



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Elizabeth Gibbs, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: June 23, 2026

SUBJECT: Overview of the Beaumont Basin Watermaster

STAFF RECOMMENDATION:

Receive and file a report regarding the background, purpose, responsibilities, and current activities of the Beaumont Basin Watermaster.

BACKGROUND:

The Beaumont Basin Watermaster was established pursuant to the 2004 Stipulated Judgment in San Timoteo Watershed Management Authority v. City of Banning, et al. The Judgment was approved by the Riverside County Superior Court and created a groundwater management structure for the Beaumont Basin. The Court retained continuing jurisdiction over the Judgment, while assigning basin management responsibilities to the Watermaster.

The Beaumont Basin Watermaster's mission is to manage the yield of and storage within the Beaumont Basin to provide maximum benefit to the people dependent on it. The Watermaster Committee is composed of five representatives from the Appropriator Parties: the City of Banning, City of Beaumont, Beaumont-Cherry Valley Water District, South Mesa Water Company, and Yucaipa Valley Water District.

The need for a groundwater management entity was identified through earlier regional planning efforts led by the San Timoteo Watershed Management Authority, which was formed in 2001 by the City of Beaumont, Beaumont-Cherry Valley Water District, South Mesa Water Company, and Yucaipa Valley Water District. Those efforts focused on enhancing water supplies, protecting water quality, improving groundwater basin management, protecting riparian habitat, and equitably distributing the benefits and costs of regional watershed management.

Following negotiations among overlying users and water agencies with interests in the basin, the Stipulated Judgment was developed and approved by the Court on February 4, 2004. The Judgment established the legal framework for groundwater production, basin storage, recharge, replenishment obligations, transfers, and long-term basin management.

The Judgment allows all producers to pump sufficient water from the basin to meet their respective requirements, subject to the terms of the Judgment and related accounting provisions. The Judgment initially established the safe yield of the Beaumont Basin at 8,650 acre-feet per year, to be distributed among the Overlying Producers. The Judgment also requires the safe yield to be reevaluated at least every ten years.

In 2015, following completion of a technical study and hydrologic modeling effort, the Beaumont Basin Watermaster Committee redetermined the safe yield of the basin to be 6,700 acre-feet per year. More

recently, the Watermaster Committee approved the 2023 Reevaluation of the Beaumont Basin Safe Yield Report and adopted Resolution 2024-01, which redetermined the safe yield at 7,100 acre-feet per year, effective 2024.

Temporary Surplus Allocation

One of the important elements of the Judgment was the allowance of a controlled overdraft of the basin during the first ten years following the Judgment. This controlled overdraft was referred to as the “Temporary Surplus.” The purpose of the Temporary Surplus was to create additional groundwater storage capacity in the basin and help prevent the waste of water.

Under the Judgment, the Appropriator Parties were allocated for extraction up to 160,000 acre-feet of water from the basin over the ten-year period immediately following the inception of the Judgment. This equated to a maximum of 16,000 acre-feet per year during the initial ten-year period.

The Appropriator percentage allocations used for the Temporary Surplus and for allocations of unused Overlying Water rights are as follows:

<u>Appropriator Party</u>	<u>Percentage Allocation</u>	<u>Annual Temporary Surplus Allocation</u>
Beaumont Cherry Valley Water District	42.51%	6,802 acre-feet per year
City of Banning	31.43%	5,029 acre-feet per year
South Mesa Water Company	12.48%	1,997 acre-feet per year
Yucaipa Valley Water District	13.58%	2,173 acre-feet per year

Watermaster Responsibilities

The Watermaster is responsible for administering the Judgment and managing the basin in a manner that supports the maximum beneficial use of groundwater resources. The Watermaster operates under the Judgment and its adopted Rules and Regulations, which were originally adopted in 2004 and have been amended over time.

Key Watermaster responsibilities include:

1. Administering the Judgment and Rules and Regulations.
Watermaster maintains accounting procedures for groundwater production, recharge, transfers, storage, and replenishment obligations.
2. Preparing Annual Reports.
Each year, Watermaster publishes an Annual Report documenting groundwater production, recharge activity, transfers between Appropriators, transfers of water rights from Overlying Parties to Appropriators, and related basin management activities.
3. Approving Producer Activities.
Producers are required to notify and obtain approval from Watermaster, as necessary, for activities such as recharging water, storing supplemental water, recovering stored water, transferring or exchanging water, and storing local water.
4. Maintaining and Improving Water Supply.
Watermaster annually determines the amount of groundwater each producer may pump from the basin without incurring a replenishment obligation.
5. Monitoring and Understanding Basin Conditions.
Watermaster collects and evaluates groundwater production data, groundwater level data, water quality information, and other technical information to improve understanding of basin conditions and support long-term management decisions.
6. Maintaining and Improving Water Quality.
Watermaster coordinates with local agencies and regulatory agencies on efforts to protect and improve groundwater quality.

7. Developing and Administering Well Policies.

Watermaster has adopted minimum standards for the construction, repair, abandonment, and destruction of groundwater extraction wells in the basin.

8. Entering into Beneficial Agreements.

Watermaster has the authority to enter into agreements for programs and services that benefit the basin, including groundwater storage agreements.

9. Providing Regional Leadership.

Watermaster may work cooperatively with local, state, and federal agencies to support regional programs for basin management, water supply reliability, recharge, storage, and resource protection.

Recharge and Storage of Supplemental Water

Supplemental replenishment water may include recycled water, imported State Water Project water, or other imported supplies. Replenishment may occur through spreading and percolation, injection, in-lieu use of surface water or imported water, or other approved methods.

The Judgment reserved a minimum of 200,000 acre-feet of groundwater storage capacity for conjunctive use. Parties to the Judgment may make reasonable beneficial use of available groundwater storage capacity for supplemental water storage, provided such activity is consistent with a Watermaster-approved storage agreement.

Imported water deliveries to the Beaumont Basin are conducted through the San Geronio Pass Water Agency, which is the State Water Contractor for a portion of Riverside County. Recharge facilities include Beaumont-Cherry Valley Water District's Noble Creek Recharge Facility and the San Geronio Pass Water Agency's recharge facility.

The City of Banning began purchasing imported water for recharge at the Noble Creek Recharge Facility in 2008. Since that time, the City has purchased imported water in accordance with its storage agreement on file with Watermaster. Recent City purchases included 1,000 acre-feet in 2023, 1,500 acre-feet in 2024, and 1,750 acre-feet in 2025. These recharge efforts support the City's long-term groundwater supply reliability and help maintain water in storage within the basin.

Water Transfers and Adjustments of Rights

Watermaster is also responsible for accounting for water transfers and adjustments of rights. Section 7 of the Watermaster Rules and Regulations provides procedures for transfers between Appropriators and Overlying Parties. These transfers are included in Watermaster's accounting records and Annual Reports.

There are generally three categories of transfers and adjustments tracked by Watermaster:

1. Transfers of production rights or stored water between Appropriators.
2. Transfers of Overlying Water Rights to an Appropriator in exchange for water service.
3. Allocation of unused Overlying Water Rights to Appropriators.

The allocation of unused Overlying Water Rights is based on each Appropriator's share of the Operating Safe Yield. Importantly, the allocation of unused Overlying Water does not permanently reduce or diminish the legal rights of the Overlying Party.

This process supports efficient basin management by allowing available water supplies to be used productively, while maintaining the underlying legal rights established by the Judgment.

JUSTIFICATION:

The Beaumont Basin is a critical groundwater resource for the City of Banning and the surrounding region. The Watermaster provides the legal, administrative, and technical structure necessary to manage

groundwater production, storage, recharge, transfers, replenishment, and water quality in accordance with the Judgment.

The City's participation in Watermaster is important because the City relies on the Beaumont Basin as part of its water supply portfolio. Watermaster's accounting and oversight help ensure that groundwater production is properly tracked, basin conditions are monitored, recharge activities are coordinated, and the basin is managed in a manner that protects long-term water supply reliability.

The safe yield redetermination process is particularly important because it provides updated technical information regarding the sustainable production capacity of the basin. The most recent safe yield redetermination increased the basin's safe yield from 6,700 acre-feet per year to 7,100 acre-feet per year, effective 2024. This updated figure informs Watermaster accounting, production rights, replenishment obligations, and long-term planning.

The Watermaster's role in approving storage agreements, accounting for imported water recharge, and managing transfers also provides flexibility for the City and other parties to support local and regional water supply reliability. The City's continued purchase and recharge of imported water contributes to groundwater storage and supports the long-term sustainability of the basin.

FISCAL IMPACT:

The City participates in the Watermaster budget with the other Watermaster Committee members. For Fiscal Year 2025/2026, the Watermaster budget is \$49,675. Expenses are shared equally by the Watermaster Committee members.

Watermaster expenditures are primarily related to legal services, consultant support, preparation of the Annual Report, technical studies, and other administrative responsibilities required under the Judgment. Costs may vary from year to year depending on Watermaster activities and technical obligations.

In years when significant technical work is required, costs may be substantially higher. For example, the Fiscal Year 2023/2024 final expense budget was \$464,238 due largely to the work associated with the redetermination of the safe yield, which is required by the Judgment at least every ten years.

ATTACHMENTS:

1. [February 2004 Judgment.pdf](#)
2. [February 2004 Stipulation for Entry of Judgement.pdf](#)
3. [March 2019 Amended Judgement.pdf](#)