

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

November 13, 2003

1:00 p.m. – Agricultural Pool Meeting

3:00 p.m. – Appropriative & Non-Agricultural Pool

(Lunch will not be provided)

November 20, 2003

10:00 a.m. – Advisory Committee Meeting

1:00 p.m. – Watermaster Board Meeting

(Lunch will be provided)

**AT THE OFFICES OF
CHINO BASIN WATERMASTER**

9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888



CHINO BASIN WATERMASTER

Agricultural Pool

1:00 p.m. November 13, 2003

AT THE OFFICES OF

CHINO BASIN WATERMASTER

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

1. Agricultural Pool meeting held October 9, 2003 (page

B. FINANCIAL REPORT

1. Cash Disbursements for the month of October 2003
2. Treasurer's Report of Financial Affairs for September 1, 2003 through September 30, 2003
3. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through September 30, 2003
4. Profit & Loss Budget vs. Actual July through September 2003

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer – the transfer of Monte Vista Irrigation Company FY 2003-04 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,040 acre-feet. (*Notice mailed November 7, 2003*)
2. Notice of Sale or Transfer – the lease and/or purchase of 2,500 acre-feet of water from the City of Pomona's production rights to the Monte Vista Water District. This lease is made first from the City's net under production, if any, in FY 2003-04, with any remainder to be recaptured from storage. (*Notice mailed November 7, 2003*)

II. BUSINESS ITEMS - POSSIBLE ACTION

A. PRESENT DRAFT 2003/2004 ASSESSMENT PACKAGE

Staff will present draft of annual assessment package. Staff will not be requesting any action on this item.

B. PRESENTATION ON CONSTRUCTION ACTIVITIES FOR RECHARGE IMPROVEMENT PROJECT

Staff will present slides on construction activities for recharge project. Staff will not be requesting any action on this item.

C. MEMORANDUM OF UNDERSTANDING BETWEEN CASTAIC LAKE WATER AGENCY AND CHINO BASIN WATERMASTER

Staff will present for consideration the Memorandum of Understanding with Castaic Lake Water Agency for potential Storage and Recovery Project.

III. REPORTS/UPDATES

A WATERMASTER GENERAL LEGAL COUNSEL REPORT

- 1. Chino Land & Water Lawsuit Update regarding filing of Amicus Brief
- 2. Metropolitan Water District Dry Year Yield Storage Transmittal to Court

B. CEO REPORT/UPDATES

- 1. Update regarding DWR Grant Request for Conjunctive Use Project
- 2. Update regarding Water Quality Committee Meeting of Wednesday November 12
- 3. New Watermaster Brochure
- 4. Discuss holiday meeting schedules

C. INFORMATION

- 1. MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004
- 2. Letter from Robert DeLoach, Cucamonga County Water District, regarding Perchlorate Remediation – Department of Defense

D. OTHER AGENCY REPORTS

IV. COMMITTEE MEMBER COMMENTS

V. OTHER BUSINESS

VI. FUTURE MEETINGS AND EVENTS

November 12, 2003	2:00 p.m.	Water Quality Committee Meeting
November 13, 2003	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting
	3:00 p.m.	Agricultural Pool Meeting
November 19, 2003	9:00 a.m.	MZ1 Technical Committee Meeting
November 20, 2003	10:00 a.m.	Advisory Committee Meeting
	1:00 p.m.	Watermaster Board Meeting

Notes: All meetings will be held at the Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

No meetings are currently planned for the month of December 2003

CHINO BASIN WATERMASTER
Joint Appropriative & Non-Agricultural Pool Meeting
3:00 p.m. November 13, 2003
AT THE OFFICES OF
CHINO BASIN WATERMASTER
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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A. MINUTES

1. Joint Meeting of the Appropriative and Non-Agricultural Pools held October 9, 2003

B. FINANCIAL REPORT

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2. Treasurer's Report of Financial Affairs for September 1, 2003 through September 30, 2003
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II. BUSINESS ITEMS - POSSIBLE ACTION

A. PRESENT DRAFT 2003/2004 ASSESSMENT PACKAGE

Staff will present draft of annual assessment package. Staff will not be requesting any action on this item.

B. PRESENTATION ON CONSTRUCTION ACTIVITIES FOR RECHARGE IMPROVEMENT PROJECT

Staff will present slides on construction activities for recharge project. Staff will not be requesting any action on this item.

C. MEMORANDUM OF UNDERSTANDING BETWEEN CASTAIC LAKE WATER AGENCY AND CHINO BASIN WATERMASTER

Staff will present for consideration the Memorandum of Understanding with Castaic Lake Water Agency for potential Storage and Recovery Project.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Chino Land & Water Lawsuit Update regarding filing of Amicus Brief
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B. CEO REPORT/UPDATES

1. Update regarding DWR Grant Request for Conjunctive Use Project
2. Update regarding Water Quality Committee Meeting of Wednesday November 12
3. New Watermaster Brochure
4. Discuss holiday meeting schedules

C. INFORMATION

1. MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004
2. Letter from Robert DeLoach, Cucamonga County Water District, regarding Perchlorate Remediation – Department of Defense

D. OTHER AGENCY REPORTS

IV. COMMITTEE MEMBER COMMENTS

V. OTHER BUSINESS

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	1:00 p.m.	Watermaster Board Meeting

Notes: All meetings will be held at the Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

No meetings are currently planned for the month of December 2003

CHINO BASIN WATERMASTER

Advisory Committee Meeting

10:00 a.m. November 20, 2003

AT THE OFFICES OF

CHINO BASIN WATERMASTER

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER BY

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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A. MINUTES

1. Meeting of the Advisory Committee meeting held October 23, 2003

B. FINANCIAL REPORT

1. Cash Disbursements for the month of October 2003
2. Treasurer's Report of Financial Affairs for September 1, 2003 through September 30, 2003
3. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through September 30, 2003
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Staff will present for consideration the Memorandum of Understanding with Castaic Lake Water Agency for potential Storage and Recovery Project.

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a. WATERMASTER GENERAL LEGAL COUNSEL REPORT

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D. INLAND EMPIRE UTILITIES AGENCY

1. Tier I/II Status – Rich Atwater (handout)
2. B160 State Water Plan – Martha Davis (oral)
3. Southern California Regional Profile – Martha Davis (oral)
4. MWD Dry Year Yield Program – John Rossi (oral)
5. Public Relations – Sondra Elrod (oral)
6. IEUA September Water Resources Report – David Hill (handout)
7. Recycled Water Program – Gary Hackney (attached)
8. Chino Basin Facilities Improvement Project (Recharge) – Gary Hackney (attached)
9. State/Federal Legislation – Martha Davis (attached)

E. OTHER AGENCY REPORTS

IV. COMMITTEE MEMBER COMMENTS

V. OTHER BUSINESS

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Notes: All meetings will be held at the Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

No meetings are currently planned for the month of December 2003

CHINO BASIN WATERMASTER

Watermaster Board Meeting

1:00 p.m. November 20, 2003

AT THE OFFICES OF

CHINO BASIN WATERMASTER

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

FLAG SALUTE

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

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No meetings are currently planned for the month of December 2003



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

AGENDA PACKAGE

CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

A. MINUTES
Agricultural Pool

Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING
October 9, 2003

A meeting of the Agricultural Pool was held at the offices of Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, California, on October 9, 2003 at 1:00 p.m.

AGRICULTURAL POOL MEMBERS PRESENT

Nathan DeBoom, Chair	Milk Producers Counsel
Gene Koopman, Vice-Chair	Milk Producers Counsel
Glen Durrington	Crops
Jack Hagerman	State of California, CIM
Ron La Brucherie	Dairy
Robert Feenstra	Dairy
Pete Hettinga	Milk Producers Counsel
John Huitsing	Crops
Craig Stewart	Geomatrix/State of California

NON-AGRICULTURAL POOL MEMBERS PRESENT

Vic Barrion	Reliant Energy, Etiwanda LLC
Steve Arbelbide	California Steel Industries (CSI)

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Finance Manager
Mary Staula	Administrative Assistant
Sherri Lynne Molino	Recording Secretary

Watermaster Legal Counsel Present

None

Watermaster Consultants Present

None

Others Present

Rich Atwater	Inland Empire Utilities Agency
Dave Crosley	City of Chino
Steve Lee	Reid & Hellyer

Chair deBoom called the meeting to order at 1:10 p.m.

Note: Due to the unavailability of Pool Member representation at the originally scheduled joint Appropriative & Non-Agricultural meeting, Vic Barrion, Non-Agricultural Chair, attended the Agricultural Pool meeting.

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Meeting of the Appropriative and Non-Agricultural Pools held August 14, 2003
2. Meeting of the Appropriative Pool held September 11, 2003

3. Meeting of the Agricultural Pool held August 14, 2003
4. Meeting of the Agricultural Pool held September 11, 2003

B. FINANCIAL REPORT

1. Cash Disbursements for the month of September 2003
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through July 31, 2003
Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through August 31, 2003
3. Treasurer's Report of Financial Affairs for July 1, 2003 through July 31, 2003
Treasurer's Report of Financial Affairs for August 1, 2003 through August 31, 2003
4. Profit & Loss Budget vs. Actual July 2003
Profit & Loss Budget vs. Actual August 2003

Motion by Feenstra, second by Koopman, and by unanimous vote
Moved, to approve Consent Calendar Items, as presented.

II. BUSINESS ITEMS

A. REQUEST FROM CITY OF CHINO (FORM 7) FOR CREDIT AGAINST OBMP ASSESSMENTS

Mr. Rossi reviewed the hand out of Form 7 Application for Reimbursement or Credit against OBMP Assessment being submitted by the City of Chino. This application was handed out to the Advisory and Board Members on September 25, 2003. Mr. Rossi continued to give a brief description of the ION Exchange Plant for which Chino is seeking credit in accordance to the revised Watermaster Rules & Regulations. Mr. Rossi stated that Michael Fife was unable to attend the meeting due to a prior engagement and that he has knowledge of the background in regards to the Peace Agreement that would have provided additional beneficial information for this topic. Discussion ensued with regard to this application and it was noted that this was the first Form 7 received by Watermaster. Dialogue on impact, how credits will be approved and by what methods ensued. The Pool was reminded that Form 7 did not exist when Pomona applied for credit and this is a new topic for Watermaster and is in the preliminary discovery stage at present. Numerous comments were made in relation to salt removal credits, assessment issues, replenishment costs and the issuance of some type of credit in regard to Form 7. Mr. Rossi commented that he was seeking direction by bringing this item to the pools first for discussion. He is aware it will require serious deliberation, planning and combined efforts to come to a resolution. Mr. Rossi finalized the discussion and remarked that he would have more information to offer at the next meeting after review by the Appropriate Pool, Advisory Committee and Board.

No action taken.

B. DRY YEAR YIELD OPERATING PLAN FOR FISCAL 2003/2004

Mr. Rossi expanded on this business item with an additional hand out recapping the Conjunctive Use Annual Operating Plan. The Annual Operating Plan was divided into 5 service connections for either direct delivery or in-lieu for fiscal year 03/04. A brief discussion ensued in this regard. Mr. Rossi added that this plan would have no impact on the Watermaster budget and requested at this time the item be approved by the Committee Members.

Motion by Koopman, second by Feenstra, and by unanimous vote
Moved, to approve Annual Operating Plan, as presented.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

None

B. CEO REPORT/UPDATES

1. Update regarding MZ1 Technical Committee Meeting of Wednesday September 24, 2003
The MZ1 meeting with Mr. Scalmanini in attendance was a very productive and informative meeting according to Mr. Rossi. The progress report for MZ1 Interim Monitoring Program for July 23, 2003 was presented to the MZ1 committee by Mark Wildermuth of Wildermuth Environmental. Benchmark Surveys, InSAR, and Aquifer-System Monitoring were the three main topics that were briefly reviewed by Mr. Rossi.
2. Update regarding Water Quality Committee Meeting of Wednesday September 24, 2003
Mr. Rossi showed the committee the same power point presentation presented to the Water Quality Committee recently, which is available for those who want a copy. In addition to the power point presentation Mr. Rossi referred to the California Water Desalination Task Force Findings and Recommendations hand out, and then touched on the Key Findings and Major Recommendations highlighted in this report. During and after the presentation Mr. Rossi was asked several questions in regards to the quality of water in the Chino Basin. Several committee members expressed the desire to attend Water Quality Committee Meetings or have the findings made available to them. Mr. Rossi welcomed all to attend the meetings. A high interest was expressed in Perchlorate issues. It was noted that, Perchlorate is being reviewed by the USDA as well as many technical advisors. It was stated that funds for studies and clean up need to be made available for this serious situation to be addressed properly. There were questions as to whether or not the Montgomery Study provided any benefit and what role the desalters will have in resolving water quality issues. Discussion ensued for several minutes and ended with the offer that a more thorough analysis by Wildermuth Environmental will be presented at the next meeting.
3. Update regarding preparation of 2003/2004 Assessment Package
Mr. Rossi stated that Watermaster is in the process of automating the assessment package and Traci Stewart is helping out in this regard. The Assessment Package is being developed and the draft numbers will be submitted at the Advisory and Board meeting on October 23, 2003.
4. Discuss holiday meeting schedules
The balance of meetings for the month of October will be held at IEUA and this decision was in agreement with the committee members. Watermaster staff is working diligently on preparing the new Meeting Room for meetings in November. It was decided that there will be no scheduled Watermaster Committee or Board meetings in the month of December unless something comes up and then a meeting will be called.

C. OTHER AGENCY REPORTS

None

D. INFORMATION

MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004.

IV. COMMITTEE MEMBER COMMENTS

A question was asked whether or not wells affected by the new desalter will be tested prior to the new desalters going in? Mr. Rossi remarked that the Watermaster has been getting a baseline of water levels. Additionally, the CDA is working on their draft well recovery and mitigation plan that will be coming back to the pools. Mr. Atwater stated we are right on target and making sure these issues will be covered prior to the start of the project. The question of potable water for troughs and barns was addressed. Lastly, it was asked if the location of final wells for the desalter were identified. Mr. Atwater commented that the Chino II Desalter's location was still in the process and they will be working on this in the fall. A brief discussion took place in regard to these items.

V. OTHER BUSINESS

Mary Staula received praise for her years of dedication and was offered warm wishes for her future endeavors. The members were invited to go into the next room for a reception in Mary's honor right after the meeting was adjourned.

VI. FUTURE MEETINGS AND EVENTS

October 23, 2003	10:00 a.m. 1:00 p.m.	Advisory Committee Meeting Watermaster Board Meeting
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Note: October 23 meetings will be held at Inland Empire Utilities Agency, Bldg. A Board Room, 6075 Kimball Road, Chino, California, 91710 (909) 993-1600

November 13, 2003	1:00 p.m. 3:00 p.m.	Appropriative & Non-Agricultural Pool Meeting Agricultural Pool Meetings
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November 20, 2003	10:00 a.m. 1:00 p.m.	Advisory Committee Meeting Watermaster Board Meeting
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Note: November 13 and 20 meetings will be held at the new Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

Note: Vic Barrion, Non-Agricultural Chair, concurred with an approval for the Agricultural Pool meeting actions for the Non-Agricultural Pool.

Chair deBoom adjourned the meeting at 2:17 p.m.

Secretary

Minutes Approved: _____

CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

A. MINUTES

Joint Meeting Appropriative
Pool & Non-Agricultural Pool

Draft Minutes
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL & NON-AGRICULTURAL MEETING
October 9, 2003

A meeting of the Appropriative Pool and Non-Agricultural was held at the offices of Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, California, on October 9, 2003 at 3:00 p.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Robert DeLoach, Vice Chair	Cucamonga County Water District
Rich Atwater	Inland Empire Utilities Agency
Dave Crosley	City of Chino
Raul Garibay	City of Pomona
Mark Kinsey	Monte Vista Water District
Carole McGreevy	Jurupa Community Services District
Bill Stafford	Marygold Mutual
James Bryson	Fontana Union Water Company
Mohamed ElAmamy	City of Ontario
Ron Craig	RBF for City of Chino Hills

NON-AGRICULTURAL POOL MEMBERS PRESENT

None

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Finance Manager
Mary Staula	Administrative Assistant
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

None

Others Present

Rita Kurth	Cucamonga County Water District
Josephine Johnson	Monte Vista Water District
Bo Chen	City of Pomona

Vice-Chair DeLoach called the meeting to order at 10:10 a.m. Chair Jeske was unable to attend.

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Meeting of the Appropriative and Non-Agricultural Pools held August 14, 2003
2. Meeting of the Appropriative Pool held September 11, 2003
3. Meeting of the Agricultural Pool held August 14, 2003
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B. FINANCIAL REPORT

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3. Treasurer's Report of Financial Affairs for July 1, 2003 through July 31, 2003
Treasurer's Report of Financial Affairs for August 1, 2003 through August 31, 2003
4. Profit & Loss Budget vs. Actual July 2003
Profit & Loss Budget vs. Actual August 2003

Motion by DeLoach, second by McGreevy, and by unanimous vote
Moved, to approve Consent Calendar Items, as presented.

II. BUSINESS ITEMS - POSSIBLE ACTION**A. REQUEST FROM CITY OF CHINO (FORM 7) FOR CREDIT AGAINST OBMP ASSESSMENTS**

Mr. Rossi reviewed the hand out of Form 7 Application for Reimbursement or Credit against OBMP Assessment being submitted by the City of Chino. This application was handed out to the Advisory and Board Members on September 25, 2003. Mr. Rossi continued to give a brief description of the ION Exchange Plant for which the City of Chino is seeking credit in accordance to the revised Watermaster Rules & Regulations. Mr. Rossi stated that Michael Fife was unable to attend the meeting due to a prior engagement and that he has knowledge of the background in regards to the Peace Agreement that would have provided additional beneficial information for this topic. Discussion ensued with regard to this application and it was noted that this was the first Form 7 received by Watermaster. Ms. McGreevy commented on Chino Hills' application for credit to offset assessments under the OBMP. Dialogue on impact, how credits will be approved and by what methods continued. The Pool was reminded that Form 7 did not exist when Pomona applied for credit and this is a new topic for Watermaster and is in the preliminary discovery stage at present. Numerous comments were made in relation to salt removal credits, assessment issues, replenishment costs and the issuance of some type of credit in regard to Form 7. Mr. Rossi commented that he was seeking direction by bringing this item to the pools first for discussion. He is aware it will require serious deliberation, planning and combined efforts to come to a resolution. Mr. Crosley made a formal request that the City of Chino have a placeholder to discuss this matter in the future. Mr. Crosley added that the City of Chino intends to follow through with this topic, whether or not they receive any compensation. Mr. Rossi finalized the discussion and remarked that he would have more information to offer at the next meeting after review by the Appropriate Pool, Advisory Committee and Board.

No action taken.

B. DISCUSS DRY YEAR YIELD OPERATING PLAN FOR FISCAL 2003/2004

Mr. Rossi expanded on this business item with an additional hand out recapping the Conjunctive Use Annual Operating Plan. The Annual Operating Plan was divided into 5 service connections for either direct delivery or in-lieu for fiscal year 03/04. A brief discussion ensued in this regard. Mr. Rossi added that this plan would have no impact on the Watermaster budget and was requested at this time the item be approved by the Committee Members.

Motion by Kinsey, second by Crosley, and by unanimous vote
Moved, to approve Annual Operating Plan, as presented.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

None

B. CEO REPORT/UPDATES

1. Update regarding MZ1 Technical Committee Meeting of Wednesday September 24, 2003
The MZ1 meeting with Mr. Scalmanini was a very productive and an informative meeting according to Mr. Rossi. The progress report for MZ1 Interim Monitoring Program for July 23, 2003 was presented to the MZ1 committee by Mark Wildermuth of Wildermuth Environmental. Mr. Scalmanini commented that he was very impressed with the Long Term Plan. Benchmark Surveys, InSAR, and Aquifer-System Monitoring were the three main topics that were briefly reviewed by Mr. Rossi.
2. Update regarding Water Quality Committee Meeting of Wednesday September 24, 2003
Mr. Rossi showed the committee the same power point presentation presented to the Water Quality Committee recently, which will be made available to those who want a copy. In addition to the power point presentation Mr. Rossi referred to the California Water Desalination Task Force Findings and Recommendations hand out, then touched on the Key Findings and Major Recommendations highlighted in this report. During and after the presentation Mr. Rossi was asked several questions in regards to the quality of water in the Chino Basin. It was stated that funds for studies and clean up need to be made available for this serious situation to be addressed properly. A remark was made regarding partnering with SAWPA to handle the Perchlorate issues and potential DOD assistance for the clean up for the Colorado River. Additional annotations of relief were made that people are finally listening to the issues and want to commit some resources to fix the problem. The OCWD has issued a letter of intent to come up with ideas on clean up. Watermaster will be receiving a copy. Discussion ensued for several minutes and ended with the offer that a more thorough analysis by Wildermuth Environmental will be presented at the next meeting.
3. Update regarding preparation of 2003/2004 Assessment Package
Mr. Rossi stated that Watermaster is in the process of automating the assessment package and Traci Stewart is helping out in this regard. The Assessment Package is being developed and the draft numbers will be submitted at the Advisory and Board meeting on October 23, 2003.
4. Discuss holiday meeting schedules
The balance of meetings for the month of October will be held at IEUA and this decision was in agreement with the committee members. Watermaster staff is working diligently on preparing the new Meeting Room for meetings in November. It was decided that there will be no scheduled Watermaster Committee or Board meetings in the month of December unless something comes up and then a meeting will be called.

C. OTHER AGENCY REPORTS

None

D. INFORMATION

MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004.

IV. COMMITTEE MEMBER COMMENTS

None

V. OTHER BUSINESS

None

CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting

3:00 p.m. - Joint Appropriative Pool & Non-Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting

1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

A. MINUTES
Advisory Committee

Draft Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING
October 23, 2003

The Advisory Committee Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on October 23, 2003 at 10:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Nathan deBoom, Chair	Dairy, Milk Producers Council
<u>Agricultural Pool</u>	
R. Pete Hall	State of California Institute for Men
<u>Non-Agricultural Pool</u>	
Vic Barrion	Reliant Energy, Etiwanda
<u>Appropriative Pool</u>	
Gerald Black	Fontana Union Water Company
Dave Crosley	City of Chino
Ken Jeske	City of Ontario
Mark Kinsey	Monte Vista Water District
Michael McGraw	Fontana Water Company
J. Arnold Rodriguez	Santa Ana River Water Company
Ray Wellington	San Antonio Water Company
Raul Garibay	City of Pomona
Bill Stafford	Marygold Water Company

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Finance Manager
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
David Marquez	Hatch & Parent
Andy Malone	Wildermuth Environmental, Inc.
Joe LeClaire	Wildermuth Environmental, Inc.

Other Presents

Martha Davis	Inland Empire Utilities Agency
Dave Hill	Inland Empire Utilities Agency
Rich Atwater	Inland Empire Utilities Agency
Sondra Elrod	Inland Empire Utilities Agency
Dan McKinney	Special Counsel to the Agricultural Pool
Diane Sanchez	State Department of Water Resources
Rick Hansen	Three Valleys Municipal Water District
Josephine Johnson	Monte Vista Water District
Rick Rees	Geomatrix for the State of California

The Advisory Committee meeting was called to order by Chair deBoom at 10:05 a.m.

AGENDA - ADDITIONS/REORDER

Pulled Item E for Board Member discussion.

I. CONSENT CALENDAR**A. MINUTES**

1. Advisory Committee
Meeting of the Advisory Committee meeting held August 28, 2003
Meeting of the Advisory Committee meeting held September 25, 2003
2. Watermaster Board
Meeting of the Watermaster Board meeting held September 25, 2003

B. FINANCIAL REPORT

1. Cash Disbursements for the month of September 2003
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through July 31, 2003
Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through August 31, 2003
3. Treasurer's Report of Financial Affairs for July 1, 2003 through July 31, 2003
Treasurer's Report of Financial Affairs for August 1, 2003 through August 31, 2003
4. Profit & Loss Budget vs. Actual July 2003
Profit & Loss Budget vs. Actual August 2003

C. CONSIDER SOUTHERN CALIFORNIA WATER COMMITTEE MEMBERSHIP

Staff recommends that the Advisory Committee and Board authorize staff to enroll the Chino Basin Watermaster as a member of the Southern California Water Committee.

D. DRY YEAR YIELD OPERATING PLAN FOR FISCAL 2003/2004

The pools unanimously recommend approval of the FY 2003/04 Conjunctive Use Operation Plan.

Motion by Jeske, second by Garibay, and by unanimous vote

Moved to approve Consent Calendar, items A through D as presented

E. CONSIDER APPROVAL OF MWD/IEUA GROUNDWATER STORAGE ACCOUNT

The pools unanimously recommend approval of the MWD/IEUA Groundwater Storage Account for the Dry Year Yield Program.

Motion by Jeske, second by Garibay, and by unanimous vote

Moved to approve Consent Calendar, as amended with revision of verbiage for item E to approve the MWD/IEUA groundwater storage account conditional upon the annual approval by the Chino Basin Watermaster of the annual Dry Year Yield Operating Plan.

II. BUSINESS ITEMS - POSSIBLE ACTION**A. REQUEST FROM CITY OF CHINO (FORM 7) FOR CREDIT AGAINST OBMP ASSESMENTS**

Mr. Rossi discussed this item and informed those in attendance that following the pool meetings on October 9, 2003, staff received direction from the pools to begin an analysis of the City of Chino's request for further consideration for assessment credit by Watermaster. Dialogue continued on the subject of criteria issues and how the criteria will be set in order to advance in course of action. It was stated that the Form 7 application is a process and will require time for data to be collected and analyzed. Mark Wildermuth of Wildermuth Environmental will be requested to develop formal criteria for policy development on this issue and Chino Basin Watermaster will analyze potential budget impacts. A request was made that both written as well

as verbal communications be documented and on hand when brought back to the Board for further consideration on how to proceed.

No action taken.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Counsel Fife distributed the draft for Notice of Motion to Continue October 30, 2003 workshop re MZ1 interim subsidence plan. Counsel Fife commented that Mr. Scalmanini although very pleased with the progress of the MZ1 committee recommended the workshop be rescheduled sequentially to allow further data to be formulated. Mutually Chino and Chino Hills agreed with this postponement.
2. Counsel Fife referred to the hand out dated October 1, 2003 which referenced the August 7, 2003 letter from Jane Farwell of the State Water Resources Control Board requesting that the Chino Basin Watermaster provide a water availability analysis that takes into account seasonal availability and other relevant factors. It was also stated that the updated model used in this analysis produced a statistically stationary time series representing the expected surface water discharge that would occur if existing land use and drainage conditions are held constant for long periods of time. This, along with other pertinent documentation on the analysis is available in the Wasteload Allocation Report and the July 2003 Addendum.
3. Counsel Fife reported on the extension filed for the Chino Land & Water lawsuit. He noted the extension was granted until October 24, 2003. Counsel Fife commented when the draft was complete counsel would forward the draft to the Chino Basin Watermaster for distribution. No hearing date has been presently set for this case and as a result, Watermaster has postponed filing an Amicus Brief although will proceed once the case is settled.

B. CEO REPORT/UPDATES

1. Update regarding MZ1 Technical Committee Meeting of Wednesday September 24, 2003
Mr. Malone made a presentation on the findings and progress of analysis for the MZ1 Interim Monitoring Program. He described the collection of groundwater levels, INSAR mapping, and Aquifer System Monitoring. Mr. Malone commented on the Aquifer System Monitoring and how it is providing aquifer data as it relates to pumping within the basin. Mr. Malone acknowledged with recent gathered data Wildermuth Environmental will be able to complete a long term plan for MZ1. Mr. Malone invited all interested parties to attend the next MZ1 Technical Committee Meeting on November 19, 2003 at 9:00 a.m. at Chino Basin Watermaster offices.
2. Update regarding Water Quality Committee Meeting of Wednesday September 24, 2003
Mr. Rossi mentioned the next Water Quality meeting would be held on November 12, 2003 at 2:00 p.m. at the Chino Basin Watermaster offices. Dr. LeClaire of Wildermuth Environmental stated the Water Quality Committee meets for the purpose of reviewing water quality issues. Dr. LeClaire gave a presentation that focused on the following a) Locate the leading edge of the total dissolved solids/total organic carbon/volatile organic chemicals created by the Kaiser Steel, b) Identify the potential sources of perchlorate throughout the basin, c) Identify the source(s) of VOC anomaly located south of the Ontario Airport and north of the Chino-1 Desalter well field and, d) Identify source(s) of the Chino Airport VOC plume. It was noted the Regional Water Quality Control (Regional Board) has identified a Potential Responsible Party (PRP) and a groundwater investigation to better characterize the plume prior to mitigation that is already underway. Watermaster is tracking the progress of this investigation. Dr. LeClaire stressed that the goal of these water quality investigations is to compile enough evidence for the Regional Board to issue Investigation

Orders to the PRP's. This will facilitate the regulatory process, while shifting the majority of the investigation/cleanup cost burden to the PRPs.

Mr. Rossi added comment to the letter written to Metropolitan Water District of Southern California dated September 26, 2003 in regard to Perchlorate Contamination in the Chino Groundwater Basin and the available Metropolitan surplus funds and allocation. Mr. Atwater distributed a letter dated October 14, 2003 from Metropolitan Water District of Southern California in response to the aforementioned letter. Mr. Atwater expressed encouragement from this responsive letter and felt optimistic to receive funding for Perchlorate matters.

3. Discuss holiday meeting schedules

Mr. Rossi noted the Advisory Committee and Watermaster Board meetings will be held one week early on November 20, 2003 instead of November 27, 2003. He commented the Pool meetings are scheduled for November 13, 2003 and that the November meetings will be held at the Chino Basin Watermaster offices as planned.

C. INLAND EMPIRE UTILITIES AGENCY

1. MWD IRP – Rich Atwater

Mr. Atwater summarized the Integrated Resources Plan which is currently being drafted. MWD will be seeking public input on the draft and will hold a series of public meetings in the months of November and December for this purpose. Mr. Atwater commented that MWD is planning on finalizing the IRP document in January. He also noted that this year was a historic year for storage water and with the completion of this document there will be better management and increased yield.

2. Tier I/II Status – Rich Atwater

Mr. Atwater reviewed the IEUA Cumulative Monthly Tier 1 Imported Water Deliveries for 2003-2003 hand out and concentrated on the historical trends. A brief discussion ensued regarding statistics and Mr. Atwater assured the Board that the statistics were currently being reviewed and updated.

3. Southern California Regional Profile – Martha Davis

Ms. Davis went over the main points on the Water Plan Update 2003 "An Investment Guide for California's Water Future" Executive Summary hand out, which included recommendations for investment in California's water future. Ms. Davis briefly reviewed the revised schedule and deadlines for comments. Ms. Davis discussed the Southern California Regional "Snapshot" Profile Draft Questionnaire and its ability to provide a tool for Cal Fed's water quality decisions. This questionnaire contains uncomplicated questions and will be extremely beneficial to water decisions. Water agencies are being encouraged to participate in submitting the questionnaire.

4. B160 State Water Plan – Martha Davis

Ms. Davis conveyed that in her opinion the B160 Draft Report really recognizes our needs, and felt that the past tools used were inadequate. The report includes projections on running out of water, the California water plan, growth plans presently and in the future, average pumping needs, recovering additional water and sources, and finally, additional storage. Ms. Davis recommends taking a look at the California Water Resource website and seeing what they are all about and what they are presently working on.

5. MWD Dry Year Yield Program – John Rossi

Mr. Rossi gave a brief update on MSD Dry Year Yield activities and stated that he will be working with water agencies over the next few months regarding the Tier I allocations. Mr. Kinsey gave a brief overview on what Monte Vista Water District is doing regarding the Tier I allocations. Mr. Rossi reported that Kathy Tiegs of Inland Empire Utility Agency must have the certification letters by November 4, 2003.

6. Recycled Water Program – Rich Atwater

Mr. Atwater reviewed the September 2003 Recycled Water Survey hand out and touched basis on several of the Active Projects. Mr. Atwater commented on how well the toilet program went and how efficiently the whole process was run. Mr. Atwater referenced the

Free Tree Planting Program hand out and offered a tour of how recycled water plays a significant role for these trees and the program. He asked what the best way to distribute 30,000 trees was. Mr. Atwater also made mention of the 2,000th high efficiency clothes washer rebates.

7. Chino Basin Facilities Improvement Project (Recharge)

This item will be discussed at the next meeting – no comment made. Please refer to the September 2003 Chino Basin Facilities Improvement Project Summary attached for update.

8. IEUA September Water Resources Report – David Hill

Mr. Hill highlighted the Water Resource Planning Activity hand out. Mr. Hill also commented on the Free Tree Planting Program which will include free native trees and shrubs and information on the importance of this type of trees, shrubs and their care and maintenance. This program will target schools, parks and other public properties.

9. State/Federal Legislation – Martha Davis

Ms. Davis recapped the September 30, 2003 Legislative Report attached. This four page report written by Dave Weiman which provides a monthly report on his federal activities on behalf of IEUA and reviews various legislative issues from recycling programs, contaminants, hearings, funding bills and IEUA working partners. Ms. Davis also reported on the September Legislative Report from Geyer and Associates.

10. Public Relations – Sondra Elrod

Ms. Elrod commends IEUA on receiving the Governor's Award for New Headquarters. The presentation of this award will be on November 17, 2003 in Sacramento, California. Ms. Elrod also asked for letters of support in regards to the recycled water projects. Ms. Elrod commented on the recent toilet project and commended Kathy Tiegs on the fantastic job she did on distributing the 800 toilets.

D. OTHER AGENCY REPORTS

No comment.

E. INFORMATION

1. MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004

Mr. Rossi commented on the current schedule and need for the five day shutdown.

2. Water Desalination Task Force

Mr. Rossi presented comment on the May – September 2003 California Water Desalination Task Force findings and Recommendations. Mr. Atwater stated that an email would be forth coming regarding strategy for funding on a 3rd desalter. Ms. Davis added there is a great deal of dialogue in Southern California presently regarding desalination and criteria for funding this process, furthermore signatures of support would provide a strong endorsement for moving forward with recommendations in this regard.

IV. COMMITTEE MEMBER COMMENTS

No comment.

V. OTHER BUSINESS

No comment.

VI. FUTURE MEETINGS AND EVENTS

November 12, 2003	9:00 a.m.	MZ1 Technical Committee Meeting
November 13, 2003	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting
	3:00 p.m.	Agricultural Pool Meeting
November 19, 2003	2:00 p.m.	Water Quality Committee Meeting
November 20, 2003	10:00 a.m.	Advisory Committee Meeting
	1:00 p.m.	Watermaster Board Meeting

Note: All meetings will be held at the Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

Chair deBoom adjourned the meeting at 11:36 a.m.

Secretary

Minutes Approved: _____

CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

A. MINUTES
Watermaster Board

Draft Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING
October 23, 2003

The Watermaster Board Meeting was held at the offices of Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA 91710 on October 23, 2003 at 1:00 p.m.

WATERMASTER BOARD MEMBERS PRESENT

Dennis Yates, Chair	City of Chino
Terry Catlin, Vice-Chair	Inland Empire Utilities Agency
Dan Rodriguez, Secretary	Appropriative Pool, City of Pomona
Vic Barrion	Non-Agricultural Pool, Reliant Energy, Etiwanda LLC
Paul Hofer	Agricultural Pool, Crops
Bob Kuhn	Three Valleys Municipal Water District
Geoffrey Vanden Heuvel	Agricultural Pool, Dairy
Michael Whitehead	Appropriative Pool, Nicholson Trust
Donald Schroeder	Western Municipal Water District

Appropriative Pool Members Present

Mark Kinsey	Monte Vista Water District
Ken Jeske	City of Ontario
Henry Pepper	City of Pomona
Dave Crosley	City of Chino
Raul Garibay	City of Pomona

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Finance Manager
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Andy Malone	Wildermuth Environmental, Inc.
Joe LeClaire	Wildermuth Environmental, Inc.
Scott Salter	Hatch & Parent

Others Present

Diane Sanchez	State Department of Water Resources
R. Pete Hall	State of California Institute for Men
Garry Cohoe	City of Chino Hills

The Board meeting was called to order by Chair Yates at 1:06 p.m., followed by the flag salute.

PULIC COMMENTS

None

PRESENTATION FOR MARY STAULA'S RETIREMENT

Chair Yates, read a commendation and then presented Ms. Staula with a plaque. Chair Yates commended Mary on her outstanding years of dedication and service, and expressed how she would be greatly missed. Ms. Staula thanked everyone for the beautiful plaque and commented on how ironic it was that when she was originally hired it was for Inland Empire Utilities Agency and now she has come full circle and is commemorating her retirement at Inland Empire Utilities Agency. Ms. Staula expressed

appreciation for the friendships she had built and for all the amazing years she had spent working with so many wonderful people. She thanked everyone and wished the Watermaster Board and present attendees best regards for the future.

AGENDA - ADDITIONS/REORDER

Pulled Item E for Board Member discussion.

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee
Meeting of the Advisory Committee meeting held August 28, 2003
Meeting of the Advisory Committee meeting held September 25, 2003
2. Watermaster Board
Meeting of the Watermaster Board meeting held September 25, 2003

B. FINANCIAL REPORT

1. Cash Disbursements for the month of September 2003
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through July 31, 2003
Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through August 31, 2003
3. Treasurer's Report of Financial Affairs for July 1, 2003 through July 31, 2003
Treasurer's Report of Financial Affairs for August 1, 2003 through August 31, 2003
4. Profit & Loss Budget vs. Actual July 2003
Profit & Loss Budget vs. Actual August 2003

C. CONSIDER SOUTHERN CALIFORNIA WATER COMMITTEE MEMBERSHIP

Staff recommends that the Advisory Committee and Board authorize staff to enroll the Chino Basin Watermaster as a member of the Southern California Water Committee.

D. DRY YEAR YIELD OPERATING PLAN FOR FISCAL 2003/2004

The pools unanimously recommend approval of the FY 2003/04 Conjunctive Use Operation Plan.

Motion by Vanden Heuvel, second by Catlin, and by unanimous vote

Moved to approve Consent Calendar, items A through D as presented

E. CONSIDER APPROVAL OF MWD/IEUA GROUNDWATER STORAGE ACCOUNT

The pools unanimously recommend approval of the MWD/IEUA Groundwater Storage Account for the Dry Year Yield Program.

Motion by Schroeder, second by Kuhn, and by unanimous vote

Moved to approve Consent Calendar, as amended with revision of verbiage for item E to approve the MWD/IEUA groundwater storage account conditional upon the annual approval by the Chino Basin Watermaster of the annual Dry Year Yield Operating Plan.

II. BUSINESS ITEMS - POSSIBLE ACTION

A. REQUEST FROM CITY OF CHINO (FORM 7) FOR CREDIT AGAINST OBMP ASSESSMENTS

Mr. Rossi discussed this item and informed those in attendance that following the pool meetings on October 9, 2003, staff received direction from the pools to begin an analysis of the City of Chino's request for further consideration for assessment credit by Watermaster. Discussion ensued regarding Form 7 and the question of whether or not agencies can file for reimbursement or credit reducing annual assessments. A comment was made with regard to the

City of Pomona's assessment for credit and noted this credit was actually negotiated during the formulation of the Peace Agreement. Consideration whether the City of Pomona had set some sort of precedence will be investigated and brought back to the Committee and Board members. Once a final decision is made on criteria and financial outcome that Form 7 will be a great incentive for projects and Watermaster needs to encourage these types of endeavors. Development of objective criteria needs to be completed in order to proceed. With those notations, it was commented that Mark Wildermuth of Wildermuth Environmental will be requested to develop formal criteria for policy development on this issue and Chino Basin Watermaster will analyze potential budget impacts. Lastly, Watermaster needs to evaluate funding worthy projects on on going bases. A request was made that both written as well as verbal communications be documented and on hand when brought back to the Board for further consideration on how to proceed.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Counsel Slater distributed the draft for Notice of Motion to Continue October 30, 2003 workshop re MZ1 interim subsidence plan. Counsel Slater commented that Mr. Scalmanini although very pleased with the progress of the MZ1 committee recommended the workshop be rescheduled sequentially to allow further data to be formulated.
2. Counsel Slater reported on the extension filed for the Chino Land & Water lawsuit. He noted the extension was granted until October 24, 2003. Counsel Slater commented when the draft was complete counsel would forward the draft to the Chino Basin Watermaster for distribution. No hearing date has been presently set for this case and as a result, Watermaster has postponed filing an Amicus Brief, although will proceed once the case is settled.

B. CEO REPORT/UPDATES

1. Update regarding MZ1 Technical Committee Meeting of Wednesday September 24, 2003
Mr. Malone made a presentation on the findings and progress of analysis for the MZ1 Interim Monitoring Program. He described the collection of groundwater levels, INSAR mapping, and Aquifer System Monitoring. Mr. Malone commented on the Aquifer System Monitoring and how it is providing aquifer data as it relates to pumping within the basin. Mr. Malone acknowledged with recent gathered data Wildermuth Environmental will be able to complete a long term plan for MZ1. Mr. Malone invited all interested parties to attend the next MZ1 Technical Committee Meeting on November 19, 2003 at 9:00 a.m. at Chino Basin Watermaster offices.
2. Update regarding Water Quality Committee Meeting of Wednesday September 24, 2003
Mr. Rossi mentioned that the next Water Quality meeting would be held on November 12, 2003 at 2:00 p.m. at the Chino Basin Watermaster offices. Dr. LeClaire of Wildermuth Environmental stated the Water Quality Committee meets for the purpose of reviewing water quality issues. Dr. LeClaire gave a PowerPoint presentation that focused on the following, a) Locate the leading edge of the total dissolved solids /total organic carbon/volatile organic chemicals created by the Kaiser Steel, b) Identify the potential sources of perchlorate throughout the basin, c) Identify the source(s) of VOC anomaly located south of the Ontario Airport and north of the Chino-1 Desalter well field and, d) Identify source(s) of the Chino Airport VOC plume. It was noted the Regional Water Quality Control (Regional Board) has identified a Potential Responsible Party (PRP) and a groundwater investigation to better characterize the plume prior to mitigation that is already underway. Watermaster is tracking the progress of this investigation. Dr. LeClaire stressed that the goal of these water quality investigations is to compile enough evidence for the Regional Board to issue Investigation Orders to the PRP's. This will facilitate the regulatory process, while shifting the majority of the investigation/cleanup cost burden to the PRPs.

Mr. Rossi referred to letter dated September 26, 2003, to the Metropolitan Water District of Southern California and their current surplus of funds and their process of determining how to best use the funds for Perchlorate contamination issues.

Mr. Rossi commented on the Environmental Data Resource Management Company and received comment requesting more concise information on what the company is looking for as far as resources and staff to continue background research to locate PRP's and start producing orders.

3. Discuss holiday meeting schedules

Mr. Rossi noted the Advisory Committee and Watermaster Board meetings will be held one week early on November 20, 2003 instead of November 27, 2003. He commented the Pool meetings are scheduled for November 13, 2003 and that the November meetings will be held at the Chino Basin Watermaster offices as planned.

C. ASSOCIATION OF GROUNDWATER AGENCIES

1. Minutes for the meeting held September 15, 2003

Mr. Rossi noted the minutes of the Association of Ground Water Agencies (AGWA) were attached for review.

2. Agenda to be held October 20, 2003

Attached – No comment made.

D. OTHER AGENCY REPORTS

None

E. INFORMATION

1. MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004

Mr. Rossi commented on the current schedule and referred to this shutdown as planned maintenance.

2. Water Desalination Task Force

Mr. Rossi briefly commented on the May – September 2003 California Water Desalination Task Force findings and Recommendations. Discussion ensued on desalters and their relevance to water demands and the recent field investigations on reevaluating the current desalter's production.

IV. BOARD MEMBER COMMENTS

Dialogue on Perchlorate standards ensued and it was stated the need to better inform legislative personnel on Perchlorate issues. The idea of a workshop on Perchlorate was addressed in order to have a tool to inform people of this important matter. Exploration on a workshop will continue and will be brought back to the Committees for consideration. Chair Yates informed the Board that he would be attending the Southern California Water Meeting in Washington DC regarding contamination issues and would bring back information on discussed topics.

V. OTHER BUSINESS

No comment.

VI. FUTURE MEETINGS AND EVENTS

November 12, 2003	9:00 a.m.	MZ1 Technical Committee Meeting
November 13, 2003	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting
	3:00 p.m.	Agricultural Pool Meeting
November 19, 2003	2:00 p.m.	Water Quality Committee Meeting
November 20, 2003	10:00 a.m.	Advisory Committee Meeting

1:00 p.m. Watermaster Board Meeting

Note: All meetings will be held at the Watermaster offices, 9641 San Bernardino Road, Rancho Cucamonga, California (909) 484-3888

Chair Yates adjourned the meeting at 2:15 p.m.

Secretary

Minutes Approved: _____



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

B. CASH DISBURSEMENTS

October 2003



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

JOHN V. ROSSI
Chief Executive Officer

STAFF REPORT

DATE: November 13, 2003
November 20, 2003

TO: Watermaster Pool Committee Members
Watermaster Advisory Committee & Board Members

SUBJECT: Cash Disbursement Report – October 2003

SUMMARY

Issue – Record of cash disbursements for the month of October 2003.

Recommendation – Staff recommends the Cash Disbursements for October 2003 be received and filed as presented.

Fiscal Impact – All funds disbursed were included in the FY 2003-04 Watermaster Budget.

BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

DISCUSSION

Total cash disbursements during the month of October 2003 were \$454,423.35. The most significant expenditures during the month were Inland Empire Utilities Agency in the amount of \$155,450.35 and Wildermuth Environmental Inc. in the amount of \$103,487.44.

CHINO BASIN WATERMASTER
 Cash Disbursement Detail Report
 October 2003

	Type	Date	Num	Name	Amount
Oct 03	General Journal	10/02/2003	03/10/03	PAYROLL	-776.78
	General Journal	10/02/2003	03/10/4	PAYROLL	-4,276.46
	General Journal	10/02/2003	03/10/4	PAYROLL	-14,262.23
	Bill Pmt -Check	10/02/2003	8045	FLEET GLASS	-110.00
	Bill Pmt -Check	10/10/2003	8046	A & R TIRE	-1,630.58
	Bill Pmt -Check	10/10/2003	8047	APPLIED COMPUTER TECHNOLOGIES	-1,807.65
	Bill Pmt -Check	10/10/2003	8048	ARROWHEAD MOUNTAIN SPRING WATER	-47.09
	Bill Pmt -Check	10/10/2003	8049	ASSOCIATION OF CALIFORNIA WATER AGENCIES	0.00
	Bill Pmt -Check	10/10/2003	8050	BARRION, VICTOR A	-250.00
	Bill Pmt -Check	10/10/2003	8051	CATLIN, TERRY	-250.00
	Bill Pmt -Check	10/10/2003	8052	COLONIAL LIFE & ACCIDENT INSURANCE CO	-42.80
	Bill Pmt -Check	10/10/2003	8053	DE JESUS, DAVID	0.00
	Bill Pmt -Check	10/10/2003	8054	HOME DEPOT	-322.17
	Bill Pmt -Check	10/10/2003	8055	INLAND COUNTIES INSURANCE SERVICES, INC.	-340.66
	Bill Pmt -Check	10/10/2003	8056	INLAND EMPIRE UTILITIES AGENCY	-3,339.27
	Bill Pmt -Check	10/10/2003	8057	MATSON, JANET	-805.00
	Bill Pmt -Check	10/10/2003	8058	MWH LABORATORIES	-2,830.00
	Bill Pmt -Check	10/10/2003	8059	NEXTEL COMMUNICATIONS	-486.22
	Bill Pmt -Check	10/10/2003	8060	NICHOLSON, ROBERT W.	-125.00
	Bill Pmt -Check	10/10/2003	8061	OFFICE DEPOT	-784.17
	Bill Pmt -Check	10/10/2003	8062	PAYCHEX	-143.90
	Bill Pmt -Check	10/10/2003	8063	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,444.40
	Bill Pmt -Check	10/10/2003	8064	QUILL	-195.12
	Bill Pmt -Check	10/10/2003	8065	RBM LOCK & KEY	-28.28
	Bill Pmt -Check	10/10/2003	8066	RICOH BUSINESS SYSTEMS-Maintenance	-800.00
	Bill Pmt -Check	10/10/2003	8067	RODRIGUEZ, DAN	-250.00
	Bill Pmt -Check	10/10/2003	8068	SOUTHERN CALIFORNIA WATER COMMITTEE	-100.00
	Bill Pmt -Check	10/10/2003	8069	STEVE'S PASTRY COMPANY	-24.50
	Bill Pmt -Check	10/10/2003	8070	TLC STAFFING	-1,178.00
	Bill Pmt -Check	10/10/2003	8071	TREWEEK, GORDON	-104.36
	Bill Pmt -Check	10/10/2003	8072	VANDEN HEUVEL, GEOFFREY	-125.00
	Bill Pmt -Check	10/10/2003	8073	VELASQUEZ JANITORIAL	-535.00
	Bill Pmt -Check	10/10/2003	8074	VERIZON	-702.89
	Bill Pmt -Check	10/10/2003	8075	WATER EDUCATION FOUNDATION	-500.00
	Bill Pmt -Check	10/10/2003	8076	WHITEHEAD, MICHAEL	-125.00
	Bill Pmt -Check	10/10/2003	8077	YATES, DENNIS	-250.00
	Bill Pmt -Check	10/10/2003	8078	YUKON DISPOSAL SERVICE	-185.85
	Bill Pmt -Check	10/14/2003	8079	A & R TIRE	-1,061.50
	Bill Pmt -Check	10/14/2003	8080	ACWA SERVICES CORPORATION	-58.57
	Bill Pmt -Check	10/14/2003	8081	AGWA	-1,000.00
	Bill Pmt -Check	10/14/2003	8082	CHEVRON	-327.14
	Bill Pmt -Check	10/14/2003	8083	COSTCO	-340.60
	Bill Pmt -Check	10/14/2003	8084	DE BOOM, NATHAN	-625.00
	Bill Pmt -Check	10/14/2003	8085	DURRINGTON, GLEN	-250.00
	Bill Pmt -Check	10/14/2003	8086	FEENSTRA, BOB	-125.00
	Bill Pmt -Check	10/14/2003	8087	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
	Bill Pmt -Check	10/14/2003	8088	HARRY L. IRWIN	-1,331.84
	Bill Pmt -Check	10/14/2003	8089	KOOPMAN, GENE	-500.00
	Bill Pmt -Check	10/14/2003	8090	MAURIZIO, DANNIELLE	-163.51
	Bill Pmt -Check	10/14/2003	8091	MIJAC ALARM	-150.00
	Bill Pmt -Check	10/14/2003	8092	MWH LABORATORIES	-1,675.00

Type	Date	Num	Name	Amount
Bill Pmt -Check	10/14/2003	8093	PIERSON, JEFFREY	-500.00
Bill Pmt -Check	10/14/2003	8094	REID & HELLYER	-4,739.78
Bill Pmt -Check	10/14/2003	8095	RICOH BUSINESS SYSTEMS-Maintenance	-621.02
Bill Pmt -Check	10/14/2003	8096	TLC STAFFING	-1,445.12
Bill Pmt -Check	10/14/2003	8097	UNITED PARCEL SERVICE	-373.54
Bill Pmt -Check	10/14/2003	8098	WHEELER METER MAINTENANCE	-2,700.00
General Journal	10/15/2003	03/10/8	PAYROLL	-4,163.30
General Journal	10/15/2003	03/10/8	PAYROLL	-15,055.40
Check	10/16/2003	8099	JUST IN TIME COMMUNICATIONS	-378.13
Bill Pmt -Check	10/21/2003	8100	CUCAMONGA COUNTY WATER DISTRICT	-7,800.00
Bill Pmt -Check	10/21/2003	8101	CUCAMONGA COUNTY WATER DISTRICT	-4,900.00
Bill Pmt -Check	10/21/2003	8102	TOGO'S	-81.90
Bill Pmt -Check	10/23/2003	8103	ACCU-CUT, INC	-1,500.00
Bill Pmt -Check	10/23/2003	8104	CAFE CALATO	-574.00
Bill Pmt -Check	10/23/2003	8105	CALPERS	-2,097.80
Bill Pmt -Check	10/23/2003	8106	ELLISON, SCHNEIDER & HARRIS, LLP	-6,491.90
Bill Pmt -Check	10/23/2003	8107	HATCH AND PARENT	-20,320.14
Bill Pmt -Check	10/23/2003	8108	IDEAL GRAPHICS	-2,311.99
Bill Pmt -Check	10/23/2003	8109	INLAND EMPIRE UTILITIES AGENCY	-155,450.35
Bill Pmt -Check	10/23/2003	8110	MCI	-771.65
Bill Pmt -Check	10/23/2003	8111	MWH Montgomery Watson Harza	-5,316.50
Bill Pmt -Check	10/23/2003	8112	OFFICE DEPOT	-1,076.70
Bill Pmt -Check	10/23/2003	8113	PETTY CASH	-485.08
Bill Pmt -Check	10/23/2003	8114	PITNEY BOWES CREDIT CORPORATION	-516.06
Bill Pmt -Check	10/23/2003	8115	POWERS ELECTRIC PRODUCTS CO.	-92.90
Bill Pmt -Check	10/23/2003	8116	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
Bill Pmt -Check	10/23/2003	8117	RICOH BUSINESS SYSTEMS-Maintenance	-69.27
Bill Pmt -Check	10/23/2003	8118	SANTA ANA WATERSHED PROJECT AUTHORITY	-2,500.00
Bill Pmt -Check	10/23/2003	8119	SOUTHERN CALIFORNIA EDISON	-1.92
Bill Pmt -Check	10/23/2003	8120	STANDARD INSURANCE CO.	-364.83
Bill Pmt -Check	10/23/2003	8121	STATE COMPENSATION INSURANCE FUND	-1,099.06
Bill Pmt -Check	10/23/2003	8122	TLC STAFFING	-2,068.40
Bill Pmt -Check	10/23/2003	8123	WILDERMUTH ENVIRONMENTAL INC	-103,487.44
Bill Pmt -Check	10/29/2003	8124	BANK OF AMERICA	-1,952.42
General Journal	10/29/2003	03/10/12	PAYROLL	-3,810.73
General Journal	10/29/2003	03/10/12	PAYROLL	-14,170.85
Bill Pmt -Check	10/30/2003	8125	CITISTREET	-8,400.00
Bill Pmt -Check	10/30/2003	8126	MATSON, JANET	-3,822.88
Bill Pmt -Check	10/30/2003	8127	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,444.40
Bill Pmt -Check	10/30/2003	8128	STAULA, MARY L	0.00
Bill Pmt -Check	10/30/2003	8129	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,244.36
Bill Pmt -Check	10/30/2003	8130	STAULA, MARY L	0.00
Bill Pmt -Check	10/30/2003	8131	STAULA, MARY L	-5,171.61
Bill Pmt -Check	10/30/2003	8132	STAULA, MARY L	-5,549.07
				<u>-454,423.35</u>

Oct 03

CHINO BASIN WATERMASTER

November 13, 2003

- 1:00 p.m. - Agricultural Pool Meeting
- 3:00 p.m. - Joint Appropriative Pool & Non-Agricultural Pool Meeting

November 20, 2003

- 10:00 a.m. – Advisory Committee Meeting
- 1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Treasurer's Report of Financial Affairs
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital
3. Profit & Loss Budget vs. Actual

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
SEPTEMBER 1 THROUGH SEPTEMBER 30, 2003**

SUMMARY at 9/30/2003

DEPOSITORIES:			
Cash on Hand - Petty Cash			\$ 500
Bank of America			
Governmental Checking-Demand Deposits	\$	110,100	
Savings Deposits		9,611	
Zero Balance Account - Payroll		-	119,711
Local Agency Investment Fund - Sacramento			2,745,086
TOTAL CASH IN BANKS AND ON HAND			\$ 2,865,297
TOTAL CASH IN BANKS AND ON HAND			3,589,547
			9/30/2003
			8/31/2003
PERIOD INCREASE (DECREASE)			\$ (724,250)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:	Accounts Receivable	\$ (14,773)
	Assessments Receivable	3,759
	Prepaid Expenses, Deposits & Other Current Assets	1,780
(Decrease)/Increase in Liabilities:	Accounts Payable	(69,261)
	Accrued Payroll, Payroll Taxes & Other Current Liabilities	10,611
	Transfer to/(from) Reserves	(656,366)
PERIOD INCREASE (DECREASE)		\$ (724,250)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov't I Checking Demand	Zero Balance Account Payroll	Savings	Local Agency Investment Funds	Totals
Balances as of 8/31/2003	\$ 500	\$ (115,644)	\$ -	\$ 9,605	\$ 3,695,086	\$ 3,589,547
Deposits		3,759	-	6	-	3,765
Transfers		902,878	47,122	-	(950,000)	-
Withdrawals/Checks		(680,893)	(47,122)	-	-	(728,015)
Balances as of 9/30/2003	\$ 500	\$ 110,100	\$ -	\$ 9,611	\$ 2,745,086	\$ 2,865,297
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 225,744	\$ -	\$ 6	\$ (950,000)	\$ (724,250)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
SEPTEMBER 1 THROUGH SEPTEMBER 30, 2003**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
9/10/2003	Withdrawal	L.A.I.F.	(300,000)				
9/17/2003	Withdrawal	L.A.I.F.	(450,000)				
9/30/2003	Withdrawal	L.A.I.F.	\$ (200,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (950,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.98% was the effective yield rate at the Quarter ended March 31, 2003.

**INVESTMENT STATUS
September 30, 2003**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 2,745,086			
Time Certificates of Deposit	-			
TOTAL INVESTMENTS	\$ 2,745,086			

Funds on hand are sufficient to meet all foreseen and planned Administrative and project expenditures during the next six months.

All investment transactions have been executed in accordance with the criteria stated in Chino Basin Watermaster's Investment Policy.

Respectfully submitted,



Sheri M. Rojo, CPA
Finance Manager
Chino Basin Watermaster

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2003 THROUGH SEPTEMBER 30, 2003

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION AND SPECIAL PROJECTS APPROPRIATIVE POOL	AGRICULTURAL POOL	NON-AGRIC. POOL	GROUNDWATER OPERATIONS GROUNDWATER REPLENISHMENT	SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2003-04
Administrative Revenues										
Administrative Assessments									-	\$3,940,516
Interest Revenue			12,365	1,915	842			10	15,132	112,025
Mutual Agency Project Revenue									-	0
Grant Income									-	0
Miscellaneous Income	471								471	0
Total Revenues	471	-	12,365	1,915	842	-	-	10	15,603	4,052,541
Administrative & Project Expenditures										
Watermaster Administration	254,329								254,329	617,732
Watermaster Board-Advisory Committee	12,159								12,159	43,442
Pool Administration			4,635	19,261	816				24,712	255,148
Optimum Basin Mgmt Administration		183,392							183,392	1,034,064
OBMP Project Costs		734,463							734,463	3,365,079
Education Funds Use									-	375
Mutual Agency Project Costs	748								748	85,004
Total Administrative/OBMP Expenses	267,236	917,855	4,635	19,261	816	-	-	-	1,209,803	5,400,844
Net Administrative/OBMP Income	(266,765)	(917,855)								
Allocate Net Admin Income To Pools	<u>266,765</u>		197,899	60,967	7,899				-	0
Allocate Net OBMP Income To Pools		<u>917,855</u>	680,908	209,768	27,179				-	0
Agricultural Expense Transfer			288,271	(288,271)					-	0
Total Expenses			1,171,713	1,725	35,894	-	-	-	1,209,803	5,400,844
Net Administrative Income			(1,159,347)	190	(35,053)			10	(1,194,200)	(1,348,303)
Other Income/(Expense)										
Replenishment Water Purchases						-			-	0
MZ1 Supplemental Water Assessments						-			-	2,189,500
Water Purchases									-	0
MZ1 Imported Water Purchase									-	(2,273,500)
Groundwater Replenishment						(16,362)			(16,362)	0
Net Other Income			-	-	-	(16,362)	-	-	(16,362)	(84,000)
Net Transfers To/(From) Reserves			(1,159,347)	190	(35,053)	(16,362)	-	10	(1,210,562)	(1,432,303)
Working Capital, July 1, 2003			2,813,947	466,069	188,310	266,503	158,251	2,532	3,895,611	
Working Capital, End Of Period			1,654,600	466,259	153,257	250,141	158,251	2,542	2,685,049	
02/03 Production			121,586.420	37,457.315	4,853.247				163,896.982	
02/03 Production Percentages			74.185%	22.854%	2.961%				100.000%	

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July through September 2003

	<u>Jul - Sep 03</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4110 · Admin Asmnts-Approp Pool	0	3,931,695	-3,931,695	0.0%
4120 · Admin Asmnts-Non-Agri Pool	0	88,201	-88,201	0.0%
4700 · Non Operating Revenues	15,603	112,025	-96,422	13.93%
Total Income	<u>15,603</u>	<u>4,131,921</u>	<u>-4,116,318</u>	<u>0.38%</u>
Gross Profit	15,603	4,131,921	-4,116,318	0.38%
Expense				
6010 · Salary Costs	135,268	385,900	-250,632	35.05%
6020 · Office Building Expense	40,137	108,995	-68,858	36.83%
6030 · Office Supplies & Equip.	11,924	41,000	-29,076	29.08%
6040 · Postage & Printing Costs	18,736	66,400	-47,664	28.22%
6050 · Information Services	44,338	105,750	-61,412	41.93%
6061 · Other Consultants	865	29,000	-28,135	2.98%
6062 · Audit Services	0	5,000	-5,000	0.0%
6063 · Public Relations Consultan	0	12,000	-12,000	0.0%
6067.1 · General Counsel	9,787	75,000	-65,213	13.05%
6080 · Insurance	5,255	16,710	-11,455	31.45%
6110 · Dues and Subscriptions	1,257	14,500	-13,243	8.67%
6140 · Other WM Admin Expenses	274	0	274	100.0%
6150 · Field Supplies	189	4,250	-4,061	4.45%
6170 · Travel & Transportation	26,110	46,300	-20,190	56.39%
6190 · Conferences & Seminars	4,673	16,000	-11,327	29.21%
6200 · Advisory Comm - WM Board	4,724	15,071	-10,347	31.35%
6300 · Watermaster Board Expenses	7,434	28,371	-20,937	26.2%
8300 · Appr PI-WM & Pool Admin	4,635	14,471	-9,836	32.03%
8400 · Agri Pool-WM & Pool Admin	4,297	166,979	-162,682	2.57%
8467 · Agri-Pool Legal Services	13,239	51,000	-37,761	25.96%
8470 · Ag Meeting Attend -Special	1,725	16,000	-14,275	10.78%
8500 · Non-Ag PI-WM & Pool Admin	816	6,698	-5,882	12.18%
6500 · Education Funds Use Expens	0	375	-375	0.0%
9500 · Allocated G&A Expenditures	-47,823	-309,073	261,250	15.47%
Subtotal G&A Expenses	<u>287,860</u>	<u>916,697</u>	<u>-628,837</u>	<u>31.4%</u>
6900 · Optimum Basin Mgmt Plan	170,934	942,065	-771,131	18.15%
6950 · Mutual Agency Projects	4,087	85,004	-80,917	4.81%
9501 · G&A Expenses Allocated-OBMP	12,458	91,999	-79,541	13.54%
Subtotal OBMP Expenses	<u>187,480</u>	<u>1,119,068</u>	<u>-931,588</u>	<u>16.75%</u>
7101 · Production Monitoring	21,903	79,283	-57,380	27.63%
7102 · In-line Meter Installation	8,825	131,380	-122,555	6.72%
7103 · Grdwtr Quality Monitoring	51,105	274,613	-223,509	18.61%
7104 · Gdwtr Level Monitoring	20,514	157,852	-137,338	13.0%
7105 · Sur Wtr Qual Monitoring	10,887	133,595	-122,708	8.15%
7106 · Wtr Level Sensors Install	0	26,835	-26,835	0.0%
7107 · Ground Level Monitoring	29,410	202,283	-172,873	14.54%
7108 · Hydraulic Control Monitoring	66,479	718,227	-651,748	9.26%
7200 · PE2- Comp Recharge Pgm	36,687	531,434	-494,747	6.9%

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July through September 2003

	<u>Jul - Sep 03</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7300 · PE3&5-Water Supply/Desalte	1,589	47,499	-45,910	3.35%
7400 · PE4-MZ1 Mgmt Plan	56,850	187,308	-130,458	30.35%
7500 · PE6&7-CoopEfforts/SaltMgmt	12,795	51,820	-39,025	24.69%
7600 · PE8&9-StorageMgmt/Conj Use	5,885	146,179	-140,294	4.03%
7690 · Recharge Improvement Debt Pymt	376,169	429,250	-53,081	87.63%
7700 · Inactive Well Protection Prgm	0	30,447	-30,447	0.0%
9502 · G&A Expenses Allocated-Projects	35,365	217,074	-181,709	16.29%
Subtotal Special Project Expenses	<u>734,463</u>	<u>3,365,079</u>	<u>-2,630,616</u>	<u>21.83%</u>
Total Expense	<u>1,209,803</u>	<u>5,400,844</u>	<u>-4,191,041</u>	<u>22.4%</u>
Net Ordinary Income	-1,194,199	-1,268,923	74,724	94.11%
Other Income/Expense				
Other Income				
4231 · MZ1 Assigned Water Sales	0	615,000	-615,000	0.0%
4230 · MZ1 Sup Wtr Assessment	0	1,574,500	-1,574,500	0.0%
Total Other Income	<u>0</u>	<u>2,189,500</u>	<u>-2,189,500</u>	<u>0.0%</u>
Other Expense				
5010 · Groundwater Replenishment	16,362	2,273,500	-2,257,138	0.72%
9999 · To/(From) Reserves	-1,210,562	-1,352,923	142,361	89.48%
Total Other Expense	<u>-1,194,199</u>	<u>920,577</u>	<u>-2,114,776</u>	<u>-129.72%</u>
Net Other Income	<u>1,194,199</u>	<u>1,268,923</u>	<u>-74,724</u>	<u>94.11%</u>
Net Income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

C. WATER TRANSACTIONS

2. Notice of Sale or Transfer – Monte Vista Water District



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

JOHN V. ROSSI
Chief Executive Officer

DATE: November 13, 2003
TO: Watermaster Pool Committee Members
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary -

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue -

- Notice of Sale or Transfer – the transfer of Monte Vista Irrigation Company FY 2003-04 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,040 acre-feet.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transactions as presented.

Fiscal Impact –

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Monte Vista Irrigation Company FY 2003-04 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,040 acre-feet.

Notice of the water transaction identified above was mailed on November 6, 2003 along with the materials submitted by the requestors.

DISCUSSION

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

November 6, 2003

This notice is to advise interested persons that the attached applications will come before the Watermaster Board on or after 30 days from the date of this notice.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **October 14, 2003**

Date of this notice: **November 6, 2003**

Please take notice that the following Application has been received by Watermaster:

- A. Notice of Sale or Transfer – The transfer of Monte Vista Irrigation Company’s FY 2003-04 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,040 acre-feet.

This *Application* will first be considered by each of the respective pool committees on the following dates:

- Agricultural Pool: November 13, 2003
- Appropriative Pool: November 13, 2003
- Non-Agricultural Pool: November 13, 2003

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: November 6, 2003

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

Monte Vista

Dedicated to Quality,

Service and Innovation

Mark N. Kinsey
GENERAL MANAGER

October 14, 2003

Mr. John Rossi, Chief Executive Officer
CHINO BASIN WATERMASTER
9641 San Bernardino Road
Rancho Cucamonga, California 91730

MVWD/MVIC Water Transactions

Dear Mr. Rossi:

Attached are the necessary forms to complete the transfer of Monte Vista Irrigation Company Fiscal Year 2003-04 annual production rights in the Chino Basin to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,040 acre-feet.

This transfer will be utilized by the District to offset a portion of its projected Fiscal Year 2003-04 replenishment obligation within the Chino Basin. The recapture plan for production of the transferred water rights by the District and a map showing the location of District production wells are attached for consideration by Watermaster.

The actual location of, and rate of capture, could change due to unplanned production system problems or from abnormally wet or dry weather conditions.

Thank you for your assistance in this matter. Should you have any questions, please contact the District at your convenience.

Sincerely,

Monte Vista Water District



Mark N. Kinsey
General Manager

Attachments

Water District

10575 Central Avenue, Post Office Box 71 • Montclair, California 91763 • (909) 624-0035 • FAX (909) 624-4725

Robb D. Quincey
DIRECTOR

Sandra S. Rose
VICE DIRECTOR

James T. Morgan
MANAGER

Josephine M. Johnson
MANAGER

Maynard B. Lenhart
MANAGER

APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Fiscal Year 2003-04

Commencing on July 1, 2003 and terminating on June 30, 2004, Monte Vista Irrigation Company ("Transferor") hereby transfers to Monte Vista Water District ("Transferee") the quantity of 1,040 acre-feet of corresponding Annual Production Right (Appropriative Pool) or Safe Yield (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al.," RCV 51010 (formerly Case No. SCV 164327).

Said Transfer shall be conditioned upon:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment and the Peace Agreement and for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must intervene and become a party to the Judgment.

TO BE EXECUTED by both Transferor and Transferee, and to be accompanied by a general description of the area where the Transferred water was to be Produced and used prior to the Transfer, and where it will be Produced and used after the Transfer. This general description can be in the form of a map.

WATER QUALITY AND WATER LEVELS

What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

Dynamic water levels at District wells range from 538' to 596' below ground level with average drawdown of 40'. Static water levels range from 504' to 533' below ground level. Nitrate concentrations for District wells range between 19-70 ppm.

MATERIAL PHYSICAL INJURY

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

No mitigation is required.

ADDITIONAL INFORMATION ATTACHED Yes [X] No []

Mark N. Kinsey
Monte Vista Irrigation Company
Transferor

Mark N. Kinsey
Monte Vista Water District
Transferee

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

MONTE VISTA WATER DISTRICT

Recapture Plan

This recapture plan pertains to the transfer of an estimated 1,040 acre-feet of Fiscal Year 2003-04 Monte Vista Irrigation Company annual production rights to the Monte Vista Water District. Location of where the recaptured water will be extracted by the District is within Management Zone 1 of the Chino Basin and will be accomplished by any or all of the 10 wells owned and operated by the District. The approximate daily production capacity of these wells is as follows:

<u>Well</u>	<u>Production Acre-Feet/Day</u>
4	4.2
5	6.1
6	5.2
10	5.2
11	2.7
19	9.0
20	5.8
26	9.0
27	9.0
28	9.0
<hr/>	
Daily Total	65.2

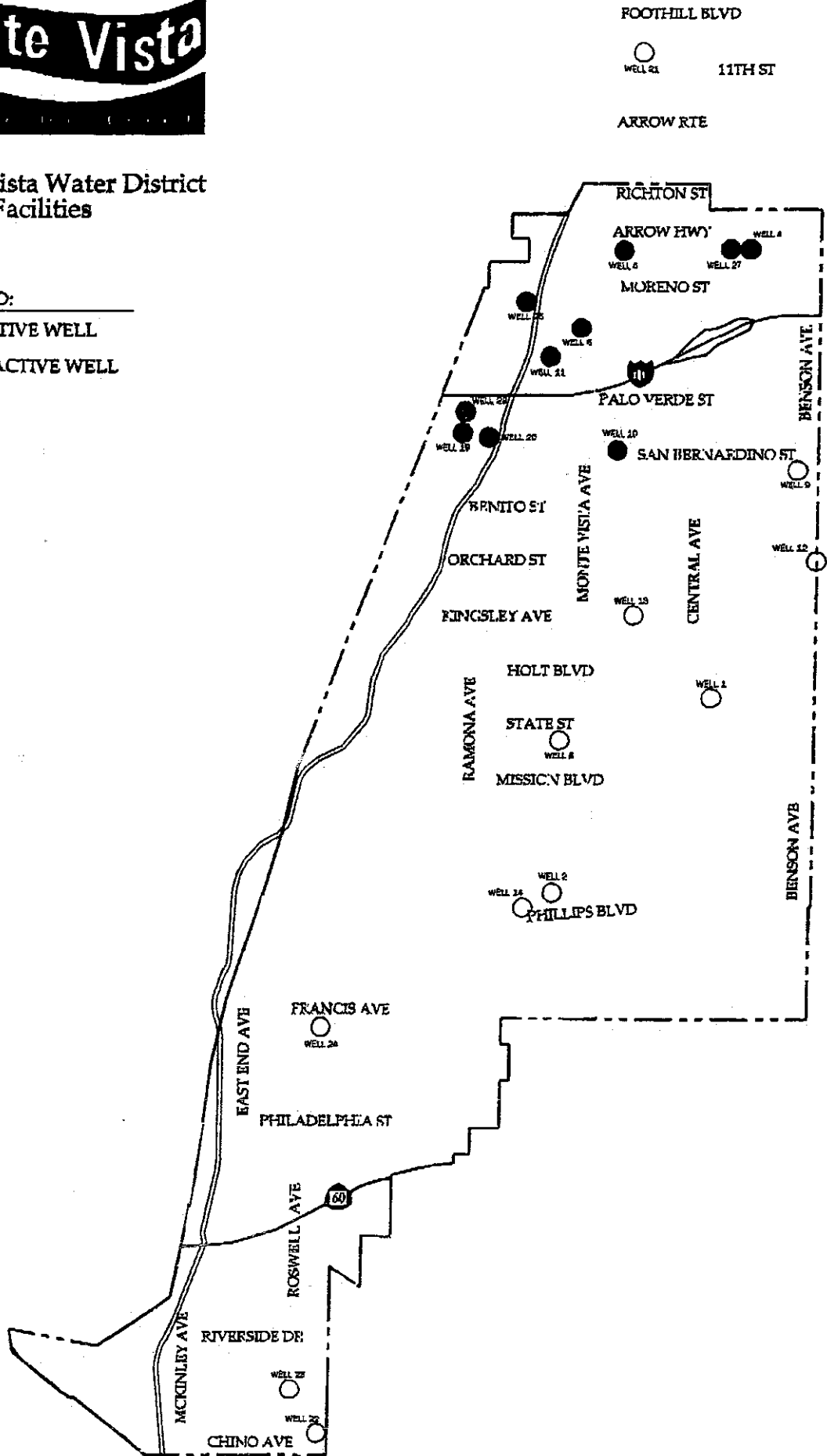
A map showing the location of these wells is attached. The rate of extraction can vary significantly, depending upon system demand and seasonal changes.



Monte Vista Water District
Facilities

LEGEND:

- ACTIVE WELL
- INACTIVE WELL



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

I. CONSENT CALENDAR

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer – Monte Vista Water District



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

JOHN V. ROSSI
Chief Executive Officer

DATE: November 13, 2003
TO: Watermaster Pool Committee Members
SUBJECT: Summary and Analysis of Applications for Water Transaction

Summary -

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

Issue -

- Notice of Sale or Transfer – the lease and/or purchase of 2,500 acre-feet of water from the City of Pomona's production rights to the Monte Vista Water District. This lease is made first from the City's net underproduction, if any, in FY 2003-04, with any remainder to be recaptured from storage.

Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transactions as presented.

Fiscal Impact –

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer – the lease and/or purchase of 2,500 acre-feet of water from the City of Pomona's production rights to the Monte Vista Water District. This lease is made first from the City's net underproduction, if any, in FY 2003-04, with any remainder to be recaptured from storage.

Notice of the water transaction identified above was mailed on November 6, 2003 along with the materials submitted by the requestors.

DISCUSSION

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding these transactions is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

November 6, 2003

This notice is to advise interested persons that the attached applications will come before the Watermaster Board on or after 30 days from the date of this notice.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **October 14, 2003**

Date of this notice: **November 6, 2003**

Please take notice that the following Application has been received by Watermaster:

- A. Notice of Sale or Transfer – The lease and/or purchase of 2,500 acre-feet of water from the City of Pomona’s production rights to the Monte Vista Water District. This lease is made first from the City’s net underproduction, if any, in FY 2003-04 with any remainder to be recaptured from storage.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Agricultural Pool:	November 13, 2003
Appropriative Pool:	November 13, 2003
Non-Agricultural Pool:	November 13, 2003

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: November 6, 2003

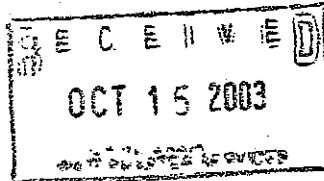
A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

Monte Vista

Dedicated to Quality,

Service and Innovation

October 14, 2003



Mark N. Kinsey
GENERAL MANAGER

Mr. John Rossi, Chief Executive Officer
CHINO BASIN WATERMASTER
9641 San Bernardino Road
Rancho Cucamonga, California 91730

Lease of Water Production Rights in the Chino Basin: Fiscal Year 2003-04

Dear Mr. Rossi:

This letter is to notify Watermaster of the lease and/or purchase of 2,500 acre-feet of water from the City of Pomona's production rights by the Monte Vista Water District. This lease is made first from the City's net underproduction, if any, in Fiscal Year 2003-04, with any remainder to be recaptured from storage.

This lease/transfer will be utilized by the District to offset a portion of its projected Fiscal Year 2003-04 replenishment obligation within the Chino Basin. Attached is an executed application for lease or transfer of a right to produce water from storage and a recapture plan for consideration by Watermaster. Please agendaize this item at the earliest possible opportunity.

If you have any questions or require additional information concerning this matter, please call me at 624-0035, extension 170. Thank you.

Sincerely,

Monte Vista Water District

Mark N. Kinsey
General Manager

Attachments

cc: Henry Pepper, City of Pomona

Water District

10575 Central Avenue, Post Office Box 71 • Montclair, California 91763 • (909) 624-0035 • FAX (909) 624-4725

Robb D. Quincey

Sandra S. Rose

James T. Morgan

Josephine M. Johnson

Maynard B. Lenhart

**APPLICATION FOR SALE OR TRANSFER
OF RIGHT TO PRODUCE WATER FROM STORAGE**

Transfer from Local Storage Agreement: 15, 15.1, 15.2,
15.3, 15.4

Date Requested:

Transferring Party: City of Pomona

Date Approved:

Address: 505 South Garey Avenue
Box 660
Pomona, California 91769

Amount Requested (AF): 2,500

Telephone: (909) 620-2283

Amount Approved (AF):

Fax: (909) 620-2030


Applicant: Henry Pepper, Utility Services Director

12/14/03

Receiving Party: Monte Vista Water District

Address: 10575 Central Avenue
Montclair, California 91763

Telephone: (909) 624-0035

Fax: (909) 624-0037

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes No

Water Quality and Water Levels:

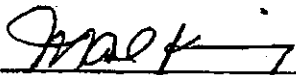
What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

Material Physical Injury:

Is the applicant aware of any potential material physical injury to a part to the Judgment or the Basin that may be caused by the action covered by the application? Yes No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in material physical injury to a part to the Judgment or the Basin?

Additional information attached? Yes No



Applicant: Mark Kinsey, General Manager

To be completed by Watermaster:

Date of approval from Non-Agricultural Pool:

Date of approval from Agricultural Pool:

Date of approval from Appropriative Pool:

Hearing date, if any:

Date of Advisory Committee approval:

Date of Board approval:

Agreement Number:

MONTE VISTA WATER DISTRICT

Recapture Plan

This recapture plan pertains to the transfer of 2,500 acre-feet of stored groundwater from the City of Pomona to the Monte Vista Water District. The location of the stored water, as well as the points where the recaptured water will be extracted, are both located in Management Zone 1.

The recapture of this water transfer will be accomplished by any or all of the 10 wells owned and operated by the District. The approximate daily production capacity of these wells is as follows:

<u>Well</u>	<u>Production Acre-Feet/Day</u>
4	4.2
5	6.1
6	5.2
10	5.2
11	2.7
19	9.0
20	5.8
26	9.0
27	9.0
28	9.0
<hr/>	
Daily Total	65.2

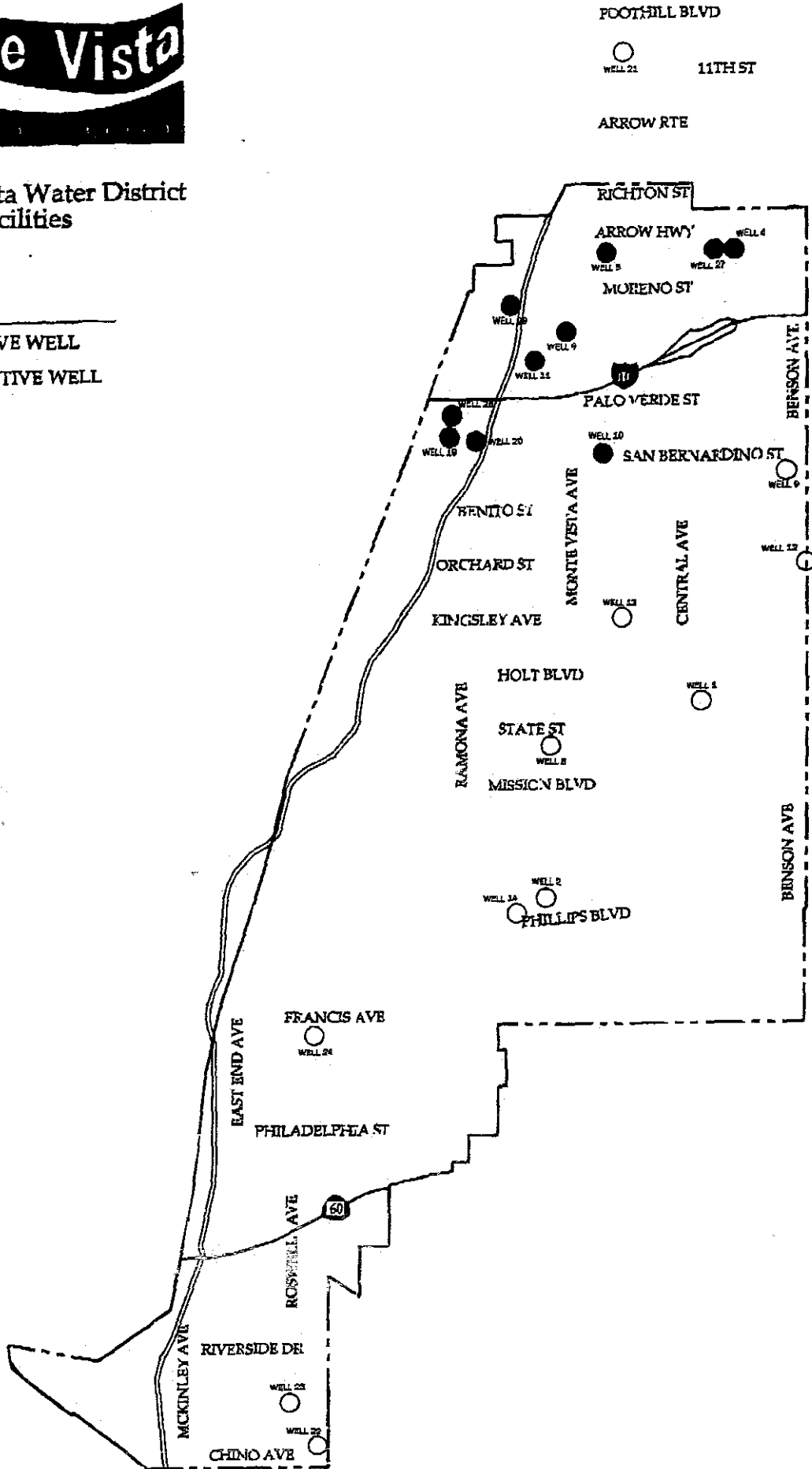
A map showing the location of these wells is attached. The rate of extraction can vary significantly, depending upon system demand and seasonal changes.



Monte Vista Water District Facilities

LEGEND:

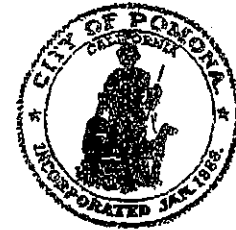
- ACTIVE WELL
- INACTIVE WELL



SCALE: 1"=3600'

THE CITY OF
POMONA

Utility Services Department



SEP 25 2003

HENRY PEPPER
Utility Services Director

Via Facsimile (909) 624-4725
& U.S. Mail

September 23, 2003

Mr. Mark N. Kinsey
General Manager
Monte Vista Water District
10575 Central Avenue
P.O. Box 71
Montclair, CA 91763

**Re: Lease of Water Production Rights in Chino Basin and/or Purchase of Stored Water
in Chino Basin, Fiscal Year 2003-04**

Dear Mark:

Attached is the executed original of your August 29, 2003 letter pertaining to the purchase of stored water in Chino Basin, Fiscal Year 2003-04. In submitting the necessary paperwork to Watermaster, please include language to the following effect: "This letter is to notify Watermaster of the lease and/or purchase of 2,500 acre feet of water from the City of Pomona's production rights. This lease is made first from the City of Pomona's net underproduction, if any, in Fiscal Year 2003-04, with any remainder to be recaptured from storage."

If you have any questions, please call me, at (909) 620-2283.

Sincerely,


Henry Pepper
Utility Services Director

HP:gc

Enclosure

J:\sadmin\henry\M. Kinsey lease of water

Monte Vista

Dedicated to Quality,

Service and Innovation

Mark N. Kinsey
GENERAL MANAGER

August 29, 2003

RECEIVED

SEP 3 2003

CITY OF POMONA
UTILITY SERVICES

Mr. Henry Pepper, Utility Services Director
CITY OF POMONA
City Hall
505 South Garey Avenue
Post Office Box 660
Pomona, California 91769

Purchase of Stored Water in the Chino Basin: Fiscal Year 2003-04

Dear Mr. Pepper *Henry*

The purpose of this letter is to confirm our recent discussion regarding the one-time purchase of 2,500 acre-feet of water from the City of Pomona by the Monte Vista Water District. This purchase is made from the City's local storage account or current fiscal year production rights in the Chino Groundwater Basin for a total cost of \$525,000 (\$210 per acre-foot). Under the Chino Basin Watermaster's 85/15 Rule, 85 percent, or \$446,250, is payable by the District and 15 percent, or \$78,750, is due from Watermaster at the time the assessment is levied.

If the terms of this agreement are acceptable, please indicate by signing below and returning a copy as soon as possible. The District will submit the necessary paperwork to Watermaster upon receipt of a signed copy from the City. Payment by the District will be made within 15 days after receipt of a City invoice and Watermaster approval of the transfer request. If you have any questions, please feel free to call me at (909) 624-0035, extension 170. Thank you.

Respectfully,

Monte Vista Water District

Accepted:



Mark N. Kinsey
General Manager



Henry Pepper, Utility Services Director
City of Pomona

Water District

10575 Central Avenue, Post Office Box 71 - Montclair, California, 91763 - (909) 624-0035 - FAX (909) 624-4725

Robb D. Quincey

Sandra S. Rose

James T. Moran

Josephine M. Johnson

Lawrence R. Lenhart



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

II. BUSINESS ITEMS

**C. Memorandum of Understanding
Between Castaic Lake Water Agency
and Chino Basin Watermaster**



CHINO BASIN WATERMASTER

8632 Archibald Avenue, Suite 109, Rancho Cucamonga, Ca 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

JOHN V. ROSSI
Chief Executive Officer

STAFF REPORT

DATE: November 13, 2003
November 20, 2003

TO: Watermaster Pool Committee Members
Watermaster Advisory Committee & Watermaster Board Members

SUBJECT: Consider Approval of Draft Memorandum of Understanding with the Castaic Lake Water Agency

SUMMARY

Issue – 3rd Party Participation in Storage & Recovery Program

Recommendation – Staff recommends approval of the Memorandum of Understanding, and an authorization to staff and legal counsel to make minor edits, as necessary.

Fiscal Impact – Approval of the MOU has no fiscal impact.

BACKGROUND

Under the Peace Agreement, Watermaster committed to develop and distribute a Storage and Recovery Request for Proposals to utilize storage capacity in the Chino Basin to help implement the Optimum Basin Management Program. A request for proposal was sent out and proposals were received in 2001. One of the proposals received was from the Castaic Lake Water Agency.

DISCUSSION

Staff has been discussing the potential for the Castaic Lake Water Agency to participate in a storage and recovery project with the Chino Groundwater Basin. The attached Memorandum of Understanding memorializes the desire of the Castaic Lake Water Agency and the Chino Basin Watermaster to begin preliminary non-binding negotiations for Castaic's possible participation in the Chino Basin Storage and Recovery Program. The Castaic Lake Water Agency has indicated that they are interested in storage of approximately 50,000 acre-feet.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CASTAIC LAKE WATER AGENCY
AND THE
CHINO BASIN WATERMASTER**

WHEREAS, substantial storage assets exist in the Chino Groundwater Basin which can be utilized for the mutual benefit of both the Castaic Lake Water Agency and the local agencies in the Chino Basin.

WHEREAS, the parties in the Chino Basin have created a Storage and Recovery Program in order to facilitate the beneficial use of the storage space in the Chino Basin.

WHEREAS, the Chino Basin Watermaster has issued a Request for Proposals for agencies to participate in the Storage and Recovery Program.

WHEREAS, the Castaic Lake Water Agency needs to take steps to improve the water supply reliability for the benefit of its constituents in the Santa Clarita Valley.

WHEREAS, the Castaic Lake Water Agency has submitted a response to Watermaster's RFP indicating an interest in utilizing a portion of the storage space available in the Chino Basin.

WHEREAS, the Castaic Lake Water Agency and the Chino Basin Watermaster desire to enter in to discussions concerning the details of Castaic's participation in the Chino Basin Storage and Recovery Program.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Castaic Lake Water Agency and the Chino Basin Watermaster will enter into preliminary non-binding negotiations concerning the terms of Castaic's participation in the Chino Basin Storage and Recovery Program.
2. Castaic anticipates that it will seek a minimum of 19,000 acre-feet per year of supply availability and 50,000 acre-feet of storage capacity in order to provide greater supply reliability in emergency situations.
3. Each party agrees that the other party must benefit, either financially or from other benefits, from Castaic's participation in the Storage and Recovery Program.
4. Both parties recognize that ancillary agreements may be required with other agencies and agree to jointly seek such agreements at the appropriate time.

for CHINO BASIN WATERMASTER

Date: _____

for CASTAIC LAKE WATER AGENCY

Date: _____

CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-Agricultural Pool Meeting

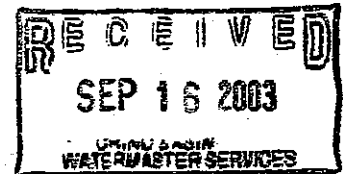
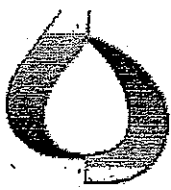
November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

III. REPORTS & UPDATES

C. Information

1. MWD Rialto Pipeline "Planned Shutdown"
2. Letter from Robert DeLoach, CCWD, re: Perchlorate



Memorandum

Office of the Chief Executive Officer
General Manager

DATE: September 15, 2003

TO: John Rossi, Chino Basin Watermaster
WFA Staff
All retail utilities

FROM: Richard W. Atwater *Rich Atwater*

SUBJECT: MWD Rialto Pipeline "Planned Shutdown" for January 12-16, 2004.

Please find attached the correspondence from MWD regarding the second planned shutdown of the Rialto Pipeline. The current schedule is for a five day shutdown on January 12-16, 2004.

This MWD operations staff will schedule a meeting with TVMWD and IEUA utility group to coordinate this planned shutdown. I very much want to avoid what occurred last April when MVWD requested cancellation of the shutdown at noon the day before the planned shutdown. If any agency has any concerns about the planned Rialto Pipeline, please contact me.

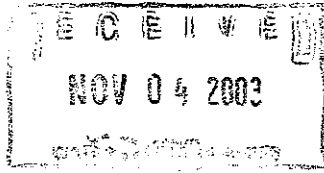
c.c. IEUA Board of Directors
Tom Love
Martha Davis
Dave Hill
Kathy Tiegs
Garth Morgan
Gary Hackney



Cucamonga County Water District

10440 Ashford Street
Rancho Cucamonga, CA 91729-0638
P.O. BOX 638 • (909) 987-2591 • Fax (909) 476-8032

Robert A. DeLoach
General Manager
Chief Executive Officer



October 9, 2003

Mr. John Rossi
Chief Executive Officer
CHINO BASIN WATERMASTER
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Re: Perchlorate Remediation – Department of Defense

Dear Mr. Rossi:

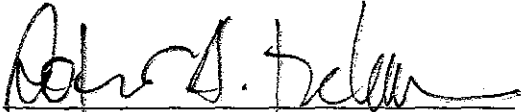
On Wednesday, October 8, 2003 I had the opportunity to meet with Mr. J.P. Woodley, Assistant Secretary of the Army, at his Pentagon office. I was accompanied by our Board President Bob Neufeld, Senator Nell Soto, Anthony Araiza of West Valley Water District, and Mike McGraw of Fontana Water Company. There were two primary issues for our visit; the first being a follow-up to the Letter of Intent signed by the above named parties earlier this year, and the development of a Memorandum of Understanding ("MOU") with the Department of Defense ("DOD") implementing a cooperative approach to perchlorate remediation. The second issue concerned Cucamonga's request for \$500,000 to conduct perchlorate remediation tests and evaluation (copy attached). Our proposal was received by Mr. Woodley in a positive light, and is currently being channeled through the normal DOD process.

Of particular importance was the announcement by Mr. Woodley that the DOD is now endorsing the exploration of new technologies for perchlorate remediation. This is a monumental step within the defense department. As we proceed with finalizing the MOU, I will be recommending that Watermaster, Inland Empire Utilities Agency (IEUA), and Santa Ana Water Project Authority (SAWPA) be included as signatories to the process, thereby indicating a regional watershed approach to resolution of this problem. Watermaster, SAWPA, and IEUA have already agreed to cooperate with us on our funding request and oversight of a test and evaluation process for new technology currently proposed to the DOD. Our region is one of the fastest growing regions in the nation, and water supply is critical to our future. The Federal government's role in the QSA as well as CALFED will ultimately lead to decreased water supply deliveries to southern California. Add to this the lowering of EPA's

Currently within the Santa Ana Watershed there are multiple entities attempting to resolve the perchlorate problem. It is our position that a regional watershed approach would best meet the overall objectives of each individual agency and present a united front to the Federal Government. The involvement of Watermaster as well as the other regional agencies will be essential to our ultimate success. We have a unique opportunity to resolve this issue in a collaborative manner with the DOD rather than through a legislatively enforced program.

I would propose that this item be placed on the agenda for our next Water Quality Committee meeting, so that I can provide the committee with more information on the test and evaluation process and the technology being proposed. The Committee may be the appropriate sub-group of Watermaster to provide review of the testing process. I welcome your feedback. Please contact me at your convenience.

Respectfully,



Robert A. DeLoach
General Manager/CEO

1- Attachment

c: Richard Atwater, IEUA
P. Joseph Grindstaff, SAWPA



CHINO BASIN WATERMASTER

November 13, 2003

1:00 p.m. - Agricultural Pool Meeting
3:00 p.m. - Joint Appropriative Pool & Non-
Agricultural Pool Meeting

November 20, 2003

10:00 a.m. – Advisory Committee Meeting
1:00 p.m. – Watermaster Board Meeting

III. REPORTS & UPDATES

D. Inland Empire Utilities Agency