

CHINO BASIN WATERMASTER
FOR
CHINO BASIN MUNICIPAL WATER DISTRICT
VS
CITY OF CHINO, ET. AL.

CASE NO. 164327

THIRD
ANNUAL REPORT
OF THE
CHINO BASIN WATERMASTER
1979/80

WEST SAN BERNARDINO COUNTY WATER DISTRICT

DECEMBER 1, 1980

February 1981

TO: ALL ACTIVE AND CONCERNED PARTIES IN CHINO BASIN CASE NO. 164327

This Third Annual Report of Watermaster activities is for your information. Honorable Judge Don A. Turner of San Bernardino Superior Court ordered acceptance of this report on February 20, 1981.

A brief summary of activities during this reporting period (July 1, 1979 through June 30, 1980) is as follows:

Total production from the Basin during 1979/80 was 140,566 acre feet, of which 63,834 was produced by the Appropriative Pool, 69,369 Overlying (Agricultural) Pool, and 7,363 by the Overlying (Non-Agricultural) Pool.

A total of 1,616 acre feet of rights were leased among the members of the Appropriative Pool.

Replenishment water purchases for over production totaled 15,943.3 acre feet. In addition to this, 14,243.4 acre feet of Cyclic Storage Water were delivered. In-Lieu surface deliveries totaled 5,327.2 acre feet. Total water consumed for beneficial use was 212,301 acre feet. Since the implementation of the Judgment through June 30, 1980, 65,559.5 acre feet of water have been percolated into the Basin from imported supplies.

The first Local Storage Agreement was initiated during last year's program by the Conrock Company for 1,589.0 acre feet. This year, the second Local Storage Agreement was initiated by Fontana Union Water Company to preserve 31,500 acre feet of unpumped water over the next five to seven years under the Judgment.

Assessments paid by pool were as follows:

Appropriative	\$877,370
Overlying (Non-Agricultural) Pool	40,916
Overlying (Agricultural) Pool	<u>22,520</u>
Total	\$940,806

Your cooperation and input to our management plan this past year has been greatly appreciated.

Sincerely,


Harold R. Peters, Chief
Watermaster Services

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THIRD ANNUAL REPORT OF CHINO BASIN WATERMASTER

The Chino Basin Watermaster was established under the Judgment entered in Superior Court of the State of California for the County of San Bernardino, as a result of Case No. 164327 entitled, "Chino Basin Municipal Water District v. City of Chino et al," signed by the Honorable Judge Howard B. Wiener on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977. This Third Annual Report presents a view of Watermaster, Watermaster Advisory Committee and Pool Committee Activities and an accounting of water production for fiscal year 1979/80.

BACKGROUND OF JUDGMENT AND WATERMASTER

After many years of study and discussions among concerned water producers a "Memorandum of Agreement on the Chino Basin Plan" was signed; and, in January 1975, a Bill was introduced in the California Legislature by Senator Ruben S. Ayala. This final effort to draw up a management plan for the Chino Basin was designated Senate Bill 222. It authorized the levy of a three year, \$2.00 per acre foot per year, production assessment to raise funds to conduct the necessary studies and negotiations to implement the needed water management program for the Chino Groundwater Basin.

S. B. 222, now re-numbered as a part of the Municipal Water District Law in the Water Code, Section 72140, was approved by Governor Ronald Reagan and filed with the Secretary of State on June 28, 1975, affecting fiscal year 1974/75 production.

During the early studies and negotiations under S. B. 222, very active participation was taken by three major types of producers from the Chino Basin representing the majority of the producers' interests. Three major negotiating committees resulted and were utilized to protect the interests of the various producers during the three year study. These three committees acquired the following names: (1) Overlying (Agricultural) Pool including the State of California and minimal producers; (2) Overlying (Non-Agricultural) Pool representing industry; and (3) Appropriative Pool, representing cities and water companies. Other working sub-committees were formed to analyze and define specific problem areas. The three pools acting together were called the "Advisory Committee," which met regularly and had over 100 individuals on the mailing list. This Advisory Committee was very effective in making recommendations for formal action to the Chino Basin Municipal Water District (CBMWD) Board of Directors, who had the responsibility of administering S. B. 222.

Socio-economic, safe yield and other studies were conducted to provide information necessary to reach agreement about the allocations of rights between and within pools. Cost savings were achieved by terminating many of the studies as soon as the necessary information was compiled without formal completion or publication.

The Judgment entered named the CBMWD five (5) man Board of Directors as "Watermaster" responsible to the Court for implementing its terms. The three pool committees and the Watermaster Advisory Committee were formally structured to assist the Watermaster in making decisions. Each of the three pools has met regularly to transact the business concerns of their respective

roducers. Items that affected more than one pool were decided upon at the Watermaster Advisory Committee level, with voting power determined by prior year water assessments paid as provided in the Judgment.

Approximately five (5) percent of the Basin is in Los Angeles County, fifteen (15) percent in Riverside County and the remaining portion is in the West End of San Bernardino County. The majority of this area is within the CBMWD service area. A location map of the Chino Groundwater Basins was provided in the Judgment as Exhibit "A".

Mailing lists of the members of the three pool committees are attached as Appendices "A". Production information for each pool is provided in Appendix "B"

The Judgment provides for separate and distinct replenishment assessment formulas for each of the three pools. The administrative assessment formula is the same for each pool, with the cost per acre foot being the same for each acre foot of water produced by a particular pool. Cost per acre foot varies between pools in accordance with their respective total budgeted amounts for pool administration and total production during the previous production period.

Costs of replacing water extracted in excess of the respective pool's share of safe yield and operating safe yield amounts are recovered by the application of replenishment assessment formulas as follows:

a) Overlying (Agricultural) Pool pays on a gross basis whereby the total cost of replenishment water plus estimated spreading costs are spread equally on each acre foot of water produced during the previous production period. To further stabilize assessments from year to year these assessments

are based on a five (5) year moving average with a maximum right of 414,000 acre feet in any one five (5) year period.

b) Overlying (Non-Agricultural) Pool pays on a net basis whereby each producer pays the current cost of replenishment water plus the estimated cost of spreading for each acre foot of water produced in excess of its respective share of safe yield.

c) The Appropriative Pool has three producers, City of Pomona, Marygold Mutual Water Company and West San Bernardino County Water District, who pay replenishment assessments on a net basis whereby each pays the current cost of replenishment water plus the estimated cost of spreading.

The remaining pool members are subject to the 15/85 formula which spreads the total cost of replenishment water two (2) ways: 15 percent on a gross basis (uniformly on each acre foot produced) and 85 percent on a net basis, that is on each acre foot of production over a producers share of operating safe yield.

ACTIVITIES OF WATERMASTER AND COMMITTEES

I. WATERMASTER ACTIVITIES

Watermaster members and officers are as follows:

Carl B. Masingale	Chairman
George A. Borba	Vice Chairman
John G. Gilday	Secretary/Treasurer
John L. Anderson	Asst. Secretary/Treasurer
Edward A. Girard	Member

Regular Watermaster meetings are scheduled for the fifth Wednesday of each month having five (5) Wednesdays, meeting in the CBMWD Board Room at 8555 Archibald Avenue, Rancho Cucamonga, at 9:00 a.m. Special meetings are noticed as required.

During this reporting period, regular meetings were held on:

September 12, 1979

October 31, 1979

January 30, 1980

February 20, 1980

April 30, 1980

No special meetings were called.

Assessments levied by Watermaster on September 12, 1979 for overproduction during 1978/79 production period and for budgeted administrative and special project costs for 1979/80 were as follows:

A) Overlying (Agricultural) Pool members were assessed the following amounts on each acre foot of water produced with minimal

producers paying a Five Dollar (\$5.00) administrative filing fee:

Administration and Special Projects \$0.542658

Replenishment assessments for this pool are established by a five (5) year moving average to stabilize assessments from year to year. With reported production declining from 96,567 acre feet in 1974/75 to 83,934 acre feet in 1977/78, the pool committee decided during Fiscal Year 1978/79 to purchase 2,000 acre feet of replenishment water to provide for a potential increase in production during the balance of the five (5) year period. This replenishment water is still available as safe yield was not exceeded this year.

(B) Overlying (Non-Agricultural) Pool members were assessed \$0.196616 per acre foot for budgeted administrative and special project costs and \$56.20 (\$53.00 for replenishment water plus \$3.20 for spreading) for each acre foot of production in excess of each producers share of safe yield.

(C) Appropriative Pool members subject to the 15/85 formula, nineteen members total, were assessed \$2.349518 and \$47.77 respectively. The City of Pomona, assessed on a 100% net basis, was assessed \$56.20 per acre foot for each acre foot in excess of its share of operating safe yield. Marygold Mutual Water Company and West San Bernardino County Water District, who also are assessed on a 100% net basis but have the right to purchase their water from San Bernardino Valley Municipal Water District, were

assessed \$35.36 per acre foot because a portion of their costs for water are paid through ad valorem taxes. All producers in this pool were assessed \$0.510578 per acre foot of water produced to cover the budgeted administrative and special projects costs.

The City of Norco produced 1,349 acre feet in excess of their export right of 1,567 acre feet. This excess was subject to the current cost of replenishment plus spreading costs.

D) Appendices "E" and "F" give an overview of the total amounts of water produced and tributary to the Chino Groundwater Basin.

Agreements and policy matters negotiated and approved by Watermaster and Watermaster Advisory Committee prior to June 30, 1980, were as follows:

A) Water Well Survey Study, initiated in 1978, resulted in approximately 710 wells being surveyed to determine the type, size and location of meters necessary to provide metered production in the Overlying (Agricultural) Pool as required by the Judgment. This work is now concluded.

B) Watermaster Insurance coverage was secured in August 1978 and has been continued with Watermaster being covered as an additional insured under CBMWD's policies for five million dollars. Substantial savings have been realized in comparison to securing independent insurance coverage.

C) The Midge Control Study to determine the cause, intensity and potential treatment of various type of midge, has been completed. This study was conducted jointly by Dr. Mir S. Mulla and Dr. Gregory D. Johnson, Department of Entomology, University of California at Riverside, with financial assistance by Chino Basin Water Conservation District, City of Montclair and the Chino Basin Municipal Water District. Also assisting in the study was the San Bernardino County Flood Control District. A copy of the final report is available at the office of Watermaster, 8555 Archibald Avenue, Rancho Cucamonga, California.

D) A Noticed Public Hearing was conducted by Watermaster on April 30, 1980, to approve the 1980/81 Administrative Budget and a summary of that budget is attached as Appendix "C".

E) OC-59 Use Agreement For Permanent Capacity is being finalized between Orange County Water District (OCWD), Municipal Water District of Orange County (MWDOC) and CBMWD rather than Watermaster, as it is a service that can be provided under the terms of the Service and Facilities Contract between CBMWD and Watermaster enabling better insurance coverage at a lower cost. This long term agreement, to purchase a fixed share of capacity in OCWD's connection to the MWD State Water Delivery System at OC-59, calls for payments to the OCWD based on flow until the debt is fully paid. Upon execution of the final agreement and pursuant to the January 30, 1980 Watermaster minutes, a Memorandum will be initiated which will specify the terms and conditions of the OC-59 Agreement to reflect the obligations of Watermaster. This Memorandum will go on file with Watermaster.

F) An Agreement With The San Bernardino County Flood Control District for the monitoring and spreading of replenishment and Cyclic Storage Water was renewed for a two year period. Appendix "D" summarizes these activities.

G) In Lieu Area No. 2, adopted in Fiscal 77/78 to designate the entire Chino Groundwater Basin, including In Lieu Area No. 1 to demonstrate the Basin's In Lieu Capability to The Metropolitan Water District of Southern California (MWD), was extended for another year. This resolution enables producers to take advantage of the In Lieu provisions of the Judgment as well as In Lieu Programs that may be offered by MWD.

H) Marygold Mutual Replenishment Agreement. Section 7(c) of Exhibit "H" of the Judgment provides for purchase of replenishment water required of appropriators within San Bernardino Valley Municipal Water District to be from San Bernardino Valley Municipal Water District or Metropolitan Water District of Southern California. In order to deliver replenishment water to this area, it would be necessary to lease lines from MWD. In order to avoid these "wheeling costs" an arrangement has been made to use surface deliveries in this area and to replace the over-production which has occurred by leaving water in place, (i.e., unpumped). An agreement implementing this procedure was approved by the Watermaster on July 30, 1980. As the over-production is replaced, the replenishment assessments receivable will be written off and the assessments paid in 78/79 will be returned to the appropriators involved.

I) Park / So. Cal. Lease and Transfer of Rights Agreement. On May 1, 1980, Park Water Company purchased the Southern California Water Service area in Chino and executed a notice of lease of rights for 137.3 acre feet for FY 79/80. On July 1, 1980, Southern California Water transferred 823.9 acre feet of their operating safe yield to Park Water Company and retained 411 acre feet for their Claremont service area.

J) Watermaster Rules and Regulations Section 3.07(a) - Minimal Producers was amended to increase annual production to ten (10) acre feet before a producer is required to purchase and maintain a water measuring device. A Well Use Certification form, signed under penalty of perjury, is being submitted to Watermaster by each of these producers to confirm estimated production.

K) MWD Temporary Facilities Use Agreement - The Agreement For Use of Temporary Service Connections was initiated as a three party agreement between Watermaster as potential beneficiary, CBMWD as a member agency to MWD, and MWD as the provider of the temporary facilities to be constructed for the delivery of replenishment water from MWD Rialto Pipeline for study purposes. This agreement is separate and different from the agreement for the use of blow off structures implemented earlier not affecting this earlier agreement.

L) Reimbursement Agreement for Flood Control Services - The Agreement for Reimbursement of Costs for Performing Earthwork in the Chino Groundwater Basin was initiated between Watermaster and MWD. This Agreement enables earth work to be done on the San Bernardino County Flood Control District (SBCFCD) property by the SBCFCD at the cost of MWD. MWD will reimburse the Watermaster for those costs incurred by the SBCFCD for the work requested.

M) Meter Testing Contract - Meter Maintenance Corporation entered into a two year contract with Watermaster on July 31, 1980 to perform the meter testing for the period August 1, 1980 through June 30, 1982.

I. COMMITTEE ACTIVITIES

A. Overlying (Agricultural) Pool

At the annual meeting of this pool the following individuals were selected to administer the pool activities and to serve as representatives on the Watermaster Advisory Committee:

<u>Regular</u>	<u>Alternate</u>
*Fred Douma	Louis Aukeman
*Gus Wybenga	John Vander Schaaf
*Tom Carnesi	Phillip Lock
*Robert DeBerard	Don Reetz
*J.N. Albers	Floris Ykema
Ralph TeVelde	Robert McGhee
Gene Koopman	R. A. "Bud" Wathen
Jack Van Leeuwen	Dorothy E. Goodman
*Edwin Dubiel	State Attorney General

*Newly elected members for two year terms

The following officers were duly nominated and elected:

Chairman	Fred Douma
Vice Chairman	Jack Van Leeuwen
Secretary	Frank Brommschenkel Chief, Watermaster Services
Treasurer	John G. Gilday, CBMWD

Through June 30, 1980, a total of four (4) meetings were conducted to act on matters affecting the members of this pool and to review actions to be taken by Watermaster.

Interventions and assignments to this pool during 1979/80 are indicated in Appendix "G".

B. Overlying Non-Agricultural) Pool

At the annual meeting of this pool, the following individuals were selected to serve as officers of this pool:

Chairman	Hooite Rugge
Vice Chairman	Dick Verrue
Treasurer	John G. Gilday, CBMWD
Recording Secretary	Frank Brommenschenkel Chief, Watermaster Services

Watermaster Advisory Committee representatives for this pool are as follows:

Hooite Rugge	Kaiser
Dick Verrue	Edison
T. J. Lewanski	Union Carbide

The next annual meeting is set for February 5, 1981 at 9 a.m. Through June 30, 1980 two (2) meetings were conducted to act on matters affecting members of this pool and to review actions to be taken by Watermaster.

C. Appropriative Pool

At the annual meeting of this pool, the following individuals were selected to serve as officers of this pool:

Chairman	Lloyd Michael
Vice Chairman	City of Ontario Representative
Secretary	Frank Brommenschenkel Chief, Watermaster Services
Treasurer	John G. Gilday, CBMWD

The next annual meeting is scheduled for March 19, 1981. Through June 30, 1980, three (3) meetings were conducted to act on matters affecting members of this pool and to review actions to be taken by Watermaster.

D. Watermaster Advisory Committee

At the annual meeting of this committee, the following officers were selected:

Chairman	Ken DeMent
1st Vice Chairman	Hooite Ruge
2nd Vice Chairman	Fred Douma
Secretary	Frank Brommschenkel Chief, Watermaster Services
Treasurer	John G. Gilday, CBMWD

Regular meetings were scheduled for the third Thursday of each month having five (5) Wednesdays at 12:00 noon. Annual meeting was scheduled for the third Thursday of March at 12:00 noon. The Advisory Committee conducted five (5) regular meetings whereby all actions recommended to Watermaster were reviewed and discussed.

Minutes of all meetings are available at the Watermaster office at 8555 Archibald Avenue, Rancho Cucamonga, California.

ADMINISTRATION OF JUDGMENT

The Judgment provides for various administrative and accounting tasks to be performed on a regular basis, some of which are as follows:

(1) Water Rights Lease Agreements between Appropriative Pool Members for fiscal year 1979/80 totaled 1,616.3 acre feet. Individual lease agreements on forms approved by the Watermaster were as follows:

- (a) From: Etiwanda Water Company
To: Cucamonga County Water District....534.7
- (b) From: Monte Vista Irrigation Co.
To: City of Chino.....300.0
- (c) From: West San Bernardino County
Water District
To: City of Chino.....644.3
- (d) From: Southern Calif. Water Co.
To: Park Water Company.....137.3

Total Acre Feet 1616.3

(2) Unqualified Audit Opinion and Audit Report to the Chino Basin Watermaster from Reardon & McCallum, Certified Public Accountants, for the period ending June 30, 1980, is attached as Appendix "F".

(3) Mailing Lists of active parties are updated on a routine basis through the use of the United States Post Office "Address Correction Requested Service" whereby any address change reported to the Post Office is forwarded to the Watermaster after each mailing. File changes are made upon receipt from this and other sources of address change. A current listing of active parties is available for review upon request to Watermaster.

(4) Quarterly Accounting of Water Production has been received for the Appropriative and Overlying (Non-Agricultural) Pools for fiscal year 1979/80. The Overlying (Agricultural) Pool's quarterly production was compiled on those wells having water measuring devices already installed. It is anticipated that all necessary meters will be installed by June 30, 1981.

(5) Computer Programming and File Maintenance is a considerable effort with more than 1300 parties involved. Computer programs have been streamlined to more efficiently handle the various mailings necessary as well as making accommodations for the storage and handling of water production and other data.

(6) New Party Interventions are accumulated on a regular basis whereby land ownership changes and new producers are accounted for as they occur. Change of ownership is more frequently learned during production reporting periods. With all production reported on a quarterly basis, this has become a routine task. Parties having surrendered all property with water producing facilities are considered inactive parties and are accounted for as such.

(7) Special Project Task Orders have been initiated by separate work orders approved by the Watermaster Advisory Committee and Watermaster for projects other than general administration duties. Special projects designated by number for the budget period ending June 30, 1980 were as follows:

(a) (Task Order 78-1) Conjunctive Use/Cyclic Storage Study
was set up to assure that all aspects of the Chino Groundwater

Basin are explored relating to the desirability and feasibility of conjunctively using this basin for storing approximately one million acre feet of State Project water. Having additional water in storage in the Basin should increase groundwater levels and decrease the amount of energy required to pump water to the surface. This could monetarily benefit all producers in the basin. This task, with assistance from the California Department of Water Resources and the Metropolitan Water District of Southern California, is expected to continue through fiscal 1980/81.

(b) (Task Order 78-3) Meter Installation Study was initiated to be a service to those parties required to purchase and install meters. Under the contract, a recommendation regarding the type, size, and placement of a meter is made on an individual basis for each producer. This service is provided to orderly complete the installation of meters in the least amount of time, expense and inconvenience to each producer. Certain information considered necessary for the Watermaster's files will also be accumulated through this effort. Although the contract has been terminated, necessary follow-up work is necessary and therefore this study is expected to be completed by June 30, 1981.

(c) (Task Order 78-4) Meter Testing Program is designed to test every meter in the basin at least once every two years as an ongoing program of the Watermaster. During this reporting period a total of 15 meters were tested under this program; two in the Appropriative Pool and thirteen in the Overlying (Agricultural) Pool. Five Agricultural producers who are grape growers maintain certain wells in outlying areas and are subject to constant vandalism and

therefore the Edison Company's well test procedure will provide an acceptable record as to production based on their Edison billings submitted bi-monthly. However, these non-metered wells must undergo an Edison well test every two years pursuant to the Judgment. Two producers in the Appropriative Pool with established monthly meter testing programs report results of those tests to Watermaster for review and approval eliminating a duplication of effort.

(e) (Task Order 79-1) Water Well Data has been initiated to collect and analyze existing and new data to assist in the determination of key wells, to provide the Watermaster and Watermaster Advisory Committee with information to make future groundwater management decisions. Coordinated with other existing monitoring agencies' programs to prevent any duplication of work, this task will establish the ground rules and criteria for a long term groundwater monitoring program. It will start developing a program that will eventually eliminate the currently existing data gaps which have previously been experienced by the SARWQCB in their efforts to establish "Basin Plans." It will determine the effects of the replenishment program currently underway, making the data an effective tool which will benefit many producers in the future.

Subject to approval and recommendation of the Watermaster Advisory Committee or any affected Pool Committee, additional special project task orders may be designated and budgeted for as required to carry out the management plan.

(8) Local Storage Agreement - Fontana Union Water Company entered a local storage agreement to preserve their 31,500 acre feet of water they anticipate to leave unpumped during the first five to seven years under the Judgment.

APPENDIX "A - 1"

OVERLYING (AGRICULTURAL) POOL COMMITTEE

Regular members and alternates for 1980. *Newly elected members for two year terms.

<u>Regular</u>	<u>Alternate</u>
*Fred Douma 14350 Cleveland Ontario, CA 91761 (714) 947-5192	Louis Aukeman 12391 Schliesman Mira Loma, CA 91752 (714) 986-6580
*Gus Wybenga 13950 Haven Avenue Ontario, CA 91761 (714) 947-5540	John Vander Schaaf 7849 Schaefer Avenue Ontario, CA 91761 (714) 628-0381
*Tom Carnesi 1604 N. Palm Avenue Upland, CA 91786 (714) 982-5008	Phillip Lock 835 East Third Street San Bernardino, CA 92415 (714) 383-2437
*Robert DeBerard 1294 East 13th Street Upland, CA 91786 (714) 982-7023	Don Reetz P.O. Box 800 Ontario, CA 91761 (714) 597-1861
*J. N. Albers P.O. Box 235 Upland, CA 91786 (714) 982-5891	Floris Ykema 6882 Chino Avenue Chino, CA 91710 (714) 628-2411
Ralph B. TeVelde 6571 Schaefer Avenue Chino, CA 91710 (714) 627-1936	Alex Becker P.O. Box 128 Chino, CA 91710 (714) 597-1821
Gene Koopman 13898 S. Archibald Avenue Ontario, CA 91761 (714) 947-4350	R. A. "Bud" Wathen P.O. Box 128 Chino, CA 91710 (714) 597-1861
Jack Van Leeuwen 8261 Schaefer Avenue Ontario, CA 91761 (714) 947-4473	Dorothy E. Goodman 16522 South Grove Avenue Chino, CA 91710 (714) 597-2862
*Edwin Dubiel 3580 Wilshire Boulevard Los Angeles, CA 90010 (213) 736-2116	State Attorney General 3580 Wilshire Boulevard Los Angeles, CA 90010 (213) 736-2116

APPENDIX "A - 2"

OVERLYING (NON-AGRICULTURAL) POOL COMMITTEE

Ameron Steel & Wire Division
ATTN: Bill Nelson
12459 Arrow Highway
P.O. Drawer 8
Etiwanda, CA 91739
(714) 987-2521

Swan Lake
ATTN: John Ruble
5800 Hammer Avenue
Mira Loma, CA 91752
(714) 685-7044

Conrock Company
ATTN: Gene Block
3200 San Fernando Road
Los Angeles, CA 90065
(213) 258-2777

Kaiser Steel Corporation
ATTN: Hooite Ruggie
P.O. Box 217
Fontana, CA 92335
(714) 829-4603

Space Center Mira Loma, Inc.
ATTN: Michael Thies
3401 Etiwanda Avenue, Bldg. 504
Mira Loma, CA 91752
(714) 685-5221

Quaker Chemical
ATTN: Russell Collins
P.O. Box 973
Pomona, CA 91769
(714) 629-9776

Red Star Fertilizer Company
ATTN: Paul Bernhard
17132 Hellman Avenue
Corona, CA 91720
(714) 597-4801

San Bernardino Co. Aviation Div.
ATTN: Phil Lock
825 East Third Street
San Bernardino, CA 92415
(714) 383-2437

Southern California Edison Co.
ATTN: Dick Verrue
P.O. Box 513
Ontario, CA 91761
(714) 947-2996

Southern Service Company
dba Blue Seal Linen
ATTN: G. G. Whyte
P.O. Box 2709
Pomona, CA 91766
(714) 622-1214

Sunkist Growers
ATTN: Vern Renaud
616 East Sunkist Street
Ontario, CA 91761
(714) 983-9811

Union Carbide Corp., Linde Division
ATTN: T. J. Lewanski
Etiwanda Avenue & I-10
Fontana, CA 92335
(714) 829-4000

APPENDIX "A - 3"

APPROPRIATIVE POOL COMMITTEE

Chino, City of
ATTN: Ray Wellington
P.O. Box 667
Chino, CA 91710
(714) 627-7577

Cucamonga County Water District
ATTN: Lloyd Michael
P.O. Box 638
Cucamonga, CA 91730
(714) 987-2591

Etiwanda Water Company
ATTN: Lloyd Michael
P.O. Box 726
Cucamonga, CA 91730
(714) 987-2591

Felspar Gardens Mut Water Co.
ATTN: Roy Grace
4453 Avon Street
Riverside, CA 92509
(714) 685-2552

Fontana Union Water Company
ATTN: Ken DeMent
P.O. Box 309
Fontana, CA 92335

Jurupa Community Services Dist.
ATTN: Bill Huckle
8621 Jurupa Road
Riverside, CA 92509
(714) 685-7435

Marygold Mutual Water Company
ATTN: M. D. Funk
9715 Alder
Bloomington, CA 92316
(714) 877-0516

Monte Vista Water District
ATTN: Bob Thompson
10575 Central Avenue
Montclair, CA 91763
(714) 624-0035

Monte Vista Irrigation Co.
ATTN: H. R. Anderson
2529 W. Temple
Los Angeles, CA 90026
(213) 387-2460

Mutual Water Company of
Glen Avon Heights
ATTN: Tom Rose
9643 Mission
Riverside, CA 92509
(714) 685-6441

Norco, City of
ATTN: Jack Dievers
P.O. Box 428
Norco, CA 91760
(714) 735-3900

Ontario, City of
ATTN: Phil Crocker
303 East "B" Street
Ontario, CA 91764
(714) 986-1151

Park Water Company
ATTN: Tom Snodgrass
P.O. Box "J"
Downey, California 90241

Pomona Valley Water Company
ATTN: Jim Neller
14575 Pipeline Avenue
Chino, CA 91710
(714) 597-1785

Pomona, City of
ATTN: Jim Lundie
P.O. Box 660
Pomona, CA 91768
(714) 620-2231

San Antonio Water Company
ATTN: Charlie Thomas
P.O. Box 877
Upland, CA 91786
(714) 982-4107

APPENDIX "A - 3"

APPROPRIATIVE POOL COMMITTEE (Continued)

Santa Ana River Water Company
ATTN: E. T. Tanner
P.O. Box 61
Mira Loma, CA 91752
(714) 685-6503

Southern California Water Company
ATTN: Mr. William Downey
P. O. Box 188
San Dimas, CA 91773
(714) 599-1289

Upland, City of
ATTN: Lee Travers
P.O. Box 460
Upland, CA 91786
(714) 982-1352

West End Consolidated Water Co.
ATTN: Charlie Thomas
P.O. Box 877
Upland, CA 91786
(714) 982-4107

West San Bernardino County
Water District
ATTN: Nicholas Presecan
P.O. Box 188
Rialto, CA 92376
(714) 875-1804

APPENDIX "B"
PRODUCTION BY POOL
 (ACRE FEET)

<u>ISCAL YEAR</u>	<u>APPROPRIATIVE POOL</u>	<u>OVERLYING (AGRICULTURAL) POOL</u>	<u>OVERLYING (NON-AGRICULTURAL) POOL</u>	<u>TOTAL</u>
1974/75	70,312	96,567	8,878	175,757
75/76	79,312	95,349	6,356	181,017
1976/77	72,107	91,450	9,198	173,355
77/78	60,659	83,934	**10,082	154,675
78/79	60,597	74,026	7,127	141,750
1979/80	63,834	69,369*	7,363	140,566

* Includes over and under reporting errors verified through 11/28/80

Includes 3,945 Acre Feet of mined water pumped by the Edison Company
 as Agent for the Chino Basin Municipal Water District

CHINO BASIN WATERMASTER
 BUDGET 1980-1981
 SUMMARY OF ADMINISTRATIVE BUDGETS

	-----APPROPRIATIVE POOL-----		OVERLYING -----AGRICULTURAL POOL-----		OVERLYING -----NON-AGRICULTURAL POOL-----	
	Amount	Per Acre Foot	Amount	Per Acre Foot	Amount	Per Acre Foot
Estimated 79/80 Production	143,300	68,000	68,000	7,300		
GENERAL ADMINISTRATOR:						
Joint Watermaster - Advisory Committee	\$ 50,200	\$0.3503	\$23,820	\$0.3503	\$ 2,560	\$0.3503
Pool Administration	6,000	0.0298	2,300	0.0338	1,675	0.2295
TOTAL ADMINISTRATIVE ASSESSMENT	56,200	0.3801	26,120	0.3841	4,235	0.5798

SPECIAL PROJECTS:

Conjunctive Use/Cyclic Storage	7,600	0.0530	3,605	0.0530	390	0.0530
Meter Installation	2,275	0.0159	1,080	0.0159	115	0.0159
Well Water Data	3,325	0.0232	1,575	0.0232	175	0.0232
Meter Testing Program	27,550	0.1526	14,880	0.2188	2,295	0.3144
TOTAL SPECIAL PROJECTS	40,750	0.2447	21,140	0.3109	2,975	0.4065

TOTAL ADMINISTRATIVE BUDGETS

	96,950	42,400	0.6248	47,260	0.6950	7,210	0.9863
Projected Interest to be applied:	(3,632)	-0-	-0-	(2,369)	(0.0348)	(1,263)	(0.1730)
25% Operating Reserve:	24,237	10,620	0.1562	11,815	0.1737	1,802	0.2468
Projected Carry Forward from 79/80:	(43,871)	(25,373)	(0.3731)	(17,107)	(0.2516)	(1,391)	(0.1905)
PROJECTED ASSESSMENTS:	\$73,684	\$27,727	\$0.4079	\$39,599	\$0.5823	\$6,350	\$0.8696

*Assumes interest earned during 79/80 will be applied against this pool's water replenishment assessment.

NOTE: All amounts have been rounded. This may affect extensions of the per acre foot rates.

APPENDIX "D"
SUMMARY OF IN LIEU DELIVERIES
(Acre Feet)

June 30, 1980

	CITY OF CHINO	MONTE VISTA CO. W.O.	CITY OF ONTARIO	PARK WATER C.O.	POMONA VALLEY W.C.	CITY OF POMONA	SO. CAL WATER CO.	CUCA CO.	TOTAL
MARCH	18.1		119.2		63.6	209.1	18.6	.5	429.1
APRIL	169.4		777.1	1.1	34.2	299.3	66.4	1.8	1349.3
MAY	221.2		954.7	10.9		494.5	49.1		1730.4
JUNE	<u>144.9</u>	<u>65.0</u>	<u>892.3</u>	<u>13.5</u>	<u>136.0</u>	<u>503.8</u>	<u>62.9</u>		<u>1818.4</u>
TOTALS	553.6	65.0	2743.3	25.5	233.8	1506.7	197.0	2.3	5327.2

GROUNDWATER REPLENISHMENT DELIVERIES
(Acre Feet)

	Montclair Basins		Day Creek Basin	Total
	CRW	SPW	SPW	
JUL - OCT	No Deliveries		No Deliveries	
NOV		556.4	216.1	772.50
DEC	28.5			28.5
JAN	46.7			46.7
FEB				
MARCH				
APRIL	183.6	776.2		959.8
MAY	193.8			193.8
JUNE	<u>183.6</u>			<u>183.6</u>
TOTALS	636.2	1332.6	216.1	2184.9

SUMMARY OF CYCLIC STORAGE DELIVERIES

July - June 30, 1980

State Project Water

	SAN SEVAINE	MONTCLAIR BASINS	DAY CREEK BASIN	TOTAL
JULY - 1979		3127.1	318.9	3446.0
AUG	21.3	3088.1	772.0	3801.4
SEPT		2444.7	908.8	3353.5
OCT	150.0	2228.0	646.1	3024.1
NOV			538.4	538.4
DEC - JUNE 1980	No Deliveries			
TOTALS	171.30	10887.9	3184.2	14243.4

APPENDIX "E"

OTHER IMPORTED SUPPLIES
(Acre Feet)

Fiscal Year	Fontana Union Water Co.	Cucamonga County Water Dist.	West End Consolidated Water Co.	San Antonio Water Company	West San Bdn Co. Water Dist.	MWD ⁽¹⁾ of So. Cal.	Total
1974/75							
Other Basins	6,446	8,323	1,635	5,478	2,103		23,985
Surface Diversions	10,335	1,051		7,193			18,579
Other Imported Surface Deliveries						6,819	<u>6,819</u>
						TOTAL	49,383
1975/76							
Other Basins	10,488	11,168	2,113	7,839	1,535		33,143
Surface Diversions	9,219	646		5,850			15,715
Other Imported Surface Deliveries						8,828	<u>8,828</u>
						TOTAL	57,686
1976/77							
Other Basins	7,925	9,950	1,960	8,440	1,966		30,241
Surface Diversions	7,110	1,109		6,436			14,655
Other Imported Surface Deliveries						10,869	<u>10,869</u>
						TOTAL	55,765
1977/78							
Other Basins	8,553	9,507	1,384	7,736	1,948		29,128
Surface Diversions	6,397	2,042		9,756			18,195
Other Imported Surface Deliveries						14,244	<u>14,244</u>
						TOTAL	61,567
1978/79							
Other Basins	4,456	12,704	514	6,153	1,914		25,741
Surface Diversions	17,595	1,496	533	13,144			32,768
Other Imported Surface Deliveries						17,355	<u>17,355</u>
						TOTAL	75,864
1979/80							
Other Basins	5,519	12,009	1,298	6,991	1,177		26,994
Surface Diversions	15,195	4,301	-0-	6,297			25,793
Other Imported Surface Deliveries						17,940	<u>17,940</u>
						TOTAL	70,727

(1) Includes deliveries to City of Pomona and In Lieu.

(Acre Feet)

<u>FISCAL</u> <u>YEAR</u>	<u>CHINO BASIN</u> <u>EXTRACTIONS</u>	<u>OTHER</u> <u>IMPORTED SUPPLIES</u>	<u>TOTAL</u>
974/75	175,757	39,383	225,140
1975/76	181,017	57,686	238,703
976/77	173,355	55,765	229,120
1977/78	154,675	61,567	216,242
1978/79	141,750	75,864	217,614
979/80	140,566	70,727	211,293

Includes water used over Cucamonga Basin.

APPENDIX "F"

APPENDIX "F"
TOTAL WATER USED WITHIN CHINO BASIN*
(Acre Feet)

<u>FISCAL</u> <u>YEAR</u>	<u>CHINO BASIN</u> <u>EXTRACTIONS</u>	<u>OTHER</u> <u>IMPORTED SUPPLIES</u>	<u>TOTAL</u>
974/75	175,757	39,383	225,140
1975/76	181,017	57,686	238,703
976/77	173,355	55,765	229,120
1977/78	154,675	61,567	216,242
1978/79	141,750	75,864	217,614
979/80	140,566	70,727	211,293

Includes water used over Cucamonga Basin.

APPENDIX "G"

LIST OF INTERVENTIONS AND ASSIGNMENTS

Interventions

Ray Albers	J. N. Albers
Intex Corporation	None
Dutchmen Properties	None
Frank Jacques	Francis M. Scott
Mobile Home Partners of California	None
Alfred B. Tourigny Sandra Tourigny	David L. Whitmore
Leon Weaver	Sidney Hibma Catherine M. Hibma

APPENDIX "H"

CHINO BASIN WATERMASTER

FINANCIAL STATEMENTS

JUNE 30, 1980

APPENDIX "H"

WALTER F. REARDON, C.P.A.
JOHN L. MCCALLUM, C.P.A.
HELENE W. BLUNNER, C.P.A.
R. C. HANSEN, C.P.A.
S. IRO H. STARKS, C.P.A.

REARDON & MCCALLUM
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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Chino Basin Watermaster
8555 Archibald Avenue
Cucamonga, California 91730

Gentlemen:

We have examined the financial statements of the Chino Basin Watermaster for the year ended June 30, 1980. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the Chino Basin Watermaster at June 30, 1980 and the results of its operations for the year then ended in accordance with generally accepted accounting principles for governmental agencies.



September 25, 1980
Upland, California

CHINO BASIN WATERMASTER
STATEMENT OF FINANCIAL POSITION

June 30, 1980

ASSETS

Cash in bank - checking	\$ 13,933	
Cash in bank - savings	<u>17,357</u>	\$ 31,290
Time certificates of deposit		800,000
Accounts receivable - trade		6,313
Assessments receivable - Appropriative pool (Note 3)	12,536	
Assessments receivable - Agricultural pool	<u>115</u>	<u>12,651</u>
TOTAL ASSETS		<u>\$850,254</u>

LIABILITIES AND FUND BALANCE

<u>CURRENT LIABILITIES</u>		
Accounts payable	\$409,688	
Prepaid assessments		
Appropriative pool - gross carryover	<u>24,930</u>	\$434,618
Total Current Liabilities		21,077
DEFERRED CREDITS (Note 3)		<u>394,559</u>
FUND BALANCE		<u>\$850,254</u>
TOTAL LIABILITIES AND FUND BALANCE		

CHINO BASIN WATERMASTER

STATEMENT OF REVENUE AND EXPENSES AND FUND BALANCE

For the Fiscal Year Ended June 30, 1980

	<u>Watermaster Administration</u>		
	<u>Adminis-</u>	<u>Special</u>	
	<u>tration</u>	<u>Projects</u>	<u>Total</u>
R EVENUES			
Assessment revenue			
Replenishment water			
Application of prior year			
balance to assessments			
Water spreading			
Administration	\$66,261		\$66,261
Interest revenue	<u>29,755</u>		<u>29,755</u>
Total Revenues	<u>96,016</u>		<u>96,016</u>
EXPENSES			
CBMWD services contract			
Salaries	16,519	\$ 4,810	21,329
Payroll burden	7,103	2,068	9,171
Materials and supplies	279		279
Printing and mailing	753		753
Computer expense	1,377		1,377
Legal fees			
Overhead	55		55
Other expenses	208	9	217
General and administrative	<u>2,498</u>	<u>654</u>	<u>3,152</u>
Total CBMWD Services Contract	28,792	7,541	36,333
Replenishment water purchases			
Printing and mailing	320		320
Contract labor and materials		8,800	8,800
Audit fees	818		818
Insurance expense	700		700
Legal fees	3,107	75	3,182
Meeting compensation	<u>2,000</u>		<u>2,000</u>
Total Expenses	<u>\$35,737</u>	<u>\$16,416</u>	<u>52,153</u>
EXCESS (DEFICIT) REVENUE OVER EXPENSES			43,863
F D BALANCE July 1, 1979			16,532
PRIOR YEAR ADJUSTMENT (Note 4)			<u>26,325</u>
F D BALANCE June 30, 1980			<u>\$86,720</u>

Ground Water Replenishment			Pool Administration and Special Projects				Grand Total
SB 222 unds	Watermaster Assessments	Total	Approp. Pool	Agric. Pool	Non-Agric. Pool	Total	
	\$727,254	\$727,254					\$727,254
	43,910	43,910	\$(10,394)		\$(4,315)	\$(14,709)	(14,709)
	849	849	2,550	\$ 5,749	2,400	10,699	76,960
			71,368	4,359	1,830	77,557	108,161
	772,013	772,013	63,524	10,108	(85)	73,547	941,576
12	38	50	194	442	165	801	22,180
5	17	22	83	190	71	344	9,537
							279
			16	179	6	201	954
							1,377
4	11	15					15
4	11	15					70
			53	55		108	325
2	8	10	33	75	23	131	3,293
27	85	112	379	941	265	1,585	38,030
37,916	727,250	765,166					765,166
			64	369	16	449	769
9,404	30,141	39,545	375	300		675	49,020
							818
							700
				500		500	3,182
							2,500
47,347	757,476	804,823	818	2,110	281	3,209	860,185
(47,347)	14,537	(32,810)	62,706	7,998	(366)	70,338	81,391
61,620	14,470	276,090	18,317	6,587	3,243	28,147	320,769
(26,325)	(7,601)	(33,926)					(7,601)
87,948	\$ 21,406	\$209,354	\$ 81,023	\$14,585	\$ 2,877	\$ 98,485	\$394,559

See Accompanying Notes
Reardon & McCallum, Certified Public Accountants

CHINO BASIN WATERMASTER

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the Fiscal Year Ended June 30, 1980

<u>CHANGES OF WORKING CAPITAL</u>			
Operations			
Excess of revenue over expenses			\$ 81,391
Increase in deferred credits			<u>13,476</u>
INCREASE IN WORKING CAPITAL			<u>\$ 94,867</u>
<u>INCREASE (DECREASE) IN WORKING CAPITAL ITEMS</u>			
Current Assets	<u>7/1/79</u>	<u>6/30/80</u>	
Cash	\$ 42,391	\$ 31,290	\$(11,101)
Short term investment	300,000	800,000	500,000
Receivables	<u>4,191</u>	<u>18,964</u>	14,773
	<u>346,582</u>	<u>850,254</u>	
Current Liabilities			
Accounts payable	17,809	409,688	(391,879)
Prepaid assessments	<u>8,004</u>	<u>24,930</u>	<u>(16,926)</u>
	<u>25,813</u>	<u>434,618</u>	
Working Capital	<u>\$120,769</u>	<u>\$415,636</u>	
INCREASE IN WORKING CAPITAL			<u>\$ 94,867</u>

See Accompanying Notes
Reardon & McCallum, Certified Public Accountants

CHINO BASIN WATERMASTER

NOTES TO FINANCIAL STATEMENTS

June 30, 1980

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

- A. Books and records are kept on the accrual basis.
- B. Income and expenses are segregated by the Watermaster's different pools.
- C. Short-term investments are recorded at cost.

NOTE 2

The Chino Basin Watermaster was formally appointed on January 27, 1978 in the Superior Court of the State of California for the County of San Bernardino. The Board of Directors of Chino Basin Municipal Water District was named as the Watermaster. In general, the Judgement provided for levying assessments to cover the cost of Watermaster administration and of replenishment water to maintain current water levels in the Chino Hydrological Basin. The Watermaster organizational meeting was held on February 15, 1978, at which time rules and regulations were discussed, meeting dates were established, and the Services and Facilities contract was signed with Chino Basin Municipal Water District.

On the same date, at a regular Chino Basin Municipal Water District Board meeting, authorization was given to transfer the balance of Senate Bill 222 funds to the Chino Basin Watermaster for use in Watermaster administration with the understanding that \$400,000 of these funds would be used for the purchase of replenishment water.

NOTE 3 - ASSESSMENTS RECEIVABLE - APPROPRIATIVE POOL

Section 7(c) of Exhibit "H" of the Judgement provides for purchase of replenishment water required of appropriators within San Bernardino Valley Municipal Water District to be from San Bernardino Valley Municipal Water District or Metropolitan Water District of Southern California. In order to deliver replenishment water to this area, it would be necessary to lease lines from MWD. In order to avoid these "wheeling costs" an arrangement has been made to use surface deliveries in this area and to replace the over-production which has occurred by leaving water in place, (i.e., unpumped). An agreement implementing this procedure was approved by the Watermaster on July 30, 1980. As the over-production is replaced, the replenishment assessments receivable will be written off and the assessments paid in 78/79 of \$7,466.00 will be returned to the appropriators involved.

See Accompanying Notes
Reardon & McCallum, Certified Public Accountants

CHINO BASIN WATERMASTER

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 1980

NOTE 4 - PRIOR YEAR ADJUSTMENTS

As reflected in NOTE 2 above, the amount of SB 222 funds to be used for purchase of replenishment water is limited to \$400,000. In the preparation of the June 30, 1979 year end financial statements, interest on these funds was applied to the beginning balance causing an overstatement of funds available for this purpose. SB 222 funds were acquired from a \$2/year/acre foot assessment levied for three years against all water produced from the basin. Applying interest earned on SB 222 funds to the Watermaster administration returns this benefit to all producers.

Included in the beginning balance of the groundwater replenishment Watermaster assessments were the 78/79 assessments paid by Marygold Mutual and West San Bernardino County Water District of \$7,466.00 and \$135.21 interest earned thereon. These two appropriators are located within SBVMWD and as is shown in NOTE 3 above, these assessments will be returned to these agencies once their replenishment obligations have been met, probably within the next five years. With the execution of the agreement referred to in NOTE 3, these funds have been reclassified as deferred credits.

See Accompanying Notes
Reardon & McCallum, Certified Public Accountants

APPENDIX "H-6"