

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, August 12, 2004

9:00 a.m. – Joint Appropriative & Non-Ag Pool Meeting

AT THE CHINO BASIN WATERMASTER OFFICES

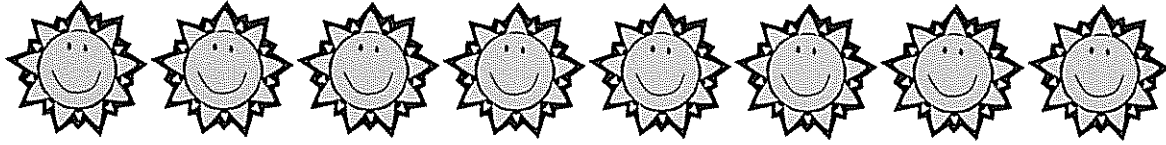
*9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888*

Tuesday, August 17, 2004

9:00 a.m. – Agricultural Pool Meeting

AT THE INLAND EMPIRE UTILITIES AGENCY OFFICES

*6075 Kimball Ave. Bldg. A Board Room
Chino, CA 91710
(909) 993-1600*



CHINO BASIN WATERMASTER

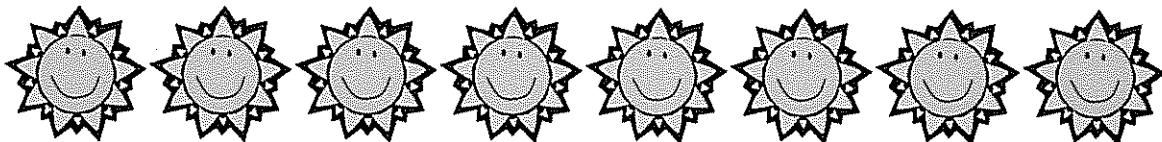
August 12, 2004

9:00 a.m. - Joint Appropriative & Non-Agricultural
Pool Committee Meeting

August 17, 2004

9:00 a.m. - Agricultural Pool Committee Meeting

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL
POOL MEETING**

9:00 a.m. – August 12, 2004
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. Minutes of the Joint Appropriative and Non-Agricultural meeting held June 10, 2004
(Page 1)
2. Minutes of the Joint Appropriative and Non-Agricultural meeting held July 8, 2004 (Page 5)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2004 (Page 13)
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through June 30, 2004 (Page 17)
3. Treasurer's Report of Financial Affairs for the Period May 1 through June 30, 2004
(Page 19)
4. Profit & Loss Budget vs. Actual July 2003 through June 2004 (Page 21)
5. Cash Disbursements for the month of June 2004 (Page 23)
6. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through May 31, 2004 (Page 27)
7. Treasurer's Report of Financial Affairs for the Period May 1 through May 31, 2004
(Page 29)
8. Profit & Loss Budget vs. Actual July 2003 through May 2004 (Page 31)

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer from West Valley Water District to Fontana Water Company in the amount of 500 acre-feet; Date of Application: May 27, 2004 (Page 33)

D. STATUS REPORT #11

Consider Authorization to File Status Report 11 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary (Page 47)

II. BUSINESS ITEMS

A. CONSIDER IEUA FUNDING REQUEST

Consider Contribution by Watermaster to National Academy of Sciences, Water Science and Technology Board Investigation "Potential and Pitfalls for Sustainable Underground Storage of Recoverable Water" (Page 71)

B. CONSIDER AGREEMENT TO FORM A TASK FORCE

Consider Agreement to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program) (Page 73)

C. CONSIDER AGREEMENT TO CONDUCT A NITROGEN LOSS MONITORING PROGRAM

Consider Agreement to Conduct a Nitrogen Loss Monitoring Program in the Santa Ana River Watershed (N-Loss Monitoring Program) (Page 91)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney/Manager Meetings
2. Santa Ana River Application Process

B. STAFF REPORT

1. Phase VII Bid Results (Page 105)
2. Groundwater Modeling Update/Interim Results

IV. INFORMATION

1. Chino Basin Desalter Authority – Chino I Expansion and Chino II Desalter Project – Progress Report (Page 107)
2. CBFIP Mapping Information Facilities Location / Operational Stats / Startup Dates (Page 119)
3. Dry Year Yield Operating Plan (Page 125)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VIII. FUTURE MEETINGS

August 9, 2004	9:00 a.m.	CBFIP/GRCC Meeting
August 12, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
August 17, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
August 25, 2004	9:00 a.m.	MZ1 Technical Committee Meeting
August 26, 2004	9:00 a.m.	Advisory Committee Meeting
August 26, 2004	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

9:00 a.m. – August 17, 2004

At The Offices Of

Inland Empire Utilities Agency

6075 Kimball Avenue, Building A, Board Room

Chino, CA 91710

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. Minutes of the Joint Appropriative and Non-Agricultural meeting held July 20, 2004
(Page 9)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2004 (Page 13)
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through June 30, 2004 (Page 17)
3. Treasurer's Report of Financial Affairs for the Period May 1 through June 30, 2004
(Page 19)
4. Profit & Loss Budget vs. Actual July 2003 through June 2004 (Page 21)

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1. Attorney/Manager Meetings
2. Santa Ana River Application Process

B. STAFF REPORT

1. Phase VII Bid Results (*Page 105*)
2. Groundwater Modeling Update/Interim Results
3. Update on the Draft Chino I and Chino II Desalter Projects Groundwater Monitoring and Mitigation Plan

IV. INFORMATION

1. Chino Basin Desalter Authority – Chino I Expansion and Chino II Desalter Project – Progress Report (*Page 107*)

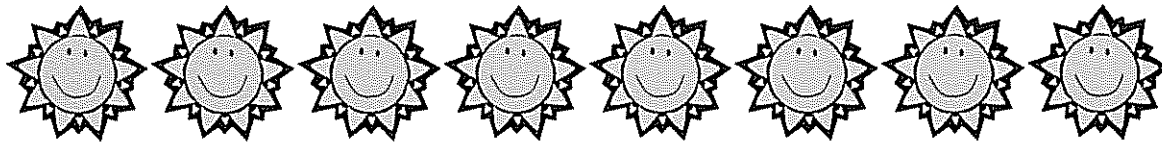
V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VIII. FUTURE MEETINGS

August 9, 2004	9:00 a.m.	CBFIP/GRCC Meeting
August 12, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
August 17, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
August 25, 2004	9:00 a.m.	MZ1 Technical Committee Meeting
August 26, 2004	9:00 a.m.	Advisory Committee Meeting
August 26, 2004	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

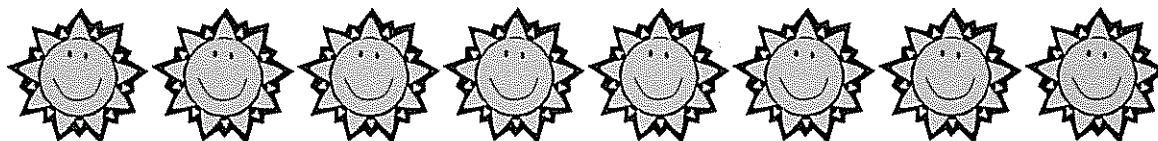


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Appropriative & Non-Agricultural Pool – June 10, 2004
2. Joint Appropriative & Non-Agricultural Pool – July 8, 2004



Draft Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL
POOL MEETING
June 10, 2004

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 10, 2004 at 3:00 p.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Dave Crosley, Vice-Chair	City of Chino
Mohamed El-Amamy	City of Ontario
Raul Garibay	City of Pomona
Mark Kinsey	Monte Vista Water District
Bill Stafford	Marygold Mutual Water Company
Gerald Black	Fontana Union Water Company
Rita Kurth	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency

NON-AGRICULTURAL POOL MEMBERS PRESENT

Justin M. Scott-Coe	Vulcan Materials Company
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Watermaster Staff Present

Sheri Rojo	Chief of Watermaster/Finance Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Legal Counsel Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Josephine Johnson	Monte Vista Water District
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Chair Crosley called the meeting to order at 3:05 p.m.

AGENDA - ADDITIONS/REORDER

No additions or reorder to the calendar was noted.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural meeting held May 13, 2004

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2004
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through April 30, 2004
3. Treasurer's Report of Financial Affairs for the Period April 1 through April 30, 2004
4. Profit & Loss Budget vs. Actual July 2003 through April 2004

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer from Cucamonga Valley Water District to Fontana Water Company in the Amount of 2,500 acre-feet; Date of Application: April 8, 2004
2. Consider Approval for Transaction of Notice of Sale or Transfer from The Nicholson Trust to Fontana Water Company in the Amount of 6,475 acre-feet; Date of Application: April 7, 2004
3. Consider Approval for Transaction of Notice of Sale or Transfer from The City of Chino to The City of Ontario in the Amount of 5,600 acre-feet; Date of Application: April 20, 2004
4. Consider Approval for Transaction of Notice of Sale or Transfer from Cucamonga Valley Water District to Fontana Water Company in the amount of 2,500 acre-feet; Date of Application: May 14, 2004
5. Consider Approval for Transaction of Notice of Sale or Transfer from Jurupa Community Services District to The City of Ontario in the Amount of 3,000 acre-feet; Date of Application: April 20, 2004
6. Consider Approval for Transaction of Notice of Sale or Transfer from Santa Ana River Water Company to Jurupa Community Services District; Date of Application: May 12, 2004

D. COST OF LIVING ADJUSTMENT (COLA)

Consider Approval for 2.5% COLA included in the FY 2004-05 Budget, beginning July 1, 2004

Motion by Garibay, second by El-Amamy, and by unanimous vote

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

II. BUSINESS ITEMS**A. CONSIDER COOPERATIVE MONITORING AGREEMENT BETWEEN IEUA AND WATERMASTER FOR BASIN MONITORING ACTIVITIES**

Ms. Rojo referred to page 109 of the packet noting there were no changes other than to Table 1 on page 121; those changes were for the operating and maintenance costs on an annual basis. The question of what changes were made to Table 1 was presented. Ms. Rojo informed the Committee that some of the costs for analyzing ground water had adjustments made to them which in turn brought the bottom line of costs down. A question regarding the allocation of Title 22 was presented. Ms. Rojo and Mr. Atwater gave a detailed response indicating that the OBMP requires monitoring within the basin and that there are costs benefits in the coordination of our joint efforts. A brief discussion ensued with regard to testing and costs. It was noted on page 110 of the staff report that there was an inconsistency in the amount reported to be required for the capital construction. The discrepancy was noted; the amount should read 1.5 million, noting this adjustment will be made to the staff report.

Motion by El-Amamy, second by Kinsey, and by unanimous vote

Moved to approve the Cooperative Monitoring Agreement between IEUA and Watermaster for Basin Monitoring Activities, as presented

B. CONSIDER DRAFT RECHARGE OPERATING PLAN

Ms. Rojo presented the updated Recharge Operating Plan noting the figures were changed from estimated to actual water received per month through the month of May. Ms. Rojo stated this was an accounting update only. The question was presented if this item required action. Ms. Rojo informed the Committee a discussion took place last month in regard to the estimated replenishment obligation during the current fiscal year. Ms. Rojo commented that in the past 100% was taken out of the cyclic account to make up the difference, although, a proposal of only taking half out of cyclic now and the other half from wet water this winter was presented in a discussion last month. Mr. Kinsey offered comment, that as we get closer to December, we could analyze our wet water replenishment progress. In December, any short-fall to this replenishment obligation could be purchased from Watermaster's cyclic account before next years rate increase for purchase. A discussion ensued with regard to the Judgment, wet water

recharge, and replenishment requirements. Mr. Atwater added comment that Watermaster is required to submit an annual operating plan to MWD. Mr. Atwater stated that MWD realizes it would be submitted in draft form and subject to change; however, noting it had to be done shortly.

Motion by Kinsey, second by Black, and by unanimous vote

Moved to direct Watermaster staff and IEUA staff to develop an operating plan for the upcoming fiscal year and bring that back to the July meeting

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney/Manager Meetings

Counsel Fife stated Monte Vista Water District had agreed to the request for a continuance of their June 24th hearing for their case regarding Watermaster. Counsel Fife noted this decision was based on the progress being made during the continued Attorney/Manager meetings.

2. Santa Ana River Application Process

Counsel Fife reported that last week OCWD put out a draft Environmental Impact Report (EIR) for their application for the 500,000 acre-feet out of the Santa Ana River. There is a public hearing on July 7th with regard to that issue; noting the deadline for comments will be one week after the meeting. Watermaster will comment on the draft EIR and will make an appearance at that meeting.

B. STAFF REPORT

1. Update on the Draft Chino I and Chino II Desalter Projects Ground Water Monitoring and Mitigation Plan

Ms. Rojo introduced Mr. Tom O'Neil from Jurupa Community Services District/Chino Basin Desalter Authority who will be giving a presentation on the Chino Desalter Comprehensive Ground Water Monitoring and Mitigation Plan (CGWMMP). Mr. O'Neil reviewed the presentation overview stating the presentation will cover the following items; 1) Background and Purpose of the CGWMMP, 2) Describe Monitoring Network in the CGWMMP, which include Watermaster wells and CDA wells, 3) Discuss the Monitoring Frequency, 4) Emergency Response and Mitigation, 5) Technical Review Team, and 6) Other Issues. Mr. O'Neil covered all six topics in detail and asked if there were any questions. The question of response times and what is considered to be an emergency for water was presented. Mr. O'Neil assured the Committee that the CDA will take immediate action to get water to the needed source. A discussion regarding how water gets to the needed source, investigation times, and reimbursement for costs took place.

2. MWD Refund for Water Sales from 2002/2003 of \$188,113.38

Ms. Rojo explained this item was for information purposes only and that the parties who actually had purchased water either from cyclic purchases or replenishment water purchases would receive a portion of this refund. Ms. Rojo noted on page 187 of the packet was a breakdown on who would receive a refund. It was noted there was some rounding differences from page 187 to page 188 for reference.

3. \$132,000 Reimbursement from MWD – Per The Dry Year Yield Funding Agreement

Ms. Rojo noted this item was for information purposes only and wanted to inform the Committee that Watermaster will be sending out a bill to Metropolitan Water District (MWD) soon. Ms. Rojo affirmed that according to the terms of the DYY funding agreement Watermaster is allowed to bill MWD \$132,000 a year as reimbursement of administrative expenses related to the management of the Dry Year Yield program fee per the contract, nothing due to inflation this figure will increase every year.

4. Update Regarding the Recharge Improvement Project

Mr. Treweek gave the Chino Basin Facilities Improvement Project March 2003 – March 2004 presentation. The discussion topics covered for the presentation was 1) Budget and Schedule, 2) Immediate Concerns, 3) On-Going Projects, and 4) Future Projects. Mr. Treweek reviewed construction budget statuses for Bid Package 1 through 7 for a total budget of \$32,000,000. An analysis of construction schedules was examined including excavation, connection, force main, pump station, monitoring, imported supply, and flexibility. Mr. Treweek discussed the immediate concern with regard to imported water recharge. A few questions were presented to Mr. Treweek with regard to recharge and a brief discussion ensued.

5. Meeting Time

Ms. Rojo offered the Committee members an earlier time to hold the meeting. It was decided that the meetings will be held at 9:00 a.m. starting July 8, 2004.

IV. INFORMATION

1. Black & Veatch Technical Memorandum – Agricultural Land Conversion Study

Counsel Fife stated that Mr. Rossi asked Black & Veatch to perform this study as we went into the attorney manager process where there had been discussions regarding the desalters. There was expressed desire to acquire technical information concerning the rate of Agricultural leaving the southern end of the basin Counsel stated. A discussion regarding this study ensued and Ms. Rojo commented this handout was included in the agenda package for informational purposes only at this time.

V. POOL MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VIII. FUTURE MEETINGS

June 9, 2004	9:00 a.m.	Attorney/Manager Meeting @ BB&K
June 10, 2004	3:00 p.m.	Appropriative & Non-Agricultural Pool Meeting
June 17, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
June 16, 2004	1:00 p.m.	MZ1 Technical Committee Meeting
June 24, 2004	9:00 a.m.	Advisory Committee Meeting
	11:00 a.m.	Watermaster Board Meeting

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 4:13 p.m.

Secretary: _____

Minutes Approved: _____

Draft Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL
POOL MEETING
July 8, 2004

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 8, 2004 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Raul Garibay, Chair	City of Pomona
Mark Kinsey	Monte Vista Water District
Bill Stafford	Marygold Mutual Water Company
Gerald Black	Fontana Union Water Company
Robert DeLoach	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency
J. Arnold Rodriguez	Santa Ana River Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

No Non-Agricultural member present

Watermaster Staff Present

Sheri Rojo	Chief of Watermaster/Finance Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Josephine Johnson	Monte Vista Water District
Rita Kurth	Cucamonga Valley Water District

Chair Garibay called the meeting to order at 9:14 a.m.

AGENDA - ADDITIONS/REORDER

Do to the lack of a quorum it was decided to move the entire Consent Calendar and Business Item A. Consider Draft Dry Year Yield Operating Plan to be heard last on the Agenda. This decision was made by Chair Garibay.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney/Manager Meetings
Counsel Fife commented the Attorney/Manager meetings are proceeding well and as a reminder the next meeting will be on July 14 at 9:00 a.m.
2. Santa Ana River Application Process
Counsel Fife informed the Pool members the Orange County Water District's (OCWD) hearing was held on July 7 and the Watermaster's comments on OCWD's Environmental

Impact Report (EIR) were available on the back table for review. The EIR's are starting to come in and as a reminder Watermaster also has submitted an application.

3. Santa Ana Sucker Update

Counsel Fife explained the Santa Ana Sucker is a threatened species and the Prado Basin will be proposed as a designated critical habitat. Negotiations will begin with the Fish and Wildlife Services shortly. It was noted that continued work is still taking place on this project and Counsel will keep all parties apprised on this issue.

4. June 24th Hearing

Counsel Fife stated the court approved the submitted Storage & Recovery Agreement and moved the originally set hearing for Monte Vista Water District from June 24 to September 2, 2004.

B. STAFF REPORT

1. Update on Repairs to the Piezometer

Ms. Rojo informed the Committee members that the Piezometer repair was still in progress and Watermaster was receiving updates on this as late as last night. Ms. Rojo asked Mark Wildermuth to give the Committee an update on this subject. Mr. Wildermuth commented on the problems they were experiencing with the deep bore hole, stating the deepest Piezometer appears to have some leakage which allows piezometric communications amongst all the Piezometers. Mr. Wildermuth described the technical fix for this situation in detail and was pleased to inform the Committee they appear to be successful in repairing the leaks. Each of the Piezometers is now working independently. The real test will come at the end of summer because that is when the drawdown is greatest stated Mr. Wildermuth. Construction cost is slightly less than anticipated; this is also with us paying only half the cost.

2. Update on OC-59 Water Deliveries

Ms. Rojo stated that we took water into the College Heights Basin as a demonstration project last week which involved efforts between Watermaster, Orange County, MWD, and MWDOC. To concentrate the efforts, there were conference calls between the agencies, where Mr. Atwater joined in on the conference calls to help coordinate this effort and Ms. Rojo thanked Rich for his labors. Ms. Rojo commented she was very pleased to report that we were able to work out issues to go forth with this endeavor. Ms. Rojo noted five hours into the project MWD phoned Watermaster stating lake levels were dropping too low, and that they would need to cut back on our deliveries. Orange County graciously offered to stop taking their deliveries for one day so we could have all the water to complete our demonstration project. Once the demonstration was complete we deflated the dam and sent the water flowing to Orange County, noting it was a great interagency cooperation effort.

3. IUEA Partnership Funding Request

Ms. Rojo asked the Committee members to turn to page 39 of the packet and noted Watermaster was looking for feedback on this item. This request comes from IEUA who is requesting a partnership for a funding contribution for the research to of underground storage and recoverable water. Ms. Rojo noted this item can be placed on the agenda for next month after more information is obtained. A question was presented to Mr. Wildermuth on whether or not he has any input on this. Mr. Wildermuth commented he thought it was a great idea because we have a lot to learn on what is going on with the rest of the country in this aspect. A discussion ensued and Mr. Wildermuth stated he will review the research proposal again for a refresher. Mr. Atwater gave a brief description of how this will provide benefit and opportunity for the Chino Basin. Mr. Atwater asked that a recommendation be made for this item in August if we are going to pursue this potential partnership. Mr. Atwater mentioned the recently formed task force, which lead a committee

member to inquire what this task force was all about. Mr. Atwater stated this task force was formed because of the recent pipeline shutdown and hopefully this task force will be able to take a good look at procedures and assist all involved to insure the flow of information and other areas proceed flawlessly for the next shutdown. It was asked if the San Gabriel Pipeline is a potential supplemental replenishment supply source. Mr. Atwater stated that was an excellent idea and that it could potentially be someday if issues surrounding that could be worked out. A brief discussion ensued regarding the Rialto and the San Gabriel Pipelines.

IV. INFORMATION

1. San Diego County Water Authority Letter of Interest Regarding Water in Storage
 Ms. Rojo informed the Committee members on the back table is a letter of interest from the San Diego County Water Authority regarding purchasing water we have in storage which is being discussed at the recent Attorney/Manger meetings. A committee member asked if any response has taken place in this regard. Counsel Fife stated that at this time, they have not been contacted. Counsel Fife elaborated that at the Attorney/Manager meetings the Storage & Recovery issues is one of the main topics being discussed. It was stated that although the members were not looking for a commitment but rather than a letter drafted to them stating we had received their letter and are currently evaluating our Storage and Recovery programs through special meetings and that we will get back with them shortly.

V. POOL MEMBER COMMENTS

Mr. DeLoach made reference to a letter that was provided as a handout written by Senator Nell Soto to the Honorable Terry Tamminen at the California Environmental Protection Agency regarding US EPA involvement with Perchlorate Contamination in Rialto/Colton and Chino groundwater basins. Mr. DeLoach read a few lines from this letter and made comment that we should be concerned over the statements written in this letter. The letter references Senator Nell Soto requesting the Chino Basin be placed on the National Priorities List as a Superfund site. Mr. DeLoach states, that as a minimum, Watermaster should respond to the Senator and inquire as to why they would want to consider designating the Chino Basin as a Superfund site without speaking to any party in the Chino Basin first. A discussion ensued with regard to this letter and its possible effects on the Chino Basin. Counsel Fife confirmed with the Pool members that the response letter should indicate that they should be communicating with us more and not making any decisions without speaking to us first. Counsel Fife will draft a letter for review.

VI. OTHER BUSINESS

No comment was made regarding this item.

VIII. FUTURE MEETINGS

July 8, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
July 12, 2004	9:00 a.m.	CBFIP/GRCC Meeting
July 14, 2004	9:00 a.m.	Attorney/Manager Meeting @ BB&K
July 20, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 21, 2004	9:00 a.m.	MZ1 Technical Committee Meeting
July 22, 2004	9:00 a.m.	Advisory Committee Meeting
	11:00 a.m.	Watermaster Board Meeting

The Consent Calendar and Business Item A were taken out of order by Chair Garibay under the Additions/Reorder section.

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Joint Appropriative and Non-Agricultural meeting held June 10, 2004

B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of June 2004
- 2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through May 31, 2004
- 3. Treasurer's Report of Financial Affairs for the Period May 1 through May 31, 2004
- 4. Profit & Loss Budget vs. Actual July 2003 through May 2004

C. WATER TRANSACTION

- 1. Consider Approval for Transaction of Notice of Sale or Transfer from West Valley Water District to Fontana Water Company in the amount of 500 acre-feet; Date of Application: May 27, 2004

Due to no quorum the Agenda Item Consent Calendar will be placed on the August Agenda for discussion and motion for approval.

II. BUSINESS ITEMS

A. CONSIDER DRAFT DRY YEAR YIELD OPERATING PLAN

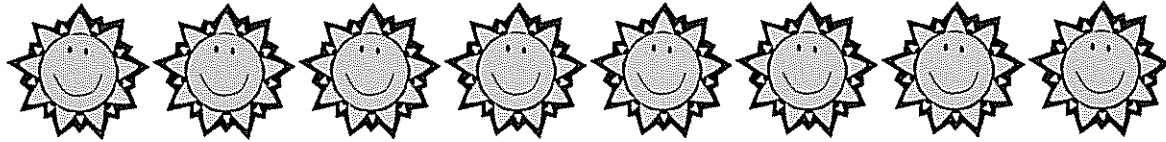
Consider the Draft Dry Year Yield Operating Plan for Fiscal Year 2004/2005

Due to no quorum the Business Item A will be placed on the August Agenda

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 9:45 a.m.

Secretary: _____

Minutes Approved: _____

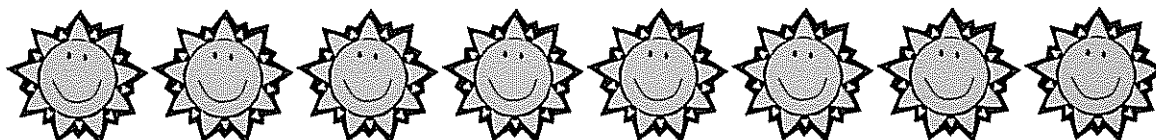


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool – July 20, 2004



Draft Minutes
**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**
July 20, 2004

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on July 20, 2004 at 9:00 a.m.

Agricultural Pool Members Present

Nathan deBoom, Chair	Milk Producers Council
Glen Durrington	Crops
Jeff Pierson	Crops
John Huitsing	Dairy
Pete Hettinga	Dairy
Pete Hall	State of California, California Institute for Men

Watermaster Staff Present

Sheri Rojo	Chief of Watermaster/Finance Manager
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
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Others Present

Steve Lee	Space Center Mira Loma
Rick Rees	Geomatrix for CIM

Chair deBoom called the Agricultural Pool meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

No revisions were made to the Agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool meeting held June 17, 2004

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2004
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through May 31, 2004
3. Treasurer's Report of Financial Affairs for the Period May 1 through May 31, 2004
4. Profit & Loss Budget vs. Actual July 2003 through May 2004

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer from West Valley Water District to Fontana Water Company in the amount of 500 acre-feet; Date of Application: May 27, 2004

*Motion by Durrington, second by Pierson, and by unanimous vote
Moved to approve Consent Calendar Item C, as presented*

II. BUSINESS ITEMS**A. CONSIDER DRAFT DRY YEAR YIELD OPERATING PLAN**

Ms. Rojo referred to this plan as a water accounting item and stated this was in the packet last month. There are still adjustments to be made, although, it will be tried up as the year proceeds because there is no water right now coming from Metropolitan Water District. Ms. Rojo commented that staff is working on this plan and will keep the committee members informed as adjustments are made. Ms. Rojo noted there was no action required on this item and no further comments were received.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Attorney/Manager Meetings**

Counsel Fife stated the Attorney/Manager meetings progress and commented that there are some Agricultural Pool issues coming up out of the recent meetings. Counsel Fife stated that Counsel Lee should be the person to elaborate on the Ag Pool issues. The next meeting is not scheduled until next month, however noted all parties are working well together.

2. Santa Ana River Application Process

Counsel Fife informed the Committee members that this was the process initiated by Orange County Water District (OCWD) and Western Municipal Water District (Western) and San Bernardino Municipal Water District (Muni) in 1990 concerning applications to appropriate water from the Santa Ana River. Counsel Fife stated the current status of the process is that there are six applications in front of the State Water Resources Control Board for water from the Santa Ana River; Watermaster is one of those applications. Watermaster is applying for a permit to divert the storm water which we are diverting for our Recharge Master Plan. The main parties who really are looking to get a lot out of this process are OCWD and Western/Muni. Counsel Fife affirmed that OCWD has now put out a Draft Environmental Impact Report (EIR) on their application; Watermaster did comment on this EIR and our comments are available on the back table. Counsel Fife also mentioned that in the last couple weeks San Bernardino Valley Water Conservation District has also put out an EIR on their application. Watermaster's position in the whole process is that we are finished with our CEQA compliance because of our OBMP PEIR, which was completed in the year 2000, and the Findings of Consistency that covers our Recharge Master Plan.

3. Santa Ana Sucker Update

The Sucker has been listed under the endangered species act by the Fish and Wildlife Service who has been working on critical habitat; they have a draft rule designating Prado Basin as critical habitat for the Sucker. That rule will most likely be finalized and Prado will become critical habitat for the Sucker stated Counsel Fife. This ruling quite possibly will be challenged because of designations in other places on the Santa Ana River, particularly up stream; Western has a lot of concerns about some of the areas they have designated as critical habitat in the upper reaches of the Santa Ana River. They have designated some areas where the Sucker has never been sited noted Counsel. Counsel Fife stated that we have started talking to Fish and Wildlife Service ourselves to make sure that nothing we are doing in the Chino Basin will be interfered by the critical habitat designation. The initial thoughts by the Fish and Wildlife were that nothing we are doing would be impacted by it, although, we are entering into initial talks just to be clear and to insure the future will also not be impacted. The question of whether the Santa Ana River application processes effects the decisions regarding the Sucker was presented. Counsel Fife commented this was an excellent question, however, he has not heard anyone talking about that to date and is not sure the Fish and Wildlife Services have anything to do with that process. A discussion ensued regarding the Prado Basin.

4. June 24th Hearing

Counsel Fife commented on the Monte Vista hearing which was scheduled for June 24, although, because of the progress being made at the Attorney/Manager meetings they have agreed to move the hearing, which is now schedule for September 2, 2004.

Counsel Fife added that the Dry Year Yield Storage Agreement, which was the final step in the 100,000 acre-foot storage program, was also approved and is now finally complete and we are going to go on with the implementation of that project.

Added Comment:

Counsel Lee reminded the Committee members about the conversation that took place at the last Agricultural Pool meeting regarding submitting a proposal on water transfer credits. Counsel Lee stated that Nathan deBoom and his office worked together to create a proposal, submitted it to the appropriate people, and held a conference call with this regard. Counsel Lee noted they have had a chance to review the proposal and the one question or area of concern was regarding the cost of recycled water which actually exceeds the cost of replenishment water; meaning there is not a spread to tax. We are still looking at ways to create a fund for the farmers to encourage them and have the ability to tap into recycled water, which will take a little more effort. Counsel Lee has invited Frank Brommenschenkel to be involved with this endeavor, noting Frank took part in the recent conference call, and has a meeting with the City of Ontario tomorrow. Counsel Lee along with Mr. Brommenschenkel will update the Committee members hopefully as soon as the next Agricultural Pool meeting as to the outcome of their efforts.

B. STAFF REPORT

1. Update on Repairs to the Piezometer

Ms. Rojo commented briefly on the recent testing and repairs being performed at Ayala Park on the Piezometers. Ms. Rojo told the Committee that Mr. Wildermuth had all the technical details on this but was unable to attend today's meeting, although, was planning on attending both the Advisory Committee and Board meetings this coming Thursday and will be giving a full update at that time. Ms. Rojo offered a brief description of the repairs which were done. Ms. Rojo told the Committee that the good news was, the repairs were a success, and the Piezometers appear to be functioning correctly now.

2. Update on OC-59 Water Deliveries

Ms. Rojo explained that Watermaster had water coming into the College Heights Basin, as part of a demonstration project because this is the basin that was experiencing recharge difficulties due to water hitting a clay layer and then daylighting in the Upland Basin. Through cooperative effort with Orange County they allowed us to take on water even though we did not have any way of measuring how much water was theirs and how much was ours precisely. This was to be a two day test project and approximately five hours after the demonstration started MWD wanted to cut the water back water back. Since it is OCWD's connection, they are allowed first right of refusal to the water. Ms. Rojo stated it was a real combined effort and through numerous phone calls she was pleased to report the outcome was great in that Orange County Water District stood aside and allowed us to take in the water and finish our demonstration project. Ms. Rojo commented that Orange County was very accommodating and again this was a tremendous cooperative effort by all parties involved.

3. IEUA Partnership Funding Request

Ms. Rojo asked the Committee members to turn to page 39 of the packet which is a request from IEUA for a partnership for funding. This topic was in the packet for information only; to give the Committee a chance to review, give feed back, and then it will be brought back with a staff report and recommendation next month.

4. Update on the Draft Chino I and Chino II Desalter Projects Groundwater Monitoring and Mitigation Plan

Ms. Rojo explained Tom O'Neil had a scheduling conflict and was unable to attend the meeting today. Ms. Rojo noted she had left a few messages for Tom to inquire if he would be able to attend the meeting in August, however, had not heard back from him before the meeting today. The question of when he will be closing the door on comments was presented. Ms. Rojo commented she did not know the exact date for filing was for the mitigation plan but would find out and contact Nathan with that date. A brief discussion ensued with this regard.

IV. INFORMATION

1. San Diego County Water Authority Letter of Interest Regarding Water in Storage

Ms. Rojo informed the Committee members this was an informational item only for the Committee to review.

V. POOL MEMBER COMMENTS

Chair deBoom informed the Committee members that a recycling bill went through the Congress yesterday.

VI. OTHER BUSINESS

No comment was made regarding this item.

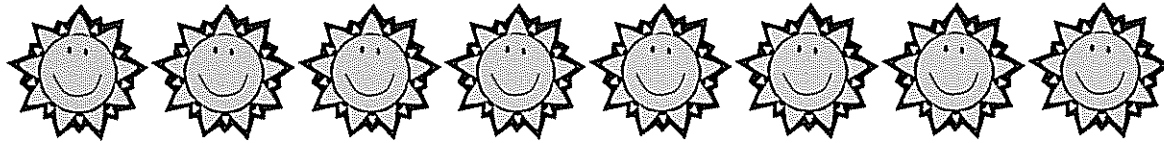
VIII. FUTURE MEETINGS

July 8, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
July 12, 2004	9:00 a.m.	CBFIP/GRCC Meeting
July 14, 2004	12:00 p.m.	Attorney/Manager Meeting @ BB&K
July 20, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 21, 2004	9:00 a.m.	MZ1 Technical Committee Meeting
July 22, 2004	9:00 a.m.	Advisory Committee Meeting
	11:00 a.m.	Watermaster Board Meeting

The Agricultural Meeting Adjourned at 9:28 a.m.

Secretary: _____

Minutes Approved: _____

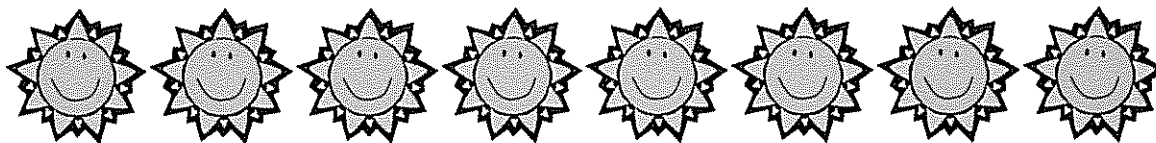


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements July 2004
2. Combining Schedule of Revenue, Expenses and changes in Working Capital for the Periods July 1, 2003 through June 30, 2004
3. Treasurer's Report of Financial Affairs for May 1 through June 30, 2004
4. Profit & Loss Budget vs. Actual July 2003 through June 2004





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 12, 2004
August 17, 2004
August 26, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report – July 2004

SUMMARY

Issue – Record of cash disbursements for the month of July 2004.

Recommendation – Staff recommends the Cash Disbursements for July 2004 be received and filed as presented.

Fiscal Impact – All funds disbursed were included in the FY 2004-05 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 July 2004 were \$979,567.89. The most significant expenditures during the month were Inland Empire Utilities Agency in the amount of \$462,995.75, Wildermuth Environmental Inc. in the amount of \$177,244.38, and Inland Empire Utilities Agency in the amount of \$110,806.15.

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CHINO BASIN WATERMASTER
 Cash Disbursement Detail Report
 July 2004

Type	Date	Num	Name	Amount
Jul 04				
Bill Pmt -Check	7/1/2004	8735	CALPERS	-2,998.26
Bill Pmt -Check	7/1/2004	8741	INLAND COUNTIES INSURANCE SERVICES, INC.	-342.22
Bill Pmt -Check	7/1/2004	8761	STANDARD INSURANCE CO.	-364.53
Bill Pmt -Check	7/2/2004	8795	NEUFELD, ROBERT	-875.00
Bill Pmt -Check	7/7/2004	8796	AGWA	-1,000.00
Bill Pmt -Check	7/7/2004	8797	APPLIED COMPUTER TECHNOLOGIES	-1,063.90
Bill Pmt -Check	7/7/2004	8798	ARROWHEAD MOUNTAIN SPRING WATER	-24.66
Bill Pmt -Check	7/7/2004	8799	BOWCOCK, ROBERT	-625.00
Bill Pmt -Check	7/7/2004	8800	CATLIN, TERRY	-375.00
Bill Pmt -Check	7/7/2004	8801	COSTCO BUSINESS DELIVERY	-509.15
Bill Pmt -Check	7/7/2004	8802	DE BOOM, NATHAN	-1,000.00
Bill Pmt -Check	7/7/2004	8803	DIRECTV	-71.98
Bill Pmt -Check	7/7/2004	8804	DURRINGTON, GLEN	-375.00
Bill Pmt -Check	7/7/2004	8805	FEENSTRA, BOB	-625.00
Bill Pmt -Check	7/7/2004	8806	HUITSING, JOHN	-250.00
Bill Pmt -Check	7/7/2004	8807	IDEAL GRAPHICS	-333.49
Bill Pmt -Check	7/7/2004	8808	INLAND COUNTIES INSURANCE SERVICES, INC.	-1,042.00
Bill Pmt -Check	7/7/2004	8809	INLAND EMPIRE UTILITIES AGENCY	-462,995.75
Bill Pmt -Check	7/7/2004	8810	KOOPMAN, GENE	-375.00
Bill Pmt -Check	7/7/2004	8811	KRUGER, W. C. "BILL"	-125.00
Bill Pmt -Check	7/7/2004	8812	KUHN, BOB	-1,000.00
Bill Pmt -Check	7/7/2004	8813	LOS ANGELES TIMES	-42.00
Bill Pmt -Check	7/7/2004	8814	MATSON, JANET	-840.00
Bill Pmt -Check	7/7/2004	8815	MAURIZIO, DANNIELLE	-75.41
Bill Pmt -Check	7/7/2004	8816	MEDIA JIM	-1,260.00
Bill Pmt -Check	7/7/2004	8817	MWH LABORATORIES	-5,310.00
Bill Pmt -Check	7/7/2004	8818	NEXTEL COMMUNICATIONS	-1,561.78
Bill Pmt -Check	7/7/2004	8819	OFFICE DEPOT	-196.30
Bill Pmt -Check	7/7/2004	8820	P.C. CLUB	-1,567.74
Bill Pmt -Check	7/7/2004	8821	PARK PLACE COMPUTER SOLUTIONS, INC.	-3,049.00
Bill Pmt -Check	7/7/2004	8822	PAYCHEX	-154.55
Bill Pmt -Check	7/7/2004	8823	PIERSON, JEFFREY	-375.00
Bill Pmt -Check	7/7/2004	8824	REID & HELLYER	-8,974.75
Bill Pmt -Check	7/7/2004	8825	SAVIN CORPORATION dba RICOH BUSINESS	-221.17
Bill Pmt -Check	7/7/2004	8826	STATE COMPENSATION INSURANCE FUND	-1,078.52
Bill Pmt -Check	7/7/2004	8827	UNION 76	-241.02
Bill Pmt -Check	7/7/2004	8828	UNITEK TECHNOLOGY INC.	-1,437.12
Bill Pmt -Check	7/7/2004	8829	VELASQUEZ JANITORIAL	-900.00
Bill Pmt -Check	7/7/2004	8830	VERIZON	-444.08
Bill Pmt -Check	7/7/2004	8831	WEST COAST PIPE LININGS, INC.	-1.94
Bill Pmt -Check	7/7/2004	8832	WHITEHEAD, MICHAEL	-125.00
Bill Pmt -Check	7/7/2004	8833	YUKON DISPOSAL SERVICE	-123.90
Bill Pmt -Check	7/7/2004	8834	HAWAI BBQ	-156.58
General Journal	7/14/2004	04/07/5	PAYROLL	-4,396.64
General Journal	7/14/2004	04/07/5	PAYROLL	-21,855.40
Bill Pmt -Check	7/19/2004	8835	ROUTE 66 SUBS	-97.33
Bill Pmt -Check	7/20/2004	8836	WILDERMUTH ENVIRONMENTAL INC	-8,843.75
Bill Pmt -Check	7/20/2004	8837	A & R TIRE	-504.68
Bill Pmt -Check	7/20/2004	8838	ACWA SERVICES CORPORATION	-253.24
Bill Pmt -Check	7/20/2004	8839	BANK OF AMERICA	-337.94
Bill Pmt -Check	7/20/2004	8840	BLACK & VEATCH CORPORATION	-3,782.50
Bill Pmt -Check	7/20/2004	8841	CALPERS	-2,175.09
Bill Pmt -Check	7/20/2004	8842	CHEVRON	-119.85
Bill Pmt -Check	7/20/2004	8861	CITIZENS CONFERENCING	-31.98
Bill Pmt -Check	7/20/2004	8843	ELLISON, SCHNEIDER & HARRIS, LLP	-5,290.00
Bill Pmt -Check	7/20/2004	8844	EXCEL LANDSCAPE	-60.00
Bill Pmt -Check	7/20/2004	8845	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	7/20/2004	8846	HATCH AND PARENT	-76,990.21
Bill Pmt -Check	7/20/2004	8847	INLAND COUNTIES INSURANCE SERVICES, INC.	-91.32
Bill Pmt -Check	7/20/2004	8848	MCI	-900.15
Bill Pmt -Check	7/20/2004	8849	MWH LABORATORIES	-3,473.00
Bill Pmt -Check	7/20/2004	8850	PETTY CASH	-471.81
Bill Pmt -Check	7/20/2004	8851	PITNEY BOWES CREDIT CORPORATION	-468.72
Bill Pmt -Check	7/20/2004	8852	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
Bill Pmt -Check	7/20/2004	8853	STAULA, MARY L	-136.61
Bill Pmt -Check	7/20/2004	8854	UNITED PARCEL SERVICE	-464.69
Bill Pmt -Check	7/20/2004	8855	UNITEK TECHNOLOGY INC.	-74.35
Bill Pmt -Check	7/20/2004	8856	WILDERMUTH ENVIRONMENTAL INC	-177,244.38
Bill Pmt -Check	7/20/2004	8857	Hettinga, Peter	-250.00
Bill Pmt -Check	7/20/2004	8858	HUITSING, JOHN	-375.00
Bill Pmt -Check	7/20/2004	8859	INLAND EMPIRE UTILITIES AGENCY	-110,806.15
Bill Pmt -Check	7/20/2004	8862	HUITSING, JOHN	-125.00

CHINO BASIN WATERMASTER
 Cash Disbursement Detail Report
 July 2004

Type	Date	Num	Name	Amount
Check	7/20/2004	8860	VOIDED	0.00
Bill Pmt -Check	7/21/2004	8863	CALIFORNIA REGIONAL WATER QUALITY CONT...	-1,185.00
Bill Pmt -Check	7/22/2004	8864	CUCAMONGA VALLEY WATER DISTRICT	-4,900.00
Bill Pmt -Check	7/22/2004	8865	ROJO, SHERI M	-1,416.68
General Journal	7/25/2004	04/07/7	PAYROLL	-3,396.22
General Journal	7/25/2004	04/07/7	PAYROLL	-13,284.53
Bill Pmt -Check	7/28/2004	8866	JUAN POLLO	-75.41
Bill Pmt -Check	7/28/2004	8867	PETTY CASH	-500.59
Bill Pmt -Check	7/29/2004	8868	A & R TIRE	-801.75
Bill Pmt -Check	7/29/2004	8869	ARROWHEAD MOUNTAIN SPRING WATER	-58.66
Bill Pmt -Check	7/29/2004	8870	DICK LARSEN - TREASURER/TAX COLLECTOR	-1,744.42
Bill Pmt -Check	7/29/2004	8871	DIRECTV	-71.98
Bill Pmt -Check	7/29/2004	8872	HAWAI BBQ	-147.85
Bill Pmt -Check	7/29/2004	8873	HUITSING, JOHN	-125.00
Bill Pmt -Check	7/29/2004	8874	IDEAL GRAPHICS	-57.11
Bill Pmt -Check	7/29/2004	8875	NEXTEL COMMUNICATIONS	-698.19
Bill Pmt -Check	7/29/2004	8876	OFFICE DEPOT	-121.99
Bill Pmt -Check	7/29/2004	8877	PATRAL CUSTOM CABINETS	-532.00
Bill Pmt -Check	7/29/2004	8878	PURCHASE POWER	-2,016.99
Bill Pmt -Check	7/29/2004	8879	R&D PEST SERVICES	-295.00
Bill Pmt -Check	7/29/2004	8880	UNION 76	-396.96
Bill Pmt -Check	7/29/2004	8881	VENTURA PRINTING	-3,589.10
Bill Pmt -Check	7/29/2004	8882	CHINO BASIN WATER CONSERVATION DISTRICT	-2,584.32
Bill Pmt -Check	7/29/2004	8883	STANDARD INSURANCE CO.	-335.24
Bill Pmt -Check	7/29/2004	8884	U.S. GEOLOGICAL SURVEY	-13,390.00
				<u>-979,567.89</u>

Jul 04

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2003 THROUGH JUNE 30, 2004

	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			4,614,056		122,460				4,736,516	\$3,940,516
Interest Revenue			81,090	7,111	3,624			38	91,863	112,025
Mutual Agency Project Revenue		301,209							301,209	0
Grant Income									-	0
Miscellaneous Income	-								-	0
Total Revenues	-	301,209	4,695,146	7,111	126,084	-	-	38	5,129,588	4,052,541
Administrative & Project Expenditures										
Watermaster Administration	816,818								816,818	617,732
Watermaster Board-Advisory Committee	47,569								47,569	43,442
Pool Administration			13,796	246,513	3,221				263,530	255,148
Optimum Basin Mgmt Administration		932,272							932,272	1,034,064
OBMP Project Costs		2,308,516							2,308,516	3,365,079
Education Funds Use								375	375	375
Mutual Agency Project Costs	81,416								81,416	85,004
Total Administrative/OBMP Expenses	945,803	3,240,788	13,796	246,513	3,221	-	-	375	4,450,496	5,400,844
Net Administrative/OBMP Income	(945,803)	(2,939,579)								
Allocate Net Admin Income To Pools	945,803		701,641	216,156	28,007				-	0
Allocate Net OBMP Income To Pools		2,939,579	2,180,717	671,817	87,046				-	0
Agricultural Expense Transfer			1,124,360	(1,124,360)					-	0
Total Expenses	4,020,514		4,020,514	10,125	118,273	-	-	375	4,450,496	5,400,844
Net Administrative Income			674,632	(3,014)	7,811			(337)	679,092	(1,348,303)
Other Income/(Expense)										
Replenishment Water Purchases						4,135,998			4,135,998	0
MZ1 Supplemental Water Assessments						1,585,854			1,585,854	2,189,500
Water Purchases									-	0
MZ1 Imported Water Purchase									-	(2,273,500)
Groundwater Replenishment						(1,855,294)			(1,855,294)	0
Net Other Income			-	-	-	3,866,558	-	-	3,866,558	(84,000)
Net Transfers To/(From) Reserves			674,632	(3,014)	7,811	3,866,558	-	(337)	4,545,650	(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			3,488,579	463,055	196,121	4,133,061	158,251	2,195	8,441,261	
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%	

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JUNE 1 THROUGH JUNE 30, 2004**

DEPOSITORIES:

Cash on Hand - Petty Cash		\$		500
Bank of America				
Governmental Checking-Demand Deposits	\$		52,555	
Savings Deposits			9,629	
Zero Balance Account - Payroll			-	62,184
Local Agency Investment Fund - Sacramento				8,700,549
TOTAL CASH IN BANKS AND ON HAND	6/30/2004			\$ 8,763,233
TOTAL CASH IN BANKS AND ON HAND	5/31/2004			9,506,989
PERIOD INCREASE (DECREASE)				<u>\$ (743,756)</u>

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:	Accounts Receivable	\$ (167,905)
	Assessments Receivable	4,623
	Prepaid Expenses, Deposits & Other Current Assets	(22,465)
(Decrease)/Increase in Liabilities:	Accounts Payable	247,119
	Accrued Payroll, Payroll Taxes & Other Current Liabilities	(8,707)
	Transfer to/(from) Reserves	(796,421)
	PERIOD INCREASE (DECREASE)	<u>\$ (743,756)</u>

<u>SUMMARY OF FINANCIAL TRANSACTIONS:</u>	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Savings	Local Agency Investment Funds	Totals
Balances as of 5/31/2004	\$ 500	\$ 71,317	\$ -	\$ 9,623	\$ 9,425,549	\$ 9,506,989
Deposits		4,707	-	6	-	4,713
Transfers		686,541	38,459	-	(725,000)	-
Withdrawals/Checks		(710,010)	(38,459)	-	-	(748,469)
Balances as of 6/30/2004	\$ 500	\$ 52,555	\$ -	\$ 9,629	\$ 8,700,549	\$ 8,763,233
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (18,762)	\$ -	\$ 6	\$ (725,000)	\$ (743,756)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JUNE 1 THROUGH JUNE 30, 2004**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
6/10/2004	Withdrawal	L.A.I.F.	\$ (200,000)				
6/24/2004	Withdrawal	L.A.I.F.	(325,000)				
6/30/2004	Withdrawal	L.A.I.F.	(200,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (725,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.47% was the effective yield rate at the Quarter ended March 31, 2004.

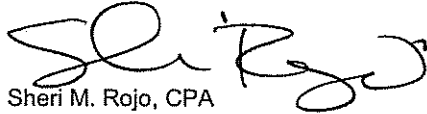
**INVESTMENT STATUS
June 30, 2004**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 8,700,549			
Time Certificates of Deposit	-			
TOTAL INVESTMENTS	\$ 8,700,549			

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,



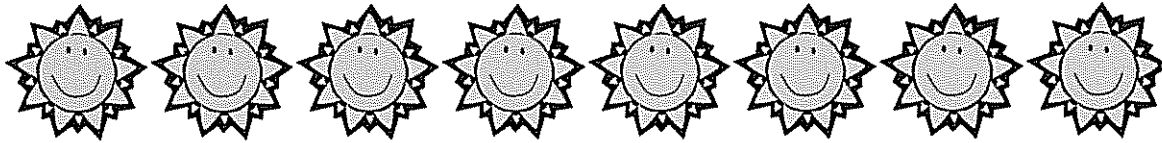
Sheri M. Rojo, CPA
Finance Manager
Chino Basin Watermaster

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July 2003 through June 2004

	<u>Jul '03 - Jun 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	301,208.96	0.00	301,208.96	100.00%
4110 · Admin Asmnts-Approp Pool	4,614,055.82	3,931,695.00	682,360.82	117.36%
4120 · Admin Asmnts-Non-Agri Pool	122,460.43	88,201.00	34,259.43	138.84%
4700 · Non Operating Revenues	91,863.38	112,025.00	-20,161.62	82.00%
Total Income	<u>5,129,588.59</u>	<u>4,131,921.00</u>	<u>997,667.59</u>	<u>124.15%</u>
Gross Profit	5,129,588.59	4,131,921.00	997,667.59	124.15%
Expense				
6010 · Salary Costs	411,828.92	385,900.00	25,928.92	106.72%
6020 · Office Building Expense	174,523.81	108,995.00	65,528.81	160.12%
6030 · Office Supplies & Equip.	52,462.94	41,000.00	11,462.94	127.96%
6040 · Postage & Printing Costs	69,924.08	66,400.00	3,524.08	105.31%
6050 · Information Services	108,993.75	105,750.00	3,243.75	103.07%
6060 · Contract Services	187,214.21	121,000.00	66,214.21	154.72%
6080 · Insurance	21,227.94	16,710.00	4,517.94	127.04%
6110 · Dues and Subscriptions	11,028.65	14,500.00	-3,471.35	76.06%
6140 · Other WM Admin Expenses	2,264.96	0.00	2,264.96	100.00%
6150 · Field Supplies	2,137.44	4,250.00	-2,112.56	50.29%
6170 · Travel & Transportation	40,933.71	46,300.00	-5,366.29	88.41%
6190 · Conferences & Seminars	17,943.68	16,000.00	1,943.68	112.15%
6200 · Advisory Comm - WM Board	14,453.87	15,071.00	-617.13	95.91%
6300 · Watermaster Board Expenses	33,115.50	28,371.00	4,744.50	116.72%
8300 · Appr PI-WM & Pool Admin	13,795.49	14,471.00	-675.51	95.33%
8400 · Agri Pool-WM & Pool Admin	164,946.55	166,979.00	-2,032.45	98.78%
8467 · Agri-Pool Legal Services	71,441.56	51,000.00	20,441.56	140.08%
8470 · Ag Meeting Attend -Special	10,125.00	16,000.00	-5,875.00	63.28%
8500 · Non-Ag PI-WM & Pool Admin	3,219.65	6,698.00	-3,478.35	48.07%
6500 · Education Funds Use Expens	375.00	375.00	0.00	100.00%
9500 · Allocated G&A Expenditures	-283,665.63	-309,073.00	25,407.37	91.78%
Subtotal G&A Expenditures	<u>1,128,291.08</u>	<u>916,697.00</u>	<u>211,594.08</u>	<u>123.08%</u>
6900 · Optimum Basin Mgmt Plan	844,594.59	942,065.00	-97,470.41	89.65%
6950 · Mutual Agency Projects	81,416.39	85,004.00	-3,587.61	95.78%
9501 · G&A Expenses Allocated-OBMP	87,677.86	91,999.00	-4,321.14	95.30%
Subtotal OBMP Expenditures	<u>1,013,688.84</u>	<u>1,119,068.00</u>	<u>-105,379.16</u>	<u>90.58%</u>
7101 · Production Monitoring	51,332.65	79,283.00	-27,950.35	64.75%
7102 · In-line Meter Installation	48,560.66	131,380.00	-82,819.34	36.96%
7103 · Grdwtr Quality Monitoring	289,983.94	274,613.00	15,370.94	105.60%
7104 · Gdwtr Level Monitoring	115,240.65	157,852.00	-42,611.35	73.01%
7105 · Sur Wtr Qual Monitoring	76,306.13	133,595.00	-57,288.87	57.12%
7106 · Wtr Level Sensors Install	0.00	26,835.00	-26,835.00	0.00%
7107 · Ground Level Monitoring	90,674.27	202,283.00	-111,608.73	44.83%
7108 · Hydraulic Control Monitoring	534,312.30	718,227.00	-183,914.70	74.39%
7200 · PE2- Comp Recharge Pgm	156,459.90	531,434.00	-374,974.10	29.44%
7300 · PE3&5-Water Supply/Desalte	2,336.69	47,499.00	-45,162.31	4.92%
7400 · PE4- Mgmt Plan	199,250.58	187,308.00	11,942.58	106.38%
7500 · PE6&7-CoopEfforts/SaltMgmt	56,339.38	51,820.00	4,519.38	108.72%

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July 2003 through June 2004

	<u>Jul '03 - Jun 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7600 · PE8&9-StorageMgmt/Conj Use	115,499.47	146,179.00	-30,679.53	79.01%
7690 · Recharge Improvement Debt Pymt	376,169.00	429,250.00	-53,081.00	87.63%
7700 · Inactive Well Protection Prgm	62.45	30,447.00	-30,384.55	0.21%
9502 · G&A Expenses Allocated-Projects	195,987.72	217,074.00	-21,086.28	90.29%
Subtotal Special Project Expenditures	2,308,515.79	3,365,079.00	-1,056,563.21	68.60%
Total Expense	4,450,495.71	5,400,844.00	-950,348.29	82.40%
Net Ordinary Income	679,092.88	-1,268,923.00	1,948,015.88	-53.52%
Other Income/Expense				
Other Income				
4231 · MZ1 Assigned Water Sales	0.00	615,000.00	-615,000.00	0.00%
4210 · Approp Pool-Replenishment	4,124,710.02			
4220 · Non-Ag Pool-Replenishment	11,288.32			
4230 · MZ1 Sup Wtr Assessment	1,585,853.60	1,574,500.00	11,353.60	100.72%
Total Other Income	5,721,851.94	2,189,500.00	3,532,351.94	261.33%
Other Expense				
5010 · Groundwater Replenishment	1,855,293.50	2,273,500.00	-418,206.50	81.61%
9999 · To/(From) Reserves	4,545,651.32	-1,352,923.00	5,898,574.32	-335.99%
Total Other Expense	6,400,944.82	920,577.00	5,480,367.82	695.32%
Net Other Income	-679,092.88	1,268,923.00	-1,948,015.88	-53.52%
Net Income	0.00	0.00	0.00	0.00%

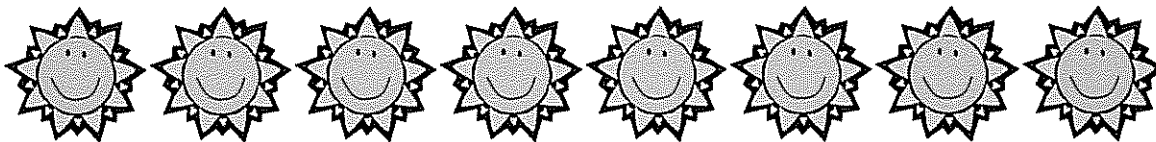


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

5. Cash Disbursements June 2004
6. Combining Schedule of Revenue, Expenses and changes in Working Capital for the Periods July 1, 2003 through May 31, 2004
7. Treasurer's Report of Financial Affairs for May 1 through May 31, 2004
8. Profit & Loss Budget vs. Actual July 2003 through May 2004





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: July 8, 2004
July 20, 2004
July 22, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report – June 2004

SUMMARY

Issue – Record of cash disbursements for the month of June 2004.

Recommendation – Staff recommends the Cash Disbursements for June 2004 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 June 2004 were \$758,128.87. The most significant expenditures during the month were Inland Empire Utilities Agency in the amount of \$133,432.92, Wildermuth Environmental Inc. in the amount of \$131,417.52, and Fontana Water Company in the amount of \$74,375.58.

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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
June 2004

Type	Date	Num	Name	Amount
Jun 04				
Bill Pmt -Check	6/1/2004	8691	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,613.65
Bill Pmt -Check	6/1/2004	8692	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,975.12
Bill Pmt -Check	6/1/2004	8693	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,678.17
Bill Pmt -Check	6/1/2004	8694	BOWCOCK, ROBERT	-375.00
Bill Pmt -Check	6/1/2004	8695	CATLIN, TERRY	-375.00
Bill Pmt -Check	6/1/2004	8696	CITISTREET	-6,550.00
Bill Pmt -Check	6/1/2004	8697	KRUGER, W. C. "BILL"	-125.00
Bill Pmt -Check	6/1/2004	8698	KUHN, BOB	-500.00
Bill Pmt -Check	6/1/2004	8699	MATSON, JANET	-1,960.00
Bill Pmt -Check	6/1/2004	8700	MWH LABORATORIES	-1,570.00
Bill Pmt -Check	6/1/2004	8701	NEUFELD, ROBERT	-625.00
Bill Pmt -Check	6/1/2004	8702	PURCHASE POWER	-2,043.04
Bill Pmt -Check	6/1/2004	8703	SAN BERNARDINO COUNTY FLOOD CONTROL DI...	-5,226.54
Bill Pmt -Check	6/1/2004	8704	STANDARD INSURANCE CO.	-509.26
Bill Pmt -Check	6/1/2004	8705	STATE COMPENSATION INSURANCE FUND	-1,124.82
Bill Pmt -Check	6/1/2004	8706	VANDEN HEUVEL, GEOFFREY	-125.00
Bill Pmt -Check	6/1/2004	8707	VELASQUEZ JANITORIAL	-900.00
Bill Pmt -Check	6/1/2004	8708	VERIZON	-38.71
Bill Pmt -Check	6/1/2004	8709	WHEELER METER MAINTENANCE	-150.00
Bill Pmt -Check	6/1/2004	8710	WILDERMUTH ENVIRONMENTAL INC	-200.00
Bill Pmt -Check	6/1/2004	8711	YUKON DISPOSAL SERVICE	-123.90
Bill Pmt -Check	6/1/2004	8712	MEDIA JIM	-300.00
Bill Pmt -Check	6/1/2004	8713	PAYCHEX	-155.75
Bill Pmt -Check	6/1/2004	8714	RETAIL SERVICES	-338.96
Bill Pmt -Check	6/1/2004	8715	VERIZON	-406.38
Bill Pmt -Check	6/3/2004	8716	APPLIED COMPUTER TECHNOLOGIES	-1,871.40
Bill Pmt -Check	6/3/2004	8717	PARK PLACE COMPUTER SOLUTIONS, INC.	-2,640.00
General Journal	6/5/2004	04/06/3	PAYROLL	-9,793.44
General Journal	6/5/2004	04/06/4	PAYROLL	-5,724.39
General Journal	6/5/2004	04/06/4	PAYROLL	-17,116.84
Bill Pmt -Check	6/7/2004	8718	ROSSI, JOHN V	-9,793.44
Bill Pmt -Check	6/9/2004	8719	BEST BEST & KRIEGER LLP-RIVERSIDE OFFICE	-581.76
Bill Pmt -Check	6/9/2004	8720	BLACK & VEATCH CORPORATION	-5,971.75
Bill Pmt -Check	6/9/2004	8721	CHEVRON	-115.56
Bill Pmt -Check	6/9/2004	8722	DAILY BULLETIN	-172.80
Bill Pmt -Check	6/9/2004	8723	INLAND EMPIRE UTILITIES AGENCY	-6,666.67
Bill Pmt -Check	6/9/2004	8724	MWH LABORATORIES	-4,910.00
Bill Pmt -Check	6/9/2004	8725	POWERS ELECTRIC PRODUCTS CO.	-546.98
Bill Pmt -Check	6/9/2004	8726	RAUCH COMMUNICATION CONSULTANTS, LLC	-2,446.28
Bill Pmt -Check	6/9/2004	8727	REID & HELLYER	-12,987.20
Bill Pmt -Check	6/9/2004	8728	ROUTE 66 SUBS	-123.47
Bill Pmt -Check	6/9/2004	8729	SAVIN CORPORATION dba RICOH BUSINESS	-1,760.40
Bill Pmt -Check	6/9/2004	8730	UNITED PARCEL SERVICE	-446.36
Bill Pmt -Check	6/9/2004	8731	UNITEK TECHNOLOGY INC.	-7,029.61
Bill Pmt -Check	6/18/2004	8732	ROUTE 66 SUBS	-117.30
Bill Pmt -Check	6/22/2004	8733	ACWA SERVICES CORPORATION	-106.88
Bill Pmt -Check	6/22/2004	8734	BANK OF AMERICA	-2,072.23
Bill Pmt -Check	6/22/2004	8736	CUCAMONGA VALLEY WATER DISTRICT	-4,900.00
Bill Pmt -Check	6/22/2004	8737	ELLISON, SCHNEIDER & HARRIS, LLP	-2,677.30
Bill Pmt -Check	6/22/2004	8738	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	6/22/2004	8739	HATCH AND PARENT	-63,956.32
Bill Pmt -Check	6/22/2004	8740	IDEAL GRAPHICS	-285.54
Bill Pmt -Check	6/22/2004	8742	INLAND EMPIRE UTILITIES AGENCY	-133,432.92
Bill Pmt -Check	6/22/2004	8743	LAB SAFETY SUPPLY, INC.	-197.54
Bill Pmt -Check	6/22/2004	8744	MCI	-900.15
Bill Pmt -Check	6/22/2004	8745	MWH LABORATORIES	-4,010.00
Bill Pmt -Check	6/22/2004	8746	OFFICE DEPOT	-1,115.46
Bill Pmt -Check	6/22/2004	8747	PETTY CASH	-490.08
Bill Pmt -Check	6/22/2004	8748	RAUCH COMMUNICATION CONSULTANTS, LLC	-4,299.32
Bill Pmt -Check	6/22/2004	8749	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
Bill Pmt -Check	6/22/2004	8750	SOLINST CANADA LTD.	-12,483.00
Bill Pmt -Check	6/22/2004	8751	STAULA, MARY L	-136.61
Bill Pmt -Check	6/22/2004	8752	UNITEK TECHNOLOGY INC.	-816.75
Bill Pmt -Check	6/22/2004	8753	WILDERMUTH ENVIRONMENTAL INC	-131,417.52
Bill Pmt -Check	6/22/2004	8754	CAFE CALATO	-74.24
Bill Pmt -Check	6/23/2004	8755	ADEX MEDICAL INC	-65.48
Bill Pmt -Check	6/23/2004	8756	BLACK & VEATCH CORPORATION	-9,225.00
Bill Pmt -Check	6/23/2004	8757	EXCEL LANDSCAPE	-110.00
Bill Pmt -Check	6/23/2004	8758	HAWAI BBQ	-189.60
Bill Pmt -Check	6/23/2004	8759	OWENS ELECTRIC INC	-93.14
Bill Pmt -Check	6/23/2004	8760	RICOH BUSINESS SYSTEMS-Maintenance	-1,104.44
Bill Pmt -Check	6/23/2004	8762	WHEELER METER MAINTENANCE	-3,150.00

CHINO BASIN WATERMASTER
 Cash Disbursement Detail Report
 June 2004

Type	Date	Num	Name	Amount
Bill Pmt -Check	6/23/2004	8763	HOME DEPOT	-429.92
Bill Pmt -Check	6/23/2004	8764	THE WACHS COMPANIES	-6,161.00
Bill Pmt -Check	6/24/2004	8765	MWH LABORATORIES	-1,680.00
Bill Pmt -Check	6/24/2004	8766	INLAND COUNTIES INSURANCE SERVICES, INC.	-24,833.00
Bill Pmt -Check	6/24/2004	8767	MAURIZIO, DANNIELLE	-170.00
General Journal	6/28/2004	04/06/6	PAYROLL	-3,349.30
General Journal	6/28/2004	04/06/6	PAYROLL	-12,268.66
Check	6/29/2004	8768	ANGELICA RENTAL SERVICE	-259.00
Check	6/29/2004	8769	GEOMATRAIX CONSUL	-274.85
Check	6/29/2004	8770	ARROWHEAD MOUNTAIN SPRING WATER CO.	-1,148.33
Check	6/29/2004	8771	CHINO, CITY OF	-7,270.36
Check	6/29/2004	8772	CHINO HILLS, CITY OF	-3,805.65
Check	6/29/2004	8773	CUCAMONGA VALLEY WATER DISTRICT	-6,523.26
Check	6/29/2004	8774	FONTANA UNION WATER COMPANY	-11,519.72
Check	6/29/2004	8775	FONTANA WATER COMPANY	-74,375.58
Check	6/29/2004	8776	INLAND EMPIRE UTILITIES AGENCY	-57.24
Check	6/29/2004	8777	JURUPA COMMUNITY SVCS DIST	-3,714.73
Check	6/29/2004	8778	MARYGOLD MUTUAL WATER CO.	-1,180.93
Check	6/29/2004	8779	MONTE VISTA IRRIGATION CO	-1,219.47
Check	6/29/2004	8780	MONTE VISTA WATER DIST	-8,693.40
Check	6/29/2004	8781	NICHOLSON TRUST	-6.92
Check	6/29/2004	8782	NORCO, CITY OF	-363.67
Check	6/29/2004	8783	ONTARIO, CITY OF	-33,442.83
Check	6/29/2004	8784	POMONA, CITY OF	-20,213.12
Check	6/29/2004	8785	SANTA ANA RIVER WATER COMPANY	-2,345.05
Check	6/29/2004	8786	SAN BERNARDINO CO. REGIONAL PARKS	-232.91
Check	6/29/2004	8787	SOUTHERN CALIFORNIA WATER COMPANY	-741.17
Check	6/29/2004	8788	UPLAND, CITY OF	-5,140.74
Check	6/29/2004	8789	WEST END CONSOLIDATED WATER COMPANY	-1,707.65
Check	6/29/2004	8790	WEST SAN BERNARDINO C.W.D.	-1,161.16
Check	6/29/2004	8791	SAN ANTONIO WATER COMPANY	-2,715.64
Bill Pmt -Check	6/29/2004	8792	CITISTREET	-3,200.00
Bill Pmt -Check	6/29/2004	8793	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,678.17
Bill Pmt -Check	6/29/2004	8794	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-3,414.66
				<u>-758,128.87</u>

Jun 04

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2003 THROUGH MAY 31, 2004

	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			4,614,056		122,460				4,736,516	\$3,940,516
Interest Revenue			48,169	5,448	2,305			30	55,952	112,025
Mutual Agency Project Revenue		169,209							169,209	0
Grant Income									-	0
Miscellaneous Income	188,113								188,113	0
Total Revenues	188,113	169,209	4,662,225	5,448	124,765	-	-	30	5,149,790	4,052,541
Administrative & Project Expenditures										
Watermaster Administration	678,663								678,663	617,732
Watermaster Board-Advisory Committee	41,894								41,894	43,442
Pool Administration			12,948	223,161	3,078				239,187	255,148
Optimum Basin Mgmt Administration		858,407							858,407	1,034,064
OBMP Project Costs		2,021,189							2,021,189	3,365,079
Education Funds Use								375	375	375
Mutual Agency Project Costs	74,750								74,750	85,004
Total Administrative/OBMP Expenses	795,307	2,879,596	12,948	223,161	3,078			375	3,914,465	5,400,844
Net Administrative/OBMP Income	(607,194)	(2,710,387)								
Allocate Net Admin Income To Pools	607,194		450,445	138,769	17,980				-	0
Allocate Net OBMP Income To Pools		2,710,387	2,010,691	619,437	80,259				-	0
Agricultural Expense Transfer			974,717	(974,717)					-	0
Total Expenses			3,448,801	6,650	101,317	-	-	375	3,914,465	5,400,844
Net Administrative Income			1,213,424	(1,202)	23,448			(345)	1,235,325	(1,348,303)
Other Income/(Expense)										
Replenishment Water Purchases						4,135,998			4,135,998	0
MZ1 Supplemental Water Assessments						1,585,854			1,585,854	2,189,500
Water Purchases									-	0
MZ1 Imported Water Purchase									-	(2,273,500)
Groundwater Replenishment						(1,617,842)			(1,617,842)	0
Net Other Income						4,104,010			4,104,010	(84,000)
Net Transfers To/(From) Reserves			1,213,424	(1,202)	23,448	4,104,010		(345)	5,339,335	(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			4,027,371	464,867	211,758	4,370,513	158,251	2,187	9,234,946	
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%	

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
MAY 1 THROUGH MAY 31, 2004**

DEPOSITORIES:			
Cash on Hand - Petty Cash			\$ 500
Bank of America			
Governmental Checking-Demand Deposits	\$	71,317	
Savings Deposits		9,623	
Zero Balance Account - Payroll		-	80,940
Local Agency Investment Fund - Sacramento			9,425,549
TOTAL CASH IN BANKS AND ON HAND			\$ 9,506,989
TOTAL CASH IN BANKS AND ON HAND	5/31/2004		\$ 9,506,989
	4/30/2004		10,847,936
PERIOD INCREASE (DECREASE)			<u>\$ (1,340,947)</u>

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable	\$ 75
Assessments Receivable	88,078
Prepaid Expenses, Deposits & Other Current Assets	1,750
(Decrease)/Increase in Liabilities: Accounts Payable	(125,906)
Accrued Payroll, Payroll Taxes & Other Current Liabilities	(6,039)
Transfer to/(from) Reserves	(1,298,905)
PERIOD INCREASE (DECREASE)	<u>\$ (1,340,947)</u>

<u>SUMMARY OF FINANCIAL TRANSACTIONS:</u>	Petty Cash	Gov't Checking Demand	Zero Balance Account Payroll	Savings	Local Agency Investment Funds	Totals
Balances as of 4/30/2004	\$ 500	\$ 112,264	\$ -	\$ 9,623	\$ 10,725,549	\$ 10,847,936
Deposits		88,078	-	-	-	88,078
Transfers		1,256,417	43,583	-	(1,300,000)	-
Withdrawals/Checks		(1,385,442)	(43,583)	-	-	(1,429,025)
Balances as of 5/31/2004	\$ 500	\$ 71,317	\$ -	\$ 9,623	\$ 9,425,549	\$ 9,506,989
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (40,947)	\$ -	\$ -	\$ (1,300,000)	\$ (1,340,947)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
MAY 1 THROUGH MAY 31, 2004**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
5/10/2004	Withdrawal	L.A.I.F.	(950,000)				
5/26/2004	Withdrawal	L.A.I.F.	\$ (350,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (1,300,000)	-			

* The earnings rate for L.A.I.F. is a daily variable rate; 1.47% was the effective yield rate at the Quarter ended March 31, 2004.

**INVESTMENT STATUS
May 31, 2004**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 9,425,549			
Time Certificates of Deposit	-			
TOTAL INVESTMENTS	\$ 9,425,549			

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,



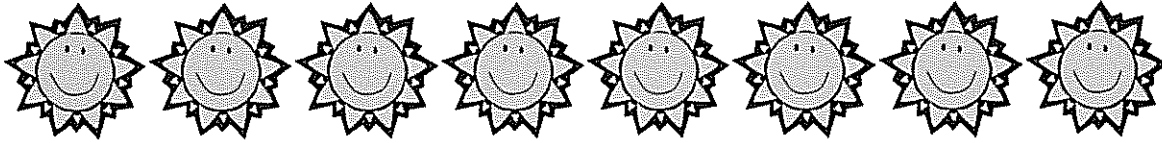
Sheri M. Rojo, CPA
Finance Manager
Chino Basin Watermaster

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July 2003 through May 2004

	Jul '03 - May 04	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	169,208.96	0.00	169,208.96	100.0%
4110 · Admin Asmnts-Approp Pool	4,614,055.82	3,931,695.00	682,360.82	117.36%
4120 · Admin Asmnts-Non-Agri Pool	122,460.43	88,201.00	34,259.43	138.84%
4700 · Non Operating Revenues	55,951.87	112,025.00	-56,073.13	49.95%
4900 · Miscellaneous income	188,113.38			
Total Income	5,149,790.46	4,131,921.00	1,017,869.46	124.63%
Gross Profit	5,149,790.46	4,131,921.00	1,017,869.46	124.63%
Expense				
6010 · Salary Costs	384,308.27	385,900.00	-1,591.73	99.59%
6020 · Office Building Expense	165,693.42	108,995.00	56,698.42	152.02%
6030 · Office Supplies & Equip.	49,365.90	41,000.00	8,365.90	120.41%
6040 · Postage & Printing Costs	61,563.86	66,400.00	-4,836.14	92.72%
6050 · Information Services	100,361.77	105,750.00	-5,388.23	94.91%
6060 · Contract Services	91,619.59	121,000.00	-29,380.41	75.72%
6080 · Insurance	19,267.60	16,710.00	2,557.60	115.31%
6110 · Dues and Subscriptions	8,742.90	14,500.00	-5,757.10	60.3%
6140 · Other WM Admin Expenses	2,282.80	0.00	2,282.80	100.0%
6150 · Field Supplies	600.83	4,250.00	-3,649.17	14.14%
6170 · Travel & Transportation	39,686.30	46,300.00	-6,613.70	85.72%
6190 · Conferences & Seminars	17,843.68	16,000.00	1,843.68	111.52%
6200 · Advisory Comm - WM Board	13,635.46	15,071.00	-1,435.54	90.48%
6300 · Watermaster Board Expenses	28,258.60	28,371.00	-112.40	99.6%
8300 · Appr PI-WM & Pool Admin	12,948.19	14,471.00	-1,522.81	89.48%
8400 · Agri Pool-WM & Pool Admin	163,373.26	166,979.00	-3,605.74	97.84%
8467 · Agri-Pool Legal Services	53,137.96	51,000.00	2,137.96	104.19%
8470 · Ag Meeting Attend -Special	6,650.00	16,000.00	-9,350.00	41.56%
8500 · Non-Ag PI-WM & Pool Admin	3,078.41	6,698.00	-3,619.59	45.96%
6500 · Education Funds Use Expens	375.00	375.00	0.00	100.0%
9500 · Allocated G&A Expenditures	-262,673.70	-309,073.00	46,399.30	84.99%
Subtotal G&A Expenditures	960,120.10	916,697.00	43,423.10	104.74%
6900 · Optimum Basin Mgmt Plan	781,565.38	942,065.00	-160,499.62	82.96%
6950 · Mutual Agency Projects	74,749.72	85,004.00	-10,254.28	87.94%
9501 · G&A Expenses Allocated-OBMP	76,841.28	91,999.00	-15,157.72	83.52%
Subtotal OBMP Expenditures	933,156.38	1,119,068.00	-185,911.62	83.39%
7101 · Production Monitoring	47,931.21	79,283.00	-31,351.79	60.46%
7102 · In-line Meter Installation	48,428.68	131,380.00	-82,951.32	36.86%
7103 · Grdwtr Quality Monitoring	275,540.15	274,613.00	927.15	100.34%
7104 · Gdwtr Level Monitoring	97,657.97	157,852.00	-60,194.03	61.87%
7105 · Sur Wtr Qual Monitoring	61,053.82	133,595.00	-72,541.18	45.7%
7106 · Wtr Level Sensors Install	0.00	26,835.00	-26,835.00	0.0%
7107 · Ground Level Monitoring	89,293.75	202,283.00	-112,989.25	44.14%
7108 · Hydraulic Control Monitoring	298,763.10	718,227.00	-419,463.90	41.6%
7200 · PE2- Comp Recharge Pgm	142,485.86	531,434.00	-388,948.14	26.81%
7300 · PE3&5-Water Supply/Desalite	2,336.69	47,499.00	-45,162.31	4.92%
7400 · PE4- Mgmt Plan	234,501.31	187,308.00	47,193.31	125.2%

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July 2003 through May 2004

	<u>Jul '03 - May 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7500 · PE6&7-CoopEfforts/SaltMgmt	54,962.25	51,820.00	3,142.25	106.1
7600 · PE8&9-StorageMgmt/Conj Use	106,170.72	146,179.00	-40,008.28	72.63%
7690 · Recharge Improvement Debt Pymt	376,169.00	429,250.00	-53,081.00	87.63%
7700 · Inactive Well Protection Prgm	62.45	30,447.00	-30,384.55	0.21%
9502 · G&A Expenses Allocated-Projects	<u>185,832.38</u>	<u>217,074.00</u>	<u>-31,241.62</u>	<u>85.61%</u>
Subtotal Special Project Expenditures	2,021,189.34	3,365,079.00	-1,343,889.66	60.06%
Total Expense	<u>3,914,465.82</u>	<u>5,400,844.00</u>	<u>-1,486,378.18</u>	<u>72.48%</u>
Net Ordinary Income	1,235,324.64	-1,268,923.00	2,504,247.64	-97.35%
Other Income/Expense				
Other Income				
4231 · MZ1 Assigned Water Sales	0.00	615,000.00	-615,000.00	0.0%
4210 · Approp Pool-Replenishment	4,124,710.02	0.00	4,124,710.02	100.0%
4220 · Non-Ag Pool-Replenishment	11,288.32	0.00	11,288.32	100.0%
4230 · MZ1 Sup Wtr Assessment	<u>1,585,853.60</u>	<u>1,574,500.00</u>	<u>11,353.60</u>	<u>100.72%</u>
Total Other Income	5,721,851.94	2,189,500.00	3,532,351.94	261.33%
Other Expense				
5010 · Groundwater Replenishment	1,617,841.85	2,273,500.00	-655,658.15	71.16%
9999 · To/(From) Reserves	<u>5,339,334.73</u>	<u>-1,352,923.00</u>	<u>6,692,257.73</u>	<u>-394.65%</u>
Total Other Expense	<u>6,957,176.58</u>	<u>920,577.00</u>	<u>6,036,599.58</u>	<u>755.74%</u>
Net Other Income	<u>-1,235,324.64</u>	<u>1,268,923.00</u>	<u>-2,504,247.64</u>	<u>-97.1</u>
Net Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>

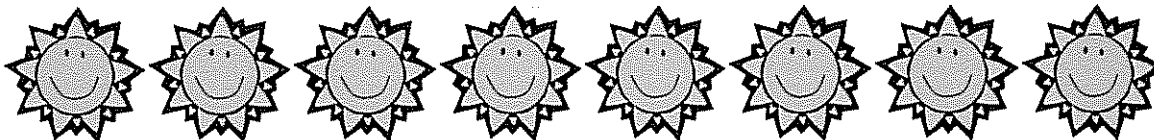


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTIONS

1. Transaction of Notice of Sale or Transfer from West Valley Water District to Fontana Water Company in the amount of 500 acre-feet



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

June 8, 2004

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

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NOTICE OF APPLICATION(S) RECEIVED

Date of Application: May 27, 2004

Date of this notice: June 8, 2004

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

- A. Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from West Valley Water District water in storage in the amount of 500 acre-feet.

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

Appropriative Pool: July 8, 2004

Non-Agricultural Pool: July 8, 2004

Agricultural Pool: July 20, 2004

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

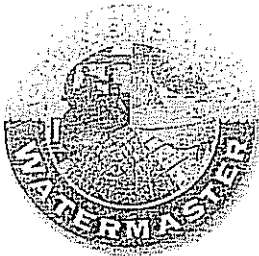
Tel: (909) 484-3888
Fax: (909) 484-3890

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: June 8, 2004

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).



CHINO BASIN WATERMASTER

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

DATE: June 8, 2004
TO: Watermaster Interested Parties
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 – Fontana Water Company has agreed to purchase from West Valley Water District water in storage in the amount of 500 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 – Fontana Water Company has agreed to purchase from West Valley Water District water in storage in the amount of 500 acre-feet.

Notice of the water transaction identified above was mailed on May 20, 2004 along with the materials submitted by the requestors.

DISCUSSION

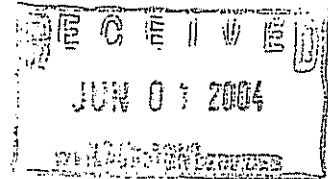
Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is 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.

FONTANA WATER COMPANY

A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY

8440 NUEVO AVENUE • P.O. BOX 987, FONTANA, CALIFORNIA 92334 • (909) 822-2201

May 27, 2004



Mr. John Rossi, Chief Executive Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, California 91730

Subject: Purchase of Water in Storage
Chino Basin-Fiscal Year 2003/2004

Dear John:

Please take notice that Fontana Water Company ("Company") has agreed to purchase from West Valley Water District water in storage in the amount of 500 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2003/2004.

Enclosed are fully executed Chino Basin Watermaster Forms No. 3 and 4, along with the company's Recapture Plan for consideration by Watermaster. Please agendize this proposed transfer at the earliest possible opportunity.

If you should have any question or require additional information concerning this matter, please call me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. McGraw". The signature is fluid and cursive, with a large initial "M".

Michael J. McGraw
General Manager

MJM:bf
Enclosures

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APPLICATION FOR
SALE OR TRANSFER OR RIGHT TO PRODUCE WATER FROM STORAGE
Fiscal Year 2003-2004

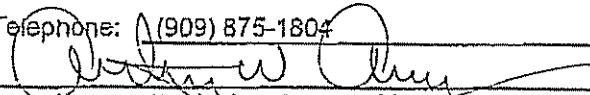
TRANSFER FROM LOCAL STORAGE AGREEMENT # _____

West Valley Water District May 27, 2004 _____
Name of Party Date Requested Date Approved

855 West Baseline Avenue 500 Acre-feet 500 Acre-feet
Street Address Amount Requested Amount Approved

Rialto CA 92377
City State Zip Code

Telephone: (909) 875-1804 Facsimile: (909) 875-7284


Anthony W. Araiza, General Manager
West Valley Water District

TRANSFER TO:

Fontana Water Company Attach Recapture Form 4
Name of Party

8440 Nuevo Avenue
Street Address

Fontana CA 92334
City State Zip Code

Telephone: (909) 822-2201 Facsimile: (909) 823-5046

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

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?

Recapture by Fontana Water Company accomplished by pumping of 15 wells-static water levels vary from 375'
to 684'. Of the wells routinely pumped, nitrate levels vary from a low of 8 mg/l to a high of 33 mg/l.

MATERIAL PHYSICAL INJURY

Is the Applicant aware of any 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?

N/A

Form 3 (cont.)

ADDITIONAL INFORMATION ATTACHED 

Yes [] No [X]

Michael J. McGraw, General Manager
Fontana Water Company

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 # _____

APPLICATION OR AMENDMENT TO APPLICATION
TO
RECAPTURE WATER IN STORAGE

APPLICANT

<u>Fontana Water Company</u>			<u>May 27, 2004</u>	_____
Name of Party			Date Requested	Date Approved
<u>8440 Nuevo Avenue</u>			<u>500</u> Acre-feet	_____ Acre-feet
Street Address			Amount Requested	Amount Approved
<u>Fontana</u>	<u>CA</u>	<u>92335</u>	_____	_____
City	State	Zip Code	Projected Rate of Recapture	Projected Duration of Recapture
Telephone: <u>(909) 822-2201</u>			Facsimile: <u>(909) 823-5046</u>	

IS THIS AN AMENDMENT TO A PREVIOUSLY APPROVED APPLICATION? [] YES [X] NO
IF YES, ATTACH APPLICATION TO BE AMENDED

IDENTITY OF PERSON THAT STORED THE WATER: West Valley Water District

PURPOSE OF RECAPTURE

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

METHOD OF RECAPTURE (if by other than pumping) (e.g. exchange)

N/A

PLACE OF USE OF WATER TO BE RECAPTURED

Within Fontana Water Company's Service Area

LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES).

N/A

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?

Recapture by Fontana Water Company accomplished by pumping of 15 wells-static water levels vary from 375' to 684'. Of the wells routinely pumped, nitrate levels vary from a low of 8 mg/l to a high of 33 mg/l.

MATERIAL PHYSICAL INJURY

Is the Applicant aware of any 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?

Four horizontal lines for handwritten mitigation measures.

ADDITIONAL INFORMATION ATTACHED Yes [] No [X]
Applicant [Handwritten Signature]

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: _____

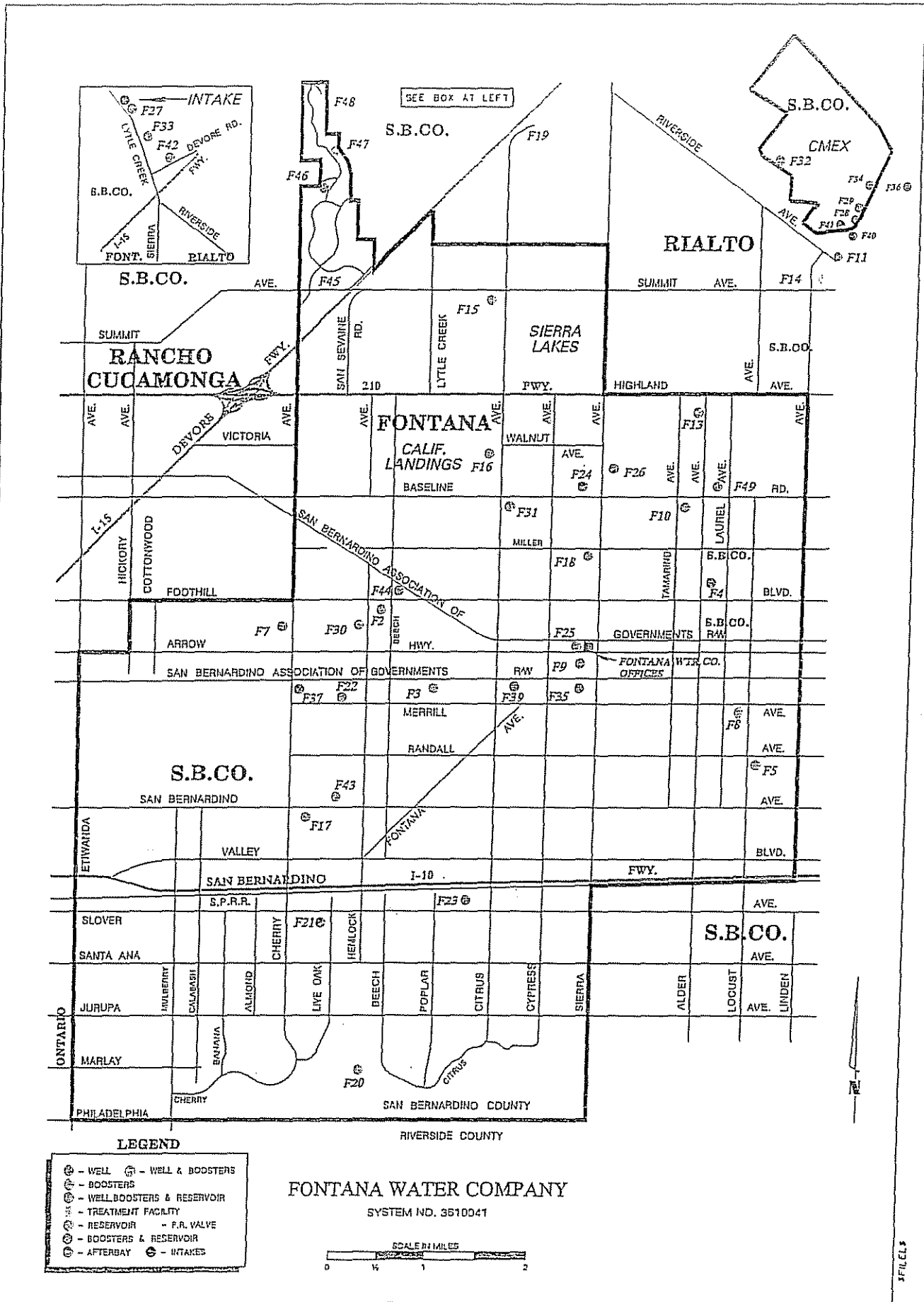
DATE OF BOARD APPROVAL: _____ Agreement # _____

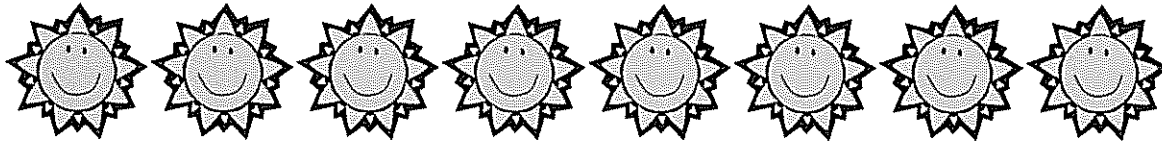
FONTANA WATER COMPANY
Recapture Plan

The subject water is a transfer of stored groundwater from West Valley Water District to Fontana Water Company (FWC) of 500 acre-feet to satisfy a portion of FWC's replenishment obligation for FY 2003/2004. Recapture of the stored water is accomplished by the production of any or all of the 15 wells owned and operated by FWC within Management Zone 3 of the Chino Groundwater Basin. The approximate daily production capacity of these wells is as follows:

<u>Well</u>	<u>Production</u> <u>Acre-Feet/Day</u>
F23A	10.6
F21A	5.7
F37A	5.7
F7A	11.0
F22A	8.2
F24A	8.4
F26A	8.6
F31A	7.3
F2A	10.6
F30A	5.1
F44A	11.0
F44B	10.6
F44C	10.6
F17B	5.7
F17C	7.1
Daily Total	<u>126.2</u>

The attached map shows the location of these wells within FWC's service area. Prior to 1992, water produced from the majority of these wells was pumped within Management Zone 3 by Fontana Union Water Company with safe yield rights in the Chino Groundwater Basin. However, as a result of a bankruptcy settlement agreement dated February 7, 1992 all of Fontana Union's Chino Groundwater Basin water, including overlying (agricultural) pool reallocation, is annually transferred to Cucamonga Valley Water District's storage account. A separate agreement between Cucamonga Valley Water District and FWC provides for Cucamonga Valley Water District to sell to FWC, Chino Basin stored water to cover a portion of FWC's production. Pursuant to the same 1992 bankruptcy settlement agreement, Fontana Water Company acquired Fontana Union's water production wells and continues to produce water from Management Zone 3, in the same manner and for the same purpose as had been done prior to 1992.





CHINO BASIN WATERMASTER

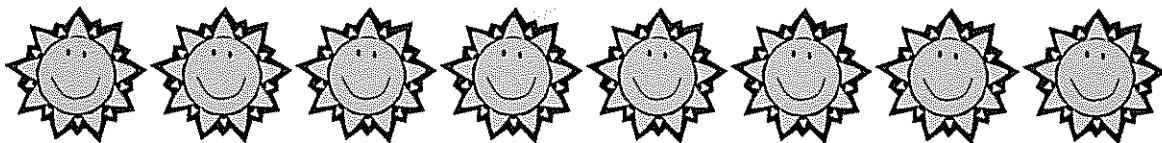
I. CONSENT CALENDAR

(Ag Pool Only) C. **STATUS REPORT #11**

Consider Authorization to File Status Report 11 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary

(App & Non-Ag Pool Only) D. **STATUS REPORT #11**

Consider Authorization to File Status Report 11 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary





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: August 12, 2004
August 17, 2004
August 26, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: OBMP Implementation - Status Report No. 11

SUMMARY

Issue – Compliance with Court Order requiring OBMP implementation progress reports.

Recommendation – Staff recommends:

- Approval of Status Report No. 11,
- Authorize its filing with the Court, and
- Authorize staff and legal counsel to make final edits as necessary.

Fiscal Impact – None

BACKGROUND

In accordance with the September 28, 2000 Order, progress reports are due to the Court on the last day of March and September of each year. Watermaster had indicated to the Court its intention to accelerate the reporting schedule from semi-annual to quarterly due to the rapid pace of OBMP implementation. In a subsequent Order on October 17, 2002, the Court requested Watermaster provide periodic reports concerning various issues relating to the Interim Plan by the last day of June and December of each year. These reporting items are included within Watermaster's regular quarterly reports.

DISCUSSION

The reporting period for Status Report No. 11 is March 1, 2004 to May 31, 2004. It utilizes the same format previously filed as a baseline from which to update the Court. The attached draft report outlines the progress and status of Watermaster programs and projects.

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Chino Basin Watermaster Status Report No. 11

(Covering March 2004 through May 2004)



June 2004

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OPTIMUM BASIN MANAGEMENT PROGRAM

In its Order of September 28, 2000, extending the term of the nine-member Watermaster Board, the Court ordered Watermaster to provide semiannual reports regarding the progress of OBMP implementation. In Status Report Number 4, filed with the Court on September 30, 2002, Watermaster notified the Court that Watermaster intended to accelerate voluntarily the reporting schedule because of the rapid pace of OBMP implementation. By a subsequent Order of October 17, 2002, the Court added additional reporting items to the quarterly report.

This Status Report Number 11 is filed pursuant to this revised schedule and reports on the period from March 1, 2004 to May 31, 2004.

PROGRAM ELEMENT 1 – DEVELOP AND IMPLEMENT COMPREHENSIVE MONITORING PROGRAM

Groundwater-Level Monitoring

BACK-
GROUND

Watermaster has three active groundwater-level monitoring programs operating in the Chino Basin – a semiannual basin-wide program; an intensive key well monitoring program associated with the Chino I / II Desalter well fields and the Hydraulic Control Monitoring Program (HCMP); and an intensive piezometric monitoring program associated with land subsidence and ground fissuring (see Land Surface Monitoring below) in Management Zone 1 (MZ1).

THIS
PERIOD

For the semiannual program, Watermaster staff manually measures water levels in approximately 340 agricultural wells twice per year. In conjunction with the semiannual program, Watermaster staff manually measures water levels at about 112 key wells in the south portion of the Basin and around the Chino I / II Desalter well fields once per month. During the reporting period, Watermaster staff installed a pressure transducer/data logger in 10 of these key wells to automatically record water levels once every 15 minutes. For the MZ-1 program, Watermaster consultants collect groundwater level data at 35 wells in the southern portion of MZ1. Data are collected manually at MZ1 wells once every two months, and automatically once every 15 minutes using a pressure transducer/data logger installed at each well.

These Watermaster programs also rely on municipal producers, other government agencies, and private entities to supply their groundwater level measurements on a cooperative basis. Watermaster digitizes all these measurements and combines them into a relational database maintained at Watermaster's office.

TO
COME

During fiscal year 2004/05, Watermaster staff will expand the use of pressure transducers/data loggers within the key well program. Watermaster staff will purchase and install about 30 additional pressure transducers/data loggers at wells in the key well program and at selected wells in the northern portions of Chino Basin where highly-detailed groundwater level data is scarce.



Watermaster, Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), and the Santa Ana Regional Water Quality Control Board (RWQCB) have agreed to construct nine new monitoring wells as part of the piezometric monitoring element of the HCMP. These monitoring wells are necessary because existing well locations and well construction are not sufficient to measure the extent of hydraulic control in the vicinity of the Desalter well fields and because of the loss of monitoring use of agricultural wells as these wells are destroyed in the conversion of land use from agriculture to urban uses. The objective of these new wells is to document the creation of a regional depression in the piezometric surface, for both the shallow and deep aquifer systems, as a result of Desalter pumping. These wells will be installed during fiscal year 2004/05.

Watermaster and IEUA are planning to construct a number of monitoring wells at recharge basins to monitor the influence of recharge on groundwater levels in general, and to monitor the water quality resulting from the recharge of supplemental and storm waters. At least one monitoring well will be installed down-gradient of each recharge facility that receives recycled water. The construction schedule will be determined during the next reporting period.

Groundwater-Quality Monitoring

BACK-GROUND

Prioritizing Wells to Serve Multiple Purposes. The private wells chosen for the 2003-04 water quality monitoring program are located primarily between Interstate 60 and the Santa Ana River (SAR).

Water Quality Analyses

ON-GOING

- All groundwater samples are analyzed for general mineral and general physical parameters.
- Wells within or near the two volatile organic compound (VOC) plumes south of the Ontario and Chino Airports are being analyzed for VOCs, in addition to the general minerals and general physical parameters.
- All private wells in the key well program are being analyzed for perchlorate because of its widespread occurrence in the 1999-2001 sampling program, and the concerns expressed by appropriators faced with expensive ion exchange treatment costs for perchlorate-contaminated wells.

THIS PERIOD

Sampling Program of Selected Private Wells. Watermaster developed its streamlined, key-well water quality monitoring program in which approximately 114 private "key wells" are sampled bi-annually (i.e. once every two years) in the southern portion of Chino Basin. Therefore, approximately 57 wells will be sampled on an annual basis. The steps taken in determining the key wells were:

- The basin was divided into a grid, with each cell being 2000 square meters (m²).
- For each grid cell, the average TDS and NO₃ values were calculated (using the last five years of available data).



- The water quality of each individual well was examined. Wells most closely matching the average constituent concentrations were chosen as representative. One to two wells in each grid square were retained (The wells not chosen in the key well program, but still matching these criteria are the alternate wells for each grid cell). Preference was given to wells with the following characteristics:
 - Known construction;
 - Choice as a groundwater level key well;
 - Likelihood of surviving the regional development.
- Basin-wide TDS and NO₃ arithmetic averages were recalculated using just the key wells and compared to the total basin arithmetic averages. New maps were made representing the water quality conditions of the key wells and qualitatively compared to the original basin maps.

Watermaster has developed a comprehensive water quality program, whereby water quality data from other sources are routinely collected, quality-control checked and loaded into Watermaster's database. Data sources included:

- Appropriators
- Department of Health Services (DHS) – these data are currently downloaded from DHS annually
- Department of Toxic Substance Control (DTSC) for the Stringfellow Acid Pits
- Regional Water Quality Control Board (RWQCB) for water quality data associated with sites under Cleanup and Abatement Orders (CAO).

TO
COME

Watermaster is working closely with Appropriator Pool members and their state-certified contract laboratories in order to obtain water quality data as an electronic data deliverable (EDD). These data would be transmitted either directly from the laboratory or from the Appropriator, after their QA/QC check of the laboratory data. The EDDs will enhance the quality and timeliness of the Watermaster's database.

Groundwater-Production Monitoring

BACK-
GROUND

Monitoring of Agricultural Production Wells. Initially production monitoring involved the installation of meters on wells operated by members of the Agricultural Pool. As of the end of this period, Watermaster counted about 517 active agricultural wells and has equipped 403 of these wells with operating meters. The other 114 wells have or will become inactive within 18-24 months because of urban development in the south Chino area.

ON
GOING

All Producing Wells Are Monitored Quarterly. Watermaster staff reads the newly installed and/or rehabilitated meters on the agricultural wells quarterly. A "water duty" method is used to estimate production at agricultural wells that do not have meters.

TO
COME

Need For Water Use/Disposal Form To Be Reviewed. The OBMP Implementation Plan includes a provision that requires the agricultural producers to submit a water use/disposal form describing the sources of water used by each producer and how that water is disposed of after each use. Filling out the water use and disposal form and reporting the



results have not been implemented. Watermaster will initiate discussions of the need for this form with the Water Quality Committee.

Surface-Water Monitoring

BACK-GROUND **Measure Water Quality and Water Levels In Recharge Basins.** Watermaster conducts a surface water monitoring program to characterize the water quality of water in recharge basins and the water levels in some of these basins. The purpose of this program is to estimate the volume and quality of recharge. This information will be used in subsequent years to estimate the safe yield of the Basin and for other management purposes.

ON GOING Currently, Watermaster monitors the water quality in 20 basins: Upland, Declez, Etiwanda Spreading Grounds, Victoria, Hickory, Lower Day Lower, Banana, Ely 1, Ely 3, Wineville, San Sevaine 1, San Sevaine 5, Turner 1, Princeton, Montclair 1, Montclair 2, Montclair 3, Montclair 4, Brooks, and Grove. Generally, the water quality samples are taken after storm events, i.e., during the period from November 1 through March 30; however, monitoring of nuisance flows also occurs. Each basin has been sampled three to five times each year. Next fiscal year the sampling rate will substantially increase for basins that are scheduled to receive recycled water.

THIS PERIOD Immediately following the storm event of March 1, 2004, Watermaster staff sampled the storm water captured in Ely Basins 1 & 3, Montclair Basins 1 & 2, San Sevaine Basins 1 & 5, Lower Day Basin, and Victoria Basin.

BACK-GROUND **Surface Water Monitoring for Santa Ana River Began In June 2003.** One of the goals of the OBMP is to maximize Chino Basin yield. A key component in maximizing yield is to minimize groundwater discharge into the SAR. Watermaster developed a surface water monitoring program for the SAR that, in conjunction with Watermaster groundwater monitoring programs, is used to characterize those reaches of the River that are gaining water from the Basin, and to determine if significant discharge of Chino Basin groundwater to the SAR is occurring. A conceptual monitoring plan involving IEUA, OCWD, the RWQCB, and Watermaster was finalized. These agencies determined that the conceptual monitoring plan was adequate and developed a detailed work plan to implement a surface water and groundwater monitoring program. The work plan was completed in June 2003, and year-round water quality sampling and flow monitoring in the SAR have begun.

ON GOING Watermaster now measures the SAR flow and selected water quality parameters as key elements of the HCMP. Watermaster collects water quality samples and measures flow at the four Santa Ana River stations (Van Buren, Etiwanda, Hamner, and River Road) plus another eight locations on tributaries, year round on a bi-weekly basis. In addition, Watermaster obtains discharge data from permanent USGS and OCWD stream gauge locations on the SAR and its tributaries. Discharge and water quality data from publicly owned treatment works (POTWs) that discharge to the SAR in this reach are obtained from the POTWs.



Land-Surface Monitoring

BACK-
GROUND

Multifaceted Approach. Watermaster staff developed a multifaceted land surface monitoring program to develop data for a long-term management plan for land subsidence in Management Zone 1 (MZ1). The monitoring program consists of three main elements:

1. An aquifer system monitoring facility is located in the southern portion of MZ1, an area that has experienced concentrated and differential land subsidence and ground fissuring. A major component of the aquifer system monitoring facility is a cluster of multiple depth piezometers that measure water level and pressure changes at 11 different depths. Another major component is a dual borehole extensometer that measures deformation within the aquifer system at deep and shallow levels. Together, the two components correlate the hydraulic and mechanical responses of the aquifer system to different aquifer stresses, such as pumping at wells.
2. Synthetic aperture radar interferometry (InSAR) measures land surface deformation across the entire Chino Basin using remote sensing techniques.
3. Benchmark surveys along selected profiles of the Chino Basin. The benchmark surveys (1) establish a datum from which to measure future land surface deformation, (2) "ground-truth" the InSAR data, (3) allow determination of historical subsidence at any historical benchmarks that can be recovered, and (4) evaluate the effectiveness of the long-term management plan.

ON
GOING

Depth Specific Data. Permanent transducers and data logging equipment are recording depth specific groundwater level data at the Ayala Park piezometers. Transducers also are recording groundwater level data at wells owned by the cities of Chino and Chino Hills and the California Institution for Men (CIM). These transducers record groundwater levels at all wells once every 15 minutes, and also record "on/off" pumping cycles at the active production wells.

BACK-
GROUND

Deep Aquifer-System Stress Test. In October and November 2003, Watermaster attempted to conduct a controlled, deep aquifer system stress test. In summary, the test called for constant discharge from four wells owned by the City of Chino Hills (**CH-1B**, **CH-15B**, **CH-17**, and **CH19**), while most other wells in the area were to remain off. These wells have similar perforated intervals from about 300-1,100 ft-bgs and primarily influence water levels in the deep and confined portions of the aquifer system – deeper than about 300 ft-bgs.

The primary objective of this stress test was to transition the deformation of aquifer system sediments from elastic compression to inelastic compaction. If accomplished, it would have provided "threshold" piezometric heads at the extensometer location that should not be approached in the future to avoid permanent (inelastic) compaction within the aquifer system. It would have also helped to constrain estimates of key aquifer system parameters that could be used in later modeling efforts.

The primary objective was not accomplished during this test because two of the proposed pumping wells (**CH-1B** and **CH-15B**) could not pump directly into the Chino Hills' distribution system because of high arsenic concentrations. A third well (**CH-17**) had to be



turned off during the test because of mechanical problems. As a result, piezometric heads did not drop below the "threshold" levels to cause inelastic compaction within the confined portions of the aquifer system.

Nonetheless, valuable piezometric data was collected that revealed a potential groundwater barrier within the sediments below about 300 ft-bgs. This barrier approximately coincides with the location of the historic zone of ground fissuring as evidenced by a lack of water level response in **CH-18** (east of the fissure zone) due to pumping at **CH-19** (west of the fissure zone). That these features are coincident spatially suggests a cause-and-effect relationship between the barrier, the steep gradient of subsidence across the barrier as indicated by InSAR, and the ground fissuring.

THIS
PERIOD

Shallow Aquifer System Stress Test. In May and June 2004, Watermaster attempted to conduct a controlled, shallow aquifer system stress test. In summary, the test called for constant discharge from three wells owned by the cities of Chino (Wells 4 and 6) and Chino Hills (**CH-1A**), while most other wells in the area were to remain off. These wells have similar perforated intervals from about 160-375 ft-bgs and primarily influence water levels in the shallow, un- to semi-confined portions of the aquifer system – shallower than about 300 ft-bgs.

The primary objective of this stress test was to constrain estimates of key aquifer system parameters that could be used in later modeling efforts. In addition, the data can be used to test for the existence of the groundwater barrier (discussed above) within the shallow aquifer system sediments.

Unseasonably warm weather and a temporary shut down of the Rialto Pipeline (imported water) caused the cities to turn on these pumping wells contrary to the pumping test schedule, and to turn on nearby deep wells later in the test period. Nonetheless, valuable piezometric data were collected and are currently being analyzed.

THIS
PERIOD

Deep piezometer rehabilitation. During the summer drawdown in the 2003 it became evident that some degree of intercommunication was developing among the piezometers in the deep cluster (PB) at Ayala Park, and that the deepest piezometer, **PB-1**, and perhaps others, were also intermittently communicating with the much higher heads in the shallow aquifer system. The leakage apparently is occurring through faulty joints in the two-inch PVC casings, although actual breaks in the casings may also exist. Evidence suggests that many of the problems may result from defects in the casing of **PB-1** that allow leakage directly into the gravel envelopes around the screened intervals of shallower piezometers. To the extent that this is true, repair of **PB-1** may solve most of the problems.

Rehabilitation of the PB piezometers is currently being undertaken, using a "well-in-a-well" construction technique. This involves filling the screened interval (5 to 20 ft) of the piezometer casing with coarse, highly permeable sand, which is then topped with about 10 ft of graded medium to very fine sand and silt to form a filter cap of very low permeability. A 1-inch inner pipe, the well within the well, is jetted through the filter cap to communicate effectively with the original gravel envelope and surrounding formation. Before final jetting down into position, the inner pipe, temporarily set about 20 ft above the screen, allows water standing in the 2-inch casing to be displaced to the surface while a



sealing bentonite grout is pumped down the annulus between the 2-inch casing and the inner pipe.

This technique has been tested and refined by experimenting in **PB-6**, the shallowest of the deep piezometer cluster. Preliminary evaluation indicates that the procedure closed a known communication between **PB-5** and **PB-6**. Based on the results at **PB-6**, Watermaster will attempt to rehabilitate **PB-1** using similar methodologies (see below).

TO
COME

Deep Aquifer System Stress Test. The most critical current objective of the aquifer system monitoring element of the IMP is to transition the deformation of aquifer system sediments from elastic compression to inelastic compaction (see discussion above). Watermaster is proposing to conduct another controlled, deep aquifer system stress test during the months of September and October 2004 to accomplish this objective. In summary, the test calls for constant discharge from four wells owned by the City of Chino Hills (**CH-1B**, **CH-15B**, **CH-17**, and **CH-19**), while most other wells in the area are to remain off.

Recall that **CH-1B** and **CH-15B** have relatively high concentrations of arsenic that do not allow for pumping these wells directly into Chino Hills' distribution system. Yet, it is imperative that these wells participate in the stress test in an attempt to transition the aquifer system deformation to inelastic compaction. Options to include these wells in the stress test include: (1) installation of temporary or semi-permanent arsenic removal facilities at the well heads, and/or (2) pumping directly to storm drains which flow to Prado Basin and ultimately to Orange County Water District's Santa Ana River recharge facilities in Anaheim. The feasibility and cost of each option are being researched and discussed with various vendors, the City of Chino Hills, permitting agencies, and the MZ-1 Technical Committee.

Deep piezometer rehabilitation. Rehabilitation of **PB-1** is scheduled to be undertaken on or about June 23, 2004 when the equipment and personnel of the contractor, Well Development Corporation, are next available. After repair of **PB-1**, WEI will conduct slug tests to confirm the effectiveness of the procedure and the need, if any, for similar repairs in other piezometers.

Background

InSAR. The objective of this task is to characterize ground surface deformation in Chino Basin using Synthetic Aperture Radar Interferometry (InSAR). This analysis will be performed for a historical period (1992-2003) and on an on-going basis thereafter. The advantage of InSAR is that it provides an aerially continuous representation of land surface deformation. These data are planned to be used to: (1) characterize the time history of land surface deformation in greater spatial and temporal detail than can be accomplished from the available historical ground level survey data, (2) calibrate computer simulation models of subsidence and groundwater flow, and (3) assist in the evaluation of the effectiveness of the long term management plan.

THIS
PERIOD

During this reporting period, Vexcel Corporation of Boulder, Colorado – a company that specializes in remote sensing and radar technologies conducted a "proof of concept" study of historical SAR data that was acquired over the MZ-1 area. The objective of this study was to generate cumulative displacement maps over relatively short time steps (months). If deemed successful, a comprehensive analysis of all historical SAR data



(1992-2003) would be performed to characterize in detail the time history of subsidence in MZ-1.

In this "proof of concept" study, five SAR images acquired from September 1992 to November 1993 were processed to create four interferograms:

- September 1992—April 1993
- April 1993 – September 1993
- September 1993 – October 1993
- October 1993 – November 1993

The first interferogram (September 1992 – April 1993) was incoherent and unusable. The remaining three interferograms were coherent, and allowed for the creation of three cumulative displacement maps:

- April – September 1993
- April – October 1993
- April – November 1993

The major features to note in these cumulative displacement maps are:

1. A north-south trending trough of subsidence extends northwest of the Ayala Park Extensometer, and depicts maximum subsidence of about 2.4 inches during the April – November 1993 period in the vicinity of the intersection of Central Avenue and Schaefer Avenue. This pattern and magnitude of subsidence are consistent with past InSAR and ground level survey analyses.
2. The coincidence of the north-south trending fissure zone (which was active during this general time period) and the sharp eastern edge of the trough of subsidence. This locational coincidence suggests a cause-and-effect relationship that may also be related to an underlying groundwater barrier within the deep aquifer system sediments (see Aquifer System Monitoring section below).
3. The slight differences between maps that depict the relatively small displacements that occurred from September to November can be recognized through this analysis. The recognition of these displacements at relatively short time steps (months) demonstrates the capability of this method to further resolve the time history of subsidence over the period of available SAR data (1992-2003).
4. An increasing number of "no data" cells as the maps progress through time. This is a result of incoherent cells in an interferogram in areas that were previously coherent in all prior interferograms. This phenomenon will progressively add "no



data" cells to the cumulative displacement maps. However, in the opinion of Vexcel, the final map will still provide useful and spatially continuous data in areas that typically provide coherence data (e.g. urban areas).

5. The large area of "no data" in the agricultural areas of Chino Basin. The analysis did not improve the coherence of the data in these agricultural areas, as was hoped.

The MZ-1 Technical Committee reviewed the findings of the proof of concept InSAR analysis and recommended to the Watermaster to proceed with the analysis of the entire historical record. This work will be completed by the end of 2004. The contract deliverable will include a presentation of the analysis results by the InSAR consultant.

TO
COME

Benchmark Surveys

The Interim Monitoring Program (IMP) work plan called for the deep extensometer, which is anchored in sedimentary bedrock at about 1,400 ft bgs, to be used as the "starting benchmark" for all survey loops. To accomplish this, a Class-A benchmark was constructed outside the extensometer building to serve as the practical (*i.e.* actual) starting benchmark. To link this benchmark to the deep extensometer pipe, each survey event is begun by referencing the benchmark to a marked spot on one of the piers that supports the extensometer instrument platform. These piers and the instrument platform represent a stable ground surface datum that is used to measure relative vertical displacement between the ground surface and the deep extensometer pipe (recorded every 15 minutes). The vertical displacement recorded at the deep extensometer between survey events, in addition to any vertical displacement measured between the starting benchmark and the pier, is then used to calculate the elevation at the starting benchmark outside the extensometer building. Then, relative vertical displacement between benchmarks is measured across the entire work to obtain current elevations. These comprehensive surveys are planned to be repeated annually during spring season of highest regional water levels.

BACK
GROUND

A key element of the MZ-1 benchmark network is the array of closely spaced benchmarks that have been established across the historic fissure zone in the immediate vicinity of the Ayala Park extensometers (Ayala Park array). At this array, located along Edison and Eucalyptus Avenues, the IMP work plan calls for the semiannual measuring of both vertical and horizontal displacements. These horizontal and vertical displacements are expected to define two-dimensional profiles of land surface deformation that can be related to the vertical distribution of aquifer system compaction and expansion that is being recorded continuously at the extensometers. These surveys are repeated semi-annually during the late spring and early fall periods of highest and lowest water levels – in an attempt to monitor fissure movement that may be associated with elastic and/or inelastic aquifer deformation.

THIS
PERIOD

In late April 2004, AE performed the annual survey event across the entire network of benchmark monuments, including the measurements of horizontal displacements at the Ayala Park Array of monuments. These data are currently being processed by AE for upload to the MZ-1 database.



TO
COME

The results of the ground level surveys to date will be presented to the MZ-1 Technical Committee at its July 21, 2004 meeting. Also at this meeting, the project manager from AE will make a presentation to describe survey methodologies, accuracy, results, and challenges, as well as to answer questions. The written results will be presented in the next MZ-1 progress report due to the MZ-1 Technical Committee at its August 25, 2004 meeting.

Well Construction, Abandonment, and Destruction Monitoring

BACK-
GROUND

Watermaster staff monitors the condition of wells on a regular basis. Wells that may be improperly abandoned/destroyed are reported to Riverside and San Bernardino Counties as they are discovered.

Watermaster staff inspected 150 suspect wells during a 2002-03 field inspection and determined that 113 of these wells were properly abandoned and 37 wells will require some modification to meet the standard for a properly abandoned well. A well repair/abandonment program was prepared and approved by Watermaster. Watermaster continues to develop a wellhead protection program and makes recommendations on closure of abandoned wells. Ongoing land development will require continued well abandonment activity by Watermaster.

**PROGRAM ELEMENT 2 –
DEVELOP AND IMPLEMENT COMPREHENSIVE RECHARGE PROGRAM**

A centerpiece of the OBMP is enhancement of the Basin recharge capacity, so that high quality storm water and available recycled water can be retained in the Basin.

Recharge Facilities Improvement Project (Seven Bid Packages)

Bid Package No. 1—Reconfiguration of Banana, College Heights, Lower Day, RP3 and Turner Basins

Completed

Bid Package No. 1, which included major earthwork at Banana, College Heights, Lower Day, RP-3, and Turner Basins, was awarded to LTE Excavating on March 24, 2003. Work was scheduled for completion by November 15, 2003, but was delayed while awaiting delivery of sluice gates and their actuator assemblies. At the end of this quarter, the final "punch list" of corrections was completed, and the bid package was accepted on May 12, 2004

Bid Package No. 2 – Basin Improvements (3 ea), Drop Inlets (3 ea), and Rubber Dams (4 ea)

BACK-
GROUND

Bid Package No. 2 consisted of construction of the drop inlet structures for Brooks Street Basin, Turner Basin; and Victoria Basin; rubber dams for College Heights/Upland Basins, Turner No.1 Basin, Lower Day Basin, and RP-3 Basin; and various improvements at Declez Basin, Ely Basin, and 8th Street Basin. This package was awarded to Banshee Construction with work beginning on July 16, 2003. The contract required that work in the storm channels be completed by October 15, 2003 and that the rubber dams be operational by December 31, 2003. Work on this contract was scheduled to be completed



by March 15, 2004; however, rain delays slowed completion of excavation and soil cement berms.

THIS PERIOD

During this quarter, work on final excavation and the soil cement berms was completed. A "punch list" of corrections was generated, and the contractor is completing those items.

THIS PERIOD

Bid Package No. 3 – Jurupa Basin to RP-3 Force Main

Bid Package No. 3 involves construction of approximately 11,000 linear feet of 36-inch CML&C force main between Jurupa Basin and RP-3 Basin. The force main will be used to convey storm water, imported water, and recycled water between the pump station at Jurupa Basin and the RP-3 Basins. This package was awarded to W. A. Rasic Construction Company with work beginning on August 6, 2003. The Contractor anticipates a construction period of 12 months with completion of the pipeline in July 2004.

THIS PERIOD

Bid Package No. 4 – Jurupa Basin to RP-3 Pump Station

Bid Package No. 4 consists of construction of the Jurupa Pump Station, 100 feet of 48-inch pipeline, and 400 feet of 36 inch, CML&C steel force main. The package was awarded to LT Engineering with work beginning on February 19, 2004. The Contractor anticipates a construction period of 8 months with completion in November 2004.

THIS PERIOD

Bid Package No. 5 – SCADA System

This bid package includes the SCADA system and electrical improvements at all the basins. The 100 percent design was submitted, reviewed, and sent out for bid in January 2004. Because of the poor response, the package was re-bid in February 2004, and was awarded to Denboer Engineering on February 24, 2004. The contractor anticipates a construction period of 8 months with completion in November 2004.

THIS PERIOD

Bid Package No. 6 – MWD Turnout Design

This bid package covers the construction of three new MWD turnouts: CB-11TB and CB-15T on the Rialto Pipeline, and CB-18 on the Etiwanda Intertie near San Sevaine Channel. MWD provided various drawings, specifications, and other information needed to complete the three designs. This package was awarded to Griffith Construction with work beginning on February 4, 2004. The contractor anticipates a construction period of 6 1/2 months with completion in August 2004.

TO COME

Bid Package No. 7 – Priority, Funding and Scope of Misc. Projects

This bid package will complete miscellaneous projects not included in the previous bid packages. Among the projects being considered for this bid package are:

- Habitat Mitigation Area at RP-3
- Upland Basin Improvements
- Victoria Basin Improvements



- Hickory Rubber Dam, Pump Station and Force Main
- Miscellaneous Projects

The various projects will be prioritized and those that offer the greatest benefits to groundwater recharge will be included in the bid package depending on available funding after construction of the other six bid packages. Designs for Bid Package 7 are complete and it is expected to be awarded by July 2004.

THIS
PERIOD

Groundwater Recharge Coordinating Committee (GRCC)

The GRCC meets monthly to monitor and coordinate the Recharge Facilities Improvement Project, focusing on design issues, construction management, and operations manuals. Watermaster's FY2003-04 budget provides \$440,000 for current operation and maintenance activities.

In addition to design review, the GRCC has initiated work on individual operations and maintenance plans for all the recharge basins, as well as obtaining regulatory agency approvals and permits.

PROGRAM ELEMENT 3 – DEVELOP AND IMPLEMENT WATER SUPPLY PLAN FOR THE IMPAIRED AREAS OF THE BASIN; AND

PROGRAM ELEMENT 5 – DEVELOP AND IMPLEMENT REGIONAL SUPPLEMENTAL WATER PROGRAM

These program elements focus on the shift of production in the southern end of the Basin away from agricultural uses and toward urban uses. Without the OBMP, this land use conversion would result in a decrease in production in the southern end of the Basin, ultimately leading to rising water levels. If groundwater levels in the southern end of the Basin rise too high, then water may "spill" out of the Basin into the Santa Ana River. Such uncontrolled spillage caps the overall Safe Yield of the Basin. The Basin can be managed to avoid this possibility.

Directly tied to the threat of rising water levels in the southern area is the diminished desire of appropriators in the southern end of the Basin to pump water because of impaired water quality. The ability to compensate for the loss of agricultural production with increased appropriative production is inhibited because of these water quality concerns. Greater appropriative production in this area therefore requires water treatment, an issue addressed through the construction of desalter facilities.

The Chino I/II Desalters

BACK-
GROUND



The Chino I Desalter was originally constructed by SAWPA to provide 8.1 million gallons per day (MGD) of product water using reverse osmosis treatment. The project also included extraction wells, raw water pipeline, and product water pipelines and pump stations.

THIS PERIOD

Chino I Expansion/Chino II Desalter. This expansion includes the construction of an additional 4.9 MGD of parallel treatment capacity (nitrate removal via ion exchange) at Chino I and 10 MGD of similar ion exchange at the Chino II Desalter. A construction contract was signed and construction is underway with completion scheduled for February 2005.

ON GOING

Chino I Desalter Other Improvements. Other facilities either under design or construction include three new extraction wells (construction completed), a raw water pipeline (construction started), a Chino Hills pump station and product water pipeline (construction underway), and a volatile organic compound (VOC) treatment system (construction started) ahead of the ion exchange treatment.

ON GOING

Chino II Desalter Other Improvements. Other facilities either under design or construction include nine new extraction wells (five under construction, four wells in design), two raw water pipelines (design phase), two product water pipelines (one under construction, one in design), and site improvements (construction underway).

All the projects underway to expand the Chino I/II Desalters should be completed by February 2005.

PROGRAM ELEMENT 4 – DEVELOP AND IMPLEMENT COMPREHENSIVE GROUNDWATER MANAGEMENT PLAN FOR MANAGEMENT ZONE 1

Program Element 4 details the steps undertaken by Watermaster to reduce or abate subsidence and fissuring in Management Zone 1.

THIS PERIOD

The MZ1 Technical Committee Meeting – March 10, 2004. Committee representatives were informed of the status of the various efforts to implement the monitoring program (see Land Surface Monitoring of Program Element 1), and were briefed on the results of the aquifer stress test begun on October 1, 2003. The meeting focused on the GPS survey of the extensometer location, the Associated Engineers (AE) semi annual survey of the Ayala Park Array of benchmarks, the Vexcel cost estimate and schedule for the InSAR studies, and the extensometer results from the Comprehensive Pumping Test.

The elevation of the starting benchmark at the extensometer was established by Associated Engineers (AE) through the use of GPS receivers, and from there established the horizontal and vertical position of 24 monuments in the area of greatest subsidence. AE will continue to perform and report on their semi-annual (April and October) survey of the 24 monuments. These horizontal and vertical displacements will provide two-dimensional profiles of land surface deformation that then can be related to the vertical distribution of aquifer system compaction and expansion recorded by the extensometers.



Vexcel provided a cost estimate and schedule for a decade (1993-2002) of InSAR data. As a "proof of concept," Vexcel analyzed the data for a single year (1993) and provided interferograms for three time periods using 1993 data.

Data from the extensometer from July 15, 2003 through March 1, 2004 were presented; and appeared to show excellent correlation with piezometric data from PA-7. A stress-strain diagram was developed for the drawdown (July 15-Nov 1, 2003) and recovery (after Nov, 2003) periods. The stress-strain diagram appears to show that deformation is primarily elastic compression and expansion within the aquifer system sediments, but complete results will not be available until July 15, 2004. Data from piezometer B recording at a depth of 500-1200' logs, were sporadically irregular and concern centered on possible leaking joints which allow water from the well column to leak out into the gravel layers at shallower elevations. Negotiations were opened with WDC, the well installer, to correct the leakage either with well packers or a "well-within-a-well."

Voluntary Forbearance. The City of Chino and the City of Chino Hills submitted certifications documenting their respective voluntary participation in forbearance of groundwater production. Through the end of May 2004, the City of Chino submitted documentation of pumping reductions of 1495 acre-feet toward its forbearance goal of 1,500 acre-feet for 2003/2004. The City of Chino Hills submitted documentation of forbearance of 667 acre-feet through January 2004.

Agency	Forbearance through May 2004	Forbearance Goal 2003/2004
City Of Chino	1495 acre-feet	1,500 acre-feet
City Of Chino Hills	667 acre-feet	1,500 acre-feet

TO
COME

Pending Legal Actions Regarding Subsidence. In its October 17, 2002 Order, the Court ordered Watermaster to keep the Court apprised of any legal actions that could question the Court's jurisdiction over subsidence. Watermaster is not aware at this time of any such actions. The hearing regarding the City of Chino's Paragraph 15 Motion concerning subsidence was continued by the court until August, 2004.

**PROGRAM ELEMENT 6 –
DEVELOP AND IMPLEMENT COOPERATIVE PROGRAMS WITH THE REGIONAL
WATER QUALITY CONTROL BOARD, SANTA ANA REGION (REGIONAL BOARD)
AND OTHER AGENCIES TO IMPROVE BASIN MANAGEMENT; AND**

**PROGRAM ELEMENT 7 –
DEVELOP AND IMPLEMENT SALT MANAGEMENT PROGRAM**

The "water quality committee" as envisioned in the OBMP Implementation Plan has been formally constituted. Since the development of the OBMP, Watermaster has worked closely with the Regional Water Quality Control Board, the Department of Toxic Substances Control, and others to define water quality challenges and to refine the water quality management criteria in the Chino Basin. Watermaster continues to review water



quality conditions in the Basin and to consider future water quality management activities beyond the Chino Basin desalting program.

BACK-
GROUND

Water Quality Management. In response to the results of RWQCB and Watermaster's groundwater quality monitoring programs (Program Element 1) Watermaster has refined its water quality monitoring to focus on the following key areas:

- Watermaster is identifying and characterizing water quality anomalies, such as the VOC anomaly south of the Ontario International Airport (OIA). Status Reports on each of the anomalies were developed by Watermaster and were presented to the Water Quality Committee for their review.
- Watermaster staff continues to participate in the process of developing TMDLs for Reach 3 of the Santa Ana River and other water bodies in the lower Chino Basin. No progress has been made during the last quarter because of the State budget crisis and the staffing issues at the RWQCB.
- Watermaster staff is assisting the RWQCB with research, monitoring, and the crafting of investigative and cleanup and abatement orders for potential dischargers involved with the OIA. Watermaster staff receives and reviews all reports that are produced by dischargers that are conducting investigations under order by the RWQCB and the Department of Toxic Substances Control (DTSC).

Water Quality Committee

THIS
PERIOD

Watermaster staff and consultants continue to update our understanding of the contaminants of concern in the various plumes, and the extent of their migration. In addition, Wildermuth Environmental continued their analysis of the environmental records search performed by EDR. This consisted of a query of state and federal databases of known users and dischargers of potentially hazardous chemicals. Watermaster is analyzing the areal relationship of potential sources of perchlorate with downgradient impacted production wells. On March 30, 2004, Black & Veatch delivered their "Draft Technical Memorandum –Treatment Technology Review" which analyses current and emerging treatment technologies for specific contaminants of concern in the Chino Basin; including nitrates, perchlorate, arsenic, and specific VOCs.

With respect to the VOC plume at OIA, Wildermuth Environmental completed their data gathering effort at the RWQCB and prepared draft Letters of Notification/Cleanup and Abatement Orders for review by the RWQCB prior to their mailing to identified potential dischargers. At the Chino Airport VOC plume, Watermaster obtained permission from private well owners to release VOC water quality data to Tetra Tech, a consulting engineering firm performing quarterly groundwater monitoring of the VOC plume immediately southwest of the airport property. Tetra Tech is under contract to the County of San Bernardino, Department of Architecture and Engineering, the owner and operator of Chino Airport, and is attempting to determine the source of the VOC plume. Watermaster's water level and water quality monitoring program over the last several years has resulted in a robust database that can be used by Watermaster and other stakeholders in the basin to answer these kinds of questions.



Watermaster and Regional Board Propose TDS and Nitrogen Objectives to Promote Maximum Benefit of Waters Available to the Chino Basin

BACK-
GROUND

Watermaster staff has been working with the Total Dissolved Solids (TDS)/ Nitrogen (N) Task Force to revise the subbasin boundaries, and the TDS and N objectives for the Chino Basin to promote maximum beneficial use of waters in the Basin (as opposed to the Regional Board's current, more rigid anti-degradation based objectives). The maximum beneficial use approach will increase water supplies and lower costs over time while meeting water quality requirements. In December 2002, Watermaster proposed specific water-quality management zone boundaries, and N and TDS objectives for the Chino Basin to the RWQCB at a workshop regarding the Basin Plan update. The TDS/N Task Force and the RWQCB reacted favorably to the Watermaster proposal and incorporated Watermaster recommendations in the TDS/N Basin Plan Amendment dated November 21, 2003.

THIS
PERIOD

The Basin Plan Amendment incorporating the sub-basin boundaries and maximum beneficial use concept was adopted by the RWQCB on January 24, 2004, (RWQCB Basin Plan Amendment, and Attachment to Resolution No. R8-2004-001). Watermaster staff immediately developed and submitted surface water and groundwater monitoring programs to the RWQCB on February 21, 2004. These monitoring programs will measure the progress of CBWM and IEUA in achieving the "maximum benefit" goal for TDS/TIN in the Chino and Cucamonga Basins. The Basin Plan amendment has been favorably reviewed by the State Water Resources Control Board and the Office of Administrative Law. The State Board will likely approve the Basin Plan amendment at their September 2004 meeting.

BACK-
GROUND

Cooperative Effort to Determine State of Hydraulic Control. One outstanding issue regarding the Basin Plan changes was to develop a monitoring plan to evaluate the state of hydraulic control in the southern end of the Basin. Hydraulic control is one tool that can be used to maximize the safe yield of the Basin. Watermaster staff developed a monitoring program for OBMP purposes and described this effort in the Initial State of the Basin Report (October 2002). The execution of this monitoring program is included in Program Element 1. Watermaster and IEUA have collaborated with OCWD and the RWQCB to select existing wells and to site nine new multi-piezometer wells that will be used to monitor and assess the state of hydraulic control.

THIS
PERIOD

In addition to being a core element of the OBMP, hydraulic control is a requirement of the Basin Plan Amendment. Watermaster, OCWD, and RWQCB staffs developed a conceptual monitoring program in June 2003 to assess the state of hydraulic control and to provide information to Watermaster to manage future production and recharge. The final work plan for the Hydraulic Control Monitoring Program was completed in May 2004, and implementation is now occurring. This program will change over time as new information is developed and will last for several years. The coordination and review of the hydraulic control monitoring data and the development of management programs to maintain hydraulic control have been added to Program Elements 6 and 7.

Watermaster and IEUA have committed to the construction of nine new multi-piezometer wells during fiscal year 2004/05. Watermaster filed an application for \$250,000 from the Local Groundwater Assistance Fund, sponsored by the California Department of Water



Resources (DWR). Watermaster received notice that the DWR will award the full \$250,000 to Watermaster. This funding will support construction of two piezometric monitoring wells that, in addition to some existing wells, would be used for monitoring and assessing the state of hydraulic control. In addition to the DWR funding, IEUA and Watermaster have secured about \$400,000 from the U.S. Bureau of Reclamation for new monitoring wells for the HCMP.

THIS PERIOD

Watermaster and IEUA obtained approval by OCWD and the RWQCB for the nine wells sites; completed draft plans and specifications for the new multi-piezometer monitoring wells; and began the site engineering/acquisition process for the nine wells. In addition, these agencies prepared and signed an "Agreement for Cooperative Efforts in."

TO COME

During the next reporting period, Watermaster/IEUA will obtain finalize bid documents, and select drillers for the nine wells.

Salt Budget Tool To Establish TDS Objectives

BACKGR
OUND

Watermaster has developed a salt budget tool to estimate the current and future salt loads to the Basin and the salt benefits of the OBMP. This tool was used to establish TDS objectives for the northern part of the Basin based on maximum beneficial use of water available to the region. These projections were based on the water supply plan in the Implementation Plan and include alternative recycled water and State Project water recharge scenarios. Watermaster consultants prepared a letter report (February 20, 2004) describing the salt budget and the Chino Basin Maximum Benefit Commitment. The commitments require Watermaster and IEUA to take specific actions triggered by ambient water quality and other time-certain conditions. An implementation schedule is specified, with the RWQCB responsible for overseeing compliance.

PROGRAM ELEMENT 8 – DEVELOP AND IMPLEMENT GROUNDWATER STORAGE MANAGEMENT PROGRAM; AND

PROGRAM ELEMENT 9 – DEVELOP AND IMPLEMENT STORAGE AND RECOVERY PROGRAM

This section summarizes the work accomplished to date and the work planned over the next few months for the Chino Basin Dry Year Yield (DYY) and Storage and Recovery Programs. The DYY Program is a conjunctive use program between the Metropolitan Water District of Southern California (MWDSC) and several Basin appropriators, which would develop a maximum of 100,000 acre-feet of storage. These Programs also explore the potential for using up to 500,000 acre-feet of storage capacity.

BACK-
GROUND

Completed Preliminary Design Report. The first draft of the DYY Preliminary Design Report was completed in July 2003 and submitted to Watermaster. The DYY Program documentation is organized into four volumes: Volumes I and II, prepared by Black &



Veatch, comprise the Preliminary Design Report (PDR). Volume I describes the background information and design objectives of the Program, while Volume II describes the facilities to be designed to help the agencies meet their shift obligation. Volume III presents the groundwater modeling report developed by Wildermuth Environmental, Inc., and Volume IV contains the CEQA Findings of Consistency environmental documentation prepared by Tom Dodson and Associates.

ON
GOING

DYY Shift Obligation. Participants in the DYY Program will be required to reduce (shift) their imported water usage by a predetermined amount during a dry year. Each participating agency will have a specific shift obligation that, when added together, will provide MWDSC with 33,000 acre-feet of dry year yield. The shift obligations were determined through meetings and correspondence among IEUA, Watermaster, Black & Veatch, and representatives from each participating agency.

The nine participating agencies are as follows:

• City of Chino	• Monte Vista Water District (MVWD)
• City of Chino Hills	• City of Ontario
• Cucamonga Valley Water District (CVWD)	• City of Pomona
• City of Upland	
• Jurupa Community Services District (JCSD)	

Facility Requirements and Site Selection. A preliminary screening of potential sites identified the most feasible locations for the DYY Program facilities. The information was presented to the agencies and a final selection was made. The Program facilities consist of five new ion exchange (IX) facilities, expansion of two existing IX facilities, construction of seven new non-water quality impaired wells, and two new perchlorate wellhead treatment facilities. The new wellhead IX facilities would contribute approximately 18,000 acre-feet of dry year yield, while the new well facilities would contribute approximately 15,000 acre-feet of additional yield. The total capital cost for the facilities is estimated to be \$38 million. MWDSC will contribute approximately \$27 million. The Groundwater Storage Program Funding Agreement between MWDSC, IEUA, Three Valleys Municipal Water District (TVMWD), and Watermaster was signed in July 2003.

ON
GOING

Final Design of PDR Facilities. The designs for the facilities outlined in the PDR are either under way, completed, or will commence shortly. All design documents are scheduled to be completed by September 2004.

BACK-
GROUND

Final Approval of DYY Storage Account. Pursuant to Article X of Watermaster's Rules and Regulations, IEUA submitted an Application to enter into a Storage and Recovery Program Storage Agreement. This Application was approved unanimously by all Pools and received unanimous approval from the Advisory Committee and Board on October 23, 2003. Watermaster and IEUA developed a storage agreement pursuant to the Application and processed that agreement through the Watermaster approval process in March 2004. The agreement was submitted to the Court for approval. Prior to Court approval, MWDSC is utilizing its existing Trust Storage Account with the intention of



transferring its water stored in the Trust Account into the DYY account upon approval of the Storage Agreement.

BACK-
GROUND

Groundwater Modeling. The new Chino Basin groundwater model was completed and the draft modeling report was submitted to Watermaster in July 2003. In addition to evaluating the effects of the DYY program on the Basin, the model was used to:

- Develop draft future replenishment and wet water recharge criteria based on requirements described in the Section 7.1b of the Watermaster Rules and Regulations regarding the balance of recharge and discharge. (See Wildermuth, Analysis of Supplemental Water Recharge Pursuant to the Peace Agreement. To be filed with the Court.)
- Evaluate the cumulative effects of transfers among the Parties as described in Section 9.3 of the Watermaster Rules and Regulations. (See Wildermuth, Evaluation of the Cumulative Effects of Transfers Pursuant to the Peace Agreement. To be filed with the Court.)
- Describe pumping patterns in Management Zone 1 that will not reduce piezometric levels below current conditions.

These management criteria were incorporated into the DYY program. The results of this work were presented to the Pool Committees, Advisory Committee, and the Watermaster Board in June and August 2003, and the final report was submitted in September 2003.

BACK-
GROUND

Engineering Review and Determination of the Operational Storage Requirement and Safe Storage. The Operational Storage Requirement was defined in the Peace Agreement as part of the storage in the Chino Basin "necessary to maintain the safe yield" of the Basin (Peace Agreement, Exhibit B – Implementation Plan, page 37). Safe storage is the maximum storage in the Basin that can occur without significant water quality and high groundwater related problems. The draft results of this work were presented to the Pool Committees, Advisory Committee, and the Watermaster Board in August 2003.

ON-
GOING

Other Uses of the Groundwater Model in the OBMP Implementation. The groundwater model is currently being used to investigate alternative management strategies including reduced storage in the eastern part of the basin, expanded storage and recovery programs, and assessing hydraulic control with various appropriator proposed pumping alternatives in the southern Chino Basin.

CONCLUSION

THIS
PERIOD

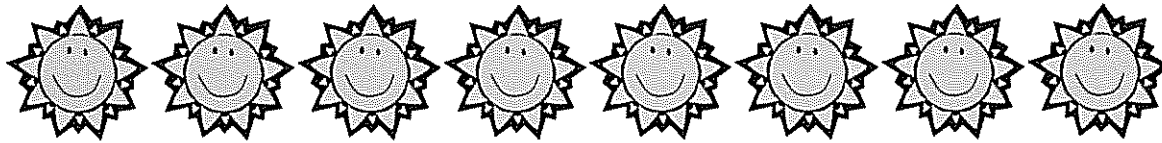
This has been an active reporting period for Watermaster, with major activities on a number of issues:

- Construction on Bid Packages 1 and 2 of the Recharge Facilities Improvement Project was completed, and construction on Bid Packages 3-6 is progressing on



schedule. Demonstration projects for recharge in College Heights and Brooks Basins were undertaken.

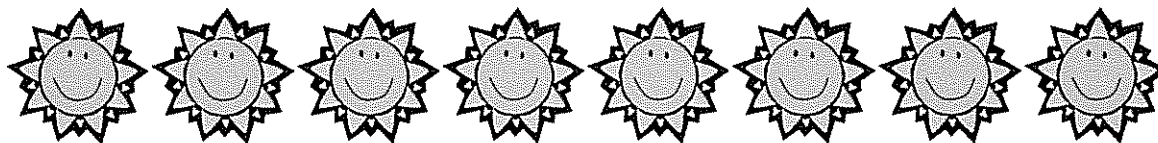
- The groundwater level and quality monitoring programs have been reorganized to better support new initiatives, such as MZ1, HCMP, Nitrogen Loss, and Desalter Expansion. Selected wells are being equipped with automatic measuring and recording devices to continually collect water level data at wells at frequent intervals. Current field sampling and laboratory analyses have transitioned to the new monitoring program.
- Updated status reports were developed for Chino Basin plumes at Kaiser, GE Flat Iron, GE Test Cell, OIA and Chino Airport. An initial evaluation of potential perchlorate sources and plumes was undertaken based on an EDR database.
- Data from the Ayala Park Extensometer indicated that deformation within the aquifer system sediments has been primarily elastic compression and expansion during the 2003 pumping season and the 2003/04 recovery season. Additional test protocols are being developed for FY2004-05.
- The semi-annual benchmark survey was completed in April 2004, and the "proof of concept" InSAR study was successfully concluded.



CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. CONSIDER IEUA FUNDING REQUEST





CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: August 12, 2004
August 17, 2004
August 26, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: "Potential and Pitfalls for Sustainable Underground Storage of Recoverable Water"

SUMMARY

ISSUE – IEUA has agreed to contribute \$25,000 to for the National Academy of Sciences, Water Science and Technology Board investigation "Potential and Pitfalls for Sustainable Underground Storage of Recoverable Water" and has requested that Watermaster also contribute \$25,000.

RECOMMENDATION – Given the benefits to Chino Basin area, Staff recommends that Watermaster contribute \$25,000 to this investigation in a combination of money and in-kind support.

BACKGROUND

The National Research Council's (NRC) Water Science and Technology Board propose to undertake a study on "Potential and Pitfalls for Sustainable Underground Storage of Recoverable Water." The goals of this study will be: (a) to provide an overview of some of the research needs and priorities concerning sustainable underground storage technology and implementation, and (b) to assess geological, geochemical, biological, engineering, and institutional factors that may contribute to good or poor performance of such projects. The study will be conducted by a multidisciplinary committee whose members have expertise in groundwater and surface water hydrology, recycled water, inorganic and organic geochemistry and biogeochemistry, behavior of pathogens in the subsurface, risk assessment, environmental and water resources engineering, and natural resource economics and law. The duration of this effort will be 24 months – approximately July 2004 to June 2006. The estimated cost is \$500,000, of which \$50,000 is being requested from the IEUA. IEUA is requesting that Watermaster split the cost and provide \$25,000 in funding. Watermaster's participation will elevate the Chino Basin stature in the water industry and may draw research monies to the Chino Basin.

DISCUSSION

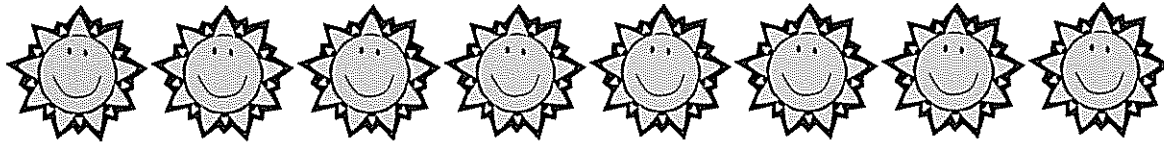
The proposed study will provide an overview of the research needs and priorities concerning sustainable underground storage technology and implementation. It will assess geological, geochemical, biological, engineering, and institutional factors that may affect the performance of such projects, based in part on a review and evaluation of existing projects. Specifically, the study will assess and make recommendations with respect to the following questions:

- What research needs to be done to develop predictors of performance for underground storage projects?
- What are the long-term impacts of underground storage on aquifer use—at wellhead and regional scales, and can these impacts be ameliorated?
- What physical, chemical, and geological factors associated with underground storage of water may increase or decrease human and environmental health risks?
- Are there any chemical markers or surrogates that can be used to help assure regulators and the public of the safety of water for groundwater recharge? What should we monitor and at what spatial and temporal scales?
- What are the challenges and potential for incorporating sustainable underground storage projects into current systems approaches to water management for solving public and environmental water needs?
- How do the institutional, regulatory and legal environments at federal, state, and local levels encourage or discourage sustainable underground storage, if and where this is considered desirable?

The study will be conducted by an ad hoc committee composed of approximately 15 volunteers. The principal criterion for committee appointment will be level of experience and expertise related to the study tasks. Members of the committee will likely come from academic, consulting, and governmental backgrounds and from different regions of the country. Disciplines represented on the committee will include groundwater and surface water hydrology, recycled water, inorganic and organic geochemistry and biogeochemistry, behavior of pathogens in the subsurface, risk assessment, toxicology, environmental and water resources engineering, and natural resource economics and law. Staff recommends that Watermaster staff participate on the committee and that staff cost be included as in-kind support.

This study will produce a consensus report with conclusions and recommendations. The committee will prepare and deliver a prepublication copy of its final report within 22 months of receipt of funds; an additional 2 months are necessary to allow for publication of the final volume. The committee and its report will be subject to standard NRC procedures for peer review and will be available to the public upon request. At project completion, representatives of the committee and staff will perform appropriate dissemination activities, including conducting briefings, giving presentations at relevant technical and policy conferences, and writing articles for relevant publications.

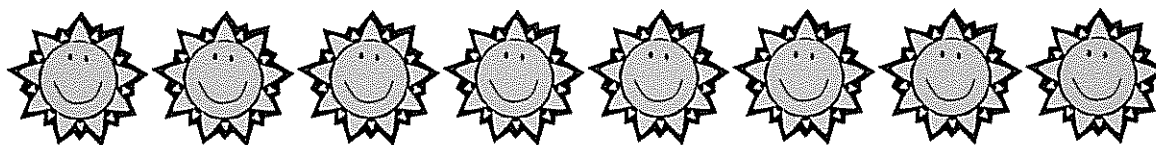
This report should be immediately useful to agencies, practitioners, and scientists involved in conjunctive use of groundwater and surface water, aquifer storage and recovery, and water reuse.



CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

- B. CONSIDER AGREEMENT TO FORM A TASK FORCE





CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

STAFF REPORT

DATE: August 12, 2004
August 17, 2004
August 26, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: Contribution by Watermaster to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program)

SUMMARY

Issue – On January 22, 2004, the Regional Board adopted the Basin Plan Amendment. Watermaster, along with other Task Force agencies, are responsible for conducting various monitoring programs and analyses to support the results defined in the Basin Plan Amendment. Watermaster's contribution to this effort will be \$18,500 out of a total budget of \$359,000.

Recommendation – Because these monitoring programs are a requirement of the Basin Plan, Staff recommends that Watermaster contribute \$18,500 for the Basin Monitoring Program.

BACKGROUND

In December 1995, the Nitrogen TDS Task Force, consisting of 22 water resource agencies in the Santa Ana Watershed, was formed to oversee a study to evaluate the impacts of Total Inorganic Nitrogen (TIN) and Total Dissolved Solids (TDS) on water resources in the Santa Ana River Watershed. The study was completed in mid-2003. On January 22, 2004, the Santa Ana Regional Water Quality Control Board ("Regional Board") incorporated the results of the Nitrogen TDS Task Force study into a Basin Plan Amendment for Nitrogen and TDS and adopted the Basin Plan Amendment. As part of the agreement to adopt the Basin Plan Amendment, the Task Force Agencies – including the Chino Basin Watermaster – were named as responsible for conducting various monitoring programs and analyses to support the results defined in the Basin Plan Amendment.

DISCUSSION

The Basin Plan Monitoring has two components:

1. TDS/Nitrogen Monitoring Program for Santa Ana River Reaches 2, 4, and 5. The implementation of a TDS/Nitrogen monitoring program for the Santa Ana River Reaches 2, 4, and 5 is necessary to assure

compliance with both surface water objectives of the defined river reaches and groundwater objectives underlying the river reaches to protect downstream Orange County groundwater. Compliance with the Reach 2 TDS objective can be determined by evaluation of data collected by the Santa Ana River Watermaster, Orange County Water District, the United States Geological Survey, and others.

2. **Watershed-wide TDS/nitrogen Groundwater Monitoring and Ambient Groundwater Quality Update Program.** The implementation of a watershed-wide TDS/nitrogen groundwater monitoring program is necessary to assess current water quality, to determine whether TDS and nitrate-nitrogen water quality objectives for management zones are being met or exceeded, and to update assimilative capacity findings. Groundwater monitoring is also needed to fill data gaps for those management zones with insufficient data to calculate TDS and nitrate-nitrogen historical quality and current quality. Groundwater monitoring is needed to assess the effects of publicly-owned treatment works (POTW) discharges to surface waters on affected groundwater. The determination of current ambient groundwater quality throughout the watershed will be conducted and reported by July 1, 2005.

The Regional Board has indicated that the watershed-wide TDS/Nitrogen monitoring program should be conducted every three years to determine the current ambient groundwater quality in the watershed for TDS and Nitrogen. The SAR Reaches 2, 4, and 5 monitoring programs shall be conducted annually. The results of all monitoring programs defined in annual reports will be submitted to the Regional Board.

**AGREEMENT TO FORM A TASK FORCE
TO CONDUCT A
BASIN MONITORING PROGRAM FOR
NITROGEN AND TOTAL DISSOLVED SOLIDS
IN THE SANTA ANA RIVER WATERSHED
(BASIN MONITORING PROGRAM)**

THIS AGREEMENT is made and entered into this ____th day of _____, 2004 by and among the following entities, which are hereinafter sometimes referred to collectively as "TASK FORCE AGENCIES" or individually as TASK FORCE AGENCY" ("AGREEMENT"). This AGREEMENT is also by and between the Santa Ana Watershed Project Authority ("SAWPA") and the TASK FORCE AGENCIES as to SAWPA's role as Task Force Administrator. The following public agencies are the "TASK FORCE AGENCIES":

Orange County Water District	Inland Empire Utilities Agency
Eastern Municipal Water District	City of Rialto
City of Corona	Elsinore Valley Municipal Water District
City of Riverside	Colton/San Bernardino Regional Tertiary
Yucaipa Valley Water District	Treatment and Wastewater Reclamation
Lee Lake Water District	Authority
Chino Basin Watermaster	Jurupa Community Services District
City of Redlands	City of Beaumont
San Timoteo Watershed Management	Irvine Ranch Water District
Authority	Western Riverside County Regional
	Wastewater Authority

I. RECITALS

A. Background. In December 1995, the Nitrogen TDS Task Force, consisting of 22 water resource agencies in the Santa Ana Watershed, was formed to oversee a study to evaluate the impacts of Total Inorganic Nitrogen (TIN) and Total Dissolved Solids (TDS) on water resources in the Santa Ana River Watershed. The study was completed in mid-2003. On January 22, 2004, the Santa Ana Regional Water Quality Control Board ("RWQCB") incorporated the results of the Nitrogen TDS Task Force study into a Basin Plan Amendment for Nitrogen and TDS and adopted the Basin Plan Amendment. The TASK FORCE AGENCIES were named in that Basin Plan Amendment as responsible for conducting various monitoring programs and analyses to support the results defined in the Basin Plan Amendment. The monitoring programs and analyses are described as follows:

a. TDS/Nitrogen Monitoring Program for Santa Ana River Reaches 2, 4 and 5. The implementation of a TDS/Nitrogen monitoring program for the Santa Ana River Reaches 2, 4 and 5 is necessary to assure compliance with both surface water objectives of the defined river reaches and groundwater objectives underlying the river reaches to protect downstream

Orange County groundwater. Compliance with the Reach 2 TDS objective can be determined by evaluation of data collected by the Santa Ana River Watermaster, Orange County Water District, the United States Geological Survey, and others.

b. Watershed-wide TDS/Nitrogen Groundwater Monitoring and Ambient Groundwater Quality Update Program. The implementation of a watershed-wide TDS/Nitrogen groundwater monitoring program is necessary to assess current water quality, to determine whether TDS and Nitrate-Nitrogen water quality objectives for management zones are being met or exceeded, and to update assimilative capacity findings. Groundwater monitoring is also needed to fill data gaps for those management zones with insufficient data to calculate TDS and Nitrate-Nitrogen historical quality and current quality. Groundwater monitoring is needed to assess the effects of publicly-owned treatment plants ("POTW") discharges to surface waters on affected groundwater. The determination of current ambient groundwater quality throughout the watershed will be conducted and reported by July 1, 2005.

The RWQCB has indicated that the watershed-wide TDS/Nitrogen monitoring program should be conducted every three years to determine the current ambient groundwater quality in the watershed for TDS and Nitrogen. The SAR Reaches 2, 4 and 5 monitoring programs shall be conducted annually. The results of all monitoring programs defined in annual reports will be submitted to the RWQCB.

B. The Purpose of the Task Force Agreement. The purpose of this Task Force Agreement is to form a task force to oversee and conduct the necessary studies for the Basin Monitoring Program as defined in the RWQCB's Basin Plan Amendment. The Task Force is proposed to consist of the TASK FORCE AGENCIES to direct the study and fund it on an equitable basis to be determined by the Task Force.

C. Memorandum of Agreement on Nitrogen Loss Monitoring Program. Some of the TASK FORCE AGENCIES have entered into a separate agreement to conduct a one year Nitrogen Loss Monitoring Program in the Santa Ana River Watershed which, while related to the work in this AGREEMENT, is to be funded separately by those TASK FORCE AGENCIES who are parties to that Agreement, and shall be governed separately by the parties to that Agreement.

II. COVENANTS

NOW, THEREFORE; in consideration of the foregoing recitals and mutual covenants contained herein, the TASK FORCE AGENCIES agree as follows:

1. Creation of a Task Force.

There is hereby created a "Task Force to conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed" initially consisting of the TASK FORCE AGENCIES and other entities as more specifically provided for in paragraph 3 below.

2. Purpose of the Task Force.

The purpose of the Task Force is to provide oversight and supervision of the work that is described herein.

3. Membership and Organization.

a. Regular Members. Concurrently with the execution of this AGREEMENT, each of the TASK FORCE AGENCIES shall appoint one regular representative to the Task Force and one alternate representative to act in the absence of the regular representative. The representatives must be vested with the authority to act on behalf of the appointing TASK FORCE AGENCY, but only as provided for in this AGREEMENT. No actions by the TASK FORCE AGENCIES shall bind the TASK FORCE AGENCIES, except as explicitly provided for in this AGREEMENT. The identity of the appointed representatives shall be promptly communicated in writing to SAWPA. The representatives shall serve at the pleasure of the appointing TASK FORCE AGENCY and may be removed at any time, with or without cause; provided, however, that the TASK FORCE AGENCIES acknowledge and agree the continuity of representation on the Task Force is important to the overall effectiveness of the Task Force, and the TASK FORCE AGENCIES further agree to ensure such continuity whenever possible.

b. Additional Agencies. The TASK FORCE AGENCIES acknowledge and agree that the effectiveness of the Task Force may be improved by the inclusion of other public agencies as additional TASK FORCE AGENCIES to the Task Force. Such public agencies may join the Task Force on such written terms and conditions as are acceptable to all TASK FORCE AGENCIES of the Task Force, including, but not limited to, agreed-upon cash contributions for past, present, and/or future work, of the Task Force. The inclusion of such public agencies as additional TASK FORCE AGENCIES to the Task Force shall be effected by a written amendment to this AGREEMENT signed by all TASK FORCE AGENCIES. Such additional TASK FORCE AGENCIES shall appoint their Task Force representatives and alternates as provided in Section 3.a. above or in said written amendment.

c. Advisory Members. The Task Force may, from time to time, seek the advice and counsel of regulatory or special interest agencies, which agencies may serve as Advisory Members to the Task Force. Such Advisory Members shall have no obligation to provide funding and no voting privileges. The California Regional Water Quality Control Board, Santa Ana Region, is hereby appointed as an Advisory Member of the Task Force. Additional Advisory Members may be appointed by a majority vote of the Task Force representatives.

d. Committees. The Task Force may establish committees, consisting of members who shall be selected by, and serve at the pleasure of the Task Force.

e. Task Force Administrator. SAWPA, acting through its Planning Department staff, is hereby appointed as the Task Force Administrator for purposes of this Task Force Agreement. SAWPA shall have the following administrative responsibilities and shall be reimbursed for time expended on behalf of the Task Force at SAWPA's rate for salary, overhead, burden (as shown in Exhibit "A"), and cost of materials, and including costs for:

- (1) Organizing and facilitating Task Force meetings;
- (2) Secretarial, clerical, and administrative services;
- (3) Management of Task Force funds and provide annual reports of Task Force assets and expenditures;
- (4) Hire Task Force-authorized consultants.
- (5) Hire SAWPA-approved consultant to provide technical review of Watershed-wide TDS/nitrogen groundwater monitoring program

SAWPA, as the Task Force Administrator, will act as the contracting party for the benefit of Task Force, for contracts with all Task Force consultants or contractors. SAWPA will not contract, direct, instruct, or guide such consultants or contractors on behalf of the Task Force or use funds provided by the Task Force without approval of, or guidance from, the Task Force representatives in accordance with Sections 3.f(2), 5 and 6 of this AGREEMENT. SAWPA will provide project management for work performed by such consultants or contractors.

f. Meetings of the Task Force.

(1) Frequency and Location. The first Task Force meeting shall be held at the office of SAWPA, at which time the Task Force shall agree upon the time and place of holding its regular meetings. Special meetings may be called at the request of the Task Force Administrator or by a majority of the Task Force representatives. All meetings of the Task Force or its Committees shall be noticed and conducted in compliance with California's Open Meeting Laws.

(2) Quorum. A majority of the representatives of the Task Force shall constitute a quorum. Actions of the Task Force shall be passed and adopted upon the affirmative vote of a majority of the Task Force. Each TASK FORCE AGENCY shall have one vote. The Task Force may adopt such additional rules and regulations as may be required for the conduct of its affairs so long as such rules and regulations do not conflict with this AGREEMENT and applicable law.

(3) Meeting Minutes. SAWPA shall keep, or cause to be kept, minutes of the Task Force meetings including any handout materials used. Copies of the meetings and handouts will be delivered to the Task Force representatives, each TASK FORCE AGENCY, and the Advisory Members.

(4) Task Force Chair. At the first official meeting of the Task Force following execution of this AGREEMENT by all TASK FORCE AGENCIES a chair shall be selected by the Task Force representatives. The term of the chair shall be one year and shall be rotated among the Task Force representatives.

4. Duties of the Task Force.

a. Conduct Watershed-wide TDS/Nitrogen Groundwater Monitoring and Ambient Groundwater Quality Update Program. Hire consultant to perform, authorize, direct, and supervise the "project scope of work". The first component of the scope of work is described in that certain report entitled, "RWQCB Basin Plan Amendment Required Monitoring and Analyses, Recomputation of Ambient Water Quality for the Period 1984 to 2003, Final Work Plan" dated February 2004 (hereafter "Study"), which is incorporated herein by this reference. The determination of current ambient groundwater quality throughout the watershed will be conducted and reported by July 1, 2005. An update and recomputation of the ambient water quality will be conducted every three years thereafter by the Task Force.

b. Conduct TDS/Nitrogen Monitoring Program for Santa Ana River, Reaches 2, 4, and 5. Hire consultant to implement a monitoring program and prepare annual reports that will provide an evaluation of compliance with the TDS and Nitrogen objectives for Reaches 2, 4 and 5 of the Santa Ana River. The reports will be provided to the RWQCB by April 15th of each year.

c. Termination of Projects or Studies. The TASK FORCE AGENCIES hereby agree that the Task Force shall have the discretion to terminate its projects or studies in the event a consensus of the TASK FORCE AGENCIES cannot be maintained during the course of the Task Force projects or studies.

5. Budgets.

On or before January 1st of each year, SAWPA shall prepare and submit a Task Force budget for the next fiscal year to the Task Force and TASK FORCE AGENCIES. The proposed budget shall include all anticipated costs and fees for the scope(s) of work developed by the Task Force for the next fiscal year. Costs shall include costs and fees for any consultants or contractors to be hired by SAWPA to complete the anticipated scopes of work, any equipment or materials to be purchased, and any other direct costs. SAWPA shall include as a separate item in such proposed budgets costs of SAWPA administrative services. The proposed budget shall include a detailed description of all work to be accomplished with the budget. The budgets shall also set forth the funds to be deposited with SAWPA consistent with the budgeted costs and fees for that fiscal year. Each TASK FORCE AGENCY shall approve and pay, in advance on or before January 1st of each year, its pro-rata share of the Task Force proposed budget for the next fiscal year. The pro-rata share of such costs and fees for each TASK FORCE AGENCY will be as described in EXHIBIT "B", attached hereto and made a part of this AGREEMENT. Said EXHIBIT "B" shall be renewed each fiscal year to reflect the final budget and the participating TASK FORCE AGENCIES of that fiscal year, and any other factor that may affect the pro-rata share of such costs and fees for each TASK FORCE AGENCY for that fiscal year. EXHIBIT "A" includes by its attachment the funding sources for Fiscal Year (July 1st to June 30th) 2004-2005, and a budget for that fiscal year shall be adopted by the Task Force and TASK FORCE AGENCIES after this AGREEMENT has been fully executed. In the event that any TASK FORCE AGENCY withdraws from the Task Force, the budget then in effect shall be adjusted in order to provide for any funding shortfall caused by such withdrawal.

6. Contracting.

Upon Task Force approval, SAWPA shall hire consultants and contractors, as necessary, to complete the scope of work that has been funded by TASK FORCE AGENCIES each fiscal year. SAWPA shall not obligate funds that have not been delivered to SAWPA by the TASK FORCE AGENCIES.

7. Duration of Agreement.

This AGREEMENT shall not terminate unless by mutual agreement of the TASK FORCE AGENCIES provided that all debts and liabilities of the Task Force are satisfied. Notwithstanding the foregoing, each TASK FORCE AGENCY reserves the right to terminate at anytime, upon sixty (60) days' written notice to the Task Force. Task Force projects and studies already undertaken on behalf of TASK FORCE AGENCIES at the time of withdrawal by a TASK FORCE AGENCY shall be fully funded by the TASK FORCE AGENCIES, including the withdrawing TASK FORCE AGENCY, at the time projects or studies are approved by the Task Force for implementation. A withdrawing TASK FORCE AGENCY shall not be entitled to any refund for programs or studies already underway. Any refund of surplus funds due to the withdrawing TASK FORCE AGENCY shall be paid sixty (60) days after completion of tasks, projects and studies undertaken or in progress.

8. Ownership of Documents.

All work or deliverables produced, including originals prepared by anyone in connection with, or pertaining to, the work of the Task Force, shall become the property in whole and in part of TASK FORCE AGENCIES, individually and collectively. Provided, however, that any withdrawn TASK FORCE AGENCY shall only be entitled to such work or deliverables if the withdrawn TASK FORCE AGENCY has fully contributed funds for such work or deliverables.

9. Assignment.

No right, duty or obligation of whatever kind or nature created herein shall be assigned without the prior written consent of all TASK FORCE AGENCIES.

10. Effective Date.

This Task Force Agreement shall become effective when it has been executed by a majority of the TASK FORCE AGENCIES pursuant to authorization by each TASK FORCE AGENCY's Board of Directors.

11. Counterparts.

This AGREEMENT may be executed in original counterparts, which together shall constitute a single agreement.

12. Independent Contractor Status.

This AGREEMENT is not intended and shall not be construed so as to create the relationship of agent, servant, employee, partnership, joint venture or association, as between the TASK FORCE AGENCIES.

13. Waiver Of Rights.

The failure by the TASK FORCE AGENCIES or SAWPA to insist upon strict performance of any of the terms, covenants or conditions of this AGREEMENT shall not be deemed a waiver of any right or remedy that TASK FORCE AGENCIES and SAWPA may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants and conditions of this AGREEMENT thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant or condition of this AGREEMENT.

14. Severability.

If any part of this AGREEMENT is held, determined or adjudicated to be illegal, void or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

15. Amendment.

It is mutually understood and agreed that no addition to, alteration of, or variation of the terms of this AGREEMENT, nor any oral understanding or agreement not incorporated herein, shall be valid unless made in writing and signed and approved by all TASK FORCE AGENCIES and SAWPA.

16. Entire Agreement.

This document sets forth the entire Agreement between and among the TASK FORCE AGENCIES and SAWPA.

17. Availability Of Funds.

The obligation of each TASK FORCE AGENCY is subject to the availability of funds appropriated by each TASK FORCE AGENCY for the purposes herein. Any obligation for the future payment of money beyond the current fiscal year is conditioned on the governing body of each TASK FORCE AGENCY providing adequate appropriations in the adopted budgets for those subsequent fiscal years. This condition applies to but is not be limited to the obligations of the TASK FORCE AGENCIES under section 3.e (Task Force Administrator), and section 5 (Budgets) of this AGREEMENT. Based on the financial constraints imposed by this Section 17, the TASK FORCE AGENCIES understand that SAWPA is under no duty to perform any services under this AGREEMENT until and unless the each TASK FORCE AGENCY has approved the fiscal year budget under Section 5, and has appropriated and deposited with SAWPA, the necessary monies to fund the approved budget. Any failure by one or more of the TASK FORCE AGENCIES to appropriate and deposit monies with SAWPA to fund the budget will necessarily delay the performance of the services by SAWPA contemplated by this AGREEMENT, and SAWPA shall not be held responsible or liable for any such delay or costs incurred from such a delay.

18. Indemnity and Insurance.

a. SAWPA shall require all consultants or contractors performing work or services for the Task Force to indemnify and hold harmless SAWPA and the TASK FORCE AGENCIES from any and all claims, damages, lawsuits, fines, penalties, including attorneys' fees and costs, arising from or related to the works or services provided by such consultants

or contractors. Such contractors or consultants shall also maintain the following insurances and keep certificates of such insurances on file with SAWPA, on behalf of the Task Force:

(1) **Workers Compensation Insurance.** A program of Workers Compensation insurance or a state approved self-insurance program shall be in an amount and form to meet all applicable requirements of the Labor Code of California, covering all persons and entities providing services on behalf of the consultant or contractor and all risks of such persons or entities under this AGREEMENT.

(2) **Comprehensive General and Automobile Liability Insurance.** Comprehensive personal injury and property damage liability coverage shall include contractual coverage and automobile liability, if applicable, and including coverage for owned, hired and non-owned vehicles. The policy shall have a combined single limit for bodily injury and property damage of at least \$1,000,000.00. SAWPA and the TASK FORCE AGENCIES shall be named as additional insureds on the policy providing such coverage, and any right of subrogation shall be waived.

(3) **Professional Liability Insurance.** Professional liability insurance shall include limits of at least \$1,000,000.00 per claim or occurrence, unless such coverage is waived by the Task Force representatives.

b. Nothing in this AGREEMENT is intended to create, nor shall anything herein be construed as creating, any rights in, benefits for or obligations to, any person or entity other than SAWPA and the TASK FORCE AGENCIES.

19. Nondiscrimination.

SAWPA shall ensure that during the term of this AGREEMENT it and any consultant retained by it shall not discriminate on the grounds of race, religion, creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any other condition related thereto, marital status, sex, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code, in the performance of this AGREEMENT and shall also comply with the applicable provisions of the Americans with Disabilities Act.

20. Warranty of Authority.

Each of the individuals executing this AGREEMENT represent and warrant that she or he has the legal power, right and actual authority to bind their respective TASK FORCE AGENCIES to the terms and conditions of this AGREEMENT. Each individual executing this AGREEMENT further represents and warrants that the AGREEMENT has been approved by his or her respective TASK FORCE AGENCIES' governing board.

21. Dispute Resolution.

Any dispute which may arise by and between the parties to this AGREEMENT shall first be submitted to non-binding mediation, conducted by a neutral, impartial mediation

service that the parties mutually agree upon in writing. Any dispute not resolved by such mediation shall be submitted to binding arbitration conducted by a neutral, impartial arbitration service that the parties mutually agree upon in writing. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California, and all other applicable laws. Upon a showing of good cause, the arbitrator may permit limited discovery in the arbitration proceeding. If any party commences legal action or arbitration arising out of or in connection with this Project Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and litigation expenses from the losing party.

IN WITNESS WHEREOF, SAWPA and the TASK FORCE AGENCIES have executed this AGREEMENT on the date set forth below.

ORANGE COUNTY WATER DISTRICT

DATE _____ **BY** _____
President

DATE _____ **BY** _____
Secretary

INLAND EMPIRE UTILITIES AGENCY

DATE _____ **BY** _____
President

DATE _____ **BY** _____
Secretary

EASTERN MUNICIPAL WATER DISTRICT

DATE _____ **BY** _____
President

DATE _____ **BY** _____
Secretary

CITY OF RIALTO

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

CITY OF CORONA

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

ELSINORE VALLEY MUNICIPAL WATER DISTRICT

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

CITY OF RIVERSIDE

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

**COLTON/SAN BERNARDINO REGIONAL
TERTIARY TREATMENT AND WASTEWATER
RECLAMATION AUTHORITY**

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

YUCAIPA VALLEY WATER DISTRICT

DATE _____

BY _____
President, Board of Directors

JURUPA COMMUNITY SERVICES DISTRICT

DATE _____

BY _____
President, Board of Directors

LEE LAKE WATER DISTRICT

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

CITY OF BEAUMONT

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

CHINO BASIN WATERMASTER

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

IRVINE RANCH WATER DISTRICT

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

CITY OF REDLANDS

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

**WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY**

DATE _____

BY _____
Chair

DATE _____

BY _____
Secretary-Treasurer

**SAN TIMOTEO WATERSHED MANAGEMENT
AUTHORITY**

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

SANTA ANA WATERSHED PROJECT AUTHORITY

DATE _____

BY _____
Chair

DATE _____

BY _____
Secretary-Treasurer

EXHIBIT A

EXHIBIT B
TASK FORCE BUDGET

A. CONTRIBUTIONS

1. Study Contributions. In order to participate in the activities of the Task Force, each TASK FORCE AGENCY shall appropriate and deliver to SAWPA it's agreed upon share of the funding. Based on study obligations assigned by the RWQCB in the Basin Plan Amendment for TIN and TDS, some portions of the overall study will be paid for by a subset of the TASK FORCE AGENCY as provided in a separate memorandum of agreement. The TASK FORCE AGENCIES specifically recognize that each TASK FORCE AGENCY's agreed-upon share is determined by that TASK FORCE AGENCY's Board of Directors, who are the signatories to this AGREEMENT. Funding shall be provided by the TASK FORCE AGENCIES in accordance with the attachment to this Exhibit.

2. Funds appropriated by each TASK FORCE AGENCY to the activities of the Task Force shall be expended only for the purposes expressed in this AGREEMENT. Funds shall be deposited in a restricted, interest-bearing account for the benefit of the Task Force, administered by SAWPA. Funds shall be strictly accounted to each TASK FORCE AGENCY. Upon termination of the Agreement and the activities of the Task Force, any funds not used shall be returned to the TASK FORCE AGENCIES in proportion to their contribution as provided in the Agreement.

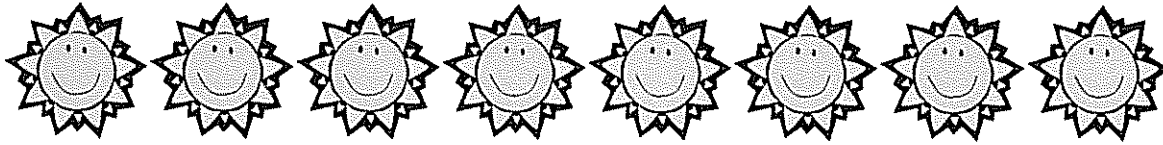
3. The compensation to be paid to consultant hired by Task Force is subject to SAWPA's receipt of funds from the TASK FORCE AGENCIES. The consultant will be directed to limit its activities to ensure that the Consultant does not expend funds or provide services for which SAWPA has not yet collected funds from the TASK FORCE AGENCIES. SAWPA will endeavor to obtain the funds needed to fully fund the scope of work.

Basin Monitoring and Update Program Funding (FY 04-05)

CONSULTANTS	Consultant Cost	SAWPA ADM	Contingency	Total
WE Inc. - Ambient Groundwater Update	\$245,492	\$45,000	\$24,008	\$314,500
WE Inc. - SAR Reaches 2,4,5 Annual Report	<u>\$30,000</u>	<u>\$10,000</u>	<u>\$5,000</u>	<u>\$45,000</u>
	\$275,492	\$55,000	\$29,008	\$359,500

Distribution of Costs Among Responsible Agencies

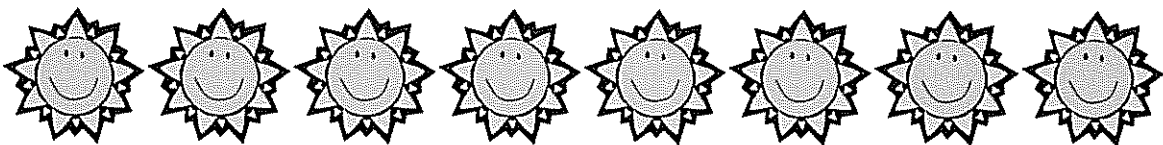
<u>Agency</u>	<u>SAR Report</u>	<u>Current Ambient</u>	<u>Totals</u>
IEUA	\$3,000	\$18,500	\$21,500
EMWD	\$3,000	\$18,500	\$21,500
OCWD	\$3,000	\$18,500	\$21,500
CORONA	\$3,000	\$18,500	\$21,500
EVMWD	\$3,000	\$18,500	\$21,500
REDLANDS	\$3,000	\$18,500	\$21,500
RIALTO	\$3,000	\$18,500	\$21,500
RIVERSIDE	\$3,000	\$18,500	\$21,500
RIX JPA	\$3,000	\$18,500	\$21,500
YVWD	\$3,000	\$18,500	\$21,500
WRCRWA	\$3,000	\$18,500	\$21,500
JCSD	\$3,000	\$18,500	\$21,500
LEE LAKE WD	\$3,000	\$18,500	\$21,500
San Timoteo WMA	\$3,000	\$18,500	\$21,500
BEAUMONT	<u>\$3,000</u>	\$18,500	\$21,500
CBWM		\$18,500	\$18,500
IRWD		<u>\$18,500</u>	<u>\$18,500</u>
	\$45,000	\$314,500	\$359,500



CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

- B. CONSIDER AGREEMENT TO CONDUCT A NITROGEN LOSS MONITORING PROGRAM





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: August 12, 2004
August 17, 2004
August 26, 2004

TO: Committee Members
Watermaster Board Members

SUBJECT: Contribution by Watermaster to Enter into an Agreement to Conduct a Nitrogen Loss Monitoring Program in the Santa Ana River Watershed (N-Loss Monitoring Program)

SUMMARY

Issue – On January 22, 2004, the Regional Board adopted the Basin Plan Amendment. Watermaster, along with other agencies, are responsible for conducting a Nitrogen-Loss Monitoring Program for Reach 3 of the Santa Ana River. Watermaster and the Inland Empire Utilities Agencies (IEUA) contribution to this effort would be \$33,034 of in-kind laboratory services. IEUA's laboratory would conduct the analyses of the groundwater samples collected and the costs would be shared with Watermaster per the Cooperative Agreement (AKB04001 – Agreement for Cooperative Efforts; Common Monitoring Programs between Chino Basin Watermaster and Inland Empire Utilities Agencies). The Cooperative Agreement specifies that the cost sharing for this monitoring is 50 percent for each agency, therefore, Watermaster's contribution would be \$16,517.

Recommendation – Because these monitoring programs are a requirement of the Basin Plan, Staff recommends that Watermaster contribute its share of the \$33,034 of in-kind laboratory services.

BACKGROUND

In December 1995, the Nitrogen TDS Task Force, consisting of 22 water resource agencies in the Santa Ana Watershed, was formed to oversee a study to evaluate the impacts of Total Inorganic Nitrogen (TIN) and Total Dissolved Solids (TDS) on water resources in the Santa Ana River Watershed. The study was completed in mid-2003. On January 22, 2004, the Santa Ana Regional Water Quality Control Board ("Regional Board") incorporated the results of the Nitrogen TDS Task Force study into a Basin Plan Amendment for Nitrogen and TDS and adopted the Basin Plan Amendment. As part of the agreement to adopt the Basin Plan Amendment, the agencies named in the Memorandum of Agreement – including the Chino Basin Watermaster – were named as responsible for conducting a nitrogen loss monitoring program and analyses to support the results defined in the Basin Plan Amendment.

DISCUSSION

The monitoring program and analyses consists of the following:

1. **Nitrogen-Loss Monitoring Program for Reach 3 of the Santa Ana River.** The implementation of a Nitrogen-Loss Monitoring Program for Santa Ana River Reach 3 was suggested as an optional program to confirm the 50 percent nitrogen loss coefficient for discharges to that part of the Santa Ana River, Reach 3 that affects the Chino South Management Zone. It is defined as optional because the Basin Plan Amendment uses a default value of 25 percent nitrogen loss for the Santa Ana River wasteload allocation from the publicly-owned treatment works (POTW). The wasteload allocation for POTWs with discharges to Reach 3 of the Santa Ana River that impact Chino South Management Zone assumed a 50 percent nitrogen loss would be necessary to comply with Chino South Management Zone nitrogen objectives. In order to justify this higher nitrogen-loss coefficient, additional monitoring in Reach 3 of the Santa Ana River and in Chino South Management Zone is required.
2. The additional monitoring that is required consists of monthly sampling of eight wells installed near the Santa Ana River as part of the National Water Quality Assessment Program (NAWQA) and two wells owned and operated by the Santa Ana River Water Company. The N-Loss monitoring program specifies that these wells are to be sampled monthly for one year.
3. These data are also critical to Watermaster's Hydraulic Control Monitoring Program (HCMP) and, thus, will serve dual purposes. The two programs (N-Loss and HCMP) will be coordinated so that the grab surface water samples of Reach 3 of the Santa Ana River collected as part of the HCMP will be collected on the same day of the month as the well samples collected as part of the N-Loss. The synchronization of these two programs will result in an estimated savings of \$13,000 in laboratory costs and \$7000 in labor costs.

The RWQCB has indicated that this program shall be required one time over a one-year period to confirm the nitrogen loss percentage.

**MEMORANDUM OF AGREEMENT TO CONDUCT A
NITROGEN LOSS MONITORING PROGRAM
IN THE SANTA ANA RIVER WATERSHED
(N-LOSS MONITORING PROGRAM)**

THIS AGREEMENT is made and entered into this th day of , 2004 by and among the following entities, which are hereinafter sometimes referred collectively to as "AGENCIES" or individually as "AGENCY" respectively ("Agreement"). This Agreement is also by and between Santa Ana Watershed Project Authority ("SAWPA") and the AGENCIES as to SAWPA's role as Administrator. The following public agencies makeup the AGENCIES:

City of Rialto	Colton/San Bernardino Regional Tertiary
City of Riverside	Treatment and Wastewater Reclamation
Jurupa Community Services District	Authority
Inland Empire Utilities Agency	Chino Basin Watermaster

I. RECITALS

A. Background. In December 1995, the Nitrogen TDS Task Force, consisting of 22 water resource agencies in the Santa Ana Watershed, was formed to oversee a study to evaluate the impacts of Total Inorganic Nitrogen (TIN) and Total Dissolved Solids (TDS) on water resources in the Santa Ana River Watershed. The study was completed in mid-2003. On January 22, 2004, the Santa Ana Regional Water Quality Control Board ("RWQCB") incorporated the results of the Nitrogen TDS Task Force study into a Basin Plan Amendment for Nitrogen and TDS and adopted the Basin Plan Amendment. The AGENCIES were named in that Basin Plan Amendment as responsible for conducting a nitrogen loss monitoring program and analyses to support the results defined in the Basin Plan Amendment. The monitoring program and analyses consists of the following:

(i) Nitrogen Loss Coefficient Monitoring Program for Santa Ana River Reach 3. The implementation of a Nitrogen Loss Coefficient Monitoring Program for Santa Ana River Reach 3 was suggested as an optional program to confirm the 50% Nitrogen loss coefficient for discharges to that part of the Santa Ana River, Reach 3 that affect the Chino South Management Zone. It is defined as optional because the Basin Plan Amendment uses a default value of 25% nitrogen loss for the Santa Ana River wasteload allocation from the publicly owned treatment plants ("POTW"). To justify further increases, additional monitoring for Chino South Management Zone will be needed. The wasteload allocation for POTWs with discharges to Reach 3 of the Santa Ana River that impact Chino South Management Zone assumed that a 50% nitrogen loss would be necessary to comply with Chino South Management Zone

(ii) The RWQCB has indicated that this program shall be required one time over a one year period to confirm the Nitrogen loss percentage.

B. The Purpose of the Memorandum of Agreement. The purpose of this Memorandum of Agreement is to form a Working Group to oversee and conduct the necessary studies for the N-loss Monitoring Program as defined in the RWQCB's Basin Plan Amendment. The Working Group shall consist of the AGENCIES, and they shall direct the study and fund it on an equitable basis as determined by the AGENCIES.

II. COVENANTS

NOW, THEREFORE; in consideration of the foregoing recitals and mutual covenants contained herein, the AGENCIES agree as follows:

1. Purpose of the Working Group.

The purpose of the Working Group is to provide oversight and supervision of the work that is described herein.

2. Membership and Organization.

a. Regular Members. Concurrently with the execution of this Agreement, each of the AGENCIES shall appoint one regular representative to the Working Group and one alternate representative to act in the absence of the regular representative. The representatives must be vested with the authority to act on behalf of the appointing AGENCIES, but only as provided for in this Agreement. No actions by the Working Group shall bind the AGENCIES except as explicitly provided for in this Agreement. The identity of the appointed representatives shall be promptly communicated in writing to SAWPA. The representatives shall serve at the pleasure of the appointing AGENCIES and may be removed at any time, with or without cause; provided, however, that the AGENCIES acknowledge and agree the continuity of representation on the Working Group is important to the overall effectiveness of the working group, and the AGENCIES further agree to ensure such continuity whenever possible.

b. Administrator. SAWPA, acting through its Planning Department staff, is hereby appointed as the Administrator for purposes of this Memorandum of Agreement. SAWPA shall have the following administrative responsibilities and shall be reimbursed for time expended on behalf of the AGENCIES at SAWPA's rate for salary, overhead, burden, and cost of materials (as shown in Exhibit "A"), and including costs for:

- (1) Organizing and facilitating Working Group meetings;
- (2) Secretarial, clerical, and administrative services;
- (3) Management of Working Group funds;
- (4) Hire Working Group-authorized consultants.

SAWPA, as the Administrator, will act as the contracting party for the benefit of the Working Group for contracts with all AGENCY consultants or contractors. SAWPA will not contract, direct, instruct, or guide such consultants or contractors on behalf of the Working Group or use funds provided by the AGENCIES without approval of, or guidance from, the

AGENCIES representatives in accordance with this Agreement. SAWPA will provide project management for work performed by such consultants or contractors.

c. Meetings of the Working Group.

(1) Frequency and Location. The first Working Group meeting shall be held at the office of SAWPA, at which time the AGENCIES shall agree upon the time and place of holding its regular meetings. Special meetings may be called at the request of the Administrator or by a majority of the Working Group representatives. All meetings of the Working Group shall be noticed and conducted in compliance with California's Open Meeting Laws.

(2) Quorum. A majority of the representatives of the Working Group shall constitute a quorum. Actions of the Working Group shall be passed and adopted upon the affirmative vote of a majority of the AGENCIES. Each AGENCY shall have one vote. The AGENCIES may adopt such additional rules and regulations as may be required for the conduct of its affairs so long as such rules and regulations do not conflict with this Agreement.

(3) Meeting Minutes. SAWPA shall keep, or cause to be kept, minutes of the Working Group meetings including any handout materials used. Copies of the meetings and handouts will be delivered to the AGENCY representatives of each AGENCY.

3. Duties of the Working Group.

a. Conduct Nitrogen Loss Coefficient Monitoring Program for Santa Ana River Reach 3. Hire consultant to implement monitoring program and prepare a report to confirm a 50% Nitrogen loss coefficient for Santa Ana River, Reach 3.

b. Termination of Projects or Studies. The AGENCIES hereby agree that the Working Group shall have the discretion to terminate its projects or studies in the event a consensus of the AGENCIES cannot be maintained during the course of the Working Group's projects or studies.

4. Budgets.

The proposed budget shall include all anticipated costs and fees for the scope(s) of work developed by the working group for the next fiscal year. Costs shall include costs and fees for any consultants or contractors to be hired by SAWPA to complete the anticipated scopes of work, any equipment or materials to be purchased, and any other direct costs. SAWPA shall include a separate item in such proposed budgets for costs of SAWPA administrative services. The proposed budget shall include a detailed description of all work to be accomplished with the budget. The proposed budgets shall also set forth the funds to be deposited with SAWPA consistent with the budgeted costs and fees for that fiscal year. Each AGENCY shall approve and pay, in advance on or before January 1st of each year, its pro-rata share of the budget for the next fiscal year. The pro-rata share of such costs and fees for each AGENCY will be as described in EXHIBIT "A", attached hereto and made a part of this Agreement. Said EXHIBIT "A" shall be renewed each fiscal year to reflect the final budget and the participating AGENCIES of that fiscal year, and any other factor that may

affect the pro-rata share of such costs and fees for each AGENCY for that fiscal year. EXHIBIT "A" includes by its attachment the funding sources for Fiscal Year (July 1st to June 30th) 2004-2005, and a budget for that fiscal year shall be adopted by the AGENCIES after this AGREEMENT has been fully executed. In the event that any AGENCY withdraws, the budget then in effect shall be adjusted in order to provide for any funding shortfall caused by such withdrawal.

5. Contracting.

Upon approval of the working group, SAWPA shall hire consultants and contractors, as necessary, to complete the scope of work that has been funded by AGENCIES each fiscal year. SAWPA shall not obligate funds that have not been delivered to SAWPA by the AGENCIES.

6. Duration of Agreement.

This Agreement shall not terminate unless by mutual agreement of the AGENCIES provided that all debts and liabilities of the working group are satisfied. Notwithstanding the foregoing, each AGENCY reserves the right to terminate at anytime, upon sixty (60) days' written notice to the working group. Working group projects and studies already undertaken on behalf of AGENCIES at the time of withdrawal by an AGENCY shall be fully funded by the AGENCIES, including the withdrawing AGENCY, at the time projects or studies are approved by the working group for implementation. A withdrawing AGENCY shall not be entitled to any refund for programs or studies already underway. Any refund of surplus funds due to the withdrawing AGENCY shall be paid sixty (60) days after completion of tasks, projects and studies undertaken or in progress.

7. Ownership of Documents.

All work or deliverables produced, including originals prepared by anyone in connection with, or pertaining to, the work of the working group shall become the property in whole and in part of AGENCIES, individually and collectively.

8. Assignment.

No right, duty or obligation of whatever kind or nature created herein shall be assigned without the prior written consent of all AGENCIES. Provided, however, any withdrawn AGENCY shall only be entitled to such work or deliverables if the withdrawn AGENCY has fully contributed funds for such work or deliverables.

9. Effective Date.

This Memorandum of Agreement shall become effective when it has been executed by the AGENCIES pursuant to authorization by each AGENCY's Board of Directors.

10. Counterparts.

This Agreement may be executed in original counterparts, which together shall constitute a single agreement.

11. Independent Contractor Status.

This Agreement is not intended and shall not be construed so as to create the relationship of agent, servant, employee, partnership, joint venture or association, as between the AGENCIES.

12. Waiver Of Rights.

The failure by the AGENCIES or SAWPA to insist upon strict performance of any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of any right or remedy that AGENCIES and SAWPA may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants and conditions of this Agreement thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant or condition of this Agreement.

13. Severability.

If any part of this Agreement is held, determined or adjudicated to be illegal, void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

14. Amendment.

It is mutually understood and agreed that no addition to, alteration of, or variation of the terms of this Agreement, nor any oral understanding or agreement not incorporated herein, shall be valid unless made in writing and signed and approved by all AGENCIES and SAWPA.

15. Entire Agreement.

This document sets forth the entire Agreement between and among the AGENCIES and SAWPA.

16. Availability Of Funds.

The obligation of each AGENCY is subject to the availability of funds appropriated by each AGENCY for the purposes herein. Any obligation for the future payment of money beyond the current fiscal year is conditioned on the governing body of each AGENCY providing adequate appropriations in the adopted budgets for those subsequent fiscal years. This condition applies to but is not be limited to the obligations of the AGENCIES under section 3.b (Administrator), and section 5 (Budgets) of this Agreement. Based on the financial constraints imposed by this Section 17, the AGENCIES understand that SAWPA is under no duty to perform any services under this Agreement until and unless the each AGENCY has approved the fiscal year budget under Section 5, and has appropriated and deposited with SAWPA, the necessary monies to fund the approved budget. Any failure by one or more of the AGENCIES to appropriate and deposit monies with SAWPA to fund the budget will necessarily delay the performance of the services by SAWPA contemplated by this Agreement, and SAWPA shall not be held responsible or liable for any such delay or costs incurred from such a delay.

17. Indemnity and Insurance.

a. SAWPA shall require all consultants or contractors performing work or services for the working group to indemnify and hold harmless SAWPA and the AGENCIES

from any and all claims, damages, lawsuits, fines, penalties, including attorneys' fees and costs, arising from or related to the works or services provided by such consultants or contractors. Such contractors or consultants shall also maintain the following insurances and keep certificates of such insurances on file with SAWPA, on behalf of the working group:

(1) **Workers Compensation Insurance.** A program of Workers Compensation insurance or a state approved self-insurance program shall be in an amount and form to meet all applicable requirements of the Labor Code of California, covering all persons and entities providing services on behalf of the consultant or contractor and all risks of such persons or entities under this Agreement.

(2) **Comprehensive General and Automobile Liability Insurance.** Comprehensive personal injury and property damage liability coverage shall include contractual coverage and automobile liability, if applicable, and including coverage for owned, hired and non-owned vehicles. The policy shall have a combined single limit for bodily injury and property damage of at least \$1,000,000.00. SAWPA and the AGENCIES shall be named as additional insureds on the policy providing such coverage, and any right of subrogation shall be waived.

(3) **Professional Liability Insurance.** Professional liability insurance shall include limits of at least \$1,000,000.00 per claim or occurrence, unless such coverage is waived by the Task Force representatives.

b. Nothing in this Agreement is intended to create, nor shall anything herein be construed as creating, any rights in, benefits for or obligations to, any person or entity other than SAWPA and the AGENCIES.

18. Nondiscrimination.

SAWPA shall ensure that during the term of this Agreement it and any consultant retained by it shall not discriminate on the grounds of race, religion, creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any other condition related thereto, marital status, sex, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code, in the performance of this Agreement and shall also comply with the applicable provisions of the Americans with Disabilities Act.

20. Warranty of Authority.

Each of the individuals executing this Agreement represent and warrant that he or she has the legal power, right and actual authority to bind their respective AGENCIES to the terms and conditions of this Agreement. Each individual executing this Agreement further represents and warrants that his or her respective AGENCY's governing board has approved this Agreement.

21. Alternative Dispute Resolution.

Any dispute which may arise by and between the parties to this AGREEMENT shall first be submitted to non-binding mediation, conducted by a neutral, impartial mediation service that the parties mutually agree upon in writing. Any dispute not resolved by such mediation shall be submitted to binding arbitration conducted by a neutral, impartial arbitration service that the parties mutually agree upon in writing. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California, and all other applicable laws. Upon a showing of good cause, the arbitrator may permit limited discovery in the arbitration proceeding.

IN WITNESS WHEREOF, SAWPA and the AGENCIES have executed this Agreement on the date set forth below.

CITY OF RIALTO

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

CITY OF RIVERSIDE

DATE _____

BY _____
Mayor

DATE _____

BY _____
City Clerk

**COLTON/SAN BERNARDINO REGIONAL
TERTIARY TREATMENT AND WASTEWATER
RECLAMATION AUTHORITY**

DATE _____

BY _____
President

DATE _____

BY _____
Secretary

JURUPA COMMUNITY SERVICES DISTRICT

DATE _____

BY _____
President, Board of Directors

INLAND EMPIRE UTILITIES AGENCY

DATE _____

BY _____
Chair

DATE _____

BY _____
Secretary

CHINO BASIN WATERMASTER

DATE _____

BY _____
Chair

DATE _____

BY _____
Secretary

**SANTA ANA WATERSHED PROJECT
AUTHORITY**

DATE _____

BY _____
Chair

DATE _____

BY _____
Secretary-Treasurer

EXHIBIT A

Overhead and burden are included in all rates. Labor for SAWPA staff shall be billed at the rates in Table 1 below for FY 04-05. Rates will be adjusted annually based on SAWPA annual budget. Materials purchased to provide administrative services that are not shown in Table 1 below shall be billed at direct cost with no additional fees or mark-ups.

Table 1 SAWPA Rate Sheet	
Item	Rate
Planning Manager	\$117.09/hour
Watershed Planner	\$ 75.60/hour
Sr. Administrative Assistant	\$ 55.65/hour
Administrative Assistant II	\$ 43.11/hour
Administrative Assistant I	\$ 44.34/hour
Controller	\$ 88.65/hour
Senior Accounting Technician	\$ 50.89/hour
Automobile Travel	Federal mileage rate for automobile travel to meeting locations.
Out of Town travel (when air travel or overnight stay is required)	Direct cost of air travel plus direct cost of lodging and meals.

**EXHIBIT B
BUDGET**

A. CONTRIBUTIONS

1. Study Contributions. In order to participate in the activities of the working group, each AGENCY shall appropriate and deliver to SAWPA its agreed upon share of the funding. The AGENCIES specifically recognize that each AGENCY's agreed-upon share is determined by that AGENCY's Board of Directors, who are the signatories to this Agreement.

2. Funds appropriated by each AGENCY to the activities of the working group shall be expended only for the purposes expressed in this Agreement. Funds shall be deposited in a restricted, interest-bearing account for the benefit of the working group, administered by SAWPA. Funds shall be strictly accounted to each AGENCY. Upon termination of the Agreement and the activities of the working group, any funds not used shall be returned to the AGENCIES in proportion to their contribution as provided in the Agreement.

3. The compensation to be paid to consultant hired by the working group is subject to SAWPA's receipt of funds from the AGENCIES. The consultant will be directed to limit its activities to ensure that the Consultant does not expend funds or provide services for which SAWPA has not yet collected funds from the AGENCIES. SAWPA will endeavor to obtain the funds needed to fully fund the scope of work.

N-Loss Monitoring and Update Program Funding (FY 04-05)

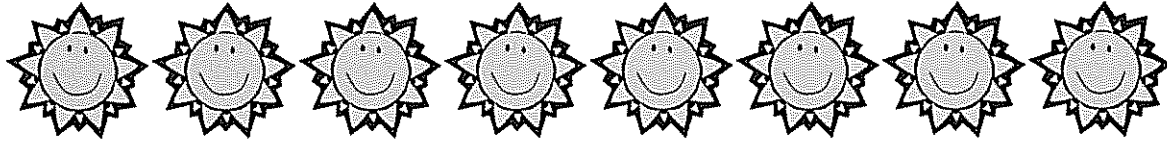
CONSULTANTS	Consultant Cost	SAWPA ADM	Contingency	Total
WE Inc. - N-Loss Coefficient Monitoring	\$85,658	\$15,000	\$4,342	\$105,000

Distribution of Costs Among Responsible Agencies

<u>Agency</u>	<u>N-Loss</u>
RIALTO	\$9,030
RIVERSIDE	\$40,420
RIX JPA	\$50,550
JCSD	<u>\$5,000</u>
	\$105,000

Note:
 IEUA and Chino Basin Watermaster \$33,034 In-kind services (laboratory costs)

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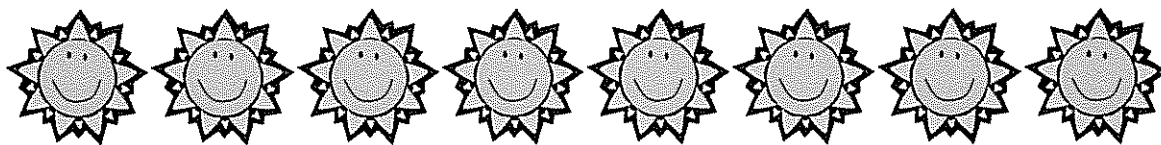


CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

B. STAFF REPORT

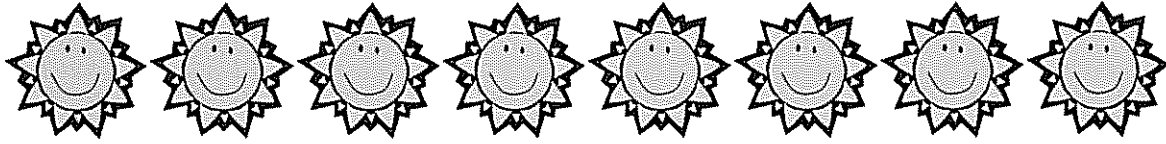
1. Phase VII Bid Results



CHINO BASIN FACILITIES IMPROVEMENT PROJECT
PHASE VII
BID RESULTS

BID ITEM	DESCRIPTION	UNIT	QNTY	Brulaco		Banshee		DenBoer		Reyes	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1A	FOR CONSTRUCTION OF CBFIP PH VII	LS	1	\$ 2,795,000	\$ 2,795,000	\$ 3,200,000	\$ 3,200,000	\$ 3,613,000	\$ 3,613,000	\$ 3,537,764	\$ 3,537,764
1B	SHEETING SHORING AND BRACING (INCL. IN LUMP SUM BID ITEM 1A)	LS	1	\$ 21,000	\$ 21,000	\$ 56,000	\$ 56,000	\$ 6,000	\$ 6,000	\$ 50,000	\$ 50,000
								\$ -	\$ -	\$ -	\$ -
ALTERNATE A	INSURANCE COVERAGE	LS	1	\$ 10,000	\$ 10,000	\$ 20,000	\$ 20,000	\$ 12,000	\$ 12,000	\$ 10,000	\$ 10,000
ALTERNATE B	TURNER 1 EROSION CONTROL	LS	1	\$ 49,000	\$ 49,000	\$ 38,000	\$ 38,000	\$ 87,000	\$ 87,000	\$ 75,000	\$ 75,000
ALTERNATE C	RP-3 CELL 2 MAINTENANCE AND MONITORING FOR 5 YEAR PERIOD	LS	1	\$ 75,000	\$ 75,000	\$ 68,000	\$ 68,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 75,000
								\$ -	\$ -	\$ -	\$ -
DEDUCTION A	COLLEGE HEIGHTS BASINS REDUCED SCOPE OF WORK	LS	1	\$ (52,000)	\$ (52,000)	\$ (7,000)	\$ (7,000)	\$ (33,000)	\$ (33,000)	\$ 50,000	\$ 50,000
	Acknowledgement of Addendum			Yes		Yes		Yes		Yes	

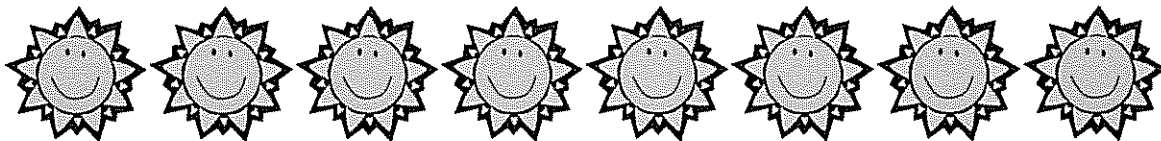
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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Chino Basin Desalter Authority –
Chino I Expansion and Chino II
Desalter Project – Progress
Report



**Chino Basin Desalter Authority
Chino I Expansion and Chino II Desalter Project
SAWPA Grant Contract Number 502-15-68
July 2004 Progress Report**

The Project

The Project, commonly known as the Chino I Expansion/Chino II Desalter Project, primarily consists of construction of the facilities necessary to expand the Chino I Desalter by 5 MGD and construction of a new 10 MGD Chino II Desalter. The Chino I Desalter Expansion Project began in June 2002 and is estimated to continue through April 2005. The Chino II Desalter Project began in June 2002 and is estimated to continue through March 2005. The progress of each of the facilities is described below.

CHINO I DESALTER EXPANSION FACILITIES

Well Drilling

These facilities include the construction of three wells (Extraction Well Nos. I-13, I-14, and I-15) and one monitoring well (Monitoring Well No. CDA-01). These facilities are completed.

Well Equipping

These facilities include equipping the three extraction wells described in the Well Drilling Section. The construction contract was awarded to Pascal and Ludwig Constructors. These facilities are in the construction phase and are approximately 20 percent complete. Progress on these facilities this month included completing an additional ten percent of the construction from ten to 20 percent.

Raw Water Pipeline

These facilities include the raw water pipeline from the new extraction wells to the existing raw water pipeline. The construction contract was awarded to Norstar Plumbing and Engineering Company, Incorporated. These facilities are in the construction phase and are approximately 75 percent complete. Progress on these facilities this month included completing an additional ten percent of the construction from 65 to 75 percent.

Onsite Improvements (excluding Ion Exchange)

These facilities include onsite improvements at the Chino I Desalter site including bypass piping, sodium hypochlorite station, volatile organic compound (VOC) treatment system, and expansion of product water pump stations. The construction contract was awarded to Coons Construction. These facilities are in the construction phase and are approximately 32 percent complete. Progress on these facilities this month included completing an additional 22 percent of the construction from ten to 32 percent.

Ion Exchange Treatment Facilities

These facilities include ion exchange treatment facilities at both the Chino I Desalter and the

Chino II Desalter. The construction contract was awarded to Brutoco Engineering and Construction. These facilities are in the construction phase and are approximately nine percent complete. Progress on these facilities this month included completing an additional one percent of the construction from eight to nine percent.

Ontario Product Water Pipeline

These facilities include a product water pipeline to the City of Ontario service connection. The pipeline will be located in Cloverdale Road and Archibald Avenue. These facilities are in the design phase and are approximately 70 percent complete. Progress on these facilities this month included completing an additional 20 percent of the design from 50 to 70 percent.

Ontario Product Water Pump Station

These facilities include a product water pump station to deliver water to the City of Ontario service connection. The pump station is located at approximately the Riverside/San Bernardino County Line and Archibald Avenue. These facilities are in the design phase and are approximately 70 percent complete. Progress on these facilities this month included completing an additional 20 percent of the design from 50 to 70 percent.

Chino Hills Product Water Pipeline

These facilities include a product water pipeline in Soquel Canyon Parkway for the connection to the City of Chino Hills water system. The construction contract was awarded to Norstar Plumbing and Engineering Company, Incorporated. These facilities are in the construction phase and are approximately 15 percent complete. There was no progress on these facilities this month.

Chino Hills Pump Station

These facilities include the construction of a pump station in Soquel Canyon Parkway in the City of Chino Hills. This station will lift water into the City of Chino Hills water system. The construction contract was awarded to SCW Contracting Corporation. These facilities are in the construction phase and are approximately 25 percent complete. Progress on these facilities this month included completing an additional five percent of the construction from 20 to 25 percent.

CHINO II DESALTER FACILITIES

Well Drilling Package No. 1

These facilities include the construction of two extraction wells (Well Nos. II-6 and II-7). The construction contract was awarded to Bakersfield Well and Pump Company. These facilities are in the construction phase and are approximately 90 percent complete. Progress on these facilities this month included completing an additional 80 percent of the construction from ten to 90 percent.

Well Drilling Package No. 2

These facilities include the construction of three extraction wells (Well Nos. II-1, II-8, and II-9). The construction contract was awarded to Layne Christensen Company. These facilities are in the construction phase and are approximately 50 percent complete. Progress on these facilities this month included completing an additional 20 percent of the construction from 30 to 50 percent.

Well Drilling Package No. 3

These facilities include the construction of four extraction wells (Well Nos. II-2, II-3, II-4 and II-5). The construction contract was awarded to Bakersfield Well and Pump Company. These facilities are in the construction phase and are approximately ten percent complete. Progress on these facilities this month included completing an additional nine percent of construction from one to ten percent.

Well Equipping Package No. 1

These facilities include equipping four extraction wells (Well Nos. II-6, II-7, II-8, and II-9). The construction contract was awarded to Pascal and Ludwig Constructors. These facilities are in the construction phase and are approximately five percent complete. Progress on these facilities this month included completing an additional four percent of construction from one to five percent.

Well Equipping Package No. 2

These facilities include equipping five extraction wells (Well Nos. II-1, II-2, II-3, II-4, and II-5). These facilities are in the bid phase and the bids are due in July 2004. There was no progress on these facilities this month.

Raw Water Pipeline Package No. 1

These facilities include the raw water pipeline east of the Interstate 15 Freeway from the new extraction wells to the Chino II Desalter site. The construction contract was awarded to Norstar Plumbing and Engineering Company, Incorporated. These facilities are in the construction phase and are approximately five percent complete. Progress on these facilities this month included completing an additional four percent of construction from one to five percent.

Raw Water Pipeline Package No. 2

These facilities include the raw water pipeline crossing the Interstate 15 Freeway. These facilities are in the design phase and are approximately 99 percent complete. Progress on these facilities this month included completing an additional 24 percent of the design from 75 to 99 percent.

Raw Water Pipeline Package No. 3

These facilities include the raw water pipeline west of the Interstate 15 Freeway from the new

extraction wells to the Interstate 15 Freeway. These facilities are in the design phase and are approximately 70 percent complete. Progress on these facilities this month included completing an additional 20 percent of the design from 50 to 70 percent.

Onsite Improvements (excluding Ion Exchange)

These facilities include onsite improvements at the Chino II Desalter site including all new facilities excluding the ion exchange treatment facility. The construction contract was awarded to Brutoco Engineering and Construction. These facilities are in the construction phase and are approximately 35 percent complete. Progress on these facilities this month included completing an additional five percent of the construction from 30 to 35 percent.

Ion Exchange Treatment Facilities

The same information applies to this facility as in the section under the "Chino I Desalter Expansion Facilities."

SARWC Product Water Pipeline

These facilities include the product water pipeline in Belgrave Avenue for the connection to the Santa Ana River Water Company water system. These facilities are in the construction phase and are approximately 95 percent complete. There was no progress on these facilities this month

Ontario Product Water Pipeline

These facilities include the product water pipeline in Milliken Avenue for the connection to the City of Ontario water system. These facilities are in the design phase and are 100 percent complete. Progress on these facilities this month included completing an additional five percent of the design from 95 to 100 percent.

Ontario Pump Station

These facilities include the construction of a pump station on Jurupa Street in the City of Ontario. This station will lift water into the City of Ontario water system. These facilities are in the design phase and are 100 percent complete. Progress on these facilities this month included completing an additional five percent of the design from 95 to 100 percent.

Attachments

- Project Schedule
- Cash Flow Projection
- Construction Progress Pictures
- Pascal & Ludwig Constructors Contract, Chino II Well Equipping Package No. 1
- Bakersfield Well & Pump Company Contract, Chino II Well Drilling Package No. 3

Chino I Expansion and Chino II Desalters Project
 Schedule Projection
 July 2004

	<u>Design Completed</u>	<u>Bid Opening</u>	<u>Start Construction</u>	<u>Construction Complete</u>
<u>Chino I Desalter Expansion Facilities</u>				
Well Drilling	Completed	Completed	Completed	Completed
Well Equipping	Completed	Completed	Completed	Oct. 2004
Raw Water Pipeline	Completed	Completed	Completed	Sep. 2004
Onsite Improvements (excluding Ion Exchange)	Completed	Completed	Completed	Jan. 2005
Ion Exchange Treatment Facilities	Completed	Completed	Completed	Jan. 2005
Ontario Product Water Pipeline	Aug. 2004	Sep. 2004	Oct. 2004	Apr. 2005
Ontario Product Water Pump Station	Aug. 2004	Sep. 2004	Oct. 2004	Apr. 2005
Chino Hills Product Water Pipeline	Completed	Completed	Completed	Sep. 2004
Chino Hills Pump Station	Completed	Completed	Completed	Oct. 2004
<u>Chino II Desalter Facilities</u>				
Well Drilling Package No. 1 (Well II-6 & 7)	Completed	Completed	Completed	Aug. 2004
Well Drilling Package No. 2 (Well II-1, 8, & 9)	Completed	Completed	Completed	Sep. 2004
Well Drilling Package No. 3 (Well II-2, 3, 4 & 5)	Completed	Completed	Completed	Nov. 2004
Well Equipping Package No. 1 (Well II-6, 7, 8 & 9)	Completed	Completed	Completed	Dec. 2004
Well Equipping Package No. 2 (Well II-1, 2, 3, 4 & 5)	Completed	Completed	Aug. 2004	Feb. 2005
Raw Water Pipeline Package No. 1	Completed	Completed	Aug. 2004	Nov. 2004
Raw Water Pipeline Package No. 2	Aug. 2004	Sep. 2004	Oct. 2004	Feb. 2005
Raw Water Pipeline Package No. 3	Aug. 2004	Sep. 2004	Oct. 2004	Feb. 2005
Onsite Improvements (excluding Ion Exchange)	Completed	Completed	Completed	Nov. 2004
Ion Exchange Treatment Facilities	Completed	Completed	Completed	Nov. 2004
SARWC Product Water Pipeline	Completed	Completed	Completed	Aug. 2004
Ontario Product Water Pipeline	Completed	Aug. 2004	Sep. 2004	Mar. 2005
Ontario Pump Station	Completed	Aug. 2004	Sep. 2004	Mar. 2005
<u>Overall Project Completion</u>				Apr. 2005

Chino I Expansion and Chino II Desalters Project
Cash Flow Projection
June 2004

	Chino I	Chino II	Total
	29%	71%	
	\$22,996,192.00	\$56,420,456.00	\$79,416,648.00
<u>Date</u>			<u>Projected Cost</u>
\$16,275,628.10 Costs To Date	\$4,712,833.87	\$11,562,794.23	\$16,275,628.10
Jul. 2004	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Aug. 2004	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Sep. 2004	\$2,791,214.38	\$7,180,432.84	\$9,971,647.22
Oct. 2004	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Nov. 2004	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Dec. 2004	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Jan. 2005	\$2,791,214.38	\$7,180,432.85	\$9,971,647.23
Feb. 2005	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Mar. 2005	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
Apr. 2005	\$1,411,214.38	\$3,812,099.51	\$5,223,313.89
May. 2005	\$1,411,214.38		\$1,411,214.38
	\$22,996,192.00	\$56,420,456.00	\$79,416,648.00

Work Performed for Invoiced Costs

Description	Cost
Inland Empire Utilities Agency for project management of the design and construction, construction management, and grant administration for the Chino I Desaler Onsite Improvements	\$23,762.19
Inland Empire Utilities Agency for project management of the design and construction, construction management, and grant administration for the Chino II Desaler Onsite Improvements	\$30,566.76
Inland Empire Utilities Agency for project management of the design and construction, construction management, and grant administration for the Ion Exchange Project at Chino I Desaler	\$7,748.32
Inland Empire Utilities Agency for project management of the design and construction, construction management, and grant administration for the Ion Exchange Project at Chino II Desaler	\$3,732.57
IEUA administrative expenses for reproduction, Fed Ex, and mileage for the Chino I Expansion	\$476.20
IEUA administrative expenses for reproduction, Fed Ex, and mileage for the Chino II Desalter	\$1,673.04
HNS Direcway for the satellite set up at the IEUA trailer at Chino II Desalter	\$189.98
Jurupa Community Services District for the management of the design, construction and grant administration of the Chino I Desalter Onsite Improvements	\$52,545.21
Jurupa Community Services District for the management of the design, construction and grant administration of the Chino II Desalter Onsite Improvements	\$18,818.55
RBF Consulting for engineering consulting services for the Chino I Desalter Expansion	\$10,780.00
RBF Consulting for engineering consulting services for the Chino II Desalter	\$250,064.86
Brutoco Engineering & Construction for the construction of the Chino II Desalter	\$311,697.00
Brutoco Engineering & Construction for the construction of the Chino I Desalter Ion Exchange	\$307,875.00
Brutoco Engineering & Construction for the construction of the Chino II Desalter Ion Exchange	\$307,875.00
AQMD Permit Application for the VOC system at Chino I Desalter	\$2,232.96
Hardware and Software Purchase for the Chino I Desalter Onsite Improvements	\$101,842.35

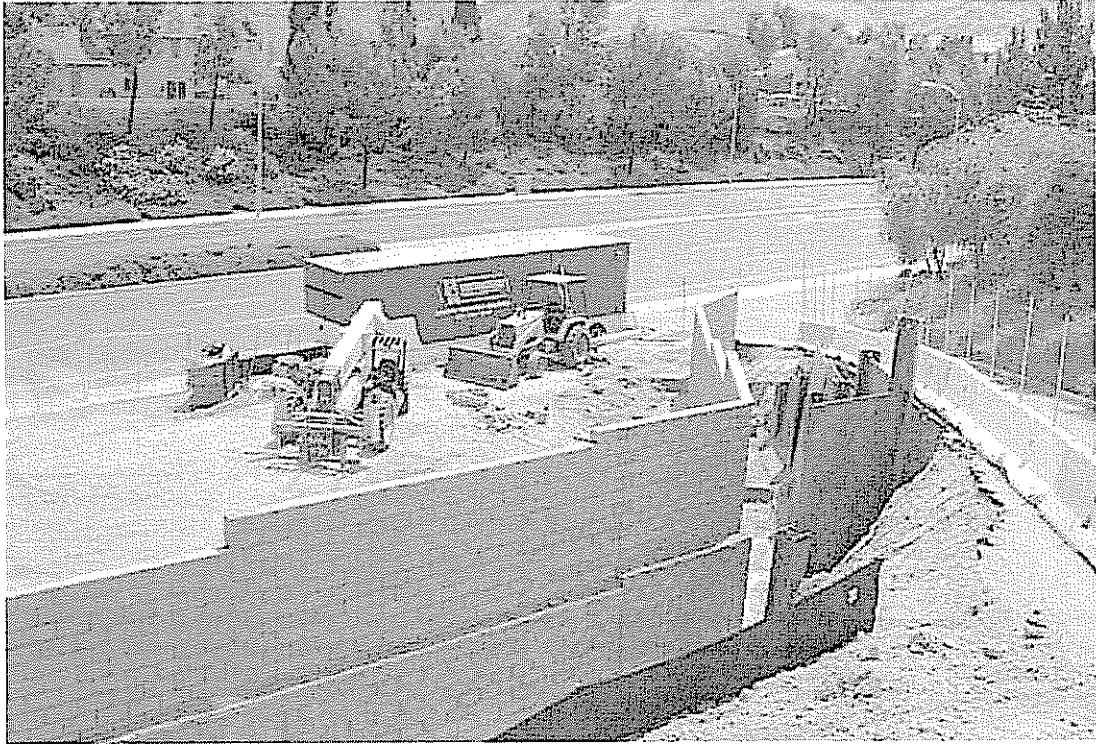
Chino I Expansion and Chino II Desalters Project

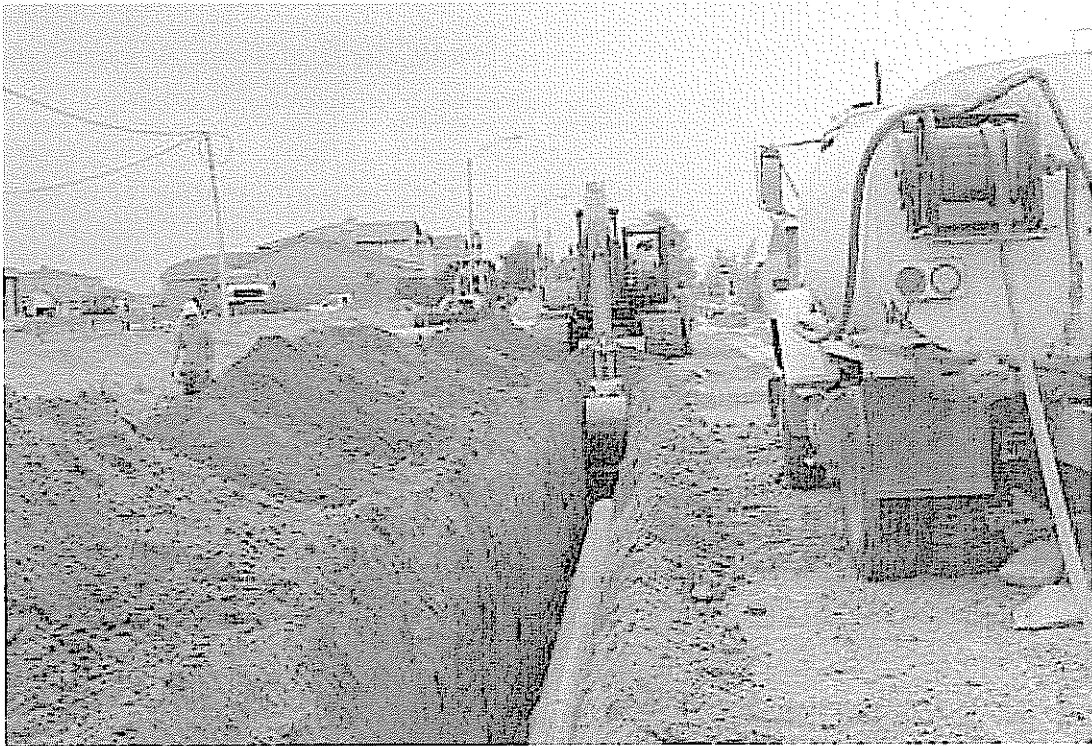
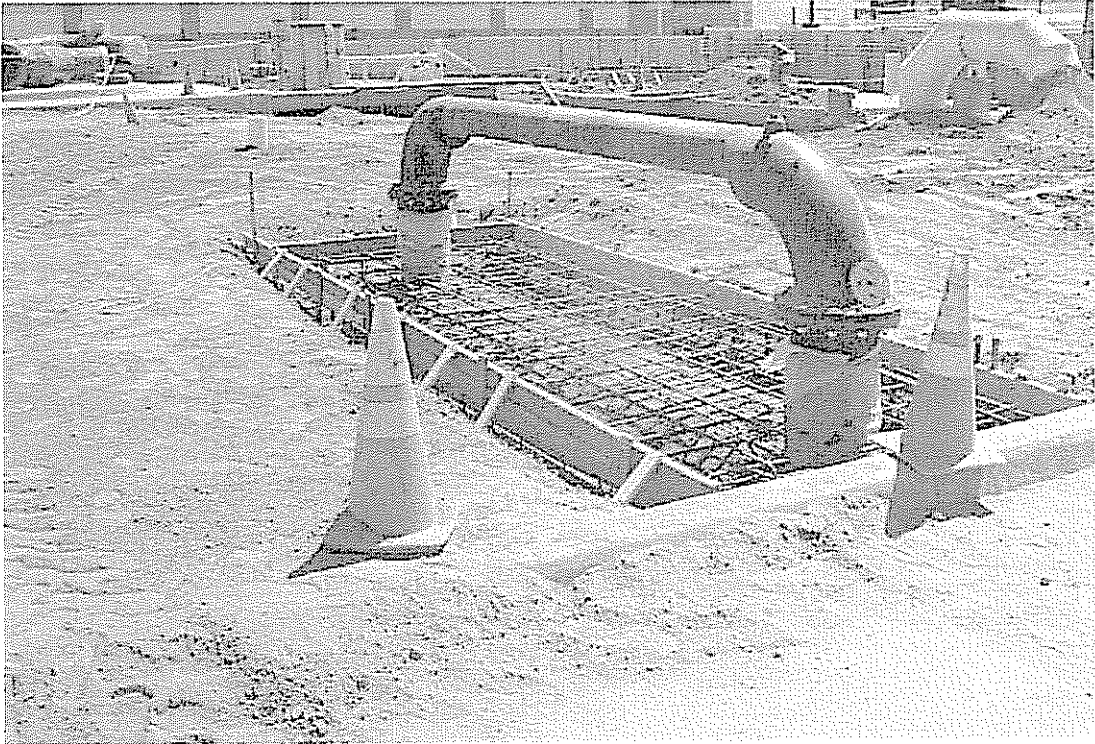
Cash Flow Projection

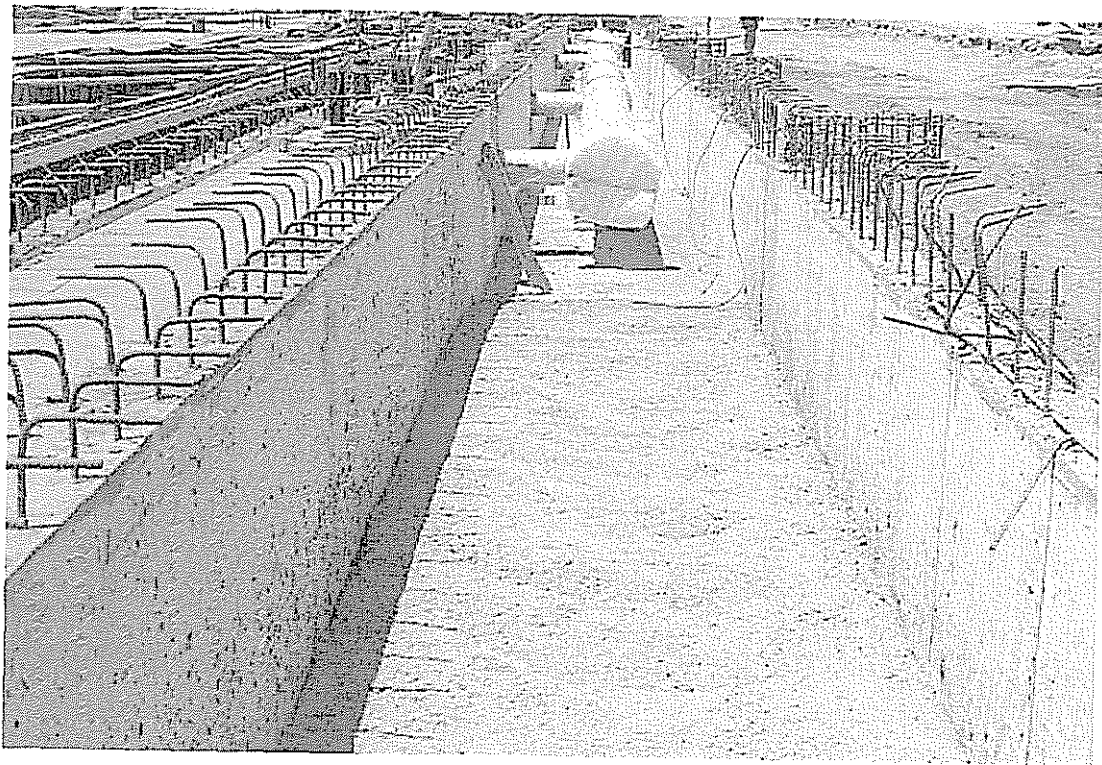
June 2004

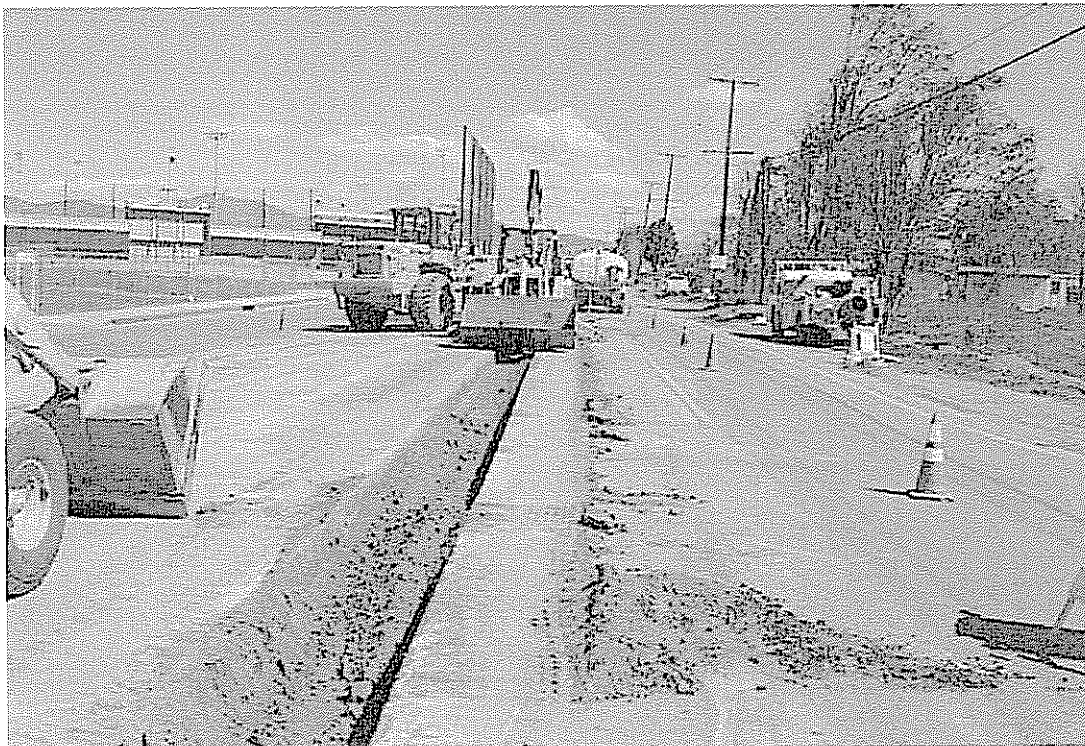
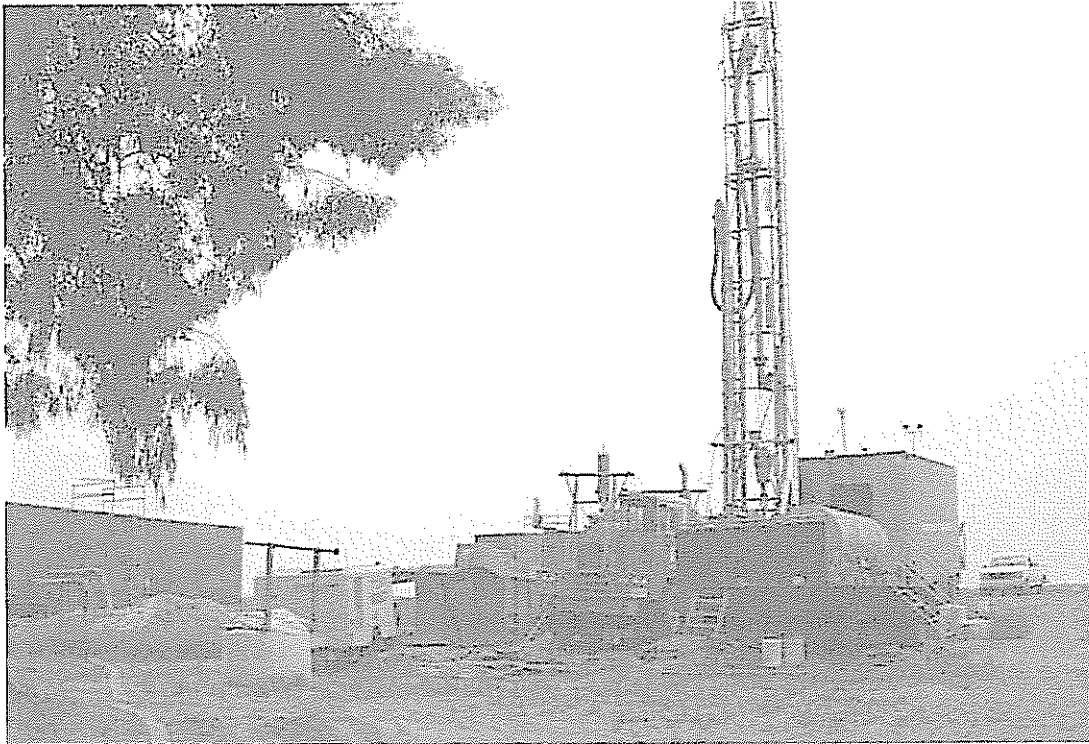
Hardware and Software Purchase for the Chino II Desalter Onsite Improvements	\$59,351.34
Southern California Edison Permit Application Fee for Well No. 14 for Chino I Desalter	\$6,381.82
Southern California Edison Permit Application Fee for for Chino II Desalter	\$204,213.36
Stradling Yoca Carlson and Rauth for leagal services for the Chino I Desalter	\$10,446.31
Stradling Yoca Carlson and Rauth for leagal services for the Chino I Desalter	\$17,798.69
City of Chino Hills for the construction of the Chino Hills Pump Station	\$113,152.50
Total Invoices paid for the month of May 2004 =	\$1,843,224.01

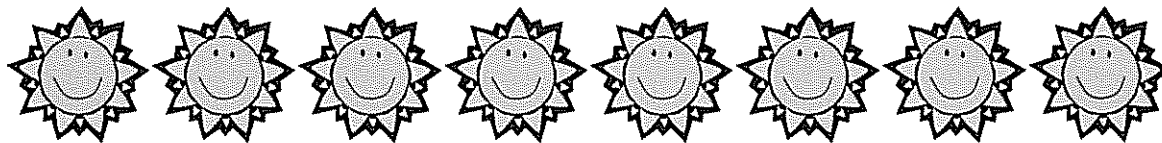
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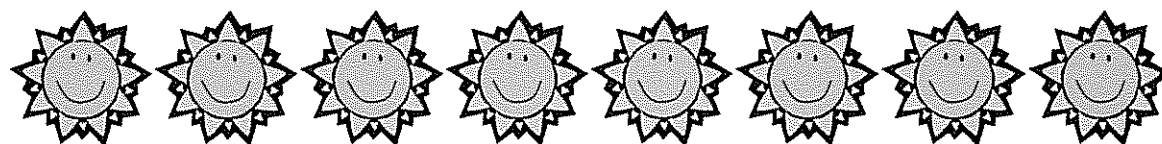




CHINO BASIN WATERMASTER

IV. INFORMATION

2. CBFIP Mapping Information
Facilities Location / Operational
Stats / Startup Dates



CBFIP MAPPING INFORMATION
FACILITIES LOCATION / OPERATIONAL STATS / STARTUP DATES
July 19, 2004

SCADA SYSTEM

Name: Supervisory Control and Data Acquisition System (SCADA)
Date of Start Up: October 31, 2004

Locations:

SCADA Main Control Center
IEUA RWRP-1
2450 East Philadelphia
Ontario, CA 91761

SCADA Alternate Control Center
SBCFCD Main Office
San Bernardino County Flood Control District
825 E. Third St.
San Bernardino, CA 92415-0835

SCADA Monitoring Center
SBCFCD Baseline Yard
San Bernardino County Flood Control District
12158 Baseline Road
Rancho Cucamonga, CA 92415

SCADA Monitoring Center
Chino Basin Watermaster
9641 San Bernardino Rd.
R. Cucamonga, CA 91730

SCADA Monitoring Center
Chino Basin Water Conservation District
4594 San Bernardino Street
P.O. Box 2400
Montclair, CA 91763-0900

SCADA Monitoring Center
City of Upland
1370 N. Benson
Upland, CA 91786

San Antonio Channel Facilities

MWD Diversion Name: OC-59: 300 cfs
Diversion Location: San Antonio Channel @ Rialto Pipeline
Station: 2898+57
Date of Start Up: Operational

Name: San Antonio Channel Rubber Dam
Date of Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: OC-59: 300 cfs
Diversion Location: San Antonio Channel @ College Heights Basins
Turnout Capacity (cfs): 100+

Name: College Heights Basin East
Date of Start Up (manual): July 1, 2004

Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 3,600 to 3,800 (SW, IW, RW)
MWD Diversion Name: OC-59: 300 cfs
Diversion Name: College Height Rubber Dam
Location: San Antonio Channel
Turnout Capacity (cfs): 75+

Name: College Heights Basin West
Date of Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 1,800 to 2,000 (SW, IW, RW)
MWD Diversion Name: OC-59: 300 cfs
Diversion Name: College Height Rubber Dam
Location: San Antonio Channel
Turnout Capacity (cfs): 25+

Name: Upland Basin
Date for Start Up: January 1, 2005
Annual Recharge Capacity (ac.ft.): 7,800 to 9,200 (SW, IW, RW)
MWD Diversion Name: OC-59: 300 cfs
Diversion Name: College Height Rubber Dam
Location: San Antonio Channel
Turnout Capacity (cfs): 75+

Name: San Antonio Channel Drop Inlet #1
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: OC-59: 300 cfs
Diversion Location: San Antonio Channel @ Montclair Basins
Turnout Capacity (cfs): 100+

Name: Montclair Basins 1, 2, 3, & 4
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 14,500 to 16,800 (SW, IW, RW)
MWD Diversion Name: OC-59: 300 cfs
Diversion Name: Montclair Basin Drop Inlet
Location: San Antonio Channel
Turnout Capacity (cfs): 100+

Name: San Antonio Channel Drop Inlet #2
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: OC-59: 300 cfs
Diversion Location: San Antonio Channel @ Brooks Basin
Turnout Capacity (cfs): 100+

Name: Brooks Basin
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 5,400 to 6,500 (SW, IW, RW)
MWD Diversion Name: OC-59: 300 cfs
Diversion Name: Brooks Basin Drop Inlet
Location: San Antonio Channel
Turnout Capacity (cfs): 100+

Cucamonga Channel Facilities

Name: Cucamonga Channel Rubber Dam
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: NA
Diversion Location: Cucamonga Channel @ Turner Basin No. 1
Turnout Capacity (cfs): 100+

Name: Turner Basin No. 1
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 2,000 to 2,800 (SW, IW, RW)
MWD Diversion Name: CB-11TB: 40 cfs
Diversion Name: Turner Basin No. 1 Rubber Dam
Location: Cucamonga Channel
Turnout Capacity (cfs): 100+

Deer Creek Channel Facilities

MWD Diversion Name: CB-11T: 40 cfs
Diversion Location: Rialto Pipeline Station @ 3282+85
Haven Avenue Storm Drain
Date of Start Up: September 15, 2004

Name: Deer Creek Channel Drop Inlet
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: CB-11TB: 40 cfs
Diversion Location: Deer Creek Channel @ Turner Basins No. 2, 3, &4
Turnout Capacity (cfs): 100+

Name: Turner Basins No. 2, 3, &4
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 4,900 to 6,000 (SW, IW, RW)
MWD Diversion Name: CB-11TB: 40 cfs
Diversion Name: Deer Creek Channel Drop Inlet
Location: Deer Creek Channel
Turnout Capacity (cfs): 100+

West Cucamonga Channel Facilities

Name: 8th Street Basins
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 3,600 to 5,300 (SW, RW)
MWD Diversion Name: NA
Diversion Name: Flow through basins
Location: West Cucamonga Channel
Turnout Capacity (cfs): NA

Name: Ely Basins 1, 2, & 3
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 7,700 to 10,700 (SW, RW)
MWD Diversion Name: NA
Diversion Name: Flow through basins
Location: West Cucamonga Channel

Turnout Capacity (cfs): NA – Flow through basins

Day Creek Channel Facilities

MWD Diversion Name: CB-15T: 30 cfs
Diversion Location: Rialto Pipeline Station @ 3398+50
Day Creek
Date of Start Up: September 15, 2004

Name: Day Creek Channel Rubber Dam
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
MWD Diversion Name: CB-15T: 30 cfs
Diversion Location: Lower Day Creek Channel @ Lower Day Basin
Turnout Capacity (cfs): 100+

Name: Lower Day Basin
Date for Start Up (manual): July 1, 2004
Date of Start Up (auto): October 31, 2004
Annual Recharge Capacity (ac.ft.): 3,600 to 5,200 (SW, IW, RW)
MWD Diversion Name: CB-15T: 30 cfs
Diversion Name: Day Creek Channel Rubber Dam
Location: Day Creek Channel
Turnout Capacity (cfs): 40+

Etiwanda Creek Channel Facilities

MWD Diversion Name: CB-14T: 30 cfs
Diversion Location: Rialto Pipeline Station @ 3504+96
Summit Ave
Date of Start Up: Operational

Name: Victoria Basin
Date of Start Up: December 21, 2004
Annual Recharge Capacity (ac.ft.): 5,000 to 6,100 (SW, IW, RW)
MWD Diversion Name: CB-14T: 30 cfs
Diversion Name: Etiwanda Flood Control Channel Drop Inlet
Location: Etiwanda Flood Control Channel at Victoria Basin
Turnout Capacity (cfs): 100+

San Sevaine Creek Channel Facilities

MWD Diversion Name: CB-13T: 30 cfs
Diversion Location: Rialto Pipeline Station @ 3571+01
West of Cherry & North of Summit Ave
Date of Start Up: Operational

Name: San Sevaine Basins 1, 2, & 3
Date of Start Up: July 1, 2004
Annual Recharge Capacity (ac.ft.): 18,000 to 26,100 (SW, IW, RW)
MWD Diversion Name: CB-13T: 30 cfs
Diversion Name: Flow through basins
Location: San Sevaine Creek Channel
Turnout Capacity (cfs): NA – Flow through basins

Name: San Sevaine Basins 4, & 5
Date of Start Up: July 1, 2004
Annual Recharge Capacity (ac.ft.): 6,200 to 8,900 (SW, IW, RW)
MWD Diversion Name: CB-13T: 30 cfs

Diversion Name: Flow through basins
Location: San Sevaine Creek Channel
Turnout Capacity (cfs): NA – Flow through basins

MWD Diversion Name: CB-18T: 40 cfs
Diversion Location: Etiwanda Intertie @ 211+47
Date of Start Up: September 15, 2004

Name: San Sevaine Channel Rubber Dam
Date of Start Up: October 15, 2004
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs
Diversion Location: San Sevaine Channel @ Hickory Basin
Turnout Capacity (cfs): 100+

Name: Hickory Basin
Date of Start Up: December 21, 2004
Annual Recharge Capacity (ac.ft.): 3,700 to 6,400 (SW, IW, RW)
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs
Diversion Name: San Sevaine Channel Rubber Dam
Location: West Fontana Channel & San Sevaine Creek Channel
Turnout Capacity (cfs): 150+

Name: Banana Basin
Date of Start Up: December 21, 2004
Annual Recharge Capacity (ac.ft.): 3,600 to 5,200 (SW, IW, RW)
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs
Diversion Name: Flow through basins
Location: West Fontana Channel
Turnout Capacity (cfs): 4 cfs – Pumped from Hickory Basin

Name: San Sevaine Creek Drop Inlet
Date available for Start Up: January 2, 2006
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs;
Location: San Sevaine Creek Channel @ Jurupa Basin
Turnout Capacity (cfs): 200 cfs

Name: Jurupa Basin – Holding Basin for Jurupa Pump Station
Date available for Start Up: December 21, 2004
Date of Operation: January 2, 2006 (due to SBCFCD San Sevaine Drop Inlet)
Annual Recharge Capacity (ac.ft.): 1,800 to 2,600 (SW, IW, RW)
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs;
Diversion Name: San Sevaine Creek Channel Drop Inlet at Jurupa Basin
Location: San Sevaine Creek Channel
Turnout Capacity (cfs): San Sevaine Creek Drop Inlet: 200 cfs

Name: Jurupa Pump Station
Date for Start Up (manual): September 24, 2004
Date of Start Up (auto): October 31, 2004
Date of Operation: January 2, 2006 (due to SBCFCD San Sevaine Drop Inlet)
Pumping Capacity (gpm): 9,000 (SW, IW, RW) (Ultimate 18,000)
MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs
Diversion Name: San Sevaine Creek Channel Drop Inlet at Jurupa Basin
Location: San Sevaine Creek Channel
Turnout Capacity (cfs): San Sevaine Creek Drop Inlet: 200 cfs

Name: Jurupa Avenue Force Main Pipeline

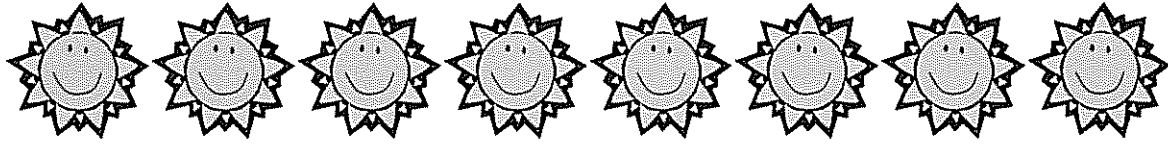
Date available for Start Up: August 30, 2004
Date of Operation: January 2, 2006 (due to SBCFCD San Sevaine Drop Inlet)
 Delivery Capacity (gpm): 9,000 (SW, IW, RW) (Ultimate 18,000)
 MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs
 Diversion Name: San Sevaine Creek Channel Drop Inlet at Jurupa Basin
 Location: San Sevaine Creek Channel
 Turnout Capacity (cfs): San Sevaine Creek Drop Inlet: 200 cfs

Declez Flood Control Channel // Jurupa Pressure Pipeline via Jurupa Pump Station

Name: Declez Flood Control Rubber Dam
 Date for Start Up (manual): August 4, 2004
 Date of Start Up (auto): October 31, 2004
 MWD Diversion Name: NA
 Diversion Location: Declez Flood Control Channel @ RP-3 Site
 Turnout Capacity (cfs): 150 cfs

Name: RP-3 Groundwater Recharge & Mitigation Site
 Date for Start Up (manual): August 4, 2004
 Date of Start Up (auto): October 31, 2004
Date of Operation: January 2, 2006 (due to SBCFCD San Sevaine Drop Inlet)
 Annual Recharge Capacity (ac.ft.): 8,200+ to 12,000+ (SW, IW, RW)
 MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs
 Diversion Name: Declez Flood Control Channel – Rubber Dam
 Location: Declez Flood Control Channel
 Turnout Capacity (cfs): 150 cfs
 Diversion Name: San Sevaine Creek Channel Drop Inlet at Jurupa Basin
 Pump Station Capacity (gpm): Jurupa Pump Station – 9,000 gpm

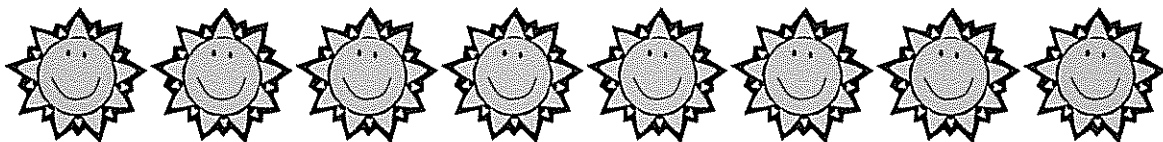
Name: Declez Basin
 Date of Start Up (manual): July 1, 2004
 Date of Start Up (auto): October 31, 2004
 Annual Recharge Capacity (ac.ft.): 1,600 to 2,400 (SW, IW, RW)
 MWD Diversion Name: CB-18 (Etiwanda Intertie) 40 cfs; CB-13T: 30 cfs
 Via Jurupa Pump Station & RP-3 facilities
 Diversion Name: NA
 Location: Declez Flood Control Channel
 Turnout Capacity (cfs): NA



CHINO BASIN WATERMASTER

IV. INFORMATION

3. Dry Year Yield Operating Plan



Annual Operating Plan

Agency Name Inland Empire Utilities Agency

CHINO BASIN WATERMASTER

Annual Operating Plan

Acre-Feet Fiscal Year 04-05	Actual	Estimated											Total
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Dry Year Yield Operating Plan - Storage													
Planned Storage													
Direct													
Service Connections													
CB-13T	-	400	-	-	-	-	-	-	-	-	-	-	400
CB-14T	-	400	-	-	-	-	-	-	-	-	-	-	400
OC-59	-	-	-	-	-	-	-	-	-	-	-	-	0
	0	800	0	0	0	0	0	0	0	0	0	0	800
In-Lieu													
Service Connections													
CB-12	0	400	400	1,400	1,614	1,542	400	1,000	1,000	1,450	1,800	1,000	12,006
CB-16	-	-	-	-	-	-	-	-	-	-	-	-	-
	0	400	400	1,400	1,614	1,542	400	1,000	1,000	1,450	1,800	1,000	12,006
Subtotal Storage	0	1,200	400	1,400	1,614	1,542	400	1,000	1,000	1,450	1,800	1,000	12,806
Replenishment Deliveries													
Replenishment (Including 6500 Acre-Feet to MZ-1)													
Direct													
Service Connections													
CB-13T	0	0	0	0	0	0	0	0	0	0	0	0	0
CB-14T	572	400	400	400	400	400	200	200	200	400	400	400	4,372
OC-59	0	0	0	750	1,500	900	700	700	700	1,500	1,500	1,500	9,750
CB-11T (Deer Creek)	0	0	0	0	0	0	0	0	300	300	300	300	1,200
CB-15T (Day Creek)	0	0	0	0	0	0	0	0	250	250	250	250	1,000
CB-18T (Etiwanda Inter-tie)	0	0	0	0	0	0	0	0	1,350	1,350	1,350	1,350	5,400
	572	400	400	1150	1900	1300	900	900	2800	3800	3800	3800	21,722
In-Lieu													
Service Connections													
CB-12	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-16	-	-	-	-	-	-	-	-	-	-	-	-	-
	0	0	0	0	0	0	0	0	0	0	0	0	0
Cyclic Account													
Subtotal Replenishment	572	400	400	1,150	1,900	1,300	900	900	2,800	3,800	3,800	3,800	21,722
Total All Deliveries	572	1,600	800	2,550	3,514	2,842	1,300	1,900	3,800	5,250	5,600	4,800	34,528

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