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

Wednesday, August 1, 2012 at 10:00 a.m.

#### **Meeting Location:**

Beaumont Cherry Valley Water District 560 Magnolia Avenue Beaumont, California 92223 (951) 845-9581

### Watermaster Members:

City of Banning City of Beaumont Beaumont Cherry Valley Water District South Mesa Water Company Yucaipa Valley Water District

### I. Call to Order

### II. Roll Call

City of Banning: Duane Burk (Alternate: Arturo Vela)

City of Beaumont: Dave Dillon (Alternate: Kyle Warsinski)

Beaumont Cherry Valley Water District: Eric Fraser (Alternate: Tony Lara)

South Mesa Water Company: George Jorritsma (Alternate: Dave Armstrong)

Yucaipa Valley Water District: Joseph Zoba (Alternate: Jack Nelson)

### 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. Reports

- A. Report from Engineering Consultant Anibal Blandon, ALDA Engineering
- B. Report from Legal Counsel Thierry Montoya, Alvarado Smith

### VI. Discussion Items

A. Adoption of the 7<sup>th</sup> and 8<sup>th</sup> Year Annual Report

Recommendation: That the Watermaster Committee receives and files the combined 7<sup>th</sup> and 8<sup>th</sup> Annual Report document.

B. Review of the Draft Basin Accounting Agreement Between the Beaumont Basin Watermaster and the San Gorgonio Pass Water Agency

Recommendation: No recommendation.

### VII. Topics for Future Meetings

- A. Financial Audit for Fiscal Year Ending June 30, 2012
- B. Draft 2011 Annual Report of the Beaumont Basin Watermaster
- C. Draft Beaumont Basin Watermaster Engineering Report No. 3
- D. Other Topics

### VIII. Comments from the Members of the Watermaster Committee

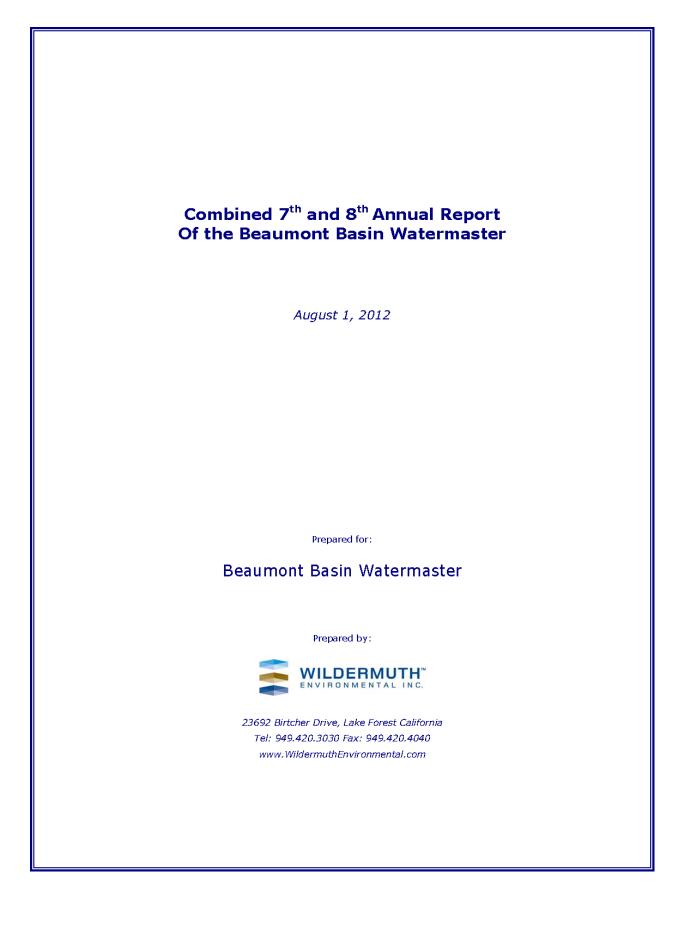
### IX. Adjournment

# BEAUMONT BASIN WATERMASTER MEMORANDUM NO. 12-11

Date:	August 1, 2012
From:	Joseph Zoba, Treasurer
Subject:	Adoption of the 7 <sup>th</sup> and 8 <sup>th</sup> Year Annual Report
Recommendation:	That the Watermaster Committee receives and files the combined 7 <sup>th</sup> and 8 <sup>th</sup> Annual Report document.

On November 29, 2011, the Watermaster Members received a copy of the combined 7<sup>th</sup> and 8<sup>th</sup> Year Annual Report. On July 18, 2012, the Watermaster Committee conducted a public review of the document. Based on the comments received from the Watermaster Members and the public, a final version of the 7<sup>th</sup> and 8<sup>th</sup> Year Annual Report has been completed.

The main body of the report has been attached to this memorandum and the complete document has been posted on the Watermaster website at <u>www.beaumontbasinwatermaster.org</u>. The entire document can be downloaded directly <u>here</u>.



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Combined 7th and 8th Annual Report of the Beaumont Basin Watermaster

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#### Combined 7th and 8th Annual Report of the Beaumont Basin Watermaster

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	Acronyms, Abbreviations, and Initialisms
acre-ft	acre-feet
acre-ft/yr	acre-feet per year
Banning	City of Banning
Basin	Beaumont Basin
BCVWD	Beaumont-Cherry Valley Water District
Beaumont	City of Beaumont
du	dwelling unit
FY	fiscal year
IRWMP	Integrated Regional Water Management Program
Pass Agency	San Gorgonio Pass Water Agency
SMWC	South Mesa Water Company
STWMA	San Timoteo Watershed Management Authority
STWMP	San Timoteo Watershed Management Program
SWP	State Water Project
Watermaster	Beaumont Basin Watermaster
WEI	Wildermuth Environmental, Inc.
YVWD	Yucaipa Valley Water District



## Section 1 – Overview of the Judgment and the Watermaster

This Combined Seventh and Eighth Annual Report of the Beaumont Basin Watermaster (Watermaster) summarizes the activities and operations of Watermaster for fiscal year<sup>1</sup> (FY) 2009/10 and FY 2010/11.

#### **11** Background

In January 2001, based on a common interest in the San Timoteo Watershed, the Beaumont-Cherry Valley Water District (BCVWD), the City of Beaumont (Beaumont), the South Mesa Water Company (SMWC), and the Yucaipa Valley Water District (YVWD) formed the San Timoteo Watershed Management Authority (STWMA). Once formed, the STWMA began a watershed-wide, multi-phase effort to develop and implement a comprehensive San Timoteo Watershed Management Program (STWMP). Phase 1 of the STWMP included developing a description of the area's water resources, establishing goals to protect and enhance these resources, and affirming a management plan to accomplish said goals. This work is documented in the San Timoteo Watershed Management Program, Phase 1 Report (WEI, 2002) and its successor, the updated and re-titled Integrated Regional Water Management Program for the San Timoteo Watershed (IRWMP) (WEI, 2005). The goals established in Phase I include:

- Enhancing Basin water supplies
- Protecting and enhancing water quality
- Optimizing the management of STWMA area groundwater basins
- Protecting riparian habitat in San Timoteo Creek and protecting/enhancing habitat in the STWMA area
- Equitably distributing the benefits and costs of developing the IRWMP for the San Timoteo Watershed

The Phase 1 report also identified the initiatives and program elements necessary to achieve these goals. Program Element 5 called for the STWMA members to establish a groundwater management entity for the Beaumont Basin (Basin). The Basin encompasses approximately 26 square miles, has a safe yield of approximately 8,650 acre-feet (acre-ft), and a total storage capacity of over a million acre-ft. Two groups, representing Appropriator and Overlying interests in the Basin, began negotiations in May 2002 to implement this program element.

A Stipulated Agreement was developed and submitted to the Court as a result of the negotiations. Honorable Judge Gary Tranbarger of the Superior Court of the State of California for the County of Riverside signed the Judgment, titled "San Timoteo Watershed Management Authority, vs. City of Banning, et al." (Case No. RIC 389197), on February 4, 2004. Pursuant to the Judgment, the Court appointed a five-member Watermaster committee, consisting of representatives from each of the Appropriator parties: the City of Banning



<sup>&</sup>lt;sup>1</sup> The Watermaster fiscal year is July 1 through June 30.

(Banning), Beaumont, the BCVWD, the SMWC, and the YVWD. The effective date of the Judgment for accounting purposes is July 1, 2003.

The Court gave the responsibility of managing the Basin to Watermaster by approving the Stipulated Agreement but retained continuing jurisdiction should there be any future need to resolve difficult questions among the Parties.

#### **1.2 Watermaster Responsibilities**

Watermaster, in carrying out its duties, is responsible for providing a legal and practical means of ensuring that the waters of the Basin are put to maximum beneficial use by facilitating the conjunctive use of surface, ground, and supplemental waters. Watermaster's specific responsibilities are summarized below.

Administer the Beaumont Basin Judgment. Watermaster operates under the Judgment and a formal set of Rules and Regulations (and any revisions thereto), which were adopted on June 8, 2004. Together, the Judgment and the Rules and Regulations establish the procedures by which Watermaster accounts for the water resources of the Basin. To fund its operations, Watermaster collects both administrative and replenishment assessments from the Appropriator Parties. Each year, Watermaster publishes an Annual Report on its activities, which includes an accounting of production and recharge in the Basin.

**Maintain and Improve Water Supply.** Watermaster determines the amount of groundwater that each producer is entitled to pump annually without incurring a replenishment obligation. As needed, Watermaster facilitates the acquisition, recharge, and storage of supplemental water for replenishment and conjunctive-use purposes.

**Approve Producer Activities.** Producer Parties must notify and obtain approval, as necessary, from Watermaster for activities, such as recharging water, transferring or exchanging water, storing local water, and storing or recovering supplemental water.

**Develop and Administer a Well Policy.** Watermaster is responsible for developing a policy on the proper construction and abandonment of wells in the Basin. The Well Policy that is currently in effect was adopted as Resolution 2004-04, *A Resolution of the Beaumont Basin Watermaster Adopting Minimum Standards for the Construction, Reconstruction, Abandonment and Destruction of Groundwater Extraction Wells*, on July 20, 2004. With Resolution 2004-04, the Watermaster Committee adopted existing Riverside County Ordinance No. 682.3 and expanded it by requiring the installation of a "sounding tube" to facilitate the measurement of water levels on all wells constructed in the Basin after July 20, 2004.

Monitor and Understand the Basin. Watermaster collects data from the Appropriator Parties, and other cooperating agencies to expand its knowledge of how the Basin works in order to manage it more effectively. The Appropriator parties provide Watermaster with production, water level, and water quality data for their wells. Beaumont provides Watermaster with additional water level and water quality data collected at wells throughout the region as part of their Maximum Benefit Monitoring Program (see WEI, 2010). Watermaster also conducts a periodic ground surface survey to determine if land subsidence is occurring in the Basin, the last of which was conducted in March 2009 and was reported to



Watermaster in July 2009 (WEI, 2009). All of these data are periodically compiled into an Engineer's Report on the state of the Basin's water resources.

Maintain and Improve Water Quality. Watermaster coordinates and participates in local efforts to preserve the quality of groundwater in the Basin. It assists and encourages regulatory agencies to enforce water quality regulations that affect the Basin and its surrounding resources. Watermaster supports the Maximum Benefit Monitoring efforts in the Beaumont Management Zone and utilizes the results of these efforts when reporting regional water quality conditions in its Engineer's Report.

**Develop Contracts for Beneficial Programs and Services.** Watermaster is responsible for developing and entering into contracts for programs and services that are beneficial to the Basin on behalf of the Parties to the Judgment. This includes programs for conjunctively utilizing the Basin for the storage of supplemental water with other entities, such as the San Gorgonio Pass Water Agency (Pass Agency), and programs for the direct and/or indirect use of recycled water.

**Provide Cooperative Leadership.** Watermaster helps develop and implement regional scale programs for the management of the Basin and its surrounding resources.

#### **1.3 Watermaster Address**

For the purposes of conducting Watermaster business and maintaining records, Watermaster's official address remains as follows:

Office of the Watermaster Secretary C/O Beaumont-Cherry Valley Water District 560 Magnolia Avenue Beaumont, CA 92223

#### **1.4 Watermaster Website**

Watermaster maintains a website to communicate its activities to the Parties and the public. The website contains copies of the Judgment, the Rules and Regulations, Annual Reports, Engineer's Reports, meeting minutes, meeting agendas, and other relevant documents. The website address is www.beaumontbasinwatermaster.org. The YVWD manages the site.

#### **1.5 Mission Statement**

Watermaster adopted the following mission statement in October 2004:

"Watermaster's mission is to manage the yield of and storage within the Beaumont Basin to provide maximum benefit to the people dependent on it."

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## **Section 2 – Watermaster Activities**

Watermaster continued to administer and implement the Judgment during its seventh and eighth years of operation. Watermaster's activities are discussed in more detail below by subject matter.

#### 2.1 Watermaster Committee Representatives and Staff

The Committee Representatives serving each Appropriator Party during FY 2009/10 and FY 2010/11 were as follows:

Banning, City of	Duane Burk, Director of Public Works
Beaumont, City of	Dave Dillon, Economic Development Director
Beaumont-Cherry Valley Water District	Anthony Lara, Interim General Manager
South Mesa Water Company	George Jorritsma, General Manager
Yucaipa Valley Water District	Joseph B. Zoba, General Manager

The Representatives listed below served as the Officers to the Watermaster Committee in FY 2009/10 and FY 2010/11:

Chairman	George Jorritsma
Vice Chairman	Dave Dillon
Secretary	Anthony Lara
Treasurer	Joseph B. Zoba

Mr. J. Andrew Schlange continued to serve as the Chief of Watermaster Services until his resignation from the position effective November 30, 2009. After Mr. Schlange's resignation, the Watermaster Committee elected not to seek out a new Chief of Watermaster Services. All Watermaster activities after November 30, 2009 were initiated and coordinated by the Committee members themselves.

Mr. Joseph S. Aklufi continued to serve as the Watermaster's Legal Counsel, and Mr. Mark J. Wildermuth of Wildermuth Environmental, Inc. (WEI) continued to serve as the Watermaster Engineer in FY 2009/10 and FY 2010/11.

#### 2.2 Watermaster Meetings

Meetings of the Watermaster Committee were held on the following dates:

September 15, 2009 April 14, 2010 May 11, 2010 September 14, 2010 April 7, 2011

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Copies of the agendas and approved minutes from each of the above meetings can be viewed at Watermaster's website or by making a request to the Watermaster Secretary. Pursuant to Resolution 2009-001, all of Watermaster's public records are open for inspection during office hours, provided that a written request to inspect said records has been submitted.

#### 2.3 Resolutions

No resolutions were adopted by Watermaster during FY 2009/10 or FY 2010/11.

#### 2.4 Storage Applications and Agreements

The first applications and agreements to store unused appropriator production rights and supplemental water recharge were approved in FY 2005/06. During that year, Watermaster approved applications and agreements with Banning, BCVWD, SMWC, and YVWD to store up to 135,000 acre-ft of water in the Basin. Beaumont's first application and agreement to store water was approved by Watermaster in FY 2007/08, bringing the total approved storage allocation to 157,000 acre-ft. During FY 2009/10, Watermaster received four applications to increase the total storage allowed under the existing Storage Agreements with Banning, the BCVWD, Beaumont, and the YVWD, as summarized below. All of the applications to increase storage were approved, increasing the total storage allocation to 260,000 acre-ft. Watermaster has not yet executed amended Storage Agreements with the Parties to reflect the changes to their accounts. No applications to store water were received in FY 2010/11; however, the Pass Agency notified Watermaster of its interest in submitting an application for a storage agreement likely in FY 2011/12.

Appropriator	Authorized Storage Account as of July 1, 2009 (acre-ft)	Date of Application to Increase Storage Account	Requested Storage Account Increase (acre-ft)	Date of Application Approval	Authorized Storage Account as of July 1, 2011
Banning	40,000	April 16, 2010	40,000	Sept. 14, 2010	80,000
BCVWD	70,000	Sept. 15, 2009	10,000	May 11, 2010	80,000
Beaumont	22,000	April 19, 2010	8,000	Sept. 14, 2010	30,000
SMWC	20,000	n/a	n/a	n/a	20,000
YVWD	5,000	April 15, 2010	45,000	May 11, 2010	50,000
Total	157,000		103,000		260,000

#### 2.5 Rules and Regulations

Watermaster adopted its original Rules and Regulations of the Watermaster on June 8, 2004. The rules were adopted with an understanding that modifications would be considered as necessary. No changes to the Rules and Regulations were made in FY 2009/10 or FY 2010/11.



#### 2.6 Annual Audit

Under Part VI, Paragraph 6(b) of the Judgment, Watermaster's annual report of operations shall include an accounting and audit of all assessments and expenditures. Copies of the FY 2009/10 and FY 2010/11 Audit Reports have been included with this annual report as Appendix A.

#### 2.7 Active Party List

Under Part VII, Paragraph 1 of the Judgment, "[T]he Watermaster shall maintain, at all times, a current list of Parties to whom notices are to be sent and their addresses for the purposes of service. Watermaster shall also maintain a full current list of names and addresses of all Parties or their successors, as filed herein. Copies of such lists shall be available to any Person." These lists are commonly referred to as Watermaster's "Active Party List." A copy of the list has been included with this annual report as Appendix B. Under the Judgment, any Party that desires to be relieved of receiving notices regarding Watermaster activities can complete the Waiver of Notice and Designation of Address for Notice and Service portion of the form adopted by Watermaster.

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## Section 3 – Administration of the Judgment: Accounting for Production, Recharge, Transfers, and Storage

One of Watermaster's primary responsibilities is to account for the production, recharge, transfer, and storage activities of the Parties to the Judgment. The following sections detail the accounting of these activities for FY 2009/10 and FY 2010/11.

### 3.1 Production

Watermaster is responsible for the tracking and accounting of groundwater production by all Appropriator and Overlying Parties named in the Judgment. Beaumont Basin producers who pump less than 10 acre-ft per year (acre-ft/yr), otherwise known as minimal producers, are exempt from the provisions of the Judgment unless otherwise ordered by the Court (Judgment Part III, Paragraph 4). Accordingly, Watermaster does not collect production information from minimal producers other than those participating in the Judgment. Figure 1 shows the locations of all wells that belong to the Appropriator and Overlying Parties of the Judgment.

### 3.1.1 Appropriator Party Production

There are five Appropriator Parties: Banning, Beaumont, the BCVWD, the SMWC, and the YVWD. As stated in the Judgment, an Appropriator's annual production right consists of:

"[T]he Appropriator's share of operating safe yield, plus

- (1) any water acquired by an Appropriator from an Overlying Producer or other Appropriator pursuant to the Judgment,
- (2) any water withdrawn from the Appropriator's storage account, and
- (3) New Yield created by the Appropriator" (Part I, Paragraph 3B).

An Appropriator's annual production right represents the maximum quantity of water an Appropriator can produce from the Basin each year without incurring a replenishment obligation. It includes the Appropriator's share of the temporary surplus (Part I, Paragraph 3M), defined in the Judgment as "the amount of groundwater that can be pumped annually in excess of safe yield from a groundwater basin necessary to create enough additional storage capacity to prevent the waste of water" (Part I, Paragraph 3BB). The temporary surplus in the Basin was decreed to be 160,000 acre-ft, was allocated over the first ten years of the physical solution at 16,000 acre-ft/yr, and was split among the Appropriators in accordance with their respective percentage shares of the unused safe yield.

Table 1a shows monthly and annual production, the share of operating safe yield, and the amount of unused water that is eligible for storage by each Appropriator for FY 2009/10. Table 1b shows the same data for FY 2010/11. During FY 2009/10, the Appropriators pumped a total of 12,537 acre-ft of water. Production was down in FY 2009/10 by about eight percent compared to FY 2008/09. During FY 2010/11, the Appropriators pumped a total of 11,115 acre-ft of water. Production in FY 2010/11 was down by about 11 percent compared to FY 2009/10 and 18 percent compared to FY 2008/09. All metered groundwater



production data for FY 2003/04 through 2010/11 is contained in an Access database that has been included with this report as Appendix C.

#### 3.1.2 Overlying Party Production

Producers who pump groundwater for overlying uses and are Parties to the Judgment are defined as Overlying Producers. Overlying Producers are assigned a share of the Basin's safe yield and may not use more than five times their share of the safe yield in any five-year period (Part II, Paragraph 1A).

During FY 2005/06, the Watermaster Engineer reported that several Overlying Producers' wells were not metered or that their meters may not have been working properly. The Watermaster Engineer recommended using a water duty method that is routinely used to estimate production in the absence of metered production. The water duty method estimates production based on the type of use (indoor, outdoor, and industrial). Watermaster accepted the water duty method and the subsequent production estimates made in FY 2005/06, subject to the receipt of more accurate information from the affected Overlying Producers. During FY 2007/08, an updated water duty method, developed by the Watermaster Engineer, was used to estimate production for Overlying Producers with unmetered wells.

During FY 2009/10 and 2010/11, only 5 of the 17 Overlying Parties to the Judgment metered and reported their monthly or annual groundwater production. The water duty method developed in FY 2007/08 was used to estimate production for each unmetered Overlying Producer in FY 2009/10 and 2010/11.<sup>2</sup> A detailed description of the water duty method has been included with this report as Appendix D.

Table 2a shows a summary of annual production, the share of operating safe yield, and the amount of unused water for each Overlying Producer for FY 2009/10. Table 2b shows the same data for FY 2010/11. During FY 2009/10, the Overlying Producers pumped an estimated 2,500 acre-ft of water. Estimated production was down in FY 2009/10 by about 14 percent compared to FY 2008/09. During FY 2010/11, the Overlying Producers pumped an estimated 2,183 acre-ft of water. Estimated production in FY 2010/11 was down by about 13 percent compared to FY 2009/10 and 25 percent compared to FY 2008/09. All metered and estimated groundwater production data for FY 2003/04 through 2010/11 is contained in an Access database that has been included with this report as Appendix C.

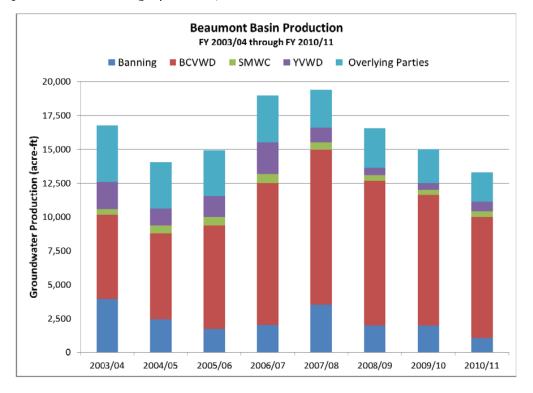


<sup>&</sup>lt;sup>2</sup> Production values were not reported by Oak Valley Partners (OVP) for either FY 2009/10 or FY 2010/11. This was the first time the OVP did not report production to Watermaster, which typically included meter reads for one well and estimates of production for two additional wells (the estimates by OVP were previously deemed appropriate for use by the Watermaster in lieu of the water duty method used for other overlying parties). For this draft report, the average production reported by OVP for FY 2006/07 through FY2008/09 was used for FY2009/10 and FY 2010/11. Watermaster does not have sufficient information to apply the water duty method described in Appendix D for the OVP given the large area of land owned and varied water uses (domestic, commercial, and agricultural).

#### 3 - Administration of the Judgment...

#### 3.1.3 Eight-Year Production Summary

Table 3 shows the annual production summary for each Party since FY 2003/04. During the eight years since the adjudication of the Basin, a total of 129,037 acre-ft of water has been pumped. Of this, 104,150 acre-ft (81 percent) was pumped by Appropriator Producers, and 24,887 acre-ft (19 percent) was pumped by Overlying Producers. The minimum annual production during the eight-year period was 13,299 acre-ft in FY 2010/11, and the maximum production was 19,405 acre-ft in FY 2007/08. Total production in the Basin has steadily decreased each year since the maximum production value in FY 2007/08. The average production across all eight years is 16,130 acre-ft.



#### 3.2 Recharge

Pursuant to Section 5 of the Watermaster Rules and Regulations, all groundwater recharge activities in the Basin shall be subject to Watermaster's review and approval. There are three types of water being recharged in the Basin: supplemental imported State Water Project (SWP) water, supplemental recycled water, and new yield stormwater. Table 4 summarizes the annual groundwater recharge from all supplemental and new yield sources in the Basin since FY 2003/04. Daily groundwater recharge data for FY 2003/04 through FY 2010/11 is contained in an Access database that has been included with this report as Appendix C.





#### 3 - Administration of the Judgment...

#### 3.2.1 State Water Project (SWP) Water Recharge

Currently, there is one facility in operation that recharges SWP water imported by the Pass Agency to the Basin: the BCVWD's Noble Creek facility, located east of Beaumont Avenue between Brookside Avenue and Cherry Valley Boulevard. The location of the recharge facility is shown in Figure 1.

The BCVWD began recharging SWP water in September 2006, and has since recharged about 27,376 acre-ft pursuant to the storage and recharge agreements on file with Watermaster. A total of 5,765 acre-ft was recharged in FY 2009/10 and 8,937 acre-ft was recharged in FY 2010/11.

The City of Banning began recharging SWP water at the BCVWD's Noble Creek facility in July 2008 and has since recharged 3,600 acre-ft of water pursuant to the storage agreement on file with Watermaster. As of June 30, 2011, Banning has not submitted an application for recharge with Watermaster. A total of 1,200 acre-ft was recharged in FY 2009/10, and 1,200 acre-ft was recharged in FY 2010/11.

SWP water is also recharged at the Little San Gorgonio Creek Spreading Ponds, which are located immediately to the north and outside of the northeastern boundary of the adjudicated Basin boundary (along the Banning Fault-see Figure 1). The Little San Gorgonio Creek Spreading Ponds are operated by the Pass Agency. Water recharged at this facility may be a source of supplemental yield to the Basin. However, Watermaster has not adopted a finding as such; therefore, this water cannot be exploited by Watermaster or any individual Party as water in the Basin until an investigation has been conducted to determine if some or all of this water recharges the Beaumont Basin and a formal finding has been made. The Pass Agency began recharging SWP water in August 2003 and has since recharged about 6,700 acre-ft at the Little San Gorgonio Creek Spreading Ponds. A total of 829 acre-ft was recharged in FY 2009/10, and 1,683 acre-ft was recharged in FY 2010/11.

#### 3.2.2 Recycled Water Recharge

In March 2010, pursuant to its Waste Discharge permit with the Regional Board (R8-2009-0002), Beaumont began discharging recycled water from Wastewater Treatment Plant No. 1 to Discharge Point (DP) 007 located on an unnamed tributary of Marshall Creek (see Figure 1). A portion of the recycled water discharged at DP-007 flows into and recharges the Basin. Prior to March 2010, all of Beaumont's recycled water was discharged at DP-001 in Cooper's Creek where it infiltrates into the San Timoteo Management Zone, which is outside of the Basin. Thus, recycled water discharged to DP-007 that flows into and infiltrates the Basin is considered a new recharge source for which the City may obtain credit pursuant to the storage agreement on file with Watermaster. A technical demonstration of the amount of recharge to the Basin will need to be prepared and accepted by Watermaster for the City to obtain credit for the recharge. Watermaster has yet to approve a methodology for the required technical demonstration. Once a technical demonstration has been made and approved, the City will retroactively receive credit for all recharge to the Basin since March 2010.



3 - Administration of the Judgment...

#### 3.2.3 New Yield Stormwater Recharge

Pursuant to Part VI Paragraph 5.V of the Judgment, recharge of new, locally generated water shall be accounted for by Watermaster and credited to the Party that creates the new recharge for all projects constructed after February 20, 2003. The City of Beaumont continues to recharge local waters to the Basin; however, Watermaster has yet to develop rules and regulations regarding the methodology to quantify and credit the New Yield. Upon the development of the New Yield rules, Watermaster will compute and credit all New Yield dating back to February 20, 2003 if applicable.

#### **3.3 Water Transfers and Adjustments of Rights**

Pursuant to Section 7 of the Watermaster Rules and Regulations, Watermaster shall maintain an accounting of all water transfers and adjustments of rights by and between the Appropriator and Overlying Parties. Watermaster accounts for three types of transfers: the transfer of water rights and/or water in storage between Appropriators, the transfer of water rights from Overlying Producers in exchange for water service by an Appropriator Party, and the allocation of unused Overlying Water.

#### 3.3.1 Transfers between Appropriators

An Appropriator may transfer to another Appropriator all or any portion of its production right or water in storage that is surplus to its needs. On January 8, 2008, the SMWC and the BCVWD entered into a water transfer agreement, providing the BCVWD with the option to purchase all SMWC water, or a portion thereof, that is not pumped or designated for storage by the SMWC, termed "available water." Each year the SMWC will compute the amount of "available water" and offer it to the BCVWD for purchase prior to offering it to any other party. This agreement is effective through February 4, 2014. During FY 2010/11, the BCVWD purchased 3,500 acre-ft of "available water" in storage from the SMWC. The purchase agreement and records of transfer are on file with Watermaster.

#### 3.3.2 Transfers of Overlying Rights for Service by an Appropriator

The Judgment (Part III, Paragraph 3) provides that to the extent any Overlying Party requests and uses its adjudicated water rights to obtain water service (potable or non-potable) from an Appropriator Party, an equivalent volume of groundwater shall be earmarked for use by the Appropriator Party, which will serve the Overlying Party, up to the volume of the Overlying Water Right as reflected in Exhibit B of the Judgment. Section 7.1 of the Watermaster Rules and Regulations requires that the Overlying Pumper and Appropriator complete and file a Notice of Adjustment of Rights (Watermaster Form 5) with Watermaster. As of June 30, 2011, Watermaster has not received any notices for the adjustment of water rights.

The BCVWD verbally notified Watermaster that it is serving water to Overlying Parties and will be submitting the documentation necessary to compute the appropriate transfer amount, retroactive to the time that service to each Overlying Party commenced. Once this transfer is complete, Watermaster will need to recompute the allocation of unused Overlying Water to



the Parties (see Section 3.3.3).

#### 3.3.3 Allocation of Unused Overlying Water

On September 9, 2009, Watermaster adopted Rule & Regulation 7.8, entitled Availability of Unused Overlying Production and Allocation to the Appropriator Parties. The objective of Rule & Regulation 7.8 is to define the process for allocating, to the Appropriator Parties, the volume of water that was not produced by the Overlying Parties pursuant to their production rights. So long as an Overlying Party's groundwater production does not exceed five times their share of the safe yield in any five-year period, the amount of groundwater not produced by that Overlying Party becomes available for allocation to the Appropriator Parties. The aggregate unused Overlying production rights will be based on each appropriator's share of the operating safe yield, as shown in Exhibit C of the Judgment, and will have no impact on the legal water right held by the Overlying Parties in subsequent years. Table 5 summarizes the volume of unused Overlying water for FY 2003/04 through FY 2010/11. Table 6 shows the allocation of unused Overlying water to each Appropriator per their shares of the safe yield and the schedule of allocation outlined in the Rules and Regulations.

In FY 2009/10, a total of 5,235 acre-ft of unproduced Overlying water from FY 2004/05 was allocated to the Appropriator Parties. The 6,150 acre-ft of unproduced Overlying water for the FY 2009/10 period will be allocated to the Appropriator Parties in FY 2014/15.

In FY 2010/11, a total of 5,278 acre-ft of unproduced Overlying water from FY 2005/06 was allocated to the Appropriator Parties. The 6,467 acre-ft of unproduced Overlying water for the FY 2010/11 period will be allocated to the Appropriator Parties in FY 2015/16.

#### 3.4 Storage Accounting

Pursuant to Section 6.7 of the Watermaster Rules and Regulations, Watermaster shall calculate additions, extractions, and losses of all water stored, and any losses of water supplies or safe yield that result from such water stored, and keep and maintain an annual accounting thereof for public record. As of June 30, 2011, Watermaster has not developed a methodology to estimate losses of water in storage.

Table 7 is a reconciliation of each Appropriator's storage account from FY 2003/04 through FY 2010/11. The groundwater pumping, supplemental water recharge, local water recharge, allocation of unused Overlying water, and other transfer activities discussed in the preceding sections of this report are included in the storage accounting contained in Table 7. At the beginning of FY 2009/10, the total volume of water in all storage accounts was 33,847 acre-ft. As of June 30, 2011, the volume of water in all storage accounts is 69,809 acre-ft. No Party incurred a replenishment obligation in either FY 2009/10 or FY 2010/11.

#### 3.5 Change in Groundwater Levels in the Beaumont Basin

Figure 2 shows the change in groundwater levels observed at 8 wells in the Basin compared against annual production and recharge for the July 1, 2003 through June 30, 2011 period. In



general, water levels have declined across the Basin. A slight rebound in groundwater elevations was observed at a few wells during FY 2010/11 and may be the result of decreasing production, increasing recharge, or both. A more detailed assessment of the changes in groundwater elevations and storage will be contained in Watermaster's next Basin Condition Report (Engineer's Report).

#### **3.6 Recommendations**

Watermaster should prioritize the following activities to ensure the accurate accounting of production, transfers, recharge, and storage:

- Develop a policy to account for the recharge of waters to the Basin, including supplemental imported water and recycled water and new-yield stormwater. At a minimum, this policy should address who is responsible for preparing the technical demonstration of the amount of recharge to the Basin (e.g. Watermaster or the Party seeking credit for recharge), the process by which Watermaster will review and approve the recharge credit, and the schedule for completing the necessary documentation to ensure that recharge credits are reflected in Watermaster's annual reporting for the year the recharge activities occurred. Some guidelines are already included in Section 5 of the Watermaster Rules and Regulations but should be amended to provide more clarity to the process.
- Develop a policy to account for transfers water that result from an Appropriator Party providing water service to an Overlying Party. At a minimum, this policy should address the data needed to compute the transfer amount, the process by which Watermaster will review and approve the transfer, and the schedule for completing the necessary documentation to ensure that such transfers are reflected in Watermaster's annual reporting for the year the transfer activities occurred. Some guidelines are already included in Section 7 of the Watermaster Rules and Regulations but should be amended to provide more clarity to the process.

Secondary to the two activities prioritized above, Watermaster should revisit the Rules and Regulations to ensure that the document is consistent with the requirements of the Judgment and with the practical aspects of accounting for production, recharge, transfers, and storage. Watermaster adopted its original Rules and Regulations in June 2004, and they were developed as a guiding document to administer the Judgment and to outline the protocols to be followed by the Parties to assist Watermaster and its staff in the accounting of production, recharge, transfers, and storage. The Rules and Regulations were developed with an understanding that modifications would be considered as necessary—as was done in 2009. In the preparation of this Combined Seventh and Eighth Annual Report, several circumstances were identified where the Rules and Regulations were not being followed as originally envisioned. The following is a summary of such inconsistencies:

• Watermaster has not prepared a Basin Condition report per the prescribed bi-annual frequency (Rules and Regulations, Section 2.13).



- Watermaster has not performed a meter maintenance program to ensure accurate reporting of groundwater production (Rules and Regulations, Sections 3.1b and 3.1c).
- All Producers are not regularly reporting production to Watermaster (Rules and Regulations, Section 3.2). WEI recommends that Producers who pump in excess of 10 acre-ft per year report their production on a monthly or quarterly basis to the Watermaster Secretary. All Parties who pump less than 10 acre-ft per year should report their production annually. Recharge should also be reported to the Watermaster Secretary on a monthly or quarterly basis.
- Watermaster has yet to develop a methodology for estimating New Yield (stormwater) recharges to the Basin (Rules and Regulations, Section 4.2).
- Watermaster has yet to develop a methodology for estimating losses of water in storage (Rules and Regulations, Section 4.3).
- Watermaster has not enforced the submittal of applications to recharge supplemental or new yield water in the Basin prior to accounting for said recharges (Rules and Regulations, Sections 5.0, 5.1, 5.2, and 5.3, and Form 3).
- Watermaster has not developed and executed Groundwater Storage Agreements per the criteria defined in the Rules and Regulations (Rules and Regulations, Section 6.4 and Forms 1 and 2).
- Watermaster has not enforced the submittal of applications for the recapture of water in storage by Appropriators as a means of precluding a replenishment obligation (Rules and Regulations, Section 6.1 and Form 4).
- Watermaster has not enforced the submittal of notices of transfers prior to accounting for said transfers. (Rules and Regulations, Sections 7.1, 7.2, 7.3, and 7.4, and Forms 5, 7, and 8)

Finally, Watermaster has not filed its annual reports with the Court; this is typically done in adjudicated basins where the Court maintains continuing jurisdiction, as is the case for the Beaumont Judgment. The Watermaster Board should make a formal determination whether or not it should file the annual reports with the Court.



### Section 4 - References

- Superior Court of the State of California for the County of Riverside. (2004). Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin. Gary Tranbarger, Judge of the Superior Court. Case No. RIC 389197, February 4, 2004.
- Wildermuth Environmental, Inc. (2002). San Timoteo Watershed Management Program, Final Phase 1 Report.
- Wildermuth Environmental, Inc. (2005). Integrated Regional Water Management Program for the San Timoteo Watershed.
- Wildermuth Environmental, Inc. (2009). Land Subsidence Monitoring Program, Spring 2009.
- Wildermuth Environmental, Inc. (2011). Maximum Benefit Monitoring Program 2010 Annual Report.

November 2011 Updated July 2012





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		Mary
003/10		And
scal Year 2		March
mary for Fi	or Producers	Fehruary
Table 1a uction Sum (acre-ft)	Appropriate	vianiary.
ducer Produ	Reported by	December
Table 1a Appropriator Producer Production Summary for Fiscal Year 2009/10 (acre-ft)	Water Production Reported by Appropriator Producers <sup>1</sup>	wher November January February March Anril May
Appr	Wat	her

	July	August	September	October	November	December	January	February	March	April	May	June	Production	Operaung Safe Yield	for Storage
10															
	31.3	3.0	36.8	0.5	0.7	1.7	0.5	0.0	2.6	0.3	0.4	0.3	78.0		
	107.4	90.7	96.0	51.8	61.0	41.6	35.4	12.7	0.0 0	49.4	119.2	107.0	751.1		
	156.1	156.2	96.4	6.9	0.L	6.4	3.4	0.4	2.9	0.6	0.5	0.6	434.2		
	10.5	73.5	0.77	2.0	2.7	3.3	1.1	0.2	7.3	0.3	0.2	11.4	189.6		
Production from BCVMD <sup>2</sup>	61.6	66.2	64.1	66.8	63.7	66.6	65.8	59.3	17.3	0.0	0.0	0.0	531.5		
	366.9	389.7	340.2	130.3	129.6	119.6	106.3	72.6	39.0	50.6	120.2	119.3	1,984.3	5,029	3,044.7
Beaumont-Cherry Valley															
Water District															
	123.8	105.8	93.6	68.1	45.5	29.9	36.7	50.6	53.3	48.2	73.9	98.7	828.0		
	165.7	159.5	133.4	94.0	59.6	38.1	44.3	60.7	57.3	57.2	91.1	116.5	1,077.5		
	103.9	103.2	100.8	59.8	18.7	0.0	0.3	1.2	0.5	2.6	0.0	0.6	391.4		
	263.2	208.7	200.5	163.2	113.8	88.4	0.0	0.0	0.0	0.0	0.0	0.0	1,027.8		
	0.0	0.0	0.0	13.9	50.3	62.2	52.4	43.0	41.6	20.0	6.4	11.3	301.1		
	0.1	0.0	0.0	0.0	21.6	88.8	96.5	45.7	106.0	156.3	182.2	203.0	900.2		
	228.5	233.0	221.4	190.4	178.5	127.2	110.2	293.4	148.8	166.2	226.2	219.2	2,343.0		
	249.1	32.6	17.5	217.5	217.2	25.2	12.5	0.0	25.2	44.1	155.0	191.8	1, 187.6		
	171.9	168.2	162.4	126.2	135.0	20.7	85.9	59.3	69.7	97.2	150.6	144.3	1, 391.4		
	126.8	132.3	117.2	97.1	92.6	51.5	39.1	0.0	0.0	0.0	0.5	89.68	746.6		
Production for Banning <sup>2</sup>	-61.6	-66.2	-64.1	-66.8	-63.7	-66.6	-65.8	-59.3	-17.3	0.0	0.0	0.0	-531.5		
1	1,361.4	1,076.9	982.8	963.4	869.0	465.3	412.0	494.6	485.1	591.8	885.9	1,075.0	9,663.2	6,802	0.0
South Mesa Water Company	36.8	30.7	46.4	40 K	8 8 8	101	18.1	14 0	16.6	73.0	37.1	60 A	2712		
	36.8	39.2	46.4	42.6	28.8	20.4	18.1	14.9	16.6	23.0	32.1	52.4	371.2	1,996	1,624.8
Yucaipa Valley Water District	0	00	0	0	c c		6			0	0	00	00		
	0.0	0.0	76.0	20.6	24.5	0.0	0.U	0.0	0.U	18.0	0.0	0.0	518.3		
	89.3	67.3	76.0	50.6	37.5	10.1	6.4	0.9	21.5	18.0	59.6	84.2	518.3	2,173	1,654.8
	1.854.3	1,573.1	1,445.4	1,186.9	1,061.9	615.4	542.7	583.0	562.1	683.3	1.097.9	1.331.0	12,537.0	16,000.0	6.324.2

20111107\_ProductionData -- Table1a--FY0910ApprProd

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				Wat	Water Production Reported by Appropriator Producers <sup>1</sup>	Reported by	Appropriate	or Producers					Total	Share of	Water Eligible
Well Name	ylut	August	September	October	November	December	January	February	March	April	May	June	Production	Operating Safe Yield	for Storage
Banning, City of															
Well C2-A	1.6	1.3	9.6	4.8	0.0	1.0	0.4	0.6	1.2	0.3	0.3	12.5	38.0		
VVBII C3	35	223	14.0	0.3	16.1	111	6.42 0.9	0.99	4 1.4 1.4	1.2	0.101	35	0/9/9 519		
Well M3	30.5	21.4	1.9	3.5	0.4	1.8	0.5	0.3	0.4	0.3	0.6	10.7	722		
Production from BCVMD <sup>2</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Subtotal	149.3	165.6	140.5	59.3	78.9	42.0	26.3	26.5	45.0	60.7	109.5	138.4	1,042.0	5,029	3,987.0
Beaumont-Cherry Valley															
Water District															
Well 1	115.0	87.5	116.1	68.5	46.3	14.3	7.1	0.5	20.5	20.8	66.4	75.7	638.7		
Well 3	155.6	119.1	73.7	0.0	0.0	0.0	0.0	6.6	19.6	12.0	70.0	83.6	540.1		
Well 16	2.5	0.5	0.7	1.5	0.7	0.9	1.7	0.0	0.0	0.0	1.3	1.7	11.4		
Well 21	0.0	0.0	7.2	0.0	1.5	0.0	0.0	0.0	0.0	0.0	105.7	159.8	274.2		
Well 22	69.1	42.5	80.4	9.0	4.6	1.4	2.8	0.0	0.0	2.8	5.8	0.0	218.3		
Well 23	271.3	217.3	296.4	146.1	101.6	108.1	84.6	78.2	43.8	6.1	130.7	172.0	1,656.1		
Well 24	243.5	178.7	256.7	88.3	128.1	141.4	206.4	161.6	116.5	167.6	139.2	163.7	1,990.7		
Well 25	250.0	209.1	196.7	138.3	66.8	11.0	0.3	2.7	10.0	116.2	136.1	30.8	1,167.8		
Well 26	159.9	124.0	167.1	9.90	96.8	90.8	127.4	113.1	77.8	108.8	119.7	111.9	1,363.8		
Well 29	165.8	131.7	177.9	92.7	86.9	50.2	0.0	6.8	65.8	91.0	109.9	132.6	1,111.1		
Production for Banning <sup>2</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Subtotal	1,432.7	1,110.3	1,371.8	611.0	533.1	418.1	430.1	369.5	354.0	525.2	884.7	931.7	8,972.1	6,802	0.0
South Mesa Water Company 3rd No. 4 Well	53.8	58.2	56.5	32.5	32.4	145	18.3	16.8	19.9	20.7	30.2	42.5	396.4		
Subtotal	53.8	58.2	56.5	32.5	32.4	14.5	18.3	16.8	19.9	20.7	30.2	42.5	396.4	1,996	1,599.6
Yucaipa Valley Water District													1		
Well 35	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Well 48	127.4	115.6	137.3	400 100 100 100 100 100 100 100 100 100	33.6	23.6	27.4	23.4	22.3	33.7	50.2	67.0	704.8	0 4 7 0	6 926 1
SUDIOLA	121.4	0.611	C. /CI	C.04	0.00	0.62	4-17	4.62	677	1.00	7.00	0.70	1 04.0	211/2	1,400.4
Total	1,763.2	1,449.8	1,706.1	746.1	678.0	498.2	502.1	436.2	441.2	640.3	1,074.6	1,179.7	11,115.3	16,000.0	7,054.8
1 All values are rounded and subject to revision based on the receipt of more accurate information.	revision based	on the receipt of	more accurate info	rmation.											

2... Pursuant to Part I, Paragraph 3B of the Judgment, and a separate agreement (a copy of which is on file with the Watermaster)

20111107\_ProductionData -- Table1b--FY1011ApprProd

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Mail Nama	-				Wa	Water Production by Overlying Producers <sup>1</sup>	ion by Ove	rlying Pro	ducers <sup>1</sup>					Total	Overtying	Unused Overlying	Five-Year	Five-Year
	⊥_	July A	August S	sptember	Detober   N	August   September   October   November   December   January   February   March	December	January   1	February	March	April	May	- Pune	Production	Right	in 03/10 <sup>5</sup>	Right	Production
Bockman, Walter M.	2	1.8	2.2	1.9	0.8	0.8	0.1	0.5	0.1	0.3	0.2	6.0	0.6	10.2	75.0	64.8	375.0	57.9
California Oak Valley Goff and Resort LLC Yes Ves Valley #1 Oak Valley #2 <sup>1</sup> Subtotal	8 2	0.0 108.1 <b>108.1</b>	0.0 104.7 <b>104.7</b>	76.8 42.7 <b>119.5</b>	9.6 43.9 53.5	49.4 8.1 57.4	0.0 8.8	5.2 13.5 18.7	7.8 0.0 7.8	9.5 24.0 33.5	6.1 15.3 <b>21.4</b>	57.3 36.5 93.8	24.6 28.9 51.5	246.2 432.2 678.3	950.0	2.172	4,750.0	3,855.7
Merlin Properties	.0													1.6	550.0	548.4	2,750.0	8.0
Cask Valley, Partners, LP <sup>4</sup> Singdeton Ranch #7 Singdeton Sanch #7 Ves Station Stokes Subtotal	0 % 0													300.0 1.0 311.0	1,806.0	1,485.0	9,030.0	1,720.3
Plantation on the Lake LLC <sup>6</sup>	s	36.8	34.0	34.0	34.0	34.0	34.0	34.0	12.4	12.4	24.3	25.6	33.2	348.6	581.0	232.4	2,905.0	1,738.3
Rancho Calimesa Mobile Home Park	.0													69.3	150.0	80.7	750.0	345.5
Roman Catholic Bishop of San Bernardino <sup>7</sup> No	.0													0.0	154.0	154.0	770.0	58.3
Sharondde Mesa Owners Association Vol No.11 Vel No.2 Vel No.2 Subtotal	5 S	8.8 7.6	10.2 8.3 <b>38.5</b>	9.7 8.5 <b>18.2</b>	8.4 7.4 15.7	7.0 6.0 <b>13.0</b>	1.7 4.6 6.3	0.1 5.3	1.5 3.1	3.0 5.8	3.1 4.9 8.0	7.4 6.3 <b>13.7</b>	9.8 7.8 <b>17.6</b>	70.7 71.0 141.7	200.0	58.3	1,000.0	883.2
East Valley Golf Club <sup>a</sup> Weil A Vel C Vel C Vel C Vel C Vel S Vel C	8 2 2	13.0 0.0 83.0	45.0 0.0 155.0 200.0	32.0 0.0 110.0	24.0 0.0 125.0	6.0 0.0 75.0	2,0 56,0 58,0	23.0 0.0 30.0	7.0 0.0 16.0 23.0	0.0 14.0 15.0	3.0 0.0 62.0	3.0 55.0 58.0	16.0 0.0 6.0 22.0	175.0 0.0 930.0	2,200.0	1,270.0	11,000.0	6,383.1
Stearns, Leonard M. and Dorothy D.	.0													0.7	200.0	199.3	1,000.0	5.1
Sunny-Cal Egg and Poultry Company	.0													2.6	1,439.5	1,436.9	7,197.5	13.1
Albor Properties III, LP <sup>3</sup> No	.0													2.3	300.0	297.8	1,500.0	21.9
Nikodinov, Nick No	0													0.7	20.0	19.3	100.0	3.6
McAmis, Ronald L.	.0													0.5	5.0	4.5	25.0	2.7
Aldama, Nicolas and Amalia No	.0													0.8	7.0	6.2	35.0	4.0
Gutierrez, Heetor and Luis and Sebastian Monroy No	0													1.4	10.0	8.6	50.0	6.9
Darmont, Boris and Miriam No	.0													0.4	2.5	2.2	12.5	1.8
														2 500.0	0 650 0	6.450.0	43 360 D	45,400.4

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Reserved Interf         Preserved Rp4           60.8         375.0           433.3         4,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           548.4         2,750.0           7145.5         7,000.0           154.0         1,000.0           1437.0         1,000.0           1437.0         7,100.0           1437.0         7,100.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0           1437.0         7,90.0				veriang Pr	Overtying Producer Production Summary for Fiscal Year 2010/11 (acre-ft)	duction Sumi (acre-ft)	-ft)						Currenting	Contract Constitution	Total Value	Clos Van
22       02       02       02       02       02       02       02       03 <td< th=""><th>August</th><th>September</th><th>W October</th><th>ater Produc November</th><th>tion by Ove December</th><th>arlying Pro January   </th><th>ducers<sup>1</sup> February</th><th></th><th></th><th></th><th></th><th>Total oduction?</th><th>Overtying Water Right</th><th>Unused Overlying Allocation in 10/11<sup>5</sup></th><th>Five-Year Production Right</th><th>Five-Year Total Production</th></td<>	August	September	W October	ater Produc November	tion by Ove December	arlying Pro January	ducers <sup>1</sup> February					Total oduction?	Overtying Water Right	Unused Overlying Allocation in 10/11 <sup>5</sup>	Five-Year Production Right	Five-Year Total Production
35.3         4         0         0.1         0.2         0.0         20.6 <td>0.8</td> <td>1.2</td> <td>0.2</td> <td>0.3</td> <td>0.2</td> <td>0.2</td> <td>0.2</td> <td>0.2</td> <td>0.2</td> <td>02</td> <td>0.4</td> <td>5.2</td> <td>75.0</td> <td>69.8</td> <td>375.0</td> <td>48.9</td>	0.8	1.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	02	0.4	5.2	75.0	69.8	375.0	48.9
	24.6 59.1 83.7	94.3 4.4 98.7	25.3 0.1 25.4	4.0 30.4 34.3	0.0 9.2 9.2	10.7 0.3 <b>11.0</b>	1.0 9.6 10.6	0.2 0.6 0.8	0.0 15.4 <b>15.4</b>	0.0 72.2 72.2	0.0 12.6 12.6	205.6 255.1 460.7	950.0	489.3	4,750.0	3,477.5
												1.6	550.0	548.4	2,750.0	7.9
4:9       236       161       234       159       260       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2600       2613       2613       2600       2613       2613       2600       2600       2600       2613       2613       2613       2600       2613       2600       2613       2613       2600       2600       2700       2												300.0 1.0 311.0	1,806.0	1,485.0	9,050,6	1,555.5
1       1	39.5	20.3	49.9	28.9	23.5	16.1	23.4	15.9	20.7	24.1	34.3	329.7	581.0	251.3	2,905.0	1,741.2
52       44       570       140       140       7700         53       45       23       22       24       100       145       7700         86       33       22       24       11       2       64       100												69.3	150.0	80.7	750.0	346.5
52       43       27       28       41       57       60       605       612       200       100       200       100       200       1000       200       110       20       420												0.0	154.0	154.0	770.0	2.1
120         110         30         30         40         00         70         50         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         170         500         1700         500	10.4 8.6 <b>19.0</b>	 9.7 8.1 <b>17.8</b>	5.2 4.3 9.5	4,4 9,0 9,0	3.6 2.8 6.4	3.4 3.3 6.6	2.7 2.6 <b>5.3</b>	2.8 5.3	4.1 8.3	5.7 6.2 <b>11.9</b>	8.0 6.5 <b>14.5</b>	69.5 61.2 <b>130.7</b>	200.0	69.3	1,000.0	828.1
200.0         199.3         1,00.0           1,439.5         1,437.0         7,197.5         1           300.0         297.8         1,60.0         1           300.0         297.8         1,60.0         1           20.0         19.3         100.0         1           20.0         19.3         100.0         1           20.0         19.3         35.0         1           5.0         4.5         25.0         1           7.0         6.2         35.0         1           10.0         8.7         50.0         2           25.5         22         25.0         2         2	14.0 14.0 17.2 0 14.0 14.0 14.0 14.0 14.0 14.0 14.0 14	28.0 0.0 98.0		11.0 0.0 32.0	3.0 0.0 28.0	3.0 0.0 23.0 26.0	0.4 0.0 0.4 <b>4.0</b>	0.0 18.0 18.0	17.0 0.0 26.0 43.0	5.0 0.0 50.0	20.0 0.0 36.0	137.0 0.0 729.0 866.0	2,200.0	1,334.0	11,000.0	5,864.1
1430.5         1437.0         7,197.5         1           300.0         297.8         1,50.0         1           70.0         19.3         100.0         1           70.0         19.3         100.0         1           70.0         19.3         100.0         1           70.0         19.3         100.0         1           70.0         19.3         35.0         1           7.0         6.2         35.0         1           7.0         6.2         35.0         2           10.0         8.7         50.0         2           25.         25.         25.0         2												0.7	200.0	199.3	1,000.0	4.7
300.0         287.8         1,500.0         1           20.0         19.3         100.0         1           5.0         4.5         25.0         1           7.0         6.2         35.0         1           10.0         8.7         50.0         1           20.1         2.2         12.3         1           20.2         2.2         1         1           20.3         50.0         1         1           20.3         2.2         1         1												2.6	1,439.5	1,437.0	7,197.5	13.2
20.0         19.3         100.0           5.0         4.5         25.0           7.0         6.2         35.0           10.0         8.7         50.0           25         25         25.0												2.2	300.0	297.8	1,500.0	11.5
5.0         4.5         25.0           7.0         6.2         35.0           10.0         8.7         50.0           25         22         12.5												0.7	20.0	19.3	100.0	3.6
7.0         6.2         35.0           10.0         8.7         50.0           25         22         12.5												0.5	5.0	4.5	25.0	2.8
10.0 8.7 50.0 2.5 2.2 12.5												0.8	0.7	6.2	35.0	4.0
2.5 2.2 12.5												1.4	10.0	8.7	50.0	6.9
												0.4	2.5	2.2	12.5	1.8

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Beaumont Basin Watermaster Memorandum No. 12-11

				Annual Production	roduction				Total
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	Production
Appropriator Parties									
Banning, City of	3,951.2	2,420.3	1,767.8	2,046.1	3,524.4	1,985.1	1,984.3	1,042.0	18,721.2
Beaumont-Cherry Valley Water District	6,204.3	6,386.0	7,624.9	10,455.5	11,429.5	10,711.8	9,663.2	8,972.1	71,447.2
South Mesa Water Company	419.8	558.0	632.4	691.4	576.9	410.9	371.2	396.4	4,057.1
Yucaipa Valley Water District	2,005.1	1,284.5	1,529.7	2,308.7	1,046.6	527.1	518.3	704.8	9,924.7
Subtotal	12,580.4	10,648.8	11,554.8	15,501.7	16,577.4	13,634.8	12,537.0	11,115.3	104,150.2
Overlying Parties									
Beckman, Walter M.	22.0	21.3	14.2	9.3	11.1	13.2	10.2	5.2	106.4
California Oak Valley Golf and Resort LLC	1,227.4	635.0	839.0	767.9	778.0	792.5	678.3	460.7	6,178.9
Merlin Properties <sup>2</sup>	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	12.7
Oak Valley Partners, LP <sup>3</sup>	502.7	399.8	475.7	311.2	311.8	310.5	311.0	311.0	2,933.8
Plantation on the Lake LLC	321.4	312.7	326.8	372.2	332.3	358.4	348.6	329.7	2,702.1
Rancho Calimesa Mobile Home Park <sup>2</sup>	68.3	68.3	68.3	69.3	69.3	69.3	69.3	69.3	551.4
Roman Catholic Bishop of San Bernardino <sup>2</sup>	59.2	56.0	56.2	0.7	0.7	0.7	0.0	0.0	173.5
Sharondale Mesa Owners Association	169.1	162.8	185.8	194.8	171.0	189.9	141.7	130.7	1,345.9
East Valley Golf Club <sup>4</sup>	1,401.0	1,369.0	1,385.0	1,764.1	1,142.1	1,161.9	930.0	866.0	10,019.1
Stearns, Leonard M. and Dorothy D. <sup>2</sup>	1.1	1.1	1.1	1.1	1.1	1.1	0.7	0.7	8.0
Sunny-Cal Egg and Poultry Company <sup>2</sup>	405.0	387.6	2.5	2.7	2.7	2.6	2.6	2.6	808.3
Albor Properties III, LP <sup>2,5</sup>	I	I	12.6	2.4	2.3	2.3	2.3	2.2	24.1
Nikodinov, Nick <sup>2</sup>	ł	I	0.7	0.8	0.7	0.7	0.7	0.7	4.3
McAmis, Ronald L. <sup>2</sup>	I	I	0.5	0.6	0.6	0.5	0.5	0.5	3.2
Aldama, Nicolas and Amalia <sup>2</sup>	I	I	0.8	6.0	0.8	0.8	0.8	0.8	4.8
Gutierrez, Hector, Luis Gutierrez and Sebastian Monroy <sup>2</sup>	I	I	1.3	1.4	1.4	1.4	1.4	1.4	8.2
Darmont, Boris and Miriam <sup>2</sup>	ł	I	0.4	0.4	0.4	0.4	0.4	0.4	2.1
Subtotal	4,178.9	3,415.2	3,372.3	3,501.3	2,827.9	2,907.6	2,500.0	2,183.4	24,886.6
Total	16,759.3	14,064.0	14,927.2	19,002.9	19,405.3	16,542.5	15,037.0	13,298.7	129,036.8
1 – Production estimated in 03/04, 04/05, and part of 05/06. Please see Appendix E for a detailed demonstration of the water duty method	ppendix E for a details	∋d demonstration of	the water duty meth	.hod.					

3 - Production estimated in FY 209/10 and FY 2010/11. The average production for FY 2006/07 through FY2008/09 was used for the FY2009/10 and FY 2010/11 values. Information about OVP is not sufficient for performing water

2 - Production estimated in all years. Please see Appendix E for a detailed demonstration of the water duty method.

4 - Formerty the Southern California Section of the PGA of America 5 - Formerty Sunny Cal North - Manheim, Manheim & Berman

duty method.

Table 4	Annual Supplemental Recharge to the Beaumont Basin	Fiscal Years 2003/04 through 2010/11
---------	--	--------------------------------------

Voar		Supplemental Recharge (acre-ft)	scharge (acre-ft)	
<b>0</b> 0	Banning <sup>1</sup>	Beaumont <sup>2</sup>	BCVWD <sup>1</sup>	Total
2003/04	0	0	0	0
2004/05	0	0	0	0
2005/06	0	0	0	0
2006/07	0	0	6,462	6,462
2007/08	0	0	3,248	3,248
2008/09	1,200	0	2,965	4,165
2009/10	1,200	0	5,765	6,965
2010/11	1,200	0	8,937	10,137
Totals	3,600	0	27,376	13,874
1SWP water recharged in the BCVWD Noble Creek Recharge Facility	e BCVWD Noble Creek Red	charge Facility		

The City of Beaumont is seeking credit for recycled water recharged in the Basin from DP-007 in the unnamed tributary to Marshall Creek. A technical demonstration of the amount of recharge in the Basin is pending.

Beaumont Basin Watermaster Memorandum No. 12-11

	2007
ter /11	2006/07
erlying Wa ough 2010	2005/06
Table 5 nused Ove 003/04 thr (acre-ft)	2003/04 2004/05 2005/06 2006/07 200
Table 5 Summary of Unused Overlying Water Fiscal Years 2003/04 through 2010/11 (acre-ft)	2003/04
Sur Fis	

Annual Overlying Water Right 8,650 8,650 8,650		2007/08	2008/09	2009/10	2010/11
	8,650	8,650	8,650	8,650	8,650
Annual Overlying Production 4,179 3,415 3,372	3,501	2,828	2,908	2,500	2, 183
Unused Overlying Water 4,471 5,235 5,278	5,149	5,822	5,742	6,150	6,467

Table 6

	Allo Fis	cation of L cal Years 2	Allocation of Unused Overlying Water Fiscal Years 2008/09 through 2015/16 (acre-ft)	erlying Wa ough 2015	ıter /16				
Appropriator Party	Share of Safe Yield	2008/09	2009/10	2009/10 2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Banning, City of	31.43%	1,405	1,645	1,659	1,618	1,830	1,805	1,933	2,032
Beaumont, City of	%00.0	0	0	0	0	0	0	0	0
Beaumont Cherry Valley Water District	42.51%	1,901	2,225	2,244	2, 189	2,475	2,441	2,614	2,749
South Mesa Water Company	12.48%	558	653	629	643	727	717	768	807
Yucaipa Valley Water District	13.58%	607	711	717	669	791	780	835	878
Total	100.00%	4,471	5,235	5,278	5,149	5,822	5,742	6,150	6,467

Table 7	Reconciliation of Appropriator Production and Storage Accounts Fiscal Years 2003/04 through 2010/11	(acre-ft)
---------	---	-----------

Fiscal Year	Account				Unused		Suppleme	Supplemental Water				
	Balance at Beginning of	Operating Yield	Groundwater Production for Fiscal Year	Under Production <sup>1</sup>	Overlying	Among	SWP Water	Recycled Water	Local Recharge	1 <u>1</u>	Account Balance	Storage Account as of
	Fiscal Year				Allocation	Appropriators	Recharge	Recharge		Account		June 30, 2011
Beaumont Cherry Valley												
2003/04	0	6.802	6.204	598	0		0		0		598	
2004/05	598	6,802	9	416	0	0	0		0	416	÷	
2005/06	1,014	6,802	7,625	-823	0				0			
2006/072	191	6,802	10,455	-3,653	0	1,500	6,462		0	4,308	4,499	
2007/08 <sup>3</sup>	4,499	6,802	11,429	-4,627	0		3,248		0	1,120	5,620	
2008/09 <sup>3</sup>	5,620	6,802			1,901		2,965		0			
2009/10	8,575	6,802			2,225		5,765	0	0	0 5,129	•	
2010/11 <sup>3</sup>	13,704	6, 802	8,972	-2,170	2,244	3,500	8,937	0	0	12,510	26,214	80,000
City of Banning												
2003/04	0	5,029	3,951	1,078	0		0		0		1,078	
2004/05	1,078	5,029		2,609	0	0	0		0			
2005/06	3,686	5,029			0				0		6,948	
2006/07 <sup>2</sup>	6,948	5,029			0				0	-		
2007/08	11,431	5,029			0				0			
2008/09	12,935	5,029	1,985		1,405	0	1,200	0	0	0 5,649		
2009/10	18,584	5,029		3,045							24,474	
2010/11	24,474	5,029			1,659				5	6,846		80,000
City of Beaumont												
2003/04	0	0		0	0		0		0			
2004/05	0 0	0 0		0	0		0					
2005/06	0	0.0		0								
2002/08												
2008/09	0	0		0			0		,0			
2009/10	0	0	0	0	0	0	0	0	0.	0	0	
11/01/07	>	5		Þ	5		>		5			nnn'ne
South Mesa Water Company												
2003/04	0	1,996			0		0					
2004/05	3/0/1	1,996	508 633	1,438	50			00		0 1,438	3,014	
2005/00	410.0	1,006		- •		00 6						
200001 2007/08 <sup>3</sup>	2,682	1 006		1 419								
2008/003	1 601	1 006		1 595	5.5R							
2009/10	1 745	1 996		1.625	900 653					2 278		
2010/11	4,023	1,996		1,600	659	-3.50			, 0			20,000

Page 1 of 2

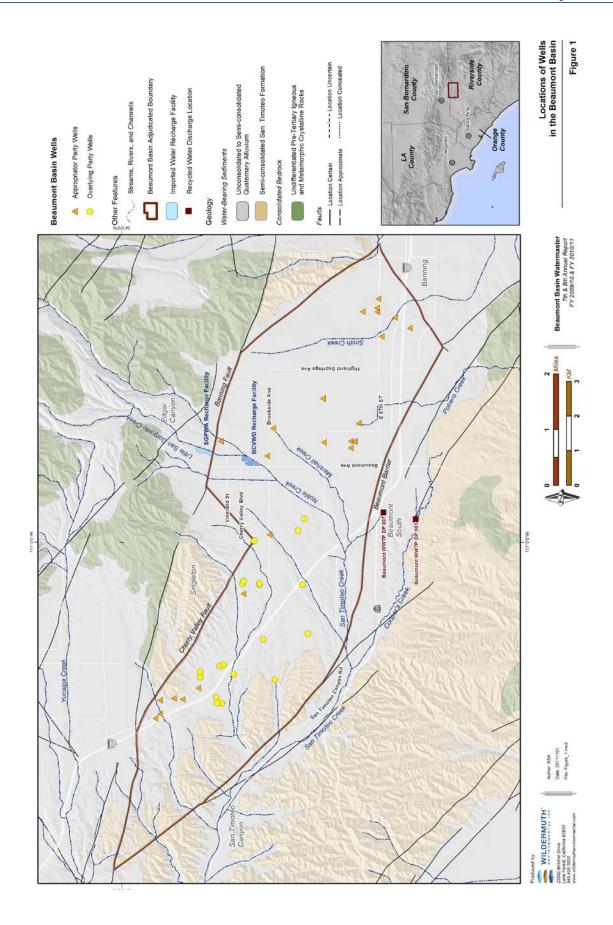
Page 2 of 2

					ant	(מרו ב-וון						
	Storage					Additio	Additions to Storage Account	ccount				Authorizod
	Account	Onerating	Groundwater		Unused	Tranefare	Suppleme	Supplemental Water		Total Additions	Ending	Storado
Fiscal Vear	Balance at Beginning of Fiscal Year	Yield	Production for Fiscal Year	Under Production <sup>1</sup>	Overlying Production Allocation	Among Appropriators	SWP Water Recharge	Recycled Water Local Recharge Recharge	Local Recharge	to Storage Account	Account Balance	Account as of June 30, 2011
Yucaipa Valley Water District												
2003/04	0	2,173	2,005	168	0				0	168		
2004/05	168		-	688	0				0	889		
2005/06	1,056			643	0				0	643		
2006/07	1,700		2,309	-136	0		Ū		0	-136		
2007/08	1,564	2173		1,126	0	0	0	0	0	1,126	2,691	
2008/09	2,691		527	ţ-	607				0	2,253		
2009/10	4,944			ţ-	711				0	2,366		
2010/11	7,309			-	717				0	2,185		50,000
Totals												
2003/04	0	16,000	12,580	3,420	0	0	0		0	3,420	3,420	
2004/05	3,420	16,000		5,351	0	0	0	0	0	5,351	8,771	
2005/06	8,771	-			0		0	0	0	4,445	13,216	
2006/07	13,216				0		6,462		0	6,960	20,176	
2007/08	20,176	-	16,577	-577	0		3,248		0	2,671	22,847	
2008/09	22,847	-			4,471	-	4,165		0	11,001	33,847	
2009/10	33,847	-		3,463	5,235	-	6,965		0	15,663	49,510	
2010/11	49,510	-	11,115	4,885	5,278	-	10,137		0	20,299	608'69	260,000

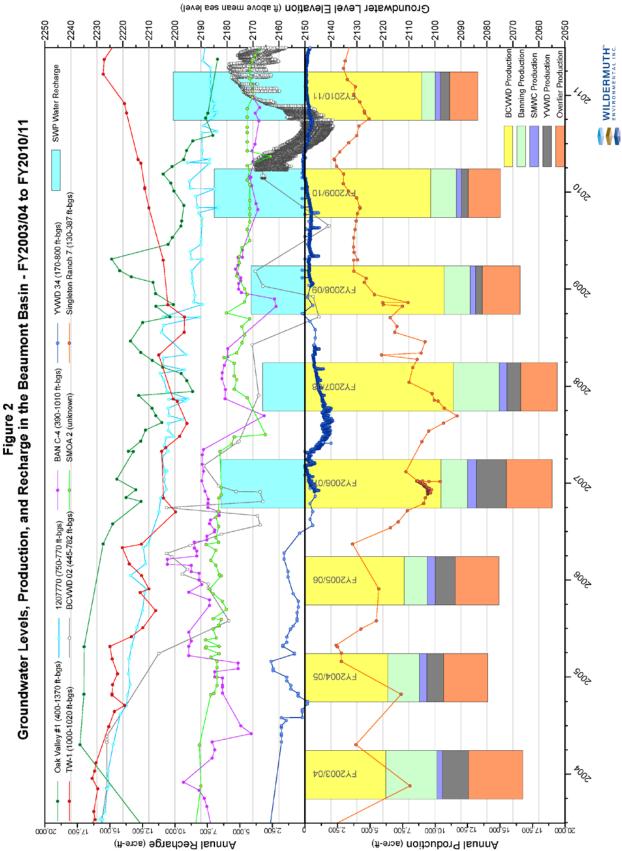
Table 7 Reconciliation of Appropriator Production and Storage Accounts -- Fiscal Years 2003/04 through 2010/11

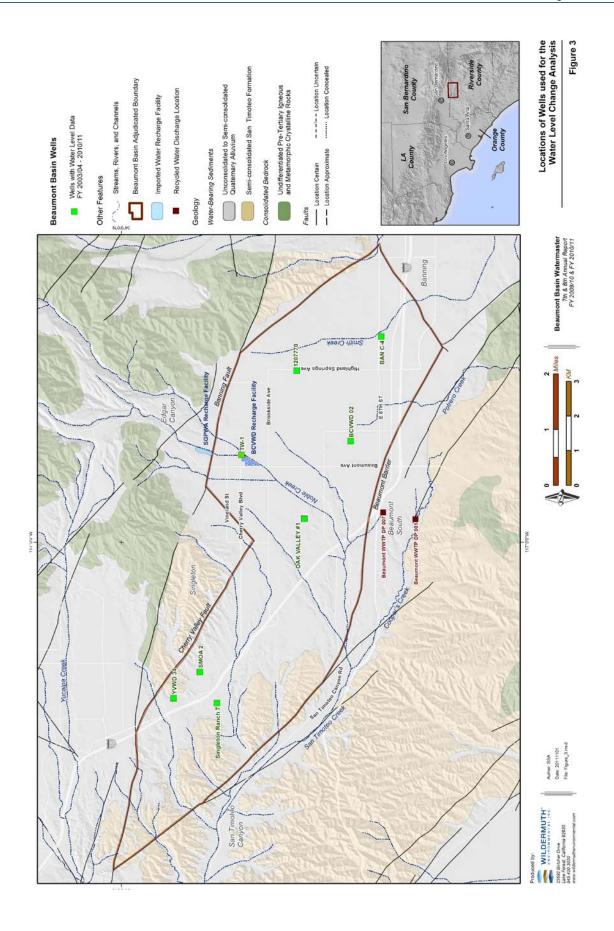
1 - Negative values of under production indicate that the appropriator pumped more than its share of the operating yield.
2 - Water in the SMWC storage account was sold to Banning and the BCVWD. The transfer agreement is on file with the Watermaster.
3 - Water in the SMWC storage account was sold to the BCVWD. The transfer agreement is on file with the Watermaster.

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Beaumont Basin Watermaster Meeting - August 1, 2012 - Page 31 of 41





Beaumont Basin Watermaster Meeting - August 1, 2012 - Page 33 of 41

# BEAUMONT BASIN WATERMASTER MEMORANDUM NO. 12-12

- Date: August 1, 2012
- From: Joseph Zoba, Treasurer
- Subject: Review of the Draft Basin Accounting Agreement Between the Beaumont Basin Watermaster and the San Gorgonio Pass Water Agency

Recommendation: No recommendation.

On September 14, 2010, the Watermaster Committee considered a request from the San Gorgonio Pass Water Agency to negotiate a storage agreement [Watermaster Memorandum No. 10-016]. An excerpt of the Watermaster meeting minutes from September 14, 2010 are provided below.

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

Chairman Jorritsma invited Jeff Davis, General Manager of the San Gorgonio Pass Agency to provide a report on this item. Mr. Davis indicated that the San Gorgonio Pass Water Agency is looking forward to working with the Watermaster. He indicated that the Agency has been putting water in the ground in the Beaumont Basin since 2003. He quoted Regulation 8.2 of the Watermaster Rules and Regulations. He indicated the agreement will be slightly different from the Groundwater Storage Agreements currently signed from members of the Watermaster. He requested that an ad hoc committee be authorized to meet with the Agency and discuss the conditions a draft an agreement that satisfy the conditions and goals of both agencies.

After discussion, Member Zoba recommended that Agency coordinate with Staff at the District to schedule a workshop between the Agency and the Watermaster.

At the Watermaster meeting on April 7, 2011, the Watermaster Committee scheduled this item as a discussion item and received a verbal report from Jeff Davis, General Manager of the San Gorgonio Pass Water Agency, that the Agency's legal counsel was instructed to draft an agreement for storage in the Beaumont Basin. On July 13, 2011, the members of the Watermaster Committee received the attached agreement prepared by Kidman, Behrens & Tague that has been reviewed by the Board of Directors of the San Gorgonio Pass Water Agency.

At the Watermaster meeting on September 21, 2011, the Watermaster Committee reviewed and discussed the draft agreement [Watermaster Memorandum No. 11-04]. During this meeting the Watermaster Committee decided to continue this topic to a future Watermaster meeting. An excerpt from the Watermaster meeting minutes of September 21, 2011 are provided below.

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.

On June 6, 2012, correspondence was sent to the San Gorgonio Pass Water Agency informing them of the scheduled discussion regarding the draft agreement at this meeting (attached).

The purpose of this agenda item is to continue the discussion of the attached draft agreement with 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

July 28, 2010

# RECEIVED

JUL 29 2010

Mr. George Jorritsma, President Beaumont Basin Watermaster 560 Magnolia Avenue Beaumont, CA 92223

Vice President: Ted Haring

Treasurer: Dave Dysart

President:

John Jeter

Dear Mr. Jorritsma:

Directors: Bill Dickson Ray Morris Barbara Voigt Carl Workman

General Manager & Chief Engineer: Jeff Davis, PE

Legal Counsel: McCormick, Kidman & Behrens The San Gorgonio Pass Water Agency and the Beaumont Basin Watermaster have long had a common interest in the Beaumont Basin and its efficient use for current and future generations. The Agency has been recharging the Basin continually since 2003, and thus far has recharged over 5,000 acre-feet specifically to address overdraft.

The Agency recognizes that its recharge at Little San Gorgonio Creek is not within the boundaries of the adjudicated Basin, though it has been shown to be within the hydrologic and hydraulic boundaries of the Basin.

In 2011, the Agency will begin recharging supplemental water in Noble Creek. This facility will be located within the boundaries of the adjudicated Basin. 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.

erv truly yours.

Importing Water To The Pass Area

#### **BASIN ACCOUNTING AGREEMENT**

#### **BETWEEN BEAUMONT BASIN WATERMASTER**

#### AND SAN GORGONIO PASS WATER AGENCY

This Basin Accounting Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_, by and between SAN GORGONIO PASS WATER AGENCY ("Agency") and the BEAUMONT BASIN WATERMASTER ("Watermaster") collectively hereinafter called "Parties."

# **RECITALS**

WHEREAS, the Agency is a State Water Project ("SWP") Contractor authorized pursuant to its enabling act, Water Code Appendix §101, *et seq.* (the "Act"), to acquire or contract to acquire waterworks, waters, and/or water rights, including, but not limited to, water from the State of California from the SWP, and to provide, sell, and deliver that water under the control of the Agency to cities and other public corporations, persons, corporations or public and private agencies within the Agency for use within the service area of said Agency; and

WHEREAS, the Agency is authorized pursuant to the Act to acquire, control, distribute, store, spread, sink, treat, purify, reclaim, recapture, and salvage any water, including sewage and storm waters, for the beneficial use or uses and protection of the Agency or its inhabitants or the owners of rights to water therein; and

WHEREAS, the Agency is authorized to make contracts and do all acts necessary for the full exercise of its powers; and

WHEREAS, Section 15.5 of the Agency Act provides that "...in allocating water received from the State Water Project pursuant to this Act, the highest priority shall be given to eliminating groundwater overdraft conditions within any agency or district receiving the water;" and

WHEREAS, the Watermaster was established as the watermaster for the Beaumont Basin by court order in *San Timoteo Watershed Management Authority v. City of Banning, et al,* RCSC Case No. RIC 389197 ("Action") and the Watermaster is authorized to monitor groundwater levels, ground levels, storage and water quality in the Beaumont Basin as set forth in the Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin, entered in the Action (the "Judgment"); and

WHEREAS, the Beaumont Basin is within the boundaries of Beaumont-Cherry Valley Water District, the City of Banning, South Mesa Water Company and Yucaipa Valley Water District, who are parties to the Judgment and members of the Watermaster; and

WHEREAS, the Agency has spread and percolated over 6,600 AF of water into the Beaumont Basin since 2003, through its spreading grounds on Little San Gorgonio Creek and has entered into water service agreements with Beaumont-Cherry Valley Water District and with the City of Banning for groundwater replenishment in the Beaumont Basin, and with Yucaipa Valley Water District for domestic, industrial, and municipal purposes; and

WHEREAS, the Agency is planning to lease, acquire, and construct additional replenishment facilities overlying the Beaumont Basin, including a proposed "Agreement for Joint Use of Water Recharge Facility" with the City of Beaumont and the Riverside County Flood Control and Water Conservation District for the Agency's use of Noble Creek to recharge Beaumont Basin and a proposed "Agreement for Lease of Capacity in Recharge Facility and Pipeline" with the Beaumont-Cherry Valley Water District; and

WHEREAS, although the Agency was not a party to the litigation resulting in the Judgment and is not bound by the Judgment or the Watermaster Rules and Regulations, the Agency Act policies, programs, and projects are geared to supplying supplemental water to users within its service area and, in addition, giving the highest priority to eliminating groundwater overdraft conditions in the Beaumont Basin; and

WHEREAS, Agency and Watermaster have a common interest in monitoring recharge and water production activities and groundwater levels in the Beaumont Basin; and

WHEREAS, the Watermaster is authorized by the Judgment and its Rules and Regulations to coordinate with the Agency and to enter into agreements that can include, but not be limited to, provisions concerning management activities; and

WHEREAS, the Watermaster is authorized to enter into contracts for the performance of its powers pursuant to the Judgment;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and terms and conditions herein, the Parties agree as follows:

#### AGREEMENT

**1.0 REPORTS TO WATERMASTER.** No later than June 30 of each year, for submission in the Watermaster's annual report, the Agency shall, for each of its recharge facilities that it owns, leases, or shares, provide the Watermaster a report stating the amount of water it has recharged, sold and transferred in "situ" within the Beaumont Basin for the period from January 1 to December 31 of the previous year. Such amounts shall be determined by the Agency's measurement devices and engineering calculation concerning each of its recharge facilities.

2.0 ACCOUNTING FOR WATER. The Watermaster shall maintain a continuing account of water recharged, sold and transferred in "situ" in the Beaumont Basin by

the Agency as provided by the Agency pursuant to section 1.0. An accounting of water recharged, sold and transferred in "situ" in the Beaumont Basin by the Agency for the past year (January 1 to December 31) and a cumulative total of water recharged, sold and transferred in "situ" in the Beaumont Basin by the Agency since the effective date of this Agreement shall be included in the Watermaster's official annual report required by its Rules and Regulations and the Judgment. Watermaster's documents reflecting the accounting required by this section 2.0 shall be available for review at any time upon reasonable notice by the Agency.

**3.0 REPORTS TO THE AGENCY.** The Watermaster shall provide to the Agency, no later than September 30 of each year during the term of this Agreement, an annual statement reflecting the accounting maintained by the Watermaster pursuant to Section 2.0 of this Agreement. The annual statement must include the amount of water recharged, sold and transferred in "situ" in the Beaumont Basin by the Agency for the past year (January 1 to December 31) and a cumulative total of water recharged, sold and transferred in "situ" in the Beaumont Basin by the Agency since the effective date of this Agreement. The statement provided to the Agency shall be continuously posted on the Watermaster's website for public access.

4.0 **RECONCILIATION OF DIFFERENCES CONCERNING ACCOUNTING.** If there be any differences in the reports and accounting that cannot be resolved by agreement, then either party may submit to the other party a notice ("Notice") requesting a meet and confer to discuss the differences. Within ten (10) days after receipt of the Notice, representatives of the Agency and Watermaster shall meet and confer and attempt to resolve the differences. If the parties are unable to resolve the dispute in good faith within twenty-five (25) days after receipt of the Notice, then the matter may be submitted to non-binding mediation as follows:

Watermaster and Agency may commence mediation by providing the Α. other party a written request for mediation no later than thirty (30) days after receipt of the Notice, setting forth the subject of the difference and the relief requested. Watermaster and Agency covenant that they shall participate in the mediation in good faith, and that they shall share equally in costs charged by the mediator. The mediation shall begin no later than sixty (60) days after receipt of the Notice and shall end no later than ninety (90) days after receipt of the Notice. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by Watermaster or Agency, or their agents, employees, experts, and attorneys, and by the mediator or any of the mediator's employees, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Watermaster or the Agency, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. The provisions of this Section 4.0 may be enforced by any court of competent jurisdiction, and the party seeking such enforcement shall be entitled to an award of all costs, fees, and expenses, including attorneys' fees, to be paid by the party against whom such enforcement is ordered.

5.0 SALE AND TRANSFER OF AGENCY WATER. Agency may, in its sole and absolute discretion sell or transfer Agency water in the Beaumont Basin to any retail water agency within the Agency boundaries that has entered into and maintains a Watermaster Groundwater Storage Agreement.

6.0 JUDGMENT. Neither this Agreement nor any Agency action hereunder shall bind the Agency to the Judgment or the Watermaster Rules and Regulations.

7.0 **TERM OF AGREEMENT.** The initial term of this Agreement shall be for a period of ten (10) years from the date of execution. The initial term may be extended upon written agreement of the Parties.

**8.0 NOTICE.** Any notices may be given by mail postage prepaid, addressed as follows:

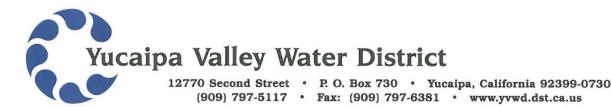
Watermaster:

Agency:

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**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers.

	in an			
BEAUMONT	<b>BASIN WATE</b>	RMASTER	AGE	NCY
By:		1997 - 1999 1999 - Stan Jacobson, 1999 1999 - Stan Jacobson, 1999 1999 - Stan Jacobson, 1999 1999 - Stan Jacobson, 1999	By:	·
	E & TITLE]			[NAME & TITLE]



June 6, 2012

Jeff Davis, General Manager San Gorgonio Pass Water Agency 1210 Beaumont Avenue Beaumont, California 92223

Subject: Consideration of the Draft Beaumont Basin Watermaster and San Gorgonio Pass Water Agency Basin Accounting Agreement

Dear Mr. Davis:

On September 21, 2011, the Beaumont Basin Watermaster postponed consideration of the attached Basin Accounting Agreement between Beaumont Basin Watermaster and the San Gorgonio Pass Water Agency ("Basin Accounting Agreement").

The purpose of this letter is to inform you that the Basin Accounting Agreement will be scheduled for consideration by the Beaumont Basin Watermaster on Wednesday, August 1, 2012 at 10:00 a.m.

Should you have any questions, please contact me directly at (909) 797-5119 x2.

Sincerely brush D.

Joseph B. Zoba General Manager

cc: Watermaster Committee Members

**Directors and Officers** 

JAY BOGH

Division 3

IAN	CUTHBERTSON	
	Division 1	

BRUCE GRANLUND Division 2 LONNI GRANLUND Division 4

HANK WOCHHOLZ Division 5 JOSEPH B. ZOBA General Manager and Secretary