

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

Thursday, March 24, 2005

9:00 a.m. – Advisory Committee Meeting

And

11:00 a.m. – Watermaster Board Meeting

*(Lunch will be served)*

**AT THE CHINO BASIN WATERMASTER OFFICES**

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



# **CHINO BASIN WATERMASTER**

**March 24, 2005**

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## **AGENDA PACKAGE**

**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE MEETING**

9:00 a.m. – March 24, 2005  
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 Advisory Committee meeting held on February 24, 2005 (*Page 1*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2005 (*Page 13*)
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through January 31, 2005 (*Page 17*)
3. Treasurer's Report of Financial Affairs for the Period January 1, 2005 through January 31, 2005 (*Page 19*)
4. Profit & Loss Budget vs. Actual July 2004 through January 2005 (*Page 21*)

**C. STATUS REPORT #13**

Consider Authorization to File Status Report 13 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary (*Page 23*)

**II. BUSINESS ITEMS**

**A. MITIGATION OF TEMPORARY LOSS OF HYDRAULIC CONTROL**

Consider Recommendation for Mitigation of Temporary Loss of Hydraulic Control (*Page 47*)

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Attorney-Manager
2. Santa Ana River Water Rights Application
3. Legislation (*Page 55*)

**B. CEO/STAFF REPORT**

1. AGWA Update
2. Budget Schedule
3. DOGS/CWIS Update
4. Future Recharge Facility Improvements

**C. INLAND EMPIRE UTILITIES AGENCY**

1. MWD Status Report – Rich Atwater
2. MWD Projected Rates and Changes – Rich Atwater
3. Recycled Water Report (*Page 61*)
4. CALFED Financial Strategy – Martha Davis
5. State Water Plan (B160-05) – Martha Davis
6. Water Resources Report (handout)
7. State/Federal Legislation Reports (*Page 69*)
8. Public Relations Report (*Page 91*)

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

1. Newspaper Articles (*Page 93*)

**V. COMMITTEE MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. FUTURE MEETINGS**

March 21, 2005	1:00 p.m.	AGWA Meeting
March 24, 2005	9:00 a.m.	Advisory Committee Meeting
March 24, 2005	11:00 a.m.	Watermaster Board Meeting
March 28, 2005	8:30 a.m.	Water Quality Meeting
March 30, 2005	9:00 a.m.	MZ1 Technical Meeting
April 14, 2005	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
April 12, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 28, 2005	9:00 a.m.	Advisory Committee Meeting
April 28, 2005	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**

**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – March 24, 2005  
At The Offices Of  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

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**A. MINUTES**

1. Minutes of the Watermaster Board meeting held on February 24, 2005 (*Page 7*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2005 (*Page 13*)
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2. Budget Schedule
3. DOGS/CWIS Update
4. Future Recharge Facility Improvements

**IV. INFORMATION**

1. Newspaper Articles (*Page 93*)

**V. BOARD MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster Board meeting for the purpose of discussion and possible action regarding Personnel Matters and/or Potential Litigation.

**VIII. FUTURE MEETINGS**

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April 28, 2005	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Advisory Committee Meeting –  
February 24, 2005

***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**  
*February 24, 2005*

The Advisory Committee Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on February 24, 2005 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**Appropriative Pool**

Ken Jeske, Chair	City of Ontario
Nathan deBoom	Milk Producers Council
Mark Kinsey	Monte Vista Water Company
Dave Crosley	City of Chino
Robert DeLoach	Cucamonga Valley Water District
James T. Bryson	Fontana Water Company
Ray Wellington	San Antonio Water Company
Henry Pepper	City of Pomona
J. Arnold Rodriguez	Santa Ana River Water Company
Raul Garibay	City of Pomona
Rich Atwater	Inland Empire Utilities Agency

**Agricultural Pool**

John Huitsing	Crops
Pete Hettinga	Dairy

**Non-Agricultural Pool**

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
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**

Martha Davis	Inland Empire Utilities Agency
Craig Bush	Integrated Resources Management
Raul Garibay	City of Pomona
Rick Hansen	Three Valleys Municipal Water District
Josephine Johnson	Monte Vista Water Company

The Advisory Committee meeting was called to order by Chair Jeske at 9:10 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to this agenda.



**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Annual Advisory Committee Meeting held January 27, 2005

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through December 31, 2004
3. Treasurer's Report of Financial Affairs for the Period December 1, 2004 through December 31, 2004
4. Profit & Loss Budget vs. Actual July 2004 through December 2004

*Motion by Bowcock, second by DeLoach, and by unanimous vote*

***Moved to approve Consent Calendar Items A through B, as presented***

**II. BUSINESS ITEMS****A. CONSULTANT AGREEMENT WITH THE FURMAN GROUP**

Mr. Manning stated this item comes before the Advisory Committee with unanimous approval by the Pools; Watermaster staff feels representation is needed in Washington to assist in coordinating activities that are going on amongst the parties in the Chino Basin. Issues are starting to progress towards funding on specific issues dealing with reclaimed water, additional infrastructures within the basin, and potential clean up funds that might be made available. There are at least five different lobbyists working on behalf those agencies and if Watermaster is going to be effective in being able to monitor and assist in those areas; staff feels some representation is needed. Mr. Manning stated this is not a lobbying contract; this is a consultant services agreement with Hal Furman/The Furman Group. Mr. Furman is a long time associate who has worked with Mr. Manning for approximately twelve years. Mr. Manning stated that he is very confident in Mr. Furman's ability to perform this duty for Watermaster. In the meetings that took place last week in Washington DC both Mr. Furman and Mr. Wyman worked together in coordinating the activities in DC and worked very well as a team. This consulting contract is \$2,500 dollars a month which is about half of what the normal fee would be; this was done because of the type of work Mr. Furman will be tasked to do for Watermaster and staff feels this is an important venture for Watermaster in order to allow staff to be effective in coordinating legislative activities. The question of what kind of work generally has The Furman Group performed in the past was presented. Mr. Manning recapped several of the legislative activities that Mr. Furman has worked on and noted he specializes in water issues. Mr. Manning noted that The Furman Group is not registered in Washington as a lobbyist on Watermaster's behalf and stated that Mr. Furman has a very clear understanding of what his limits of responsibility are and what Watermaster's expectations are for his position in Washington. Watermaster does not have an agenda in Washington; the main objective of The Furman Group will be to assist Watermaster's staff in understanding the dynamics of what is going in Washington and to help coordinate those activities on this end. Mr. Manning acknowledged the contract was amended from the last time it was presented to the Pools to incorporate verbiage regarding liability insurance coverage.

*Motion by Kinsey, second by DeLoach, and by unanimous vote*

***Moved to approve the consultant agreement with The Furman Group, as presented***

**B. APPROVAL OF STIPULATION**

Mr. Manning stated that on November 4, 2002 Watermaster filed an application with the State Resources Control Board to divert underground storage; Counsel Fife will be addressing this item further, however, staff is asking for approval for the presented stipulation with East Valley Water District on the comments they made to Watermaster's application. Watermaster's water rights application does not list any points of diversion on the Santa Ana River itself. Counsel Fife stated that is what Watermaster is acknowledging in the presented stipulation, that Watermaster has no points of diversion from the Santa Ana River itself.

*Motion by Crosley, second by DeLoach, and by unanimous vote  
Moved to approve the stipulation between East Valley Water District and Chino  
Basin Watermaster, as presented*

### III. REPORTS/UPDATES

#### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

##### 1. Attorney-Manager Meetings

Counsel Fife stated a reminder for the upcoming meeting was issued at the beginning of the week. The 2005 milestone issues needs to be resolved in a timely manner. Counsel Fife commented that he has been asked about process and counsel's idea is that within the next week Hatch & Parent will issue an agenda and will solicit feedback from the parties if there are new issues that have arisen since the last meeting; noting the Salt Credit issue has been resolved leaving six issues to be resolved out of the seven that were on the table at that time. Mr. Kinsey noted the timing issues needs to be discussed. Mr. DeLoach concurred with Mr. Kinsey's statement of timing constraints and noted there were issues left off the table in 2004 and felt the most pressing issues should be tackled first that are laid out in the Peace Agreement. Chair Jeske reiterated that we want to do the right thing in the first place, to not rush through issues, and to put together a schedule to accomplish that and identify the items that are required to meet a deadline. A discussion ensued with regard to a time line and deadlines. Mr. Atwater noted that we not only have a court deadline but that we have a Regional Board deadline to meet. Mr. Atwater stated that what we give the court and/or Regional Board in September can be in the form of a progress report and that would be acceptable. Counsel Fife added that in the Basin Plan Amendment it was carefully worded that what was acceptable to the Regional Board is what will be acceptable to the court. It was noted that when an agenda is constructed that the items that are subject to our obligation in 2005 come first or identified as priority.

##### 2. Santa Ana River Application Process

Counsel Fife stated there is going to be a considerable amount of activity concerning the Santa Ana River in 2005. Counsel Fife stated that with this stipulation and noting that counsel has been in contact with the Forest Service and provided them with a lot of materials; they have indicated that within the next few weeks the Forest Service will be in the position to withdraw their protests. Counsel Fife stated that a resolve should happen with Cucamonga Valley Water District on their concerns; that will leave only the protest from the Department of Fish and Game. Counsel Fife noted the Department of Fish and Game has protested all the Santa Ana River applications; they are going to be a general environmental voice within the application process. Counsel Fife noted he attended a meeting recently with OCWD, Western, and Watermaster and is hopeful all will be moving into the completion of this process as a group. OCWD and Western had an optimistic view of going to the SWRCB on their applications this year. Western is looking at finalizing their EIR within the next few months and OCWD will be re-issuing their EIR; staff is hoping these documents will be reviewed by Wildermuth Environmental prior to them being issued.

##### 3. Kuehl Legislation

Counsel Fife noted a discussion regarding the Kuehl legislation was started at the Pool meetings; the Senator's office has now released proposed text of the bill and that is available on the back table. This is being referring to it as a "mega water bill"; it is roughly thirty pages long. The handout conforms to the summary that is in the packet; Hatch & Parent is drafting a more comprehensive analysis which will be sent out without delay.

**B. CEO/STAFF REPORT**1. Storm Report

Mr. Manning stated that with an effort to keep the committee members apprised on what is happening with the recent storms; Mr. Treweek has an update to provide. Mr. Treweek noted a handout is available on the back table entitled Chino Basin Watermaster Storm Water Recharge Summary FY 2004/2005 which recaps the storm water that was captured in the first seven storm events this year. The report begins when Watermaster had ten functional basins; these were basins that could be pre-set so that whether supplemental water or storm water was used they were ready to accept water; even without the SCADA system Watermaster could monitor the progress. By January Watermaster had added three more basins and with the storm water coming in, Watermaster was able to perform daylight demonstration projects. The daylight demonstration projects have been extended to 24 hour a day basis; Watermaster staff monitors them physically. Mr. Treweek reviewed the handout in detail and noted that in storm event eight approximately 2,000 acre feet of water is being anticipated in capture, which will bring the total capture of water this year to 10,000 acre feet. Mr. Manning noted that every basin that is available to Watermaster is full.

2. State of the Basin

Mr. Manning stated the Executive Summary is on page 47 of the packet and staff is anxious to finalize this report and noted the full text report is available on the Watermaster and Wildermuth web pages. Comments are still being taken, however, if no other comments are received within the next few days this report will be finalized and posted.

3. Federal Update

Mr. Manning commented last week a delegation from the Chino Basin visited Washington DC and noted the goals which were set for this meeting were achieved. Staff and the other visitors wanted to make an impression on those people who are serving as representatives in this area, which in fact, the Inland Empire is working together as a team. John Rossi from Western Municipal Water District, Martha Davis and Rich Atwater from Inland Empire Utilities Agency, Chino Basin Watermaster, and Cucamonga Valley Water District was represented. What was sought after was to portray to the parties in DC that Chino Basin is looking at issues in our area as a region and not just as isolated individuals. Both Senator Feinstein and Congressmen Dryer's office specifically commented to the fact they were especially pleased that our parties are working together as a team effort. Ground work for long term funding issues is needed and was laid out in conversations, potentially in the areas of desalter expansion and basin clean up. Hand out materials was left with several parties and Mr. Manning especially thanked Martha Davis for an outstanding job at putting together the package. Mr. Manning also thanked Dave Wyman, the lobbyist for both Cucamonga Valley Water District and for Inland Empire Utilities Agency, for assisting in developing the materials and the talking points for the attended meetings. Mr. Manning stated that all together it was an exceptional set of meetings. During the visit in DC, congressmen Dyer dropped the bill concerning reclaimed water for both Inland Empire and Cucamonga Valley.

**C. INLAND EMPIRE UTILITIES AGENCY**

## Added Comment:

Mr. Atwater thanked Mr. Manning for organizing the trip to Washington DC and Hal Furman in working with Three Valleys and noted the meetings were beneficial on several levels.

Mr. Atwater commented on HR802 and asked that letters of support be written and noted it is being supported by all five members of the Chino Basin.

Mr. Atwater commented on the September deadline for the Hydraulic Control, Max Benefit, and the desalters; HR177 will provide up to \$50 million dollars for the expansion of the desalters. Mr. Atwater noted IEUA is working on the state and federal level for funding for the desalters.

1. MWD Status Report – Rich Atwater  
No comment was made regarding this item.
2. MWD Projected Rates and Changes – Rich Atwater  
Mr. Atwater noted that John Rossi and he have been working diligently on the MET rate structure and stated there will be no change for the groundwater replenishment rate for next year, no change for the Tier I rate, however a \$15.00 dollar increase on the Tier II rate in calendar year 2006 will take place. Strategically MET rates are going to go up significantly and the two items that need to be discussed are the replenishment rates being kept as low as possible and having the Tier II rate go up at a faster pace than the Tier I rate. Mr. Kinsey inquired if there was anything that retail agencies can do collectively from Orange County, Chino Basin, and Riverside to assist in the effort to promote a reduction in the replenishment rate. Mr. Atwater commented on a recent case study and meetings that are coming up on the white paper. Chair Jeske inquired into a seasonal rate and Mr. Atwater stated that was probably not feasible, however in lieu could be discussed. A discussion ensued with regard to rate increases and replenishment deliveries.
3. Colorado River Alert – Rich Atwater  
Mr. Atwater stated at Metropolitan and with the State of California concern has been expressed that the State of Arizona will amend the congressional act. Mr. Atwater reviewed the history of the congressional act and stated that what the State of Arizona wants to do is to change the priorities so that all parties are equal, which would have a dramatic impact on our water supply. Mr. Manning stated this issue was addressed at the recent ACWA meetings last week.
4. Recycled Water Report  
No comment was made regarding this item.
5. Water Resources Report (handout)  
No comment was made regarding this item.
6. State/Federal Legislation Reports  
No comment was made regarding this item.
7. Public Relations Report  
No comment was made regarding this item.

#### **D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

Mr. Hansen discussed the new pricing structure and surcharges. The new demand or "growth" charge will be looked at for this year. Mr. Hansen noted that MWD will also be looking at the price differential between Tier I and Tier II. The new system overview is being evaluated in great detail.

Mr. Hansen stated that at the Washington DC meetings and while presenting a unified team effort approach, for the Chino Basin, with the piece that appeared in the Daily Bulletin was an outstanding endeavor. All the offices that were visited and viewed the news paper article acknowledged the potential of doing something very good this for the Chino Basin.

Mr. Hansen spoke on the Three Valley's dedication that took place yesterday for the recently completed spreading grounds.

**IV. INFORMATION**

1. Newspaper Articles

No comment was made regarding this item.

**V. COMMITTEE MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

Mr. Manning noted that the Agricultural Pool meeting has changed from Tuesday, March 15, 2005 at 9:00 a.m. at Inland Empire Utilities Agency to Thursday, March 10, 2005 at 11:00 a.m. at Chino Basin Watermaster with lunch being served directly after the meeting due to several Agricultural Pool members being out of town on the regularly scheduled day.

**VII. FUTURE MEETINGS**

February 24, 2005	9:00 a.m.	Advisory Committee Meeting
February 24, 2005	11:00 a.m.	Watermaster Board Meeting
March 10, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
March 10, 2005	11:00 a.m.	Agricultural Pool Meeting @ CBWM
March 15, 2005	12:00 p.m.	Managers Meeting @ IEUA
March 21, 2005	1:00 p.m.	AGWA Meeting
March 24, 2005	9:00 a.m.	Advisory Committee Meeting
March 24, 2005	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 9:52 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Watermaster Board Meeting –  
February 24, 2005

***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**BOARD MEETING**  
*February 24, 2005*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on February 24, 2005 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Robert Neufeld, Chair	Fontana Union Water Company
Terry Catlin	Inland Empire Utilities Agency
Paul Hamrick	Jurupa Community Services District
Al Lopez	Western Municipal Water District
Robert Kuhn	Three Valleys Municipal Water District
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool, Crops
Bill Kruger	City of Chino Hills
John Huitsing	Agricultural Pool

**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Scott Slater	Hatch & Parent
Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

**Others Present**

Barrett Kehl	Chino Basin Water Conservation District
Raul Garibay	City of Pomona
Robert DeLoach	Cucamonga Valley Water District
Henry Pepper	City of Pomona
David De Jesus	Three Valleys Municipal Water District
Josephine Johnson	Monte Vista Water District
Ken Jeske	City of Ontario
Mark Kinsey	Monte Vista Water District
Rich Atwater	Inland Empire Utilities Agency

The Watermaster Board Meeting was called to order by Chair Neufeld at 11:00 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

Chair Neufeld stated there was an item to be discussed in a confidential session and asked that a motion be made to add the confidential session to the calendar.

*Motion by Kuhn, second by Bowcock, and by unanimous vote  
Moved to approve adding a closed session to the agenda*

## Added Comment:

Chair Neufeld introduced and welcomed Mr. Al Lopez the new representative from Western Municipal Water District, who will be taking Don Galleano's seat on the board. Mr. Lopez thanked the Chair and stated he was pleased to sit on the Watermaster Board and looked forward to getting to know each of the board members.

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Annual Watermaster Board Meeting held January 27, 2005

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through December 31, 2004
3. Treasurer's Report of Financial Affairs for the Period December 1, 2004 through December 31, 2004
4. Profit & Loss Budget vs. Actual July 2004 through December 2004

*Motion by Catlin, second by Hamrick, and by unanimous vote*

***Moved to approve Consent Calendar Items A through B, with one minor change to a name on the Watermaster Board minutes, as presented***

**II. BUSINESS ITEMS****A. CONSULTANT AGREEMENT WITH THE FURMAN GROUP**

Mr. Manning stated this item has gone before all the Pools and Advisory Committee and has had unanimous approval. Mr. Manning stated this is an important item because Watermaster has been asked to be involved with helping and assisting some of Watermaster's member agencies in federal issues regarding funding and/or infrastructure. Watermaster wants to assist in the endeavor and to make that possible it is important for staff to have eyes and ears in Washington DC in order to accomplish that mission effectively. Mr. Furman and Mr. Manning have had a business relationship for several years and have developed a very good working rapport; this is a consulting services agreement only and is not a lobbyist agreement. The Furman Group is not being asked to lobby on behalf of Watermaster, Watermaster itself, does not have a lobbying agenda. Watermaster does not have funding issues that we are looking for funding from the federal government; staff as Watermaster's mission, is in support of projects that are going on throughout the basin. Mr. Furman has been speaking to the lobbyists/consultants from the other agencies to make sure he is coordinating with them; Mr. Furman has a clear understanding that he is not to lobby on behalf of Watermaster but in fact he is there to assist the lobbyist when he attends meetings or enters an office on issues relative to the Chino Basin. Mr. Furman will be performing that type of work with the full consent and knowledge of the lobbyist from those agencies; in turn he will keep Watermaster staff apprised as to what is happening with issues. Watermaster staff feels this is an important move in order to be effective in Washington and make sure other member agencies interests are being protected and followed up on. Mr. Furman has an outstanding reputation. Mr. Manning noted that the cost is approximately half of the normal consulting services fee due to the magnitude of work that the Furman Group would be performing. Mr. Manning reviewed the list of accomplishments and workings of Mr. Furman over the last several years and noted he specializes in water issues. The question regarding how this works financially into the budget was presented. Mr. Manning noted that the Cerrell and Associates contract was eliminated and this contract, at a much lower cost, would replace that in the consulting portion of the budget.

*Motion by Kuhn, second by Huitsing, and by unanimous vote*

***Moved to approve the consultant agreement with The Furman Group, as presented***



**B. APPROVAL OF STIPULATION**

Mr. Manning stated that in November 2002 an application was filed on behalf of Watermaster to the State Water Resources Control Board which dealt with diverting water from the Santa Ana River; a protest was filed on this application from East Valley Water District, who had a misinterpretation on the application, and staff is asking for an approval on the submitted stipulation. Counsel Slater commented that there is a meet and confer requirement under the water code when a party files an application and protest come in, one is duty bound to meet with the protesting parties and see if the protest can be worked out. This stipulation is benign in request on East Valley's part, predominately to do with clarification, and it will assist Watermaster in moving the application through the process; it is staffs recommendation that this situation be approved.

*Motion by Bowcock, second by Kruger, and by unanimous vote*

***Moved to approve the stipulation between East Valley Water District and Chino Basin Watermaster, as presented***

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

Counsel Slater stated it is time for the attorney-manager meetings to reconvene. The technical information which put the meetings on hold has now been completed and is in the process of being distributed for review. A managers meeting has been scheduled for March 15, 2005 at noon and is being held at the IEUA office; the predicate to that meeting is going to be that Watermaster general counsel is going to distribute a proposed agenda. The proposed agenda is going to reengage the parties on the issues that were being discussed prior to the break; feedback is anticipated due to the list of issues has grown since the last meeting. Counsel Slater noted a longer list of items could be coming and a more significant task lies ahead than previously anticipated. The question regarding the Board being briefed on what the new issues which are being introduced at the reconvening of the meetings was presented. Counsel Slater commented that during the March 15, an inquiry will be made to the attendees on what form of briefing they are comfortable with in reporting issues back to the Board. Counsel Slater stated there are those things which are contractual obligations for the parties and Watermaster to revisit on time certain, and then there are those issues which relate to construing the contract. Chair Neufeld stated that the Watermaster Board has a responsibility for oversight for all activities that take place at Watermaster and the Board members are going to continue to ask for oversight. Mr. Jeske noted that the next meeting is not an attorney-manager's meeting and has been called as a manager's only meeting.

**2. Santa Ana River Application Process**

Counsel Slater stated he felt there was good news to be reported on relating to the Santa Ana River application process. Legal counsel has had meetings with other interested stake holders, Orange County and Western, and in the basis of those meetings it has been concluded that there is a consensus of a joint or aligned position. The parties have observed that they would benefit from presenting an aligned position; more information will be given at a later meeting. Counsel Salter stated that in summation, legal counsel would propose an execution of a joint defense agreement, which is tradition in the industry where parties have a common purpose and want to have dialog to be properly poised to respond to opposition to their applications or position in court. Legal counsel is exploring the context in which Western along with Watermaster and Orange County would execute a joint defense agreement and develop common positions in support of our applications in front of the State Water Resources Control Board. Mr. Wildermuth would be critical in that effort in terms of interfacing with the experts that are at Orange County and Western. Legal counsel

is pleased to report that progress has been made and counsel expects to continue to work in a cooperative basis with those Orange County and Western.

3. Kuehl Legislation

Counsel Slater stated that Hatch & Parent are expecting to distribute a comprehensive update on all the elements regarding this bill as it relates to water resources. Some of the elements can be looked at and agreed up on and others tend to be very aggressive from the perspectives of traditional water management. There are no recommendations or positions at this time; this is an information item at this point and further updates will be provided.

**B. CEO/STAFF REPORT**

1. Storm Report

Mr. Manning commented there are reports in from storms one through seven, storm eight is not yet calculated and noted that Mr. Treweek will be giving a brief report on the current events. Mr. Treweek stated there is a hand out on the back table for the summary of events. In October, before the storm season, there were ten operational basins that were capable of holding demonstration projects using supplemental water. By January of 2005 Watermaster had added three more basins to the list of usable basins. The daylight demonstrations projects which gained Watermaster Flood Control's confidence has now been extended to 24 hour operations. Thirteen basins out of twenty possible basins are operating 24 hours a day and capturing storm water; there are still additional basins to be finished and they are scheduled for completion along with the completion of the SCADA system by March 31, 2005. Mr. Treweek reviewed the handout in detail and noted that approximately 10,000 acre-feet of captured storm water has taken place this year. Chair Neufeld inquired if the 10,000 acre-feet was the commitment number in the recharge element of the OBMP. Mr. Treweek stated that number was 12,000 acre-feet of storm water and that we are well on our way to that target number.

2. State of the Basin

Mr. Manning stated the Executive Summary is on page 47 of the packet and staff is anxious to finalize this report and noted the full text report is available on the Watermaster and Wildermuth web pages. Comments are still being taken, however, if no other comments are received within the next few days this report will be finalized and posted.

3. Federal Update

Mr. Manning commented that a delegation from the Chino Basin visited Washington DC in conjunction with the ACWA conference. That coalition included Three Valleys Municipal Water District, Cucamonga Valley Water District, Inland Empire Utilities Agency, with a special thanks to Martha Davis from IEUA, in putting together a great package of information, Mr. Wildermuth, and Western Municipal Water District. This was a good delegation and there were two items on the agenda to realize for that day and it was felt that those items were accomplished. The first item was to make sure that the delegation in Washington knew, that as a region, the Chino Basin was working together relative to long term funding for basin clean and infra structure. This was an exploratory meeting to see what was out there as far as funding is concerned at during those meetings it was discovered there was a brand new interest in desalination. The second item to be accomplished was that issues relative to our member agencies were delivered and seen as a cooperative and joint effort. The meetings went very well and the stage was set for revisits to take place to look at funding. Mr. Kuhn thanked Congressmen David Dryer for reintroducing the bill for Cucamonga and IEUA; and it was felt that was accomplished because he saw the groups teaming together and supporting each others projects. The article which was taken to those meetings was extremely well received by the legislators. Chair Neufeld stated he had heard several times during the two days that it was really refreshing to see the Inland Empire region come in with a united voice. Chair Neufeld

recapped meetings and conversations while in DC and stated he felt all the meetings went well. Mr. Lopez noted that he and Mr. Rossi are planning on visiting Washington in March and acknowledged the need to keep the pressure on water issues and funding endeavors. Chair Neufeld commented on the newspaper article that was issued in the Inland Valley Daily Bulletin a couple Sunday's ago and stated it was a great tribute to all the parties involved and to thank the local elected officials for their support. Chair Neufeld thanked Mr. Manning for working with the local media to produce the insert and also noted how helpful the article was during the meetings.

Added Comment:

Mr. Manning noted there was an additional article on the back table regarding the EPA setting an interim standard on Perchlorate.

**IV. INFORMATION**

1. Newspaper Articles

Mr. Manning noted there was an article in the packet which refers to his resignation from the Upper San Gabriel Municipal Water District Board effective at the end of March.

**V. BOARD MEMBER COMMENTS**

Mr. Kuhn stated that he will be back in Washington on March 7, 8, and 9, and if there is anything he can do while there to please contact him. Mr. Lopez stated that Mr. Galleano had a conflicting meeting date to remain serving on the Watermaster Board and that due to reorganization he will now be serving on the Board on a permanent basis. Chair Neufeld commented that as a result of the meeting in Washington a former friendly relationship was reestablished with JP Woodley. Chair Neufeld gave a detailed itinerary of the events that he and others were able to attend while in Washington and how receptive people were regarding water issues. Chair Neufeld thanked Mr. Wildermuth for taking the time out of his busy schedule to attend these meetings and noted his attendance was paid for on his own dime; it was most appreciated because he was instrumental in assisting in answering technical questions.

**VI. OTHER BUSINESS**

Mr. Manning noted that the Agricultural Pool meeting has changed from Tuesday, March 15, 2005 at 9:00 a.m. at Inland Empire Utilities Agency to Thursday, March 10, 2005 at 11:00 a.m. at Chino Basin Watermaster with lunch being served directly after the meeting due to several Agricultural Pool members being out of town on the regularly scheduled day.

At 11:40 a.m. the open Watermaster Board meeting was adjourned and the confidential session convened.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

At 12:20 p.m. the confidential session was adjourned and the Watermaster Board meeting convened.

Chair Neufeld engaged Counsel Fife to state, for the record, the actions that were taken at the confidential session. Counsel Fife stated that during the closed session the Board directed Mr. Manning to continue to proceed on the issuance of the clean up and abatement orders and to bring it forward for further consideration by the Watermaster Pool Committees.

**VIII. FUTURE MEETINGS**

February 24, 2005	9:00 a.m.	Advisory Committee Meeting
February 24, 2005	11:00 a.m.	Watermaster Board Meeting
March 10, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
March 10, 2005	11:00 a.m.	Agricultural Pool Meeting @ CBWM
March 15, 2005	12:00 p.m.	Managers Meeting @ IEUA
March 21, 2005	1:00 p.m.	AGWA Meeting
March 24, 2005	9:00 a.m.	Advisory Committee Meeting
March 24, 2005	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board Meeting Adjourned at 12:21 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements February 2005
2. Combining Schedule of Revenue, Expenses and changes in Working Capital for the Period July 1, 2004 through January 31, 2005
3. Treasurer's Report of Financial Affairs for January 1 through January 31, 2005
4. Profit & Loss Budget vs. Actual July 2004 through January 2005



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** March 10, 2005  
March 24, 2005

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** Cash Disbursement Report – February 2005

### SUMMARY

**Issue** – Record of cash disbursements for the month of February 2005.

**Recommendation** – Staff recommends the Cash Disbursements for February 2005 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 February 2005 were \$364,730.60. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$168,995.25 and Hatch & Parent in the amount of \$60,902.45.

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**CHINO BASIN WATERMASTER**  
**Cash Disbursement Detail Report**  
**February 2005**

Type	Date	Num	Name	Amount
Feb 05				
Bill Pmt -Check	2/2/2005	9321	BLACK & VEATCH CORPORATION	-3,465.00
Bill Pmt -Check	2/2/2005	9322	ANDERSON, JOHN	-125.00
Bill Pmt -Check	2/2/2005	9323	AUMA ACTUATORS INC.	-268.00
Bill Pmt -Check	2/2/2005	9324	BLACK & VEATCH CORPORATION	-5,816.25
Bill Pmt -Check	2/2/2005	9325	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	2/2/2005	9326	DIRECTV	-71.98
Bill Pmt -Check	2/2/2005	9327	HAMRICK, PAUL	-125.00
Bill Pmt -Check	2/2/2005	9328	JAMES JOHNSTON	-795.00
Bill Pmt -Check	2/2/2005	9329	KRUGER, W. C. "BILL"	-125.00
Bill Pmt -Check	2/2/2005	9330	KUHN, BOB	-375.00
Bill Pmt -Check	2/2/2005	9331	MWH LABORATORIES	-4,125.00
Bill Pmt -Check	2/2/2005	9332	NEUFELD, ROBERT	-250.00
Bill Pmt -Check	2/2/2005	9333	OFFICE DEPOT	-329.20
Bill Pmt -Check	2/2/2005	9334	PAYCHEX	-244.15
Bill Pmt -Check	2/2/2005	9335	PETTY CASH	-481.18
Bill Pmt -Check	2/2/2005	9336	PURCHASE POWER	-2,097.91
Bill Pmt -Check	2/2/2005	9337	RBM LOCK & KEY	-152.44
Bill Pmt -Check	2/2/2005	9338	RICOH BUSINESS SYSTEMS-Maintenance	-67.46
Bill Pmt -Check	2/2/2005	9339	UNION 76	-285.26
Bill Pmt -Check	2/2/2005	9340	VERIZON	-38.56
General Journal	2/5/2005	05/02/3	PAYROLL	-5,927.14
General Journal	2/5/2005	05/02/3	PAYROLL	-16,141.59
Bill Pmt -Check	2/10/2005	9341	GEOTECHNICAL SERVICES	-8,063.20
Bill Pmt -Check	2/11/2005	9342	SAVIN CORPORATION dba RICOH BUSINESS	-173.82
Bill Pmt -Check	2/11/2005	9343	SAVIN CORPORATION dba RICOH BUSINESS	-639.50
Bill Pmt -Check	2/11/2005	9344	SAVIN CORPORATION dba RICOH BUSINESS	-36.00
Bill Pmt -Check	2/11/2005	9345	AMERICAN WATER WORKS ASSOCIATION	-150.00
Bill Pmt -Check	2/11/2005	9346	APPLIED COMPUTER TECHNOLOGIES	-2,473.30
Bill Pmt -Check	2/11/2005	9347	CITIZENS CONFERENCING	-41.86
Bill Pmt -Check	2/11/2005	9348	HATCH AND PARENT	-60,902.45
Bill Pmt -Check	2/11/2005	9349	HSBC BUSINESS SOLUTIONS	-795.63
Bill Pmt -Check	2/11/2005	9350	INLAND COUNTIES INSURANCE SERVICES, INC.	-216.77
Bill Pmt -Check	2/11/2005	9351	INLAND EMPIRE UTILITIES AGENCY	-60.00
Bill Pmt -Check	2/11/2005	9352	LOS ANGELES TIMES	-42.00
Bill Pmt -Check	2/11/2005	9353	PARK PLACE COMPUTER SOLUTIONS, INC.	-2,695.00
Bill Pmt -Check	2/11/2005	9354	REID & HELLYER	-2,194.59
Bill Pmt -Check	2/11/2005	9355	UNITED STATES PLASTIC CORP	-158.12
Bill Pmt -Check	2/11/2005	9356	VELASQUEZ JANITORIAL	-1,200.00
Bill Pmt -Check	2/11/2005	9357	VERIZON	-344.48
Bill Pmt -Check	2/11/2005	9358	VIP AUTO DETAILING	-329.50
Bill Pmt -Check	2/14/2005	9359	STATE OF CALIFORNIA BOARD OF EQUALIZATION	-865.79
Bill Pmt -Check	2/14/2005	9360	ACWA	-9,080.00
Bill Pmt -Check	2/17/2005	9361	JAMES JOHNSTON	-850.00
General Journal	2/19/2005	05/02/6	PAYROLL	-5,053.63
General Journal	2/19/2005	05/02/6	PAYROLL	-16,025.22
Bill Pmt -Check	2/22/2005	9362	COSTCO BUSINESS DELIVERY	-170.00
Bill Pmt -Check	2/22/2005	9363	ACWA SERVICES CORPORATION	-288.93
Bill Pmt -Check	2/22/2005	9364	BANK OF AMERICA	-291.90
Bill Pmt -Check	2/22/2005	9365	CERRELL ASSOCIATES INC.	-848.08
Bill Pmt -Check	2/22/2005	9366	CHEVRON	-98.15
Bill Pmt -Check	2/22/2005	9367	CITISTREET	-6,750.00
Bill Pmt -Check	2/22/2005	9368	CITIZENS CONFERENCING	-286.78
Bill Pmt -Check	2/22/2005	9369	DAN VASILE	-140.00
Bill Pmt -Check	2/22/2005	9370	ELLISON, SCHNEIDER & HARRIS, LLP	-6,978.44
Bill Pmt -Check	2/22/2005	9371	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	2/22/2005	9372	GLOBAL PRESENTER.COM	-3,135.49
Bill Pmt -Check	2/22/2005	9373	IDEAL GRAPHICS	-465.48
Bill Pmt -Check	2/22/2005	9374	INLAND EMPIRE UTILITIES AGENCY	-206.31
Bill Pmt -Check	2/22/2005	9375	MCI	-900.15
Bill Pmt -Check	2/22/2005	9376	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-3,648.36
Bill Pmt -Check	2/22/2005	9377	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
Bill Pmt -Check	2/22/2005	9378	STANDARD INSURANCE CO.	-461.24
Bill Pmt -Check	2/22/2005	9379	STATE COMPENSATION INSURANCE FUND	-892.77
Bill Pmt -Check	2/22/2005	9380	STATE OF CALIFORNIA BOARD OF EQUALIZATION	-530.54
Bill Pmt -Check	2/22/2005	9381	UNITED PARCEL SERVICE	-324.91
Bill Pmt -Check	2/22/2005	9382	USA-FACT INC	-94.20
Bill Pmt -Check	2/22/2005	9383	WILDERMUTH ENVIRONMENTAL INC	-168,995.25
Bill Pmt -Check	2/22/2005	9384	CUCAMONGA VALLEY WATER DISTRICT	-4,900.00



CHINO BASIN WATERMASTER  
Cash Disbursement Detail Report  
February 2005

Type	Date	Num	Name	Amount
Bill Pmt -Check	2/22/2005	9385	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,031.40
Bill Pmt -Check	2/22/2005	9386	STATE OF CALIFORNIA BOARD OF EQUALIZATION	-2,524.75
Bill Pmt -Check	2/23/2005	9387	ROUTE 66 SUBS	-104.18
Feb 05				<u>-364,730.60</u>

CHINO BASIN WATERMASTER  
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
 FOR THE  
 PERIOD JULY 1, 2004 THROUGH JANUARY 31, 2005

	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 2004-05
<b>Administrative Revenues</b>										
Administrative Assessments			4,807,004		74,241				4,881,245	\$3,984,888
Interest Revenue			55,353	4,738	2,379			14	62,484	78,330
Mutual Agency Project Revenue		-							-	0
Grant Income									-	0
Miscellaneous Income	-								-	0
<b>Total Revenues</b>	-	-	<b>4,862,357</b>	<b>4,738</b>	<b>76,620</b>	-	-	14	<b>4,943,729</b>	<b>4,063,218</b>
<b>Administrative &amp; Project Expenditures</b>										
Watermaster Administration	469,120								469,120	621,784
Watermaster Board-Advisory Committee	28,289								28,289	37,018
Pool Administration			6,394	40,154	1,750				48,298	91,153
Optimum Basin Mgmt Administration		764,751							764,751	1,019,183
OBMP Project Costs		1,411,921							1,411,921	3,733,694
Education Funds Use								-	-	375
Mutual Agency Project Costs	34,181								34,181	80,004
<b>Total Administrative/OBMP Expenses</b>	<b>531,590</b>	<b>2,176,672</b>	<b>6,394</b>	<b>40,154</b>	<b>1,750</b>			-	<b>2,756,560</b>	<b>5,583,211</b>
<b>Net Administrative/OBMP Income</b>	<b>(531,590)</b>	<b>(2,176,672)</b>								
Allocate Net Admin Income To Pools	531,590		400,240	122,821	8,528				-	0
Allocate Net OBMP Income To Pools		2,176,672	1,638,842	502,910	34,920				-	0
Agricultural Expense Transfer			661,360	(661,360)					-	0
<b>Total Expenses</b>			<b>2,706,837</b>	<b>4,525</b>	<b>45,198</b>	-	-	-	<b>2,756,560</b>	<b>5,583,211</b>
<b>Net Administrative Income</b>			<b>2,155,520</b>	<b>213</b>	<b>31,422</b>			14	<b>2,187,169</b>	<b>(1,519,993)</b>
<b>Other Income/(Expense)</b>										
Replenishment Water Purchases						8,097,107			8,097,107	0
MZ1 Supplemental Water Assessments						1,625,000			1,625,000	2,179,500
Water Purchases									-	0
MZ1 Imported Water Purchase									-	(2,278,500)
Groundwater Replenishment						(1,290,815)			(1,290,815)	0
<b>Net Other Income</b>						<b>8,431,292</b>			<b>8,431,292</b>	<b>(99,000)</b>
<b>Net Transfers To/(From) Reserves</b>			<b>2,155,520</b>	<b>213</b>	<b>31,422</b>	<b>8,431,292</b>		14	<b>10,618,461</b>	<b>(1,618,993)</b>
<b>Working Capital, July 1, 2004</b>			<b>3,471,229</b>	<b>463,055</b>	<b>173,739</b>	<b>4,133,061</b>	<b>158,251</b>	<b>2,195</b>	<b>8,401,530</b>	
<b>Working Capital, End Of Period</b>			<b>5,626,749</b>	<b>463,268</b>	<b>205,161</b>	<b>12,564,353</b>	<b>158,251</b>	<b>2,209</b>	<b>19,019,991</b>	
<b>03/04 Production</b>			<b>136,795.139</b>	<b>41,978.182</b>	<b>2,914.774</b>				<b>181,688.095</b>	
<b>03/04 Production Percentages</b>			<b>75.291%</b>	<b>23.105%</b>	<b>1.604%</b>				<b>100.000%</b>	

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Prepared by Sheri Rojo, Finance Manager

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
JANUARY 1 THROUGH JANUARY 31, 2005**

**DEPOSITORIES:**

Cash on Hand - Petty Cash		\$ 500
Bank of America		
Governmental Checking-Demand Deposits	\$(7,289,077)	
Savings Deposits	9,635	
Zero Balance Account - Payroll	-	(7,279,442)
Vineyard Bank CD - Agricultural Pool		401,440
Local Agency Investment Fund - Sacramento		<u>17,847,479</u>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>1/31/2005</b>	<b>\$ 10,969,977</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>12/31/2004</b>	<b>9,431,994</b>
<b>PERIOD INCREASE (DECREASE)</b>		<b><u>\$ 1,537,983</u></b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable	\$ 30,262
Assessments Receivable	9,356,027
Prepaid Expenses, Deposits & Other Current Assets	2,067
(Decrease)/Increase in Liabilities: Accounts Payable	(7,493,734)
Accrued Payroll, Payroll Taxes & Other Current Liabilities	7,832
Transfer to/(from) Reserves	<u>(364,471)</u>
<b>PERIOD INCREASE (DECREASE)</b>	<b><u>\$ 1,537,983</u></b>

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Savings	Vineyard Bank	Local Agency Investment Funds	Totals
<b>SUMMARY OF FINANCIAL TRANSACTIONS:</b>							
Balances as of 12/31/2004	\$ 500	\$ 153,196	\$ -	\$ 9,641	\$ 401,440	\$ 8,867,217	\$ 9,431,994
Deposits	-	9,357,012	-	-	-	30,262	9,387,274
Transfers	-	(8,989,840)	39,840	-	-	8,950,000	-
Withdrawals/Checks	-	(7,809,445)	(39,840)	(6)	-	-	<u>(7,849,291)</u>
Balances as of 1/31/2005	<u>\$ 500</u>	<u>\$ (7,289,077)</u>	<u>\$ -</u>	<u>\$ 9,635</u>	<u>\$ 401,440</u>	<u>\$ 17,847,479</u>	<u>\$ 10,969,977</u>
<b>PERIOD INCREASE OR (DECREASE)</b>	<b><u>\$ -</u></b>	<b><u>\$ (7,442,273)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (6)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 8,980,262</u></b>	<b><u>\$ 1,537,983</u></b>

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
JANUARY 1 THROUGH JANUARY 31, 2005**

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
1/13/2005	Interest	L.A.I.F.	30,262				
1/6/2005	Deposit	L.A.I.F.	8,950,000				

**TOTAL INVESTMENT TRANSACTIONS**      \$    8,980,262      -

\* The earnings rate for L.A.I.F. is a daily variable rate; 2.00% was the effective yield rate at the Quarter ended December 31, 2004

**INVESTMENT STATUS  
January 31, 2005**

<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	\$ 17,847,479			
Time Certificates of Deposit	-			
<b>TOTAL INVESTMENTS</b>	<u><u>\$ 17,847,479</u></u>			

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 2004 through January 2005

	<u>Jul '04 - Jan 05</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4010 · Local Agency Subsidies	0.00	132,000.00	-132,000.00	0.0%
4110 · Admin Asmnts-Approp Pool	4,807,004.41	3,755,236.00	1,051,768.41	128.01%
4120 · Admin Asmnts-Non-Agri Pool	74,240.87	97,652.00	-23,411.13	76.03%
4700 · Non Operating Revenues	62,477.69	78,330.00	-15,852.31	79.76%
<b>Total Income</b>	<u>4,943,722.97</u>	<u>4,063,218.00</u>	<u>880,504.97</u>	<u>121.67%</u>
<b>Gross Profit</b>	4,943,722.97	4,063,218.00	880,504.97	121.67%
<b>Expense</b>				
6010 · Salary Costs	260,152.25	401,704.00	-141,551.75	64.76%
6020 · Office Building Expense	68,846.22	100,800.00	-31,953.78	68.3%
6030 · Office Supplies & Equip.	25,979.94	45,500.00	-19,520.06	57.1%
6040 · Postage & Printing Costs	48,967.99	67,100.00	-18,132.01	72.98%
6050 · Information Services	69,113.69	105,076.00	-35,962.31	65.78%
6060 · Contract Services	121,151.56	106,000.00	15,151.56	114.29%
6080 · Insurance	14,485.94	21,710.00	-7,224.06	66.73%
6110 · Dues and Subscriptions	652.73	16,600.00	-15,947.27	3.93%
6140 · Other WM Admin Expenses	1,331.90	2,500.00	-1,168.10	53.28%
6150 · Field Supplies	506.43	4,250.00	-3,743.57	11.92%
6170 · Travel & Transportation	10,989.52	24,650.00	-13,660.48	44.58%
6190 · Conferences & Seminars	8,006.14	16,000.00	-7,993.86	50.04%
6200 · Advisory Comm - WM Board	6,409.46	13,459.00	-7,049.54	47.62%
6300 · Watermaster Board Expenses	21,879.65	23,559.00	-1,679.35	92.87%
8300 · Appr PI-WM & Pool Admin	6,393.86	13,659.00	-7,265.14	46.81%
8400 · Agri Pool-WM & Pool Admin	9,749.35	16,417.00	-6,667.65	59.39%
8467 · Agri-Pool Legal Services	25,879.77	45,000.00	-19,120.23	57.51%
8470 · Ag Meeting Attend -Special	4,525.00	10,000.00	-5,475.00	45.25%
8500 · Non-Ag PI-WM & Pool Admin	1,749.97	6,077.00	-4,327.03	28.8%
6500 · Education Funds Use Expens	908.00	375.00	533.00	242.13%
9500 · Allocated G&A Expenditures	-161,971.79	-290,106.00	128,134.21	55.83%
<b>Subtotal G&amp;A Expenditures</b>	<u>545,707.58</u>	<u>750,330.00</u>	<u>-204,622.42</u>	<u>72.73%</u>
6900 · Optimum Basin Mgmt Plan	702,281.97	933,566.00	-231,284.03	75.23%
6950 · Mutual Agency Projects	34,181.43	80,004.00	-45,822.57	42.73%
9501 · G&A Expenses Allocated-OBMP	62,468.15	85,617.00	-23,148.85	72.96%
<b>Subtotal OBMP Expenses</b>	<u>798,931.55</u>	<u>1,099,187.00</u>	<u>-300,255.45</u>	<u>72.68%</u>
7101 · Production Monitoring	18,400.47	54,957.00	-36,556.53	33.48%
7102 · In-line Meter Installation	8,342.91	93,969.00	-85,626.09	8.88%
7103 · Grdwtr Quality Monitoring	74,553.89	148,792.00	-74,238.11	50.11%
7104 · Gdwtr Level Monitoring	44,992.90	135,072.00	-90,079.10	33.31%
7105 · Sur Wtr Qual Monitoring	126,606.09	282,220.00	-155,613.91	44.86%
7106 · Wtr Level Sensors Install	0.00	19,114.00	-19,114.00	0.0%
7107 · Ground Level Monitoring	173,711.14	433,720.00	-260,008.86	40.05%

CHINO BASIN WATERMASTER  
Profit & Loss Budget vs. Actual  
July 2004 through January 2005

	<u>Jul '04 - Jan 05</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7108 · Hydraulic Control Monitoring	169,775.93	437,987.00	-268,211.07	38.76%
7200 · PE2- Comp Recharge Pgm	297,644.00	413,177.00	-115,533.00	72.04%
7300 · PE3&5-Water Supply/Desalte	0.00	20,885.00	-20,885.00	0.0%
7400 · PE4- Mgmt Plan	73,493.06	795,099.00	-721,605.94	9.24%
7500 · PE6&7-CoopEfforts/SaltMgmt	15,987.39	251,343.00	-235,355.61	6.36%
7600 · PE8&9-StorageMgmt/Conj Use	34,740.46	140,400.00	-105,659.54	24.74%
7690 · Recharge Improvement Debt Pymt	274,169.00	274,169.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	28,302.00	-28,302.00	0.0%
9502 · G&A Expenses Allocated-Projects	99,503.62	204,488.00	-104,984.38	48.66%
	<u>1,411,920.86</u>	<u>3,733,694.00</u>	<u>-2,321,773.14</u>	<u>37.82%</u>
<b>Total Expense</b>	<u>2,756,559.99</u>	<u>5,583,211.00</u>	<u>-2,826,651.01</u>	<u>49.37%</u>
<b>Net Ordinary Income</b>	<u>2,187,162.98</u>	<u>-1,519,993.00</u>	<u>3,707,155.98</u>	<u>-143.89%</u>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
4231 · MZ1 Assigned Water Sales	0.00	600,000.00	-600,000.00	0.0%
4210 · Approp Pool-Replenishment	8,094,622.16	0.00	8,094,622.16	100.0%
4220 · Non-Ag Pool-Replenishment	2,485.40	0.00	2,485.40	100.0%
4230 · MZ1 Sup Wtr Assessment	1,625,000.25	1,579,500.00	45,500.25	102.88%
<b>Total Other Income</b>	<u>9,722,107.81</u>	<u>2,179,500.00</u>	<u>7,542,607.81</u>	<u>446.07%</u>
<b>Other Expense</b>				
5010 · Groundwater Replenishment	1,290,815.00	2,278,500.00	-987,685.00	56.65%
9999 · To/(From) Reserves	10,618,455.79	-1,618,993.00	12,237,448.79	-655.87%
<b>Total Other Expense</b>	<u>11,909,270.79</u>	<u>659,507.00</u>	<u>11,249,763.79</u>	<u>1,805.78%</u>
<b>Net Other Income</b>	<u>-2,187,162.98</u>	<u>1,519,993.00</u>	<u>-3,707,155.98</u>	<u>-143.89%</u>
<b>Net Income</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>



# **CHINO BASIN WATERMASTER**

## **I. CONSENT CALENDAR**

### **C. STATUS REPORT NO. 13**





# CHINO BASIN WATERMASTER

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** January 24, 2005

**TO:** Watermaster Board Members

**SUBJECT:** OBMP Implementation - Status Report No. 13

### SUMMARY

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

**RECOMMENDATION – STAFF RECOMMENDS:**

- APPROVAL OF STATUS REPORT No. 13,
- 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. With approval of the court, Watermaster will revert to reporting semi-annually with summary updates done quarterly, effective January, 2005.

### DISCUSSION

The reporting period for Status Report No. 13 is September 1, 2004 to December 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. 13

(Covering September 2004 through December 2004)



January 2005

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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 provide quarterly status reports 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 status report. An additional month (December 2004) was added to Status Report No. 13 so that the Watermaster reporting schedule aligns with traditional practice.*

*This Status Report Number 13 is filed pursuant to this revised schedule and reports on the period from September 1, 2004 to December 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 345 agricultural wells twice per year. In conjunction with the semiannual program, Watermaster staff manually measures water levels at about 107 key wells in the southern portion of the Basin and around the Chino I / II Desalter well fields once per month. Pressure transducers/data loggers are installed in 19 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. Watermaster staff will purchase and install about 15-18 additional pressure transducers/data loggers at HCMP wells that are currently being drilled. During fiscal year 2005/06, Watermaster staff will purchase and install about 20 additional pressure



transducers/data loggers at key wells and at selected wells in the northern portions of Chino Basin where highly-detailed groundwater level data are scarce.

## Groundwater-Quality Monitoring

**Prioritizing Wells to Serve Multiple Purposes.** The private wells chosen for the 2004-05 water quality monitoring program are located primarily between Interstate 60 and the Santa Ana River (SAR).

BACK-  
GROUND

## Water Quality Analyses

- 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 mineral 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.

**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 grid cell being 2000 square meters ( $m^2$ ).
- For each grid cell, the average TDS and  $NO_3$  values were calculated (using the last five years of available data).
- The water quality data of each individual well were 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 regional land development.
- Basin-wide TDS and  $NO_3$  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 continues 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).

THIS PERIOD

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

TO COME

With respect to the recharge of recycled water, Watermaster and IEUA are designing 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 downgradient of each recharge facility that receives recycled water. The construction schedule will be included in subsequent status reports.

### 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 December 2004, Watermaster counted about 482 active agricultural wells and equipped 349 of these wells with operating meters. The other 133 wells have or will become inactive within 18-24 months because of urban development in the south Chino area or have inoperable meters.

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, 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 is usually sampled three to five times each year. In fiscal year 2005-06 the sampling rate will increase substantially for basins that are scheduled to receive recycled water.

THIS  
PERIOD

Watermaster staff sampled the storm water captured on the following dates in the named basins:

- 10/22/04 - Montclair 1-4;
- 10/25/04 - Lower Day, Ely 1-3, San Sevaine, and Turner 1;
- 10/26/04 - DeClez, Banana, Wineville, San Sevaine 5;
- 10/28/04 - DeClez, Wineville, Turner 1, 8<sup>th</sup> Street;
- 10/29/04 - San Sevaine 5, Brooks, Grove; and
- 11/30/04 - Victoria and Grove.

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 SAR 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 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.

**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.

ON  
GOING

### Deep Aquifer-System Stress Test.

Controlled aquifer-system stress (pumping) tests in October 2003 and April 2004 provided piezometric response data that revealed a potential groundwater barrier within the sediments below about 300 ft-bgs, 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 fissure zone). Image-well analysis of pumping-test responses indicates that this barrier approximately coincides with the location of the historic zone of ground fissuring. This spatial coincidence suggests a cause-and-effect relationship between the barrier, the steep gradient of subsidence across the barrier as indicated by InSAR, ground level surveys and the ground fissuring.

BACK-  
GROUND

Starting on September 1, 2004, Watermaster began a controlled deep aquifer-system stress test. In summary, the test provided constant discharge from two wells owned by the City of Chino Hills (CH-15B and CH-19); while most other wells in the area remain off. These wells have similar perforated intervals from about 300-1,100 ft-bgs and primarily influence water levels in the deep portions of the aquifer system – deeper than about 300 ft-bgs. The pumping test ended on October 6, 2004 {Note: CH-1B was also planned to pump during the test, but high ph levels at this well precluded pumping}

THIS  
PERIOD

The primary objective of this test was to transition the deformation of aquifer-system sediments from elastic compression to inelastic compaction. It will provide "threshold" piezometric heads at the extensometer location that should not be approached in the future if permanent (inelastic) compaction within the aquifer-system is to be avoided. It defines a key parameter required for estimating the maximum elastic storage capacity of the confined aquifer system. When inelastic



compaction was clearly identified, through analysis of stress-strain diagrams (see discussion below), the pumping test ceased.

Other objectives of the stress test were to (1) estimate key aquifer-system parameters that could be used in later modeling efforts, (2) confirm and elucidate the existence of a groundwater barrier within the sediments below about 300 ft-bgs, and (3) provide data for a proposed injection test at CH-1B.

With regard to CH-15B, groundwater pumped from this well has relatively high concentrations of arsenic that do not permit pumping this well directly into Chino Hills' distribution system. Yet it was imperative that this well participate in the stress test in an attempt to transition the aquifer-system deformation to inelastic compaction. Watermaster and Chino Hills jointly funded the connection of CH-15B to the storm drain system through a "flush line" discharge pipe, which allowed the pumping of CH-15B during the test.

**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 was 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 have resulted from defects in the casing of PB-1 that allowed leakage directly into the gravel envelopes around the screened intervals of shallower piezometers. To the extent that this is true, repair of PB-1 could solve most of the problems.

BACK-  
GROUND

Rehabilitation of the PB piezometers was conducted during June/July 2004, using a "well-in-a-well" construction technique. This involved 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 in an attempt to communicate 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 was pumped down the annulus between the 2-inch casing and the inner pipe.

This technique was tested and refined by experimenting in PB-6, the shallowest of the deep piezometer cluster. Based on the results at PB-6, Watermaster attempted to rehabilitate PB-1 using similar methodologies.

Preliminary evaluation of piezometric data from all piezometers in PB indicates that the rehabilitation procedures were at least partially successful. In particular, PB-2 and PB-4 appear so far to be producing reasonable and accurate data. A comprehensive analysis of the rehabilitation results at PB will commence at the end of the current drawdown season October 2004. Further rehabilitation, if needed, will be recommended at the conclusion of the analysis, along with a detailed description of rehabilitation procedures.

THIS  
PERIOD

**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

BACK-  
GROUND



historical period (1992-2003) and on an on-going basis thereafter. The advantage of InSAR is that it provides a continuous representation of land surface deformation. These data are 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.

Vexcel Corporation of Boulder, Colorado – a company that specializes in remote sensing and radar technologies conducted a "proof of concept" study of historical synthetic aperture radar 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 (April to November 1993). The MZ-1 Technical Group deemed the study successful, and approved follow-up study by Vexcel to perform a comprehensive analysis of all historical synthetic aperture radar data (1992-2003) to characterize in detail the time history of subsidence in MZ-1.

THIS  
PERIOD

Vexcel submitted a cost estimate of \$200,000 to complete the comprehensive analysis of all historical synthetic aperture radar data (1992-2003) to characterize in detail the time history of subsidence in MZ-1. Watermaster budgeted the above amount for InSAR analysis in its fiscal year 2004/05 budget. A contract was executed between Watermaster and Vexcel to complete the work by the first quarter of calendar 2005. Part of the contract includes the presentation of the analysis results by Vexcel staff to the MZ-1 Technical Committee in March 2005.

BACK-  
GROUND

**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.

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.



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. The results of the ground level surveys to date were presented to the MZ-1 Technical Committee at its July 21, 2004 meeting. Also at this meeting, the project manager from AE made a presentation to describe survey methodologies, accuracy, results, and challenges, as well as answered questions.

The vertical displacement at monuments that occurred from April 2003 to April 2004 was presented. Comparing monument elevations over the April to April time period should reveal the inelastic component of compaction, if any, that may be occurring in the region. The assumption here is that in April 2004 water levels in the region have recovered to the April 2003 levels, thus the measured vertical displacement does not include the elastic component of the aquifer system deformation. Water levels measured as part of the IMP (in the vicinity of Ayala Park) support this assumption. The monuments near Ayala Park showed little to no subsidence over this time period. However, the monuments located in the northern portions of the surveyed area consistently showed subsidence of the land surface (on average about 0.04 feet). Maximum subsidence of about 0.08 feet was recorded at monuments located along Philadelphia Street between Pipeline and Ramona Avenues. Water level data have not yet been collected or analyzed as part of the IMP in these northern portions of the survey area that seemingly are experiencing inelastic subsidence.

The subsidence that occurred in the area over the October 1993 to December 1995 period was measured by InSAR. The subsidence indicated by InSAR data has been interpreted as primarily permanent subsidence caused by inelastic aquifer system compaction. If so, the survey data are indicating that the distribution of inelastic compaction in 2003-04 is significantly different compared to that of the early 1990's. In particular, maximum subsidence of about 1 foot in 1993-95 was measured in the vicinity of Ayala Park by InSAR, whereas in 2003-04 the survey data are indicating minimal subsidence, if any, in this same area.

The horizontal displacements at monuments of the Ayala Park Array that occurred from April 2003 to November 2003 and November 2003 to April 2004, respectively were determined through distance measurements between adjacent monuments, and are based on the assumption that the southeastern monument was stable over the period of measurement. The measurements indicate the elastic nature of the land surface displacement over the course of the pumping and recovery seasons, as well as the apparent presence of a groundwater barrier within the deep aquifer system.

Groundwater production and water level data show that pumping of wells perforated within the deep aquifer system (>300 ft-bgs) causes water level drawdowns in the deep aquifer system on the order of 150 feet. However, these large drawdowns do not propagate east of the fissure zone. During the pumping season of 2003 (April to November) vertical displacement of the land surface (*i.e.* subsidence) was generally greater on the west side of the fissure zone where water level drawdown was greatest. During the recovery season of 2003-04 (November to April) vertical displacement of the land surface (*i.e.* rebound) was again greater on the west side of the fissure zone where water level recovery was greatest.

In other words, the groundwater barrier in the deep aquifer system aligned with the fissure zone causes greater water level fluctuations on the west side of the barrier where the pumping is concentrated. These greater water level fluctuations on the west of the barrier, in turn cause



greater deformation of the aquifer-system matrix which, in turn, causes greater vertical land surface deformation on the west side of the barrier. The InSAR data corroborate the existence of the groundwater barrier by showing maximum subsidence west of the barrier (0.2ft) and virtually no subsidence east of the barrier during the course of one pumping season (April-1993 to September 1993).

In addition, the pattern of horizontal displacement of benchmarks over the pumping and recovery seasons, likely reflects, in part, the differential compaction of the aquifer system across the fissure zone. The horizontal movements of benchmarks in the vicinity of the fissure zone merit further monitoring using the same surveying methods for at least one additional year. The next survey of the Ayala Park array of monuments is planned for April 2005.

**Aquifer-System Modeling.** The objectives of aquifer-system modeling in MZ-1 are:

- To evaluate fluid withdrawal as the mechanism of historical land subsidence (forensic tool)
- To predict the effects of potential basin management practices on groundwater levels and land subsidence (forecasting tool)

BACK-  
GROUND

In other words, if a model can be constructed that simulates past drawdown and associated land subsidence, then the model represents an additional line of evidence that fluid withdrawal was the mechanism of historical and land subsidence. In addition, the model can be used to predict future drawdown and associated land subsidence that would result from potential basin management practices.

Three distinct modeling efforts will take place in sequence:

1. Inverse analytical modeling. This type of modeling will use groundwater level and production data collected as part of the aquifer-system stress testing (pumping tests) that were conducted in 2003 and 2004. The objectives are to determine the hydraulic and mechanical parameters of the aquifer-system and reveal XY-anisotropy. The results will be used in subsequent numerical modeling efforts.
2. One-dimensional compaction modeling. This type of modeling will use groundwater level and aquifer-system deformation data collected at the Ayala Park Extensometer facility. The objective is to determine the aquitard properties in the vicinity of Ayala Park. Areal extrapolation of aquitard properties will be based on geology and InSAR data, and the results will be used in the three-dimensional numerical modeling efforts (below).
3. Three-dimensional groundwater flow and subsidence modeling. This type of modeling will use groundwater level and production data at all wells in the area, and historical land subsidence data from ground level surveys and InSAR. Again, this model will serve as a forensic and forecasting tool for MZ-1.

TO  
COME



**Development of Long-Term Management Plan.** The objective of the long-term management plan is to minimize or abate permanent land subsidence and ground fissuring in MZ-1. The modeling efforts described above will be key to the development and evaluation of this plan.

The OBMP implementation plan called for the development of the long-term management plan for MZ-1 by June 2005. Because the modeling efforts will not be completed by June 2005, the long-term management plan will not be completed by June 2005. The Special Referee has been notified, and has indicated that the IMP progress and current activities are sufficient to warrant a delay in the development of the long-term management plan for MZ-1. A workshop will be scheduled for the second quarter of 2005 to update the Special Referee on IMP progress.

**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. These items were received and installed; 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)**

COMPLETED

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 Basins, and 8<sup>th</sup> Street Basins. This package was awarded to Banshee Construction with work



beginning on July 16, 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. All the work on this bid package was accepted on August 18, 2004.

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

THIS PERIOD 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 has completed 99% of the work, rendering the project "substantially complete" on November 30, 2004.

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

THIS PERIOD 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 has completed 85% of the work, with "substantial completion" estimated by February 1, 2005.

**Bid Package No. 5 – SCADA System**

THIS PERIOD This bid package includes the SCADA system and electrical improvements at all the basins. The 100 % design was submitted, reviewed, and sent out for bid in January 2004. The package was awarded to Denboer Engineering with construction beginning in March 2004. The contractor is now 90% complete, with substantial completion in February 2005

**Bid Package No. 6 – MWD Turnouts**

THIS PERIOD This bid package covers the construction of three new MWD turnouts: CB-11TB and CB-15T on the Rialto Pipeline, and CB-18T on the Etiwanda Intertie near San Sevaine Channel. This package was awarded to Griffith Construction with work beginning on February 4, 2004. The contractor is now 95% completion, with substantial completion in January 2005.

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

THIS PERIOD This bid package will complete miscellaneous projects not included in the previous bid packages. Among the projects included in this bid package are:

- Habitat Mitigation Area at RP-3
- Upland Basin Improvements
- Victoria Basin Improvements
- Hickory Rubber Dam, Pump Station and Force Main
- Grove Basin SCADA Improvements



This package was bid and awarded to Brutoco Engineering & Construction on July 21, 2004. The construction was estimated to take five months, but rain delays have extended the project 60 days. The package should be "substantially complete" in February 2005.

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 FY2004-05 budget provides \$413,000 for current operation and maintenance activities.

In addition to design review, the GRCC has prepared draft operations procedures for all the recharge basins, as well as obtained regulatory agency approvals and permits.

Watermaster has been performing "demonstration" recharge of imported and storm water in the basins as they are completed. These demonstration project have been valuable in pointing out shortcomings in the design and construction of the recharge facilities. During this quarter, Watermaster captured 4,600 AF of "new yield" stormwater in the completed basins.

### 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 to pump water because of impaired water quality. The ability to balance 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

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.

BACK-  
GROUND





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 March 2005. Watermaster staff reviewed the proposed well construction for the new wells for Desalter II and determined that the location and construction were consistent with the OBMP Implementation Plan

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 completed), a Chino Hills pump station and product water pipeline (construction 70% completed), and a volatile organic compound (VOC) treatment system (construction 55% completed) 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 (seven under construction, two wells completed), three raw water pipeline packages (one in early construction, two in design), two product water pipelines (one completed construction, one completed design), and site improvements (construction 55% completed)

All the projects underway to expand the Chino I/II Desalters should be completed by March 2005. Application has been made for Prop. 50 funds (\$1,600,000) to add 8 mgd of ion exchange capacity to the Chino II Desalter.

**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 – December 8, 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). The meeting focused on the pumping test results, the Associated Engineers (AE) semi annual survey of the Ayala Park Array of benchmarks, the progress on the Vexcel InSAR studies, and the analysis of piezometric and extensometer data.

**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 November 2004, the City of Chino submitted documentation of pumping reductions of 482.5 acre-feet toward its forbearance goal of 1,500 acre-feet for 2004/2005. The City of Chino Hills submitted documentation of forbearance of 500 acre-feet through December 2004.



Agency	Forbearance through December 2004	Forbearance Goal 2004/2005
City Of Chino	482.5 acre-feet	1,500 acre-feet
City Of Chino Hills	500.0 acre-feet	1,500 acre-feet

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**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 September, 2005.

**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 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).
- Watermaster staff assisted the RWQCB with research, monitoring, and the crafting of investigative, and cleanup and abatement orders for potential dischargers involved with the OIA.
- 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 staffing issues at the RWQCB.

### Water Quality Committee

Watermaster staff and consultants continue to update our understanding of the contaminants of concern in the various plumes, and the extent of their migration and remediation. 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 relationship of potential sources of perchlorate with down gradient 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 five 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 the RWQCB. Tetra Tech, a consulting engineering firm performing quarterly groundwater monitoring of the VOC plume immediately southwest of the airport property in turn obtained these data from the RWQCB to assist in their efforts to model plume movement.

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 sources of the VOC plume. Tetra Tech is currently negotiating to install five additional groundwater monitoring wells, and to perform additional soil gas surveys, in order to locate the VOC sources. Watermaster's water level and water quality monitoring programs over the last several years have resulted in a robust database that is being used by Watermaster and other stakeholders in the basin to help answer these kinds of questions.

With respect to perchlorate in MZ-3, a number of wells in the Fontana area of Chino Basin have been impacted and shut down because of relatively low levels of perchlorate (but above the State Action Level of 6 µg/l). Some parties in the basin believe that significant perchlorate sources near the Mid-Valley Landfill (Goodrich, Aerojet, Quickset, Emhart Industries, Denova Environmental, Pyro Spectacular, Rialto Ammunition Storage Point, et al.) in the Rialto-Colton basin may also be sources of perchlorate in Chino Basin. The proposed transport pathway is leakage across the Rialto-Colton Fault. Members of the WQC proposed that Watermaster perform a hydrogeologic investigation of that area to better understand cross basin transport. The investigation may be prohibitively expensive, given the complexity of the fault system and aquifer heterogeneity.

In a related study, the RWQCB has done an extensive historical perchlorate usage literature review and has produced a sizable volume of circumstantial evidence that large quantities of Chilean fertilizer may have been used for citrus in the Fontana area.

Neil Sturchio, Professor and Head of the Earth and Environmental Sciences at the University of Illinois at Chicago, has developed a technique for using stable isotope ratios of oxygen and chloride to distinguish the origin of perchlorate (man-made or Chilean fertilizer). Natural perchlorate carries a unique <sup>18</sup>O and <sup>37</sup>Cl signature – very robust parameters that can be used to distinguish between man-made and natural sources of perchlorate. Professor Sturchio has

BACK-  
GROUND

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tested several samples of leachate from fertilizer nitrogen (from the Atacama Desert in Chile) and rocket fuel sources. One of the innovations that Professor Sturchio has developed is the use of a flow-through column with an bifunctional anion-exchange resin. This is required to concentrate the typically low levels of perchlorate in groundwater so that the perchlorate can be analyzed isotopically.

Watermaster intends to utilize this isotopic perchlorate analysis to determine if source of the perchlorate in groundwater MZ-3 is anthropogenic or from Chilean fertilizer.

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

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GROUND

Watermaster staff worked with the Total Dissolved Solids (TDS)/ Nitrogen (N) Task Force to revise the sub-basin 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. The TDS/N Task Force and the RWQCB incorporated Watermaster recommendations in the TDS/N Basin Plan Amendment dated November 21, 2003.

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 measure the progress of CBWM and IEUA in achieving the "maximum benefit" goal for TDS/N in the Chino and Cucamonga Basins. The Basin Plan amendment was reviewed and approved by the State Water Resources Control Board (SWRCB) on September 8, 2004. It is currently under review by the Office of Administrative Law (OAL) and U.S. Environmental Protection Agency (USEPA).

BACK-  
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**Cooperative Effort to Determine State of Hydraulic Control.** One remaining 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.

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, IEUA, OCWD, and the Regional Board 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 land conversion from agricultural to urban uses. These new wells will 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 are being installed during fiscal year 2004/05.

Funding for the construction of the nine monitoring wells will come from Watermaster, IEUA, and other sources. These other sources include \$250,000 from the Local Groundwater Assistance Fund, sponsored by the California Department of Water Resources (DWR) and about \$400,000 from the U.S. Bureau of Reclamation (USBR). The DWR funding will support the construction of two of the nine piezometric monitoring wells; the USBR funding will support construction of three of the nine piezometric monitoring wells.

THIS  
PERIOD

The following tasks were performed during September-December 2004 for the nine HCMP wells:

- Completed site acquisition efforts
- IEUA and USBR awarded separate contracts to drilling contractor
- Completed drilling, installation, and development on MW-2/-5/-8/-9

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The following tasks are projected to be performed during January-March 2005 for the 9 HCMP wells:

- Complete drilling, installation, and development on MW-1/-3/-4/-6/-7
- Complete well heads on all wells (in coordination with property owners who are currently developing the land)
- Equip wells with water level transducers

### Salt Budget Tool To Establish TDS Objectives

COMPLETED

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 eight 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
• Jurupa Community Services District (JCSD)	• City of Upland

**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.

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**Design of PDR Facilities.** While some of the designs for the facilities outlined in the PDR are underway (Upland IX design completed, MVWD ASR well design completed, Pomona JCSD Teagarden IX expansion design underway); others such as the IX designs for Chino, Chino Hills, Ontario, and CVWD have yet to be started. These later designs should be completed in 2006.

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-  
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**Groundwater Modeling.** The 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.

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**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. A draft report documenting the modeling effort and related investigations will be submitted to Watermaster during the next reporting period.

### CONCLUSION

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PERIOD

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

- Construction on Bid Packages 3 is substantially complete, but construction on Bid Packages 4-7 are delayed approximately 60 days by winter rains. Demonstration projects for recharge in College Heights, Montclair, Brooks, Turner and Lower Day 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. Field sampling and laboratory analyses used in FY 2003/04 have transitioned to the new monitoring program for FY 2004/2005.
- Construction of nine new HCMP monitoring wells has begun.
- Data from the Ayala Park Extensometer indicated that deformation within the aquifer system sediments has been primarily elastic compression and expansion during the 2004 pumping season. A pumping test in October 2004 is being evaluated to determine the limits of pumping the deep aquifer to provide elastic compression and expansion.
- Cleanup and Abatement Order (CAO) were prepared for five industrial firms which appear to have discharged relative organic compounds from their activities at Ontario Airport. These orders are being completed by the RWQCB.





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

- A. Consider Mitigation of  
Temporary Loss of  
Hydraulic Control



# CHINO BASIN WATERMASTER

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**KENNETH R. MANNING**  
Chief Executive Officer

**DATE:** March 10, 2005  
March 24, 2005

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** Chino Basin Watermaster and Inland Empire Utilities Agency proposal for mitigation of temporary loss of hydraulic control

## SUMMARY

**Issue** – In December 2002, Watermaster and Inland Empire Utilities Agency (IEUA) submitted a proposal to the Regional Water Quality Control Board requesting TDS and Nitrogen objectives be established using the maximum benefit concept. The Regional Board accepted this proposal, with slight modification and incorporated it into the 2004 Basin Plan amendment. One condition of the maximum benefit-based objective is that Watermaster and IEUA must submit a mitigation plan for temporary loss of hydraulic control. The proposed mitigation plan for temporary loss of hydraulic control is attached to this staff letter. There may be new costs to the Watermaster and IEUA to mitigate temporary loss of hydraulic control. These costs are more than offset by maintaining hydraulic control.

**Recommendation** – Watermaster approve the mitigation plan for temporary loss of hydraulic control.

## BACKGROUND

The Regional Board adopted order number R8-2004-0001 in 2004. This order amended the Water Quality Management Plan for the Santa Ana Watershed (Basin Plan) for TDS and nitrogen. Watermaster and IEUA proposed that the TDS and nitrogen objectives for the Chino Basin be established based on maximum benefit concepts (WC S13241). The Regional Board incorporated the Watermaster and IEUA proposal into the Basin Plan amendment because of the establishment and successful implementation of the OBMP.

One of the requirements of the maximum benefit objectives is that Watermaster and IEUA maintain hydraulic control of the Chino North Management Zone. In the Basin Plan, the Chino North Management Zone is the aggregate of OBMP management zones 1, 2 and 3, less the area in the Prado reservoir (area with elevation below 566 feet-msl). The groundwater pumping and recharge plans being implemented by Watermaster, IEUA and the parties to the Judgment are the means to maintain hydraulic control. Watermaster and IEUA have developed a detailed Hydraulic Control Monitoring Program (HCMP) that monitors and assesses the state of hydraulic control for the Chino North Management Zone.

## DISCUSSION

Temporary loss of hydraulic control, if it occurs, would likely be due to either temporary outage of the desalter facilities or from extremely wet years such as 2004/05. Watermaster and IEUA would detect the temporary loss of hydraulic control after it occurs and in some cases after hydraulic control is re-established. The proposed mitigation for a temporary loss of hydraulic control will depend on the following circumstances:

- **Circumstance 1.** If a temporary loss of hydraulic control occurred during the prior year, without impairment of downstream beneficial use, and the OBMP facilities and operations have resulted in a net TDS and nitrogen reduction in the Chino Basin, then no mitigation will be required.
- **Circumstance 2.** If a temporary loss of hydraulic control occurred during the prior year with impairment of downstream beneficial use, then recycled water recharge will cease until either hydraulic control can be demonstrated or Circumstance 1 is established.

Under Circumstance 1 there will be no cost to Watermaster or IEUA. Under Circumstance 2, Watermaster's cost for replenishment will increase as State Project Water will replace the recycled water being used for replenishment; and IEUA will lose income from recycled water sales. The cost associated with Circumstance 2 will be far less than the benefit of recharging recycled water during the majority of the time when hydraulic control is occurring.



## CHINO BASIN WATERMASTER

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Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

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**KENNETH R. MANNING**  
Chief Executive Officer

March 3, 2005

Mr. Gerard Thibeault  
Executive Officer  
Regional Water Quality Control Board  
3737 Main Street, Suite 500  
Riverside, CA 92501-3339

Subject: Chino Basin Watermaster and Inland Empire Utilities Agency proposal for mitigation of temporary loss of hydraulic control.

Dear Mr. Thibeault:

The Chino Basin Watermaster (Watermaster) and the Inland Empire Utilities Agency (IEUA) hereby submit this proposal to the Regional Board for mitigation of temporary loss of hydraulic control pursuant to the 2004 Basin Plan Amendment. Our proposal is as follows.

### **Monitoring**

Watermaster and IEUA will conduct monitoring as described in the Hydraulic Control Monitoring Plan (HCMP) (*Final Hydraulic Control Monitoring Program Work Plan, Optimum Basin Management Program*, WEI, May 2004) and per the formal monitoring plan that was submitted to the Regional Board in early 2004 pursuant to the 2004 Basin Plan amendment. Quarterly reports summarizing the data from the monitoring program will be sent to the Regional Board starting in April this year. An annual report will be sent to the Regional Board each February starting next year. Watermaster and IEUA initiated this monitoring program in 2003 prior to submitting the monitoring plan to the Regional Board.

Watermaster and IEUA will prepare tables that show the TDS and nitrogen budget for the Optimum Basin Management Program (OBMP) facilities and operations that will show, by quarter and cumulatively, the TDS and nitrogen debits and credits attributed to the OBMP: recharge of storm, recycled and State Project Water; and TDS and nitrogen removed by the OBMP desalter facilities. These calculations will be shown in each quarterly monitoring report and the annual report.

### **Annual Assessment of Hydraulic Control**

Watermaster and IEUA will review the monitoring data and prepare a hydraulic control assessment for the Regional Board using the procedures described in *Exhibit A Assessment of Hydraulic Control* (attached). The procedures described in Exhibit A were developed by Wildermuth Environmental, Inc. during the development of the HCMP work plan in which staff

from the Regional Board participated. Any temporary loss of hydraulic control that occurred during the year will be identified and the means to improve OBMP operations will be identified and incorporated into subsequent operations.

**Mitigation for Temporary Loss of Hydraulic Control**

The mitigation for a temporary loss of hydraulic control will depend on the following circumstances.

**Circumstance 1.** If a temporary loss of hydraulic control occurred during the prior year, without impairment of downstream beneficial use, and the OBMP facilities and operations have resulted in a net TDS and nitrogen reduction in the Chino Basin, then no mitigation will be required.

**Circumstance 2.** If a temporary loss of hydraulic control occurred during the prior year with impairment of downstream beneficial use, then recycled water recharge will cease until either hydraulic control can be demonstrated or Circumstance 1 is established.

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Watermaster and IEUA believe that this proposal is consistent with the 2004 Basin Plan amendment, will promote maximum beneficial use of the waters of the State, and protect downstream beneficial uses. Please call either Richard Atwater or me if you have any questions regarding our proposal.

Sincerely,

**CHINO BASIN WATERMASTER**

Kenneth R. Manning  
Chief Executive Officer

Encl.

EXHIBIT A  
ASSESSMENT OF HYDRAULIC CONTROL

**METRICS TO DETERMINE STATE OF HYDRAULIC CONTROL**

HCMP TERMINOLOGY, METRICS, AND TRIGGERS ARE DEFINED BELOW.

Term	Definition as Applied in HCMP
Key Well	A key well is one of a number of wells within Chino Basin's monitoring network. Key wells will be selected to provide areal and vertical coverage to characterize groundwater heads and groundwater quality to a degree that satisfies all members of the HCMP.
Hydraulic Control	Hydraulic control, for the purposes of this study, is condition where groundwater originating in the northern part of Chino Basin is intercepted before discharging to the Santa Ana River.
Metric	A metric is the method whereby the effectiveness or performance of the system (hydraulic control) is measured or quantified.
Trigger	A trigger is a combination of performance metrics that have not been met – over a specific time span – that would trigger an action to correct the situation.

The following metrics will be used for determining whether hydraulic control exists in Chino Basin:

1. **Water Chemistry.** As discussed in HCMO Work Plan (WEI 2004), general water chemistry will be analyzed to determine if a significant difference in water character exists between groundwater migrating from Chino North and surface water in the Santa Ana River. If a significant difference exists, it may be possible to determine if there is rising water or recharge from the Santa Ana River. The quantifiable metric for this water chemistry cannot be developed until the data are analyzed.
2. **VOC Plume Migration.** As discussed in Section 3 of the HCMP Work Plan, there is a significant VOC plume upgradient of the Chino 1 Desalter wellfield. Concentrations near the wellfield are less than 5 µg/L. VOCs will be monitored in the newly installed multi piezometric monitoring wells. The metric is VOC concentrations exceeding 5 µg/L for 4 consecutive quarters in the newly installed downgradient monitoring well.
3. **Hydrology.** Groundwater modeling, in conjunction with analyses of piezometric levels and hydrologic balance, will be used to determine if the basin is in hydraulic control. As discussed in the HCMP Work Plan, an estimate of hydrologic balance of surface waters will be accomplished by conducting sampling events at a regular frequency at key location on the Santa Ana River, its tributaries, points of non-tributary discharge and at wells in the lower Basin. Piezometric level measurements will be used to construct detailed groundwater elevation maps in the area near the Desalter well fields. Where possible, static levels will be used to construct the piezometric contour maps. The hydrology metric would be to demonstrate a reverse gradient south of the desalter well fields. This demonstration would be accomplished through groundwater flow modeling, groundwater contour maps, and by showing that the water level in the downgradient piezometer is greater than the water level in the piezometer installed in the desalter well field. The groundwater model would be updated every two years.
4. **Impairment of Water Quality at the Below Prado USGS Station.** The HCMP Work Plan show time histories of measured TDS and TIN at Below Prado from 1950 to the present. Included on the figures are 5-year moving average trend lines. TDS concentrations have been trending toward lower concentrations since about 1986 and TIN has been decreasing since about 1993. The At Below Prado metric would be an increase in the 5-year moving average sustained over a 3-year period.

The At Below Prado metric is perhaps the most important one, because one of the primary objectives of Hydraulic Control is to ensure that water moving from the Upper to Lower Santa Ana Watershed does not decrease in quality due to management activities in Chino Basin or that the decrease in quality is *de minimus*. However in developing the following conditions, one must keep in mind that water quality at Below Prado is also influenced by other discharges and flow from other basins, especially Temescal Basin.

- **Condition 1.** Water quality trends at Below Prado continue to improve or are flat. No action would be required of CBWM or IEUA, even if other metrics do not show hydraulic control.
- **Condition 2.** Water quality at Below Prado trends toward poorer water quality. Two or more of the other three metrics indicate that hydraulic control is occurring. Hydraulic control is occurring. No action would be required of CBWM or IEUA. RWQCB may require further monitoring or studies in Temescal basin.
- **Condition 3.** Water quality at Below Prado trends toward poorer water quality. One or none of the other three metrics indicates that hydraulic control is occurring. CBWM and IEUA must implement mitigation measures.

### **Water Chemistry Monitoring and Assessment**

The purpose of monitoring water chemistry in surface and groundwater is to determine if groundwater from the Chino Basin is discharging as rising groundwater to the Santa Ana River. The general water chemistry of Chino Basin groundwater is different from the Santa Ana River. Native groundwater in the Chino Basin typically has a calcium-bicarbonate water character, while the Santa Ana River reflects the influence of tertiary wastewater in the baseflow of the river and has more sodium-chloride-sulfate character. The dry-weather discharge of the Santa Ana River in the Basin consists of rising groundwater from the Riverside Basin, recycled water discharged by publicly-owned treatment works (POTWs), and rising groundwater from either the Temescal or Chino Basins. From time to time, other waters are discharged to the Santa Ana River, including Arlington Desalter water, SWP water, and groundwater pumped from the San Bernardino area.

These discharges will be identified and their chemistries will be characterized using Piper diagrams and a modification of the Piper method for time histories known as Water Character Index (WCI). WCI is a parameter that can be used to generally characterize water in terms of ratios of major cations and anions. WCI is a unitless parameter that provides a numerical estimation of water character. WCI is used to assess the ionic distribution of constituents in a water sample. WCI is analogous to a trilinear or Piper diagram, which is a graphical means of displaying the ratios of the principal ionic constituents in water (Piper, 1944; Watson and Burnett, 1995). The utility of the WCI method, compared with a Stiff or Piper/trilinear diagram, is that many data points can be plotted as time histories for a given well or surface water station. The points can also be plotted to show areal and spatial distributions of water character.

In addition to general water chemistry, Watermaster's database of groundwater quality in the southern Chino Basin area will be queried to see if there are other naturally occurring or introduced constituents that can potentially be used as a tracer to determine if Basin groundwater is discharging to the Santa Ana River.

### **Hydrologic Balance Assessment**

An estimate of hydrologic balance of surface waters would be accomplished by conducting sampling events at a regular frequency at key location on the Santa Ana River, its tributaries, points of non-tributary discharge and at wells in the lower Basin. Review of Santa Ana River Watermaster reports show that baseflow increases in the Santa Ana River at Prado Dam by about 80 cubic feet per second (cfs) during the winter. Recycled water and other non-tributary discharges to the River cannot account for this change in flow. The increase in baseflow discharge could be caused by a decrease in evapotranspiration of groundwater by riparian vegetation in Prado Reservoir and near the river, an increase in rising groundwater due to reduced pumping by Chino and Temescal Basin producers, or both. An assessment of evapotranspiration will be conducted to determine whether seasonal baseflow changes at Prado can be accounted for by evapotranspiration (see the HCMP Work Plan).

### **Piezometric Levels Assessment**

A monitoring program will be conducted to measure piezometric levels in existing private wells and desalter wells in the southern portion of the Chino Basin. This program consists of collecting piezometric data at existing and the nine new nested piezometers constructed for the HCMP, evaluation of hydrogeology in the area of concern, potential construction of new nested piezometers, and monitoring and analysis of piezometric data. Piezometric levels will be measured and referenced to an elevation obtained by survey or GPS to an accuracy of plus or minus 0.01 feet. Perforated interval information for wells without construction logs will be determined from video logging. Piezometric levels from these wells will be collected on a frequent (hourly to monthly) basis.

These piezometric level measurements will be used to construct detailed groundwater elevation maps in the area near the desalter well fields. The status of the well (pumping, recovering, or static) will be noted by the field staff and will be corroborated by plotting piezometric level time histories for each well. Where possible, static levels will be used to construct the piezometric contour maps. As with water chemistry, wells with significantly different piezometric values are often found in close proximity to each other, suggesting that there may be vertical stratification of aquifer zones. If warranted, additional nested piezometers may be constructed to augment data collected from the existing private wells in the vicinity of the desalter well fields.

The new piezometers would be used to better characterize the hydrogeology in this area, including the hydrostratigraphy, the vertical and horizontal piezometric distribution, and the groundwater quality. Subsequent monitoring at these wells and other nearby wells, along with groundwater modeling efforts, will determine if hydraulic control is occurring in the vicinity of the desalter well field, or will determine how desalter well field production should be changed to ensure hydraulic control.

### **Groundwater Modeling**

Modeling is the last of the four elements of hydraulic control monitoring and assessment. Watermaster developed and periodically updates a three-dimensional model of the Chino Basin based on MODFLOW 2000. The model is dynamically linked to the Santa Ana River and major tributaries. The model is used to simulate the piezometric level and groundwater flow responses to groundwater management programs such as: conjunctive use, new supplemental water recharge, new stormwater recharge, new desalter well fields, assess hydraulic control, and assess subsidence potential in the western portion of the basin. All of these management programs have an influence on the state of hydraulic control. In addition to the flow model, Watermaster uses MODPATH and MT3D to simulate the transport of contaminant plumes and how the transport of plumes is changed as a result of the various management activities of the Watermaster and others.

As mentioned above, hydraulic control is desirable to maximize the yield of the Chino Basin and to protect the Santa Ana River. Watermaster intends to use the results of the water chemistry, hydrologic, and piezometric elements to continuously refine the conceptual model that underlies the numerical model and, subsequently, to refine the numerical model. After the new nested piezometers have been constructed and some monitoring has occurred, the flow model will be revised to incorporate the lithologic, piezometric, and aquifer property information derived from the new nested piezometers.



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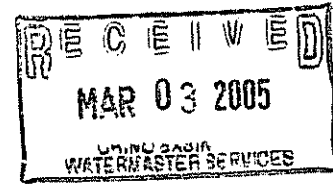
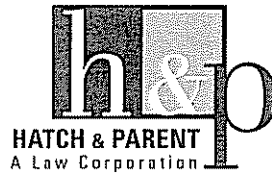
# CHINO BASIN WATERMASTER

## III. REPORTS/UPDATES

### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

3. Senator Kuehl's Water Bill

February 28, 2005



## Senate Bill 820 Dramatic Changes Proposed for California Water Law

On February 23, 2005, Senator Sheila Kuehl, Chair of the powerful Senate Natural Resources and Water Committee, unveiled SB 820, a bill that provides for sweeping changes in California water law affecting both urban and agricultural water users. Appropriately, the bill has been coined the “Mega Water Bill.”<sup>1</sup> This note highlights key provisions of the bill and possible impacts and outcomes associated with it.

The stated objectives of the bill are: (1) to strengthen water conservation policy; (2) to reduce uncertainty about the use and abundance of the state’s water resources; and (3) to increase the integrity and integration of water resource planning and management. The bill includes three broad approaches to achieve these objectives:

- Mandatory water conservation;
- Mandatory reporting of water use; and
- Expanded water resources planning requirements.

### MANDATORY WATER CONSERVATION

The California Constitution prohibits the unreasonable and wasteful use of water. Under existing law, the burden of proof on a waste claim falls on the party alleging waste. SB 820 would reverse that burden by establishing a “rebuttable presumption” of waste “whenever any person fails to implement cost-effective water conservation practices.”

Conservation is deemed to be “cost-effective” if the monetary benefits of conservation exceed the monetary costs of conservation. Benefits include the cost of avoided water supply, energy savings, labor savings and “any other avoided costs or savings.” “Water conservation” may be achieved by reducing currently irrecoverable water losses, or by reducing diversions or extractions while maintaining the current “social and economic benefits” of the current uses of water. If enacted, the provision would become operative on January 1, 2011.

The bill in its current form will likely result in increased litigation because a party need only make a claim that water is being wasted for the presumption of waste to apply; the burden of defending the litigation will then shift to the water rights holder.

### MANDATORY REPORTING OF WATER USE

#### Groundwater Use

Overcoming past initiatives,<sup>2</sup> groundwater use in California remains largely unregulated; only specified groundwater producers experiencing severe overdraft in certain Southern California counties have been required to report annual groundwater extraction. SB 820 takes a dramatic

step toward the regulation of all groundwater use in the state by requiring all groundwater users who extract more than 25 acre-feet of water per year to report annual extractions to the State Water Resources Control Board (SWRCB) or to a designated depository agency beginning in 2006. The bill also provides penalties for failure to file the required reports, including potential forfeiture of water rights and loss of eligibility to receive state grant funds.

Presently, many of the state's groundwater basins have no monitoring capabilities in place. The bill provides no funding for groundwater monitoring systems and is unclear whether metering to substantiate reported groundwater use will be required.

### **Surface Water Use**

SB 820 also enhances reporting requirements for surface water use. Current law requires all surface water appropriators to make periodic reports of their water use to the SWRCB, but no penalty is associated with the failure to report, and the reports themselves are purely informational. Under SB 820, failure to file annual water use reports will be deemed to constitute non-use for the years not reported and will result in civil penalties and loss of eligibility to receive state grant funds.

### **EXPANDED WATER RESOURCES PLANNING REQUIREMENTS**

Following the direction of her SB 221, Senator Kuehl also proposes to expand the requirements in current law related to the preparation of Urban Water Management Plans (UWMPs) and Groundwater Management Plans (GWMPs). SB 820 also reinstates and greatly expands the scope of the law relating to Agricultural Water Management Plans (AWMPs).

### **Urban Water Management Plans**

SB 820 would make the preparation and adoption of UWMPs subject to the California Environmental Quality Act (CEQA). The bill will also make permanent and expand the scope of the requirement that a UWMP be filed with the Department of Water Resources (DWR) as a condition of receiving state grant funds from DWR, the SWRCB or the California Bay-Delta Authority. Under current law, this requirement will sunset on December 31, 2005, and is limited to only a few grant programs.

The bill would require energy demands and costs to be considered in UWMPs when evaluating alternative strategies and water conservation measures, including coordination with local electric and gas utilities. The bill also calls for expanded distribution of UWMPs to facilitate public review.

The most onerous of these new planning requirements is the removal of the CEQA exemption for UWMPs. CEQA compliance is time-consuming and expensive, and the projects described in a UWMP are already projects subject to CEQA. Environmental review at the planning stage is often difficult because it requires speculation on the physical impacts of projects that may or may

not become part of a water supplier's water supply portfolio in the future. This single change in the law will impose substantial time and expense burdens on all urban water suppliers.

### **Groundwater Management Plans**

SB 820 requires that existing GWMPs be updated by December 31, 2008 (unless the original GWMP was adopted on or after January 1, 2004) and every five years thereafter. It also requires an update to:

- evaluate the progress made in achieving the adopted basin management objectives;
- identify successes and shortcomings in meeting those objectives;
- revise the basin management objectives as appropriate; and
- develop a plan to achieve the revised basin management objectives.

### **Agricultural Water Management Plans**

SB 820 would also reinstate and expand the scope of AWMPs in several significant ways. The bill:

- Requires the filing of AWMPs by all agricultural water suppliers serving at least 2,000 acre-feet of water annually beginning December 31, 2010 and every five years thereafter. Current law has a floor of 50,000 acre-feet annually, so this represents a significant expansion of the agricultural reporting requirement.
- Expands the required elements of AWMPs to include operating rules and regulations, water rate schedules, water shortage allocation policies, and water supply reliability estimates.
- Eliminates the financial assistance provisions included in prior law so that agricultural water suppliers must bear the cost of preparing AWMPs.
- Maintains the CEQA exemption for AWMPs, unlike UWMPs.
- Requires wide distribution of the AWMPs as a condition for receiving grant funds from DWR, the SWRCB or the California Bay-Delta Authority.
- Expands the definition of "conservation."

The reinstatement and expansion of AWMPs will be one of the most controversial elements of SB 820. The bill's provisions will cause agricultural water suppliers to bear significant costs in the preparation of AWMPs and make many of the details of their water supplies, existing and projected water use, and operations subject to public scrutiny.

SB 820 also adds "early warning" provisions regarding the likely availability of water from stream systems and the State Water Project. While existing law prohibits the SWRCB from accepting new applications to appropriate water from streams that have been formally declared to be fully appropriated, SB 820 requires the SWRCB to publish a list of stream systems that are "likely" to be declared fully appropriated and therefore may no longer be available for additional consumptive uses. Similarly, the bill will require DWR to provide all State Water Project contractors, city and county planning departments, and regional and metropolitan planning

departments with a report of the then existing overall delivery capability of the project facilities and the allocation of that capacity to each contractor.

## NEXT STEPS

Senator Kuehl's office has asked for input from interested parties and will hold a series of working group meetings to refine the language of the bill. Senator Kuehl wants to know any policy concerns with the bill, and also asks for specific proposals for changes to the bill's language and provisions.

Senator Kuehl's SB 820 will make major changes to California water law and will place heavy burdens on water users and state government alike. The bill is a first step toward comprehensive regulation of groundwater in California, and it makes validity and security of water rights contingent on meeting government reporting requirements and policy objectives. *All water users and water suppliers will be affected by this bill and need to follow its progress.*

*Hatch & Parent is a full service law firm specializing in water and environmental law. At the forefront of the practice for more than 30 years, the firm seeks lasting solutions to complex resource management challenges employing a fully integrated range of services — negotiation, legislative advocacy, public relations management and litigation — to meet our clients' needs. Our breadth of skill and experience covers the full range of water resource related matters, including strategic planning; asset development and protection; water rights and infrastructure sales and transfers; regulatory permitting and compliance; water quality protection; water rights and water quality related litigation; and advocacy at every level of government. Please visit our website at [www.hatchparent.com](http://www.hatchparent.com) for a more complete description of our practice and our members.*

*If you would like to know more about SB 820, obtain a copy of the bill, or speak with one of our lawyers or legislative advocates about how the bill may affect you, your water rights, or business operations, please contact Chris Frahm or Jeff Volberg at (916) 441-1232, or Stephanie Hastings at (805) 882-1415.*

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<sup>1</sup> The bill amends Sections 5000, 5001, 5003, 5004, 5005, 5009, 5101, 5106, 5107, 10004.5, 10004.6, 10620, 10631, 10644, 10645, 10652, 10656, 10753.7, 10811, 10814, 10816, 10840, 10841, and 10844 of, to add Sections 139, 276, and 1205.5 to, to repeal Sections 4999, 5108, 10657, 10822, 10823, 10824, 10826, and 10855 of, and to repeal and add Sections 10820, 10821, 10825, 10845, 10853, and 10854 of, the Water Code, relating to water.

<sup>2</sup> In 2002, the SWRCB hired Berkeley law professor Joseph Sax to review its legal basis for asserting water rights permitting authority over groundwater. The so-called "Sax Report" concluded that it would be preferable to regulate all hydraulically connected surface and groundwater under a single permitting scheme, but that the historical resistance in California to regulating groundwater would make full regulation infeasible. Instead, Sax suggested a series of "quantitative" criteria that the SWRCB could use in deciding whether to assert jurisdiction based on the need to protect surface waters from adverse impacts from groundwater pumping. He also suggested that the SWRCB could utilize its jurisdiction under other statutes to limit groundwater use where the result would violate the public trust or constitute "waste." SB 820 takes these same approaches and issues "head on."



# CHINO BASIN WATERMASTER

## III. REPORTS/UPDATES

### C. INLAND EMPIRE UTILITIES AGENCY WATER MANAGERS REPORT

3. Recycled Water Program
7. State/Federal Legislation
8. Public Relations

**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE  
March 24, 2005**

**AGENDA**

**INTER-AGENCY WATER MANAGERS' REP ORT**

**Chino Basin Watermaster  
9641 San Bernardino Rd.  
Rancho Cucamonga, CA 91730**

**20 – 30 Minutes**

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**Discussion Items:**

- MWD Status Report – Richard Atwater
- MWD Projected Rates and Charges – Richard Atwater
- Recycled Water Report – Tom Love
- CALFED Financial Strategy – Martha Davis
- State Water Plan (B160-05) – Martha Davis

**Written Monthly Updates:**

- Water Resources Report (handout)
- State/Federal Legislation Reports
- Public Relations Report



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# IEUA REGIONAL RECYCLED WATER PROGRAM IMPLEMENTATION PLAN STATUS REPORT – FEBRUARY 2005

## BACKGROUND AND HISTORY

IEUA has been serving recycled water since the beginning of the Regional Contract in 1972. Initially recycled water was delivered to Whispering Lakes Golf Course and Westwind Park in Ontario and Prado Park and Golf Course. In the early 1990's IEUA planned and build the first phase of the Carbon Canyon Recycled Water Project which now serves several customers in Chino and Chino Hills.

IEUA also initiated planning of a regional recycled water delivery system. This planning effort culminated with the completion of the IEUA Regional Recycled Water Program Feasibility Study in January 2002. The Feasibility Study identifies facilities to deliver over 70,000 acre-feet of recycled water per year (AFY) to customers and recharge sites throughout the service area. In 2004 IEUA initiated development of the Regional Recycled Water Program Implementation Plan which updated information from the 2002 report. The IEUA 2005 Recycled Water Implementation Plan identifies projects, primarily in the developing areas of Chino and Ontario increasing the total annual deliveries to approximately 95,000 acre-feet per year. The plan identifies a phased implementation over the next ten years with provision for additional expansion beyond the ten year planning horizon. The estimated cost of the facilities planned for the next ten years is \$ 200 million to be funded by a combination of state and federal grants, state low-interest loans, MWD LRP rebates and Regional Program funds. The actual schedule of implementation will depend on the availability of grant funding. The following are significant events leading up to the 2004 Implementation Plan:

- 1972 Regional Contract , IEUA begins delivery of recycled water
- 1993 Recycled Water Master Plan
- 1995 Carbon Canyon Recycled Water System Plan
- 1998 Carbon Canyon Recycled Water System Initial Deliveries
- 2001 Recycled Water Facilities Planning Study
- 2002 Regional Recycled Water Program Feasibility Study
- 2002 Programmatic EIR (June 29<sup>th</sup> certified by IEUA Board)
- 2003 SWRCB Grant (\$5 million ) Loan (\$22 million) Approved

- 2003            Initiate Construction of Phase I Facilities
- 2005            Regional Recycled Water Program Implementation Plan
- 2004            Initiate Design of Phase II Facilities
- 2005            Phase III Design initiated

**REGIONAL RECYCLED WATER PROGRAM:**

The 2002 Feasibility Study and 2004 Implementation Plan included an assessment of the potential recycled water customers within the IEUA service area. Staff worked with the regional agencies to identify over 2,300 potential customers. This information was used to plan the regional and local recycled water distribution pipelines. The location of the pipelines locations were selected to provide recycled water to the largest customers or groups of customers resulting in cost effective facilities. Ultimately, this distribution system layout will serve over 1,900 of the largest customers and supply over 95,000 AFY, which includes 26,800 AFY for recharge.

**Regional Recycled Water Facilities** – In September 2000 the IEUA Board and Regional Technical and Policy Committees adopted a recycled water policy document which defines the roles and responsibilities of IEUA and the Regional Contracting Agencies for the construction and ownership of the regional and local facilities. Regional facilities are defined as facilities, pipelines, pump stations, reservoirs which serve recycled water to a recharge site or to more than one contracting agency. Regional facilities will be constructed and owned by IEUA. Local facilities will deliver recycled water from the regional facilities to customers within a contracting agencies service area and will be the responsibility of the respective agency. Local facilities will primarily be pipelines (local laterals) and may also include some pump stations and reservoirs. In 2005 this policy will be updated to include provisions for: regional funding of local storage facilities which reduce regional storage needs; provision for reimbursement of regional facilities constructed by others (local agency or developer); and financing of local facilities and customer on-site retrofits.

The Regional Recycled Water Facilities consist of a looped pipeline system which connects all four Regional Water Recycling Plants. Future satellite plants, identified in the Wastewater Master Plan, will also be connected to the regional facilities. The regional facilities have been described in over 50 separate projects of pipelines, pump stations and reservoirs. These projects have been grouped into five implementation phases scheduled every two years. The priority of each phase was determined based on the amount of recycled water each phase could serve and the proximity of each phase to one of the plants or existing recycled water supply. Phase I and II of the program will deliver recycled water to most of the recharge sites since the recharge sites represent a significant recycled water use. The Regional Recycled Water Program facilities and phases are shown in the attached map.

- **Local Recycled Water Facilities** - As described above, local recycled water facilities are those which serve only one contracting agency. Each local agency is responsible for the planning, design, construction and operation of local laterals within their service area. IEUA staff is working closely with each agency to coordinate their recycled water planning efforts. In order to assist the local agencies with the implementation of their recycled water systems IEUA is providing technical assistance and, if requested, financing of the local agencies facilities. Funds for this financing are in IEUA's budget and Ten Year Capital Improvement Plan (TYCIP), however, the amount of funding will depend on the agencies needs. A similar financing was used for the construction of the Carbon Canyon Recycled Water Project in the 1990's.

**Regional Recycled Water Program Summary** - The following table summarizes the Regional Recycled Water Program schedule:

Schedule	Number of Customers	Rec. Water Demand(AFY)	Capital Cost (millions)
Existing Facilities	100*	7,420*	-
2003/05 (Phase I)	110	13,800	\$27
2004 - 2006	190	16,200	\$43
2004 - 2008	220	15,400	\$40
2008 - 2010	440	15,000	\$40
2010 - 2012	210	16,000	\$30
2012 - 2014	280	14,000	\$20
Beyond 2014	350	4,600	TBD
	1,900	95,000	200

\* Includes potential customers near existing facilities. Current annual use is approximately 6,000 AFY.

**Program Status and current activities** – In 2003 construction of the Phase I facilities was initiated. To date four of the Phase I projects have been completed and the remaining two are under construction. All of the Phase I facilities will be complete by 2005. Major demands served by the Phase I facilities include: Reliant Energy; Inland Paper; and the Banana, Hickory, RP-3, Declerz and Turner Recharge Basins.

Staff have begun the design phase for the Phase II facilities including an implementation plan and preliminary design report for the entire regional recycled water distribution system. The preliminary design will refine pipeline sizes and alignments, identify sites for reservoirs and pump stations and coordinate with each city on traffic, utilities and street paving schedules. Design of Phase II will be complete in 2005 and construction



the first of the Phase III projects. The Edison Avenue Pipeline will interconnect RP-1 with the Carbon Canyon Recycled Water System and serve a significant agricultural demand in the near term and landscape irrigation demand as the area develops. The extension of the Wineville Avenue Pipeline will provide recycled water to industrial users in Ontario and Fontana including several commercial laundries.

**MWD:** IEUA has an existing Local Projects Program (LPP) agreement with MWD for a \$154/AF rebate for recycled water delivered up to 13,500 AFY (excluding recharge deliveries). The original agreement, executed in 1996, was limited to deliveries from the Carbon Canyon Recycled Water System. In 2003 the agreement was amended to include the Regional Recycled Water Program. This agreement will provide over \$2 million in annual revenue to the program. MWD has indicated that there will be future opportunities to participate in the Local Resources Program for additional recycled water facilities. These funds will enable IEUA to maintain an attractive rate for recycled water deliveries and help fund the debt service for the SRF loans thereby reducing the regional capital contribution for debt service.

**Funding Summary** - The following table summarizes the status of funding for the program (millions):

<b>Funding Source</b>	<b>Phase I 2003/05</b>	<b>2004/06</b>	<b>2005/08</b>	<b>2006/10</b>	<b>2008/12</b>	<b>2010/14</b>	<b>Total</b>	<b>% of Total</b>
Local Funding*	\$22	\$24	\$19	\$24	\$35	\$28	\$152	76%
State Contribution	\$5	\$14	\$9				\$28	14%
Federal Contribution		\$5	\$9	\$6			\$20	10%
<b>Total</b>	<b>\$27</b>	<b>\$43</b>	<b>\$37</b>	<b>\$30</b>	<b>\$35</b>	<b>\$28</b>	<b>\$200</b>	<b>100%</b>

\* Includes SRF Loans

## **PERMITTING AND REGULATORY APPROVALS**

Several regulatory and environmental permits and approvals are required to implement the Regional Recycled Water Program and deliver recycled water. IEUA has made significant progress and has completed many of the regulatory requirements. The following are the regulatory requirements and the current status:

- CEQA – IEUA certified a Programmatic EIR in June 2002 which included IEUA’s Wastewater Master Plan, Organics Management Business Plan and the Regional Recycled Water Program. Supplements to the Programmatic EIR are prepared, when necessary, as specific project elements are better defined during each project design.

- Chino Basin Watermaster Article X approval for groundwater recharge is required under Watermasters rules and regulations. IEUA obtained Watermasters approval for the recharge of up to 33,000 AFY in 2002.
- Basin Plan Amendment – In order to recharge recycled water in the Chino Groundwater Basin IEUA and Watermaster prepared a Maximum Benefit Concept Proposal to the Santa Ana Regional Water Quality Control Board for the basin plan amendment. The proposal was approved by the RWQCB and incorporated into the basin plan amendment in February 2004. The State Water Resources Control Board approved the basin plan amendment in September 2004. The incorporation of “Maximum Benefit” into a basin plan is unprecedented in the state.
- RWQCB Waste Discharge Requirements and NPDES permit for direct reuse – All of IEUA’s Water Recycling Plants have existing permits from the RWQCB for recycled water deliveries for direct reuse customers, i.e. irrigation, industrial, recreational impoundments. On a quarterly basis IEUA reports new customers connected to the recycled water system and recycled water use for each customer.
- DHS Title 22 Engineering Report – In order to assure that recycled water is not “cross-connected” to any potable water system the California Department of Health Services requires an engineering report which identifies the potable and non-potable plumbing systems for each recycled water customer.
- DHS Title 22 Engineering Report for Groundwater Recharge - Prior to recharge of recycled water an engineering report is required. The report is reviewed by DHS and a public hearing is required to solicit comments. IEUA prepared and submitted the Title 22 Engineering report for the seven recharge basins served by the Phase I facilities. A public hearing was held in December 2003 and several supportive letters and comments were provided. DHS with IEUA’s assistance has prepared their findings which are submitted to the RWQCB for incorporation into a permit for recycled water recharge. The RWQCB is expected to issue the permit in April 2005.

**Summary of Permitting Status**

- |                                |                                  |
|--------------------------------|----------------------------------|
| • CEQA                         | Certified 2002                   |
| • CBWB Article X               | Approved 2002                    |
| • SARWQCB Basin Plan Amendment | Approved 2004                    |
| • SARWQCB Discharge Permit     | Issued for all plants            |
| • DHS customer retrofits       | Approved for connected customers |
| • DHS recharge approval        |                                  |
| ○ Ely Basin 2,300 AFY          | Approved 1998                    |
| ○ Phase I Recharge 7,700 AFY   | April 2005                       |
| ○ Phase II Recharge 17,300 AFY | December 2005                    |

- Regional Water Planning Consistency
  - Santa Ana Integrated Watershed Plan 2003
  - MWD Integrated Water Plan 2004
  - SCCWRRP-Bureau of Reclamation Water Recycling Plan 1992-2004
  - Santa Ana Regional Water Quality Control Board Basin Plan 2004
  - State of California Water Recycling Task Force Report 2003
  - CALFED Bay-Delta Program 2001

## CUSTOMER DEVELOPMENT

Approximately 1,000 potential recycled water customers have been identified which can be served by the IEUA regional and local recycled water facilities. IEUA is working with the staffs of the local retail agencies to connect new customers to recycled water. Priority is given to the larger customers, typically over 25 AFY, which can be served immediately or in the near future. Currently there are 12 significant customers in Chino, Chino Hills, Ontario and CVWD which agency and IEUA staff are working with. In some cases a significant effort is required in order to get a customer connected to recycled water, particularly industrial customers and golf courses. These customers initially have concerns related to water quality and impacts on their systems, retrofit costs and the cost of the recycled water.

In order to effectively communicate with recycled water customers and provide a consistent message staff is preparing an updated recycled water marketing packet with the following information:

- Background on recycled water use Nationally and in California
- Overview of IEUA and Regional Recycled Water Program
- Summary of recycled water quality
- Comparison of potable and recycled water rates (specific to each agency)
- Technical assistance available (DHS approval, water quality concerns)
- Financing of on-site retrofit (up to ten years with interest)
- Benefits of using recycled water
  - Drought proof the region (improves reliability of potable supply)
  - Recycled water is not subject to mandatory rationing during drought
  - Recycled water provides regional environmental benefits
  - Cost savings
- Contacts with regional agency and IEUA

In addition to addressing the customers concerns about recycled water use IEUA with the regional agency is preparing the Title 22 engineering reports for each site and coordinates the approval with DHS. Most of these reports have been prepared by staff, however, with the number of new customers and the more complicated industrial sites staff resources



will be exceeded. Staff is preparing a request for proposals for consultant services to prepare the Title 22 engineering reports and to assist marketing recycled water to the potential customers. Staff anticipates that up to three firms will be selected, based on qualifications, in order to meet the need for customer development.

## RECYCLED WATER DEMANDS BY AGENCY

<b>WATER PURVEYOR</b>	<b>Long-Term Average Demand (AF/Year)</b>
City of Chino	12,810
City of Chino Hills	6,300
City of Ontario	17,510
City of Upland	2,050
Cucamonga Valley Water District	16,300
Fontana Water Company	4,090
IEUA (Groundwater recharge)	33,800
Jurupa Community Services District	1,050
Monte Vista Water District	590
Agricultural Uses	730
<b>TOTAL</b>	<b>95,230</b>



**Inland Empire**  
UTILITIES AGENCY

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Date: March 16, 2005  
To: Honorable Board of Directors  
Through: Public, Legislative Affairs & Water Resources Committee (3/9/05)  
From: Richard W. Atwater  
Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: February Legislative Report from Agricultural Resources

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**RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

**BACKGROUND**

Dave Weiman provides a monthly report on his federal activities on behalf of IEUA.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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# *Agricultural Resources*

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[agresources@erols.com](mailto:agresources@erols.com)

February 25, 2005

## Legislative Report

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**TO:** Richard W. Atwater  
General Manager, Inland Empire Utility Agency

**FR:** David M. Weiman  
Agricultural Resources  
LEGISLATIVE REPRESENTATIVE, IEUA

**SU:** Legislative Report, February 2005

### Highlights:

- Administration Budget Submitted To Congress
- More New Faces For Administration
- Congressional Committee Changes
- Washington Meetings – IEUA, Cucamonga Valley Water District and Chino Basin Watermaster
- Rep. David Dreier Reintroduces IEUA/CVWD Water Recycling Bill
- Feinstein Continues Work On Perchlorate Cleanup Bill
- EPA Accepts National Academy Recommendations on Perchlorate
- Domenici Water Technology Bill Planned
- Energy Committee Water Symposium Announced – To Be Held in April
- Drought – Despite Rain and Snow, Drought Persists
- IEUA Retains Firm To Assist With Appropriations
- IEUA Working Partners

*Administration Budget Submitted to Congress.* In early February, the Administration's proposed budget for the fiscal year beginning next October 1 was submitted to Congress. With

regard to the Bureau of Reclamation, two observations are noteworthy. First, the Budget was nearly flat. Given that other resource programs at USDA, EPA and Interior faced significant reductions, the Bureau did not. Second, the Title XVI (water recycling program) continued to be downgraded, with minimal funding recommended.

***More New Faces Within Administration.*** New faces continue to emerge within the Administration, with both new arrivals and departures.

- Lynn Scarlett was nominated to be Deputy Secretary at the Interior Department. She's been at Interior in another capacity for the past four years.
- A nomination is still pending for the important position of Assistant Secretary of the Interior for Water and Science (which oversees the Bureau of Reclamation and USGS). In particular, we are watching to see the attitude of the new A/S towards the water recycling program.
- The position of Administrator at EPA remains unannounced since Leavitt moved over to HHS.
- The President renominated J.P. Woodley to be Assistant Secretary of the Army for Civil Works (US Army Corps of Engineers). A hearing before the Armed Services Committee was held on his nomination during the past month.

***New Leaders on Committees, House and Senate.*** Last month, I reported on some of the Committee changes. This is an update.

- Rep. Joe Baca requested a waiver to continue his service on Resources was not granted because of there weren't enough seats. Both Baca and a member from Texas were not able to retain that service, which is especially unfortunate as both were active supporters of Title XVI - water recycling. Mr. Baca continues to be active on the issues before the Committee.
- Rep. Grace Napolitano will continue to serve as ranking democrat on Water and Power.
- House and Senate leaders are continuing to meet to discuss major changes in the Appropriation Committee structure. The House has instituted a change, but the Senate has not accepted it.

***Washington DC Meetings, WateReuse, ACWA and Watermaster.*** General Manager Atwater, Martha Davis, along with Robert DeLoach, GM, Cucamonga Valley Water District and two Board members, and Ken Manning of Watermaster attended the annual ACWA Winter meeting. Representatives of 3 Valleys also attended. This was the first time that IEUA/CVWD and Chino Basin Watermaster (with 3 Valleys) worked together at the Federal level to advance a common agenda (on behalf of water recycling legislation). Meetings were held with the delegation and both Senate offices. The CEO also attended WateReuse Association meeting in

early February.

***Dreier Recycling Bill Reintroduced.*** Rep. David Dreier introduced his water recycling authorization bill. This is a Title XVI, Bureau of Reclamation water recycling program bill that authorizes the IEUA and CVWD water recycling programs. Reps. Baca, Calvert, Gary Miller and Napolitano all are original co-sponsors. In the last Congress, the bill was reported by the Resources Committee and passed by the Full House. The Senate lacked sufficient time to consider it. There is one change in the program – that is, more water will be produced by the IEUA program at the same Federal cost. In his statement introducing the legislation, Rep. Dreier said, “*The Inland Empire is showing great vision and leadership to the rest of the state and country in making recycling a key component of managing the local water supply.*”

***Feinstein and Perchlorate Cleanup Bill.*** Senator Feinstein continues to work on a perchlorate cleanup bill. Discussions have been occurring with State and Federal agencies, water districts, including IEUA, and other Senators. Introduction of this national bill authorizing \$200 million for perchlorate cleanup is anticipated in February. The Senator announced that this issue will be among her highest priorities in this Congress.

***EPA Accepts National Academy of Sciences Recommendation.*** On February 14, EPA said in a statement that it “*has established an official reference dose (RfD) of 0.0007 mg/kg/day of perchlorate. This level is consistent with the recommended reference dose included in the National Academy of Science's January 2005 report. A reference dose is a scientific estimate of a daily exposure level that is not expected to cause adverse health effects in humans.*”

***Domenici Water Technology Bill Planned.*** As previously reported, a major water technology bill is pending introduction by Energy Committee Chairman Domenici and Ranking Committee Member, Bingaman. They have been redrafting and modifying the bill since its original introduction in the last Congress. Last year, Senator Feinstein was an original cosponsor and nearly identical legislation was introduced in the House by Chairman Pombo and Rep. Calvert.

***Senate Energy Committee Announces Water Symposium.*** Chairman Domenici recognized that “energy issues” have dominated the Committee for the past several years (and the major energy bill is still pending) and, as a result, little attention was paid to water. In recognition of this, the Committee announced a “Water Symposium” to be held in early April. They also asked six major policy questions – covering broad categories of issues such as the role of the Bureau of Reclamation in the 21<sup>st</sup> Century, drought, conservation and technology, water supply and resource management coordination, and related matters. Interested parties are invited to submit statements to the Committee by March 9. Based on the submittals, the Committee will then select participants for the Symposium.

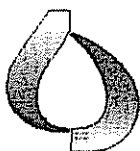
***Drought – Despite Rain and Snow, Drought Persists Particularly on Colorado River.*** Early winter brought rain and snow in California and to parts of the Colorado River Basin. As previously noted, drought still persists throughout the Basin. Drought is also severe in the Pacific Northwest. There are numerous press accounts reminding all that a wet period in the

middle of a sustained drought is not uncommon. Whether or not drought legislation emerges at this time is unclear. However, if legislation is advanced, there will be an effort to expand it, beyond traditional "relief" to include "drought prevention" specifically targeting initiatives that will expand water in these regions, such as Title XVI, the Federal water recycling program. Lake Powell, on the Colorado River, is still "down" some 10 stories or about 100 vertical feet.

***IEUA Retains Lowery Firm to Assist with Appropriations.*** IEUA has retained the firm of Copeland, Lowery, Jacquez, Denton and Shockey to assist with IEUA congressional appropriations requests.

***IEUA Continues to Work With Various Partners.*** On an on-going basis in Washington, IEUA continues to work with:

- Metropolitan Water District of Southern California (MWD)
- Milk Producer's Council (MPC)
- Santa Ana Watershed Project Authority (SAWPA)
- Water Environment Federation (WEF)
- Association of California Water Agencies (ACWA)
- WaterReuse Association
- CALStart
- Orange County Water District (OCWD)
- Cucamonga Valley Water District (CVWD)
- Western Municipal Water District
- Chino Basin Watermaster
- Others



Inland Empire  
UTILITIES AGENCY

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Date: March 16, 2005  
To: Honorable Board of Directors  
Through: Public, Legislative Affairs & Water Resources Committee (3/9/05)  
From: Richard W. Atwater  
Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: February Legislative Report from Dolphin Group

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**RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

**BACKGROUND**

Michael Boccodoro provides a monthly report on his activities on behalf of the Chino Basin/Optimum Basin Management Program Coalition.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.



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# Chino Basin / OBMP Coalition

## Status Report – February 2005

### ENERGY/REGULATORY

#### *Critical Peak Pricing*

Opening testimony and rebuttal comments have been issued in this expedited proceeding to implement default “critical peak pricing” on all bundled customers of Southern California Edison with demand over 200 kW.

While the specifics of how this might be implemented are still in flux, the CPUC expects to issue a decision in April in order to implement the rates on July 1, 2005.

Edison and other parties have requested that Direct Access customers be exempted from these default rates. Additionally, requests that agricultural and pumping customers also be exempted have not been opposed by Southern California Edison.

One alternative option being weighed by the Commission is the implementation of a fourth critical day part (from 3:00PM to 6:00PM) every day, adjusting off-peak and mid-peak prices to make the rates revenue neutral. This alternative would be implemented every day, as opposed to ultra-high critical peak prices only a few days per summer.

For 24 hour pumping operations, this will generally be revenue neutral. To the extent that pumping occurs off-peak, savings could be realized through reduced energy charged during non-critical hours.

#### *Biogas Net Metering*

The working group coordinated by DGI with representatives of the dairy industry, IEUA and Sustainable Conservation is completing work on a draft “White Paper” regarding the Biogas Net Metering Program.

Legislation, co-sponsored by the Chino Basin Coalition, has been introduced by Gloria Negrete-McLeod (D-Chino), AB 728 to address three specific issues:

1. Removal of the sunset provision
2. Elimination of the statewide limit of 15 MW (5 per utility)
3. Increases the maximum project size to 10 MW

The working group will be meeting in early March to formulate additional amendments to the legislation to make the program more economically beneficial for participants.

AB 728 cannot be amended until March 19<sup>th</sup>, thirty days after its introduction.

### *Water District Self-Generation (Implementation of SB 1755)*

This proceeding has remained stalled since a pre-hearing conference held in January 2004. DGI spoke again with the presiding Administrative Law Judge on January 26, 2005, and she again indicated that she would resume the proceeding very shortly.

## **LEGISLATIVE**

Over 2800 new bills were introduced in Sacramento, for the 2005-06 Legislative Session.

Several energy-related matters have been introduced, including the following:

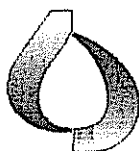
### *Energy*

- AB 380 (Nuñez D-Los Angeles)  
This measure is a reintroduction of many portions of AB 2006, vetoed last year by Governor Schwarzenegger pertaining to resource adequacy and procurement of new generation.
- AB 650 (Codgill R-Modesto)  
This bill would allow municipal utility districts to create Community Choice Aggregation programs, currently permitted only for cities and counties.
- AB 1704 (Richman R-Northridge)  
This measure is Assemblymember Richman's third reincarnation of an attempt to implement a core/noncore system.
- AB 1397 (Arambula D-Fresno)  
This legislation would require public agencies pursuing eminent domain action against investor-owned utilities to demonstrate clear and convincing evidence that the utility has failed to comply with rules and regulations.

A more thorough analysis of these measures is being prepared by DGI, and will be provided at the appropriate time.

## **LOCAL GOVERNMENT/BUDGET 2005-2006**

The Legislature has begun hearings on the Governor's budget proposal. The Legislative Analyst recently announced that revenues have increased \$2.2 billion above previous projections for the current fiscal year. The Legislature is discussing a number of issues related to resources planning, Cal-FED user fees and ERAF/reserve issues which will have an impact on Chino Basin agencies. These issues are currently being monitored, and updates will be provided as timely and appropriate.



Inland Empire  
UTILITIES AGENCY

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Date: March 16, 2005  
To: Honorable Board of Directors  
Through: Public, Legislative Affairs & Water Resources Committee (3/9/05)  
From: Richard W. Atwater  
Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: February Legislative Report from Geyer and Associates

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#### **RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

#### **BACKGROUND**

Bill Geyer and Jennifer West provide a monthly report on their state activities on behalf of IEUA.

#### **PRIOR BOARD ACTION**

None.

#### **IMPACT ON BUDGET**

None.

RWA:MD:jbs  
G:\board-rec\2005\05093 February Leg Report from Geyer

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## MEMORANDUM

TO: Rich Atwater and Martha Davis

FROM: Jennifer West

DATE: February 25, 2005

RE: February Legislative Report

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### **IEUA Bill Lists**

In the last two months approximately 2,800 bills have been introduced, with more than half of them coming into print within the last few days. Attached are two preliminary lists identifying those bills of interest to the agency and an initial list recommending positions on legislation. Some of the highlights include:

- SB 820 (Kuehl) an omnibus water planning bill that proposes to make numerous changes in UWMP law, groundwater law, and the legal presumptions regarding water conservation and waste.
- DWR's flood control bills: ACA 13 (Harman) and AB 1665 (Laird). ACA 13 exempts flood control districts from Prop. 218 restrictions and AB 1665 creates a Central Valley Flood Control Assessment District.
- A host of local government finance bills that exempt certain agencies and activities from the property tax shift adopted last year.
- At least three significant bills on special district governance. (AB 1234 (Salinas) SB 274 (Romero) and SB 393 (Ortiz))
- AB 1345 (Baca) that proposed to set the MCL for perchlorate at 6 ppb.

Many of the bills on the list are "spot bills", which generally only indicate which code section(s) the bill intends to change. The Rules Committees in both houses usually will not allow spot bills to be set for hearing until they are amended to include more substance. So we can expect a flurry of amended spot bills by the end of next month.

### **CALFED Program Finance Strategy**

On January 19, CALFED staff proposed a finance plan that has raised serious concerns within the water community. CALFED is proposing an \$8 billion + program to be funded over the next ten years from specified sources. The breakdown includes:

- 8% “Water User fees” (\$.07 billion)
- 21% Federal (\$1.7 billion)
- 30% State Share (\$2.4 billion)
- 41% “beneficiaries” pay (\$3.3 billion)

The proposal does not define “water users” or “beneficiaries” and includes a generous federal contribution that, to date, does not correspond with the federal government’s willingness to participate in the program. It also proposes that the state share be paid for through a water utility surcharge (tax).

During the workshop, the Authority indicated that the proposal, in some form, would be included in the May Revise of the Governor’s Budget. Proposals contained in the May Revise often become “budget trailer” bills that are adopted by a simple majority vote, without the benefit of policy committee scrutiny or public input.

Last week, Senator Kuehl held a combined oversight hearing of the Senate Natural Resources and Water Committee, the Senate Environmental Quality Committee and the Sub 2 Budget Committee on Resources to review the proposal. She made it clear she was not interested in seeing a proposal of this magnitude “jammed” at the end of session without adequate legislative input. She announced that there would be a series of combined oversight hearings to continue to review the proposal as it evolves.

During the hearing many parties and Legislators expressed concern about the proposed cost of the program and that the Legislature was not given additional financial options to consider. Water districts, including MWD, objected to the state’s share proposal for what appears to be a water “tax” of \$2.4 billion over the next ten years. Senators Margett and Dutton both sit on the oversight committee and have asked IEUA for its assessment of the finance plan. The agency may want to consider expressing its views in a letter to both Senators and the rest of the oversight committee.

**Inland Empire Utilities Agency  
Position List  
February 28, 2005**

Bill	Summary	Position	Status
AB 371 (Goldberg) Recycled Water	<p>Water recycling omnibus bill sponsored by WaterReuse. Major provisions include:</p> <ul style="list-style-type: none"> <li>• Excludes “recycled water”, as defined in Water Code, from the definition of “waste” in the Health and Safety Code.</li> <li>• Requires the SWRCB to establish a fee schedule for POTWs that provide incentives for water recycling.</li> <li>• States that if the use of recycled water is within a category for which the DHS has established uniform statewide criteria, then those criteria constitute the sole requirements for protecting public health.</li> <li>• Allows firefighters to use recycled water to fight “catastrophic” fires without filing an engineers report.</li> <li>• Establishes a general WDR for the use of recycled water for the following activities: incidental runoff of recycled water from irrigated sites and impoundments, fire fighting and dust suppression. General WDR must meet the state’s antidegradation policy for nonpotable uses of recycled water</li> </ul>	Recommend Support	
AB 728 (Negrete- McLeod) Net metering	<p>Removes the 2006 sunset for the net metering program. Modifies the definition of an “eligible biogas digester customer-generator” to authorize a biogas digester electrical generating facility with a capacity of not more than 10 megawatts. IEUA is participating in the further development of the legislation.</p>	Recommend Support	
AB 342 (Baca) Perchlorate fee	<p>Legislative intent to authorize DTSC to assess a fee on products that contain perchlorate, as determined by DTSC, and to expend those funds to treat drinking water wells contaminated with perchlorate.</p> <p>Recommend the water quality committee of Watermaster review the legislation when the bill is in a more complete form. The author has asked IEUA for its support.</p>	Recommend Water Master Review legislation	
AB 1354 (Baca) Perchlorate	<p>Requires DHS to establish an MCL for perchlorate of 6 ppb to be phased in over a period of 2 years commencing January 1, 2006. Includes intent language to require</p>	Recommend Water Master	



	<p>persons or entities found responsible for perchlorate contamination of drinking water to pay the cost of removing the contamination.</p> <p>The public health goal (PHG) for perchlorate is now set at 6 ppb and DTSC and the RWQCB are generally using 6 ppb as a regulatory standard. Having the legislature establish an MCL for perchlorate, or any contaminant, would circumvent the established DHS process and further politicize issues surrounding perchlorate and other contaminants. Recommend that Watermaster review the legislation.</p>	review legislation	
<p>SB 926 (Florez) Sewage Sludge</p>	<p>By 2006 bans the export of "sewage sludge" generated by an agency to any other county, except in the event their RWQCB grants them an exception because it finds that there is no feasible reuse or disposal option in the county of origin AND if the county where the biosolids would be sent agrees to it.</p> <p>Requires that by 2010, 75% of all "sewage sludge" generated by a local agency must be beneficially reused via power generation, composting or other land application or some other undefined method.</p> <p>The bill is opposed by Southern California Alliance for Publicly Owned Treatment Works.</p>	Recommend Oppose	

**Inland Empire Utilities Agency  
Watch List  
February 25, 2005**

Bill	Summary	Status
<b>Groundwater</b>		
AB 579 (Emmerson) Groundwater	Spot bill on groundwater.	
AB 773 (Cox) Recharge	Excludes treated water from the definition of "waste" in the Water Code if the treated water meets state and federal drinking water standards and is recharged into a groundwater basin by means of a recharge facility, as defined.	
AB 1201 (Laird) Groundwater	Legislative intent to encourage state and local agencies to work cooperatively to manage groundwater resources.	
<b>Water Rights/Water Transfers</b>		
AB 580 (Emmerson) Water transfers	Spot bill on wheeling.	
SB 21 (Florez) Water rights	Bars the state from interfering with water contracts between the federal government and a person or agency so long as that water is being used for "reasonable and beneficial reasons". Florez says he is introducing the bill because of water disputes involving the Friant Dam.	
SB 31 (Florez) Water Rights Filing	Revises the SWRCB's water rights filing system and fees. Intended to allow General Fund monies to be used to fund water rights programs, actions, or proceedings that involve protection of the public interest, natural resources or the environment.	
SB 240 (Margett) Water Rights	Spot bill on water rights.	
<b>Special District Governance</b>		
AB 1234 (Salinas) Local agency governance	Applies to special districts, cities and counties. Allows compensation to members of a "legislative body" for attendance at a meeting of a legislative body, a meeting of an advisory body and a conference. There is no specified rate of compensation. Requires all local agencies to adopt a written policy regarding reimbursements. Requires board members to receive ethics training.	
SB 274 (Romero) Local Offices	Provides that service on a local appointed or elected governmental board, commission, committee or other body is inconsistent, incompatible, and in conflict with services on another local elected body if either of the bodies may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other in any circumstances.	

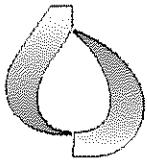
SB 393 (Ortiz) Special District Reform	Similar to SB 1272 from last year. Requires governing boards of special districts to conduct legal and ethics sessions. Establishes whistle-blower protections for members or employees who make protected disclosures of "improper governmental activities." Defines the types of meetings for which compensation may be paid and would limit travel expenses. Compensation would be capped at \$150 per meeting. For those who take office after 2006, would require self-pay of welfare and health benefits.	
<b>Cal-Fed/Delta/ Flood Protection</b>		
AB 1244 (Wolk) Cal-Fed	Modifies numerous provisions of the California Bay-Delta Authority Act.	
AB 1245 (Wolk) EWA	Establishes the Environmental Water Account (EWA) in the state treasury. Requires the Secretary of Resources to administer the EWA. Monies in the account would be expended to protect delta fishery resources and improve water supply.	
AB 1200 (Laird) Delta Levees	Requires the DWR to evaluate the potential impacts on water supply derived from the Delta resulting from subsidence, earthquakes, floods and climate change. Requires DWR and DFG to evaluate options and present them to the Legislature by 2005. It is an urgency bill.	
AB 1665 (Laird) Flooding	DWR Sponsored. Creates a Central Valley Assessment District that would assume liability for future Paterno-like cases. The district would replace the Reclamation Board and have the authority to assess fees to provide adequate flood control protection for regional participants. Many of the duties currently under the Reclamation Board's jurisdiction would fall under the authority of this new district.  At this point DWR says that it intends to have only Central Valley landowners/agencies pay for the district. However, at a recent oversight hearing, Senator Machado questioned whether delta exporters should be made to pay for the levee system since exports put stress on the levee system.	
ACA 13 (Harman)	DWR sponsored. Exempts flood control activities from the Prop. 218 2/3 vote requirement. They are considering including storm water control activities in the bill.	
SB 113 (Machado) Cal- Fed User Fee	Requires the Bay-Delta Authority to include a "beneficiary pay principle" when approving and making recommendations on programs and long-term expenditure plans. "Beneficiary pays principle" is defined as including a "user benefit," which is as yet, undefined. As part of the release of the budget, the Governor suggested that water users pay a total of \$761 million	

	(9% of CALFED budget) over a 10-year period in order to fulfill the “beneficiary pays” concept contained in the ROD.	
<b>Energy/ “Green” Buildings</b>		
AB 177 (Bogh) Biomass conversion	Revises the definition of “biomass conversion” to mean the controlled combustion, thermal conversion, chemical conversion or biological conversion, other than composting, of biomass waste used for producing electricity, heat or a reconstituted product that meets the quality standards for use in the marketplace.	
AB 32 (Pavley) Greenhouse Gas Emissions	Commits the state to coordinate greenhouse gas emissions programs with other states and regions until a national program is established to limit global warming gases. Requires the state to adopt procedures and protocols for monitoring and estimating greenhouse gas emissions for a variety of activities including municipal solid waste disposal.	
AB 701 (Nava) State Buildings: LEED	Requires that all state buildings, on which construction or renovation is begun on or after Jan. 1, 2006, to attain a LEED Platinum rating, no later than 2015.	
<b>Habitat/Water Bonds</b>		
AB 798 (Wolk) Bond Funds	Spot bill on habitat and water bond funds.	
AB 1269 (Pavley) Bond	Enacts the Clean Air, Clean Water, Coastal Protection and Parks Bond Act of 2007. The bill does not specify a total bond amount or amounts within categories. Funding categories include a water quality section and a water quality subsection specifically to reduce water pollution from dairy operations. Other water-related funding categories include integrated watershed management and river protection.	
SB 863 (Florez and Perata) Air bond	\$5.1 billion air bond for the 2006 ballot. Includes \$400 million to support projects that will reduce air pollution from agricultural activities, including the development of biogas digestion power production technologies.	
SB 153 (Chesbro) Habitat Bond	\$3 billion park bond, largely on the Prop. 40 model, with block grants going to state conservancies for habitat purposes.	
<b>Special District Finances</b>		
AB 1146 (Huff) Exchanges of property tax	Intent language to authorize a county, and cities within that county, to “negotiate in good faith” to exchange allocations of ad valorem property tax revenues between the county and those cities. Does not mention special district share.	
AB 1590 (Lieber) Non-enterprise	Limits the amount of the property tax shift for those special districts that conduct both enterprise and nonenterprise functions.	

functions		
AB 1596 (Emmerson) Multi-county	Exempts a certain type of multi-county special district from the property tax shift of last year. Probably only applies Yucaipa in Emmerson's district. States that the Controller must ensure that this exemption does not result in additional property tax shifts for any other special district.	
ACA 7 (Nation) Taxation	Changes the 2/3 voter-approved requirement to authorize a city, county or special district to impose a special tax with only 55% of the voters.	
SB 554 (Alarcon) Surplus	Legislative intent to provide a "clearer" definition of the term "surplus" with respect to local government financing and budgets.	
SB 568 (Kehoe) Hospital exemption	Exempts hospital districts, as defined, that contain no hospitals, from the property tax shift enacted last year. Most hospitals districts were exempted from the legislation last year, but apparently not the districts that do not contain hospitals.	
<b>Water Conservation/UWMP</b>		
AB 501 (La Malfa) UWMP	Requires a city or county that undertakes an environmental restoration project, wildlife restoration project or conservation easement transfer, to identify any public water system that is, or may become a supplier or water for that project, and to determine if the water requirements of the project are included as part of the UWMP.	
AB 703 (Houston) Recycled Water	Spot bill on recycled water.	
AB 802 (Wolk) UWMP	Requires that the land use element of a General Plan consider any UWMP that affects the land covered by the general plan.	
AB 1003 (Nava) Conservation	Spot bill on water conservation.	
SB 820 (Kuehl) Water	Proposed major changes in numerous water statutes. Kuehl's staff has stated the bill is a work in progress. Major components of the bill include: <ul style="list-style-type: none"> <li>• Establishes a rebuttable presumption of waste in the water code whenever any person does not implement cost effective water conservation practices, as defined in the bill. This will mean an agency is presumed to be wasting water by any party or state agency, unless the agency can prove otherwise.</li> <li>• Removes the CEQA exemption for the UWMPs.</li> <li>• Adds energy use and cost as required elements in an UWMP.</li> <li>• Requires the establishment of agricultural water management plans by 2010 and every five years after.</li> <li>• Requires all groundwater users who extract over 25 acf/yr</li> </ul>	

	<p>to report annual extractions to SWRCB by 2006.</p> <ul style="list-style-type: none"> <li>Requires the SWRCB to establish and maintain a list of streams that are candidates for being declared "fully appropriated."</li> </ul> <p>Recommend that IEUA work with the author and staff to address concerns.</p>	
SB 866 (Kehoe) Water	Requires DWR to submit to the Legislature a report on waste use measurement information. Would require by 2010 that agricultural and urban water use be measured. The bill would also require by 2010 that surface water diversions be measured and reported annually to the SWRCB. CALFED is the sponsor of the bill.	
<b>Contaminates/Water Quality</b>		
AB 340 (Parra) Arsenic levels	Spot bill on arsenic levels.	
AB 474 (Runner) Water Quality	Spot bill on water quality.	
AB 492 (Baca) Perchlorate reports	Requires a "business concern" that handles or otherwise uses perchlorate in the course of its operations, to submit a report to DTSC by 2007 and annually thereafter, detailing the manner in which the perchlorate waste is disposed.	
AB 495 (Montanez) WDR	Legislative intent regarding the imposition of penalties for failure to comply with WDRs.	
AB 672 (Klehs) Water reservoirs	Allows fishing, kayaking and canoeing in reservoirs in which water is stored for domestic use.	
AB 1168 (Saldana) Boron	Requires OEHHA to perform a risk assessment and develop a PHG for boron by 2007 and would require DHS to adopt a primary drinking water standard for boron by 2008.	
SB 187 (Soto) Cleanup and abatement orders	Requires the SWRCB or RWQCB to include in a cleanup and abatement order the provisions of, or payment for, uninterrupted replacement water service to each affected public water supplier or private well owner.	
SB 623 (Aanestad) WDR	Spot bill on WDRs.	
SB 646 (Kuehl) WDR Waivers	Prohibits the SWRCB or a RWQCB from granting a waiver for a discharge into an impaired water body. Requires that waiver holders be charged an annual fee. Requires that all annual fees for waiver holders be adequate to pay for the waiver program. Many agricultural activities statewide and in the Chino Basin are subject to a waiver. In general, the dairies in the Chino Basin are subject to an NPDES permit and therefore have been paying an	

	annual fee for two years since AB 10X was signed into law.	
SB 1070 (Kehoe) Waivers	Would require that a waiver does not pose a significant threat to the beneficial uses of the waters of the state.	
SB 1067 (Kehoe) Arsenic	Spot bill on arsenic.	
<b>MWD/Misc.</b>		
AB 1432 (Bogh) MWD	Intent language to enact legislation relating to the purposes for which the budgets metropolitan water districts, formed under the MWD may be utilized.	



Date: March 16, 2005

To: The Honorable Board of Directors

Through: Public and Legislative Affairs and Water Resources  
Committee (03-09-05)

From: Richard W. Atwater  
Chief Executive Officer/General Manager

Submitted by: Sondra Elrod  
Public Information Officer

Subject: Public Outreach and Communications

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### **RECOMMENDATION**

This is an informational item regarding a status update on public outreach and communications.

### **BACKGROUND**

#### **Outreach/Tours**

- February 23, 2005, Montclair High School tour of RP-5.
- March 3, 2005, Cal Poly students tour of HQ.
- March 3, 2005, San Bernardino County Parks Department tour of HQ

#### **Calendar of Upcoming Events**

- March 10, 2005, State of the County Address, Ontario Convention Center.
- March 19, 2005, Fontana Earth/Arbor Day at Miller Park, Arrow Blvd., Fontana from 10 a.m. to 2 p.m.
- March, 21, 2005, IEUA sponsored Special District Dinner at the Panda Inn in Ontario.
- March 23, 2005, "T" media tour of IEUA facilities
- March 29, 2005, Inland Empire Water Agency's legislative reception at the Hyatt at Capital Park in Sacramento.
- March 30, 2005, "T" tour of HQ and renewable energy project with AG Kawamura
- April 15, 16 & 17, 2005, MWD AG Inspection Trip.
- April 12 – 21, 2005, MWD's Calendar Art Display at IEUA.
- April 23 and 24, 2005, Upland Lemon Festival.



- April 23, 2005, Cal State San Bernardino Environmental Expo.
- April 28, 2005, SAWPA Watershed Awards Banquet, Mission Inn, 5:30pm to 9pm.
- April 29, 2005, SAWPA Watershed Conference, Mission Inn, 7:30am to 3pm.
- May 7, 2005, Regional ULF toilet distribution, California Speedway
- May 14, 2005, Cucamonga Valley Water District Water Awareness Day from 11 a.m. to 2 p.m.
- "T" May 18, 2005, Dedication of the Garden in Every School at Grant Elementary School in Fontana.
- June 4, 2005, Chino Dairy Festival from 9 a.m. to 4 p.m.

**PRIOR BOARD ACTION**

None

**IMPACT ON BUDGET**

None



# CHINO BASIN WATERMASTER

## IV. INFORMATION

### 1. Newspaper Articles



## Deal OK'd for water cleanup

**\$69 million plan: The tainted underground reservoir serves 600,000 Inland residents.**

11:38 PM PST on Friday, February 18, 2005

By **CHRIS RICHARD** and **K. FRANKE SANTOS** / The Press-Enterprise

The federal government has signed a consent decree freeing \$69 million to clean up San Bernardino water contamination caused by an Army facility during World War II.

Local water districts now are maneuvering to protect water supplies that they pump from the basin before the final plan goes into effect. The Bunker Hill Basin provides drinking water to 600,000 people in San Bernardino and Riverside counties, said Stacy Alstadt, deputy general manager of San Bernardino's city water department.

The consent decree, a roadmap for directing complex settlement agreements, removes major legal and financial roadblocks that could delay a resolution of the issue for decades.

The decree, a document as thick as a big-city telephone directory, dictates how San Bernardino will spend a one-time payout -- from a Justice Department fund used to pay legal claims against the government -- over a period of 50 years.

The decree gives San Bernardino money to pay for and operate a water-cleaning system in the Bunker Hill Basin, which sits beneath the city. There also is money to reimburse the federal Environmental Protection Agency for its future oversight costs.

The agreement is important from the perspectives of public health and resource management, since it concerns a drinking-water basin that serves hundreds of thousands of people.

The EPA already has built the cleanup wells, which pump water polluted with the solvents tetrachloroethylene and trichloroethylene from the Bunker Hill Basin. The solvents both have been classified as probable carcinogens by health agencies.

The solvents were used at a north San Bernardino Army camp to clean tents and oil roads. They seeped into the ground, creating a plume of contaminants in groundwater. The plume has gradually spread southeast from the original camp site.

Under the cleanup procedure, after the water is pumped from the wells it goes to nearby filtration plants that remove the contaminants and transfer the purified water into city pipelines.

### WATER DEAL

The U.S. Justice Department has signed off on an agreement for the San Bernardino Water Department to clean up contamination dating from World War II.

**The City Gets:** \$69 million in a lump sum.

**What it's for:** Cleanup efforts lasting another 50 years.

Federal Judge Mariana R. Pfaelzer has set a March 14 hearing to review the agreement, said Alstadt.

"We are really anticipating a consent decree will be entered within the next month to month and a half," she said. Judges frequently take that long to consider a case before rendering a decision, she said.

With the decree in force, Alstadt said, "all the obligations of all the parties are clear and we have a clear roadmap as to who does what. If it's not entered quickly, we run into a time period where things have to get done, things have to be paid for, and everybody's saying, 'OK, we'll cough up the money and rely on the fact that the consent decree will be signed.' "

Meanwhile, neighboring water agencies have been trying to make sure the proposed solution to San Bernardino's water contamination doesn't cause problems for them, from a loss of water rights to increased risk of earthquake damage.

On Tuesday, Rialto withdrew its objections to the consent decree because of a tentative agreement with San Bernardino. Originally, the consent decree included language that would have allowed San Bernardino to limit other parties' pumping. Rialto officials worried that would mean giving away their water rights within the Bunker Hill Basin.

Rialto has a right to pump at least 11,000 acre-feet annually from the Bunker Hill aquifer, but currently pumps about 5,000 acre-feet annually, said Robert Owen, Rialto city attorney. An acre-foot is 326,000 gallons, or enough to supply two average households for a year.

The two wells in the Bunker Hill Basin represent about 40 percent of Rialto's supply, Owen said. The city supplies water to about half its residents, with the other half is supplied by the West Valley Water District.

Under the tentative agreement, Rialto will pump about half of its current production from the two Bunker Hill wells, and San Bernardino will supply the remainder at Rialto's production cost, said Rialto City Administrator Henry Garcia.

Rialto pays about \$135 per acre-foot for pumping, said City Councilman Ed Scott.

The agreement has not been put into writing, Scott said. If it is, it will be good for one year, to allow San Bernardino to determine how water flows in the aquifer, he said. Rialto has problems with water contamination by perchlorate, which officials believe was washed into the Rialto-Colton aquifer by the military and operations at an industrial site in north Rialto. If another well becomes tainted by perchlorate, the city may drill a new well in either basin, Garcia said.

San Bernardino also is negotiating with the Western Municipal Water District, which provides water for western Riverside county from Temecula to the county's northern border, and the San Bernardino Valley Municipal Water District, which oversees groundwater storage in a 325-square-mile area extending from Bloomington to Yucaipa.

Those agencies jointly filed a lawsuit in December, claiming that in planning the cleanup, San Bernardino failed to complete state-mandated environmental reviews.

Attorney Piero Dallarda, representing Western and Valley, withdrew the suit two days after he filed it. He said he's in settlement talks and expects a favorable outcome, but declined to comment further.

The court filing claims that the pumping and filtration procedures jeopardize the plaintiffs' rights to

167,238 acre-feet of water. Further, the decree could restrict access to spreading fields where the San Bernardino Valley Municipal Water District allows water to percolate underground to recharge the aquifer. The filing also alleged that the pumping plan under the consent decree could hasten the spread of contaminants from the plume.

The suit also raised concerns about earthquake safety. The water table in the southern Bunker Hill Basin area rises to within 10 feet of the surface and, during an earthquake, the land would be prone to liquefaction, the court filing claims.

Alstadt declined to comment on the court filing or to discuss settlement talks. She said several other agencies have filed formal comments on the consent decree. All have joined settlement discussions to work out a management plan for the Bunker Hill area, Alstadt said.

Reach Chris Richard at (909) 806-3076 or [crichard@pe.com](mailto:crichard@pe.com)

Reach K. Franke Santos at (909) 806-3065 or [fsantos@pe.com](mailto:fsantos@pe.com)

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Online at: [http://www.pe.com/localnews/sanbernardino/stories/PE\\_News\\_Local\\_decree19.580ed.html](http://www.pe.com/localnews/sanbernardino/stories/PE_News_Local_decree19.580ed.html)

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## San Bernardino County Board of Supervisors - 02/16

11:23 AM PST on Wednesday, February 16, 2005

### The Press-Enterprise

#### San Bernardino County Board of Supervisors

The Board of Supervisors approved changes to its meeting rules that would allow for holdings meetings outside of the city of San Bernardino.

The changes also call for the adoption of a calendar of scheduled meetings instead of holdings meetings every Tuesday.

Board chairman Bill Postmus, who proposed the changes, said it would increase efficiency to skip meetings on weeks when there is little business to consider. He also said it would be beneficial for the board to get out more to the outlying areas of the county, such as the High Desert area he represents.

A proposed calendar will be brought back to the board for approval March 1. The board approved a general plan amendment in Mentone, rezoning a 4.78-acre parcel from multi-family to single-family housing.

The parcel is part of a larger, 14-acre piece of land for which the board also approved a tentative tract map for 44 lots, between 7,240 to 16,662 square feet, on the north side of Colton Avenue.

The board approved a state legislative platform for 2005, outlining nine areas where it plans to lobby the state government.

The priorities include: requesting \$20 million in perchlorate cleanup funds; pressing for a law to make reckless driving that results in great bodily injury a felony; securing funding for three sheriff's helicopters; and supporting legislation to give counties more say in the placement of sex offenders in group homes.

Other issues in the platform deal with airport funding, taxes, construction design, the authority of the local Children and Families Commission, and water-bond funding.

The board agreed to authorize the creation of a new employee bargaining unit for nurses.

The per diem nurses unit will include registered nurses who are not part of the regular nurses unions.

Online at: [http://www.pe.com/localnews/sanbernardino/stories/PE\\_News\\_Local\\_bsupes16.57f2e.html](http://www.pe.com/localnews/sanbernardino/stories/PE_News_Local_bsupes16.57f2e.html)

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# Inland Valley Daily Bulletin

## **Officials: Upland eyeing Hesperia's city manager**

Some deny search has started, while others point to Quincey

**By EDWARD BARRERA**

**Staff Writer**

**Friday, February 25, 2005** - UPLAND - Robb Quincey, Hesperia's city manager, is the leading candidate to become Upland's next city manager following the abrupt departure of Michael Milhiser last Tuesday, according to officials familiar with the situation.

Quincey, a resident of Chino, also is president of the Monte Vista Water District. He has been Hesperia's city manager since 2000, according to a water district official.

Quincey did not return repeated phone calls.

Three officials familiar with Upland's city manager search confirmed Quincey's status this week but requested anonymity.

Councilman Ray Musser acknowledged that he also has heard about the interest in Quincey, though no council discussions have been held about the city manager's position.

"I have heard from multiple sources that Robb is the favorite candidate. I really don't know him as an individual and his qualifications," Musser said on Friday. "I didn't know about it until three days ago."

Milhiser resigned Tuesday, accepting a lucrative consultant deal with the city worth at least \$200,000.

While Mayor John Pomierski and Councilmen Ken Willis and Brendan Brandt said they were acceding to Milhiser's request to obtain more outside consultant work, others, including Musser and Councilman Tom Thomas, said the decision was rushed and reached without discussion.

Musser added that Milhiser was pushed out because he clashed once too often with council members.

A Monte Vista Water spokeswoman said Quincey was elected to the Monte Vista board in 1993 and has been re-elected twice. He has been board president since 1995. Before being elected to the board, Quincey was general manager of the Inland Empire Utilities Agency, the spokeswoman said.

Hesperia, in the high desert of north San Bernardino County, has a population of just under 63,000, according to the 2000 Census. Upland's population is about 68,000.

Pomierski, who on Tuesday said there was no front-runner for city manager, did not return phone calls. Willis could not be reached for comment.

Though Thomas praised Quincey, he said Upland's city manager search hasn't even started, and a selection process for any nominee will be discussed at Monday's council meeting.

"I know Robb personally, and I think he would be an excellent candidate, but no decision has been made," he said.

Musser and Brandt back an in-depth search for any candidate, with Brandt saying he had not heard that Quincey was in line for the position.

"I have not had any people mention any names, and it is my position that I think we should do a thorough and proper search for city manager," Brandt said.

Hesperia Councilwoman Rita Vogler said she had heard rumors of Quincey's possible move but that she had not been officially notified by Quincey. She did say he would be an excellent candidate for Upland's opening. At Monday's meeting, the City Council also will consider the appointment of city Finance Director Stephen Dunn as the interim city manager.

Pomierski mentioned Dunn as a possible interim manager two weeks ago, though no one voted on the choice. The finance director has been acting as city manager since Milhiser's resignation.

On Thursday, Dunn announced the appointment of police Capt. Steve Adams as interim police chief, though police Chief Martin Thouvenell is on board until his March 31 retirement.

The City Council's Monday meeting will start at 7 p.m. at City Hall, 460 N. Euclid Ave.

Edward Barrera can be reached by e-mail [atedward.barrera@dailybulletin.com](mailto:atedward.barrera@dailybulletin.com) or by phone at (909) 483-9356.

2/24/05

# Water Supplies Still Not Normal

By HECTOR BECERRA  
Times Staff Writer

This year may set records for the most rain, but it won't be enough to reverse the impact of five years of drought on Southern California's water supplies, weather experts and water officials said Wednesday.

Local supplies have improved greatly. All 27 of Los Angeles County's groundwater collecting basins are filled to capacity, the county's Department of Public Works said. Similarly, the Sierra Nevada snowpack — an important source of water for the region — is 49% above normal this season.

But the Colorado River reservoirs remain far below normal levels. About 70% of the water used in Southern California is imported from the river as well as from the California Aqueduct in Northern California and the Sierra Nevada, said Denis Wolcott, a spokesman for the Metropolitan Water District.

William Palzer, a meteorologist at the Jet Propulsion Laboratory in La Canada Flintridge, said that although Southern California has had much heavier rain than usual, the upper Colorado River Basin continues to suffer from a prolonged drought. It has received less rain than Los Angeles.

Lake Mend and Lake Powell, which are fed by the Colorado River, remain at only about 60% and 34% full, respectively, said Debra Man, chief operating officer of the Metropolitan Water District, which manages the distribution of water to a plethora of districts serving 18 million people in Southern California. For the first time since 1999, hydrologists in the upper Colorado River Basin are predicting near-normal water flows into Lake Powell, one of the West's biggest reservoirs.

Lake Mend's storage level, however, is expected to drop, in part because of water releases to keep the Colorado River flowing to protect fish and habitat, said Wolcott.

Meteorologists and others said that the Colorado River region has suffered through years of drought conditions, and that one wet year won't bring water levels back to normal.

"This is the kind of year people have been asking for, and they're getting more than they bargained for," said Kelly Redmond, regional climatologist for the Western Regional Climate Center in Reno. "But when you're in a deficit, it's hard for water managers to turn water down."

Bob Walsh, spokesman for the U.S. Bureau of Reclamation in Boulder City, added, "Most hydrologists would tell you that one good year does not make up for five bad years."

Closer to home, the wet weather is making a significant difference.

The storms have encouraged conservation by reducing water demand for such activities as landscaping and washing cars. According to the Department of Water and Power, demand has been slashed by 25% because of the rainfall as people turn off their automatic sprinklers.

If Southern California requires less imported water this year, that might allow officials to begin building up reservoirs, including Lake Mend and Lake Powell.

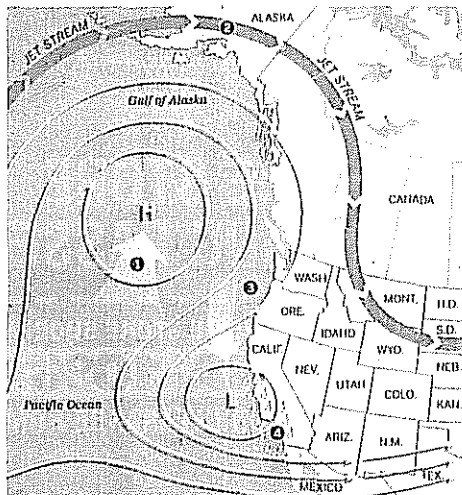
"All in all, it's adding up to a really strong water supply year," Walsh said.

## Lots of rain, but drought persists

An unusual weather pattern caused by persistent high pressure over the Gulf of Alaska has drenched most of California this year, but the storms have not fully offset years of previous drought.

### The rain wouldn't stop . . .

- 1 Dry high-pressure system — "blocking high" — slides north.
- 2 Arctic jet stream forms an oval shape around the high.
- 3 A wet low-pressure system gets cut off from the jet stream.
- 4 With no wind to drive it east, the low stalls, spinning rain ashore for days.



### but the drought isn't completely gone

California's snowpack is the heaviest it has been in 10 years, but some areas, including the Klamath Basin of Oregon and the Upper Colorado River Basin, remain under drought conditions.

Region	Water content, in inches	% of normal year-to-date total	% of yearly average*
Northern Sierra	27.90	119%	99
Central Sierra	34.50	124	101
Southern Sierra	33.20	160	126
Statewide	32.30	135	110

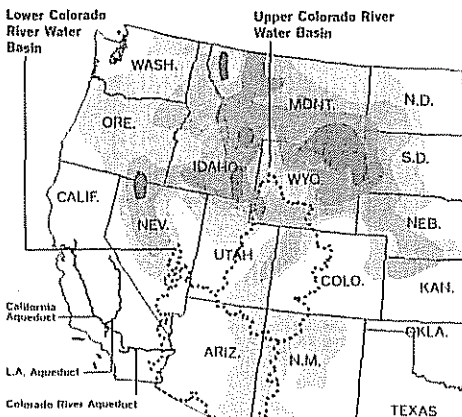
\*April 1 is the date of normal maximum accumulation for the season.

### Key reservoir storage in California

Reservoir	River	% of average	% of capacity
Trinity Lake	Trinity	90	67
Shasta Lake	Sacramento	94	67
Lake Oroville	Foothill	78	56
New Bullards Bar Res	Yuba	92	57
Folsom Lake	American	111	61
New Melones Res	Stanislaus	101	58
Dan Pedro Res	Tuolumne	118	81
Lake McClure	Merced	103	53
Millerton Lake	San Joaquin	114	75
Pine Flat Res	Kings	77	41
Isabella	Kern	81	24
San Luis Res	(Offstream)	111	94

### U.S. drought situation as of Feb. 15

- Abnormally dry
- Moderate drought
- Severe drought
- Extreme drought
- Exceptional drought



Sources: William Palzer, Jet Propulsion Laboratory; [ocweather.com](http://ocweather.com); [newweatherprediction.com](http://newweatherprediction.com); National Oceanic and Atmospheric Administration; Rich Tinker, NOAA Climate Prediction Center. Graphics prepared by JOHN CHIRREVENO and PAT RATHBUN. DOUG BEVERA, LESLIE CARLSON, Los Angeles Times

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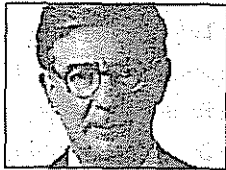
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Daily Bulletin 2/28/05

# Managing drought by using the market

**I**N Las Vegas, a city of histrionic architecture, the building that matters most may be the bland, low-slung headquarters of the Southern Nevada Water Authority.

The general manager since the authority was formed in 1991, the elegant, no-nonsense Pat Mulroy, 52, is determined to prevent a water shortage from inhibiting the growth of



GEORGE WILL

this city that is dedicated to the proposition that inhibitions are sinful.

She is dealing with a five-year drought, the worst in 100 years of record keeping. She also is dealing with reverberations from the day in 1877 when Thomas Blythe strode into the Colorado River near the California town now named for him, 100 miles south of the Nevada border, and claimed for California 9 million acre-feet of the river – an acre-foot being about 326,000 gallons.

Because of the principle “first in time, first in right,” California got an abundance. Then, in 1922, six other states – Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming – joined with California in the Colorado River Compact. Westerners say whisky is for drinking and water is for fighting over, but the seven states can do pretty much anything they can agree to, such as “banking” water underground to use in trading river entitlements. They cooperate to keep Washington from butting in.

Today, California gets 4.4 million acre-feet. Las Vegas’ water needs are supplied mostly from Lake Powell – down to 59 percent of capacity – and, downstream from Powell, Lake Mead, now at 34 percent of capacity.

Some 30 million people from Denver to Salt Lake City, Phoenix, Tucson, Los Angeles and San Diego – almost a tenth of all Americans – depend on the river’s water. But agriculture sops up 90 percent of it. The sprawl of Phoenix onto agricultural land actually decreases water use.

The Strip – the portion of Las Vegas Boulevard that has 15 of the world’s 20 largest hotels – features vast fountains, a sea battle between pirate ships and an 8.5-acre lake in front of the Bellagio hotel. However, Mulroy says, The Strip accounts for less than 1 percent of the state’s water use – while producing 60 percent of the state’s economy. The average hotel room uses 300 gallons of water a day, but it is all recycled. The drought has elicited un-Western demands to slow this city’s growth, but Mulroy briskly demurs: “You don’t use a growth moratorium to manage through a drought.” You use, primarily, the market.

For example, most people who move here – there were a record 29,248 new home sales in 2004, an increase of 16 percent from 2003, which also set a record – come from less arid places and they use home irrigation systems to reproduce the green lawns they left behind.

“It is,” says Mulroy, “mind-boggling: they move to the desert and plant Kentucky blue grass” – a particularly thirsty kind. “We were,” she says incredulously, “putting grass on medians.” It was, she says, “like moving to Alaska and walking down the street in a bathing suit in January.”

The city got little response paying 40 cents a square foot for removed grass. But Nevadans understand pricing: \$1 a square foot has bought the removal of turf to 50.9 million square feet, for annual savings of 2.8 billion gallons of water. Now garden stores stock desert plants for “water smart landscaping,” so lawns do not need to look like a Georgia O’Keeffe painting – a cactus and a dead cow skull.

Americans, passionate subduers of nature, are surpassing themselves here. Having built the nation’s fastest growing city in a desert, they are now bringing the desert back to town. From 2002 to 2003, while population was growing 5,000 a month, water consumption declined from 318,000 acre-feet to less than 272,000, and was even less in 2004.

Today, Mulroy is worrying about snow. Falling in the Rockies, it should melt and flow into Lake Powell. But when mountain winds pick up, “sublimated” snow evaporates. The moisture goes into clouds “and rains on Nebraska” – an indignity. Mulroy is not amused. If she decides to stop it, this betting town would not-bet against her.

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# Perchlorate detected widely in mother's milk

08:24 AM PST on Wednesday, February 23, 2005

By DAVID DANIELSKI / The Press-Enterprise

A study published Tuesday found the rocket fuel chemical perchlorate in all human milk samples collected from women in 18 states, raising new concerns about the federal government's efforts to determine a safe level in drinking water.

The researchers calculated that most of the babies whose mothers gave samples are consuming more perchlorate than the National Academy of Sciences recently found is safe.

The lead author of the study, published in the online edition of Environmental Science & Technology, said women shouldn't stop breastfeeding.

"It's something that may have been around for 50 years, and we just now found it," said Andrea Kirk, a doctoral student in environmental toxicology at Texas Tech University in Lubbock.

"It may be in formula, also," she said.

The U.S. Environmental Protection Agency is considering regulating perchlorate because certain amounts of the chemical can impair the thyroid gland's ability to produce hormones that fetuses and babies need for proper neurological development.

The Texas Tech scientists collected samples from 36 lactating volunteers in 2003 and 2004. The women were recruited by word of mouth and a notice posted on [www.mothering.com](http://www.mothering.com), a website of Mothering maternity magazine. Samples were frozen and shipped to researchers.

Perchlorate concentrations in the breast milk ranged from 1.4 parts per billion to 92.2 parts per billion, with an average of 10.5 parts per billion. By comparison, California last year set a public health goal of six parts per billion in drinking water.

Like an earlier study of cows' milk by the U.S. Food and Drug Administration, the perchlorate contamination was detected in samples collected nationwide. The concentrations in breast milk, however, were five times higher than in cows' milk samples analyzed by the Texas researchers.

### Food May Be Source

They found no correlation between contamination in breast milk and perchlorate concentrations in tap water or bottled water used by the nursing mothers. Food may be a major source of the chemical, the researchers wrote.

Peggy O'Mara, the editor, publisher and owner of Mothering magazine, said the problem isn't breast milk.

"Breast milk is always the best choice," O'Mara said. "I wonder of how healthy the environment is if these chemical are showing up in breast milk."

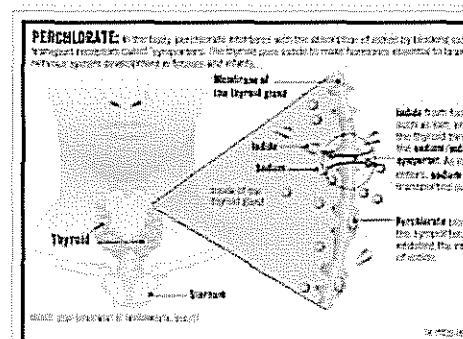


Illustration: Click to enlarge

"If it is in breast milk, it is in everything."

An EPA analysis issued Friday concluded that 24.5 parts per billion in drinking water is safe for all people.

That was based on a dose per kilogram of body weight found to be safe by a National Academy committee that spent nearly two years reviewing studies about perchlorate's effects on health. The EPA arrived at 24.5 parts per billion by applying the National Academy's formula to a 70-kilogram (about 150-pound) adult who drinks two liters of water a day.

That analysis is controversial within the EPA.

Kevin Mayer, EPA perchlorate coordinator for the Pacific Southwestern states, said his interpretation of the National Academy's work would put the safe level at 4.3 parts per billion for babies because they consume more liquid per unit of body weight than adults do.

"I'm just not able to explain with any clarity from a professional standpoint how the agency arrived at this (24.5 ppb) conclusion," said Mayer, perchlorate coordinator for more than seven years.

But Bill Farland, an acting deputy assistant administrator at the EPA's Office of Research and Development in Washington, D.C., said basing the safe dose on an adult's weight was appropriate because the most sensitive population is fetuses of pregnant women who have thyroid problems. The safe dose is based on the mother's weight.

### **Babies More Resilient**

Babies are more resilient to perchlorate exposure than such fetuses, Farland said in a telephone interview.

"They can clear the chemical more quickly," he said.

Farland noted that the standard of 24.5 parts per billion is not binding and is subject to change as more is learned about perchlorate ingestion from food. The chemical also has been found in dairy milk, lettuce and grain, the Texas Tech researchers said.

The EPA will examine the Texas Tech data to determine how much of the chemical nursing babies are consuming, Farland said.

Environmental groups said the Texas Tech study supports their calls for federal and state governments to push for cleanups of perchlorate-contaminated drinking water supplies.

Perchlorate is used in rockets, munitions and road flares. Leaks and spills at factories and military bases have allowed the chemical to enter the lower Colorado River, a major drinking and irrigation water source for Southern California, and several Inland groundwater basins.

About 15 percent of the nation's crops and about 13 percent of livestock use water from the Colorado River, according to the Texas Tech researchers. Contaminated water has been found throughout the nation.

### **Standards For Infants**

Renee Sharp, an Oakland-based analyst with the Environmental Working Group, said the Texas Tech findings should prompt the EPA to revise its analysis of how much perchlorate is safe in drinking water.

"This will practically force the EPA into writing a standard that protects infants -- not just healthy adults," Sharp said. "I will be shocked and appalled if EPA doesn't change that." The National Academy of Sciences report on perchlorate called for more research on how the chemical affects breast tissue.



Breast and thyroid cells both have microscopic pumps, called sodium iodide symporters, that bring iodide into the cells. In the thyroid, the iodide helps make hormones needed for fetal development.

In the breast tissue of lactating women, iodide goes into the milk for the thyroid of the feeding baby, said Gregory Brent, a UCLA medical school professor and member of the National Academy perchlorate committee.

Studies on mice could answer questions about whether perchlorate impairs movement of iodide through breast tissue, Brent said.

Kirk, of Texas Tech, said her study found lower levels of iodide in the breast milk samples with the highest levels of perchlorate. Kirk and the other researchers said pregnant and lactating women might need to increase their intake of iodine to compensate for perchlorate.

*Reach David Danelski at (951) 368-9471 or [ddanelski@pe.com](mailto:ddanelski@pe.com)*

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## Officials downplay perchlorate discovery

### SANTA ANA RIVER: Rain has carried the chemical downstream from the Stringfellow acid pits.

11:36 PM PST on Monday, February 14, 2005

By JENNIFER BOWLES / The Press-Enterprise

The state agency overseeing the cleanup of the Stringfellow acid pits has for the first time detected a rocket fuel chemical in a creek that flows through northwest Riverside County to the Santa Ana River, officials said Monday.

Although Pyrite Creek runs behind an elementary school and through the back yards of some homes in the semi-rural Jurupa Valley, the California Department of Toxic Substances Control said there is no immediate health risk from the perchlorate.

The potential for human contact is low, given that the chemical is not easily absorbed through the skin and it moved quickly in the rain-swollen creek when tests were conducted last month, said Allen Wolfenden, chief of the state agency's Stringfellow Branch.

Elliott Duchon, superintendent of the Jurupa Unified School District, said the discovery should not pose a hazard for children at Glen Avon Elementary School since the creek, which is a concrete-lined channel near the campus, is fenced off. Wolfenden said the levels of perchlorate dropped in the creek to trace amounts before it reached the Santa Ana River, which is used downstream by Orange County for drinking water.

Mike Wehner, water quality director at Orange County Water District, said the agency would review the test results and verify the river hasn't been tainted.

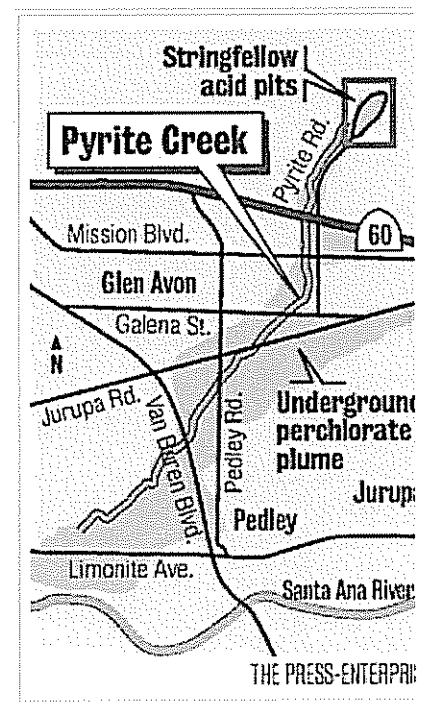
"I'm just grateful we got everyone off the groundwater ... so we don't have to panic every time something like this is found," said Penny Newman, Stringfellow activist and executive director of the Center for Community Action and Environmental Justice in Glen Avon.

"Like anything," she said, "it's something we have to watch."

Perchlorate, which has been linked to thyroid illness, has seeped into groundwater supplies across the Inland region as a result of leaks and spills at factories and military bases that used perchlorate in solid-state rocket fuel, munitions and fireworks.

The chemical was detected four years ago in an underground plume of contamination coming from the Stringfellow acid pits, nestled in a canyon above Glen Avon, where 35 million gallons of toxic waste were dumped until the pits closed in 1972.

Given the recent heavy rains that can carry contamination from soil into waterways, Wolfenden said the state



agency decided to test surface water in the vicinity of the pits.

The tests showed perchlorate levels ranging from 1.8 to 42 parts per billion. The state has set a draft health goal of 6 parts per billion for drinking water and is expected to set a drinking water limit later this year.

It is unknown if the perchlorate is also coming from just west of the pits in the Jurupa Mountains where aerospace companies used to conduct testing that may have used perchlorate, Wolfenden said. More tests will be conducted during upcoming storms to pinpoint the source, he said.

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## Uranium poses threat to river

### COLORADO: Officials urge the federal government to move waste away from the Inland water source.

07:24 AM PST on Monday, February 28, 2005

By JENNIFER BOWLES / The Press-Enterprise

The federal government should move about 12 million tons of uranium mining waste in Utah away from the banks of the Colorado River, a major drinking water source for 18 million Southern Californians, regional water officials said.

In a letter to the U.S. Department of Energy, officials with Metropolitan Water District of Southern California said relocating the waste "offsite is the only reliable and permanent" answer to protecting the river downstream from further contamination of radioactivity.

"Naturally, it's a lot more expensive but we think that's the best alternative," said Jeff Kightlinger, the general counsel for Metropolitan.

The federal agency will announce in the spring how it will clean up the 130-acre tailings pile on the west bank of the river near Moab, Utah, said Donald Metzler, the government's project director.

The agency is considering an option that would leave the pile in place and cap it, a move that has drawn the ire of environmental groups as well as water suppliers.

Metropolitan, in its Feb. 17 letter, said that if the pile remains in place, it potentially could leak into the river and be subject to flooding that could wash uranium into the river.

Groundwater concentration of uranium found at the site is more than 750 times above the federal drinking water standard, the letter notes.

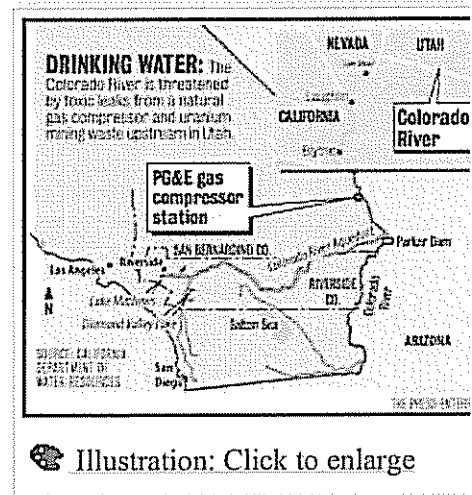
The Colorado River is a major drinking source for the Inland region, particularly in parts of western Riverside County. It also irrigates crops in the Coachella Valley.

Inland water agencies said they supported the letter written by Metropolitan.

"It's always easier to keep sources of supply from getting contaminated rather than after the fact, trying to remove them," said Peter Odencrans, a spokesman for Perris-based Eastern Municipal Water District.

Melodie Johnson, a spokeswoman for Riverside-based Western Municipal Water District, said she was particularly concerned by the high amount of salts the uranium waste could potentially dump in the river. Salts can reduce the usability of water for recycling projects that stretch water supplies.

"For any recycling project you want to get the salts as low as you reasonably can," she said. "The numbers



here are something else."

The former uranium ore-processing facility was licensed by the U.S. Nuclear Regulatory Commission until it ceased operation in 1984. The mill tailings are residue left over from the processing of uranium ore, which recovers about 95 percent of the uranium, according to the Energy Department. However, the residue contains uranium, thorium, radium, polonium and radon.

While the Utah sites pose a large threat to the Colorado, a more immediate threat is the high levels of chromium six that are inching toward the river near Needles in the San Bernardino County desert, officials said.

Last Tuesday, the state ordered Pacific Gas and Electric to step up its cleanup of an underground plume of contamination coming from its natural gas compressor after well detected high levels of the contaminant 60 feet from the river's edge.

The test showed the chromium had moved much closer to the river and at higher levels than earlier detected.

The level this time was 354 parts per billion, seven times the state drinking water for total chromium, which includes chromium six.

Chromium six, the contaminant made famous in the movie "Erin Brockovich," is considered a cancer-causing agent when inhaled but debate remains over its effect when ingested.

"It's something we just as soon keep out of drinking water and not be concerned with," said Kightlinger, of Metropolitan. "These sites are tricky, so we're not shocked they found a pocket of it but we do expect them to be aggressive in treating it."

Jon Tremayne, a PG&E spokesman, said the company has increased its pumping to 90 gallons a minute and is building a larger facility to treat more of the tainted water.

He said no chromium has been detected in the river.

*Reach Jennifer Bowles at 951-368-9548 or [jbowles@pe.com](mailto:jbowles@pe.com)*

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# Cost of new water treatment facility in Chino increases

A \$4.7 million water treatment plant being built in Chino will cost nearly \$1 million more than originally planned.

The city council approved an additional \$900,000 on Tuesday for a plant that will remove nitrates and perchlorate, resulting in more drinking water to meet the city's increasing needs.

The IEUA will reimburse the city \$300,000, the cost of a brine line included in the additional cost.

The treatment facility was fabricated off-site by Pittsburgh, Pa.-based Calgon

Carbon Corp. and is being assembled at wells No. 5 and No. 9 on Benson Avenue, south of Francis Avenue, said assistant city engineer Jim Hill.

It's expected to be completed this spring, he said.

The additional cost was anticipated when a construction contract was awarded in August 2003, but the actual amount was not known at that time, Mr. Hill said. The extra amount is for design modifications needed as a result of changes in construction scope, taxes, ad-

ditional materials and contingencies, according to a city staff report.

It will be funded from reserves in the city's Water Development Impact Fee Fund.

When completed, the facility will treat 2.6 billion gallons annually. It's expected to provide drinking water to approximately 30,000 people, more than twice the number served currently.

Nitrate contamination has been a widespread groundwater problem in the Chino Basin. Agricultural and dairy

uses over the years have caused nitrates from fertilizers and manure to seep into the region's groundwater.

Although not as severe, traces of perchlorate are also found.

Water from these wells is currently blended with water imported from the Metropolitan Water District to reduce the nitrate level and make it potable.

The treatment facility is expected to bring down the cost of potable water because it will reduce the city's need for costly imported water.

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# Quenching Pass' thirst

## BEAUMONT: The pipeline extension could deliver 17,300-acre-feet of water annually.

11:46 PM PST on Wednesday, March 9, 2005

By STEVE MOORE / The Press-Enterprise

BEAUMONT - A \$60 million to \$70 million expansion is planned for a state pipeline sending water gushing from Northern California to the booming San Geronio Pass.

The project is called the East Branch Extension Phase II.

It will add a link to the existing state pipeline and a pumping plant in Mentone. Work could be completed in five years, said Stephen Stockton, general manager/chief engineer for the San Geronio Pass Water Agency.

Once finished, the state pipeline that ends in Cherry Valley could deliver 17,300-acre-feet of water annually, or enough for about 34,600 homes, Stockton said. An acre-foot is about 326,000 gallons.

Preliminary engineering and environmental studies are now under way for the project.

Under its contract with the state, Pass Water Agency is now limited to 8,600-acre-feet of water annually, or enough for about 17,200 homes.

### Water Delivery

In 1960, California voters approved a \$1.75 billion bond issue to build the State Water Project. The system of dams, reservoirs, aqueducts, rivers, pumping stations and power plants stores and delivers water across a 600-mile swath of California.

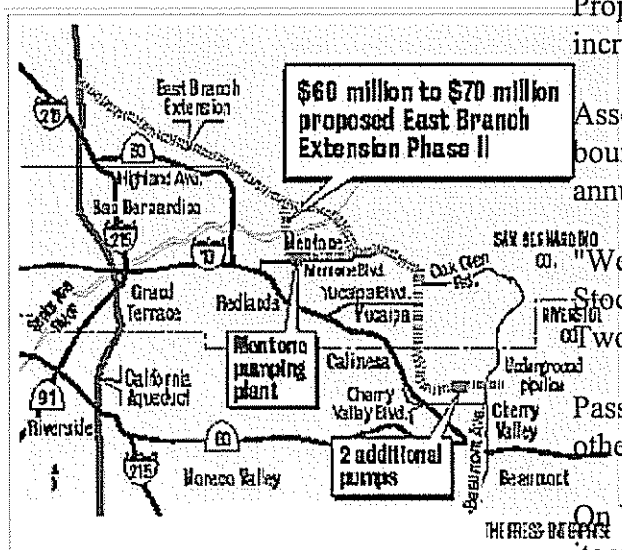
Property taxes will pay for the project, but rates won't increase with all the building in the Pass, officials said.

Assessed valuation within the Pass Water Agency's boundaries is climbing about 15 percent to 20 percent annually, Stockton said.

"We will have more houses to spread those costs over," Stockton said of plans for East Branch Extension Phase II.

Pass Water Agency has turned down a possible offer from other government entities about helping fund the project.

On Wednesday night, Pass Water Agency asked that an item dealing with financial help be pulled from



Beaumont-Cherry Valley Water District's agenda.

Any money advanced to the Pass Water Agency for the project would have to be repaid.

"We don't see a need for it at this time," Stockton said.

Chuck Butcher, general manager of the Beaumont-Cherry Valley Water District, planned to ask his board about a financial plan for helping Pass Water Agency with the project.

It called for advancing money if the Pass Agency experienced any shortfall in its tax revenue for the project.

Under Butcher's proposal, his agency and possibly Beaumont would help fund the project - increasing the supply of state water and benefit the region, they said.

Butcher's district is buying water from the Pass Agency.

Pass Water Agency taxpayers are paying for an existing segment of the State Water Project called the East Branch Extension. The owner of a new \$350,000 home pays about \$600 a year for the existing pipeline, Stockton said.

In 2003, the pipeline began delivering imported state water to the Pass.

The East Branch Extension is a 13-mile link in the State Water Project between Redlands and Cherry Valley.

The \$125 million East Branch Extension empties into a big spreading pond in Cherry Valley. Water then percolates into the underground basin.

The upcoming expansion called East Branch Extension Phase II would be a joint effort by Pass Water Agency and the San Bernardino Valley Municipal Water District.

"We're ready to go," Randy Van Gelder, assistant general manager for San Bernardino Valley Municipal, said by phone.

The two agencies oversaw the state's construction of the 13-mile pipeline between Redlands and Cherry Valley.

Years ago, a shortage of money prevented the East Branch Extension from being built to its full capacity. Proposition 13, which slashed property taxes in California, hit many government agencies hard, including water districts, Stockton said.

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