

Notice and Agenda of a Meeting of the Beaumont Basin Watermaster Wednesday, October 26, 2011 at 10:00 a.m.

Meeting Location:

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

Watermaster Members:

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

I. Call to Order

II. Roll Call

- | | | |
|----|--|------------------|
| A. | City of Banning: | Duane Burk |
| B. | City of Beaumont: | Dave Dillon |
| C. | Beaumont Cherry Valley Water District: | Eric Fraser |
| 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 Secretary prior to the commencement of the meeting.

V. Consent Calendar

- A. Approve Meeting Minutes for September 21, 2011
- B. Unaudited Financial Report - September 30, 2011

VI. Discussion Items

- A. Independent Financial Report for Fiscal Year 2010-2011 [Watermaster Memorandum No. 11-08 - Page 10 of 44]
Recommendation: That the Watermaster Committee receives and files the Independent Financial Report for the Fiscal Year Ending June 30, 2011.

- B. Status Report Related to the Beaumont Basin Watermaster Annual Report for Fiscal Years 2009/10 and 2010/11 [Watermaster Memorandum No. 11-09 - Page 20 of 44]
Recommendation: No recommendation.
- C. Review of Draft Request for Proposals for Consulting Services [Watermaster Memorandum No. 11-10 - Page 25 of 44]
Recommendation: That the Watermaster Committee reviews the attached Request for Proposals and provides additional comments following the release of the Annual Report for FY 2010-2011.
- D. Review of Draft Request for Proposals for Legal Services [Watermaster Memorandum No. 11-11 - Page 35 of 44]
Recommendation: That the Watermaster Committee authorizes the issuance of the Request for Proposals for legal services.
- E. Establishment of Regular Meeting Dates of the Beaumont Basin Watermaster [Watermaster Memorandum No. 11-12 - Page 44 of 44]
Recommendation: No recommendation.

VII. Watermaster Member Comments

VIII. Adjournment

NEXT MEETING DATE: December 7, 2011 at 10:00 a.m.

CONSENT CALENDAR

**Record of the Minutes of the
Beaumont Basin Watermaster Meeting
September 21, 2011**

Meeting Location:

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

I. Call to Order

Chairman Jorritsma called the meeting to order at 10:00 a.m.

II. Roll Call

A.	City of Banning:	Duane Burk	Present
B.	City of Beaumont:	Dave Dillon	Absent
C.	Beaumont Cherry Valley Water District:	Eric Fraser	Present
D.	South Mesa Water Company:	George Jorritsma	Present
E.	Yucaipa Valley Water District:	Joseph Zoba	Present

Members of the public who registered their attendance were: John Halliwill, John Guldseth, Judy Bingham, Bill Brocon, Kyle Warsinski, Hisam Bahai, Mary Ann Melleby, Duane Burk, Ken Ross, Parley Kennelly, Mark St. Angelo, John Covington, Barbara Voigt, Jennifer Ares, Fran Flanders and Knute Dahlstrom.

III. Pledge of Allegiance

Chairman Jorritsma led the pledge.

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 Secretary prior to the commencement of the meeting.

Chairman Jorritsma invited Judy Bingham to address the Committee on an item not on the agenda. Ms. Bingham announced that there will be a meeting called the LESJWA Water Summit on October 5, 2011 from 9:00 a.m. to 1:00 p.m. with the main topic being the City of Beaumont's financial commitment and responsibility in contributing to the health and quality of their region's water resources.

Chairman Jorritsma invited Fran Flanders to address the Committee on an item not on the agenda. Mrs. Flanders stated that a conflict of interest exists by having Mr. Aklufi and Mr. Wildermuth work with both the City of Beaumont and the Watermaster.

V. Consent Calendar

- A. Approve Minutes of April 7, 2011
- B. Unaudited Financial Report - June 30, 2011

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

VI. Discussion Items

- A. Reorganization of the Beaumont Basin Watermaster Committee - Appointment of Officers (Chairman, Vice Chairman, Secretary and Treasurer) [Watermaster Memorandum No. 11-01]

Recommendation: That the members of the Watermaster conduct nominations for the appointment of officers of the Beaumont Basin Watermaster.

Chairman Jorritsma called for nominations for the office of Chairman of the Beaumont Basin Watermaster:

Member Fraser moved to nominate Member Burk. Member Zoba seconded. The motion passed with Member Dillon absent.

Member Jorritsma turned the meeting over to Chairman Burk.

Newly appointed Chairman Burk called for nominations for the office of the Vice Chairman:

Member Zoba moved to nominate Member Jorritsma for the office of the Vice Chairman. Chairman Burk seconded. The motion passed with Member Dillon absent.

Chairman Burk called for nominations for the office of the Secretary:

Member Zoba moved to nominate Member Fraser to the office of the Secretary. Chairman Burk seconded. The motion passed with Member Dillon absent.

Member Fraser moved to nominate Member Zoba to the office of the Treasurer. Member Jorritsma seconded. The motion passed with Member Dillon absent.

- B. Presentation of Draft Budget for Fiscal Year 2011-2012 [Watermaster Memorandum No. 11-02]

Recommendation: This agenda item is presented for discussion by the Watermaster members with the goal of adopting an operating budget for Fiscal Year 2011-12.

After a brief report from Member Zoba, Member Jorritsma moved to approve. Chairman Burk seconded. The motion passed with Member Dillon absent.

- C. Status Report Related to the Beaumont Basin Watermaster Annual Report for Fiscal Years 2009/10 and 2010/11 [Watermaster Memorandum No. 11-03]

Recommendation: No recommendation.

Chairman Burk invited Luwana Ryan to address the Committee on this item. Mrs. Ryan commented on the scope of work projected. She referred to Task 1.3, Estimated Pumping from Parties with Unmetered Wells, and suggested that the Committee review the Rules and Regulations because the first year in the Committee's activities direction was given to survey and to meter every well in the Beaumont Basin. She indicated that she only knows of one well that has been metered so far. She further suggested that the Committee surveys and meters all wells in the Beaumont Basin to better know where these wells are and how much they are pumping.

Member Zoba reported that a draft report will be presented at the next Committee meeting with the possibility of adopting the report at the November meeting.

- D. Review of Draft Basin Accounting Agreement Between Beaumont Basin Watermaster and San Gorgonio Pass Water Agency [Watermaster Memorandum No. 11-04]

Recommendation: No recommendation.

Chairman Burk invited Jeff Davis, General Manager of the San Gorgonio Pass Water Agency to report on this item. He indicated that this item was discussed at previous meetings, and it was the Committee's recommendation to have the Agency draft an agreement for the Committee's review and approval.

After report, Member Fraser moved to table this item until all members have an opportunity to review and have a better understanding. Member Jorritsma seconded. The motion passed with Member Dillon absent.

Chairman Burk invited Luwana Ryan to address the Committee on this item. Ms. Ryan commented on Item 5.0 of the Draft Accounting Agreement indicating that the item does not abide by the Beaumont Basin Water Master Rules.

- E. Adoption of Resolution No. 2011-01, A Resolution of the Beaumont Basin Watermaster Adopting Amendment to Rule 2.12 "Annual Report" of the Rules and Regulations of the Watermaster [Watermaster Memorandum No. 11-05]

Recommendation: Adopt Resolution No. 2011-01 as presented.

Member Fraser moved to approve Resolution No. 2011-01. Member Jorritsma seconded. The motion passed with Member Dillon absent.

- F. Preparation of a Request for Proposals for Annual Reporting Services [Workshop Memorandum No. 11-06]

Recommendation: Authorize the preparation of a Request for Proposals for annual reporting services.

Chairman Burk invited Judy Bingham to address the Committee on this item. Ms. Bingham asked the Committee if the Annual Reporting Services Proposal will be advertised, put out to bid, or if it was going to be given to Wildermuth Environmental Inc.

Member Zoba requested authorization to take the lead in preparing a draft RFP. He indicated a draft RFP will be presented at the next meeting.

Member Jorritsma moved to authorize Member Zoba to draft RFP. Member Fraser seconded. The motion passed with Member Dillon absent.

G. Overview of Legal Services for the Beaumont Basin Watermaster
[Watermaster Memorandum No. 11-07]

Recommendation: No recommendation

Chairman Burk invited Judy Bingham to address the Committee on this item. Ms. Bingham commented that there has always been conflicts by having Aklufi serve as the legal counsel for STWMA, the City of Beaumont and the Watermaster. She recommended that the Watermaster hire independent legal services.

After a brief report from Member Zoba, Member Fraser moved to prepare an RFP for legal services. Member Zoba seconded. The motion passed with Member Dillon absent.

Member Fraser was directed to prepare RFP for legal services.

VII. Watermaster Member Comments

Chairman Burk commended Member Jorritsma for his time of service as the Chairman of Watermaster.

Member Zoba thanked Member Jorritsma for his time of service as the Chairman of the Beaumont Basin Watermaster.

Member Zoba requested authorization to spend \$1800 for the audit for the Watermaster. And he will present ratification at the next Committee meeting.

Member Zoba addressed an email that was apparently circulated prior to the meeting questioning the preparation of meeting agenda items by members of the Watermaster. He stated that Watermaster members provide agenda topics and the preparation of meeting memorandums serve the purpose of providing background information for the public and to facilitate discussions at the meeting.

VIII. Adjournment

Chairman Burk adjourned the meeting at 10:45 a.m.

Duane Burk, Chairman of the
Beaumont Basin Watermaster

Beaumont Basin Watermaster

Unaudited Financial Report for Fiscal Year 2011-2012

Period Ending - September 30, 2011

Wednesday, October 19, 2011

	Account Number	Approved Budget Fiscal Year 2012	Year-To-Date	Percentage of Approved Budget
OPERATING REVENUE:				
Carryover from Prior Fiscal Year	--	\$40,430.25	\$40,430.25	100.0%
City of Banning	3120	\$0.00	\$0.00	--
City of Beaumont	3105	\$0.00	\$0.00	--
Beaumont Cherry Valley Water District	3110	\$0.00	\$0.00	--
South Mesa Mutual Water Company	3125	\$0.00	\$0.00	--
Yucaipa Valley Water District	3115	\$0.00	\$0.00	--
Total Operating Revenue		\$40,430.25	\$40,430.25	100.0%

	Account Number	Approved Budget Fiscal Year 2012	Year-To-Date	Percentage of Approved Budget
OPERATING EXPENSES:				
Bank Fees & Interest	5000	\$500.00	\$98.05	19.6%
Miscellaneous & Meetings	5010	\$1,000.00	\$0.00	0.0%
Acquisition/Computation & Annual Report	5020	\$35,000.00	\$1,380.50	3.9%
Annual Audit	5040	\$2,200.00	\$0.00	0.0%
Legal Expenses	5070	\$1,000.00	\$187.50	18.8%
Reserves	5080	\$730.25	\$0.00	0.0%
Total Operating Expense		\$40,430.25	\$1,666.05	4.1%

Revenue Over / (Under) Expenses	\$0.00	\$38,764.20	--
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DISCUSSION ITEMS

WATERMASTER MEMORANDUM NO. 11-08

Date: October 26, 2011

From: Joseph Zoba, Treasurer

Subject: Independent Financial Report for Fiscal Year 2010-2011

Recommendation: That the Watermaster Committee receives and files the Independent Financial Report for the Fiscal Year Ending June 30, 2011.

The Yucaipa Valley Water District has engaged the firm of Vavrinek, Trine, Day & Company to perform an independent financial review of the Watermaster activities for the fiscal year ending June 30, 2011.

As of June 30, 2011, the Watermaster reports assets in the amount of \$40,430 with no reportable liabilities. Revenue for fiscal year included \$30,000 in assessments and \$4 in interest revenue. Expenses during the fiscal year totaled \$4,233.

Attached is a copy of the engagement letter, agreed-upon procedures and the independent accountants' report for your review.



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

September 20, 2011

Yucaipa Valley Water District

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Yucaipa Valley Water District (District).

We will apply the agreed-upon procedures which the Yucaipa Valley Water District have specified, listed in the attached schedule, to the Schedule of Assets, Liabilities and Equity and the Schedule of Assessments and Expenses (collectively the "Schedules") of the Beaumont Basin Watermaster (Watermaster) as of and for the fiscal year ended June 30, 2011 prepared on the accrual basis of accounting. This engagement is solely to assist the District in evaluating the accuracy of the amounts reported in the Watermaster Schedules. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the Watermaster Schedules or related internal control. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the District, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You are responsible for the presentation of Watermaster Schedules in accordance with accrual basis of accounting; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, and/or experience to oversee any non-attest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Roger Alfaro is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately September 20, 2011 and, unless unforeseeable problems are encountered, the engagement should be completed by September 30, 2011. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the Watermaster Schedules in accordance with the accrual basis of accounting.

8270 Aspen Street Rancho Cucamonga, CA 91730 Tel: 909.466.4410 Fax: 909.466.4431 www.vtdcpa.com


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Yucaipa Valley Water District
Beaumont Basin Watermaster AUP
September 20, 2011
Page 2 of 3

We estimate that our fees for these services will approximate \$1,800. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,


Roger Alfaro
Of Vavrinek, Trine, Day & Co., LLP

RA:gbd

110307

Attachment

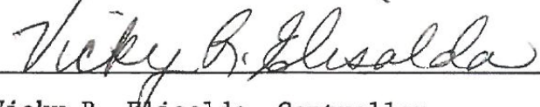
RESPONSE:

This letter correctly sets forth the understanding of the Yucaipa Valley Water District.

By: 

Title: Joseph B. Zoba, General Manager

Date: 9/21/2011

By: 

Title: Vicky R. Elisalda, Controller

Date: 9/21/2011

**Beaumont Basin Watermaster
Summary of Agreed Upon Procedures
June 30, 2011**

We will perform the following procedures as agreed upon by the Yucaipa Valley Water District (District) to assist in their evaluation of the accuracy of the assessments and expenditures of the Beaumont Basin Watermaster (Watermaster), as reported on the Schedule of Assets, Liabilities and Equity (Exhibit A) and Schedule of Assessments and Expenses (Exhibit B) for the fiscal year ended June 30, 2011.

Agreed Upon Procedures

- 1) Agree the opening equity on Exhibit B to the ending equity noted on the trial balance for the fiscal year ended June 30, 2010.
- 2) Agree the cash balance reported on Exhibit A to the bank reconciliation, bank statement and trial balance. Select all of the deposits in transit and outstanding checks and trace their clearing to the subsequent month's bank statement.
- 3) Trace all member agency assessments recorded in the schedule to invoices and the bank statements.
- 4) Compare the ending check number for the fiscal year ended June 30, 2010 to the beginning check number for the period beginning on July 1, 2010. Account for any breaks in check sequence.
- 5) Based on the population of checks noted in #4 above, select all payments and trace the check to supporting invoice noting whether the activity pertains to the Watermaster. Agree the dollar amount and vendor on the invoice to the check for accuracy.
- 6) Obtain the general ledger detail for the period of July 1, 2010 to June 30, 2011. Select all journal entries and trace the transaction to an approved journal entry and documentation supporting the nature and rationale of the journal entry.



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE


October 11, 2011

Yucaipa Valley Water District as treasurer
of the Beaumont Basin Watermaster

This letter constitutes an addendum to our original engagement letter dated September 20, 2011. The purpose of this letter is to add the Beaumont Basin Watermaster as a specified party of the report on agreed upon procedures performed.

All the terms of our original engagement letter will apply to this addendum. This addendum will become effective as soon as you sign and date the original and copy of this letter and return the signed copy to us.

Very truly yours,


Roger Alfaro
Of Vavrinek, Trine, Day & Co., LLP

RA:gbd

110307-Addendum

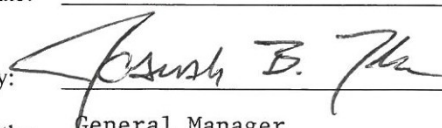
RESPONSE:

This letter correctly sets forth the understanding of the Yucaipa Valley Water District.

By: 

Title: Controller

Date: 10/12/2011

By: 

Title: General Manager

Date: 10/12/2011

8270 Aspen Street Rancho Cucamonga, CA 91730 Tel: 909.466.4410 Fax: 909.466.4431 www.vtdcpa.com
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**BEAUMONT BASIN WATERMASTER
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES
ON THE BEAUMONT BASIN WATERMASTER SCHEDULES**

OCTOBER 11, 2011



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Yucaipa Valley Water District as treasurer
of the Beaumont Basin Watermaster
Yucaipa, California

We have performed the procedures enumerated below, which were agreed to by the Yucaipa Valley Water District (District), as treasurer of the Beaumont Basin Watermaster (Watermaster), solely to assist the District in evaluating certain amounts reported in the Watermaster Schedules (Schedules), attached as Exhibit A and Exhibit B, on the full accrual basis of accounting. The District and Watermaster is responsible for the accuracy of the Schedules. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure

Agree the opening equity on Exhibit B to the ending equity noted on the trial balance for the fiscal year ended June 30, 2010.

Finding

No exceptions were noted as a result of applying the procedure.

2. Procedure

Agree the cash balance reported on Exhibit A to the bank reconciliation, bank statement and trial balance. Select all of the deposits in transit and outstanding checks and trace their clearing to the subsequent month's bank statement.

Finding

No exceptions were noted as a result of applying the procedure.

3. Procedure

Trace all member agency assessments recorded in the schedule to invoices and the bank statements.

Finding

No exceptions were noted as a result of applying the procedure.

4. Procedure

Compare the ending check number for the fiscal year ended June 30, 2010 to the beginning check number for the period beginning on July 1, 2010. Note any breaks in check sequence for the period of July 1, 2010 through June 30, 2011.

Finding

No exceptions were noted as a result of applying the procedure. No breaks in check sequence were noted during the period of July 1, 2010 through June 30, 2011.

5. Procedure

Based on the population of checks issued during July 1, 2010 through June 30, 2011, select all payments and trace the check to supporting invoice noting whether the activity pertains to the Watermaster. Agree the dollar amount and vendor on the invoice to the check for accuracy.

Finding

No exceptions were noted as a result of applying the procedure.

6. Procedure

Obtain the general ledger detail for the period of July 1, 2010 to June 30, 2011. Select all journal entries and trace the transaction to an approved journal entry and documentation supporting the nature and rationale of the journal entry.

Finding

No exceptions were noted as a result of applying the procedure.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the schedules of assets, liabilities and equity (Exhibit A) and assessments and expenses (Exhibit B) or the related internal control structure. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Beaumont Basin Watermaster and the District and is not intended to be and should not be used by anyone other than the specified party.

Varrinck, Train, Dwyer & Co., LLP

Rancho Cucamonga, California
October 11, 2011

EXHIBIT A

BEAUMONT BASIN WATERMASTER
SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS
(UNAUDITED)
JUNE 30, 2011

ASSETS	
Cash and Cash Equivalents	<u>\$ 40,430</u>
LIABILITIES	
Accounts Payable	<u>-</u>
NET ASSETS	
Unrestricted	<u><u>\$ 40,430</u></u>

See Independent Accountant's Agreed Upon Procedures Report.

EXHIBIT B

**BEAUMONT BASIN WATERMASTER
SCHEDULE OF ASSESSMENTS AND EXPENSES
(UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

REVENUES	
Assessments	\$ 30,000
Interest Revenue	<u>4</u>
Total Revenues	<u>30,004</u>
EXPENSES	
Administrative Expenses:	
Meetings and Miscellaneous	1,297
Legal and Professional	2,525
Bank Charges and Miscellaneous	<u>411</u>
Total Expenses	<u>4,233</u>
Change in Net Assets	25,771
NET ASSETS	
Unrestricted Net Assets, Beginning of Year	<u>14,659</u>
Unrestricted Net Assets, End of Year	<u><u>\$ 40,430</u></u>

See Independent Accountant's Agreed Upon Procedures Report.

WATERMASTER MEMORANDUM NO. 11-09

Date: October 26, 2011

From: Joseph Zoba, Treasurer

Subject: Status Report Related to the Beaumont Basin Watermaster Annual Report for Fiscal Years 2009/10 and 2010/11

Recommendation: No recommendation.

At the Beaumont Basin Watermaster meeting on April 7, 2011, the Watermaster Committee approved the attached proposal from Wildermuth Environmental for the completion of the Annual Reports for Fiscal Years 2009/10 and 2010/11.

At this time, a draft document is expected to be received on November 21, 2011 for review at the tentatively scheduled Beaumont Basin Watermaster meeting to be held on December 7, 2011.

A written status report providing an update on the preparation of the reports will be distributed at the meeting.



March 31, 2011

Beaumont Basin Watermaster
Attention: George Jorritsma, Chairman
Office of the Watermaster Secretary
C/O Beaumont Cherry Valley Water District
560 Magnolia Ave.
Beaumont, CA 92223

Subject: Budget proposal to prepare the Beaumont Basin Watermaster Annual Report covering Fiscal Years 2009/10 and 2010/11

Dear Mr. Jorritsma:

Per your request, Wildermuth Environmental, Inc. (WEI) is pleased to submit this proposal for the preparation of the Beaumont Basin Watermaster Annual Report covering Fiscal Years 2009/10 and 2010/11. The proposed scope of work is outlined below. The estimated cost to perform the scope of work is \$18,500. Table 1 shows the breakdown of this fee. Table 2 provides WEI's rate schedule for 2011.

Scope of Work

Task 1: Preparation of the Annual Report for FY 2009/10 and FY 2010/11

Task 1.1 – Collect, Compile, Review, and Process Data

The purpose of this task is to collect the groundwater production, recharge, and elevation data needed for the preparation of the annual report, covering the period of July 1, 2009 through June 30, 2011. Data will be checked for QA/QC and uploaded to a centralized relational database, HydroDaVE™. Data collection will begin on July 15, 2011.

Task 1.2 – Estimate Pumping from Metered Wells

The purpose of this task is to calculate annual production in FY 2009/10 and FY 2010/11 for all Watermaster parties who meter their groundwater production wells.

Task 1.3 – Estimate Pumping from Parties with Unmetered Wells

The purpose of this task is to estimate annual production in FY 2009/10 and FY 2010/11 for all Watermaster parties who do not meter their groundwater production wells.

Task 1.4 – Describe Pumping, Recharge, and Storage Activities

The purpose of this task is to summarize the administrative activities of the Watermaster, the production and recharge activities of the individual parties, and to compute storage account balances as of the end of FY 2009/10 and FY 2010/11.

Mr. David Dillon
Re: 2011 budget proposal

January 24, 2011
Page 2 of 2

Task 1.5 – Prepare Draft Report and Submit to Parties for Review

The purpose of this task is to complete the draft Annual Report. The draft report findings will be presented to the Watermaster for comments and questions. If the data requested in Task 1.1 is submitted in a timely manner, the Draft Annual Report will be submitted by September 30, 2011.

Task 1.4 – Describe Pumping, Recharge, and Storage Activities

The purpose of this task is to incorporate the Watermaster's comments and questions on the Draft Report into a Final Report. If the comments are provided two weeks after submittal of the Draft Report, the Final Report will be submitted by October 31, 2011.

We are ready to begin executing this scope of work on July 1, 2011. We appreciate the opportunity to serve the Watermaster in this important and timely pursuit. Please call me or Samantha Adams if you have any questions or need further assistance.

Very truly yours,

Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE
President

Encl. Table 1, Table 2

Table 1
Work Breakdown Structure and Fee Estimate to Provide Professional Services
Beaumont Basin Watermaster

Description	Notes	Labor						Other Direct Charges				Total Program Costs						
		Principal III	Principal I, II	Senior	Staff	Eng Tech	Total Labor			Travel	Repro	Total ODCs		Task	Project			
							Person Days	Cost	Project			Task	Project					
Task 1 - Preparation of Annual Report for FY 2009/10 and FY 2010/11	a			0.5	2	2.5				\$18,240						\$254		\$18,494
1.1 Collect, Compile, Review, and Process Data																		\$2,700
1.2 Estimate Pumping from Metered Wells				0.25	1	1.25												\$1,350
1.3 Estimate Pumping from Parties with Unmetered Wells	0.25			2		2.25												\$2,930
1.4 Describe Watermaster Activities and Compute Storage Account Balance				2		2												\$2,480
1.5 Prepare Draft Report and Submit to Parties for Review	b	0.5		3	2	0.5	6											\$7,120
1.6 Prepare Final Report				0.75	0.5	0.25	1.5											\$1,660
Totals							16											\$18,240
																		\$74
																		\$180
																		\$254
																		\$18,494

Notes:

- a One report will be prepared covering both FY 2009/10 and FY 2010/11
- b Includes attendance of one Watermaster meeting to present Draft Report

Table 2
WEI Time and Material Rate Sheet for 2011

Staff Type	Hourly Rate		
Principal Engineer III/Scientist III	\$210	-	\$230
Principal Engineer I & II/Scientist I & II	\$200	-	\$210
Supervising Engineer/Scientist	\$185	-	\$200
Senior Engineer/Scientist	\$140	-	\$170
Staff Engineer/Scientist	\$123	-	\$155
Database Manager	\$165	-	\$195
Engineering Technician	\$88	-	\$108
Field Technician	\$73	-	\$85
Office Administrator	\$95	-	\$110
Expert Witness ¹	\$420	-	\$430

¹ Preparation of testimonial material is billed at the normal hourly rate. Witness preparation, depositions, and testimony are billed at the expert witness rate, with a minimum charge of one day.

a Mileage for passenger vehicles will be billed at the IRS rate.

Subject to annual adjustments.

b Other project-related travel costs will be passed through.

WATERMASTER MEMORANDUM NO. 11-10

Date: October 26, 2011

From: Joseph Zoba, Treasurer

Subject: Review of Draft Request for Proposals for Consulting Services

Recommendation: That the Watermaster Committee reviews the attached document and provides additional comments following the release of the Annual Report for FY 2010-2011.

At the Watermaster meeting on September 14, 2010, the Watermaster Committee decided to form an ad hoc committee to prepare a Request for Proposal (RFP) for annual reporting services. On September 21, 2011, the Watermaster Committee approved Resolution No. 2011-01 which changed the annual reporting period from a fiscal year (July 1st to June 30th) to a calendar year. Based on this change, the preparation of the next annual report will be for the period of January 1, 2011 to December 31, 2011.

With the anticipated completion of the annual reports and the change in reporting period, a draft RFP has been prepared for review and discussion. It would be appropriate to attach the latest annual report to the RFP to provide each potential consultant with the ability to better understand the scope of the requested work. Therefore, this RFP may not be released until after the first of the year.

Request for Proposals to Provide Consulting Services for the Beaumont Basin Watermaster

Request for Proposal Due by:

4:00 p.m. on Friday, _____

Issued by:

Beaumont Basin Watermaster
c/o Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223
United States of America

Table of Contents

Section 1	Background Information	3
Section 2	Statement of Purpose.....	3
Section 3	Scope of Work	3
Section 4	Qualifications	5
Section 5	Proposal Requirements	5
Section 6	Terms and Conditions.....	7
Section 7	Submitting Proposal	9
Exhibit A	Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin	xx
Exhibit B	Rules and Regulations of the Beaumont Basin Watermaster	xx
Exhibit C	2010-2011 Beaumont Basin Watermaster Annual Report	xx

SECTION 1 - BACKGROUND INFORMATION

The Beaumont Basin Watermaster ("Watermaster") was formed on February 4, 2004 as a result of a negotiated Stipulated Agreement ("Judgment") between several parties with interests in the Beaumont Groundwater Basin. The judgment entered in the Superior Court of the State of California for the County of Riverside (Case No. RIC 389197) provides the Watermaster with the authority and responsibility to administer the adjudicated water rights within the Beaumont Groundwater Basin. The Watermaster's fundamental duties are to administer the terms of the Judgment.

In accordance with Section 5.A. of the Judgment, the Watermaster has adopted Rules and Regulations that require the preparation of an Annual Report. The Watermaster has determined that the following general elements should be included in the annual report:

- A description of the Watermaster's operations and activities during the reporting period (Rules and Regulations, Section 2.12);
- A summary of the financial assessments and expenditures during the reporting period (Rules and Regulations, Section 2.12);
- An overview of the water resource conditions of the Beaumont Basin including an update on the status of monitoring, storage and water quality (Rules and Regulations, Section 2.13).

Additional information about the Watermaster may be accessed on the Internet at <http://beaumontbasinwatermaster.org>.

The Beaumont Basin Watermaster seeks the services of a consultant (Consultant) to provide administrative and engineering related services to assist in the requirements as set forth in the Judgment.

SECTION 2 - STATEMENT OF PURPOSE

The purpose of this Request for Proposals (RFP) is to demonstrate the background, qualification, competence, and capability of a consultant seeking to undertake administrative and engineering related services with the Watermaster.

SECTION 3 - SCOPE OF WORK

Interested consultants should carefully review the requirements of this Request for Proposal to provide a proposal detailing an approach to the suggested scope of work. Be sure to provide any recommended deviation from said scope, qualifications, and experience of your firm or organization and its assigned personnel, and any other information that may be pertinent to the evaluation of the proposal.

The services requested are defined by the following tasks. Consider that the Watermaster will not pay for separate indirect expenses. All indirect expenses for

administrative support and materials such as typing, mailing, postage, office equipment use and supplies shall be included in the cost for each separate task.

Task 1 – Data Collection

The selected firm will collect, compile, and tabulate the following data:

- Monthly water production for all groundwater wells in the Beaumont Basin. Currently, there are ___ production wells identified in the Beaumont Basins.
- Monthly imported water spreading quantities within the Beaumont Basin.
- Monthly rainfall at locations in the area from the USGS, Army Corps of Engineers, and/or the National Weather Service.
- Monthly static groundwater levels at dedicated monitoring wells and selected production wells.
- Monthly deliveries of imported water, groundwater from other basins, and/or surface water diversions from applicable water providers.
- Semi-annual (Spring and Fall timeframe) static groundwater levels from production wells from data provided by the parties
- Annual water quality from production wells from data provided by the parties.

Task 2 – Preparation of Annual Report

The selected consultant will prepare a draft annual report and a final annual report documenting the operations of the Beaumont Basin Watermaster including water levels, water transfers, water production, assessment of basin conditions, carryovers, replenishment, replenishment obligations, and recommendations for future pumping and spreading activities. In addition, the annual report will include the annual independent financial report (prepared by others) and a description of Watermaster activities, Board actions, and documentation of water quality at a significant number of well locations. A copy of the most recent Beaumont Basin Watermaster Annual Report is included as Exhibit C.

Twenty-five (25) color copies of the draft and final annual reports will be provided along with a digital file as a PDF. Following approval of the final annual report, all data collected and tabulated shall be provided in a data base format. Digital files in a native format (.docx, .doc, .xlsx, .xls, .ppt, .pptx, etc...) of all draft documents, spreadsheets, presentations and other related information shall be submitted to the Secretary of the Watermaster within thirty days of the adoption of the final annual report.

Task 3 – Annual Determination of Operating Safe Yield

The selected consultant will review water level conditions, annual spreading, precipitation, and groundwater production in the Beaumont Basin to provide an estimation of the annual operating safe yield. The results of this assessment and supporting data will be included within the annual report. The provisions of the raw data requirements provided in Task 2 shall also apply to this task.

Task 4 – Review of Rules & Regulations

The selected consultant will review the existing Rules & Regulations at least once annually to determine whether it reflects current policies/practices and will make recommendations for the update of these documents, as needed. The cost of making revisions and distributing the documents shall be included as part of this task. A copy of the current Rules and Regulations are included as Exhibit B.

Task 5 – Basin Condition Report

The selected consultant will coordinate with producing parties and collect water quality information from production wells and other information necessary to prepare a Basin Condition Report in accordance with Section 2.13 of the Rules and Regulations. The findings of this Basin Condition Report will be included within the Annual Report. This task is not intended to be all-inclusive of water quality constituents tested by water agencies in accordance with Department of Public Health or Regional Water Quality Control Board regulations, but should provide a representative characterization of water quality issues in the Beaumont Basin.

Task 6 – Meeting Attendance

The selected consultant will attend and participate in up to six (6) Watermaster meetings each year.

Task 7 – Miscellaneous Special Projects

From time to time, Watermaster will require the selected consultant to perform special projects. Prior to initiating any special project or additional work, the selected consultant shall receive prior authorization from Watermaster Committee.

Since no reliable effort can be provided at this time as to the level of effort required for this miscellaneous work, proposing consultants are asked to submit their hourly rate schedules for personnel anticipated to work on such projects. These schedules will be used for billing to Watermaster for said services and will be considered by Watermaster during the selection process upon receipt of proposals.

SECTION 4 - QUALIFICATIONS

Describe the qualifications of the key staff and any subconsultants that will perform desired services for the Watermaster. The consultant and subconsultants shall demonstrate competence to perform these services by including, at a minimum, the following information:

- Names of key staff and subconsultants designated to complete the Scope of Work;
- At least three references including the agency name, contact person, addresses, and telephone number.
- A brief description of type and extent of services provided.
- Completion dates (estimated, if not yet completed).
- Total costs of the projects.

SECTION 5 - PROPOSAL REQUIREMENTS

All Proposals must include and will be evaluated based on the following criteria:

1. Content & Format

Organize and present a Letter Proposal in a neat and logical format, relevant to these services. The proposals shall be clear, accurate, and comprehensive. Excessive or irrelevant material will not be favorably received.

Proposals shall use a 10-point minimum font size, (maximum of 15 pages) including transmittal/offer letter and resumes of key people, but excluding Index/Table of Contents, tables, charts, and graphic exhibits. The purpose of these restrictions is to minimize the costs of proposal preparation and to ensure that the response to the RFP is fully relevant. Submit a separate Fee Proposal to contain only enough pages to clearly respond to the information that is requested in the RFP.

The letter proposal should include the following:

- a) Consultant and subconsultants, including an organizational diagram is necessary.
- b) Descriptions of similar projects by the key staff used on this assignment.
- c) Brief resumes of key staff and subconsultants (one page per resume).
- d) Project schedule indicating the time frame for completing each task contained within the scope of work.
- e) Cost and billing schedule of current hourly billing rates for all key staff members and subconsultants.

2. Scope of Services

A demonstration of an understanding of each task provided in Section 3 above describing the activities and concepts for conducting the work. It should explain the approach, methodology, and specific activities that will be performed and designed to address the specific issues and work items identified in the RFP.

Additionally, state in what ways and for what reasons the proposal deviates from the scope of work as presented by District.

3. Project Team

The purpose of this section is to describe the organization of the consultant including subconsultants and key staff. A liaison shall be named who shall be the prime contact and be responsible for coordinating all activities for the Watermaster. There shall be a brief description of the role and responsibilities of all key staff and subconsultants identified in the team organization.

4. Fee Proposal

The consultant's fees shall be itemized in accordance with the attached spreadsheet (attach). In preparing the fee proposal for this project, the consultant shall take into consideration the following:

- a) Compensation for services provided shall be represented as an hourly rate, which will be sufficient to include indirect costs such as copying, postage, mileage, travel, accommodations, outside services, computer charges, cost of telephone/facsimile equipment, administrative charges, markups of expenses and mark ups on subconsultants. The Watermaster will not process payment for any indirect costs, administrative charges, non-labor expenses, or mark ups.
- b) A work plan, together with a breakdown of labor hours by employee billing classification, together with the cost of subconsultant services shall be included with the fee proposal. The labor breakdown shall be compiled by project tasks. This information will be used to evaluate the reasonableness of the fee proposal and may be used in negotiating the final fee amounts for the contract agreement.
- c) The consultant's standard billing rates for all classifications of staff likely to be involved shall be included with the fee proposal along with the costs for any subconsultants.

5. Statement of Offer & Signature

The Proposal shall be signed by an individual authorized to bind the consultant and shall contain a statement that the proposal is a firm offer for a 90-day period.

SECTION 6 - TERMS AND CONDITIONS

Interested companies should review and acknowledge the following provisions in the proposed contract:

- 1) Insurance Requirements:
 - a) Workers' Compensation: Consultant shall maintain Workers' Compensation insurance, as required by law in the State of California, and Employers' Liability Insurance in an amount not less than \$1,000,000.00 per occurrence. This insurance shall also waive all right to subrogation against the Watermaster, its members, officers, employees, representatives, and agents.
 - b) General Liability: Consultant shall maintain general liability insurance including provisions for contractual liability, independent contractors, and broad form property damage coverage. This insurance shall be on a comprehensive, occurrence basis form with a standard cross liability clause and endorsement (ISO CG 2010 or equivalent). The Watermaster shall be named as an additional insured, and the limit for this insurance shall be not less than \$1,000,000.00 per occurrence, combined single limit for bodily injury and property damage.
 - c) Automobile Liability: Consultant shall maintain automobile liability insurance with coverage for any vehicle including those owned, leased, rented, or borrowed. This insurance shall have an endorsement naming the Watermaster as an additional insured and with a standard

cross liability clause and endorsement (ISO CG 2010 or equivalent). The limit amount for this insurance shall be not less than \$1,000,000.00 per occurrence, combined single limit for bodily injury and property damage.

- d) Professional Liability: Consultant shall maintain professional liability insurance with coverage for wrongful acts, errors, or omissions committed by Consultant in the course of work performed for the Watermaster under this Agreement. This insurance shall include coverage for liability assumed under this Agreement when Consultant's wrongful acts, errors, or omissions cause such liability. The limit for this insurance shall be not less than \$1,000,000.00 per claim.
- 2) Indemnification: Consultant shall hold harmless, defend at its own expense, and indemnify the Watermaster, its officers, employees, and agents against any and all liability, claims, losses, damages or expenses, including reasonable attorneys' fees, arising from all negligent or reckless acts or omissions, or acts of willful misconduct of the company or its officers, agents, or employees in rendering services under this agreement; excluding, however such liability, claims, losses, damages, or expenses arising solely from Watermaster's gross negligence or willful acts.
- 3) Term: The term of agreement between the Beaumont Basin Watermaster and the consultant shall be for four years. Compensation for the first year will be the amount submitted in the proposal or as otherwise negotiated with the selected consultant. The compensation for the remaining three years shall be negotiated annually and approved by the Watermaster Committee prior to the beginning of each calendar year. Therefore, the first foreseeable adjustment to the consultant agreement will be completed prior to December 31, 2012. Early termination provisions will be allowed for either party and incorporated into the agreement.
- 4) The selected consultant shall not be specifically compensated for use of computers, office equipment, office supplies, office space, transportation, hardware, or software materials. Said costs are non-compensable. Time expended by personnel or on such equipment shall be paid within the fees for service provided for the tasks listed in the Scope of Work.
- 5) Detailed invoices for services shall be submitted by the selected firm on a monthly basis and shall report the percentage of time allotted to each task relative to the annual compensation for such task. The Watermaster will remit payment in a timely manner but no later than 30 days after receipt of approved invoice
- 6) Watermaster shall select the consultant based on the merits of the proposal including understanding of services needed, scope of work, cost, qualifications and experience. No specific weighting system will be used for the above factors. All questions must be submitted in writing (via e-mail) to the Beaumont Basin Watermaster Secretary Blanca Marin at Blanca.Marin@bcvwd.org.

Interviews may or may not be conducted at the discretion of Watermaster.

A final selection will be made by the Watermaster at a meeting following the proposal submittal and review process. Watermaster anticipates authorizing a professional services agreement with the selected firm by _____, with a Notice to Proceed provided after the execution of an agreement.

Watermaster reserves the right not to select any of the consulting firms responding to this RFP.

Upon execution of the agreement and issuance of a Notice to Proceed, the Watermaster will make every effort to make available to the selected consultant necessary data, information, maps, and other resources to perform said services.

SECTION 7 - SUBMITTING PROPOSAL

To be considered, ten (10) copies of the Proposal must be received no later than 3:30 p.m. on _____.

Submit your Proposal to:

Blanca Marin, Recording Secretary
c/o Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223
United States of America

WATERMASTER MEMORANDUM NO. 11-11

Date: October 26, 2011

From: Eric Fraser, Secretary

Subject: Review of Draft Request for Proposals for Legal Services

Recommendation: That the Watermaster Committee authorizes the issuance of the Request for Proposals for legal services.

At the Watermaster meeting on September 21, 2011, the Watermaster Committee decided to solicit a Request for Proposals for legal services.

Attached is a copy of the draft Request for Proposals for review and discussion.

Request for Proposals to Provide Professional Legal Services for the Beaumont Basin Watermaster

**Request for Proposal Due by:
4:00 p.m. on Friday, December 2, 2011**

Issued by:

Beaumont Basin Watermaster
c/o Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223
United States of America

Table of Contents

Section 1	Background Information	3
Section 2	Statement of Purpose.....	3
Section 3	Scope of Work	3
Section 4	Qualifications	4
Section 5	Conflicts of Interest.....	4
Section 6	Proposal Requirements	5
Section 7	Terms and Conditions.....	6
Exhibit A	Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin	xx
Exhibit B	Rules and Regulations of the Beaumont Basin Watermaster	xx

SECTION 1 - BACKGROUND INFORMATION

The Beaumont Basin Watermaster ("Watermaster") was formed on February 4, 2004 as a result of a negotiated Stipulated Agreement ("Judgment") between several parties with interests in the Beaumont Groundwater Basin. The Judgment entered in the Superior Court of the State of California for the County of Riverside (Case No. RIC 389197) provides the Watermaster with the authority and responsibility to administer the adjudicated water rights within the Beaumont Groundwater Basin.

Pursuant to the Judgment, the Court appointed a five-member Watermaster committee, consisting of representatives from each of the Appropriator entities: the City of Banning, the City of Beaumont, the Beaumont Cherry Valley Water District, the South Mesa Water Company, and the Yucaipa Valley Water District. The Watermaster's fundamental duties are to administer the terms of the Judgment.

Additional information about the Watermaster may be accessed on the Internet at <http://beaumontbasinwatermaster.org>.

SECTION 2 - STATEMENT OF PURPOSE

The Beaumont Basin Watermaster seeks the services of a law firm to act as Watermaster Legal Counsel to review documents and provide legal advice and legislative information pertinent to the operation and functions of the Watermaster.

The purpose of this Request for Proposals (RFP) is to demonstrate the background, qualification, competence, and capability of a law firm seeking to undertake the legal related services with the Watermaster.

SECTION 3 - SCOPE OF WORK

The law firm selected shall be prepared to perform any and all services that are commonly performed for governmental entities on an as-needed basis, including but not limited to the following:

- Advise and consult on matters of concern regarding enforcement of Superior Court Case No. RIC 389197, "*San Timoteo Watershed Management Authority, vs. City of Banning, et al.*".
- Attend Watermaster Committee meetings and advise on matters arising from same as directed by the committee.
- Interpret laws, legislation, rulings and regulations for the Watermaster.
- Advise on conjunctive use and storage rights.
- Assist in the preparing of amendments to the Rules, Regulations, Policies and Procedures associated with the implementation of the Judgment.

- Represent the Watermaster in administrative and legal proceedings related to enforcement of the Judgment.
- Serve as the Watermaster's ethics officer

Since no reliable effort can be provided at this time as to the level of effort required for this miscellaneous work, proposing law firms are asked to submit their hourly rate schedules for personnel anticipated to work for the Watermaster. These schedules will be used for billing to Watermaster for said services and will be considered by Watermaster during the selection process upon receipt of proposals.

SECTION 4 - QUALIFICATIONS

Describe the qualifications of the key staff that will perform desired services for the Watermaster. The following qualifications are desirable:

- Ability to represent the Beaumont Basin Watermaster in the Superior Court, Riverside.
- Knowledge of the Beaumont Basin Judgment.
- Extensive knowledge of the California Water Code and expertise in the area of water law, particularly dealing with groundwater and adjudicated water rights.
- Expertise on the Safe Drinking Water Act standards and water rights.
- Expertise in negotiating conjunctive use agreements.
- Member in good standing of the State Bar of California.
- Ralph M. Brown Act compliance.
- The Public Records Act.
- Conflict of interest code.
- Water transfer agreements and their requisite approvals.

SECTION 5 - CONFLICTS OF INTEREST

It is the desire of the Watermaster Committee to hire a law firm that does not frequently have to recuse itself from issues due to conflict of interest or concerns. Please address this issue in your proposal. Also, provide a statement identifying any potential conflicts of interest with other clients or interests of the firm.

The firm should identify and disclose any business relationship, direct or indirect, with any of the five Committee agencies and any other party in the Judgment. Specifically state any present or past relationship with any of the following agencies:

- City of Banning
- City of Beaumont
- Beaumont Cherry Valley Water District

- South Mesa Mutual Water Company
- Yucaipa Valley Water District
- Any other Appropriator or Overlying entity within the Beaumont Basin.
- Any other entity or individual that the firm believes warrants disclosure.

This list of entities is not intended to be exhaustive nor intended to satisfy a "conflicts" check requirement.

SECTION 6 - PROPOSAL REQUIREMENTS

All Proposals must include and will be evaluated based on the following criteria:

1. Content & Format

Organize and present a Letter Proposal in a neat and logical format, relevant to these services. The proposals shall be clear, accurate, and comprehensive. Excessive or irrelevant material will not be favorably received.

Proposals shall use a 10-point minimum font size, (maximum of 15 pages) including transmittal/offer letter and resumes of key personnel, but excluding Index/Table of Contents, tables, charts, and graphic exhibits. The purpose of these restrictions is to minimize the costs of proposal preparation and to ensure that the response to the RFP is fully relevant.

The letter proposal should include the following:

- Provide a description of your firm, including the number of attorneys and areas of specialization. Include specific information on your offices in the Riverside or San Bernardino County area.
- Please provide the name, address, phone number, fax number, and email address of the key person in your firm for this Request for Information.
- Briefly describe the expertise of the partner-in-charge who will conduct this work.
- Provide the names and experience of each individual who would be assigned to be of service to the Beaumont Basin Watermaster.
- Provide the names, addresses and telephone numbers of at least five references. This list should include organizations for which your firm has performed similar services as outlined in Section 3 above.
- List and describe any existing or potential conflicts of interest for this assignment as described in Section 5 above.

2. Compensation

The fees and rate schedule shall be provided as follows:

- Compensation shall be represented as an hourly rate by type of service and by person as well as any costs that would be chargeable under the agreement.

- All billings for legal services will be subject to audit and review at any time by any member of the Watermaster Committee or an independent firm designated by the Watermaster.
- This portion of the information must be completed as specified, or the entire informational package will be considered non-responsive.

3. Statement of Offer & Signature

The Proposal shall be signed by an individual authorized to bind the consultant and shall contain a statement that the proposal is a firm offer for a 90-day period.

SECTION 7 - TERMS AND CONDITIONS

Interested companies should review and acknowledge the following provisions in the proposed contract:

- 1) Selection Procedure: Each firm shall submit 15 copies in a written information package which shall include the items requested below. Each section should be clearly defined and separated from the others.
 - a) Your firm's general approach to accomplishing the tasks described in Section 3. If your firm cannot perform one or more of the tasks indicated, describe how your firm will successfully accommodate such a deviation.
 - b) Your firm's qualifications, background and conflicts of interest as described in Section 4 and Section 5.
 - c) Information presented to the Watermaster Committee in Section 6.
 - d) Your firm's proposed fee schedule as provided in Section 6.2.
 - e) Any additional comments or statements which will assist in the evaluation of your firm's information.

The information received will be reviewed by the Beaumont Basin Watermaster Committee members.

Top candidates may be invited for an oral interview. The successful candidate(s) will be notified by telephone. We anticipate that the firms will be contacted for an interview in early December 2011.

Watermaster reserves the right not to select any of the consulting firms responding to this RFP.

- 2) Proposal Format: It is preferred that the basic information be submitted in standard 8 ½ by 11-inch page format.

All informational packages must be in writing. The original transmittal document must be signed by someone authorized to execute legal documents on behalf of your firm. For copying accuracy, please indicate in your transmittal letter the number of pages being submitted in your document.

- 3) Delivery address: All information documents shall be submitted to the following address:

Blanca Marin, Recording Secretary
c/o Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

The Contract Administrator for this Agreement will be Mr. Eric Fraser with the Beaumont Cherry Valley Water District.

- 4) Insurance Requirements:
- a) Workers' Compensation: Law Firm shall maintain Workers' Compensation insurance, as required by law in the State of California, and Employers' Liability Insurance in an amount not less than \$1,000,000.00 per occurrence. This insurance shall also waive all right to subrogation against the Watermaster, its members, officers, employees, representatives, and agents.
 - b) General Liability: Law Firm shall maintain general liability insurance including provisions for contractual liability, independent contractors, and broad form property damage coverage. This insurance shall be on a comprehensive, occurrence basis form with a standard cross liability clause and endorsement (ISO CG 2010 or equivalent). The Watermaster shall be named as an additional insured, and the limit for this insurance shall be not less than \$1,000,000.00 per occurrence, combined single limit for bodily injury and property damage.
 - c) Automobile Liability: Law Firm shall maintain automobile liability insurance with coverage for any vehicle including those owned, leased, rented or borrowed. This insurance shall have an endorsement naming the Watermaster as an additional insured and with a standard cross liability clause and endorsement (ISO CG 2010 or equivalent). The limit amount for this insurance shall be not less than \$1,000,000.00 per occurrence, combined single limit for bodily injury and property damage.
 - d) Professional Liability: Law Firm shall maintain professional liability insurance with coverage for wrongful acts, errors, or omissions committed by Law Firm in the course of work performed for the Watermaster under this Agreement. This insurance shall include coverage for liability assumed under this Agreement when Law Firm's wrongful acts, errors, or omissions cause such liability. The limit for this insurance shall be not less than \$1,000,000.00 per claim.
- 5) Indemnification: Law Firm shall hold harmless, defend at its own expense, and indemnify the Watermaster, its officers, employees, and agents against any and all liability, claims, losses, damages or expenses, including reasonable attorneys' fees, arising from all negligent or reckless acts or omissions, or acts of willful misconduct of the company or its officers, agents, or employees in rendering services under this agreement; excluding,

however such liability, claims, losses, damages, or expenses arising solely from Watermaster's gross negligence or willful acts.

- 6) The Beaumont Basin Watermaster or any party to the Judgment shall be liable for any costs incurred in the preparation or submission of your proposal. The issuance of this solicitation does not constitute an award commitment on the part of the Watermaster and/or any of the Committee members. The Watermaster Committee reserves the right to reject any and all proposals, with or without cause, to negotiate any additional terms and conditions which are in their best interests of all qualified law firms, and to waive any informality, irregularity, technical defect or clerical error in any proposal as the interest of the Watermaster, the Committee or its members may require.

DRAFT

WATERMASTER MEMORANDUM NO. 11-12

Date: October 26, 2011

From: Joseph Zoba, Treasurer

Subject: Establishment of Regular Meeting Dates of the Beaumont Basin Watermaster

Recommendation: No recommendation.

During a prior Watermaster meeting, Member David Dillon recommended that the Watermaster should establish regular meeting dates and times throughout the year to provide an established routine for the members of the public and the Watermaster Members.

The purpose of this agenda item is to provide an opportunity for the members of the Watermaster Committee to find a regular date and time for future meetings.