

Notice and Agenda of a Meeting of the Beaumont Basin Watermaster

Wednesday, April 7, 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 997-7493-5433#**

**Online Meeting Participation Link: <https://zoom.us/j/99774935433>
Meeting Passcode: 526438**

**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 Jaggers (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 October 7, 2020 [Page 5 of 57]
2. Meeting Minutes for February 3, 2021 [Page 10 of 57]
3. Meeting Minutes for February 18, 2021 [Page 24 of 57]

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. Certification of Groundwater Production and Imported Water Use during Calendar Year 2020 [Memorandum No. 21-13, Page 31 of 57]
Recommendation: That the Watermaster Committee certify groundwater production, imported water spreading, and change in storage in the Beaumont Groundwater Basin during Calendar Year 2020.
- B. Presentation of the 2020 Consolidated Annual Report and Engineering Report [Memorandum No. 21-14, Page 33 of 57]
Recommendation: That the Watermaster Committee consider approving the Draft Report depending on the nature of the comments.
- C. A Comparison of Production and Allowable Extractions through February 2021 [Memorandum No. 21-15, Page 34 of 57]
Recommendation: No recommendation - For informational purposes only.
- D. Status Report on Water Level Monitoring throughout the Beaumont Basin through March 21, 2021 [Memorandum No. 21-16, Page 35 of 57]
Recommendation: Presentation - No recommendation.
- E. Financial Status Report [Memorandum No. 21-17, Page 45 of 57]
Recommendation: Presentation Only - No Action Required
- F. Independent Accountant's Financial Report of Agreed-Upon Procedures for the Beaumont Basin Watermaster [Memorandum No. 21-18, Page 47 of 57]
Recommendation: That the Watermaster Committee receive and file the Independent Accountant's Financial Report for the period ending June 30, 2020.
- G. Consideration of the Watermaster Budget for Fiscal Year 2021-2022 [Memorandum No. 21-19, Page 53 of 57]
Recommendation: That the Watermaster Committee approve the budget for Fiscal Year 2021-2022.
- H. Discussion Regarding Proposed Revisions to Section 2.2 of the Rules and Regulations [Memorandum No. 21-20, Page 55 of 57]

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, June 2, 2021 at 10:00 a.m.
- B. Future Meeting Dates:
 - i. Wednesday, August 4, 2021 at 10:00 a.m.
 - ii. Wednesday, October 6, 2021 at 10:00 a.m.
 - iii. Wednesday, December 1, 2021 at 10:00 a.m.

XI. Adjournment

Consent Calendar

**Record of the Minutes of the
Beaumont Basin Committee Meeting of the
Beaumont Basin Watermaster
Regular Meeting
Wednesday, October 7, 2020**

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 10:00 a.m.

II. Roll Call

<i>City of Banning</i>	<i>Arturo Vela</i>	<i>Present</i>
<i>City of Beaumont</i>	<i>Kyle Warsinski</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.

Thierry Montoya announced that as of October 1, 2002, Jeff Hart has been appointed as the Watermaster Committee member representing the City of Beaumont, with Robert Vestal as alternate.

Members of the public who registered and / or attended:

*Allison Edmisten, Yucaipa Valley Water District
Byran Brown, Meyers Nave
David Armstrong, South Mesa Mutual Water Company
David Wysocki, Law Offices of David Wysocki
Greg Newmark, Meyers Nave
Jennifer Ares, Yucaipa Valley Water District
Jim Markman, Richards, Watson and Gershon
John Covington, Beaumont Cherry Valley Water District / Morongo Band of Mission Indians
John Ohanian, Oak Valley Development Company / Oak Valley Partners
Lance Eckhart, San Gorgonio Pass Water Agency
Logan Largent
Lonni Granlund, Yucaipa Valley Water District
Madeline Blua, Yucaipa Valley Water District*

Mark Swanson, Beaumont-Cherry Valley Water District
Mike Thompson, San Geronio Pass Water Agency
Robert Vestal, City of Beaumont

III. Pledge of Allegiance

Chair Vela led the pledge.

IV. Public Comments:

None.

V. Reports

It was moved by Chair Vela and seconded by Member Zoba to continue items A and B to the December 2, 2020 Regular Meeting and approved by the following vote:

AYES:	Jaggers, Jorritsma, Vela, Warsinski, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

Due to technical issues with recording the teleconference, the remainder of the meeting is transcribed as action only.

- A. Report from Engineering Consultant – Hannibal Blandon, ALDA Engineering
Report continued to December 2, 2020.
- B. Report from Hydrogeological Consultant – Thomas Harder, Thomas Harder & Co.
Report continued to December 2, 2020.
- C. Report from Legal Counsel – Thierry Montoya, Alvarado Smith
Mr. Montoya gave a brief report.

VI. Discussion Items

- A. Status Report on the Beaumont Basin Water Level Monitoring Program through September 23, 2020

Recommendation: Presentation - no recommendation

There was no discussion.

- B. A Comparison of Production and Allowable Extractions through August 2020

Recommendation: No recommendation; informational only

There was no discussion.

- C. Update on Progress to Develop a Return Flow Accounting Methodology (Task 17) and Conduct a Water Quality Impact Evaluation for the Beaumont Basin Adjudicated Area (Task 22)

Recommendation: No recommendation; informational only

Engineer Tom Harder of Thomas Harder & Associates advised the Committee that the company has proceeded as far as possible and now requires data from BCVWD and YVWD. BCVWD is pulling data, but needs some time.

- D. San Gorgonio Pass Water Agency Request for Data and Model Files

Recommendation: That the Watermaster authorize an expenditure of up to \$6,900 under Task 8 On-Call Services, to cover the expenses associated with the data request

It was moved by Member Zoba and seconded by Member Jaggars to authorize an expenditure of up to \$6,900 under Task 8 On-Call Services, to cover the expenses associated with the data request and approved by the following vote:

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

- E. Discussion Regarding Various Legal Memorandums Regarding the Transfer of Overlying Water Rights to Appropriative Rights

It was determined that the 2019 Annual Report would be considered at the December 2, 2020 Watermaster Committee meeting.

It was further discussed that certain of the Watermaster Committee members would not approve a 2019 Annual Report that accounted for the YVWD / Oak Valley Partners transfer described in the November 2019 Form 5 between YVWD and Oak Valley Partners.

Finally, it was discussed that once the 2019 Annual Report was approved without the November 2019 Form 5 transfer accounted for, such approval would constitute an action by the Watermaster and subject the issues related to the November 2019 YVWD / Oak Valley Partners overlying rights transfer to judicial review under the Stipulated Judgment.

VII. 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.

VIII. Comments from the Watermaster Committee Members

Members of the Committee offered comments.

IX. Announcements

- a. The next regular meeting of the Beaumont Basin Watermaster is scheduled for Wednesday, December 2, 2020 at 10:00 a.m.
- b. Future Meeting Dates:
 - i. Wednesday, February 3, 2021 at 10:00 a.m.
 - ii. Wednesday, April 7, 2021 at 10:00 a.m.
 - iii. Wednesday, June 2, 2021 at 10:00 a.m.
 - iv. Wednesday, August 4, 2021 at 10:00 a.m.
 - v. Wednesday, October 6, 2021 at 10:00 a.m.
 - vi. Wednesday, December 1, 2021 at 10:00 a.m.

XI. Adjournment

Chairman Vela adjourned the meeting at 11:29 a.m.

Attest:

DRAFT UNTIL APPROVED

Daniel Jagers, Secretary
Beaumont Basin Watermaster

DRAFT

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. Jaggars 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. Jaggars 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 concept. He said he had always seen the Watermaster as the accounting entity for reporting water in and water out at the end of the year. He said the table seems to imply that the transfer of overlying water rights from 2015 are actually the water utilized in 2020. He said he did not recall

the Committee setting that forth as a policy and noted that it impacts the storage account.

Mr. Blandon pointed to the last item on the agenda (proposed Resolution 2021-01) and said this has been a carry-on 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 explained.

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 do not use it. Mr. Blandon reiterated it has been like this since the beginning. Member Zoba responded that this table is only a couple of years old.

Chair Vela indicated that Member Zoba had made a good point that the 183 acre-feet inclusion in the table reflects the transfer but does not necessarily reflect the extraction of that water. Mr. Blandon explained he had developed the table about two and a half years ago to give appropriators an idea of where they are throughout the year. Mr. Blandon said the initial table did not include the lines related to the 183 acre-feet, or the storage impact line in the initial table as those items were not previously at issue.

Mr. Zoba suggested a table or discussion that tabulates the accrual of overlying water rights and consumption versus other stored water in the agencies' storage accounts. He noted that consumption is not broken out from storage, which implies that water is being utilized in the year it is received by the appropriator. Mr. Blandon explained the inclusion of the transferred overlying rights 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 pointed to the Facts About the Beaumont Basin Watermaster that had been included in previous agendas and Member Zoba said he would include it 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 Jagers' point that it was probably significantly related to the fact that people are at home as the result of COVID-19. Mr. Jagers 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 a communication from YVWD related to the 2019 Revised Draft was made available to the Board members but 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.

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 expressed concern that there is claim to groundwater supplies that is increasing. He reminded the Watermaster Committee that 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, regarding the change of the word "transfer" to "allocate" throughout.

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.

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 through this methodology, 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 four charts 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 Pater 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 provided by Member Zoba. Member Zoba referred to the table 3-8 tracking the additions to the storage accounts and noted that it was mentioned earlier that extractions (i.e., the water being consumed) are not tracked. Overliers will lose their water and it is claimed by the appropriators after five years, but there is no tracking or

demonstration that shows it is being put to beneficial use, Zoba noted. He asked why the overlies lose this after five years but there is no similar rule for the appropriators who are not putting the water to beneficial use? The temporary surplus was a separate item, Zoba said, but similarly was not tracked for beneficial use or if it is still in storage accounts at all.

Chair Vela suggested that the table accounting for each agency's production is tracking beneficial use. Zoba responded that the increase in the storage accounts is largely associated with the unused overlying water rights so that if the water was being used, there would not be 90,000 AF in storage. A positive number remaining over the years means it is not being put to use, he opined. Member Zoba added that he believes the water is not being tracked appropriately to be able to make statements about putting water to beneficial use and about some people losing water and others not losing water.

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 due to overlying water right transfers. Mr. Zoba said he agreed in theory. He said he believes 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, one that has been on his mind for quite a while. 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 said he pictures this as a "run on the bank" where all the water was removed. He wondered what would happen physically in the basin if everybody drew their storage accounts to zero and if there would be undesirable results. He explained that potential adverse circumstances should be thought about so as to be avoided. Mr. Harder also noted that while current groundwater levels in the Basin are stable and going up, they are not going up commensurately with artificial recharge and accounting for storage accounts.

Mr. Blandon said his thoughts are aligned with Mr. Harder's and acknowledged Mr. Zoba's point in terms of whether the storage accounts are real water. He said that he and Mr. Harder had discussed this issue in terms of storage losses. 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 but has not been addressed. It is a delicate issue because it implies loss of water which was paid for, he noted, but the issue of overlying transfers combined with the issue of storage losses is an issue that must be addressed sooner or later and must be faced by the Basin managers because the water may not physically be there. He wondered if the basin would be impacted negatively.

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 the resolution relating to 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 Jagers 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, Jagers, 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:
 - 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

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

Attest:

DRAFT UNTIL APPROVED

Daniel Jagers, Secretary
Beaumont Basin Watermaster

DRAFT
Record of the Minutes of the
Beaumont Basin Committee Meeting of the
Beaumont Basin Watermaster
Special Meeting
Thursday, February 18, 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 10:00 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>Dave Armstrong</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 was present as engineer 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
Jennifer Ares, Yucaipa Valley Water District
Robert Vestal, City of Beaumont
Bryan Brown
Greg Newmark
Logan Largent
Madeline Blua
Mike Kastelecky
Thaxton Van Belle, City of Beaumont*

III. Pledge of Allegiance

Chair Vela led the pledge.

IV. Public Comments:

None.

V. Consent Calendar

1. Meeting Minutes for February 3, 2021

BBWM Secretary Dan Jagers reported that comments on the minutes were received and recommended continuance of this item to the next meeting. The item was continued to the next meeting.

VI. Reports

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

Mr. Blandon reported that the water level probes at YVWD No. 34 and Banning M9 were replaced as discussed at the last meeting and are now working fine.

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

No report.

- C. Report from Legal Counsel – Thierry Montoya / Keith McCollough - Alvarado Smith

Mr. Montoya reported that he provided an opinion to Mr. Jagers to ensure that requirements of the Brown Act are being met regarding documents available to the public.

VII. Discussion Items

- A. 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report – Presentation of Comments

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

Member Jagers pointed to the report section on Comments by the YVWD, and expressed concern that some of the referenced attachments to Mr. Zoba's February 1, 2021 letter were not available to the public on the website. Member Zoba indicated the draft minutes are available in the meeting packets and are posted to the website once approved. He noted that in addition to YVWD, other agencies provided comments which were summarized by Mr. Blandon in Memorandum 21-12.

Mr. Blandon clarified that the attachments represented 168 pages and made the file too large to email, hence the reference to the BBWM website. Member Jagers stated for the record that the August 27, 2020 draft special meeting minutes and the October 7, 2020 draft meeting minutes are attached to the December 2, 2020 agenda packet; and the December 2, 2020 draft meeting minutes are attached to the February 3, 2021 packet.

In response to Mr. Jagers, Member Zoba indicated that he was confident that accurate draft minutes were included in the packets and were provided to the public. Mr. Montoya stated that if the documents are publicly available, the Brown Act requirements have been met. He advised that the YVWD comments and letter in entirety is part of the record. He suggested using a BBWM DropBox account and providing a link and recommended full and complete attachments as part of the meeting materials. Mr. Zoba suggested attaching all agencies' comments to the annual report to build an administrative record. Mr. Jagers indicated he was satisfied that the Brown Act requirements have been met and Counsel Montoya concurred. Engineer Blandon advised that he will now include relevant pages related to comments received.

Mr. Blandon provided an overview of documentation and concerns about the transfer of the Oak Valley Partners, L.P. (OVP) 183.5 acre-feet of overlying water rights to YVWD in 2018 and 2019 as addressed in the Revised Draft Report dated December 12, 2020. He noted that the OVP transfer to YVWD available for 2019 remained as initially documented in the initial draft.

Comments were received on the Revised Draft, Blandon noted, and were categorized as related or unrelated to Annual Report Section 3.4.2. He highlighted the comments unrelated which were storage issues, the Basin southern boundary, and changes in production numbers for Banning C4 and BCVWD deliveries allocated to Banning in 2018 and 2019.

Blandon reviewed Production Tables and pointed out a discrepancy of less than 1 acre-foot between the numbers submitted by BCVWD and Banning, which will be addressed in the next few days. The changes affect storage balances, he explained, and reviewed the Storage Summary for 2019.

Mr. Blandon detailed comments related to Section 3.4.2 provided by the City of Beaumont, City of Banning, BCVWD and YVWD and explained the edited Report. Transfers of overlying rights from OVP to YVWD available for 2019 remained as initially documented in the initial draft at a combined total of 183.05 acre-feet, he stated. All meeting minutes for 2019 plus a copy of the Form 5 will be included in the Report, Blandon noted.

Mr. Blandon summarized comments submitted by Member Zoba (YVWD) and detailed ALDA's responses. He opined that consistent with the approval of the 2018 Annual Report, the Watermaster Committee should consider approving the 2019 Annual Report based on the documentation of 183.05 acre-feet of overlying rights transferred from OVP to YVWD during 2018 and early 2019. He noted that the discussion of YVWD's submittal of the Form 5 and the transfer of all OVP's rights to YVWD is yet to be resolved, and suggested that upon resolution, adjustments may be made to the 2018 and 2019 annual reports if needed.

Blandon explained there are two competing and mutually exclusive positions and requested guidance from the Committee to complete the report.

Member Zoba pointed to Rule 7.1, the submission of Form 5, and the documentation from OVP indicating forbearance of the production of the water and suggested the Annual Report allocates the overlying water that was acquired by YVWD to a category of unused overlying water rights that is not in the judgment. He suggested ALDA take a fresh look despite ongoing discussion, and indicated concern that documentation is not being followed and action is inconsistent with the Rules and Regulations. Zoba advised that he believes it is wrong that the Watermaster would consider a report that does not adequately transfer the water rights from OVP to YVWD when YVWD has followed all rules but is held up by ongoing discussion of the Watermaster Committee.

Mr. Blandon reminded the Committee of discussion related to the approval of the 2018 Annual Report. He noted that there is disagreement between the parties and that guidance, and the approval of the Report must be provided by the Committee.

Member Jagers opined that the 2019 Annual Report is consistent with the Rules and Regulations of the Beaumont groundwater basin and with Resolution 2017-02, and the activities of 2019 are fairly and accurately represented other than the minor discrepancy between the production reporting between BCVWD and the City of Banning.

Chair Vela acknowledged that Engineer Blandon is caught in the middle and that he has done a good job of revising the Annual Report per direction received from the Committee. There has been extensive discussion and it will continue until the issue is worked out, he said, and concurred that the 2019 Annual Report is accurate.

Member Armstrong indicated that Counsel Montoya's advice has been followed and agreed with moving forward.

It was moved by Member Jagers and seconded by Member Armstrong to approve the 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report with de minimus changes related to the storage accounts of the Beaumont-Cherry Valley Water District and the City of Banning. The motion was approved by the following roll-call vote:

AYES:	Hart, Jagers, Armstrong, Vela
NOES:	Zoba
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved 4-1

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. Amendment to the Rules and Regulations for addition of a policy and procedure for adding agenda items
- d. Addition of one monitoring well south of the Basin, and one north of the Basin as part of water loss monitoring

IX. Comments from the Watermaster Committee Members

Member Hart requested a list of open contracts and a project accounting.

Member Hart asked about filing of the Annual Report. Mr. Blandon explained that the report had been significantly delayed due to COVID-19 issues. Copies are submitted to all members and to legal counsel, and it is filed with the Riverside County Court. A report consisting of total Basin production, total amount of imported water, and change in storage is filed with the Department of Water Resources.

In response to Member Hart, Member Zoba explained that financial records are maintained by YVWD and BVCWD has copies of the contracts. He said he would provide a report at the next meeting.

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

XI. Adjournment

Chairman Vela adjourned the meeting at 11:06 a.m.

Attest:

DRAFT UNTIL APPROVED

Daniel Jagers, Secretary
Beaumont Basin Watermaster

Discussion Items

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-13

Date: April 7, 2021

From: Hannibal Blandon, ALDA Inc.

Subject: Certification of Groundwater Production and Imported Water Use during Calendar Year 2020

Recommendation: That the Watermaster Committee certify groundwater production, imported water spreading, and change in storage in the Beaumont Groundwater Basin during Calendar Year 2020.

By April 1st, of every year, the Beaumont Basin Watermaster is required to fill out an online form with the State of California Department of Water Resources (DWR) documenting the use of water in the basin during the previous year. As part of the documentation required, a PDF copy of the Final Annual Report is normally attached.

Considering the 2020 Final Annual Report of the Beaumont Basin will not be ready until the June meeting, at the earliest, DWR indicated that the on-line forms can still be filled out and submitted to the state before the April 1st deadline. DWR requested that a formal letter from Watermaster be attached documenting that the production, storage, and imported water use quantities used in the form for 2020 are accurate and that a copy of the final annual report be submitted at a later date.

On March 24, 2021 a letter was written by Mr. Blandon to Mr. Jagers, as Secretary of the Watermaster Committee, documenting the required information to fulfill the state requirements before the April 1st deadline. The information documented in that letter and presented below was compiled during the preparation of the 2020 Draft annual report.

- ✓ 2020 Groundwater Production
 - Total groundwater production: 18,636 ac-ft
 - Metered production: 18,622 ac-ft (Low uncertainty)
 - Other method (Water Duty): 14 ac-ft (Medium uncertainty)
- ✓ 2020 Surface Water Supply
 - State Water Project deliveries: 11,469 ac-ft (Low uncertainty)
- ✓ Total Water Use: 18,636 ac-ft
- ✓ 2020 Change in Storage: -5,577 ac-ft

Watermaster letter to DWR can be attached under Section F of the on-line form.

ALDA Inc.

5928 Vineyard Avenue
Alta Loma, CA 91701
Tel: (909) 587-9916
Fax: (909) 498-0423

March 24, 2021

Dan Jagers, Secretary
Beaumont Basin Watermaster
Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

Subject: **Certification of Groundwater Production and Imported Water Use in CY 2020**

Dear Mr. Jager:

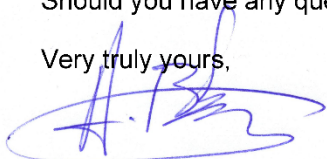
The purpose of this letter is provide you, as Secretary of the Beaumont Basin Watermaster, with the necessary information to fill out an on-line form with the State of California Department of Water Resources (DWR) documenting the use of water in the basin during CY 2020. This on-line form must be submitted by April 1, 2021. As part of the documentation required, a PDF copy of the 2020 Annual Report is normally attached.

Considering the 2020 Final Annual Report of the Beaumont Basin will not be ready until the June meeting, at the earliest, DWR has indicated in the past that the on-line forms can still be filled out and submitted to the state before the April 1st deadline. DWR requested that a formal letter from Watermaster be included in the on-line submittal documenting that the production, storage, and imported water use quantities used in the form for 2020 are accurate and that a copy of the final annual report be submitted at a later date. The information presented below was extracted during the preparation of the 2020 Draft report. This information can be used to fill out the on-line form on DWR's website.

- ✓ 2020 Groundwater Production
 - Total groundwater production: 18,636 ac-ft
 - Metered production: 18,622 ac-ft (Low uncertainty)
 - Other method (Water Duty): 14 ac-ft (Medium uncertainty)
- ✓ 2020 Surface Water Supply
 - State Water Project deliveries: 11,469 ac-ft (Low uncertainty)
- ✓ Total Water Use: 18,636 ac-ft
- ✓ 2020 Change in Storage: -5,577 ac-ft

Should you have any questions on this matter, please contact us at 909-587-9916.

Very truly yours,



F. Anibal Blandon, P.E.
ALDA Inc.
Beaumont Basin Watermaster Engineering Support

BEAUMONT BASIN WATERMASTER MEMORANDUM NO. 21-14

Date: April 7, 2021

From: Hannibal Blandon, ALDA Inc.

Subject: Presentation of the 2020 Consolidated Annual Report and Engineering Report

Recommendation: That the Watermaster Committee consider approving the Draft Report depending on the nature of the comments.

ALDA Inc., in Association with Thomas Harder & Company, will make a formal online presentation of the draft of the 2020 Beaumont Basin Consolidated Annual Report and Engineering Report. The presentation will include conditions of the basin including groundwater production, water levels, spreading, water transfers, and water quality conditions that occurred during CY 2020.

Committee members will have the opportunity to ask questions and comment on the various sections of the report and presentation.

The Watermaster Committee should consider approving the Draft Report at the April meeting or waiting until the June meeting depending on the nature of the comments received and response given.

The Draft 2020 Consolidated Annual Report is available online from the "Documents & Publications" section of the Beaumont Basin Watermaster website (www.beaumontbasinwatermaster.org) or directly from the following link:

<http://documents.yvwd.dst.ca.us/bbwm/documents/2020/2020annualreport-draft210407.pdf>

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-15

Date: April 7, 2021

From: Hannibal Blandon, ALDA Inc.

Subject: A Comparison of Production and Allowable Extractions through February 2021

Recommendation: No recommendation - For informational purposes only.

This Technical Memorandum presents a comparison of production rights from the Basin against actual production by Appropriators. Production rights consist of the sum of: a) unused production by overlying users from 2016 as transferred to Appropriators for 2021; b) transfers of overlying water rights from OVP to YVWD to serve certain parcels within the Basin; and c) imported water spreading. Final numbers will be documented in the 2021 Annual Report.

Total production by Appropriators for the first two months in 2021 was 2,509 ac-ft; imported water spreading was reported at 479 ac-ft exclusively by BCVWD. Allowable production for the reporting period was estimated at 5,425 ac-ft. Transfers of Overlying Production from OVP to YVWD were 183.05 based on four (4) transfers from OVP to YVWD in 2018 and 2019. Overall, Appropriators have produced 46.2 percent of their allowable production during the first two months of the year. These numbers and percentages are anticipated to change as agencies continue to spread imported water. All numbers are reported in ac-ft.

	City of Banning	Beaumont Cherry Valley Water District	South Mesa Mutual Water Company	Yucaipa Valley Water District	Total
Transfer of Overlying Rights from 2016	1,497	2,025	594	647	4,763
Transfer of Overlying Rights from OVP to YVWD	0	0	0	183	183
Imported Water	0	479	0	0	479
Total	1,497	2,504	594	830	5,425
Production	320	2,008	45	136	2,509
% of Total	21.4%	80.2%	7.6%	16.4%	46.2%
Storage Impact	1,177	495	549	694	2,916

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-16

Date: April 7, 2021

From: Hannibal Blandon, ALDA Inc.

Subject: Status Report on Water Level Monitoring throughout the Beaumont Basin through March 21, 2021

Recommendation: Presentation - No recommendation.

At the present time, there are 15 monitoring wells collecting water level information on an hourly basis at various locations throughout the basin. In addition, there are two monitoring probes collecting barometric pressures at opposite ends of the Beaumont Basin. The location of active monitoring wells is depicted in the attached Figure No. 1.

Water levels at selected locations are depicted in Figures 2 through 7 and are described as follows:

- ✓ Figure No. 2 – Water levels at YVWD Well No. 34 and Oak Valley Well No. 5 are considered representative of basin conditions in the Northwest portion of the basin. Through the summer of 2019 water levels at these two wells have been fairly steady; however, over the 18 months a significant decline has been observed. A 14-foot decline has been recorded at YVWD 34 over this period. The decline at Oak Valley 5 has been steeper with a drop 24 feet in the last year despite of the fact that this well has not been pumped since the last fall. The monitoring probe has been removed from Oak Valley 5 because the well seems to be blocked with no possibility of lowering the probe to its original location.
- ✓ Figure No. 3 – Two of the Noble Creek observation wells are presented in this figure representing the shallow and deep aquifers. From the summer of 2016 through the spring of 2018, the water level in the shallow aquifer monitoring well increased over 90 feet to an elevation of 2,422 ft. Water level continued to increase, although at a lower rate, over the ensuing 18 months reaching a peak elevation of 2,431 ft in the fall of 2019. Since it has declined 17 feet to the current elevation of 2,414 ft. In the deeper aquifer, the increase in water level was steady from the summer of 2016 through the spring of 2020 reaching a peak elevation of 2,302 ft.; a decline of three feet has been recorded since.
- ✓ Figure No. 4 – Southern Portion of the Basin. Water level at the Summit Cemetery well is highly influenced by a nearby pumping well that is used to irrigate the cemetery grounds. The water level at this well continues to fluctuate over a 20-foot band. Conversely, the water level at the Sun Lakes well has fluctuated minimally over the same period and it is currently at the same level as when monitoring began in the summer of 2015.

- ✓ Figure No. 5 illustrates water levels at three wells owned by the City of Banning in the Southeast portion of the basin. While water level at the Old Well No. 15 (Chevron Well) has been fairly flat over the last four years, a somewhat significant and steady decline, close to 33 feet, has been recorded at Banning M-8 between the summer of 2015 and the winter of 2021 to its current elevation of 2,047 ft. Water level at Banning M-9 has fluctuated in a 17-foot range, between 2,130 ft and 2,147 ft. since monitoring began in the summer of 2015. Recently, a drop of 46 feet was recorded at this well; this is more likely related to the change in communications cable, which may be a little longer than labeled. This cable will be pulled at the next visit to determine the exact length and make sure that recorded water depth is accurate.
- ✓ Figure No. 6 illustrate recorded water level at BCVWD No. 2 and BCVWD No. 25. Water levels at these two wells follow seasonal pumping patterns peaking in the spring to begin a gradual decline into the fall to later recover again. This was observed during the 2016-19 period; however, in 2020 the decline seems to be steeper than in previous years specially at BCVWD No. 2. A decline of 27 feet was recorded at this well between the spring and early fall of 2020; since it has recovered over 20 feet.
- ✓ Figure No. 7 depicts the recorded water level at the two newest observation wells, BCVWD No. 29 and Tukwet Canyon Well "B". BCVWD No. 29 is a pumping well that is now more actively used to meet peak summer demands. A decline in water level of seven feet has been recorded at this well since monitoring began in the spring of 2019. Tukwet B is a dedicated monitoring well in the southern portion of the basin with minimal fluctuations in levels since the probe was installed in the spring of 2019.

New Monitoring Wells

During the last reporting period, no additional monitoring wells were added.

New Equipment Installation

- None

Troubleshooting Issues

The following malfunctioning issues were encountered during our March 21, 2021 field visit:

- ✓ YVWD 34 – The communications cable was pulled about two feet out of the well when we visited the well on March 21, 2021. The cable was reinstalled in its original position after downloading the data.

New Monitoring Sites

Due to the current pandemic, all communications with owners of potential well sites have stalled. We will restart communications in the future as the country gradually goes back to normal. The following sites are being considered:

- ✓ Catholic Dioceses of San Bernardino-Riverside counties, near Rancho Calimesa Mobile Home Park has three abandoned wells. Two of these wells cannot be used at this time because the probe could not be lowered; however, the third site has great potential. This well is approximately 400 ft deep and the water level is at approximately 160 feet below ground.
- ✓ Sharondale Well No. 1 – This well is operated by Clearwater Operations. We initiated contact with this company to install a water level probe at this well, but progress has not been made.
- ✓ At Plantation by the Lake, another potential monitoring well site, communications with owner have not be reestablished.
- ✓ Oak Valley office well may be considered as an alternate monitoring well until Oak Valley No. 5 is refurbished.

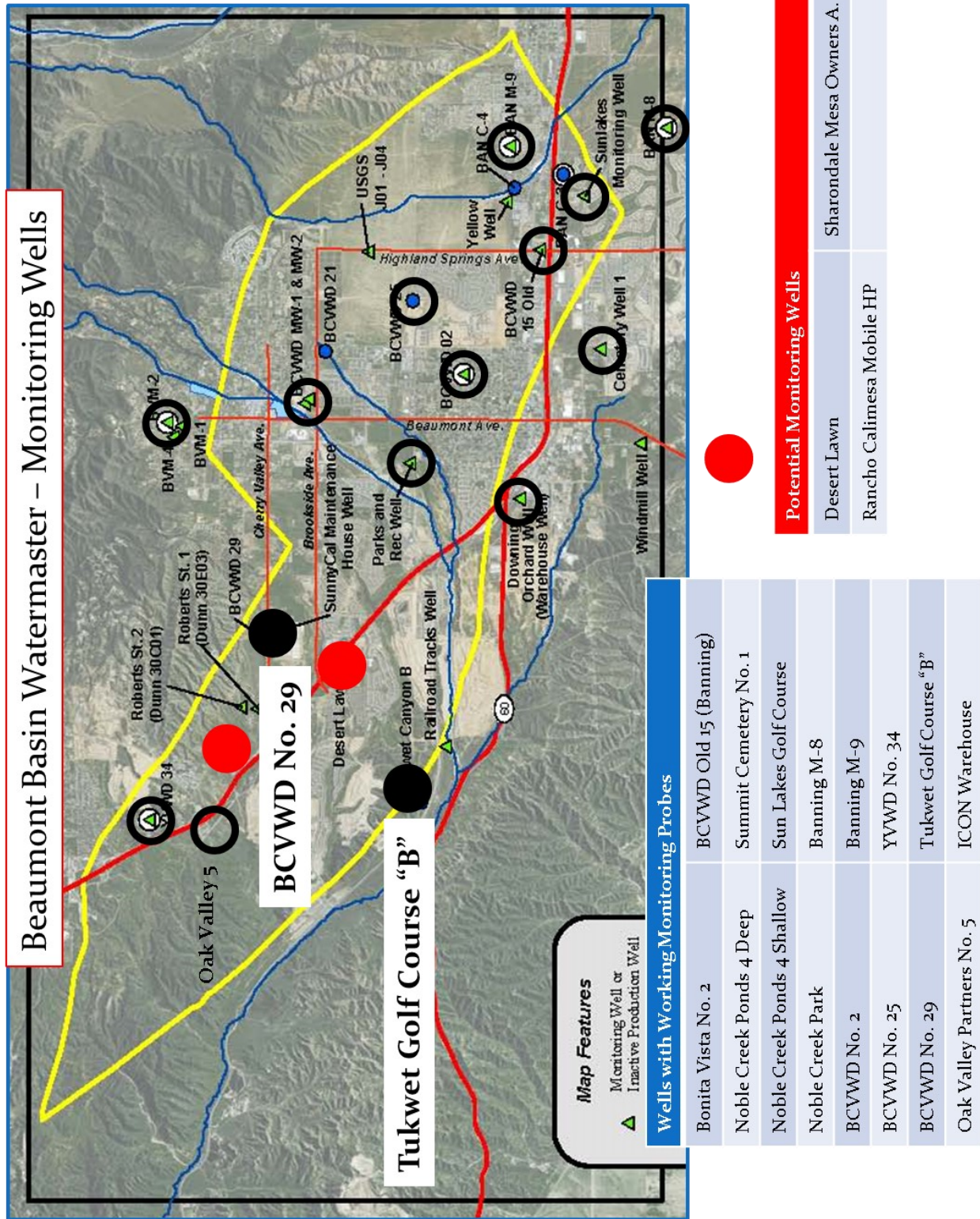


Figure No. 2
Static Groundwater Elevations at YVWD No. 34 and Oak Valley No. 5
 (July 29, 2015 through Mar 21, 2021)

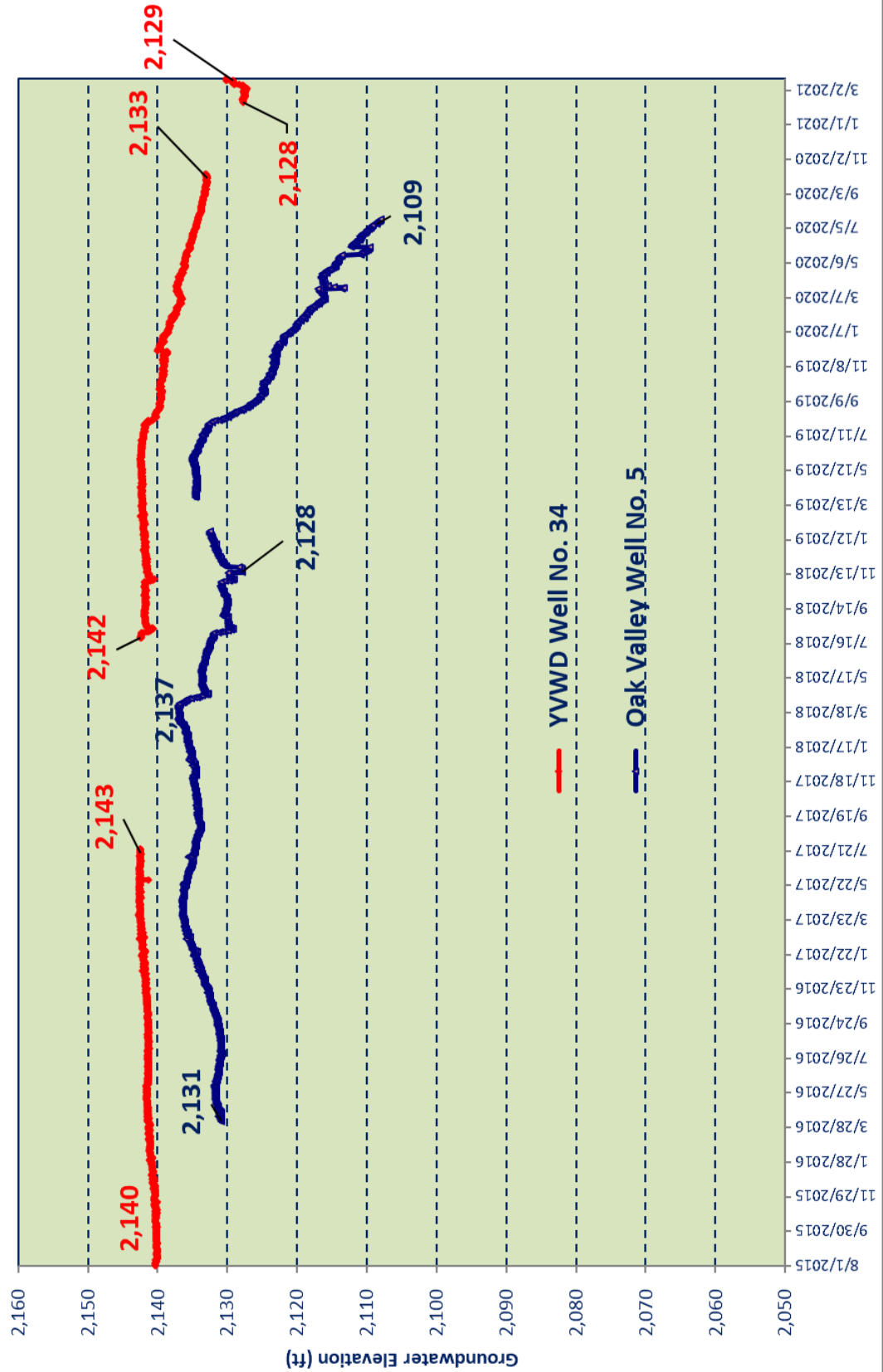


Figure No. 3
Static Groundwater Elevations at Noble Creek Obs. Well 4S and 4D
 (May 28, 2015 through Mar 21, 2021)

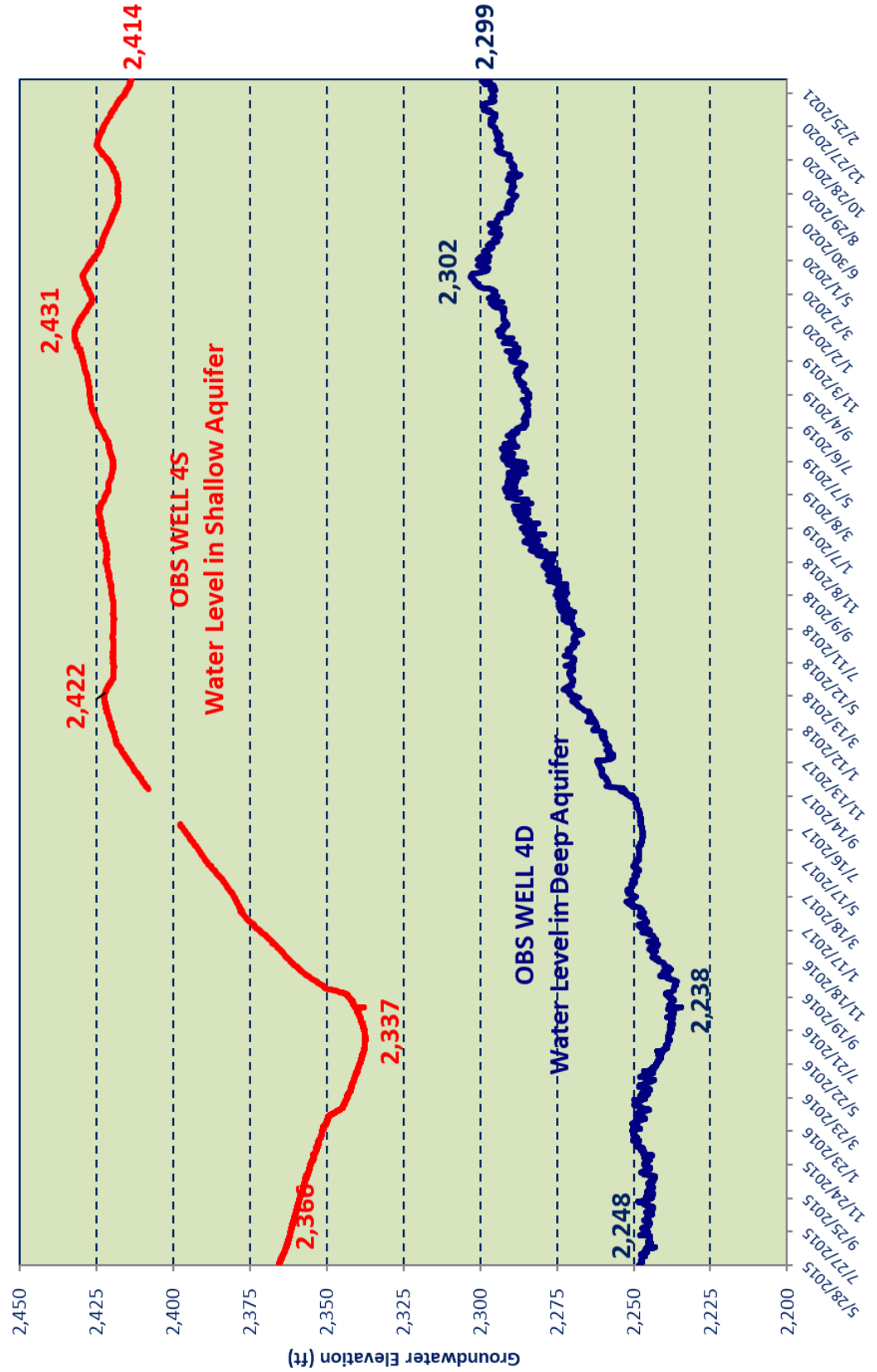


Figure No. 4
Static Groundwater Elevations at Summit Cemetery and Sun Lakes Wells
 (May 28, 2015 through Mar 21, 2021)

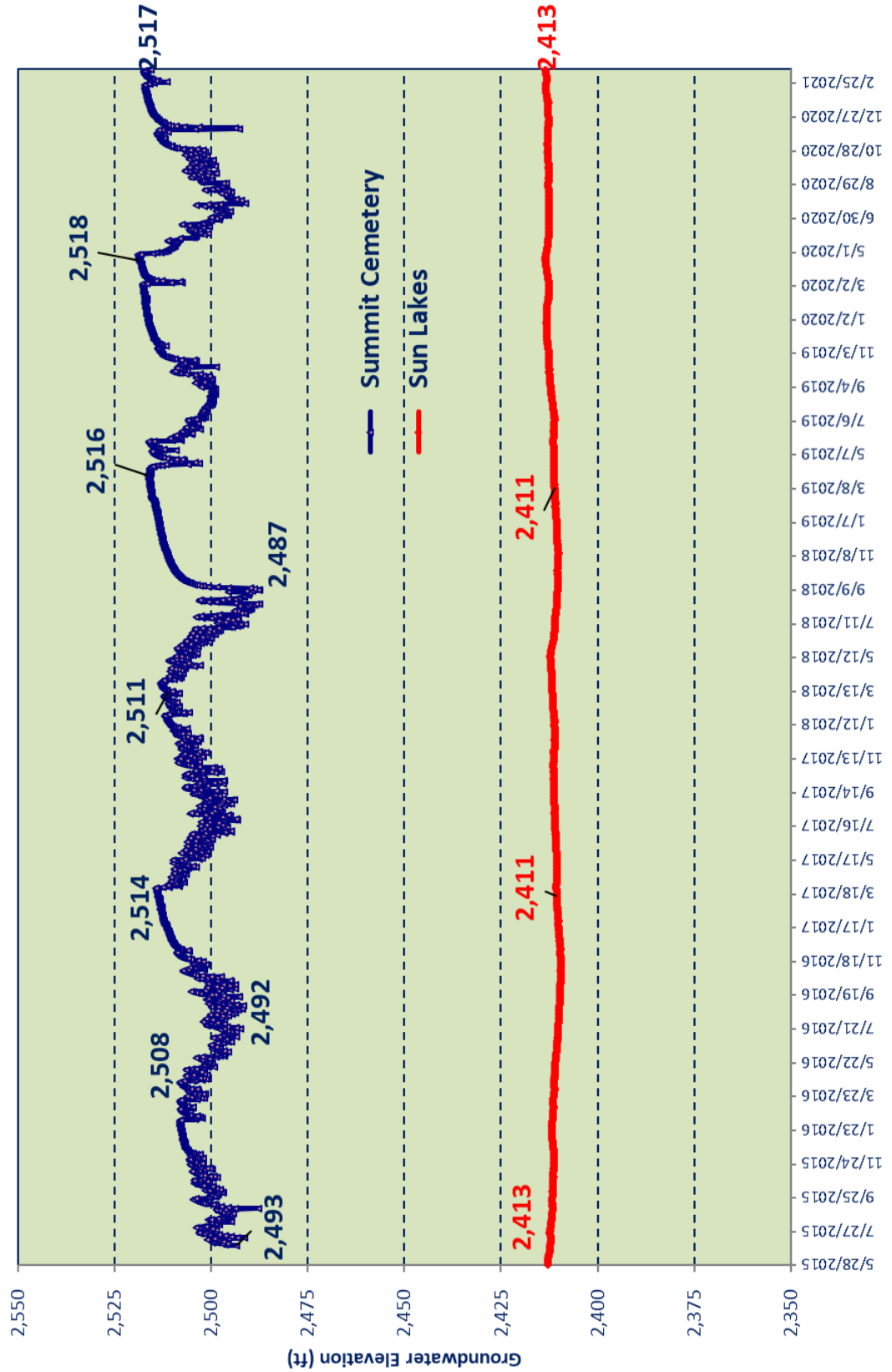


Figure No. 5
Static Groundwater Elevations in the Banning Area
 (May 28, 2015 through Mar 21, 2021)

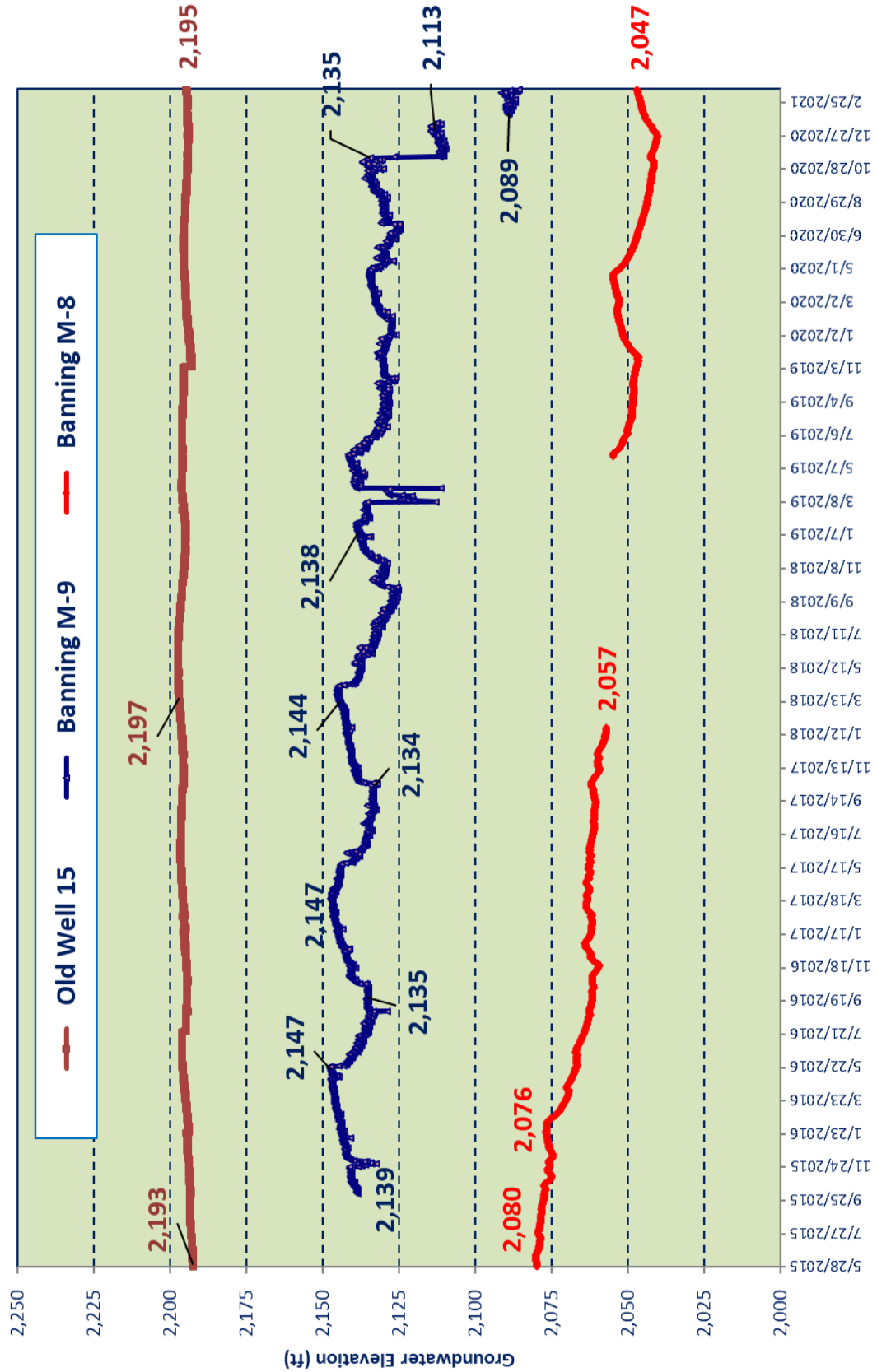


Figure No. 6
Static Groundwater Elevations at BCVWD Wells No. 2 and 25
 (May 28, 2015 through Mar 21, 2021)

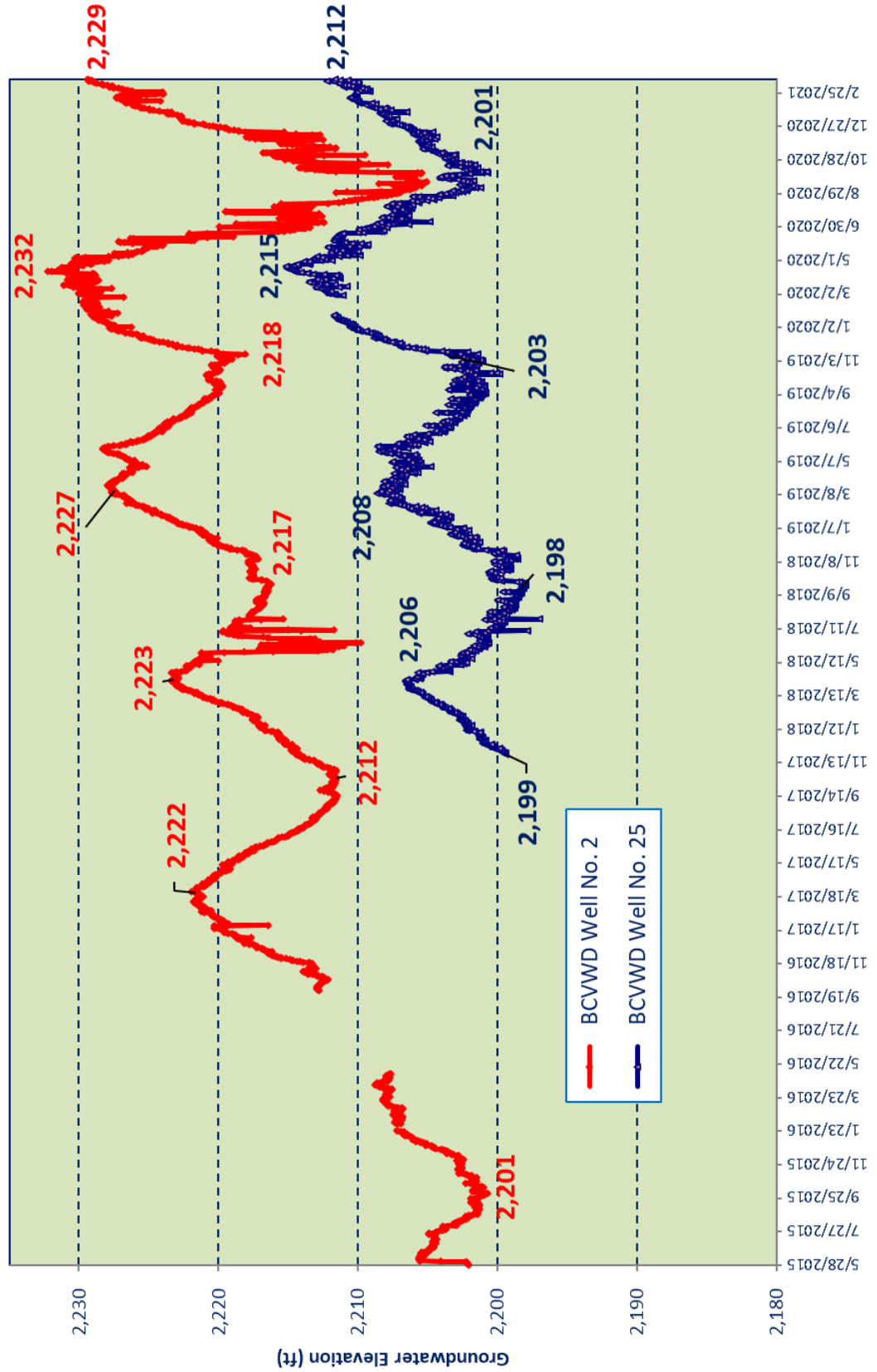
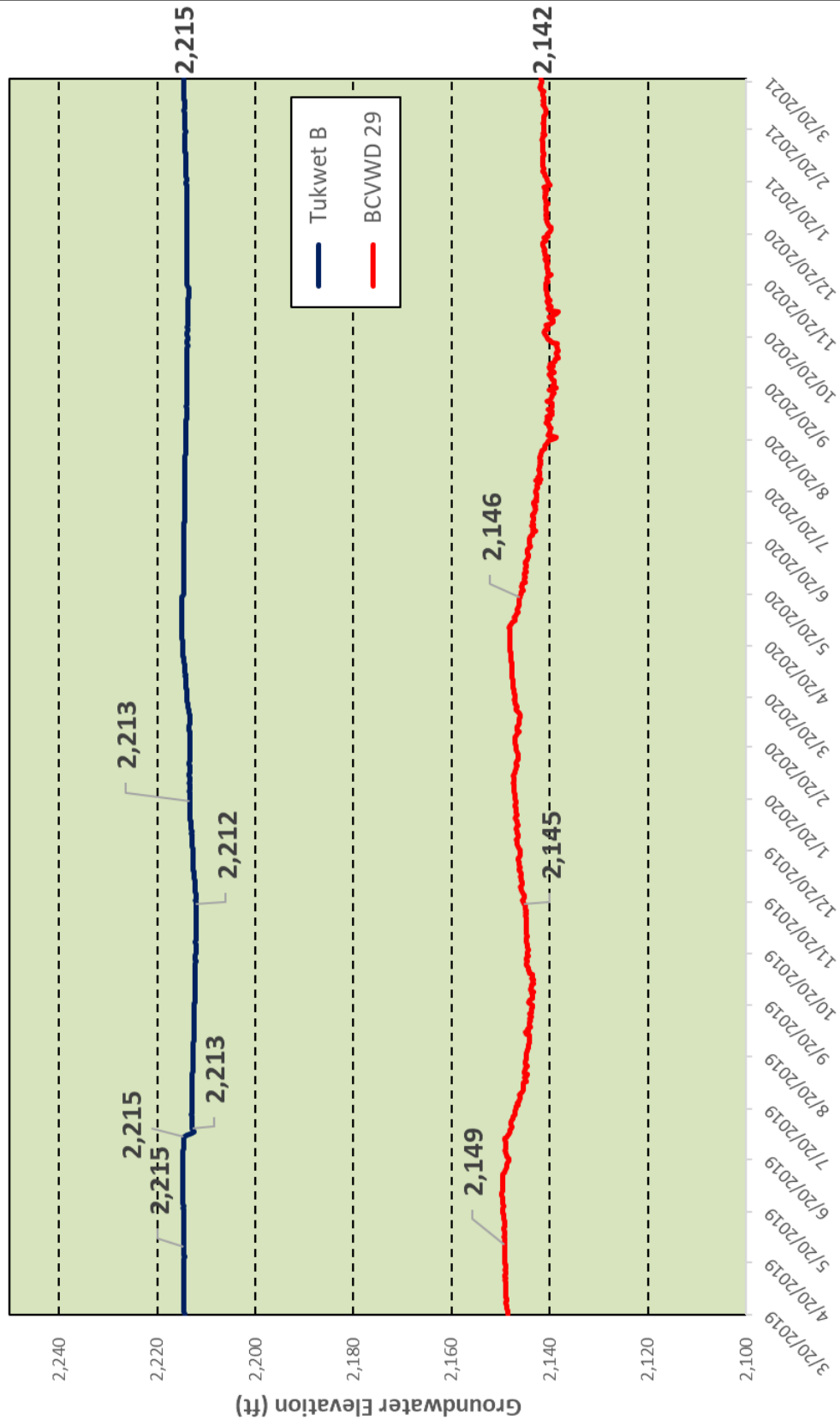


Figure No. 7
Static Water Level at BCVWD No. 29 and Tukwet Cyn Well B
 (Mar 20, 2019 through Mar 21, 2021)



BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-17

Date: April 7, 2021

From: Joseph Zoba, Treasurer

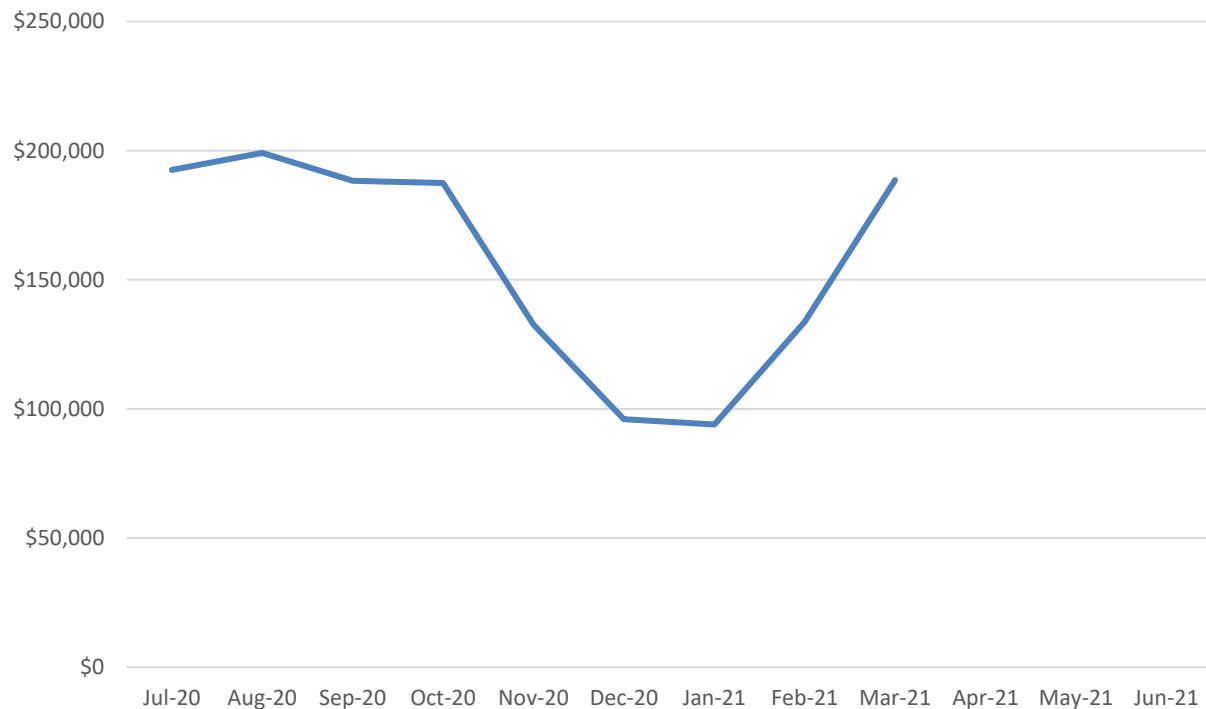
Subject: Financial Status Report

Recommendation: Presentation Only - No Action Required

The following information has been compiled to provide an update on the financial status of the Beaumont Basin Watermaster.

Account Balance - The bank account balance will increase with the receipt of payments from the Watermaster Committee and decrease with the payment of routine expenses incurred by the Watermaster.

Bank Account Balance - Month End



Budget Monitoring - Revenue for the Beaumont Basin Watermaster is received when one of the following events occur: (1) the Watermaster Committee approves a task order; (2) the Watermaster Committee approves a special project; (3) when a budget is adopted with a recommendation to replenish the anticipated administrative expenses for the year; or (4) when the administrative funds have been depleted and additional funds are required.

Based on the current status of the budget, the anticipated budget line item overage for Legal Expenses will be funded from Reserve Funds.

OPERATING EXPENSES:	Approved Budget Fiscal Year 2021	Year-To-Date Expenses	Percentage of Approved Budget
Bank Fees & Interest	\$50.00	-\$21.41	-42.8%
Miscellaneous & Meeting Expenses	\$250.00	\$0.00	0.0%
Acquisition/Computation & Annual Report	\$100,000.00	\$25,475.00	25.5%
Annual Audit	\$1,300.00	\$1,360.00	104.6%
Engineering Services	\$50,000.00	\$30,287.50	60.6%
Monitoring & Data Acquisition	\$50,000.00	\$35,972.83	71.9%
Meter Installation	\$10,000.00	\$0.00	0.0%
Legal Expenses	\$25,000.00	\$29,182.65	116.7%
Reserve Funding	\$10,000.00	\$0.00	0.0%
Special Project - Engineering	\$0.00	\$0.00	0.0%
Special Project - Litigation	\$0.00	\$0.00	0.0%
Total Operating Expense	\$246,600.00	\$122,256.57	49.6%

Summary of Consultant Task Orders - The following Task Orders are open with our consultants.

Task Order	Description	Contract Amount	Payments to Date	Percent Billed to Date
8	On-Call Services	\$20,000	\$15,350.00	77%
17	Return Flow Analysis	\$70,430	\$17,977.50	16%
20	2020 Support Services	\$95,970	\$83,442.50	87%
21	2020 Water Level Monitoring	\$21,520	\$18,000.00	84%
22	Water Quality Monitoring	\$43,750	\$26,760.00	61%
23	2020 Annual Report	\$95,970	\$0	- -
24	2021 Water Level Monitoring	\$21,520	\$0	- -

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-18

Date: April 7, 2021

From: Joseph Zoba, Treasurer

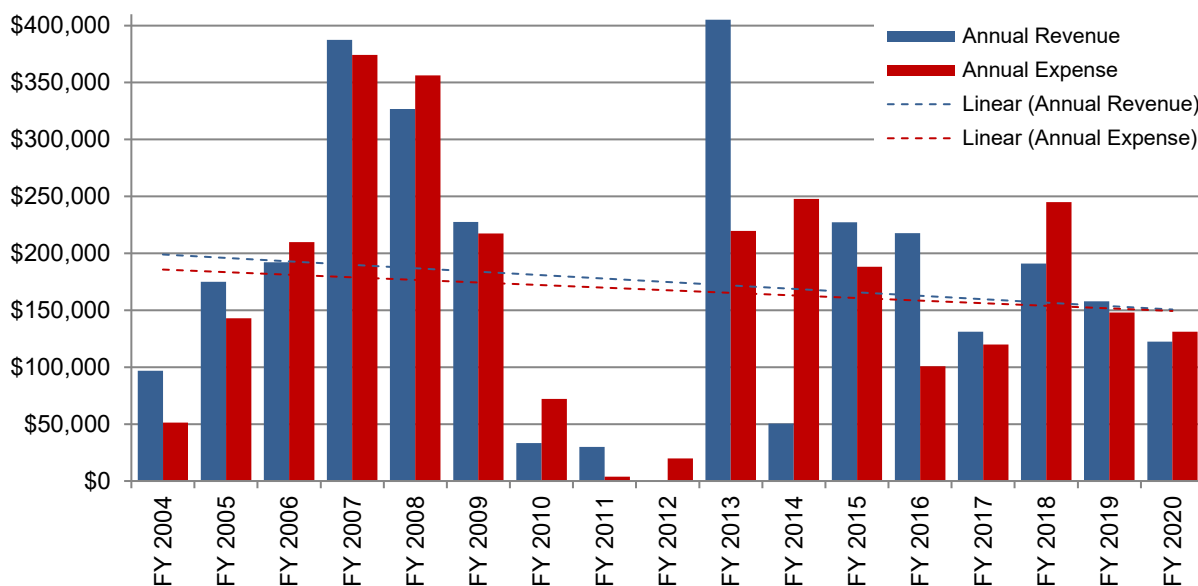
Subject: Independent Accountant's Financial Report of Agreed-Upon Procedures for the Beaumont Basin Watermaster

Recommendation: That the Watermaster Committee receive and file the Independent Accountant's Financial Report for the period ending June 30, 2020.

The Beaumont Basin Watermaster engaged the firm of Rogers, Anderson, Malody & Scott to perform an independent financial review of the Watermaster activities for the fiscal year ending June 30, 2020. The independent financial review was conducted under the same terms and scope as the prior fiscal year.

At the beginning of the 2019-2020 fiscal year, the Beaumont Basin Watermaster had an unrestricted net position of \$144,902. During the fiscal year, the Watermaster collected \$122,336 in revenues and expended \$131,217. As of June 30, 2020, the Watermaster had unrestricted net position of \$136,021.

The following illustration provides a summary of the annual revenues and expenses of the Beaumont Basin Watermaster since its formation in 2004.



BEAUMONT BASIN WATERMASTER
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES
ON THE BEAUMONT BASIN WATERMASTER SCHEDULES
JUNE 30, 2020



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST

MANAGERS / STAFF

Charles De Simoni, CPA
Gardenya Duran, CPA
Brianna Schultz, CPA
Jingjie Wu, CPA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Tara R. Thorp, CPA, MSA
Laura Arvizu, CPA
Louis Fernandez, CPA
Abigail Hernandez Conde, CPA, MSA
Zoe Xinlu Zhang, CPA, MSA

We have performed the procedures enumerated below, which were agreed to by the Yucaipa Valley Water District (District), as treasurer of the Beaumont Basin Watermaster (Watermaster), solely to assist the District in evaluating certain amounts reported in the Watermaster Schedules (Schedules), attached as Exhibit A and Exhibit B, on the full accrual basis of accounting as of June 30, 2020 and for the year then ended and its compliance with the Rules and Regulations regarding assessments and expenses. The District's and Watermaster's management are responsible for the accuracy of the Schedules. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure

Agree the unrestricted net position, beginning of year amount on the Schedule of Revenues and Expenses (Exhibit B) to the unrestricted net position, end of year amount noted on the trial balance for the fiscal year ended June 30, 2019.

Finding

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

2. Procedure

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

Finding

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

MEMBERS

American Institute of
Certified Public Accountants

PCPS The AICPA Alliance
for CPA Firms

Governmental Audit
Quality Center

Employee Benefit Plan
Audit Quality Center

California Society of
Certified Public Accountants



3. Procedure

Trace all member agency assessments recorded in the schedule of revenues and expenses (Exhibit B) to the invoices and the bank statements.

Finding

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

4. Procedure

Compare the ending check number for the fiscal year ended June 30, 2019 to the beginning check number for the period beginning on July 1, 2019. Note any breaks in check sequence for the period of July 1, 2019 through June 30, 2020.

Finding

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

5. Procedure

Based on the population of checks issued during July 1, 2019 through June 30, 2020, select all payments and trace the check to supporting invoice noting whether the activity pertains to the Watermaster. Agree the dollar amount and vendor on the invoice to the check for accuracy.

Finding

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

6. Procedure

Obtain the general ledger detail for the period of July 1, 2019 to June 30, 2020. Select all journal entries and trace the transaction to an approved journal entry and documentation supporting the nature and rationale of the journal entry.

Finding

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

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the schedules of assets, liabilities and net position (Exhibit A) and revenues and expenses (Exhibit B). Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Rogers, Anderson, Malody & Scott, LLP.

August 17, 2020
San Bernardino, California

Exhibit A

**Beaumont Basin Watermaster
Schedule of Assets, Liabilities and Net Position
(Unaudited)
June 30, 2020**

Assets

Cash and cash equivalents	<u>\$ 136,846</u>
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Liabilities

Accounts payable	<u>825</u>
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Net position

Unrestricted	<u><u>\$ 136,021</u></u>
--------------	--------------------------

Exhibit B

**Beaumont Basin Watermaster
Schedule of Revenues and Expenses
(Unaudited)
For the Year Ended June 30, 2020**

Revenues	
Assessments	\$ 122,270
Interest	<u>66</u>
Total revenues	<u>122,336</u>
Expenses	
Special projects	
Engineering	24,527
Monitoring and data acquisition	96,644
Administrative	
Legal and professional	10,032
Bank charges	<u>14</u>
Total expenses	<u>131,217</u>
Change in net position	(8,881)
Unrestricted net position, beginning of year	<u>144,902</u>
Unrestricted net position, end of year	<u><u>\$ 136,021</u></u>

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-19

Date: April 7, 2021

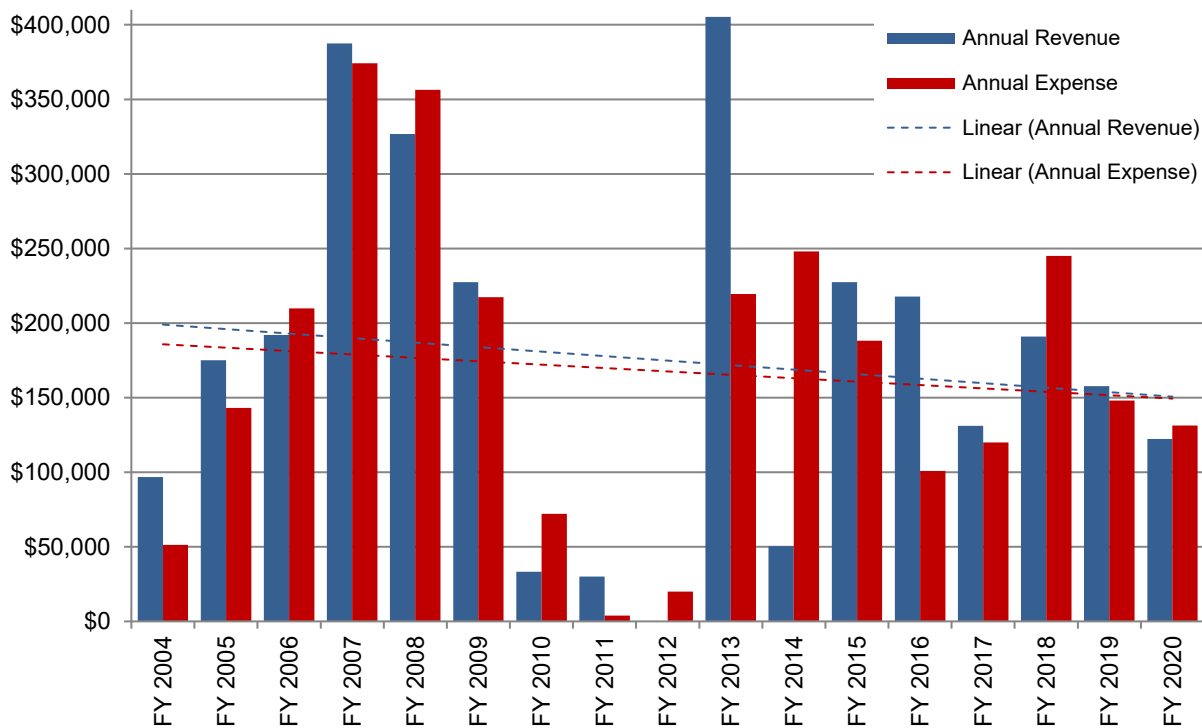
From: Joseph Zoba, Treasurer

Subject: Consideration of the Watermaster Budget for Fiscal Year 2021-2022

Recommendation: That the Watermaster Committee approve the budget for Fiscal Year 2021-2022.

The Treasurer of the Beaumont Basin Watermaster sends invoices to Watermaster Committee members when one of the following events occur: (1) the Watermaster Committee approves a task order; (2) the Watermaster Committee approves a special project; (3) when a budget is approved to replenish the anticipated administrative funds for the year; or (4) when the administrative funds have been depleted.

As of June 30, 2020, the Watermaster had an operating fund balance of \$136,021 in a designated account at Bank of America.



Based on the typical expenses incurred by the Beaumont Basin Watermaster, the estimated annual contribution for each member agency will be \$0 at this time for routine administrative expenses.

The Watermaster Treasurer will continue to send invoices to Watermaster Committee members when task orders are approved at Watermaster Committee meetings throughout the year.

OPERATING EXPENSES:	Approved Budget Fiscal Year 2021	Year-To-Date Expenses March 2021	Proposed Budget Fiscal Year 2022
Bank Fees & Interest	\$50.00	-\$21.41	\$50.00
Miscellaneous & Meeting Expenses	\$250.00	\$0.00	\$250.00
Acquisition/Computation & Annual Report	\$100,000.00	\$25,475.00	\$100,000.00
Annual Audit	\$1,300.00	\$1,360.00	\$1,400.00
Engineering Services	\$50,000.00	\$30,287.50	\$50,000.00
Monitoring & Data Acquisition	\$50,000.00	\$35,972.83	\$50,000.00
Meter Installation	\$10,000.00	\$0.00	\$0.00
Legal Expenses	\$25,000.00	\$29,182.65	\$35,000.00
Reserve Funding	\$10,000.00	\$0.00	\$10,000.00
Special Project - Engineering	\$0.00	\$0.00	\$0.00
Special Project - Litigation	\$0.00	\$0.00	\$0.00
Total Operating Expense	\$246,600.00	\$122,256.57	\$246,700.00

	Account Number	Proposed Budget for Fiscal Year 2021-2022
Bank Fees & Interest	5000	\$50
Meetings & Miscellaneous	5010	\$250
Acquisition/Computation & Annual Report	5020	\$100,000
Annual Audit	5040	\$1,400
Engineering Services	5060	\$50,000
Monitoring & Data Acquisition	5063	\$50,000
Meter Installation and Repair	5064	\$0
Legal Expenses	5070	\$35,000
Reserves	5080	\$10,000
Total		\$246,700

BEAUMONT BASIN WATERMASTER

MEMORANDUM NO. 21-20

Date: April 7, 2021

From: Dan Jagers, Secretary

Subject: Discussion Regarding Proposed Revisions to Section 2.2 of the Rules and Regulations

On Tuesday, March 23, 2021, the following draft policy document was received with instructions to be included in the Beaumont Basin Watermaster meeting packet for April 7, 2021.

**Proposed amendment to the
Rules and Regulations of the Beaumont Basin Watermaster**

Current

SECTION 2 – ADMINISTRATION

2.2 Meetings of the Watermaster. All meetings of the Watermaster shall be open in public and conducted in accordance with the provisions of the California Open Meeting Law (Brown Act).

Proposed revision

SECTION 2 – ADMINISTRATION

2.2 Meetings of the Watermaster.

2.2.1 Open meetings. All meetings of the Watermaster shall be open and public and conducted in accordance with the provisions of California Government Code 54950 et. seq. (the Ralph M. Brown Act).

2.2.2 Agenda.

2.2.2.a The Committee Chair designated administrator will work with the Watermaster's contracted Engineer to prepare an agenda for each regular and special meeting of the Watermaster Committee in accordance with the Brown Act. The Committee Chair shall review the agenda and has the authority to add agenda items prior to the 72-hour agenda posting deadline (requirement of the Brown Act).

2.2.2.b Public Requests. Any member of the public may request that a matter directly related to Watermaster Committee business and within the jurisdiction of the Watermaster be placed on the agenda of a regularly scheduled meeting of the Committee, subject to the following conditions:

- i. The request must be in writing and be submitted to the designated administrator and the Committee Chair together with all supporting documents and information, if any, at least ten (10) business days prior to the date of the meeting;
- ii. No matter which is legally a proper subject for consideration by the Committee in closed session will be accepted under this policy; and
- iii. The Committee may place limitations on the total time to be devoted to a public request issue at any meeting, and may limit the time allowed for any one person to speak on the issue at the meeting.

2.2.2.c Member Requests. Any Member of the Watermaster Committee may

request that a matter directly related to Watermaster business be placed on the agenda of a regularly scheduled meeting of the Watermaster Committee, subject to the following conditions:

- i. Under normal circumstances, Committee members should make the request during a regular meeting at the "Topics for Future Meetings" portion of the proceedings.
- ii. The request must be confirmed in writing and submitted to the Watermaster Committee Chair and designated administrator together with all supporting documents and information, if any, by noon at least ten (10) working days prior to the date of the next scheduled regular meeting.
- iii. Should the Committee Chair decline to agendize the requested matter within 120 days of the request, the Committee member may propose the matter for a vote under the "Topics for Future Meetings" at a scheduled regular or special meeting of the Committee. Upon majority vote of the members of the Watermaster Committee, the matter will be placed for discussion and/or action on the agenda of the next regularly scheduled meeting.