

Notice and Agenda of a Meeting of the Beaumont Basin Watermaster

Thursday, February 18, 2021 at 10:00 a.m.

Watermaster Members:

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

**This meeting is available by calling
(888) 475-4499 using Meeting ID 925-0185-6930#**

**Online Meeting Participation Link: <https://zoom.us/j/92501856930>
Meeting Passcode: 623531**

**There will be no public physical location for
attending this meeting in person.**

I. Call to Order

II. Roll Call

City of Banning: Arturo Vela (Alternate: Luis Cardenas)

City of Beaumont: Jeff Hart (Alternate: Robert Vestal)

Beaumont Cherry Valley Water District: Daniel Jagers (Alternate: Mark Swanson)

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

Yucaipa Valley Water District: Joseph Zoba (Alternate: Jennifer Ares)

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. Meeting Minutes

1. Meeting Minutes for February 3, 2021 [Page 3 of 31]

VI. Reports

- A. Report from Engineering Consultant - Hannibal Blandon, ALDA Engineering
- B. Report from Hydrogeological Consultant - Thomas Harder, Thomas Harder & Co.
- C. Report from Legal Counsel - Thierry Montoya/Keith McCullough, Alvarado Smith

VII. Discussion Items

- A. 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report – Presentation of Comments [\[Memorandum No. 21-12, Page 16 of 31\]](#)

Recommendation: That the Watermaster Committee approves the Revised Draft of the 2019 Annual Report.

VIII. Topics for Future Meetings

- A. Development of a methodology and policy to account for groundwater storage losses in the basin resulting from the artificial recharge of water resources.
- B. Development of a methodology and policy to account for recycled water recharge.
- C. Discussion Regarding the Addition of Various Topics to Future Meetings.

IX. Comments from the Watermaster Committee Members

X. Announcements

- A. The next regular meeting of the Beaumont Basin Watermaster is scheduled for Wednesday, April 7, 2021 at 10:00 a.m.
- B. Future Meeting Dates:
 - i. Wednesday, April 7, 2021 at 10:00 a.m.
 - ii. Wednesday, June 2, 2021 at 10:00 a.m.
 - iii. Wednesday, August 4, 2021 at 10:00 a.m.
 - iv. Wednesday, October 6, 2021 at 10:00 a.m.
 - v. Wednesday, December 1, 2021 at 10:00 a.m.

XI. Adjournment

DRAFT
Record of the Minutes of the
Beaumont Basin Committee Meeting of the
Beaumont Basin Watermaster
Regular Meeting
Wednesday, February 3, 2021

Meeting Location:

There was no public physical meeting location due to the coronavirus pandemic. Meeting held via video teleconference pursuant to: California Government Code Section 54950 et. seq. and California Governor's Executive Orders N-29-20 and N-33-20

I. Call to Order

Chairman Arturo Vela called the meeting to order at 10:01 a.m.

II. Roll Call

<i>City of Banning</i>	<i>Arturo Vela</i>	<i>Present</i>
<i>City of Beaumont</i>	<i>Jeff Hart</i>	<i>Present</i>
<i>Beaumont-Cherry Valley Water District</i>	<i>Daniel Jagers</i>	<i>Present</i>
<i>South Mesa Water Company</i>	<i>George Jorritsma</i>	<i>Present</i>
<i>Yucaipa Valley Water District</i>	<i>Joseph Zoba</i>	<i>Present</i>

Thierry Montoya was present representing legal counsel for the Beaumont Basin Watermaster (BBWM). Hannibal Blandon and Thomas Harder were present as engineers for the BBWM.

Members of the public who registered and / or attended:

Lance Eckhart, San Geronio Pass Water Agency
Mark Swanson, Beaumont-Cherry Valley Water District
Erica Gonzales, Beaumont-Cherry Valley Water District
Allison Edmisten, Yucaipa Valley Water District
Luis Cardenas, City of Banning
Michele Staples
Steve Anderson
Jennifer Ayres, Yucaipa Valley Water District
Steven Lehtonen, San Geronio Pass Water Agency
Brian Rupp
Todd Parton, City of Beaumont
David Fenn, Councilmember, City of Beaumont
John Ohanian, Oak Valley Partners
Greg Newmark
Lloyd White, City of Beaumont
Loni Granlund, Yucaipa Valley Water District
John Bakker

Brandy Llanes, Beaumont-Cherry Valley Water District
Kristine Day, City of Beaumont
Ashley Gibson
Larry Smith, San Geronio Pass Water Agency

III. Pledge of Allegiance

Chair Vela led the pledge.

IV. Public Comments:

None.

V. Consent Calendar

1. Meeting Minutes for December 2, 2020

It was moved by Member Jagers and seconded by Chair Vela to approve the Meeting Minutes of December 2, 2020:

AYES:	Hart, Jagers, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

VI. Reports

- A. Report from Engineering Consultant – Hannibal Blandon, ALDA Engineering

Mr. Blandon recommended including in the annual report a section to document and track the changes that have occurred in previous years.

- B. Report from Hydrogeological Consultant – Thomas Harder, Thomas Harder & Co.

Mr. Harder noted he would be reporting later in the meeting.

- C. Report from Legal Counsel – Thierry Montoya, Alvarado Smith

Mr. Montoya said that since the last meeting, he had conversations with Michele Staples regarding the water transfer request of Brian Rupp and the I-10 entities, which has now been taken off calendar.

VII. Discussion Items

- A. Reorganization of the Beaumont Basin Watermaster Committee – Chairman, Vice Chairman, Secretary and Treasurer

Recommendation: That the members of the Watermaster either reaffirm the existing officers or conduct nominations for the appointment of new officers of the Beaumont Basin Watermaster.

It was moved by Member Jaggars and seconded by Member Zoba to continue with the current officers:

- *Chair Arturo Vela*
- *Vice Chair George Jorritsma*
- *Secretary Dan Jaggars*
- *Treasurer Joe Zoba*

and approved by the following vote:

AYES:	Hart, Jaggars, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

- B. Status Report on Water Level Monitoring throughout the Beaumont Basin through January 18, 2021

Recommendation: Presentation - No recommendation

Mr. Blandon reviewed the report and advised the Committee that Yucaipa Well No. 34 experienced a sudden drop in water level likely due to a probe malfunction. A similar drop was recorded at Banning Well M-9, likely due to a communications cable issue, he said. Mr. Jaggars asked Mr. Blandon to document the data discrepancies and to report on the follow up to the repairs.

Mr. Blandon advised the Committee that the level logger at Yucaipa Well No. 34 which had disappeared has now been replaced. There are no equipment needs at this time, he said.

Mr. Zoba indicated that at Well 34, some of the equipment may have dropped down into the well.

C. Monitoring Sites – Safety and Security

Recommendation: No recommendation; informational only

Mr. Blandon explained the parts and workings of the monitoring mechanisms. He provided the Committee with a PowerPoint tour of well locations and reassured that all the locations are very secure.

Ms. Jennifer Ayres of YVWD acknowledged the extra security measure at Well 34 to prevent the equipment from falling into the well. She indicated that YVWD may be able to retrieve the other items from the bottom of the well. Mr. Jagers made recommendations.

D. A Comparison of Production and Allowable Extractions for Calendar Year 2020

Recommendation: No recommendation; informational only

Mr. Blandon shared the table of Production vs. Allowable Extractions and pointed out the Transfer of Overlying Rights from 2015 of 4,614 acre-feet (AF) and the Transfer of Overlying Rights from Oak Valley Partners to YVWD of 183 AF.

Blandon noted due to overproduction of the allowable extractions, 672 AF will have to come from the storage account. Chair Vela explained that historically, the City of Banning had not overproduced its allotment, but this storage impact may be the new norm for the City of Banning as there has been more housing production in the last two months that was seen in the last decade.

Production of 16,725 AF by appropriators in 2020 is the highest production in the Basin in recent years, Blandon stated. Mr. Jagers reminded that BCVWD has validated numbers for production from wells co-owned with the City of Banning and those numbers will be forthcoming. Mr. Blandon confirmed that the adjustments will be reflected in this table, but the overall production will be the same.

Member Zoba pointed out that the Table reflects a new consideration seeming to imply that the transfer of overlying water rights in 2015 are actually the water that is utilized in 2020. He said he did not recall the Committee setting that forth as a policy. Mr. Blandon pointed to the last item on the agenda (proposed Resolution 2021-01) and said this has been reported since the beginning; in which underproduction by

overliers is distributed among the various agencies. The annual report documents it back to 2004, with implementation for 2009 continuing to this day, Blandon posited.

Member Zoba asked if it was a policy of the Committee indicating it had agreed that the right is being consumed straightaway in the year that it is received – five years after the overliers don't use it. Mr. Blandon reiterated it has been like this since the beginning.

Chair Vela agreed that the 183 AF inclusion reflects the transfer but does not necessarily reflect the extraction of that water. Mr. Blandon explained the inclusion of the OVP and storage impact lines and disagreed that the Table implied the water was actually consumed, which would be impossible to determine. The Table indicates how the storage accounts are closed at the end of the year, he said.

The table included in the Annual Report is different and summarizes this on a year-by-year basis, and calculates what the ending storage should be, Blandon continued. Member Zoba suggested future discussion on how the water is used at the storage accounts. He suggested that with overlying rights and unused overlying water rights transferred in, and the addition of supplemental water, that this is not put into a general fund and consumed in whatever proportions, but instead showing where the water is coming in and creating a table that shows from where the appropriators are pulling that water to better track what is happening in the basin and what supplies exist, where they exist from, and how that fits into the judgment.

Chair Vela recalled the prior inclusion of the Facts about the Watermaster in the agenda packet. Member Zoba said he would include that in the next packet.

Mr. Blandon said he was surprised by the higher production and shared a comparison of prior years. The 2020 production of 16,725 was the highest on record, he noted, and acknowledged Member Jaggars' point that it was probably significantly related to the fact that people are at home as the result of COVID-19. Mr. Jaggars added that there was a significant amount of grading going on for home sites, which is a one-time use of water and is not a long-term projection.

E. Task Order No. 17 – Progress Report

Recommendation: Presentation - No recommendation

Mr. Tom Harder provided brief background on the proposed amendment to Return Flow Methodology and addressed the comments received. He detailed the uncertainty in indoor/outdoor water use and recommended

the continued use of the methodology described in the draft Technical Memorandum. He noted that the impacts will average over time and said he did not recommend accounting for sewer pipeline losses as the estimates vary widely and there is not a method available to quantify those losses.

Mr. Harder also posited that water use efficiency will be reflected in the ratio of delivered water to the wastewater treatment plant inflows. If there is less irrigation, then indoor water use will more closely match what is delivered to the treatment plant.

Harder described additional studies of the City of Banning and YVWD and explained the re-evaluation of landscape irrigation efficiency, recommending use of the single 75 percent efficiency value.

Member Zoba requested the opinion of engineers and legal counsel on the relationship to the judgment regarding which agency receives the return flow credit and why in order to produce policy.

Chair Vela asked about opportunity to fine-tune outdoor use estimates given the current ongoing work on Department of Water Resources residential landscape area measurement. Mr. Harder cautioned that with too much detail, uncertainty could become too great and the numbers meaningless, and said he would have to see what was proposed. Member Jagers pointed to Beaumont's landscape ordinances and noted that there will be change over time. He said he would share data sets with this information.

F. 2019 Task Order No. 22

Recommendation: No recommendation; informational only

Mr. Harder reminded the Committee that the Board authorized ALDA to conduct an analysis of the potential impacts of return flow on groundwater quality in the Beaumont Basin, focused on total dissolved solids (TDS) or salts. He explained the analysis process and noted that the water quality in the Basin is very good with all wells in the range of 250 to 330 milligrams per liter (mg/L) which is low, and historically has changed very little.

Considered in the analysis was the exception of BCVWD Well No. 16 at the north part of the Basin in an area of active individual sewer systems, known to have impacted the groundwater quality, Harder stated.

Harder presented the preliminary water quality results and explained the projections. Basin-wide, he advised, the average is not projected to reach the 330 mg/L maximum benefit objective. Member Jagers clarified that the septic system contribution to the groundwater basin around well No. 16 is what is exceeding the maximum objective. BCVWD is still extracting water and it is still within the drinking water standards, he stated. Harder agreed.

Member Zoba suggested that an agency credited with the return flow should absorb the liability of salt removal and make a contribution to maintain the TDS of the Basin to achieve the Basin Plan Objective. He suggested this would demonstrate to the Regional Water Quality Control Board that the Beaumont Basin is ahead of the curve in attaining the Maximum Benefit Objectives. He recommended keeping this concept together with the return flow analysis rather than just looking at the volume of wet water.

Member Jagers agreed with Member Zoba and suggested attuned treatment to blend to a point of non-negative balance. He noted that each district recharges in the area differently and BCVWD is bringing in a salt-balancing component via imported water from a Basin-blended perspective.

Chair Vela acknowledged the relationship of the two task orders and asked about time frame for completion. Mr. Harder estimated that the Technical Memorandum would be finalized, or at least another draft ready, by the end of February to inform any potential policy concerns.

G. 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report

Recommendation: No recommendation.

Mr. Jagers made a point of order indicating that the 2019 Revised Draft was not made available to the public in potential violation of the Brown Act. Legal Counsel Montoya agreed and recommended it be re-agendized.

Chair Vela tabled the 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report to a special meeting on February 18, 2021 at 10 a.m.

H. Discussion Regarding Task Order No. 23 with ALDA Inc. for the Preparation of the 2020 Consolidated Annual Report, Estimate of the

Basin Safe Yield, Update of the Groundwater Model, and Associated Consulting Services for 2021

Recommendation: That the Watermaster authorizes up to 90 percent of the initial budget of \$95,970 and uses the remaining 10 percent as a contingency.

Engineer Blandon reminded the Committee of discussion at the December 2, 2020 meeting and concerns raised about the cost. He explained the activities included at the same fee since 2017.

In the last few years, actual expenditures for similar tasks averaged 90 percent of the budget, Blandon explained. He recommended the Committee authorize up to 90 percent of the budget and use the remaining amount as contingency. Chair Vela indicated support.

It was moved by Member Jagers and seconded by Member Jorritsma authorizing up to 90 percent of the initial budget of \$95,970 and use of the remaining 10 percent as a contingency as outlined in Memorandum 21-08. The motion was approved by the following vote:

AYES:	Hart, Jagers, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

- I. Consideration of Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3¹ Availability of Unused Overlying Production and Allocation to the Appropriator Parties

Recommendation: That the Watermaster Committee adopts Resolution No. 2021-01.

The Resolution was NOT adopted.

Member Joe Zoba advised that the retailers in the San Geronio Pass Water Agency are beginning to develop the Regional Urban Water Management Plan that is due later this year and have been asked to look at ways to reduce reliance on the Delta.

¹ Resolution 2019-02 modified the Rules and Regulations of the Beaumont Basin Watermaster resulting in a numbering change of former Rule 7.8 to current Rule 7.3.

In 2008, the Watermaster Committee approved Rule 7.8 to lay claim to unproduced groundwater from the overlying parties and allocating that water supply to the appropriators, Zoba explained. Water not used by an overlier, five years later gets distributed per the allocation table.

Zoba posited that claims to the groundwater supplies are increasing and reminded that there has been previous discussion about transfer and acquisition of overlying water rights. He read from Rule 7.8:

Neither this rule nor its operation shall be deemed or constructed in any way to change, limit or otherwise affect any rights awarded to and held by the overlying parties pursuant to the Judgment. Nor shall this rule or its operation result in any liability to the overlying parties or be deemed or construed as a transfer, assignment, forfeiture, or abandonment of any overlying rights under the Judgment.

Mr. Zoba opined that the Committee has seen some of that in past discussions and said the application of the rule concerns him from an application and use perspective. He pointed to the staff report of September 9, 2008 and pointed out there were last minute changes as recommended by Best Best & Krieger (BB&K), counsel for the overlying parties, and change of the word "transfer" to "allocate" throughout.

He pointed out that via allocation using the table in Rule 7.8, there is now close to 90,000 AF of water in the Basin that has been claimed, waiting to be extracted by the appropriators, but the water levels are not going up. He questioned whether there would be adverse impacts as each one of the appropriators tries to extract the water to meet future demands.

Zoba presented a table of unused overlying water and indicated concern that if no additional water were added, by 2022 the full storage account could theoretically be made up of the unused overlying water right. He suggested that Rule 7.8 as now stated should be rescinded as it does not serve its purpose and is not consistent with the Judgment, and said he is concerned with the overall operational health of the Basin.

Mr. Zoba made the motion to adopt Resolution 2021-01. Member Hart requested legal counsel input.

Counsel Thierry Montoya indicated he had no concern with the legality of Rule 7.8 or 7.3: an appropriative right, as a matter of law, is limited to what is surplus in the Basin, he explained. An overlying party does not necessarily lose its overlying right but can lose amounts of water not pumped, which then go to the appropriators based on their allocation. That is legal, he advised, and is consistent with the purpose

and intent of the Judgment. The purpose of the Judgment is to have a legal and practical means for making maximum, reasonable beneficial use of the Beaumont Basin for the benefit of all of those who have rights, he stated. Rule 7.8 was vetted by the public as noted and commented on by Peter Garcia of BB&K, and there has been no overlying party objection, Montoya continued.

Mr. Montoya reminded the Committee about an ad hoc group meeting two years ago to go over the rules and regulations, and modifications were presented to the Watermaster noting that all were of the opinion that it was consistent with the Judgment. Mr. Montoya added that he is still of the opinion that Rule 7 is consistent with the Judgment and explained it is consistent with water rights law. He said he sees no harm to the Basin and said he did not concur with the recommendation. Montoya further stated that he did not think that anything improper had happened, and the appropriator should continue to have the right to pick up surplus to the extent that it exists and to put it to use.

Member Jorritsma asked how the original 160,000 AF of temporary surplus under the Judgment relates to the current question and reflects on the charts. Member Zoba referred to the table tracking the additions to the storage accounts and noted that it was mentioned earlier that extractions are not tracked. Overliers will lose their water and it is claimed by the appropriators after five years, but there is no demonstration that shows it is being put to beneficial use, Zoba noted. There is no similar rule for the appropriators who are not putting it to beneficial use, he posited. The temporary surplus was a separate item, Zoba said, but similarly was not tracked.

Chair Vela suggested that the table accounting for each agency's production is tracking beneficial use. Zoba argued that there would not be 90,000 AF in storage, that it would be put to use. A positive number remaining over the years means it is not being put to use, he opined.

Chair Vela posited that the amount of unused overlying water right moving into the future is going to be less than today as transfers move forward. Mr. Zoba posited that the filing of the Form 5 by Oak Valley Partners is consistent with the Judgment and should be removed from the table but is instead allocated to the other appropriators. Member Jagers pointed out the analysis is over simplistic and pointed to the Urban Water Management Plan. He said this table allows for the Basin to be understood moving through time to assure there is not more extraction. Jagers indicated that his thoughts parallel those of Mr. Montoya.

Member Jagers made an alternative motion to reject Resolution 2021-01 based on legal counsel's recommendation.

Chair Vela pointed out there are many unknowns not reflected in the graphs such as development trends.

Chair Vela invited public comment.

City of Beaumont Councilmember David Fenn said he believes that unused water from the Basin should continue to be allocated back to the other overlies within the Basin with the purpose that Basin water should be used within Basin boundaries only. As a Beaumont resident, he continued, he is concerned that any water from the Basin could ultimately end up being used outside of the boundaries and that could cause problems with sustainability. He said he agreed with counsel and suggested that if it were to move forward, there should be additional information and research done, and perhaps discussion with water rights owners to assure parallel with the adjudication and if changes made may open up that adjudication for other changes. He recommended following the advice of counsel and not delete Rule 7.3.

Mr. Harder said that as a hydrogeologist and from a water balance perspective, Mr. Zoba has brought up some good points. The annual reports look at physical storage in the Basin and indicated concern with comparing what is physically changing in the Basin with what is actually going on paper in terms of storage accounts. Additionally, water losses are not accounted for, he pointed out. He explained potential adverse circumstances to be avoided, but noted that current groundwater levels in the Basin are stable and going up, but not commensurately with artificial recharge.

Mr. Blandon acknowledged Mr. Zoba's point in whether the storage accounts are real water. He pointed out that the issue of accounting for water storage losses as a result of imported water spreading has been a "future agenda item" for two years. It is a delicate issue because it implies loss of water which was paid for, he noted, but sooner or later must be faced by the Basin managers as the water may not physically be there.

Mr. Montoya referred to comments by Councilmember Fenn and said he did not think the Judgment would accommodate a use outside of the Basin boundaries. Pursuant to the Judgment, if there was an attempt to do that, it could be enjoined, he opined.

Chair Vela acknowledged Member Zoba's point and indicated this is something at which the Committee should continue to look, but at this point it is not appropriate to jump to approval of elimination of the Rule as a whole.

It was moved by Member Zoba to adopt Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3 Availability of Unused Overlying Production and Allocation to the Appropriator Parties. The motion died for lack of a second.

Alternative Motion

It was moved by Member Jaggars and seconded by Member Hart to reject Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3 Availability of Unused Overlying Production and Allocation to the Appropriator Parties. The motion was approved 4-1 by the following vote:

AYES:	Hart, Jaggars, Jorritsma, Vela,
NOES:	Zoba.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

Resolution 2021-01 was NOT adopted.

VIII. Topics for Future Meetings

- a. Development of a methodology and policy to account for groundwater storage losses in the basin resulting from the artificial recharge of water resources.
- b. Development of a methodology and policy to account for recycled water recharge.
- c. Develop policies and procedures to formalize the process for agenda preparation
- d. 2020 initial draft Annual Report (April 7, 2021)

IX. Comments from the Watermaster Committee Members

None.

X. Announcements

- a. The next regular meeting of the Beaumont Basin Watermaster is scheduled for Thursday, February 18, 2021 at 10:00 a.m.
- b. Future Meeting Dates:

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- ii. Wednesday, June 2, 2021 at 10:00 a.m.
- iii. Wednesday, August 4, 2021 at 10:00 a.m.
- iv. Wednesday, October 6, 2021 at 10:00 a.m.
- v. Wednesday, December 1, 2021 at 10:00 a.m.

XI. Adjournment

Chairman Vela adjourned the meeting at 12:15 p.m.

Attest:

DRAFT UNTIL APPROVED

Daniel Jaggers, Secretary
Beaumont Basin Watermaster

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-12

Date: February 18, 2021

From: Hannibal Blandon, ALDA Inc.

Subject: 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report – Presentation of Comments

Recommendation: That the Watermaster Committee approves the Revised Draft of the 2019 Annual Report.

At the December 2nd, 2020, an initial draft of the 2019 Annual Report was presented. During the presentation, a concern was raised about insufficient documentation of Section 3.4.2, "Transfers of Overlying Rights for Service by an Appropriator". While the quantity of Overlying Rights transferred was properly documented, this section could have benefited from additional documentation related to the submittal of Form 5 by YVWD.

On December 12th, 2020, a revised draft of the 2019 Annual Report was e-mailed to all members of the Watermaster Committee, including their respective alternates. Under Item G of the agenda, a presentation was going to be made on the comments received; however, member Jaggars (BCVWD) reasoned that this item could not proceed since some of the comments received were not included in the agenda packet and could be in violation of the Brown Act. Counsel Montoya concurred. A special meeting was scheduled to present and discuss this item.

Comments were received from all agencies represented in the Watermaster Committee. Individual comments are documented along with our response and are included in this memorandum. We are attaching the original e-mail transmitting the revised draft, dated December 12, 2020 for your reference. A formal presentation will be made at the special meeting to address the comments received and to discuss any other issues that the members of the Watermaster Committee may have.

The latest version of the Annual Report is available at:

<http://documents.yvwd.dst.ca.us/bbwm/documents/2019/2019annualreport-draft201212.pdf>

Revised Draft of the 2019 Annual Report – Presentation of Comments

While some agencies commented specifically on Section 3.4.2, others provided comments for the entire report. Based on the comments received, comments not related to Section 3.4.2 are presented first.

Comments made by each agency are presented below. Text of revised draft, in its current version, has been edited to address comments. Additions to the text are shown in red and highlighted in yellow while deletions are double strike through.

COMMENTS NOT RELATED TO SECTION 3.4.2

Comments provided below exclude editorial input and suggestions.

Comments by South Mesa Water Company

Mr. Armstrong indicated that SMWC did not have any comments on the revised draft.

Comments by the City of Beaumont

Mr. Hart's comments were limited to Section 3.4.2

Comments by the Yucaipa Valley Water District

Mr. Zoba's comments were limited to Section 3.4.2

Comments by the City of Banning

Mr. Vela provided the following comments:

1.- Storage Issues – See Page 1-3 – Document has been edited.

- The Watermaster has the authority to enter into Groundwater Storage Agreements with **local and regional agencies** ~~producers~~ for the storage of supplemental water.
- A minimum of 200,000 ac-ft of groundwater storage capacity was reserved for conjunctive use. Any Person, ~~party to the Judgment can~~ **may** make reasonable beneficial use of the groundwater storage capacity for storage of supplemental water provided that it is in accordance with a storage agreement with Watermaster.

2.- Basin Southern Boundary - See Page 3-2

Comment - Is it worth mentioning the San Timoteo Canyon Fault which forms the southerly boundary of the basin?

Response - The assumption that the San Timoteo Fault forms the southern boundary of the Beaumont Basin Adjudicated area is not correct. The southern boundary of the basin was postulated by Bloyd (1971) based on groundwater level differences in the area. No fault has ever formally been mapped at this southern boundary. The San Timoteo Fault was identified by USGS (2006) but does not correlate to the adjudicated boundary.

3.- Production from Well C-4 for 2018

Comment - Table 3-1E reports a production of 109.2 ac-ft for the month of December 2018. Production for that month should be 113 ac-ft.

Response - In 2018, production from this well was reported as 109.2 ac-ft. However, upon Mr. Vela questioning this production figure, City of Banning staff indicated that this figure represents production through December 30th, 2018. Production for the entire month, through December 31st, 2018, was indeed 113 ac-ft. Production total for the year has been corrected on this table. Other tables affected by this change include Table 3-3B and Table 3-8. This change also affects the storage consolidation summary on Page 3-12 and increases the Operating Safe Yield by 3.8 ac-ft for 2018.

Comments by Beaumont Cherry Valley Water District (BCVWD)

Mr. Jagers provided the following comment:

1.- BCVWD's Deliveries to the City of Banning in 2018 and 2019

Comment - Tables 3-1E for 2018 and 3-1F for 2019 do not reflect deliveries of groundwater produced by BCVWD for delivery to the City of Banning.

Response - Tables 3-1E and 3-1F have been revised to reflect these deliveries. According to Mr. Jagers, BCVWD delivered 119.75 ac-ft of groundwater to the City of Banning in the last three months of 2018 and 60.65 ac-ft over the entire 2019 Calendar Year. It should be noted that 2019 deliveries reported by the BCVWD of 60.65 ac-ft are slightly higher than those reported by the City of Banning of 60.18 ac-ft. This minor discrepancy will be addressed in the final report.

The changes to these two tables also impact the following tables:

- Table 3-3B – Production Summary by Appropriator and Overlying Producer (2011-19)
- Table 3-8 – Consolidation of Appropriator Production and Storage Accounts (2003-19)
- Summary Storage Table by Agency for 2019

Summary Storage Table by Agency for 2019

Agency / Party to the Judgment	Calendar Year 2019 (ac-ft)		
	Beginning	Ending	Change
City of Banning	52,200.4	51,737.5	-462.8
BCVWD	34,913.4	39,322.5	4,409.1
City of Beaumont	0.0	0.0	0.0
South Mesa Water Company	9,559.0	9,787.5	228.6
Yucaipa Valley Water District	16,622.8	16,885.7	263
Morongo Band of Mission Indians	0.0	0.0	0.0
San Geronio Pass Water Agency	0.0	257.8	257.8
TOTAL in storage	113,295.5	117,991.1	4,695.6

Table 3-1E Appropriator Producer - Summary of Production for Calendar Year 2018 (ac-ft)												
Owner & Well Name	Water Production by Appropriator (ac-ft) ⁽¹⁾											Total Production
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Banning, City of												
Well C2-A	3.2	1.1	0.5	0.5	0.4	22.8	24.8	37.9	69.0	11.0	4.0	0.1
Well C3	0.0	0.9	0.2	0.2	0.7	68.6	67.8	79.1	79.8	103.7	107.2	13.4
Well C4	0.6	4.3	3.2	30.6	66.6	58.2	87.2	100.5	118.3	135.0	139.7	109.2
Well M3	0.2	0.2	0.1	56.6	86.7	81.5	89.4	86.6	86.0	56.6	46.6	0.1
Well M9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
From BCVWD ⁽²⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.6	52.6	28.6
Subtotal	4.1	6.5	4.0	87.9	154.4	231.2	269.2	304.1	353.0	344.9	350.1	151.5
Beaumont Cherry Valley Water District												
Well 1	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 2	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 3	0.0	0.0	0.0	0.0	7.8	99.0	19.0	0.0	0.0	0.0	0.0	0.0
Well 16	20.6	6.3	15.6	12.7	12.7	54.5	22.5	21.2	2.8	5.5	0.8	0.6
Well 21	193.0	163.9	179.2	215.1	258.0	284.3	294.3	294.0	284.3	196.7	242.6	186.1
Well 22	0.7	18.6	16.8	80.4	155.1	53.2	0.0	0.0	0.0	0.0	0.0	0.0
Well 23	247.9	177.8	125.8	189.6	201.8	214.9	268.5	248.1	237.7	208.8	157.3	81.0
Well 24	72.9	147.1	110.0	201.9	166.2	237.9	261.0	237.9	217.0	206.1	222.4	142.0
Well 25	0.0	0.0	2.5	108.9	227.8	261.2	272.7	251.9	273.4	224.5	247.7	190.3
Well 26	94.1	75.3	6.1	0.0	0.0	0.0	88.1	183.6	159.8	120.7	111.6	50.0
Well 29	112.3	119.8	89.5	111.2	0.0	94.5	233.3	238.8	185.5	150.2	29.8	13.9
Egg Ranch Well	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
To Banning ⁽²⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-38.6	-52.6	-28.6
Subtotal	741.6	708.9	545.4	919.9	1,029.6	1,299.5	1,459.3	1,475.6	1,360.7	1,074.0	959.5	635.3
South Mesa Water Company												
3rd No. 4 Well	20.1	14.5	14.4	26.9	30.0	42.7	51.4	46.5	44.0	31.4	26.9	16.1
Subtotal	20.1	14.5	14.4	26.9	30.0	42.7	51.4	46.5	44.0	31.4	26.9	16.1
Yucaipa Valley Water District												
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
Well 48	0.0	0.0	0.0	92.1	0.0	0.0	0.1	60.8	0.2	7.7	30.3	0.0
Subtotal	0.0	0.0	0.0	92.1	0.0	0.0	0.1	60.8	0.2	7.7	30.3	0.0
Total	765.7	729.9	563.9	1,126.8	1,214.0	1,573.3	1,779.9	1,886.9	1,757.9	1,458.0	1,366.8	802.9
												15,026.1

(1) - All values rounded and subject to revision based on receipt of more accurate information

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

Table 3-1F Appropriator Producer - Summary of Production for Calendar Year 2019 (ac-ft)												
Owner & Well Name	Water Production by Appropriator (ac-ft) ⁽¹⁾											Total Production
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Banning, City of												
Well C2-A	6.0	25.4	17.5	0.6	3.7	11.2	25.7	39.0	44.8	26.3	0.9	1.4
Well C3	0.8	0.4	0.2	1.3	0.0	38.3	78.8	53.2	0.0	0.0	0.0	0.0
Well C4	105.4	7.4	15.8	146.7	144.5	110.0	100.0	109.9	118.0	61.6	80.7	6.4
Well M3	4.9	50.2	51.1	32.0	4.4	56.2	84.0	82.8	79.7	81.8	77.0	74.8
Well M9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
From BCVWD ⁽²⁾	16.9	1.0	4.8	10.0	5.4	6.5	6.0	3.6	0.5	3.6	0.7	1.6
Subtotal	133.9	84.3	89.3	190.6	157.9	222.2	294.5	288.5	243.0	173.3	159.3	84.2
Beaumont Cherry Valley Water District												
Well 1	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 2	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 3	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6
Well 16	0.1	0.0	0.4	1.2	0.0	3.1	0.0	8.3	9.2	20.8	6.2	1.9
Well 21	186.1	168.1	71.1	240.8	206.3	237.4	256.9	242.5	227.1	256.6	237.3	158.7
Well 22	0.0	0.0	0.0	7.5	6.1	123.1	116.2	106.4	91.5	90.7	65.1	5.0
Well 23	82.1	106.1	42.6	85.9	27.3	113.3	240.6	280.6	229.9	189.5	176.2	172.3
Well 24	89.9	21.6	133.9	211.0	108.1	179.7	201.9	249.7	206.6	195.4	186.7	86.6
Well 25	196.2	95.2	201.4	216.7	249.4	244.6	307.7	298.4	280.5	277.1	171.9	59.1
Well 26	15.7	0.0	26.2	130.2	57.6	130.1	125.9	155.4	151.2	139.3	113.9	17.3
Well 29	6.3	5.4	1.6	0.0	4.4	49.7	194.9	224.4	167.0	76.5	30.1	10.4
Egg Ranch Well	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
To Banning ⁽²⁾	-16.9	-1.0	-4.8	-10.0	-5.4	-6.5	-6.0	-3.6	-0.5	-3.6	-0.7	-1.6
Subtotal	560.2	395.5	472.5	883.2	653.9	1,074.5	1,438.0	1,562.1	1,362.5	1,242.4	986.5	509.7
South Mesa Water Company												
3rd No. 4 Well	12.8	11.8	14.2	25.5	22.5	38.9	53.6	54.4	39.8	22.9	20.7	13.5
Subtotal	12.8	11.8	14.2	25.5	22.5	38.9	53.6	54.4	39.8	22.9	20.7	13.5
Yucaipa Valley Water District												
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
Well 48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	148.0	110.4	83.6	76.7	110.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	148.0	110.4	83.6	76.7	110.0
Total	706.9	491.6	576.1	1,099.3	834.3	1,335.5	1,786.1	2,053.0	1,755.8	1,522.2	1,243.2	717.4
											1,243.2	14,121.5

(1) - All values rounded and subject to revision based on receipt of more accurate information

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

Table 3-3B
Production Summary for Appropriator and Overlying Producers in the Beaumont Basin
2011 through 2019 - Calendar Year Accounting (ac-ft)

	Annual Production (ac-ft)								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Appropriator Parties									
Banning, City of	1,341.7	1,038.3	2,100.7	2,585.1	1,678.3	1,472.7	1,443.5	2,260.8	2,121.30
Beaumont-Cherry Valley Water District	9,431.3	10,162.0	11,097.4	10,805.5	8,972.8	10,159.8	11,650.7	12,209.2	11,140.87
South Mesa Water Company	419.9	448.5	308.4	473.7	317.2	352.6	368.1	364.9	330.69
Yucaipa Valley Water District	534.1	700.1	1,030.8	1,198.5	119.2	4.6	0.1	191.2	528.63
Subtotal	11,727.1	12,348.9	14,537.2	15,062.8	11,087.4	11,989.7	13,462.4	15,026.1	14,121.5
Overlying Parties									
Beckman, Walter M	9.0	9.0	2.1	0.9	0.9	0.9	0.9	0.9	0.9
California Oak Valley Golf and Resort LLC	517.3	517.3	625.8	417.0	751.1	552.3	830.0	573.1	489.6
Merlin Properties	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Oak Valley Partners, LP	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plantation on the Lake LLC	344.7	344.7	326.7	403.8	302.1	293.4	417.8	471.2	258.7
Rancho Calimesa Mobile Home Park	69.3	69.3	69.3	16.2	23.4	31.2	31.2	32.7	32.1
Roman Catholic Bishop of San Bernardino	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sharondale Mesa Owners Association	133.0	145.3	147.0	137.3	94.1	84.8	117.9	116.4	98.3
Tukwet Canyon Golf Club ¹	882.9	984.3	1,098.4	1,227.9	898.6	958.6	991.4	1,010.9	878.8
Stearns, Leonard M. and Dorothy D.	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Sunny-Cal Egg and Poultry Company	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Albor Properties III, LP ²	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Nikodinov, Nick	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
McAmis, Ronald L.	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Aldama, Nicolas and Amalia	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Gutierrez, Hector, et. al.	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Darmont, Boris and Miriam	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Subtotal	1,971.4	2,085.4	2,284.8	2,218.7	2,085.7	1,936.7	2,404.7	2,220.7	1,773.9
Total	13,698.4	14,434.3	16,821.9	17,281.5	13,173.1	13,926.4	15,867.1	17,246.8	15,895.4

1.- Formerly known as the East Valley Golf Course and the Southern California Section of the PGA of America.

2.- Formerly Known as Sunny Cal North - Vanheim, Vanheim & Berman.

Table 3-8
Consolidation of Appropriator Production and Storage Accounts
Calendar Year Accounting (ac-ft) 2003 through 2019

Calendar Year	Storage Account Balance at Beginning of CY	Share of Surplus Water	Appropriative Rights	Production	Additions to Storage Account						Ending Account Balance		
					Under / Over Production ⁽¹⁾	Overlying Users Parcel Conversion	Unused Overlying Production Allocation	Transfers Among Appropriators	SWP Water Recharge	Local Recharge		Total Additions to Storage Account	
City of Banning - Authorized Storage Account: 80,000 ac-ft													
2003	0.0	2,514.5	0.0	2,174.2	340.3	0.0	0.0	0.0	0.0	0.0	0.0	340.3	340.3
2004	340.3	5,029.0	0.0	3,397.3	1,631.7	0.0	0.0	0.0	0.0	0.0	0.0	1,631.7	1,972.0
2005	1,972.0	5,029.0	0.0	1,808.6	3,220.4	0.0	0.0	0.0	0.0	0.0	0.0	3,220.4	5,192.5
2006	5,192.5	5,029.0	0.0	1,827.5	3,201.5	0.0	0.0	0.0	0.0	0.0	0.0	3,201.5	8,393.9
2007	8,393.9	5,029.0	0.0	2,772.6	2,256.4	0.0	0.0	0.0	1,500.0	0.0	0.0	3,756.4	12,150.3
2008	12,150.3	5,029.0	0.0	2,933.6	2,095.4	0.0	592.2	0.0	0.0	1,534.0	0.0	4,221.6	16,371.9
2009	16,371.9	5,029.0	0.0	2,095.0	2,934.0	0.0	1,594.7	0.0	0.0	2,741.2	0.0	7,269.8	23,641.8
2010	23,641.8	5,029.0	0.0	1,143.6	3,885.4	0.0	1,683.8	0.0	0.0	1,338.0	0.0	6,907.2	30,549.0
2011	30,549.0	5,029.0	0.0	1,341.7	3,687.3	0.0	1,588.2	0.0	0.0	800.0	0.0	6,075.6	36,624.5
2012	36,624.5	5,029.0	0.0	1,038.3	3,990.7	0.0	1,679.5	0.0	0.0	1,200.0	0.0	6,870.2	43,494.7
2013	43,494.7	2,514.5	0.0	2,100.7	413.8	0.0	1,816.1	0.0	0.0	1,200.0	0.0	3,430.0	46,924.7
2014	46,924.7	0.0	0.0	2,585.1	-2,585.1	0.0	1,826.7	0.0	0.0	608.0	0.0	-150.4	46,774.3
2015	46,774.3	0.0	0.0	1,678.3	-1,678.3	0.0	2,097.5	0.0	0.0	694.0	0.0	1,113.2	47,887.5
2016	47,887.5	0.0	0.0	1,472.7	-1,472.7	0.0	2,099.1	0.0	0.0	1,477.0	0.0	2,103.4	49,990.8
2017	49,990.8	0.0	0.0	1,443.5	-1,443.5	0.0	2,063.2	0.0	0.0	1,350.0	0.0	1,969.8	51,960.6
2018	51,960.6	0.0	0.0	2,260.8	-2,260.8	0.0	2,000.6	0.0	0.0	500.0	0.0	239.8	52,200.4
2019	52,200.4	0.0	0.0	2,121.3	-2,121.3	0.0	1,408.5	0.0	0.0	250.0	0.0	-462.8	51,737.5

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1 -- Negative values of under production indicate that the appropriator pumped more than its share of the operating yield.

Table 3-8
Consolidation of Appropriator Production and Storage Accounts
Calendar Year Accounting (ac-ft) 2003 through 2019

Calendar Year	Storage Account Balance at Beginning of CY	Share of Surplus Water	Appropriative Rights	Production	Additions to Storage Account							Ending Account Balance	
					Under / Over Production ⁽¹⁾	Overlying Users Parcel Conversion	Unused Overlying Production Allocation	Transfers Among Appropriators	SWP Water Recharge	Local Recharge	Total Additions to Storage Account		
Beaumont Cherry Valley Water District - Authorized Storage Account: 80,000 ac-ft													
2003	0.0	3,401.0	0.0	3,511.9	-110.9	0.0	0.0	0.0	0.0	0.0	0.0	-110.9	-110.9
2004	-110.9	6,802.0	0.0	6,873.9	-71.9	0.0	0.0	0.0	0.0	0.0	0.0	-71.9	-182.8
2005	-182.8	6,802.0	0.0	7,025.6	-223.6	0.0	0.0	0.0	0.0	0.0	0.0	-223.6	-406.4
2006	-406.4	6,802.0	0.0	9,054.1	-2,252.1	0.0	0.0	0.0	0.0	3,501.0	0.0	1,248.9	842.5
2007	842.5	6,802.0	0.0	11,383.3	-4,581.3	0.0	0.0	0.0	1,500.0	4,501.0	0.0	1,419.7	2,262.2
2008	2,262.2	6,802.0	0.0	10,710.5	-3,908.5	0.0	0.0	801.0	2,500.0	2,399.0	0.0	1,791.5	4,053.7
2009	4,053.7	6,802.0	0.0	10,133.9	-3,331.9	0.0	0.0	2,156.8	2,000.0	2,741.2	0.0	3,566.1	7,619.8
2010	7,619.8	6,802.0	0.0	9,421.3	-2,619.3	0.0	0.0	2,277.4	0.0	5,727.0	0.0	5,385.1	13,004.9
2011	13,004.9	6,802.0	0.0	9,431.3	-2,629.3	0.0	0.0	2,148.1	3,500.0	7,979.0	0.0	10,997.8	24,002.8
2012	24,002.8	6,802.0	0.0	10,162.0	-3,360.0	0.0	0.0	2,271.5	0.0	7,783.0	0.0	6,694.5	30,697.3
2013	30,697.3	3,401.0	0.0	11,097.4	-7,696.4	0.0	0.0	2,456.4	0.0	7,403.0	0.0	2,163.0	32,860.3
2014	32,860.3	0.0	0.0	10,805.5	-10,805.5	0.0	0.0	2,470.6	0.0	4,405.0	0.0	-3,929.9	28,930.4
2015	28,930.4	0.0	0.0	8,972.8	-8,972.8	0.0	0.0	2,836.9	0.0	2,773.0	0.0	-3,362.8	25,567.6
2016	25,567.6	0.0	0.0	10,159.8	-10,159.8	0.0	0.0	2,839.1	0.0	9,319.0	0.0	1,998.3	27,565.9
2017	27,565.9	0.0	0.0	11,650.7	-11,650.7	0.0	0.0	2,790.6	0.0	13,590.0	0.0	4,729.9	32,295.7
2018	32,295.7	0.0	0.0	12,209.2	-12,209.2	0.0	0.0	2,705.9	0.0	12,121.0	0.0	2,617.7	34,913.4
2019	34,913.4	0.0	0.0	11,140.9	-11,140.9	0.0	0.0	1,905.0	0.0	13,645.0	0.0	4,409.1	39,322.5

1 -- Negative values of under production indicate that the appropriator pumped more than its share of the operating yield.

COMMENTS RELATED TO SECTION 3.4.2

Comments by the City of Beaumont

Mr. Hart made the following overall comment.

Comment - The annual report should be an accounting of what occurred in the year and not provide an anecdotal summary of what some parties believe to have occurred. I don't believe the disagreement on overlying right transfers should be in the report.

Response - The last paragraph in Section 3.4.2 has been edited to partially address this comment. – See edited version of Section 3.4.2 at the end of this TM.

Comments by BCVWD

Mr. Jagers had a minor editorial comment in this section. Editorial comment has been addressed.

Comments by the City of Banning

Mr. Vela provided the following comment related to the last paragraph of Section 3.4.2.

Comment - Do we want to leave this open ended or can we say “The Watermaster continued this discussion through 2020; updates will be provided in the 2020 Annual Report”.

Response - The last paragraph of this section has been edited and this comment incorporated. See edited version of Section 3.4.2 at the end of this TM.

Comments by the YVWD

In a two-page letter submitted by Mr. Zoba, dated February 1, 2021, and addressed to all primary members of the Watermaster Committee and to Mr. Montoya, Watermaster legal counsel, Mr. Zoba documents his disapproval of Section 3.4.2 in its current format. He indicates that while the section documents transfer of water rights between Oak Valley Partners (OVP) and YVWD in the amount of 183.05 ac-ft that occurred in 2018 and early 2019, the Revised Draft 2019 Annual Report fails to account for the transfer of all original 1,806 / revised 1,398.90 ac-ft of OVP's Overlying rights to YVWD. YVWD notified the Watermaster of this transfer on November 20, 2019 under a Form 5.

Mr. Zoba further indicates that as a result of the failure to account for the transfer documented in Form 5, the report is erroneous. Approval of the report by the Beaumont Basin Watermaster will be in violation of its duties under Section VI.5.W of the Stipulated Judgment. For this reason, Mr. Zoba intends to object to the approval of the 2019 Annual Report.

Mr. Zoba also indicates that while this issue was discussed at the December 4, 2019 meeting, discussion continued at the February 5, June 3, August 5, October 7, and December 2, 2020 regular meetings and at the August 27, 2020 special meeting. Minutes of these seven meetings were attached to his letter (Attachments 1 through 7). He also attached Memorandum 20-21 in support of his position on this matter (Attachment 8) and Memorandum 21-09 introducing

Resolution 2021-01 to address the improper accounting of unused overlying water moving forward (Attachment 9).

In total, Mr. Zoba's comments consist of a two-page letter and 168 additional pages comprising the nine attachments referred to in the cover letter. A copy of the cover letter is included at the end of this TM. Minutes of the seven regular and special meetings referred to in the letter can be downloaded from the Watermaster website. Memorandum 20-21 can be found in the October 7, 2020 packet under Discussion Item "E", while Memorandum 21-09 can be found in the February 3, 2021 packet under Discussion Item "I".

Response – The Revised Draft of the 2019 Annual Report "Report" documents the conditions of the basin, including water rights and transfers, as of December 31, 2019. While Mr. Zoba is correct in pointing out that discussion of Section 3.4.2 continued in the various regular and special meetings in 2020, documentation of the items discussed, and motions passed or objected by the Watermaster Committee during calendar year 2020 are not included in the 2019 annual report. They will be included in the 2020 Annual Report.

Under Item V. Correspondence of the February 6, 2019 packet to the Board, YVWD documents the transfer of 2.65 ac-ft of Overlying Water Rights in the Beaumont Basin for Parcel 6 of Parcel Map No. 33105 Pursuant to Beaumont Basin Watermaster Resolution No. 2017-02. This transfer, combined with the transfer of 180.40 ac-ft that took place in 2018 through three separate assignments, increased the total transfers from OVP to YVWD to 183.05 ac-ft. This transfer was properly documented in Section 3.4.2 of the Report.

While the submittal of Form 5 by YVWD on November 20, 2019 was discussed at the December 4, 2019 Regular Watermaster meeting under Item F "Status of the Preparation of the 2018 Annual Report" (TM 19-29), the approval of this transfer did not take place during this last meeting of 2019. During that meeting, there was plenty of discussion between legal counsel and members of the Watermaster Committee on this issue. Ultimately, the Watermaster Committee voted to instruct Engineer Blandon to complete the 2018 annual report based on the 180.4 ac-ft of overlying rights transferred during 2018.

The discussion of YVWD's submittal of Form 5 and the transfer of all OVP's rights to YVWD continues to this date and is yet to be resolved. When this issue is finally resolved, adjustments will be made to the 2018 and 2019 annual reports, if needed.

Section 3.4.2 of the revised draft of the 2019 annual report (submitted Dec 12, 2020) included two additional paragraphs to document YVWD's submittal of Form 5; they are shown in red. The current version of Section 3.4.2 (See next page) incorporates recent comments made by Mr. Vela and Mr. Hart. New additions to this section are shown in red and highlighted in yellow for ease of identification; deletions have been double stricken through.

3.4.2 Transfers of Overlying Rights for Service by an Appropriator

The Stipulated Judgment, under Part III, Declaration of Adjustment of Rights, Section 3(B), provides that to the extent any Overlying Party requests, and uses its Exhibit “B”, Column 4 water to obtain water service from an Appropriative Party, an equivalent volume of potable groundwater shall be earmarked by the Appropriative Party which will serve the Overlying Party, up to the volume of the Overlying Water Rights as reflected in Column 4 of Exhibit “B” for the purpose of serving the Overlying Party.

The Stipulated Judgment, under Part III, Section 3(C), states that in the event that an Overlying Party receives water service from an Appropriative Party, the Overlying Party shall forebear the use of that volume of the Overlying Water Right earmarked by the Appropriative Party. The Appropriator Party providing such service shall have the right to produce the volume of water foregone by the Overlying Party, in addition to other rights otherwise allocated to the Appropriator Party.

Under Resolution 17-02, adopted on August 30, 2017, Oak Valley Partners L.P. (“OVP”) agreed to transfer its Overlying water rights to particular development parcels, intending to secure commitments from YVWD to provide water services to development phases of OVP’s Summerwind Ranch Specific Plan (Project), located in the Beaumont Basin. The Stipulated Judgment allocated OVP an Overlying production right of 1,806 ac-ft based on the initial Safe Yield of 8,650 ac-ft/yr. OVPs rights have been adjusted to 1,398.86 ac-ft based on the recalculated Safe Yield of 6,700 ac-ft/yr as approved by the Watermaster on April 1, 2015. Overlying rights and Overlying-Appropriative rights will be adjusted every 10 years based on the recalculation of the Safe Yield of the Beaumont Basin.

In 2018 Oak Valley Partners transferred a combined total of 180.4 ac-ft in Overlying rights to YVWD upon YVWD’s water service commitments to serve certain Project parcels in the Beaumont Basin. In a similar manner, an additional 2.65 ac-ft of former OVP’s Overlying rights were transferred to YVWD in early 2019. Transfers over these two years total as follows:

Assigned Overlying-Appropriative Right	Watermaster Notification Date	Earmarked Amount (ac-ft)
Assignment No. 1	3/28/2018	90.94
Assignment No. 2	8/1/2018	59.89
Assignment No. 3	10/3/2018	29.57
Assignment No. 4	1/11/2019	2.65
	Total	183.05

The transfer of the above amount reduced OVP’s Overlying rights to 1,215.81 ac-ft/yr for 2019. In the future OVP’s rights will remain at this level or adjusted down as additional rights are transferred to YVWD. Starting in 2018, YVWD is free to use its Appropriative rights, as denoted above, by either pumping from the basin, transferring to other Appropriators, or adding to its

storage account. Copies of the letter sent by YVWD in calendar year 2019 notifying the Beaumont Basin Watermaster Committee of the above transfers are included in Appendix E F.

Under Resolution 2019-02, adopted on June 25, 2019, the Beaumont Basin Watermaster rescinded Section 7 of the Beaumont Basin Watermaster Rules and Regulations in its entirety and replaced it as provided in Attachment A of the resolution, included under Appendix A of this annual report. Under this resolution, the Beaumont Basin Watermaster also updated Form 5 entitled, "Notice to Adjust Rights of an Overlying Party due to Proposed Provision of Water Service by an Appropriator" and Form 7 entitled, "Notice to Transfers of Appropriator Production Right of Operating Yield Between Appropriators".

At the Dec 4, 2019 Watermaster Meeting, YVWD submitted a Form 5, signed Nov 19, 2019, documenting the transfer of OVP's all original 1,806 / revised 1,398.90 ac-ft ("Earmarked Water") of Overlying Water Rights to the YVWD effective on October 9, 2018. This issue was extensively discussed between legal counsel and members of the Watermaster Committee. ~~without reaching an agreement.~~ Details of this discussion are summarized in Section 2.2.3, beginning on Page 2-7, under Memorandum 19-29, of this report. Minutes for all Watermaster meetings in 2019 are presented in Appendix B. A copy of Form 5 submitted by YVWD is included under Appendix G. Discussion of OVP's transfer of water rights to YVWD continued in 2020.



Yucaipa Valley Water District

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February 1, 2021

Via Electronic Mail

Mr. Arturo Vela
City of Banning
avela@banningca.gov

Mr. Jeff Hart
City of Beaumont
jhart@beaumontca.gov

Mr. Dan Jagers
Beaumont Cherry Valley Water District
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Re: 2019 Consolidated Annual Report and Engineering Report (Revised Draft)

Dear Beaumont Basin Watermaster Committee Members and Mr. Montoya:

We are in receipt of the revised draft of the 2019 Consolidated Annual Report and Engineering Report ("2019 Annual Report") which has been placed on the agenda for consideration by the Beaumont Basin Watermaster at its February 3, 2021 regular meeting. Section 3.4.2 of the 2019 Annual Report purports to account for water transfers and adjustment of rights by and between Appropriative and Overlying Parties under section III.3 of the Amended Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin ("Stipulated Judgment"). While section 3.4.2 documents transfers of water rights between Oak Valley Partners L.P. ("OVP") and Yucaipa Valley Water District ("YVWD") in the amount of 183.05 acre-feet that occurred in 2018 and early 2019, the 2019 Annual Report fails to account for the transfer of all original 1,806 / revised 1,398.90 acre feet of OVP's overlying water rights to YVWD, notification of which was provided to the Watermaster on November 20, 2019 under a "Form 5." This failure to account for the transfer of all of OVP's overlying water rights results in other errors in the 2019 Annual Report, including the accounting for Appropriative and Overlying Party production under section 3.2, Tables 3-1F, 3-2F, 3-3B, and 3-8 and Figure 3-4.

Chris Mann
Division 1

Dennis Miller
Division 2

Jay Bogh
Division 3

Lonni Granlund
Division 4

Joyce McIntire
Division 5

Beaumont Basin Watermaster Committee Members and
Thierry Montoya
February 1, 2021
Page 2

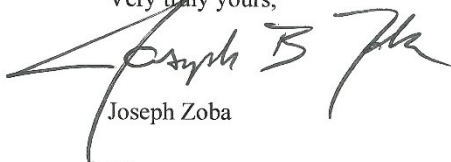
By approving a 2019 Annual Report that does not account for the transfer of water documented in the Form 5, the Beaumont Basin Watermaster will be in violation its duties under section VI.5.W of the Stipulated Judgment which requires the Watermaster to account for the transfer of water rights from an Overlying Party to an Appropriator. For this reason, I intend to object to the approval of the 2019 Annual Report.

Furthermore, although the 2019 Annual Report acknowledges that the transfer described in the Form 5 was discussed by the Beaumont Basin Watermaster committee and its counsel at the December 4, 2019 Watermaster meeting, there was additional discussion at the February 5, 2020 meeting when the 2018 Annual Report was approved by Watermaster (Joseph Zoba objecting), as well as at the June 3, August 5, October 7 and December 2, 2020 regular meetings and an August 27, 2020 special meeting, the minutes of each of which are attached hereto as Attachments 1-7. Also attached hereto is Beaumont Basin Watermaster Memorandum No 20-21 which contains additional information and arguments pertinent to this matter (Attachment 8). We incorporate our prior arguments on this issue by reference to these materials.

I also intend to object to the approval of the 2019 Annual Report for the separate reason that it improperly includes allocation of unused overlying water rights under section 3.4.3 and, Table 3-7 in the 2019 Annual Report. The reasons for my objection generally are set forth in Beaumont Basin Watermaster Memorandum No 21-09. To address the improper accounting of unused overlying water moving forward, I have proposed the adoption of Resolution 2021-01 at the February 3 meeting (Attachment 9).

I look forward to discussing this matters with you at the February 3 meeting of the Watermaster.

Very truly yours,



Joseph Zoba

cc:

Dave Wysocki, Esq.
Greg Newmark, Esq.
Bryan Brown, Esq.

Encls.

3686084.1

Beaumont Basin Watermaster 2019 Annual Report - Revised Draft - Dec 12, 2020

From: Anibal Blandon (blandona@aldaengineering.com)

To: avela@banningca.gov; lcardenas@banningca.gov; dan.jaggers@bcvwd.org; mark.swanson@bcvwd.org; jzoba@yvwd.us; jares@yvwd.us; jeffh@beaumontca.gov; kylew@beaumontca.gov; darmstrong@southmesawater.com; smwc@verizon.net; tmontoya@alvaradosmith.com; tharder@thomashardercompany.com

Bcc: blandona@aldaengineering.com

Date: Saturday, December 12, 2020, 9:10 PM PST

All:

Please find attached a Revised Draft of the 2019 Beaumont Basin Watermaster Annual Report.

As you may know, an initial draft of the 2019 Annual Report was presented at the Regular December meeting of the Watermaster Committee. During the presentation, a concern was raised about insufficient documentation of Section 3.4.2, "Transfers of Overlying Rights for Service by an Appropriator". While the quantity of Overlying Rights transferred was properly documented, this section could have benefited from additional documentation related to the submittal of Form 5 by YVWD. It should be noted that Form 5 was discussed elsewhere in the original draft of the report.

Section 2.2.3, "Items Discussed in 2019", of the original draft of the annual report presents a summary of each of the 29 Technical Memoranda discussed during the regular and special meetings of the Watermaster Committee in 2019. The summary for TM 19-29 (12/2019) documents the submission of Form 5 by YVWD along with a brief narrative of the ensuing discussion. Additionally, the summary for TM 19-15 (6/25/19) documents the review of Form 5 as part of the approval of Resolution 19-02. Further, Forms 5 and 7 were also documented in Section 2.4, "Rules and Regulations", of the report.

In order to address the raised concern, additional documentation of Form 5 has been provided in Section 3.4.2. This revised section has been enhanced by some of the language already presented in Section 2 of the draft report. As requested, a copy of all meeting minutes in 2019 is included in Appendix B. A copy of YVWD's Form 5 is included in Appendix G.

History of Section 2.2.3, "Items Discussed in 2019"

Prior to 2011, documentation of individual technical memoranda was not provided. Under Section 2 of the annual report, the discussion was limited to the number and date of the regular and special meetings held during the year; the report referred the reader to the Watermaster website for access to official minutes.

Beginning in 2011, we introduced this section to provide a brief narrative of each item discussed during the year while referring the reader to the Watermaster website for complete documentation of the meeting minutes. The brief narrative initially provided in Section 2.2.3 has grown over the years and now includes a more detailed summary of the items discussed. In 2019 this section summarized 47 pages of meeting minutes into six pages discussing each of the 29 technical memoranda presented over the six regular and two special meetings in the year. A complete copy of all minutes is now included for the first time under Appendix B of the report.

Other Corrections Made in the Revised Draft Report

1.- Under Section 2.2.2, Watermaster Committee Resolutions, the narrative for Resolution 19-01 was erroneous and was reflective of Resolution 18-01 instead. However, the correct Resolution 19-01 was included in Appendix A of the initial draft report.

2.- Production by Oak Valley Partners in 2019, initially stated as 0 ac-ft, was revised to 2.5 ac-ft. This minor revision affects production, water transfers, and storage tables in the report as well as the Operating Safe Yield of the basin. Revised tables and narrative has been included in the revised draft.

3.- Other minor revisions in the report were added for clarification and they are printed in red for ease of identification, deletions have been strickenthrough.

We apologize for the mistake made and hope that the clarification provided in the Revised Draft meets your expectations. We welcome your thorough review of the revised draft report and look forward to addressing any comments you may have.

Best Regards

Hannibal Blandon
ALDA Inc.
909-587-9916



Beaumont Basin - 2019 Revised Draft Report - Dec 12, 2020.pdf
21.6MB