lot of the Mandatory Duties will be included when the Watermaster completes the Annual Report.

Member Lara expressed his agreement with the fact that a lot of the Discretionary Duties listed are already taken care of by the regulatory agencies. He commented that a lot of items on this list can be easily deleted. He further indicated that it appears that there is a lot of redundant work being done by the Watermaster and the surrounding agencies. He would like to work with other agencies to eliminate doing unnecessary work and therefore save the ratepayers money.

Chairman Jorritsma invited Dr. Blair Ball to address the Commission on this item. Dr. Ball noted his agreement regarding the Watermaster decision not to hire a new general manager. He also agreed that the Watermaster needs to work with other agencies. He further requested that when the Commission considers who to hire for professional, legal, engineering and auditor services to go out to bid. He further recommended that the Watermaster hires professionals who are not financially involved with other agencies.

C. Applications for Groundwater Storage Agreements
(Memorandum 10-12)

Chairman Jorritsma and Member Lara requested that typos be corrected on the memorandum for this item as it should read "240,000 acre feet" and Yucaipa's request should read "45,000"

Chairman Jorritsma invited Dr. Blair Ball to address the Commission on this item. Dr. Ball requested that each request be taken individually and that each provides an explanation as to why the increase in their account is needed. He further requested that the City of Beaumont's application be tabled as no representatives were present to provide an explanation. He asked for explanation as to why the City of Beaumont has a need to expand their storage account as the City of Beaumont is not a water district; the City of Beaumont has no wells and they have no pipes.

Chairman Jorritsma invited John Halliwill to address the Commission on this item. Mr. Halliwill requested to speak as an individual and not as a board member of the Beaumont Cherry Valley Water District, indicating that he has attended a few Beaumont Cherry Valley Water District and City of Beaumont meetings regarding the recycled water coming from the City of Beaumont. He indicated that the City of Beaumont has received a document from the District to finalize this ability to take that water. The District has not received any comments related to this document. He spoke regarding the application from the City indicating that the application states that the City will transfer the water to retailer agencies but the City is not specific as to who the retail agency is. He further indicated that the Recharge Facility located on Brookside and Beaumont Avenue should be listed and documented.

Member Burke indicated that his application indicates that the water that Banning is recharging is from this location. He indicated that there is currently no paperwork indicating that the City of Banning is paying fees to Beaumont Cherry Valley Water District. He would like to memorialize an agreement between the City of Banning and the Beaumont Cherry Valley Water District.

- i. City of Beaumont- Member representative was absent.
- ii. Yucaipa Valley Water District- Member Zoba indicated that the Yucaipa Valley Water District has the smallest storage account approved. He indicated that his storage account is 100 acre feet to reach its storage capacity. He indicated that he wants Yucaipa Water District to increase its capacity to store water in the event that surface water is not available. He recommended that the Watermaster approve Yucaipa's request.
- iii. City of Banning – Member Burke indicated that the City of Banning is requesting to increase their water account because the City of Banning does not want to extract water from the Beaumont Basin; the City of Banning wants to keep banking the water that BCVWD is recharging for the City of Banning to use it during dry years. He also indicated that the City of Banning is working with the Beaumont Cherry Valley Water District and other agencies in search of other sources of water therefore the City of Banning wants to have that extra capacity for future use.
- iv. Beaumont Cherry Valley Water District- Member Lara indicated that the Beaumont Cherry Valley Water District has the largest storage account. He also indicated that the District depends on water from the Beaumont Basin. He indicated his agreement that agencies need to look for other sources of water for use in dry years. He indicated that the District is currently not receiving recycled water from the City of Beaumont however; the District is working on obtaining a permit to bring recycled water from the west to offset the District's over-pumping. He further indicated that it is unclear as to why a land use planning agency is part of the Judgment and why they are even members of the Watermaster. He indicated that he has questioned in the past and there has been no answer. He stated that the District's job is to supply water to its customers the City's job is something else and both agencies should not intertwine. He recommended that the Watermaster table the City of Beaumont's application as he would like to hear from one of the City representatives about what their need to increase their water account is and why do they even have a water account if they are not a water district.

Member Lara moved to table the City of Beaumont's application until a representative of the City of Beaumont attends a Watermaster meeting to address the need for an increase in their account. Member Burke seconded. The motion passed with Member Dillon Absent.

Member Zoba moved to approve its request to increase the Yucaipa Water District's account. Member Burke seconded. The motion passed unanimously.

Member Lara moved to approve the Beaumont Cherry Valley Water District's application to increase its account. Member Zoba seconded. The motion passed with Member Dillon absent.

Member Burke moved to table his request until the City of Beaumont comes back to the Watermaster to explain its need for increase in their capacity and until an agreement is memorialized between the City

of Banning and the Beaumont Cherry Valley Water District for the use of the recharge by the City of Banning. Member Lara seconded. The motion passed with Member Dillon absent.

7. Board Member Comments

Next Watermaster meeting was scheduled for June 8, 2010 at 9:00 a.m.

Member Zoba encouraged other members to submit any comments or suggestions to be incorporated in the budget and any items for discussion in future agendas.

8. Adjournment

Chairman Jorritsma adjourned the meeting at 10:05 a.m.

Anthony Lara, Secretary to the
Beaumont Basin Watermaster

WATERMASTER MEMORANDUM NO. 10-013

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Financial Audit for the Period Ending June 30, 2010

Recommendation: That the members of the Watermaster accept the financial audit prepared by Siebert, Botkin, Hickey & Associates.

On April 14, 2010, the members of the Watermaster authorized the accounting firm of Siebert, Botkin, Hickey and Associates to complete the financial audit for the fiscal year ending June 30, 2010 [Memorandum No. 10-004].

Attached is a copy of the completed audit for your review and acceptance.

BEAUMONT BASIN WATERMASTER

**Auditors' Report
And
Financial Statements**

*For the Year Ended
June 30, 2010*

SIEBERT BOTKIN HICKEY & ASSOCIATES, LLP
Certified Public Accountants



***Siebert Botkin Hickey
& Associates, LLP***

**Watermaster Committee
Beaumont Basin Watermaster
Yucaipa, CA 92399**

Independent Auditors' Report

We have audited the accompanying basic financial statements of the Beaumont Basin Watermaster, as of and for the year ended June 30, 2010. These financial statements are the responsibility of the management of Beaumont Basin Watermaster. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Beaumont Basin Watermaster, as of June 30, 2010, and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Beaumont Basin Watermaster has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America require to supplement, although not to be a part of, the basic financial statements.

Siebert Botkin Hickey & Associates, LLP

July 16, 2010

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Beaumont Basin Watermaster
 Statement of Net Assets
 As of June 30, 2010

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents

\$ 25,152

LIABILITIES and NET ASSETS

CURRENT LIABILITIES

Accounts Payable

10,493

NET ASSETS

Unrestricted

\$ 14,659

See Auditors' Report
 The Notes to Financial Statements Are An Integral Part of This Statement
 Page 2 of 6

Beaumont Basin Watermaster
 Statement of Activities
 For the Year Ended June 30, 2010

REVENUES

San Timoteo Watershed Management Authority Special Project Funds	\$	33,339
Interest Revenue		6
Total Revenues		33,345

EXPENSES

Administrative Expenses		
Chief of Watermaster Services		21,500
Meetings and Miscellaneous		6,815
Acquisition and Computation of Production Data/Annual Report		16,900
General Engineering		10,667
Groundwater Level Water Monitoring Program		9,840
Legal and Professional		6,063
Bank Charges and Miscellaneous		611
Total Expenses		72,396
Change in Net Assets		(39,051)

NET ASSETS

Unrestricted Net Assets, Beginning of Year		53,710
Unrestricted Net Assets, End of Year	\$	14,659

See Auditors' Report
 The Notes to Financial Statements Are An Integral Part of This Statement
 Page 3 of 6

Beaumont Basin Watermaster
 Statement of Cash Flows
 For the Year Ended June 30, 2010

Cash Flows From Operating Activities:

Cash Received from San Timoteo Watershed Management Authority	\$	33,339
Cash Paid to Vendors for Services and Supplies		<u>(79,894)</u>
Net Cash Used By Operations		<u>(46,555)</u>

Cash Flows From Investing Activities:

Interest Earned on Operating Funds		<u>6</u>
Net Cash Provided by Investing Activities		<u>6</u>
Net Decrease in Cash		(46,549)
Cash and Cash Equivalents at Beginning of Year		<u>71,701</u>
Cash and Cash Equivalents at End of Year	\$	<u><u>25,152</u></u>

See Auditors' Report
 The Notes to Financial Statements Are An Integral Part of This Statement
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Beaumont Basin Watermaster
Notes to Financial Statements
For the Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Description of Operations:

The Beaumont Basin Watermaster is the entity charged with administering adjudicated water rights and managing groundwater resources within the Beaumont Groundwater Basin. It was created on February 4, 2004 by a Judgment entered in the Superior Court of the State of California for the County of Riverside (Case No. RIC 389197). Pursuant to the Judgment, the Watermaster Committee is comprised of representatives from the City of Banning, the City of Beaumont, the Beaumont-Cherry Valley Water District, the South Mesa Mutual Water Company, and the Yucaipa Valley Water District.

The Watermaster's area of jurisdiction, which is also known as the adjudicated boundary, overlies a portion of the Santa Ana River Watershed. San Timoteo Creek, which is a tributary to the Santa Ana River, is one of the major surface streams traversing the area as well as portions of Little San Geronio Creek and Noble Creek.

Basis of Presentation:

The Beaumont Basin Watermaster's financial statements have been prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Watermaster is considered a single activity special-purpose government. A single proprietary fund is used to report all of the Watermaster's financial activities.

Financial reporting is based upon all Governmental Accounting Standards Board (GASB) pronouncements, as well as the Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins that were issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. FASB pronouncements issued after November 30, 1989 are not followed in the preparation of the accompanying financial statements.

Basis of Accounting:

The Beaumont Basin Watermaster uses the accrual method of accounting for financial statement reporting purposes. Under the accrual method revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Reporting Entity:

The Watermaster has defined its reporting entity in accordance with GASB Statement No. 14, "The Financial Reporting Entity," which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity. The Watermaster's reporting entity includes all significant operation and revenue sources for which the Watermaster Committee exercises oversight responsibility as determined under the criteria established by the National Council on Governmental Accounting Statement No. 3, as adopted by FASB. Oversight responsibility is determined on the basis of selection of the governing board, designation of management, ability to significantly influence operations, accountability for fiscal matters, and the scope of public service.

Income Taxes

The Watermaster is exempt from federal income and state franchise taxes.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, cash equivalents includes time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. The Watermaster maintains bank accounts at financial institutions located within the State of California.

See Auditors' Report
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Beaumont Basin Watermaster
Notes to Financial Statements
 For the Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Net Assets/Fund Equity

The financial statements are presented using the net asset method. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted. The Watermaster reports only unrestricted net assets.

- Unrestricted Net Assets – This category represents net assets of the Watermaster not restricted for any project or other purpose.

NOTE 2 – CASH AND INVESTMENTS:

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Watermaster’s cash on deposits or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all public agency deposits. Under California law this collateral remains with the institution but is held in the Watermaster’s name and places the Watermaster ahead of general creditors of the institution.

The Watermaster’s cash balances of \$25,152 at June 30, 2010 are held in FDIC insured demand deposit accounts.

The Watermaster’s Investment Policy and the California Government Code allow the District to invest in a variety of investment types, provided the credit ratings of the issuers are acceptable to the Watermaster Committee. The following also identifies certain provisions of the Watermaster’s Investment Policy and California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligation	5 years	N/A	100%	No Limit
U.S. Agency Securities	5 years	N/A	100%	No Limit
Bankers Acceptances	180 days	N/A	40%	30%
Commercial Paper	270 days	A-I	25%	10%
Negotiable Certificates of Deposit	5 years	N/A	30%	No Limit
Repurchase Agreements	1 year	N/A	100%	No Limit
Reverse Repurchase Agreements	92 days	N/A	20%	No Limit
Demand Deposits	N/A	Highest Category	20%	10%
Medium Term Notes	5 years	A	30%	No Limit
Money Market Mutual Funds	N/A	Highest Category	20%	10%
Asset-Backed Securities	5 years	AA	20%	No Limit
State of California Obligations	5 years	N/A	100%	No Limit
Local Agency Investment Fund	N/A	N/A	\$40 million account	No Limit

Interest Rate Risk, Credit Risk, and Concentration of Credit Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity the more sensitive the investment is to market fluctuations. Credit risk is measured by nationally recognized statistical agencies such as Standard & Poor’s. Credit risk is simply the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Concentration of credit risk measures the extent to which the Watermaster’s investments are invested in a single issuer. Since the Watermaster’s does not have investments and the cash balances are fully insured, the Watermaster is not exposed to interest rate risk, credit risk, or concentration of credit risk.

See Auditors’ Report
 Page 6 of 6

WATERMASTER MEMORANDUM NO. 10-014

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Presentation of Draft Budget for Fiscal Year 2010-2011

Recommendation: This agenda item is presented for discussion by the Watermaster members with the goal of adopting an operating budget for Fiscal Year 2010-11.

The Watermaster started the fiscal year with an operating fund balance of \$87,049. Due to the minimal activities during the fiscal year, the Treasurer did not need to invoice the members to support the organization.

As of June 30, 2010, the Watermaster expended \$72,390.08, which provides \$14,659.25 to be carried forward into Fiscal Year 2010-11.

The draft budget on page 3 of this memorandum provides two options for consideration by the Watermaster members:

Option A - This option requires funding from each member of the Watermaster in the amount of \$6,000, and is based on the following assumptions:

- The activities of the Watermaster next year will be similar to Fiscal Year 2009-10;
- The Watermaster will not hire a Chief of Watermaster Services;
- The Watermaster will complete the Annual Report, but will not complete the Biennial Engineer's Report;
- General Engineering services will be 50% of the projected year end expense. This is based on the fact that over 70% (\$5,382.73) of the expenses posted to General Engineering (Account 5060) this year were associated with the prior year Biennial Engineer's Report. See Watermaster Meeting Memorandum No. 10-07 dated April 6, 2010.
- Supporting documentation for this option is provided on page 4.

Option B - This option requires funding from each member of the Watermaster in the amount of \$21,250, and is based on the following assumptions:

- The expenses for Miscellaneous & Meetings will be \$15,000 next year;
- The Watermaster will not hire a Chief of Watermaster Services;
- The Watermaster will complete an Annual Report and the Biennial Engineer's Report;
- General Engineering services will be about \$20,000 next year;
- Groundwater Level Monitoring will be about \$15,000 next year;
- Supporting documentation for this option is provided on page 5.

A third option would be to fund the Chief of Watermaster Services position which would need to be added to the two options provided above.

The budget options provided in this memorandum are not designed to indicate a right or wrong answer. Rather the two options provide the ability to book end the budget with a minimal budget approach (which may require additional funding from the members during the year) and a maximum budget approach (which may provide excess funds at the end of the fiscal year). Overall, the budget is a policy decision allowing the members of the Watermaster to decide the level of activity they desire from the organization.

**Beaumont Basin Watermaster
Monthly Expense Overview - Fiscal Year 2009-2010**

Account Number	Approved Budget Fiscal Year 2010	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Year-To-Date	Percentage of Approved Budget
OPERATING EXPENSES:															
Bank Fees & Interest	5000	\$0.00	\$0.00	\$25.59	\$44.17	\$29.23	\$28.73	\$40.03	\$28.12	\$28.52	\$41.02	\$30.25	\$30.19	\$325.85	--
Chief of Watermaster Services	5001	\$36,000.00	\$5,600.00	\$4,300.00	\$3,000.00	\$3,000.00	\$757.75	\$550.00	\$4,805.00	\$4,061.25	\$4,102.00	\$2,943.40	\$1,926.25	\$21,500.00	59.7%
Miscellaneous & Meeting Expenses	5010	\$1,000.00	\$0.00	\$1,188.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$736.25	\$929.13	\$6,815.95	681.6%
Acquisition/Computation & Annual Report	5020	\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16,900.38	84.5%
Annual Audit	5040	\$3,000.00	\$2,950.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,950.00	98.3%
General Engineering	5060	\$15,000.00	\$1,025.00	\$2,903.85	\$1,840.53	\$19.52	\$173.76	\$116.25	\$1,743.75	\$1,765.00	\$663.00	\$2,273.78	\$1,046.25	\$10,666.84	71.1%
Groundwater Level Monitoring Program	5063	\$10,000.00	\$262.50	\$787.50	\$1,403.25	\$532.20	\$0.00	\$0.00	\$2,657.45	\$2,343.00	\$975.00	\$0.00	\$0.00	\$9,839.75	98.4%
Legal Expenses	5070	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,112.50	31.1%
Reserve Funding	5080	\$11,500.00	\$0.00	\$270.62	\$75.00	\$37.50	\$0.00	\$8.19	\$0.00	\$0.00	\$975.00	\$637.50	\$0.00	\$278.81	2.4%
Total Operating Expense		\$106,500.00	\$8,812.50	\$9,476.11	\$8,417.95	\$4,824.70	\$3,517.74	\$714.47	\$6,576.87	\$8,512.22	\$4,022.02	\$6,621.18	\$3,931.82	\$72,390.08	68.0%

CUMULATIVE ACCOUNTING BELOW

Account Number	Approved Budget Fiscal Year 2010	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Year-To-Date	Percentage of Approved Budget
OPERATING EXPENSES:															
Bank Fees & Interest	5000	\$0.00	\$0.00	\$25.59	\$69.76	\$98.99	\$127.72	\$167.75	\$195.87	\$224.39	\$265.41	\$295.66	\$325.85	\$325.85	--
Chief of Watermaster Services	5001	\$36,000.00	\$11,200.00	\$15,500.00	\$18,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	\$21,500.00	59.7%
Miscellaneous & Meeting Expenses	5010	\$1,000.00	\$0.00	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$1,188.55	\$6,815.95	681.6%
Acquisition/Computation & Annual Report	5020	\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16,900.38	84.5%
Annual Audit	5040	\$3,000.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00	98.3%
General Engineering	5060	\$15,000.00	\$1,025.00	\$1,025.00	\$2,865.53	\$2,885.05	\$3,058.81	\$3,175.06	\$4,918.81	\$6,683.81	\$7,346.81	\$9,620.59	\$10,666.84	\$10,666.84	71.1%
Groundwater Level Monitoring Program	5063	\$10,000.00	\$0.00	\$2,903.85	\$4,307.10	\$4,839.30	\$4,839.30	\$4,839.30	\$4,839.30	\$4,839.30	\$4,839.30	\$4,839.30	\$4,839.30	\$9,839.75	98.4%
Legal Expenses	5070	\$10,000.00	\$262.50	\$1,387.50	\$1,462.50	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$3,112.50	31.1%
Reserve Funding	5080	\$11,500.00	\$0.00	\$270.62	\$270.62	\$270.62	\$270.62	\$278.81	\$278.81	\$278.81	\$278.81	\$278.81	\$278.81	\$278.81	2.4%
Total Operating Expense		\$6,812.50	\$15,775.00	\$25,251.11	\$33,669.06	\$38,493.76	\$42,011.50	\$42,725.97	\$49,302.84	\$57,815.06	\$61,837.08	\$68,458.26	\$72,390.08	\$72,390.08	68.0%

Table 1: Work Breakdown Structure and Fee Estimate for FY 2010/11 Projects
Beaumont Basin Watermaster

Description	Notes	Labor										Total Labor		Other Direct Charges			Total ODCs		Total Program Costs				
		Principal III	Principal & II	Supervisors or	Senior	DBA	Staff	Eng	Tech	Field Tech	Task Rep Multiplier	Person Days	Task	Cost	Project	Travel	Equipment Rental	Reproduction	Sub-task	Task Order	Sub-task	Task Order	
																							Sub-task
<i>Task Order 1: General Engineering</i>																							
1.1 General Engineering	a	4	1	2	4	2	1	1	14	1	14	\$20,090	\$20,090	\$0					\$0		\$20,090	\$20,090	
<i>Task Order 2: Meetings and Related Support</i>																							
2.1 Assistance with Agenda Preparation	0.25			1				4	5		5	\$6,888	\$15,078				\$100		\$100	\$6,988	\$15,490		
2.2 Attend Watermaster Meetings	0.5			0.5				4	4		4	\$6,150				\$312			\$312	\$6,462			
2.3 Maintenance of Watermaster Website				0.25			2	1	2.25		2.25	\$2,040								\$2,040			
<i>Task Order 3: Annual Report</i>																							
3.1 Collect, Compile, and Review Reports and Data				1		2		1	3		3	\$3,403	\$19,018						\$350	\$3,403	\$19,368		
3.2 Estimate Pumping from Metered Wells				0.5		1		1	1.5		1.5	\$1,702								\$1,702			
3.3 Estimate Pumping from Unmetered Wells	0.25			1		1.5		0.5	3.25		3.25	\$3,684								\$3,684			
3.4 Describe Pumping, Recharge, and Storage Activities	0.25			0.5		1		1.5	1.5		1.5	\$1,702								\$1,702			
3.5 Prepare Draft Report and Submit to Parties				3		2		0.5	5.75		5.75	\$6,827								\$6,827			
3.6 Prepare Final Report				1		1		0.5	1.5		1.5	\$1,702								\$1,702			
<i>Task Order 4: Biennial Engineer's Report</i>																							
4.1 Collect, Compile, and Review Reports and Data				0.25		1		1.25	1.25		1.25	\$1,384	\$43,675						\$500	\$1,384	\$44,175		
4.2 Describe Pumping, Recharge, and Storage Time Histories				2		1		1	3		3	\$3,608								\$3,608			
4.3 Prepare Groundwater Elevation Contours	0.25			1		3		6.25	6.25		6.25	\$8,282								\$8,282			
4.4 Calculate Change in Storage and Estimate Safe Yield	0.5			1		2		4.5	4.5		4.5	\$5,986								\$5,986			
4.5 Characterize Groundwater Quality	1			3		2		6	6		6	\$7,719								\$7,719			
4.6 Prepare Draft Report and Submit to Parties	1			4		3		1	10		10	\$12,628								\$12,628			
4.7 Prepare Final Report				2		1		0.5	3.5		3.5	\$4,039								\$4,039			
<i>Task Order 5: Groundwater Level Monitoring Program</i>																							
5.1 Round 1 Data Collection, Download, Review and DB Upload				1.5		2		1	4.5		4.5	\$4,764	\$14,291						\$65	\$4,829	\$14,696		
5.2 Round 2 Data Collection, Download, Review and DB Upload				1.5		2		1	4.5		4.5	\$4,764								\$4,764			
5.3 Round 3 Data Collection, Download, Review and DB Upload				1.5		2		1	4.5		4.5	\$4,764								\$4,764			
Totals		8	5	2	30.5	0	28.5	5.5	89.75	1	89.75	\$12,151	\$12,151	\$660	\$7	\$950	\$1,667	\$1,667	\$113,818	\$113,818	\$113,818	\$113,818	

Notes:
a General Engineering covers as requested services from the Watermaster
b The proposed budget for the Third BER report includes the additional time needed to ensure comments from the City of Beaumont are incorporated into the report, as requested by Watermaster. Member Burks during his approval of the Second BER report at the April 14, 2010 Board meeting.
c The proposed budget for FY 2010/11 includes one additional transducer download event that was performed in FY 2009/10. This increase in work is recommended to maintain high quality groundwater elevation data.

WATERMASTER MEMORANDUM NO. 10-015

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Application for a Groundwater Storage Agreement for the City of Banning and the City of Beaumont

Recommendation: The Watermaster Engineer recommends approval of the attached applications.

On May 11, 2010, the members of the Watermaster considered Memorandum No. 10-012 which presented four groundwater storage agreements for the following member agencies:

- City of Banning;
- City of Beaumont;
- Beaumont Cherry Valley Water District; and
- Yucaipa Valley Water District;

The storage agreements for the Beaumont Cherry Valley Water District and the Yucaipa Valley Water District were approved with the applications for the City of Banning and the City of Beaumont were tabled for consideration at our next meeting.

WATERMASTER MEETING MEMORANDUM NO. 10-12

To: Beaumont Basin Watermaster
From: Mark Wildermuth, Watermaster Engineer
Date: May 5, 2010
Subject: Applications for Groundwater Storage Agreements

The Watermaster received and noticed the following applications for Groundwater Storage Agreements. The applications and summary analyses are included with this memorandum.

<u>Appropriator</u>	<u>Date of Application</u>	<u>Date of Notice</u>	<u>Storage Request (acre-ft)</u>	<u>Total Storage Account (acre-ft)</u>
City of Beaumont	Sept. 15, 2009	April 15, 2010	8,000	30,000
YVWD	April 15, 2010	April 19, 2010	45,000	50,000
City of Banning	April 16, 2010	April 19, 2010	40,000	80,000
BCVWD	April 19, 2010	April 20, 2010	10,000	80,000

ZHO Upon approval of all four pending storage applications, the total storage account allocation will be ~~260,000~~ 260,000 acre-feet. The total volume of water in storage in the Basin as of June 30, 2009 is 33,847 acre-feet.

Neither the Judgment, nor the Watermaster Rules and Regulations, restricts the total storage account allocation so long as there is no injury to existing water rights or existing uses of water within the Basin and that the allocation does not result in the waste of water. At some point in the future, as the total volume of water in storage increases, the Watermaster will need to calculate any losses of water stored and any losses of water supplies or Safe Yield resulting from stored water. At this time, there is no expected impact to the Parties to the Judgment or to the Basin from the four pending applications for increased Groundwater Storage Agreements.

Recommendation

Approve the City of Beaumont, Yucaipa Valley Water District, City of Banning, and Beaumont Cherry Valley Water District Groundwater Storage Agreement Applications.

06/08/04

Form 1

BEAUMONT BASIN WATERMASTER
APPLICATION
FOR
GROUNDWATER STORAGE AGREEMENT

APPLICANT

City of Beaumont
Name

550 E 6th STREET
Address for Notice

Beaumont CA
City State Zip Code

Telephone: 951-769-8520

Facsimile: 951-769-8526

For Staff Use Only	
Date Requested:	9-15-09
Date Approved:	
*Amount Requested:	Increase from _____ acre feet
Amount Approved:	_____ acre feet
Agreement No.:	_____

* Increase storage account from 22,000 Acre-ft to 30,000 Acre-ft, an increase of 8,000 Acre-ft.

798.000 to 20,000

TYPE OF WATER TO BE PLACED IN STORAGE

Supplemental Water Other: New Yield Both

PURPOSE OF STORAGE – Check all that may apply

- Stabilize or reduce future water costs/assessments.
- Facilitate utilization of other available sources of supply.
- Facilitate replenishment under certain well sites.
- Preserve pumping right for a changed future potential use.
- Other, explain _____

METHOD AND LOCATION OF PLACEMENT IN STORAGE – Check and attached all that may apply

- Recharge.
- Assignment in-lieu of Production.
- Other, explain _____

METHOD AND LOCATION OF RECAPTURE FROM STORAGE – Check and attach all that may apply

- Pump from my well(s).
- Other, explain TRANSFER TO RETAIL WATER AGENCY PURSUANT TO FUTURE AGREEMENT

WATER QUALITY AND WATER LEVELS:

Description of groundwater quality in vicinity of facility and quality of water to be stored:

EXCELLENT - SEE 2008 DRAFT ENGINEER REPORT

Description of existing water levels in the areas that are likely to be affected:

declining slightly due to drought + controlled over creek

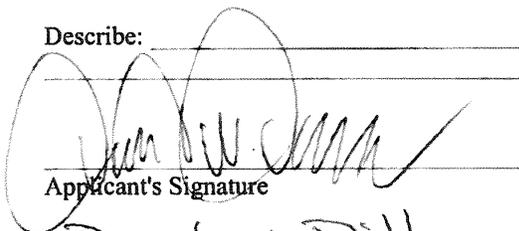
NEGATIVE IMPACTS OF PROPOSED RECAPTURE:

Is the Applicant aware of any potential negative impacts to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]

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

ADDITIONAL INFORMATION ATTACHED Yes [] No [X]

Describe:



Applicant's Signature

David W. Dillon
Print Name

Economic Dev. Dir.
Title

BEAUMONT BASIN WATERMASTER

To: Beaumont Basin Watermaster Board Members, Parties to the Beaumont Basin Judgment, Interested Parties

From: Watermaster Staff

Date: April 15, 2010

Subject: Summary and Analysis of Groundwater Storage Agreement Application Submitted by the City of Beaumont on September 15, 2009

Summary

On September 15, 2009, the City of Beaumont (City) submitted an application to increase their existing storage account by 8,000 acre-feet (acre-ft), resulting in a total storage account of 30,000 acre-ft. The application has been included as an attachment to this notice.

Background

Pursuant to the February 2004 Judgment, there shall be reserved for conjunctive use a minimum of 200,000 acre-ft of groundwater storage capacity in the Beaumont Basin. Any person may make reasonable beneficial use of the groundwater storage capacity for storage of supplemental water; provided, however, that no such use shall be made except pursuant to a written Groundwater Storage Agreement with the Watermaster.

To date, a total of 157,000 acre-ft of storage capacity has been allocated to the Appropriators. As required by the Judgment, Watermaster accounts for water in storage and reports the storage account balance of each Appropriator in its Annual Report. As of June 30, 2009, a total of 33,848 acre-ft of water was in storage.

Discussion

The attached application from the City of Beaumont is for an 8,000 acre-ft increase to their existing storage account of 22,000 acre-ft that was approved on September 11, 2007. If this application is approved by the Watermaster, the total storage account allocation will be 165,000 acre-ft. In part, the City proposes to use their storage account to store supplemental waters, including recycled water and imported State Water Project water. The City also proposes to store new stormwater yield, for which they will submit an application to the Watermaster when the New Yield accounting rules are adopted.

There is no expected impact to the Parties to the Judgment or to the Basin from the proposed increased storage account. Thus, no additional analysis regarding this application is deemed necessary at this time.

Notice of the application identified herein was mailed on April 15, 2010 along with the materials submitted by the requestors.

Recommendation

Approve the City of Beaumont's Groundwater Storage Agreement application.

Form 1

BEAUMONT BASIN WATERMASTER
APPLICATION
FOR
GROUNDWATER STORAGE AGREEMENT

APPLICANT

City of Banning
Name

99 East Ramsey
Address for Notice

Banning California 92220
City State Zip Code

For Staff Use Only
Date Requested: April 16, 2010
Date Approved:
* Amount Requested: 40,000 acre feet
Amount Approved:
Agreement No.:
* Increase total account to 80,000 acre-ft

Telephone: 951-922-3130 Increase storage account from 40,000 acre feet to 80,000 acre feet an increase of 40,000 acre feet

Facsimile: dburk@ci.banning.ca.us

TYPE OF WATER TO BE PLACED IN STORAGE

[x] Supplemental Water [] Other: [] Both

PURPOSE OF STORAGE - Check all that may apply

- [x] Stabilize or reduce future water costs/assessments.
[x] Facilitate utilization of other available sources of supply.
[] Facilitate replenishment under certain well sites.
[] Preserve pumping right for a changed future potential use.
[] Other, explain

METHOD AND LOCATION OF PLACEMENT IN STORAGE - Check and attached all that may apply

- [x] Recharge.
[] Assignment in-lieu of Production.
[x] Other, explain actual wet water recharge facility located at Brookside and Beaumont Ave south of Cherry Valley Blvd

METHOD AND LOCATION OF RECAPTURE FROM STORAGE - Check and attach all that may apply

- [x] Pump from my well(s).
[x] Other, explain Pump from joint wells

WATER QUALITY AND WATER LEVELS:

Description of groundwater quality in vicinity of facility and quality of water to be stored: Excellent

Description of existing water levels in the areas that are likely to be affected: Basin is in overdraft and managed

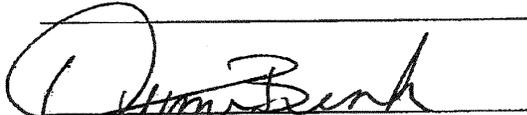
NEGATIVE IMPACTS OF PROPOSED RECAPTURE:

Is the Applicant aware of any potential negative impacts to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [x]

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

ADDITIONAL INFORMATION ATTACHED Yes [] No [x]

Describe: _____


Applicant's Signature

Duane Burk
Print Name

Director of Public Works
Title

BEAUMONT BASIN WATERMASTER

To: Beaumont Basin Watermaster Board Members, Parties to the Beaumont Basin Judgment, Interested Parties

From: Watermaster Staff

Date: April 19, 2010

Subject: Summary and Analysis of Groundwater Storage Agreement Application Submitted by the City of Banning on April 16, 2010

Summary

On April 16, 2010, the City of Banning submitted an application to increase their existing storage account by 40,000 acre-feet (acre-ft), resulting in a total storage account of 80,000 acre-ft. The application has been included as an attachment to this notice.

Background

Part V.5.B of the February 2004 Beaumont Basin Judgment states that: "There shall be reserved for conjunctive use a minimum of 200,000 acre-ft of groundwater storage capacity in the Beaumont Basin provided that such amount may be reduced as necessary to prevent injury to existing water rights or existing uses of water within the Basin, and to prevent the waste of water. Any person may make reasonable beneficial use of the groundwater storage capacity for storage of supplemental water; provided, however, that no such use shall be made except pursuant to a written Groundwater Storage Agreement with the Watermaster. The allocation and use of Groundwater Storage Capacity shall have priority and preference for Producers within the Beaumont Basin over storage for export. The Watermaster may, from time-to-time, redetermine the available Groundwater Storage Capacity." Part VI.5.U of the Judgment directs Watermaster to "... calculate additions, extractions and losses and maintain an annual account of all stored water in the Beaumont Basin, and any losses of water supplies or Safe Yield resulting from such stored water."

To date, a total of 157,000 acre-ft of storage capacity has been approved by the Watermaster. Currently, there are two additional pending applications for additional storage: an application for 8,000 acre-ft submitted by the City of Beaumont on September 15, 2009 and an application for 45,000 acre-ft submitted by the Yucaipa Valley Water District on April 15, 2010. As required by Part VI.5.U of the Judgment, Watermaster accounts for water in storage and reports the storage account balance of each Appropriator in its Annual Report. As of June 30, 2009, a total of 33,848 acre-ft of water was in storage.

Discussion

The attached application from the City of Banning is for a 40,000 acre-ft increase to their existing storage account of 40,000 acre-ft that was approved by the Watermaster on March 27, 2006. The City of Banning proposes to use the storage capacity to store (i) unpumped operating yield and (ii) supplemental waters recharged at the Beaumont-Cherry Valley Water District spreading basins.

If this application, and the pending applications submitted by the City of Beaumont (September 15, 2009) and the Yucaipa Valley Water District (April 15, 2010), is approved, the total storage account allocation will be 250,000 acre-ft. Neither the Judgment, nor the Watermaster Rules and Regulations, restricts the total storage account allocation so long as there is no injury to existing water rights or existing uses of water within the Basin and that the allocation does not result in the waste of water. At this time, there is no expected impact to the Parties to the Judgment or to the Basin from the City of Banning's proposed increased storage account.

Notice of the application identified herein was mailed on April 19, 2010 along with the materials submitted by the requestor.

Recommendation

1. Approve the City of Banning's Groundwater Storage Agreement application.

WATERMASTER MEMORANDUM NO. 10-016

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Request by the San Gorgonio Pass Water Agency to Negotiate a Storage Agreement with the Watermaster

Recommendation: This agenda item has been prepared to provide an open forum between the Watermaster and the San Gorgonio Pass Water Agency.

The Watermaster has received correspondence from the San Gorgonio Pass Water Agency requesting an opportunity to negotiate a storage agreement (attached).

This agenda item has been prepared to provide an opportunity for the members of the Watermaster to determine the best manner to respond to the request by Mr. Jeff Davis, General Manager of the San Gorgonio Pass Water Agency.



San Gorgonio Pass Water Agency

A California State Water Project Contractor
 1210 Beaumont Avenue • Beaumont, CA 92223
 Phone (951) 845-2577 • Fax (951) 845-0281

RECEIVED

JUL 29 2010

YUCAIPA VALLEY
WATER DISTRICT

July 28, 2010

President: Mr. George Jorritsma, President
John Jeter Beaumont Basin Watermaster
 560 Magnolia Avenue
Vice President: Beaumont, CA 92223
Ted Haring

Treasurer: Dear Mr. Jorritsma:
Dave Dysart

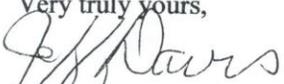
Directors: The San Gorgonio Pass Water Agency and the Beaumont Basin Watermaster
Bill Dickson have long had a common interest in the Beaumont Basin and its efficient use for
Ray Morris current and future generations. The Agency has been recharging the Basin
Barbara Voigt continually since 2003, and thus far has recharged over 5,000 acre-feet
Carl Workman specifically to address overdraft.

General Manager The Agency recognizes that its recharge at Little San Gorgonio Creek is not
& Chief Engineer: within the boundaries of the adjudicated Basin, though it has been shown to be
Jeff Davis, PE within the hydrologic and hydraulic boundaries of the Basin.

Legal Counsel: In 2011, the Agency will begin recharging supplemental water in Noble Creek.
McCormick, Kidman This facility will be located within the boundaries of the adjudicated Basin.
& Behrens While the Agency recognizes that it has the right to recharge supplemental
 water in the Basin on its own, it is clear that a storage account with the
 Watermaster would be in the best interests of the Agency and the Watermaster.

Toward that end, the Board of Directors has authorized me to negotiate a storage agreement with the Watermaster that meets the legal and administrative needs of the Watermaster, while at the same time protects the legal rights of the Agency.

On behalf of the Agency, I respectfully request that you place this issue on the agenda for the Watermaster's next board meeting. I will be happy to attend that meeting and answer any questions that your board or staff may have.

Very truly yours,

 Jeff Davis

Importing Water To The Pass Area

WATERMASTER MEMORANDUM NO. 10-017

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Discussion Regarding the Collection and Compilation of Water Production Information Related to the Preparation of the Annual Report

Recommendation: No recommendation.

On August 18, 2010, I received the attached email message from Samantha Adams with Wildermuth Environmental inquiring about groundwater production data for the second half of calendar year 2009. It is my understanding that the San Geronio Pass Water Agency also uses this data as part of their engineering studies for the region.

I informed Samantha that this would be a good topic for discussion for the members of the Watermaster to authorize the compilation of the data at a cost of \$2,000-\$2,500, or provide another recommendation for the data compilation which will be part of the annual report. There also appears to be an opportunity to work together with the SGPWA to assist in the data collection and preparation.

Will do, thank you!

Samantha Adams
Senior Scientist II
Wildermuth Environmental, Inc
Office 949.420.3030
Direct 949.600.7527
Fax 949.420.4040

From: Joseph Zoba [mailto:jzoba@yvw.dst.ca.us]
Sent: Monday, August 23, 2010 10:02 AM
To: Samantha Adams
Cc: Blanca Marin
Subject: RE: Production Reports

Samantha – Please hold off on processing this data request. I would like to present the topic at the next Watermaster meeting to allow the members to decide how they would like to handle these requests.

Thanks,

Joe

From: Samantha Adams [mailto:sadams@wildermuthenvironmental.com]
Sent: Wednesday, August 18, 2010 5:05 PM
To: Joseph Zoba
Subject: FW: Production Reports

Hi Joe,

Please see the email from Blanca Marin at BCVWD below requesting updated production data from the Watermaster. I received a similar data request from Peggy Noble of the Pass Agency a couple of weeks ago. Typically, at this time of year I have the data processed and available for distribution as a result of my work on annual reporting. However, because the Watermaster has not approved a budget for the new fiscal year, I have not begun to work on the FY 2009/10 Annual Report, which covers the time period coincident with these data requests. I wanted to ask you your thoughts on how I should respond to these data requests.

I imagine that eventually a budget will be approved for this work, so we could do the work now and bill you later, or I could try and work up the July 1 to December 31, 2009 data with any budget we have remaining from FY 2009/10. I have already received about half of the data from agencies that report on a regular basis, and collecting the rest is usually pretty quick. To process all the data into the tables for the Annual Report is not a huge undertaking either. So, I think it would cost somewhere around \$2,000 to \$2,500 to collect and work up the data for the first half of the year in support of these data requests.

Let me know what think.

Thanks,

Samantha Adams
Senior Scientist II
Wildermuth Environmental, Inc
Office 949.420.3030
Direct 949.600.7527
Fax 949.420.4040

From: Blanca Marin [mailto:blanca.marin@bcvwd.org]
Sent: Wednesday, August 18, 2010 4:11 PM
To: Samantha Adams
Cc: 'Anthony Lara '
Subject: Production Reports

Samantha,

Do you know when the production numbers for overlyers and appropriators in the Beaumont Basin for July to December of 2009 will be available?

Please let me know,

Thanks!

Blanca Marin
Executive Assistant
Beaumont Cherry Valley Water District
560 Magnolia, Beaumont, CA 92223
Phone 951 845 9581 Ext. 23
Fax 951 845 0159
www.bcvwd.org

WATERMASTER MEMORANDUM NO. 10-018

Date: September 14, 2010

To: Watermaster Members

From: Joseph Zoba, Treasurer

Subject: Authorization to Reimburse Yucaipa Valley Water District for Website Related Expenses

Recommendation: That the members of the Watermaster authorize the payment of \$318.34 to YVWD from reserve funds.

During the preparation of the financial audit, it came to my attention that the website for the Watermaster was deactivated.

The Yucaipa Valley Water District staff has registered a new domain for the Watermaster as www.beaumontbasinwatermaster.org at a cost of \$318.34. The District requests a reimbursement from the Watermaster to set up the new website.

The website will be updated with meeting information (minutes, reports and board packets) by District staff members in an effort to reduce the cost of this communication tool to the Watermaster members. I appreciate the assistance provided by Blanca Marin and Knute Dahlstrom from Beaumont Cherry Valley Water District for their help with this project.

GoDaddy.com, Inc.

[PRINT](#)

Receipt#: 264812915

DATE: 8/23/2010 10:29:12 AM

Customer #: 38272934

Billing Information

Joseph Zoba
 Yucaipa Valley Water District
 12770 Second Street
 Yucaipa, CA 92399
 US
 Daytime Phone: 909-797-5117
 Email: jzoba@ywwd.dst.ca.us

Name: Joseph B Zoba
Paid: Visa (\$318.34)
Account Number: #####0594

<u>Label</u>	<u>Name</u>	<u>Attributes</u>	<u>Unit Price</u>	<u>Today's Price</u>	<u>ICANN fee</u>	<u>Qty</u>	<u>Extra Disc.</u>	<u>Total Price</u>
42014-	Hosting - Grid - Deluxe - Linux - 3 years		\$213.84	\$179.64	\$0.00	1	\$0.00	\$179.64
1	(recurring)							
	Length: 1 Period(s)							
12110-	.ORG Domain Name Registration - 10 Years		\$149.90	\$149.90	\$1.80	1	\$13.00	\$138.70
1	(recurring)							
	Domain: BEAUMONTBASINWATERMASTER.ORG							
	+ Show Domains							

Subtotal: \$318.34
Shipping & Handling:
Tax: \$0.00
Total (US Dollars): \$318.34