



## **NOTICE OF MEETINGS**

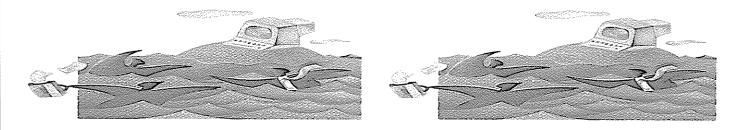
### Thursday, September 22, 2005

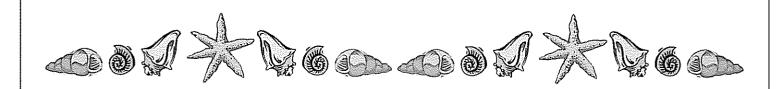
9:00 a.m. – Advisory Committee Meeting

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





## September 22, 2005

9:00 a.m. - Advisory Committee Meeting

11:00 a.m. – Watermaster Board Meeting

(Lunch Will Be Served)

# AGENDA PACKAGE



#### CHINO BASIN WATERMASTER ADVISORY COMMITTEE MEETING

9:00 a.m. – September 22, 2005 At The Offices Of Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730

#### <u>AGENDA</u>

CALL TO ORDER

#### AGENDA - ADDITIONS/REORDER

#### I. CONSENT CALENDAR

Note: All matters listed under the Consent Calendar are considered to be routine and noncontroversial 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 August 25, 2005 (Page 1)

#### **B. FINANCIAL REPORTS**

- 1. Cash Disbursements for the month of August 2005 (Page 15)
- 2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through July 31, 2005 (*Page 15*)
- 3. Treasurer's Report of Financial Affairs for the Period July 1, 2005 through July 31, 2005 (Page 19)
- 4. Profit & Loss Budget vs. Actual July 2005 (Page 22)

#### C. WATER TRANSACTION

- 1. Consider Approval for Transaction of Notice of Sale or Transfer The City of Upland has agreed to purchase from the West End Consolidated Water Company water in storage in the amount of 14,425 acre-feet; Date of Application: August 1, 2005 (*Page 25*)
- Consider Approval for Transaction of Notice of Sale or Transfer The transfer of Monte Vista Irrigation Company's FY 2005-06 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet; Date of Application: July 20, 2005 (Page 35)
- Consider Approval for Transaction of Notice of Sale or Transfer The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acre-feet; Date of Application: August 1, 2005 (Page 47)
- 4. Consider Approval for Transaction of Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2,500 acre-feet; Date of Application: May 27, 2005 (Page 61)

#### II. BUSINESS ITEMS

#### A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY

Consider Approval for the IEUA Application to Implement Phase II Chino Basin Recycled Water Recharge Project (*Page 75*)

#### B. MOTION TO SCHEDULE HEARING TO RE-APPOINT BOARD

Recommend Filing Motion Requesting Court to Set a Hearing Date to Consider Re-appointment of the Watermaster Board (*Page 87*)

#### III. <u>REPORTS/UPDATES</u>

#### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney-Manager

#### B. CEO/STAFF REPORT

- 1. Wet Basin Maintenance Presentation
- 2. Water Quality Update
- 3. Legislative Update
- 4. Water Activity Report/Assessment Calendar
- 5. Status of MZ1 Supplemental Water Deliveries

#### C. INLAND EMPIRE UTILITIES AGENCY

- 1. MWD Status Report Richard Atwater
- 2. Urban Water Management Plan Martha Davis
- 3. Legislative Highlights Martha Davis
- 4. Salinity Reduction
- 5. FY 2004/05 Water Production Report (Page 95)
- 6. FY 2004/05 Water Conservation Activities Report (Page 117)
- 7. State/Federal Legislation Reports (Page 121)
- 8. Community Outreach/Public Relations Report (Page 145)

#### D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

#### IV. INFORMATION

1. Newspaper Articles (Page 147)

#### V. <u>COMMITTEE MEMBER COMMENTS</u>

#### VI. OTHER BUSINESS

#### VII. FUTURE MEETINGS

September 20, 2005	9:00 a.m.	GRCC Meeting
September 22, 2005	9:00 a.m.	Advisory Committee Meeting
September 22, 2005	11:00 a.m.	Watermaster Board Meeting
October 13, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 18, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 27, 2005	9:00 a.m.	Advisory Committee Meeting
October 27, 2005	11:00 a.m.	Watermaster Board Meeting
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Meeting Adjourn

#### CHINO BASIN WATERMASTER WATERMASTER BOARD MEETING

11:00 a.m. – September 22, 2005 At The Offices Of Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730

#### <u>AGENDA</u>

CALL TO ORDER

PLEDGE OF ALLEGIANCE

#### AGENDA - ADDITIONS/REORDER

#### I. <u>CONSENT CALENDAR</u>

Note: All matters listed under the Consent Calendar are considered to be routine and noncontroversial 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 Watermaster Board meeting held August 25, 2005 (Page 7)
- 2. Minutes of the Special Closed Watermaster Board meeting held September 14, 2005 (Page 13)

#### **B. FINANCIAL REPORTS**

- 1. Cash Disbursements for the month of August 2005 (Page 15)
- 2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through July 31, 2005 (*Page 19*)
- 3. Treasurer's Report of Financial Affairs for the Period July 1, 2005 through July 31, 2005 (Page 21)
- 4. Profit & Loss Budget vs. Actual July 2005 (Page 23)

#### C. WATER TRANSACTION

- 1. Consider Approval for Transaction of Notice of Sale or Transfer The City of Upland has agreed to purchase from the West End Consolidated Water Company water in storage in the amount of 14,425 acre-feet; Date of Application: August 1, 2005 (*Page 25*)
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4. Consider Approval for Transaction of Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2,500 acre-feet; Date of Application: May 27, 2005 (Page 61)

#### II. BUSINESS ITEMS

#### A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY

Consider Approval for the IEUA Application to Implement Phase II Chino Basin Recycled Water Recharge Project (*Page 75*)

#### B. MOTION TO SCHEDULE HEARING TO RE-APPOINT BOARD

Recommend Filing Motion Requesting Court to Set a Hearing Date to Consider Re-appointment of the Watermaster Board (*Page 87*)

#### III. <u>REPORTS/UPDATES</u>

- A. WATERMASTER GENERAL LEGAL COUNSEL REPORT
  - 1. Attorney-Manager (to be discussed in closed session)

#### B. CEO/STAFF REPORT

- 1. Wet Basin Maintenance Presentation
- 2. Water Quality Update
- 3. Legislative Update
- 4. Strategic Planning Retreat

#### IV. INFORMATION

1. Newspaper Articles (Page 147)

#### V. BOARD MEMBER COMMENTS

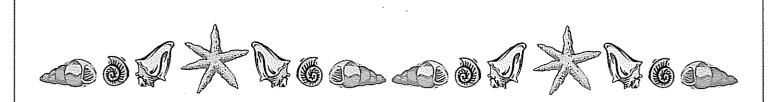
VI. OTHER BUSINESS

#### VII. CONFIDENTIAL SESSION

#### VIII. FUTURE MEETINGS

September 20, 2005	9:00 a.m.	GRCC Meeting
September 22, 2005	9:00 a.m.	Advisory Committee Meeting
September 22, 2005	11:00 a.m.	Watermaster Board Meeting
October 13, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 18, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 27, 2005	9:00 a.m.	Advisory Committee Meeting
October 27, 2005	11:00 a.m.	Watermaster Board Meeting

#### Meeting Adjourn



## I. <u>CONSENT CALENDAR</u>

### A. MINUTES

 Advisory Committee Meeting – August 25, 2005



#### **Draft Minutes** CHINO BASIN WATERMASTER ADVISORY COMMITTEE MEETING

August 25, 2005

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on August 25, 2005 at 9:00 a.m.

#### ADVISORY COMMITTEE MEMBERS PRESENT

Non-Agricultural Pool Bob Bowcock, 2<sup>nd</sup> Vice-Chair Appropriative Pool Robert DeLoach Cucamonga Valley Water District **Rich Atwater** Inland Empire Utilities Agency Gerald J. Black Fontana Union Water Company Mike McGraw Fontana Water Company Charles Moorrees San Antonio Water Company Mike Maestas **City of Chino Hills** Bill Stafford Marygold Mutual Water Company Kevin Sin City of Pomona J. Arnold Rodriguez Santa Ana River Water Company Mohamed El-Amamy City of Ontario Mark Kinsev Monte Vista Water District Agricultural Pool John Huitsing Dairy Pete Hettinga Dairy

#### Watermaster Staff Present

Kenneth R. Manning Sheri Rojo Gordon Treweek Sherri Lynne Molino

#### Watermaster Consultants Present

Michael Fife Mark Wildermuth

#### **Others Present**

Martha Davis Steven G. Lee Josephine Johnson Vulcan Materials Company (Calmat Division)

Chief Executive Officer Finance Manager **Project Engineer** Recording Secretary

Hatch & Parent Wildermuth Environmental Inc.

Inland Empire Utilities Agency Agricultural Pool Legal Counsel Monte Vista Water District

The Advisory Committee meeting was called to order by 2<sup>nd</sup> Vice-Chair Bowcock at 9:06 a.m.

#### **AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

#### 1. **CONSENT CALENDAR**

#### A. MINUTES

1. Minutes of the Advisory Committee Meeting held July 28, 2005

#### **B. FINANCIAL REPORTS**

- 1. Cash Disbursements for the month of July 2005
- Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period 2. July 1, 2004 through June 30, 2005
- 3. Treasurer's Report of Financial Affairs for the Period June 1, 2005 through June 30, 2005

4. Profit & Loss Budget vs. Actual July 2004 through June 2005

#### C. WATER TRANSACTION

- Consider Approval for Transaction of Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2,500 acre-feet; Date of Application: June 8, 2005
- Consider Approval for Transaction of Notice of Sale or Transfer The Fontana Water Company has agreed to purchase from West Valley Water District water in storage in the amount of 1,000 acre-feet; Date of Application: June 8, 2005
- 3. Consider Approval for Transaction of Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Nicholson Trust water in storage in the amount of 5.458 acre-feet; Date of Application: July 5, 2005

#### D. STATUS REPORT NO. 15

Consider Authorization to File OBMP Status Report No. 15 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary

Motion by DeLoach, second by Kinsey, and by unanimous vote Moved to approve Consent Calendar Items A through D, as presented

#### II. BUSINESS ITEMS

#### A. NORTH GUALALA AMICUS

Mr. Manning noted that Counsel Fife has been giving monthly update reports on the progress of the North Gualala law suit and at this point staff and legal counsel feel it is a good opportunity to provide some input that could possibly result in a favorable outcome for the Chino Basin. Counsel Fife stated that staff is looking for an approval and motion to direct counsel to file an amicus brief. There is a revised copy of the brief available on the back table that is much more substantive than the one provided in the meeting packet. The brief is still in the draft stage and there has been discussions regarding the timing of the filing. Counsel Fife noted that two amicus briefs were filed yesterday regarding this case. Counsel Fife offered insight as to timing of filing amicus briefs. It was noted that ACWA and the Chino Basin Watermaster will be waiting to file their amicus briefs until the State Board's brief is distributed and reviewed. Even though the brief is still in draft form staff is asking for approval to file if for some reason the timing issue turns out that the brief needs to be filed promptly. Counsel Fife stated that counsel's intent is to not finish the brief until the end of next month. It would be helpful to have the approval in place so that if a timing issue presents itself that filing of the brief has been approved. A brief discussion ensued with regard to the State Board filing their brief. Counsel Fife stated that the draft brief that is presented on the back table will be completely consistent with the final brief that will be filed with the court; no new arguments will be made other than what is presented in the draft.

Motion by DeLoach, second by Kinsey, and by unanimous vote Moved to approve the completed amicus brief for filing, as presented

#### III. <u>REPORTS/UPDATES</u>

#### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney-Manager

Counsel Fife stated the Attorney-Manager process is moving forward and the next meeting is scheduled for next Thursday; a revised copy of the Consensus will hopefully be made available well in advance of that meeting.

#### 2. Board Re-Appointment

Counsel Fife stated that at the last Watermaster Board meeting the board directed counsel to prepare a draft pleading concerning the need to extend the nine member board for another five year term. A pleading has been drafted and a copy has been provided in the meeting packet. Counsel Fife noted that this is the same draft that was presented to the Pools a few weeks ago. This item is being presented under Legal Counsel Fife because it is being distributed for the purposes of discussion and not action. Counsel Fife

stated that staff and legal counsel represent the board and if there is going to be a discussion about a response by the Advisory Committee or any kind of strategic discussion that the committee wants to have, it would be appropriate to ask staff and counsel to leave the room for that discussion. Mr. Manning noted that there are two letters which have been received from Cucamonga Valley Water District (CVWD) and Western Municipal Water District (WMWD). The letter from CVWD, paraphrased, simply states that they would prefer this discussion not take place until the appropriate time and WMWD letter was in support of the nine member board as it is currently comprised. Both of those letters are on record and copies are available on the back table for review. Chair Bowcock inquired to the wishes of the committee members whether it will be discussed or be received as a legal counsel report only. A question if this report would ultimately be filed with the court was presented. Counsel Fife stated there is a timing question because the term of the board does expire September 30, 2005, which does allow for another board meeting to convene. Counsel has been informed by the Special Referee and by the court that the Special Referee will be on vacation for most of September. If this motion is filed in August, the court would not be prepared to deal with this matter before the end September; at some level there is going to be a need for some kind of extension. Chair Bowcock stated that it was his belief that come September, if no action was taken we would be considered delinguent and inquired if that statement was correct. Counsel Fife stated it is unclear because the Judgment does not state what happens if there is no extension at the end of a five year period; the court, most likely will give an explicit extension. Counsel Fife stated that it is felt that by the end of September there will be some type of explicit treatment of the problem. No further discussion took place.

#### B. CEO/STAFF REPORT

1. Rialto Pipeline Availability

Mr. Manning stated this item is being brought today because of the events that have occurred over the last six weeks and is a place to kick off future discussions. On July 14, 2005 the Metropolitan Water District (MWD), on the Rialto Pipeline, shut all of our access to replenishment water and because of problems within the system, MWD diverted water from the Rialto Pipeline to other uses. Mr. Manning referred to the cartoon handout which is from MWD that shows the system within its service area and our issue has to do with getting water down into what is called their central pool. Normally, that water is fed to them by the Jensen Plant, but because of the high temperatures and some ozone work on the actual plant, in order to get water to their central pool MWD diverted water from the Rialto Pipeline down to Diemer and then from Diemer to the central pool. Chino Basin is capable of taking in 100 cfs a day into all of our recharge basins, but we are only getting approximately 7 cfs. Earlier this week, 60 cfs is now being released into a variety of our basins. Mr. Manning stated that the Chino Basin is relying on MWD and based upon the scenario presented, Chino Basin gets slighted. As Watermaster begins looking at strategies for supplying water to this basin for recharge, areas other than the Rialto Pipeline need to be considered and reviewed. There are discussions taking place with MWD regarding increasing some of the turnouts on the Rialto Pipeline. This is a heads up item for future discussions as staff begins to strategize about how we are going to meet demands for 2025. Mr. Kinsey offered comment regarding replenishment deliveries and noted that he recently attended a Three Valleys board meeting which MWD also attended and gave a presentation on their 2025 Capital Improvement Plan and Funding Plan. Mr. Kinsey stated that at that presentation it was noted that within MWD's whole system, at 2025 the only area that does not have a redundant means of moving water into it is the Chino Basin area. Mr. Kinsey noted that the Chino Basin needs to have the same redundancy in water supply from MWD. A brief discussion ensued with regard to redundancy efforts. Mr. Manning acknowledged that it is incumbent upon us to look within our own existing system and at ways we can make our system work better if we are going to meet our demands. This item will be discussed further at future meetings.

#### 2. Ontario Airport Clean Up & Abatement Update

Mr. Manning stated that the Regional Board has mailed out clean up and abatement orders on July 27, 2005. In the clean up and abatement orders there was a letter that

accompanied the orders which called for those organizations to meet on August 30, 2005 at the Regional Board office wherein a technical briefing would be held. A number of topics will be discussed at that briefing such as efforts that have already been undertaken, an overview of future work, discussions of various scenarios, discussions relating to the legal and administrative steps, and options for early settlement. Watermaster staff will have a large part in directing that meeting. At the Water Quality Committee meeting on August 22, this topic was discussed and that committee will be reviewing some of the technical presentations that will be given at the Regional Board technical briefing on August 30, 2005.

#### 3. Basin Maintenance Update

Mr. Treweek stated this is a report on the Basin Maintenance Program that is on-going during the summer which will provide an update on some of the basin activities and restorations. Mr. Treweek referred to the handout titled; "Recharge / Maintenance Schedule" dated August 12, 2005. Mr. Treweek noted that since the 14<sup>th</sup> of July, MWD has shut off our water supply and due to that shut off; staff has accelerated the maintenance for the Montclair Basin and on the Ely Basin for restoration completion. This will leave the Turner Basins as the major basins requiring maintenance. We couldn't get water to put into the Turner Basins even if they were cleaned up because the City of Rancho Cucamonga is rebuilding the Haven Avenue storm drain. That storm drain is what carries the water from the MWD turnout down to the Turner Basins. The City of Rancho Cucamonga has informed Watermaster that the rebuilding of the Haven Avenue storm drain will not be completed until mid October; at that point the Turner Basins will be back up and able to receive water. As soon as MWD can release water again to our basins they are capable to receive approximately 100,000 cfs or about 6,000 acre-feet a month as Mr. Manning stated in an earlier report. A discussion ensued with regard to the work being done on the basins.

#### 4. Water Activity Report Update

Mr. Manning stated that part of his goals and objectives is to bifurcate the assessment package, the budget package, and the water activity report so that they all work together but independently. Mr. Manning noted that Ms. Rojo has done a tremendous amount of work on this project; this project is coming together well. Mr. Manning stated that Ms. Rojo will be using the City of Ontario as a case in point to provide an illustration as to what this water reporting report would look like. Ms. Rojo stated that part of Watermaster's responsibilities involve requiring each agency to report to Watermaster various types of water activity including: land use conversions, assignments, production, transfers and sales/leases. That information is forwarded to Watermaster through various documents and then compiled. This report presented on the screen and as a handout recaps the water activities. This is the first time this document is being presented to the parties and everyone is encouraged to offer comments and suggestions on how to improve the format or titling. Ms. Rojo noted that this report will be mailed out to each agency. It will be asked that it be reviewed, signed, and either mailed or faxed back to Chino Basin Watermaster.

#### C. INLAND EMPIRE UTILITIES AGENCY

1. <u>MWD Status Report – Richard Atwater</u>

Mr. Atwater stated that he and other staff members have continued to attend meetings on rate structure issues, growth charge, and replenishment rates. Mr. Atwater noted that he is available to meet with parties regarding the Rialto Pipeline and reliability in the System Overview Study. Mr. Atwater gave a brief update on the recent meeting with DHS.

- 2. <u>State Water Plan (B160) Martha Davis</u> No comment was made regarding this item.
- 3. <u>Planning and Water Resources Quarterly Report</u> No comment was made regarding this item.

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- 4. <u>State/Federal Legislation Reports</u> No comment was made regarding this item.
- 5. <u>Community Outreach/Public Relations Report</u> No comment was made regarding this item.

#### D. OTHER MWDROPOLITAN MEMBER AGENCY REPORTS

Mr. Rossi reported on the task which was given by the new chair out of Orange County to develop some consensus on his fourteen bullet points that have not been dealt with over the last twenty years. The general managers have now MWD twice and have pared that list down to seven items and noted that the primary issue is growth charge and treated water peaking charge. There is a possibility of a board workshop being scheduled for mid September to discuss these and other issues off that list. Mr. Rossi reviewed several of the areas that are experiencing immense growths and some of the concepts being discussed by parties regarding growth charges. A brief discussion ensued with regard to growth concepts and economics.

#### IV. INFORMATION

- <u>Quarterly Status Report No. 14</u> No comment was made regarding this item.
- 2. <u>Newspaper Articles</u> No comment was made regarding this item.

#### V. COMMITTEE MEMBER COMMENTS

Mr. Kinsey inquired about being finished with the 6500 acre-feet recharge under the Peace Agreement and if the 32,500 acre-feet have been MWD. Ms. Rojo stated that we were short the previous year and that had to be tacked on to last year and that Watermaster staff would look into this inquiry and get back with him.

#### VI. OTHER BUSINESS

No comment was made regarding this item.

#### **VII. FUTURE MEETINGS**

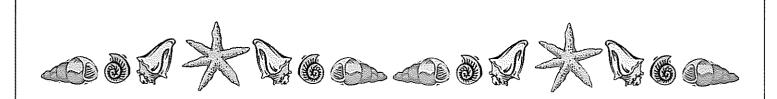
August 22, 2005	1:00 p.m.	Water Quality Meeting
August 23, 2005	9:00 a.m.	GRCC Meeting
August 25, 2005	9:00 a.m.	Advisory Committee Meeting
August 25, 2005	11:00 a.m.	Watermaster Board Meeting
September 8, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
September 20, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 22, 2005	9:00 a.m.	Advisory Committee Meeting
September 22, 2005	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 9:51 a.m.

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

Minutes Approved:

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## I. <u>CONSENT CALENDAR</u>

### A. MINUTES

- Watermaster Board Meeting August 25, 2005
- 2. Special Closed Watermaster Board Conference Call – September 14, 2005



#### Draft Minutes CHINO BASIN WATERMASTER BOARD MEETING

August 25, 2005

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on August 25, 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
AI Lopez	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool, Crops
Bill Kruger	City of Chino Hills
Geoffrey Vanden Heuvel	Agricultural Pool, Dairy

#### Watermaster Staff Present

Kenneth R. Manning Sheri Rojo Gordon Treweek Sherri Lynne Molino

#### Watermaster Consultants Present

Scott Slater Michael Fife Mark Wildermuth

#### Others Present

Henry Pepper Mark Kinsey Charles Moorrees Kevin Sin Chief Executive Officer Finance Manager Project Engineer Recording Secretary

Hatch & Parent Hatch & Parent Wildermuth Environmental Inc.

City of Pomona Monte Vista Water District San Antonio Water Company City of Pomona

The Watermaster Board Meeting was called to order by Chair Neufeld at 11:01 a.m.

#### PLEDGE OF ALLEGIANCE

#### **AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

#### I. <u>CONSENT CALENDAR</u>

- A. MINUTES
  - 1. Minutes of the Watermaster Board Meeting held July 28, 2005

#### **B. FINANCIAL REPORTS**

- 1. Cash Disbursements for the month of July 2005
- 2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through June 30, 2005
- 3. Treasurer's Report of Financial Affairs for the Period June 1, 2005 through June 30, 2005
- 4. Profit & Loss Budget vs. Actual July 2004 through June 2005

#### C. WATER TRANSACTION

- Consider Approval for Transaction of Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2,500 acre-feet; Date of Application: June 8, 2005
- Consider Approval for Transaction of Notice of Sale or Transfer The Fontana Water Company has agreed to purchase from West Valley Water District water in storage in the amount of 1,000 acre-feet; Date of Application: June 8, 2005
- 3. Consider Approval for Transaction of Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Nicholson Trust water in storage in the amount of 5.458 acre-feet; Date of Application: July 5, 2005

#### D. STATUS REPORT NO. 15

Consider Authorization to File OBMP Status Report No. 15 with Court and Authorize Staff and Counsel to Make Minor Edits as Necessary

Motion by Lopez, second by Bowcock, and by majority vote – Mr. Catlin abstained from the vote Moved to approve Consent Calendar Items A through D, as presented

#### II. BUSINESS ITEMS

#### A. NORTH GUALALA AMICUS

Counsel Fife stated that this item has been discussed for several months regarding an issue that has risen up in Northern California on the North Gualala River. The State Board has asserted jurisdiction over groundwater pumping by the North Gualala Water Company; litigation ensued. The trial court decision raises concerns for the Chino Basin because it appeared to apply what is called an Impacts Test to groundwater pumping. It stated that North Gualala's pumping could have an impact on the North Gualala River (a surface stream) and because of that, the State Board's jurisdiction extends to that groundwater pumping. Counsel Fife noted that it has been suggested over the past few months to file an amicus brief. A timing issue has come up with the filing of the amicus brief. The brief that is in the packet is an outline and there is a first draft of the brief available on the back table for review. There are several amicus brief's being filed against this case. Counsel has been in discussions with Tom Bunn, who is writing the amicus brief for ACWA, and is in the opinion that it is the State Board's position that we are going to be concerned with and responding to. The State Board is not going to file their brief until the middle to end of next month. The timing issue is that other parties want to file right away; however, Watermaster plans to wait until the State Board has issued theirs. This has been brought to the agenda for approval and the approval is to authorize to file when the time comes even though the brief has not been finished. It is anticipated that the completed item will be brought back to the parties for review. If the approval to file was given now, the freedom would be there in case a timing issue actually came up counsel would be able to respond properly. The Pools and Advisory Committee unanimously approved this as presented. The question regarding filing now and then filing again after the review of the State Board's amicus brief was presented. Counsel Fife stated that an amicus brief really states that you have read all the amicus briefs and in filing ours would state that we have something significant to add; noting the answer to the presented question would be no. A brief discussion ensued with regard to the amicus briefs being filed.

Motion by Catlin, second by Vanden Heuvel, and by unanimous vote Moved to approve the completed amicus brief for filing at the appropriate time, as presented

#### B. ACWA - REGION 9 ELECTION FOR 2004-2005 TERM

Mr. Manning stated that the full description of this election is in the meeting packet. ACWA has its meeting on September 15, 2005 in Dana Point and the election of the Region 9 officers can be done by either certifying this and faxing it or by delivering it to that scheduled meeting. As an agency we can concur with Region 9 nominating committee (the slate that has been presented) or we can select agencies individual members and only elect certain people. An authorizing voting delegate needs to take place today and then get the board president signature. The fist

action that needs to take place is appointing a voting delegate and the second is to support the slate or look at the people individually and lastly will be the board president signature. A lengthy discussion took place regarding this item and the people represented on the nomination list and it was decided to:

Delegate:Ken Manning, CEO Chino Basin WatermasterVote:To vote at the meeting in the best interest of the Chino Basin

Motion by Hamrick, second by Bowcock, and by unanimous vote Moved to approve Ken Manning as the Chino Basin Watermaster delegate and to authorize Ken Manning to vote at that meeting in the best interest of the Chino Basin, as presented

#### III. <u>REPORTS/UPDATES</u>

#### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. <u>Attorney-Manager</u>

Counsel Slater stated that staff and counsel continue to meet with the stakeholder groups and both staff and counsel feel a conclusion is extremely close. The substantive disagreements are so modest now that it appears a final agreement could be reached by the end of September. Counsel Slater noted that it is his anticipation that a term sheet will be presented at the September board meeting.

#### 2. Board Re-Appointment

Counsel Slater stated that a draft pleading was prepared at the Board's instruction and was distributed through the Pool process for review and comment. No comments from the Pools or Advisory Committee have been received and counsel is not yet in the position to file the pleading. It is anticipated that this item will be brought back at the September Board meeting before we proceed to the next step which would be filing the document. Mr. Lopez noted that there is a resolution from Western Municipal Water District on the back table supporting the nine member board as structured now. Mr. Manning noted there is also a letter received by the Cucamonga Valley Water District that stated there is an appropriate time and place for the discussion on the merits of the nine member board and right now was neither the time nor the place and suggest that discussion be held off.

#### B. CEO/STAFF REPORT

#### 1. Rialto Pipeline Availability

Mr. Manning stated this item is being brought today to this pool because of the events that have occurred over the last six weeks and is a place to kick of future discussions. On July 14, 2005 the Metropolitan Water District (MWD), on the Rialto Pipeline, shut all of our access to replenishment water and because of problems within the system, MWD diverted water from the Rialto Pipeline to other uses. Mr. Manning referred to the cartoon handout which is from MWD that shows the system within its service area and issue has to do with getting water down into what is called their central pool. Normally that water is fed to them by the Jensen Plant, but because of the high temperatures and some ozone work on the actual plant, in order to get water to their central pool MWD diverted water from the Rialto Pipeline down to Diemer and then from Diemer to the central pool. The Chino Basin is now capable of taking in 100 cfs a day into all of our recharge basins, if we were to us them all, and are now only getting approximately 7 cfs. Earlier this week 60 cfs is now being released into a variety of our basins. Mr. Manning stated that the Chino Basin is relying on MWD and based upon the scenario presented, the Chino Basin gets slighted. As Watermaster begins looking at strategies for supplying water to this basin for recharge, areas other than the Rialto Pipeline need to be considered and reviewed. There are discussions taking place with MWD regarding increasing some of the turnouts on the Rialto Pipeline. This is a heads up item for future discussions as staff begins to strategize about how we are going to meet the demands for 2025. Mr. Manning acknowledged that it is incumbent upon us to look at within our own existing system at ways we can make our system work better if we are going to meet our demands. This item will be discussed further at future meetings.

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#### 2. Ontario Airport Clean Up & Abatement Update

Mr. Manning stated that the Regional Board has mailed out clean up and abatement orders on July 27, 2005. In the clean up and abatement order there was a letter that accompanied the orders which called for those organizations to meet on August 30, 2005 at the Regional Board office wherein a technical briefing would be held. A number of topics will be discussed at that briefing such as efforts that have already been undertaken, an overview of future work, discussions of various scenarios, discussions relating to the legal and administrative steps, and options for early settlement. Watermaster staff will have a large part in directing that meeting. At the Water Quality Committee meeting on August 22, this topic was discussed and that committee will be reviewing some of the technical presentations that will be given at the Regional Board technical briefing on August 30, 2005.

#### 3. Basin Maintenance Update

Mr. Treweek stated this is a report on the Basin Maintenance Program that is on-going during the summer which will provide an update on some of the basin activities and restorations. Mr. Treweek referred to the handout titled; "Recharge / Maintenance Schedule" dated August 12, 2005. Mr. Treweek noted that since the 14<sup>th</sup> of July, MWD has shut off our water supply and due to that shut off; staff has accelerated the maintenance for the Montclair Basin and on the Ely Basin for restoration completion. This will leave the Turner Basins as the major basins requiring maintenance. We couldn't get water to put into the Turner Basins even if they were cleaned up because the City of Rancho Cucamonga is rebuilding the Haven Avenue storm drain. That storm drain is what carries the water from the MWD turnout down to the Turner Basins. The City of Rancho Cucamonga has informed Watermaster that the rebuilding of the Haven Avenue storm drain will not be completed until mid October; at that point the Turner Basins will be back up and able to receive water. As soon as MWD can release water again to our basins they are capable to receive approximately 100,000 cfs or about 6,000 acre-feet a month.

#### 4. Water Activity Report Update

Mr. Manning stated that part of his goals and objectives is to bifurcate the assessment package, the budget package, and the water activity report so that these all work together but independently. Mr. Manning noted that Ms. Rojo has done a tremendous amount of work on this project; this project is coming together well. Mr. Manning stated that Ms. Rojo will be using the City of Ontario as a case in point to provide an illustration as to what this water reporting report would look like. Ms. Rojo stated that part of Watermaster's responsibilities involve requiring each agency to report to Watermaster various types of water activity, including: land use conversions, assignments, production on a quarterly basis, transfers and sales/leases. That information is forwarded to Watermaster through various documents and then compiled. This report presented on the screen and as a handout recaps the water activities. This is the first time this document is being presented to the parties and everyone is encouraged to offer comments and suggestions on how to improve the format or titling. Ms. Rojo reviewed in detail the 2003-2004 Water Production report for the City of Ontario. Ms. Rojo noted that this report will be mailed out to each agency and it will be asked that it be reviewed, signed, and either mailed or faxed back to Chino Basin Watermaster. Mr. Vanden Heuvel asked that the 85/15 rule be explained. This would mean that the appropriators who are participants in the 85/15 program and are over producers (have a replenishment obligation) only pay for 85% of their replenishment obligation and everybody else who participates in the 85/15 shares 15% of their burden. Mr. Kinsey offered comments from discussions and the decision for the 85/15 rule. A lengthy discussion ensued with regard to the 85/15 rule and how that rule applies to the hand out/presentation. Counsel Slater noted that the genesis is in the Judgment in Exhibit H relates to different adjustments for whether or not you were using water in the basin solely or whether you were exporting. It is a market mechanism to discourage but not prohibit export so it gives in basin users an advantage. The market incentive is to facilitate transactions among the parties to the basin. Ms. Rojo noted that some feedback was given at the Advisory Committee on this format and those suggestions will be taken into

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consideration before the final copy is distributed. Mr. Manning stated this report is intended to separate the water activity that goes on within this basin from the dollars associated with that water activity which was never done prior to this report.

#### IV. INFORMATION

- 1. Quarterly Status Report No. 14 No comment was made regarding this item.
- 2. <u>Newspaper Articles</u> No comment was made regarding this item.

#### V. BOARD MEMBER COMMENTS

No comment was made regarding this item.

#### VI. OTHER BUSINESS

No comment was made regarding this item.

At 11:55 a.m. the open Watermaster Board meeting was adjourned and the confidential session convened.

#### VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

At 12:35 p.m. the confidential session was adjourned and the Watermaster Board meeting convened.

1. <u>Personnel</u> Matters

Staff will adopt the document dated 7-20-05 pertaining to personnel matters.

2. <u>C.E.O. Performance Review</u>

Approval was given to the presentation regarding the C.E.O. performance including a salary increase starting September 1, 2005 and the reimbursement of all hard expenses. The guidelines for the next review of the C.E.O.'s goals and objectives will be submitted and reviewed prior to July 1<sup>st</sup>.

#### VIII. FUTURE MEETINGS

August 22, 2005	1:00 p.m.	Water Quality Meeting
August 23, 2005	9:00 a.m.	GRCC Meeting
August 25, 2005	9:00 a.m.	Advisory Committee Meeting
August 25, 2005	11:00 a.m.	Watermaster Board Meeting
September 8, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
September 20, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 22, 2005	9:00 a.m.	Advisory Committee Meeting
September 22, 2005	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board Meeting Adjourned at 12:40 p.m.

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

Minutes Approved:

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#### Draft Minutes CHINO BASIN WATERMASTER SPECIAL CLOSED BOARD MEETING

September 14, 2005

The Special Closed Watermaster Board Meeting via a conference call, on September 14, 2005 at 8:00 a.m.

#### WATERMASTER BOARD MEMBERS PRESENT

Robert Neufeld, Chair Paul Hamrick Al Lopez Bob Bowcock Paul Hofer Bill Kruger Geoffrey Vanden Heuvel Fontana Union Water Company Jurupa Community Services District Western Municipal Water District Vulcan Materials Company Agricultural Pool, Crops City of Chino Hills Agricultural Pool, Dairy

#### Watermaster Staff Present

Kenneth R. Manning

Chief Executive Officer

The Special Closed Watermaster Board Meeting conference call started at 8:05 a.m.

On September 14, 2005 the Board met in a special closed session to consider a request by the Appropriative Pool and the Non-Agricultural Pool to direct counsel to request the Court to set a hearing for February 9, 2005 to consider the re-appointment of the Board, and to request the Court to extend the term of the Board from September 30, 2005 until the date of the hearing. The Board adopted this recommendation and directed that all discussions of the issue of Board re-appointment shall take place in open meetings in order to allow for full participation by all parties.

The Special Closed Watermaster Board Meeting conference call ended at 8:19 a.m.

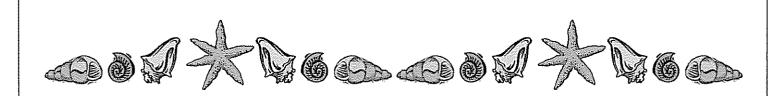
Secretary: \_\_\_\_\_

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

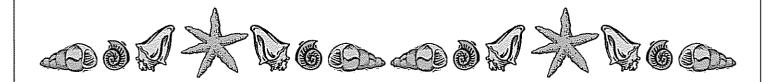
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## I. <u>CONSENT CALENDAR</u>

### **B. FINANCIAL REPORTS**

- 1. Cash Disbursements August 2005
- Combining Schedule of Revenue, Expenses and changes in Working Capital for the Period July 1, 2005 through July 31, 2005
- 3. Treasurer's for the Period July 1, 2005 through July 31, 2005
- 4. Profit & Loss Budget vs. Actual July 2005





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KENNETH R. MANNING Chief Executive Officer

STAFF REPORT

- DATE: September 8, 2005 September 20, 2005 September 22, 2005
- TO: Committee Members Watermaster Board Members
- SUBJECT: Cash Disbursement Report August 2005

#### SUMMARY

Issue - Record of cash disbursements for the month of August 2005.

**Recommendation** – Staff recommends the Cash Disbursements for August 2005 be received and filed as presented.

Fiscal Impact - All funds disbursed were included in the FY 2005-06 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 August 2005 were \$624,655.91. The most significant expenditures during the month were Inland Empire Utilities Agency in the amount of \$368,124.70 and Hatch & Parent in the amount of \$54,547.34.

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#### CHINO BASIN WATERMASTER Cash Disbursement Detail Report August 2005

Туре	Date	Num	Name	Amount		
Aug 05						
General Journal	8/1/2005	05/08/2	PAYROLL	-5,131.66		
General Journal	8/1/2005	05/08/2	PAYROLL	-20,195.60		
Bill Pmt -Check	8/5/2005	9793	A & R TIRE	-11.00		
Bill Pmt -Check	8/5/2005	9794	ANDERSON, JOHN	-125.00		
Bill Pmt -Check	8/5/2005	9795	APPLIED COMPUTER TECHNOLOGIES	-1,240.15		
Bill Pmt -Check	8/5/2005	9796	AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA	-46.00		
Bill Pmt -Check Bill Pmt -Check	8/5/2005	9797 9798	BOWCOCK, ROBERT HAMRICK, PAUL	-250.00 -125.00		
Bill Pmt -Check	8/5/2005 8/5/2005	9798 9799	HAMRICH, PAUL HSBC BUSINESS SOLUTIONS	-589,24		
Bill Pmt -Check	8/5/2005	9800	IDEAL GRAPHICS	-105.60		
Bill Pmt -Check	8/5/2005	9801	JAMES JOHNSTON	-795.00		
Bill Pmt -Check	8/5/2005	9802	KRUGER, W. C. "BILL"	-250.00		
Bill Pmt -Check	8/5/2005	9803	KUHN, BOB	-250.00		
Bill Pmt -Check	8/5/2005	9804	LOS ANGELES TIMES	-42.00		
Bill Pmt -Check	8/5/2005	9805	MARK IV COMMUNICATIONS, INC.	-232.55		
Bill Pmt -Check	8/5/2005	9806	NEUFELD, ROBERT	-500.00		
Bill Pmt -Check	8/5/2005	9807	PARK PLACE COMPUTER SOLUTIONS, INC.	-2,915.00		
Bill Pmt -Check	8/5/2005	9808	PAYCHEX	-180.38		
Bill Pmt -Check	8/5/2005	9809	REID & HELLYER	-5,108.72		
Bill Pmt -Check	8/5/2005	9810	SOURCE 1 PRINTING, PACKAGING & MEDIA	-6,152.10		
Bill Pmt -Check	8/5/2005	9811	THE FURMAN GROUP, INC.	-2,675.00		
Bill Pmt -Check	8/5/2005	9812	UNITED STATES PLASTIC CORP	-236.06		
Bill Pmt -Check	8/5/2005	9813	UNITEK TECHNOLOGY INC.	-48.49		
Bill Pmt -Check	8/5/2005	9814	VANDEN HEUVEL, GEOFFREY	-125.00		
Bill Pmt -Check	8/5/2005	9815	VELASQUEZ JANITORIAL	-1,200.00		
Bill Pmt -Check	8/5/2005	9816	VERIZON	-464.18		
Bill Pmt -Check	8/5/2005	9817	YUKON DISPOSAL SERVICE	-123.90		
Bill Pmt -Check	8/10/2005	9818	PRECISION PCS, LLC	-2,000.00		
Bill Pmt -Check	8/12/2005	9819	ACWA SERVICES CORPORATION	-222.68		
Bill Pmt -Check	8/12/2005	9820	CHEVRON	-112.45		
Bill Pmt -Check	8/12/2005 8/12/2005	9821 9822	CITISTREET CNA SURETY	-1,200.00 -208.80		
Bill Pmt -Check Bill Pmt -Check	8/12/2005	9823	HATCH AND PARENT	-54,547.34		
Bill Pmt -Check	8/12/2005	9824	MARINE BIOCHEMISTS	-2,860.00		
Bill Pmt -Check	8/12/2005	9825	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,253.79		
Bill Pmt -Check	8/12/2005	9826	SAVIN CORPORATION dba RICOH BUSINESS	-705.50		
Bill Pmt -Check	8/12/2005	9827	STANDARD INSURANCE CO.	-555.45		
Bill Pmt -Check	8/12/2005	9828	STATE COMPENSATION INSURANCE FUND	-915.51		
Bill Pmt -Check	8/12/2005	9829	UNITED PARCEL SERVICE	-418.27		
Bill Pmt -Check	8/12/2005	9830	UNITEK TECHNOLOGY INC.	-673.44		
General Journal	8/15/2005	05/08/5	PAYROLL	-4,778.28		
General Journal	8/15/2005	05/08/5	PAYROLL	-19,000.28		
Bill Pmt -Check	8/24/2005	9831	AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA	-45.00		
Bill PmL -Check	8/24/2005	9832	BANK OF AMERICA	-734.34		
Bill Pmt -Check	8/24/2005	9833	CALPERS	-2,431.68		
Bill Pmt -Check	8/24/2005	9834	CITIZENS CONFERENCING	-108.68		
Bill Pmt -Check	8/24/2005	9835	COMPUSA, INC.	-211.76		
Bill Pmt -Check	8/24/2005	9836		-4,900.00		
Bill Pmt -Check	8/24/2005	9837	ELLISON, SCHNEIDER & HARRIS, LLP	-3,766.30		
Bill Pmt -Check	8/24/2005	9838 9839	FIRST AMERICAN REAL ESTATE SOLUTIONS INLAND EMPIRE UTILITIES AGENCY	-125.00		
Bill Pmt -Check	8/24/2005			-368,124.70		
Bill Pmt -Check Bill Pmt -Check	8/24/2005	9840 9841	MCI NORDBAK'S PROMOTIONAL PRODUCTS	-909.55 -134.95		
Bill Pmt -Check	8/24/2005 8/24/2005	9842	OFFICE DEPOT	-369.80		
Bill Pmt -Check	8/24/2005	9843	PRE-PAID LEGAL SERVICES, INC.	-129.50		
Bill Pmt -Check	8/24/2005	9844	QUILL	-625.38		
Bill Pmt -Check	8/24/2005	9845	RICOH BUSINESS SYSTEMS-Lease	-3,591.31		
Bill Pmt -Check	8/24/2005	9846	SAVIN CORPORATION dba RICOH BUSINESS	-36.00		
Bill Pmt -Check	8/24/2005	9847	STANDARD INSURANCE CO.	~555.45		
Bill Pmt -Check	8/24/2005	9848	STAULA, MARY L	-136.61		
Bill Pmt -Check	8/24/2005	9849	TETTEMER & ASSOCIATES	-1,800.00		
Bill Pmt -Check	8/24/2005	9850	UNITEK TECHNOLOGY INC.	-9,891.45		
Bill Pmt -Check	8/24/2005	9851	WHEELER METER MAINTENANCE	-1,350.00		
Bill Pmt -Check	8/24/2005	9852	INLAND EMPIRE UTILITIES AGENCY	-47,531.50		
Bill Pmt -Check	8/24/2005	9853	VIP AUTO DETAILING	-354.45		
Bill Pmt -Check	8/25/2005	9854	ROUTE 66 SUBS	-124.16		
Bill Pmt -Check	8/25/2005	9855	NEXTEL COMMUNICATIONS	-1,025.08		
Bill Pmt -Check	8/31/2005	9856	PETTY CASH	-444.50		

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#### CHINO BASIN WATERMASTER Cash Disbursement Detail Report August 2005

Туре	Date	Num	Name	Amount
Bill Pmt -Check	8/31/2005	9857	APPLIED COMPUTER TECHNOLOGIES	-2,152.95
Bill Pmt -Check	8/31/2005	9858	ARROWHEAD MOUNTAIN SPRING WATER	-87.55
Bill Pmt -Check	8/31/2005	9859	BLACK & VEATCH CORPORATION	-15,665.00
Bill Pmt -Check	8/31/2005	9860	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	8/31/2005	9861	DIRECTV	-74.98
Bill Pmt -Check	8/31/2005	9862	EXCEL LANDSCAPE	-10,129.00
Bill Pmt -Check	8/31/2005	9863	GROOMAN'S PUMP & WELL DRILLING, INC.	-273.30
Bill Pmt -Check	8/31/2005	9864	HAMRICK, PAUL	-125.00
Bill Pmt -Check	8/31/2005	9865	IDEAL GRAPHICS	-247.83
Bill Pmt -Check	8/31/2005	9866	INLAND COUNTIES INSURANCE SERVICES, INC.	-238.57
Bill Pmt -Check	8/31/2005	9867	KRUGER, W. C. "BILL"	-250.00
Bill Pmt -Check	8/31/2005	9868	KUHN, BOB	-250.00
Bill Pmt -Check	8/31/2005	9869	MEDIA JIM	-795.00
Bill Pmt -Check	8/31/2005	9870	NEUFELD, ROBERT	-500.00
Bill Pmt -Check	8/31/2005	9871	PURCHASE POWER	-2,051.99
Bill Pmt -Check	8/31/2005	9872	UNION 76	-246,15
Bill Pmt -Check	8/31/2005	9873	VANDEN HEUVEL, GEOFFREY	-125.00
Bill Pmt -Check	8/31/2005	9874	VERIZON	-43,12
Bill Pmt -Check	8/31/2005	9875	YUKON DISPOSAL SERVICE	-123.90
05				-624,655.91

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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTR APPROPRIATIVE POOL	ATION AND SPEC AGRICULTURAL POOL		GROUNDWATER C GROUNDWATER REPLENISHMENT	DPERATION SB222 FUNDS	S EDUCATION FUNDS	GRAND TOTALS	BUDGET 2004-05
Administrative Revenues Administrative Assessments Interest Revenue Mutual Agency Project Revenue Grant Income			369,248	1,052					369,248 1,052 -	\$3,984,888 78,330 0
Miscellaneous Income									-	0
Total Revenues	-		369,248	1,052			-		370,300	4,063,218
Administrative & Project Expenditures Watermaster Administration Watermaster Board-Advisory Committee	64,866 4,558								64,866 4,558	621,784 37,018
Pool Administration	,1000		973	3,228	390				4,591	91,153
Optimum Basin Mgnt Administration		132,601							132,601	1,019,183
OBMP Project Costs		178,005							178,005	3,733,694
Education Funds Use	0.070							-	-	375
Mutual Agency Project Costs Total Administrative/OBMP Expenses	2,675	240.000							2,675	80,004
Net Administrative/OBMP Income	(72,099	310,606	973	3,228	390			-	387,296	5,583,211
Allocate Net Admin Income To Pools	72,099	(310,000)	54,284	16,658	1,157					0
Allocate Net OBMP Income To Pools		310,606	•	71,764	4,983				-	0
Agricultural Expense Transfer	:		= 91,650	(91,650)	.,500				-	0
Total Expenses			380,766	(01,000)	6,530	-		-	387,296	5,583,211
Net Administrative Income			(11,518)	) 1,052	(6,530)			-		
Other Income/(Expense)										
Replenishment Water Purchases									_	0
MZ1 Supplemental Water Assessments									-	2,179,500
Water Purchases									-	0
MZ1 Imported Water Purchase									-	(2,278,500)
Groundwater Replenishment Net Other Income						(370,826)			(370,826)	0
				-	-	(370,826)	-	-	(370,826)	(99,000)
Net Transfers To/(From) Reserves			(11,518)	1,052	(6,530)	(370,826)		*	(387,822)	(1,618,993)

Q Financial Statements/04-05/05 Jun/(Combining Schedule June ats)Sheet1

Prepared by Sheri Rojo, Chief Financial Officer /Assistant General Manager

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

	DEPOSITORIES: Cash on Hand - Petty Cash Bank of America Governmental Checking-Demand Deposits Savings Deposits Zero Balance Account - Payroll Vineyard Bank CD - Agricultural Pool Local Agency Investment Fund - Sacramento	-	122,702 9,660	\$ 500 132,362 408,127 7,690,695
	TOTAL CASH IN BANKS AND ON HAND TOTAL CASH IN BANKS AND ON HAND	7/31/2005 6/30/2005		\$ <b>8,231,684</b> 8,795,321
	PERIOD INCREASE (DECREASE)			\$ (563,637)
CHANGE IN CASH POSITION DUE TO:				
Decrease/(Increase) in Assets: (Decrease)/Increase in Liabilities	Assessments Receivable Prepaid Expenses, Deposits & Other Current Assets			\$ 72,293 (1,148) - (254,826) 7,866 (387,822)
	PERIOD INCREASE (DECREASE)			\$ (563,637)

		Petty Cash	G	ovt'l Checking Demand		ro Balance Account Payroll	5	Savings	\	/ineyard Bank		Local Agency		Totals
SUMMARY OF FINANCIAL TRANSACTIONS: Balances as of 6/30/2005	¢	500	¢	405 040	e		¢	0.000	¢	107 075	¢	0.070.007	¢	0.705.00/
Deposits	Φ	500	Ф	105,819 373,539	Ф	-	\$	9,660 -	\$	407,075 1,052	\$	9,272,267 68,428	\$	9,795,321 443,019
Transfers		-		601,012		48,988		-		-		(650,000)		
Withdrawals/Checks		-		(957,668)		(48,988)		-		+		-		(1,006,656)
Balances as of 7/31/2005	\$	500	\$	122,702	\$	-	\$	9,660	\$	408,127	\$	8,690,695	\$	9,231,684
PERIOD INCREASE OR (DECREASE)	\$	-	\$	16,883	\$	-	\$	**	\$	1,052	\$	(581,572)	\$	(563,637)

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

#### INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
	Deposit-Interest Withdrawal	L.A.I.F. L.A.I.F.	\$ 68,428 (650,000)		_		
TOTAL INVEST	MENT TRANSA	CTIONS	\$ (581,572)	<b>د</b>			

\* The earnings rate for L.A.I.F. is a daily variable rate; 2.85% was the effective yield rate at the Quarter ended June 30, 2005

#### INVESTMENT STATUS July 31, 2005

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 8,690,695			
TOTAL INVESTMENTS	\$ 8,690,695			

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

Chief Financial Officer & Assistant General Manager Chino Basin Watermaster

Q:\Financial Statements\05-06\05 July\[Treasurers Report July.xls]Sheet1

#### CHINO BASIN WATERMASTER Profit & Loss Budget vs. Actual July 2005

	Jul 05	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	0.00	132,000.00	-132,000.00	0.0%
4110 · Admin Asmnts-Approp Pool	369,248.00	4,804,121.00	-4,434,873.00	7.69%
4120 · Admin Asmnts-Non-Agri Pool	0.00	73,425.00	-73,425.00	0.0%
4700 · Non Operating Revenues	1,052.46	78,330.00	-77,277.54	1.34%
Total Income	370,300.46	5,087,876.00	-4,717,575.54	7.28%
Gross Profit	370,300.46	5,087,876.00	-4,717,575.54	7.28%
Expense				
6010 · Salary Costs	31,855.04	404,153.00	-372,297.96	7.88%
6020 · Office Building Expense	5,367.08	97,850.00	-92,482.92	5.49%
6030 · Office Supplies & Equip.	3,155.98	47,500.00	-44,344.02	6.64%
6040 · Postage & Printing Costs	8,318.64	75,700.00	-67,381.36	10.99%
6050 · Information Services	5,998.83	103,500.00	-97,501.17	5.8%
6060 · Contract Services	0.00	130,500.00	-130,500.00	0.0%
6080 · Insurance	0.00	24,210.00	-24,210.00	0.0%
6110 · Dues and Subscriptions	1,088.00	14,000.00	-12,912.00	7.77%
6140 · WM Admin Expenses	426.83	6,500.00	-6,073.17	6.57%
6150 · Field Supplies	53.77	4,050.00	-3,996.23	1.33%
6170 · Travel & Transportation	36,553.66	45,200.00	-8,646.34	80.87%
6190 · Conferences & Seminars	307.82	17,500.00	-17,192.18	1.76%
6200 · Advisory Comm - WM Board	1,304.12	14,082.00	-12,777.88	9.26%
6300 · Watermaster Board Expenses	3,253.91	29,782.00	-26,528.09	10.93%
8300 · Appr PI-WM & Pool Admin	973.14	15,347.00	-14,373.86	6.34%
8400 · Agri Pool-WM & Pool Admin	1,239.26	18,756.00	-17,516.74	6.61%
8467 · Agri-Pool Legal Services	1,988.72	45,000.00	-43,011.28	4.42%
8470 · Ag Meeting Attend -Special	0.00	10,000.00	-10,000.00	0.0%
8500 · Non-Ag PI-WM & Pool Admin	390.17	7,423.00	-7,032.83	5.26%
6500 · Education Funds Use Expens	0.00	375.00	-375.00	0.0%
9500 · Allocated G&A Expenditures	-28,259.41	-378,284.00	350,024.59	7.47%
Subtotal G&A Expenditures	74,015.56	733,144.00	-659,128.44	10.1%
6900 · Optimum Basin Mgmt Plan	125,772.97	996,767.00	-870,994.03	12.62%
6950 · Mutual Agency Projects	2,675.00	75,000.00	-72,325.00	3.57%
9501 · G&A Expenses Allocated-OBMP	6,828.12	109,541.00	-102,712.88	6.23%
Subtotal OBMP Expenditures	135,276.09	1,181,308.00	-1,046,031.91	11.45%
7101 · Production Monitoring	4,289.72	68,755.00	-64,465.28	6.24%
7102 · In-line Meter Installation	4,805.46	97,954.00	-93,148.54	4.91%
7103 · Grdwtr Quality Monitoring	8,645.54	66,503.00	-57,857.46	13.0%
7104 · Gdwtr Level Monitoring	10,494.96	184,812.00	-174,317.04	5.68%
7105 · Sur Wtr Qual Monitoring	236.06	90,223.00	-89,986.94	0.26%
7106 · Wtr Level Sensors Install	0.00	5,734.00	-5,734.00	0.0%
7107 · Ground Level Monitoring	13,166.75	554,825.00	-541,658.25	2.37%
7108 · Hydraulic Control Monitoring	21,212.90	495,368.00	-474,155.10	4.28%
7109 · Recharge & Well Monitoring Prog	46,057.10	133,061.00	-87,003.90	34.61%
7200 · PE2- Comp Recharge Pgm	37,927.72	759,105.00	-721,177.28	5.0%

#### CHINO BASIN WATERMASTER Profit & Loss Budget vs. Actual July 2005

	Jul 05	Budget	\$ Over Budget	% of Budget
7300 · PE3&5-Water Supply/Desalte	0.00	12,548.00	-12,548.00	0.0%
7400 · PE4- Mgmt Plan	2,749.86	1,081,014.00	-1,078,264.14	0.25%
7500 · PE6&7-CoopEfforts/SaltMgmt	3,181.63	255,769.00	-252,587.37	1.24%
7600 · PE8&9-StorageMgmt/Conj Use	3,805.88	77,268.00	-73,462.12	4.93%
7690 · Recharge Improvement Debt Pymt	0.00	300,000.00	-300,000.00	0.0%
7700 · Inactive Well Protection Prgm	0.00	12,128.00	-12,128.00	0.0%
9502 · G&A Expenses Allocated-Projects	21,431.29	268,742.00	-247,310.71	7.98%
Subtotal Special Project Expenditures	178,004.87	4,463,809.00	-4,285,804.13	3.99%
Total Expense	387,296.52	6,378,261.00	-5,990,964.48	6.07%
Net Ordinary Income	-16,996.06	-1,290,385.00	1,273,388.94	1.32%
Other Income/Expense				
Other Income				
4231 · MZ1 Assigned Water Sales	0.00	600,000.00	-600,000.00	0.0%
Total Other Income	0.00	600,000.00	-600,000.00	0.0%
Other Expense				
5010 · Groundwater Replenishment	370,826.00	699,000.00	-328,174.00	53.05%
9999 · To/(From) Reserves	-387,822.06	-1,389,385.00	1,001,562.94	27.91%
Total Other Expense	-16,996.06	-690,385.00	673,388.94	2.46%
Net Other Income	16,996.06	1,290,385.00	-1,273,388.94	1.32%
Net Income	0.00	0.00	0.00	0.0%



## I. <u>CONSENT CALENDAR</u>

### C. WATER TRANSACTIONS

- Notice of Sale or Transfer The City of Upland has agreed to purchase from the West End Consolidated Water Company water in storage in the amount of 14,425 acre-feet
- Notice of Sale or Transfer The transfer of Monte Vista Irrigation Company's FY 2005-2006 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet
- Notice of Sale or Transfer The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acrefeet
- 4. Notice of Sale or Transfer Fontana Water Company has agreed to purchase from Cucamonga Valley Water district water in storage in the amount of 2,500 acre-feet



# NOTICE

#### $\mathbf{OF}$

### **APPLICATION(S)**

### **RECEIVED FOR**

## WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 5, 2005

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

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#### NOTICE OF APPLICATION(S) RECEIVED

Date of Application: August 1, 2005 Date of this notice: August 5, 2005

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

A. Notice of Sale or Transfer – The City of Upland has agreed to purchase from the West End Consolidated Water Company water in storage in the amount of 14,425 acre feet.

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

Appropriative Pool:	August 11, 2005
Non-Agricultural Pool:	August 11, 2005
Agricultural Pool:	August 16, 2005

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

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

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

Watermaster address:

Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730 Tel: (909) 484-3888 Fax: (909) 484-3890

### NOTICE OF TRANSFER OF WATER

Notification Dated: August 5, 2005

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

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

KENNETH R. MANNING CHIEF EXECUTIVE OFFICER

DATE: August 5, 2005

### TO: Watermaster Interested Parties

### SUBJECT: Summary and Analysis of Application for Water Transaction

### Summary -

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

#### Issue -

 Notice of Sale or Transfer – The City of Upland has agreed to purchase from the West End Consolidated Water Company a portion of West End's water in storage in the amount of 14,425 acre feet.

### Recommendation -

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

#### Fiscal Impact -

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

#### Background

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

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

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

 Notice of Sale or Transfer – The City of Upland has agreed to purchase from the West End Consolidated Water Company a portion of West End's water in storage in the amount of 14,425 acre feet. Notice of the water transaction identified above was mailed on August 3, 2005 along with the materials submitted by the requestors.

#### DISCUSSION

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



August 1, 2005

Mr. Kenneth R. Manning, CEO Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, California 91730

Subject: PURCHASE OF WATER IN STORAGE CHINO BASIN – FY 2005-2006

Dear Mr. Manning:

Please take notice that the City of Upland (Upland) has agreed to purchase from the West End Consolidated Water Company (West End) a portion of West End's water in storage in the amount of 14,425 acre feet.

Enclosed is executed application for sale or transfer of right to produce water from storage for consideration by Watermaster. A recapture plan has not been completed as Upland intends to immediately sell 16,000 acre feet of water in storage to the City of Ontario (Ontario). Please place the proposed purchase on the agenda for the September meetings.

If you have any questions or require additional information concerning this matter, please call me at 931-4231. Thank you.

Sincerely,

Rob Turner Public Works Director

### **CITY OF UPLAND**

460 North Euclid Avenue, Upland, CA 91786-4732 • (909) 931-4100 • FAX (909) 931-9923 • TDD (800) 735-2929 • www.ci.upland.ca.us

Mayor John "JP" Pomierski • Mayor Pro Tem Kenneth W. Willis • Council Members: Brendan Brandt, Ray Musser, Tom Thomas • City Manager Robb Quincey

113



July 29, 2005

Mark Wiley, Water Operations Manager West End Consolidated Water Company 1370 N. Benson Avenue, Upland, California 91785

### Subject: PURCHASE OF STORED WATER IN THE CHINO BASIN - FY 2005-2006

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Dear Mr. Wiley:

This letter confirms our oral agreement offer between the City of Upland and West End Consolidated Water Company for the one-time purchase of 14,425 acre-feet of stored water from West End's local storage account to the City of Upland. Upland will pay West End 100% of the agreed upon sale price with no reliance upon the 85/15 rule.

If the terms of this agreement are acceptable, please indicate by signing below. Return one of the two documents to me and retain the other document for your files.

Upland will make the payment within 30 days of Watermaster approval of this transaction. Should you have any questions, please call me at 931-4231. Thank you.

Sincerely,

Rob Turner Public Works Director City of Upland

Mark Wiley Water Operations Manager West End Consolidated Water Company

cc: Chino Basin Watermaster

### CITY OF UPLAND

460 North Euclid Avenue, Upland, CA 91786-4732 • (909) 931-4100 • FAX (909) 931-9923 • TDD (800) 735-2929 • www.ci.upland.ca.us

Mayor John "JP" Pomierski • Mayor Pro Tem Kenneth W. Willis • Council Members: Brendan Brandt, Ray Musser, Tom Thomas • City Manager Robb Quincey

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

Street Address       Amount Requested       Amount Approved         Upland       CA       91785         City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)       Fransfer To:       State       210         City of Upland       Attach Recapture Form 4         ame of Party       State       210 Code         State       210 Code       91785         Lity of Upland       Attach Recapture Form 4         ame of Party       State       210 Code         State       210 Code       91785         Lity State       210 Code       909-931-4274         Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?       Yes [] No [X]         WATER QUALITY AND WATER LEVELS       What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?         MATERIAL PHYSICAL INJURY       Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the ap	TRANSFER FROM LOCA	L STORAGE A	GREEMENT #_		
Name of Party       Date Requested       Date Approved         1370 N. Benson       14,425       Acre-feet       Acre-feet         Street Address       Amount Requested       Amount Approved         Upland       CA       91785         City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)       Attach Recapture Form 4         RANSFER TO:       City of Upland       Attach Recapture Form 4         Jame of Party       State       Zip Code         Itreet Address       Jpland       CA       91785         Jpland       CA       91785       Jpland       State         Jpland       CA       91785       Jpland       Jola Proceed         Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?       Yes []       No [X]         What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?       MATERIAL PHYSICAL INJURY         Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes []       No [X]         If yes, what are the proposed miligation measures, if any, that might reasonably be	West End Consolidat	ted Water Cor	<u>mpany</u>	0/4/0005	
1370 N. Benson       14.425       Acre-feet       Acre-feet         Street Address       Amount Requested       Amount Approved         Upland       CA       91785         City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)       Attach Recapture Form 4         TRANSFER TO:       Attach Recapture Form 4         2010       CA       91785         2017       State       Zip Code         Street Address	- Name of Party				Data Approved
Street Address       Amount Requested       Amount Approved         Upland       CA       91785         City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)       Facsimile:       909-931-4274         TRANSFER TO:       City of Upland       Attach Recapture Form 4         Lame of Party       3370 N. Benson Avenue       Attach Recapture Form 4         Istneet Address       Jpland       CA       91785         Jay       State       Zip Code       209-931-4274         Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?       Yes [] No [X]         WATER OUALITY AND WATER LEVELS       What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?         MATERIAL PHYSICAL INJURY       Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]         If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?	Name of Faily			Date Requested	Date Approved
Upland       _CA       91785         City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)         "RANSFER TO:         "City of Upland         Attach Recapture Form 4         iame of Party         370 N. Benson Avenue         State       91785         City of Upland         Attach Recapture Form 4         ISTRET Address         John Senson Avenue         State       217 Code         State       217 Code         Ves [ ] No [X ]         Water master         between these parties covering the same fiscal year?       Yes [ ] No [X ]         WATER QUALITY AND WATER LEVELS         What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?         MATERIAL PHYSICAL INJURY         Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [ ] No [ X ]         If yes, what are the proposed mitig					tAcre-feet
City       State       Zip Code         Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)         'RANSFER TO:	Street Address			Amount Requested	Amount Approved
Telephone:       909-931-4245       Facsimile:       909-931-4274         Applicant (Mark Wiley, Water Operations Manager)         'RANSFER TO:         City of Upland       Attach Recapture Form 4         Jame of Party       Attach Recapture Form 4         1370 N. Benson Avenue	Upland	<u> </u>	91785		
Applicant (Mark Wiley, Water Operations Manager)         TRANSFER TO:         "City of Upland	City	State	Zip Code		
TRANSFER TO:         City of Upland	Telephone: <u>909-931-4</u>	245		Facsimile: 909-9	31-4274
TRANSFER TO:         City of Upland		htt			
City of Upland       Attach Recapture Form 4         Name of Party       ISTO N. Benson Avenue         Street Address       Jpland         Jpland       CA       91785         Dity       State       Zip Code         relephone:       909-931-4231       Facsimile:       909-931-4274         Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?       Yes [] No [X]         WATER QUALITY AND WATER LEVELS       What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?         MATERIAL PHYSICAL INJURY       Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]         If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?	Applicant (Mark Wi	ley, Water Op	erations Mana	ager)	
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MATERIAL PHYSICAL INJURY Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X] If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?	What is the existing water of	guality and what	are the existing v	water levels in the areas that ar	e likely to be affected?
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may be caused by the action covered by the application? Yes [ ] No [X] If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?	MATERIAL PHYSICAL IN	IJURY			
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action does not result in Material Physical Injury to a party to the Judgment or the Basin?	If yes, what are the propos	sed mitigation m	easures, if any, tl	hat might reasonably be impos	ed to ensure that the
	••••••				
		••••••••••••••••••••••••••••••••••••••			······································
July 2001	July 2001				

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### Form 3 (cont.)

ADDITIONAL INFORMATION ATTACHED	Yes[] No[X]
Methoda	
Applicant	
TO BE COMPLETED BY WATERMASTER:	
DATE OF APPROVAL FROM NON-AGRICULTUR	RAL POOL:
DATE OF APPROVAL FROM AGRICULTURAL P	00L:
DATE OF APPROVAL FROM APPROPRIATIVE F	POOL:
HEARING DATE, IF ANY:	
DATE OF ADVISORY COMMITTEE APPROVAL:	
DATE OF BOARD APPROVAL:	Agreement #

.

July 2001

# NOTICE

### $\mathbf{OF}$

### APPLICATION(S)

### **RECEIVED FOR**

### WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 5, 2005

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

### NOTICE OF APPLICATION(S) RECEIVED

Date of Application: July 20, 2005 Date of this notice: August 5, 2005

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

A. Notice of Sale or Transfer – The transfer of Monte Vista Irrigation Company's FY 2005-06 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet.

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

Appropriative Pool:	August 11, 2005
Non-Agricultural Pool:	August 11, 2005
Agricultural Pool:	August 16, 2005

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

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

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

Watermaster address:

Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730 Tel: (909) 484-3888 Fax: (909) 484-3890

## NOTICE OF TRANSFER OF WATER

Notification Dated: August 5, 2005

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



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

KENNETH R. MANNING CHIEF EXECUTIVE OFFICER

DATE: August 5, 2005

TO: Watermaster Interested Parties

### SUBJECT: Summary and Analysis of Application for Water Transaction

#### Summary -

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

Issue -

 Notice of Sale or Transfer – The transfer of Monte Vista Irrigation Company's FY 2005-06 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet.

#### Recommendation -

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

#### Fiscal Impact -

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

#### Background

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

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

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

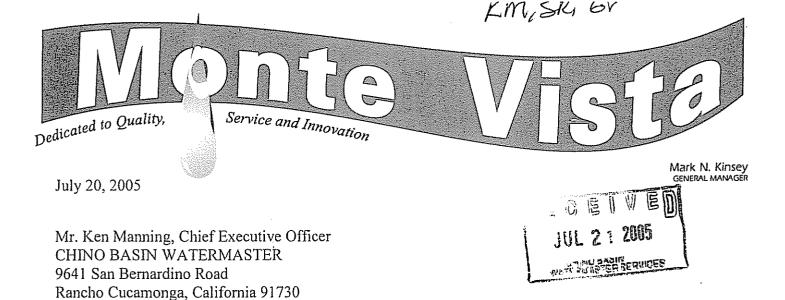
 The transfer of Monte Vista Irrigation Company's FY 2005-06 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet.

· .

Notice of the water transaction identified above was mailed on August 3, 2005 along with the materials submitted by the requestors.

### DISCUSSION

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



### **MVWD/MVIC Water Transactions**

Dear Mr. Manning: Ker-

Attached are the necessary forms to complete the transfer of Monte Vista Irrigation Company Fiscal Year 2005-06 annual production rights in the Chino Basin to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet.

This transfer will be utilized by the District to offset a portion of its projected Fiscal Year 2005-06 replenishment obligation within the Chino Basin. The recapture plan for production of the transferred water rights by the District and a map showing the location of District production wells are attached for consideration by Watermaster.

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

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

Sincerely,

Monte Vista Water District

Mark N. Kinsey General Manager

Attachments



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

Robb D. Quincey PRESIDENT

Sandra S. Rose VICE PRESIDENT

Josephine M. Johnson DIRECTOR

Maynard B. Lenhert DIRECTOR

Tony Lopez 041

DIRECTOR

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### APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Fiscal Year 2005-06

Commencing on July 1, 2005 and terminating on June 30, 2006, Monte Vista Irrigation Company ("Transferor") hereby transfers to Monte Vista Water District ("Transferee") the quantity of 1,050 acre-feet of corresponding Annual Production Right (Appropriative Pool) or Safe Yield (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al.," RCV 51010 (formerly Case No. SCV 164327).

Said Transfer shall be conditioned upon:

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

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

### WATER QUALITY AND WATER LEVELS

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

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

### MATERIAL PHYSICAL INJURY

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

Page 1 of 2

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

### No mitigation is required.

### ADDITIONAL INFORMATION ATTACHED Yes [X] No []

Mark N. Kinsey	Mark N. Kinsey	
Monte Vista Irrigation Company	Monte Vista Water District	
Transferor	Transferee	
TO BE COMPLETED BY WATERMAST	TER:	
DATE OF APPROVAL FROM NON-AGRI	CULTURAL POOL:	
DATE OF APPROVAL FROM AGRICULT	TURAL POOL:	
DATE OF APPROVAL FROM APPROPRI	ATIVE POOL:	
HEARING DATE, IF ANY:		
DATE OF ADVISORY COMMITTEE APP	ROVAL:	
DATE OF BOARD APPROVAL:	Agreement #	

### MONTE VISTA WATER DISTRICT

### Recapture Plan

This recapture plan pertains to the transfer of an estimated 1,050 acre-feet of Fiscal Year 2005-06 Monte Vista Irrigation Company annual production rights to the Monte Vista Water District. Location of where the recaptured water will be extracted by the District is within Management Zone 1 of the Chino Basin and will be accomplished by any or all of the 11 wells owned and operated by the District. The approximate daily production capacity of these wells is noted below.

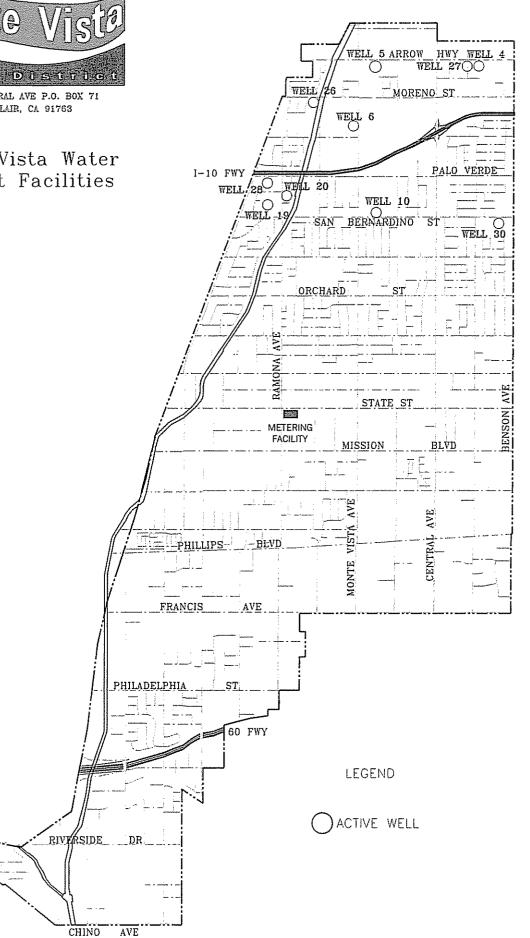
Well	Production <u>Acre-Feet/Day</u>	
4	4.2	
5	6.1	
6	5.2	
10	5.2	
11	2.7	
19	9.0	
20	5.8	
26	9.0	
27	9.0	
28	9.0	
30	9.0	
Daily Total	74.2	

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



10575 CENTRAL AVE P.O. BOX 71 MONTCLAIR, CA 91763

### Monte Vista Water District Facilities



NOT TO SCALE

## NOTICE

### $\mathbf{OF}$

### APPLICATION(S)

### **RECEIVED FOR**

### WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

August 5, 2005

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

### NOTICE OF APPLICATION(S) RECEIVED

Date of Application: August 1, 2005

Date of this notice: August 5, 2005

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

A. Notice of Sale or Transfer – The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acre feet.

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

Appropriative Pool:	August 11, 2005
Non-Agricultural Pool:	August 11, 2005
Agricultural Pool:	August 16, 2005

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

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

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

Watermaster address:

Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730 Tel: (909) 484-3888 Fax: (909) 484-3890

### NOTICE OF TRANSFER OF WATER

Notification Dated: August 5, 2005

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

049

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

### KENNETH R. MANNING CHIEF EXECUTIVE OFFICER

DATE: August 5, 2005

TO: Watermaster Interested Parties

### SUBJECT: Summary and Analysis of Application for Water Transaction

#### Summary -

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

Issue -

 Notice of Sale or Transfer – The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acre feet.

#### Recommendation -

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

#### Fiscal Impact -

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

#### Background

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

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

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

 Notice of Sale or Transfer – The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acre feet. Notice of the water transaction identified above was mailed on August 3, 2005 along with the materials submitted by the requestors.

#### DISCUSSION

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

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#### PUBLIC WORKS AND COMMUNITY SERVICES AGENCY

PAUL S. LEON MAYOR

ALAN D. WAPNER MAYOR PROTEM

GERALD A. DuBOIS JASON ANDERSON SHEILA MAUTZ COUNCIL MEMBERS August 1, 2005

GREGORY C. DEVEREAUX

**ONTARIO MUNICIPAL SERVICES CENTER** 

CITY MANAGER KENNETH L. JESKE PUBLIC WORKS / COMMUNITY SERVICES DIRECTOR

MARY E. WIRTES, MMC

JAMES R. MILHISER TREASURER

Mr. Kenneth R. Manning, CEO Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, California 91730

Subject: PURCHASE OF WATER IN STORAGE CHINO BASIN – FY 2005-2006

Dear Mr. Manning:

Please take notice that the City of Ontario (Ontario) has agreed to purchase from the City of Upland (Upland) a portion of Upland's water in storage in the amount of 16,000 acre feet to satisfy a portion of the Ontario's anticipated Chino Basin replenishment obligation for FY 2005-2006.

Enclosed is executed application for sale or transfer of right to produce water from storage and a recapture plan for consideration by Watermaster. Please agendize the proposed purchase for the September meetings.

If you have any questions or require additional information concerning this matter, please call me at 395-2681. Thank you.

Sincerely,

ohamed El-Amamy Utilities Director

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

TRANSFER FROM LOCAL STORAGE AGREEMENT #		
City of Upland	8/1/2005	
Name of Party	Date Requested	Date Approved
1370 N. Benson	16,000 Acre-feet	Acre-feet
Street Address	Amount Requested	Amount Approved
City State Zip Code		
Telephone:909-931-4231	Facsimile: 909-93	31-4274
Ros Tur		
Applicant (Rob Turner, Director of Public Works	;)	
TRANSFER TO:		
City of Ontario	Attach Recapture Form 4	
Name of Party		
1425 S. Bon View		
Street Address	_	
Ontario CA 91761		
City State Zip Code		
Telephone: 909-395-2681	Facsimile: <u>909-395-260</u>	1
Have any other transfers been approved to between these parties covering the same fisc		No [ X ]
WATER QUALITY AND WATER LEVELS		
What is the existing water quality and what are the existing w	ater levels in the areas that are	e likely to be affected?
		·····
MATERIAL PHYSICAL INJURY		
Is the Applicant aware of any potential Material Physical Injumate may be caused by the action covered by the application?		or the Basin that
If yes, what are the proposed mitigation measures, if any, th action does not result in Material Physical Injury to a party to	hat might reasonably be impose the Judgment or the Basin?	ed to ensure that the

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ADDITIONAL INFORMATION ATTACHED Yes [ ] No [X]

 120R	Th	

Applicant

### TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL:

DATE OF APPROVAL FROM AGRICULTURAL POOL:

DATE OF APPROVAL FROM APPROPRIATIVE POOL:

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL:

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement #\_\_\_\_\_

July 2001

Form 4

### APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE

### APPLICANT

City Of Ontario			<u>August 1, 2005</u>		
Name of Party		Date Requested	Date Approved		
1425 S. Bon View Aven Street Address	ue		<u>16,000</u> Acre-feet Amount Requested	Acre-feet	
<u>Ontarlo</u> City	<u>CA</u> Stale	<u>91761</u> Zip Çode	Varies Projected Rate of Recapture	<u>July 1, 2005 – June 30, 2006</u> Projected Duration of Recapture	
Telophone:	600		Facsimile: <u>909-395-2601</u>	Facsimile: <u>909-395-2601</u>	
IS THIS AN AMENDMEN IF YES, ATTACH IDENTITY OF PERSON PURPOSE OF RECAPT	I APPLICAT THAT STO	ION TO BE AME		YES [X] NO	
[] Pump when oth	ner sources	of supply are curta	ailed		
[X] Pump to meet	current or fu	ture demand over	and above production right		
[ ] Pump as neces	sary to stat	ilize future assess	sment amounts		
[ ] Other, explain					
METHOD OF RECAPTU	RE (if by of	her than pumpin	g) (e.g. exchange)		
N/A					

#### PLACE OF USE OF WATER TO BE RECAPTURED

Management zones 2 and 3

N/A

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

### WATER QUALITY AND WATER LEVELS

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

Recapture by Ontario will be accomplished by pumping 22 wells. Static level varies from 272 feet to 524 feet. Of the wells routinely pumped, nitrate levels vary form less than 5 to 40 mg/L.

### MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED Yes [X] No [] Mohamed El-Amamy, Utilities Director
TO BE COMPLETED BY WATERMASTER
DATE OF APPROVAL FROM NON-AGRICULTURAL POOL:
DATE OF APPROVAL FROM AGRICULTURAL POOL:
DATE OF APPROVAL FROM APPROPRIATIVE POOL:
HEARING DATE, IF ANY:
DATE OF ADVISORY COMMITTEE APPROVAL:
DATE OF BOARD APPROVAL: Agreement #

.

July 2001

### CITY OF ONTARIO Recapture Plan

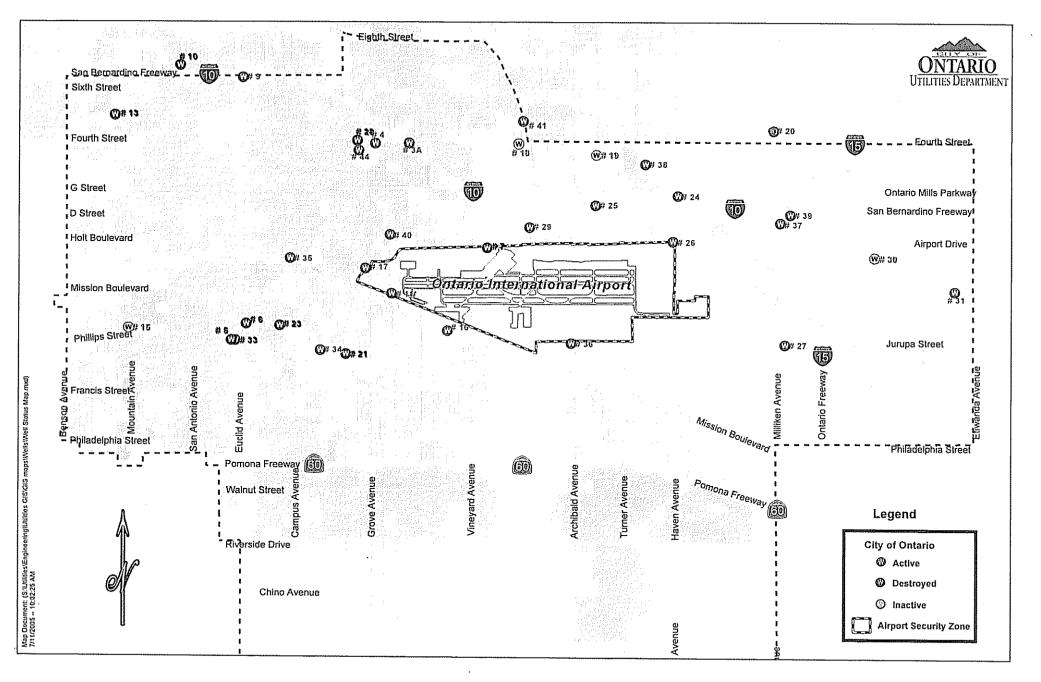
The subject water is a transfer of stored groundwater from the City of Upland located within Management Zones 2 and 3 to the City of Ontario in the amount of 16,000 acre-feet to satisfy a portion of the City's replenishment obligation for FY 2005-2006. Recapture of the stored water is accomplished by the production of any or all of the 22 wells owned and operated by the City with Management Zones 2 or 3 of the Chino Groundwater Basin. The approximate daily production capacity of these wells is as follows.

Well No.	Capacity acre-feet/day
9	7.8
11	5.7
16	3.2
17	7.2
18	5.3
19	2.5
20	3.4
24	8.4
25	6.2
26	5.7
27	4.9
29	11.2
30	14.1
31	13.1
35	8.6
36	8.3
37	13.4
38	11.4
39	8.6
40	13.4
41	11.0

173.5

~'

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



## NOTICE

### OF

### APPLICATION(S)

### **RECEIVED FOR**

## WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

June 8, 2005

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

### NOTICE OF APPLICATION(S) RECEIVED

Date of Application: May 27, 2005 Date of this notice: June 8, 2005

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

A. Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2500 acre-feet.

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

Appropriative Pool:	July 14, 2005
Non-Agricultural Pool:	July 14, 2005
Agricultural Pool:	July 19, 2005

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

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

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

Watermaster address:

Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730 Tel: (909) 484-3888 Fax: (909) 484-3890



### NOTICE OF TRANSFER OF WATER

Notification Dated: June 8, 2005

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

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

#### KENNETH R. MANNING CHIEF EXECUTIVE OFFICER

DATE: June 8, 2005

#### TO: Watermaster Interested Parties

#### SUBJECT: Summary and Analysis of Application for Water Transaction

#### Summary -

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

#### Issue -

 Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2500 acre-feet.

#### Recommendation -

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

#### Fiscal Impact –

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

#### Background

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

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

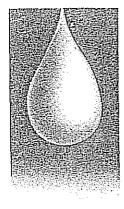
The following application for water transaction is attached with the notice of application.

 Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2500 acre-feet.

Notice of the water transaction identified above was mailed on June 8, 2005 along with the materials submitted by the requestors.

#### DISCUSSION

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



# A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY

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

May 27, 2005

Mr. Kenneth R. Manning, Chief Executive Officer Chino Basin Watermaster 9641 San Bernardino Road

0 1 2005

Rancho Cucamonga, California 91730

Subject: Purchase of Water in Storage Chino Basin-Fiscal Year 2004/2005

Dear Mr. Manning:

Please take notice that Fontana Water Company ("Company") has agreed to purchase from Cucamonga Valley Water District water in storage in the amount of 2,500 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2004/2005.

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

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

Very truly yours,

Michael **X** McGraw GeneraManager

MJM:bf Enclosures





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#### APPLICATION FOR SALE OR TRANSFER OR RIGHT TO PRODUCE WATER FROM STORAGE

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TRANSFER FROM LOCAL STORAGE AGREEMENT	· #				
Cucamonga Valley Water District	May 17, 2005				
Name of Party	Date Requested	Date Approved			
10440 Ashford Street	2,500 Acre-feet	Acre-feet			
Street Address	Amount Requested	Amount Approved			
Rancho CucamongaCA91729CityStateZip Code					
Telephone: (909) 987-2591	Facsimile: <u>(909) 476-8032</u>	2			
Robert A. DeLoach, General Manager Cucamonga Valley Water District					
TRANSFER TO:					
Fontana Water Company	Attach Recapture Form 4				
Name of Party					
8440 Nuevo Avenue					
Street Address					
Fontana CA 92334					
City State Zip Code					
Telephone:(909) 822-2201	Facsimile:(909) 823-5046	; ;;			
Have any other transfers been approve between these parties covering the sa		No [X]			
WATER QUALITY AND WATER LEVELS					
What is the existing water quality and what are the existing	water levels in the areas that are	e likely to be affected?			
Recapture by Fontana Water Company accomplished by	v numping of 15 wells-static wa	ter levels vary from 375'			
to 684'. Of the wells routinely pumped, nitrate levels var					
MATERIAL PHYSICAL INJURY	·				
Is the Applicant aware of any Material Physical Injury to a may be caused by the action covered by the application?	a party to the judgment or the E ? Yes[] No[X]	Basin that			
If yes, what are the proposed mitigation measures, if any action does not result in Material Physical Injury to a part N/	ty to the Judgment or the Basin	osed to ensure that the ?			

ADDITIONAL INFORMATION ATTACHED Yes [ ] Michael J. McGraw, General Manager Fontana Water Company TO BE COMPLETED BY WATERMASTER:	No [X]
DATE OF APPROVAL FROM NON-AGRICULTURAL POOL:	
DATE OF APPROVAL FROM AGRICULTURAL POOL:	
DATE OF APPROVAL FROM APPROPRIATIVE POOL:	
HEARING DATE, IF ANY:	
DATE OF ADVISORY COMMITTEE APPROVAL:	
DATE OF BOARD APPROVAL:	Agreement #

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#### APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE

#### APPLICANT

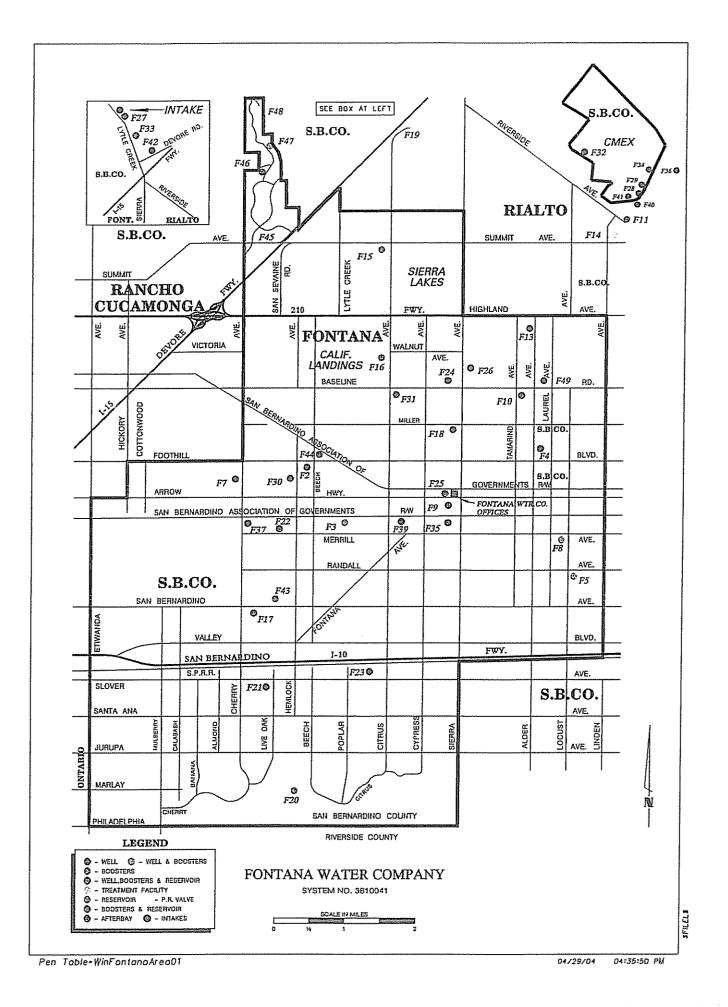
Fontana Water Compa	iny		_May 17, 2	005	
Name of Party			Date Requ	Jested	Date Approved
8440 Nuevo Avenue		<u></u>	2,500	Acre-feet	Acre-feet
Street Address			Amount R	equested	Amount Approved
Fontana	CA	92335			
City	State	Zip Code	Projected Recapture		Projected Duration of Recapture
Telephone: (909) 82	2-2201		Facsimile:	(909) 823-504	16
IS THIS AN AMENDM IF YES, ATTAC IDENTITY OF PERSO	H APPLICATI	ON TO BE AMENI	DED	ICATION? [ ]	
PURPOSE OF RECAP	TURE				
[X] Pump to mee	et current or fut essary to stab	of supply are curtai ure demand over a ilize future assessn	ind above pro	-	
METHOD OF RECAPT	URE (if by ot	her than pumping	) (e.g. excha	nge)	
		N/	Ά		
PLACE OF USE OF W	ATER TO BE	RECAPTURED			
	Withi	n Fontana Water C	ompany's Se	ervice Area	
<b></b>					Add dalaadaa ahaa ahaa ahaa ahaa ahaa aha
LOCATION OF RECAP DIFFERENT FROM RE FACILITIES).			A		
		<u>1,1,,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1</u>			
WATER QUALITY AND	OWATER LEV	'ELS			
What is the existing wat affected?	er quality and	what are the existir	ng water leve	ls in the areas th	at are likely to be
Recapture by Fontana V to 684'. Of the wells rou					ater levels vary from 375' h of 33 mg/l.
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			<u></u>

#### MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED Yes [] No [X] Applicant TO BE COMPLETED BY WATERMASTER: DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: DATE OF APPROVAL FROM AGRICULTURAL POOL: DATE OF APPROVAL FROM APPROPRIATIVE POOL: HEARING DATE, IF ANY: DATE OF ADVISORY COMMITTEE APPROVAL: DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement #



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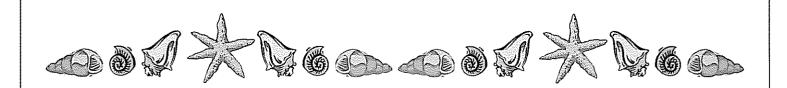
#### FONTANA WATER COMPANY <u>Recapture Plan</u>

The subject water is a transfer of stored groundwater from Cucamonga Valley Water District to Fontana Water Company (FWC) of 2,500 acre-feet to satisfy a portion of FWC's replenishment obligation for FY 2004/2005. Recapture of the stored water is accomplished by the production of any or all of the 15 wells owned and operated by FWC within Management Zone 3 of the Chino Groundwater Basin. The approximate daily production capacity of these wells is as follows:

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

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

074



# II. BUSINESS ITEMS

A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY





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

KENNETH R. MANNING Chief Executive Officer

DATE: September 8, 2005 September 20, 2005 September 22, 2005

TO: Committee Members Watermaster Board Members

SUBJECT: Preliminary Analysis of Material Physical Injury – IEUA Application to Implement Phase II Chino Basin Recycled Water Recharge Project

#### SUMMARY

Issue - On November 2, 2004, Inland Empire Utilities Agency (IEUA) sent a letter to Watermaster requesting an analysis of Material Physical Injury, pursuant to the Peace Agreement and Watermaster's Rules and Regulations, for IEUA's proposed Phase II Chino Basin Recycled Water Recharge Project - hereafter the Phase II Recharge Project. Watermaster directed staff to complete the analysis of Material Physical Injury using the Department of Health Services (DHS) proposed regulations for planned recharge projects, requirements listed in the Peace Agreement, balance of recharge and discharge in every area and subarea, maintenance of hydraulic control, and other criteria that may become appropriate to Watermaster. Wildermuth Environmental Inc. (WEI) completed this analysis and their results are summarized below and in a report entitled Title 22 Engineering Report, Phase II Chino Basin Recycled Water Recharge Project (DDBE, 2005) - hereafter the Title 22 Report. The DHS is currently reviewing the Title 22 Report and will provide IEUA with comments. The Phase II Recharge Project may be changed slightly based on these discussions. Watermaster staff will keep the Watermaster informed on the progress of the DHS review of the Title 22 Report. The Phase II Recharge Project description may change based on IEUA discussions with the DHS. Watermaster staff will provide a final definitive report on the material physical injury for the Phase II Recharge Project in the upcoming months after DHS and IEUA have reached agreement on the precise project description. Watermaster will defer issuing final findings regarding material physical injury pending acceptance of the Title 22 Report by DHS and the Regional Water Quality Control Board (RWQCB), and Watermaster staff's subsequent review.

Recommendation – Receive and file.

#### BACKGROUND

IEUA proposes to implement Phase II of the Chino Basin Recycled Water Groundwater Recharge Project. The Chino Basin Recycled Water Groundwater Recharge Program is a comprehensive water supply enhancement project that will be implemented in two phases. The recharge basins and their proposed recharge mix are shown in Table 1. The location of these basins is shown in Figure 1. The Phase I Recharge Project began recharge of recycled water into Banana Basin in July 2005. The Phase II Recharge Project will: (1) add 11 more recharge basins, and (2) expand the conveyance system to increase the recharge capacity up to about 134,000 acre-ft/yr. The blended supply will consist of approximately 26,000 acre-ft/yr of recycled water, 20,600 acre-ft/yr of storm water, and 87,400 acre-ft/yr of imported water. Facilities' planning for the Phase II Recharge Project has been completed. The next steps involve analysis of Material Physical Injury per Article X of the Watermaster's Rules and Regulations, permitting and regulatory compliance. Preparation of the Title 22 Engineering Report was complete in July 2005 and the report was submitted to DHS for their review.

Page 2

IEUA requested that Watermaster staff complete an analysis of Material Physical Injury pursuant to Article X of Watermaster's Rules and Regulations. Specifically, IEUA requested that Watermaster consider their recharge application using the same criteria Watermaster adopted in June 2002 when the Phase I Recharge Project was proposed. These criteria include:

- IEUA Certification of Program Environmental Report for the Wastewater Facilities Master Plan, Recycled Water Master Plan, Organics Management Master Plan SCH No. 200211116; and
- The preparation of the detailed engineering reports as described in the proposed DHS regulations for planned recharge projects, acceptance of those reports by the DHS and RWQCB and Watermaster's independent review and acceptance of the reports.

The first criterion has been satisfied for the entire recycled water recharge program. Watermaster staff conducted its own independent analysis for the Phase II Recharge Project using the requirements described in the proposed DHS regulations for planned recharge projects. Watermaster staff also estimated the volume-weighted total dissolved solids (TDS) and total nitrogen (TN) and compared these estimates to the requirements specified in the Basin Plan.

#### DISCUSSION

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Article 10 of Watermaster Rules and Regulations (paragraph 10.10) requires that:

"...Watermaster prepare a written summary and analysis (which will include an analysis of the potential for material physical injury) of the Application and provide the Parties with a copy of the written summary and advanced notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications."

Per the Peace Agreement, material physical injury is defined as:

"material injury that is attributable to Recharge, Transfer, storage and recovery, management, movement or Production of water or implementation of the OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence, increases in pump lift and adverse impacts associated with rising groundwater." (Peace Agreement, page 8)

**Impacts to the Chino Basin and Individual Parties.** Watermaster staff used the following criteria to test for material physical injury:

- Minimum distance to nearest down-gradient well
- Underground retention time
- Recycled water contribution at the nearest down-gradient well
- Groundwater level impacts
- TDS and TN composite concentration in recharge water
- These criteria to test for material physical injury are discussed below.

**Minimum Distance to Nearest Down-Gradient Municipal or Domestic Wells.** The DHS requires a minimum 500-foot distance between the recharge basin and the nearest down-gradient municipal or domestic well. Watermaster staff reviewed the locations of the proposed Phase II recharge basins and the nearest wells in the Chino Basin and found that there was always a separation greater than 500 feet between the recharge basins and the nearest wells. Furthermore IEUA has committed to enacting an ordinance that would prohibit the construction of new wells in a 500-foot buffer zone around each basin that will receive recycled water.

**Underground Retention Time.** This section presents underground retention time estimates for recharged recycled water in the aquifer from basin recharge to time of potential extraction in the nearest

municipal water well. These estimates were developed for each Phase II recharge basin using a groundwater model (hereafter the groundwater model) of the Chino Basin developed by IEUA and Watermaster in 2003. A detailed description of the groundwater model can be found in *Chino Basin Dry-Year Yield Program, Modeling Report* (WEI, 2003). The methodology, underground retention time estimates, and conclusions regarding compliance with the draft regulations are presented below.

The underground retention time of recycled water was estimated as the sum of the travel time through the vadose zone and the travel time in the saturated zone from beneath the recharge basin to the nearest down gradient domestic or municipal well. Travel time estimates in the vadose zone are based on the application of Darcy's equation using the aquifer properties used in the groundwater model. Travel times in the saturated zone are based on groundwater model predictions using the recharge plans defined herein and the best estimates of future basin management plans currently being promulgated by the Chino Basin pumpers as described by Black and Veatch (2005). In all cases the travel time in the vadose zone is small, on the order of 10 to 20 days. The travel time in the saturated zone is on the order of hundreds to thousands of days.

Several models were used in combination to estimate the travel time of recycled water recharged into the Chino Basin. MODFLOW and MT3D were used to estimate the groundwater flow velocity and transport of recycled water, respectively. Other models and codes were used to support MODFLOW and MT3D. Groundwater Vistas (Version 3) was the modeling design system, and was used as a graphical design and analysis system for MODFLOW and MT3D. ArcMAP 8.2 was used as a pre- and post-processing tool to manipulate input data and output results.

The Chino Basin is represented as a three-layer aquifer system. The model grid cells are a uniform 200 feet in both directions. The model consists of 324,274 cells in each layer with a total of 406,337 active cells. The *Chino Basin Dry-Year Yield Program, Modeling Report* (WEI, 2003a) provides a detailed description of the model and aquifer properties.

For MT3DMS, it was assumed no soil adsorption and reactivity of recycled water occurs in the percolation and migration process (a conservative assumption). Longitudinal dispersivity was set to 100 feet and the transverse dispersivity was set to be one-third of the longitudinal dispersivity. The dispersivity value used herein is based on a measured solute breakthrough curve in an adjacent groundwater basin.

The modeling strategy that was used to estimate travel time in the saturated zone from the recharge basin to the nearest down gradient wells is as follows:

- Using MODFLOW, estimate the groundwater hydraulic response to future groundwater management plans including the recharge plan for both Phase I and Phase II recharge basins.
- Using MT3DMS, estimate the transport time of recycled water in the saturated zone. Assume recycled water has a normalized concentration of 100 and that all other inflows and the initial concentration of groundwater have a concentration of zero. The resulting time history of concentration in each model cell is the cumulative recycled water contribution from all recycled water recharge projects in the model domain. The recycled water contribution at each well can be estimated from the recycled water contribution at each cell given well construction information for each well. The travel time in the saturated zone is estimated to be the elapsed time between when recharge started and the arrival of the recycled water plume at a well as determined when the recycled water contribution at the well exceeds 0.002 or 0.2 percent (the value at which numerical dispersion is minimized).

The DHS December 2004 proposed draft regulations for groundwater recharge projects that use recycled water states (Section 60320.010 (c)):

"For a surface spreading project, all the recycled water shall be retained underground for a minimum of six months prior to extraction for use as a drinking water supply, and shall not be extracted within 500 feet of any groundwater recharge reuse project surface spreading area."

The 500-foot criterion has been demonstrated to have been met (see above and Section 7-2 of Title 22 Report). The underground retention time of recycled water was estimated as the sum of the time of travel time through the vadose zone and the travel time in the saturated zone from beneath the recharge basin to the nearest down gradient domestic and municipal wells. Travel time estimates in the vadose zone are based on the application of Darcy's equation using aquifer properties from the groundwater model. Travel time estimates in the vadose zone can be estimated from the thickness of vadose zone and the vertical velocity, which relates to vertical hydraulic conductivity and effective porosity. The vadose zone thickness beneath a recharge basin was estimated from the difference between ground surface elevation at each recharge basins and the simulated groundwater table elevation at six months and five years after the proposed Phase II recharge has begun. Table 2 summarizes the estimation of travel time in the vadose zone is about 14 days and is projected to range from a low of 6 days (Brooks Street Basin) to a high of 18 days (Etiwanda Spreading Basins).

Travel time in the saturated zone is based on groundwater model predictions using best estimates of future basin management plans currently being promulgated by Watermaster and Basin pumpers. The travel time in the saturated zone is estimated to be the elapsed time between when recharge started and the arrival of the recycled water plume at a well as determined when the recycled water contribution at the well exceeds 0.002 or 0.2 percent. The extent of groundwater impacts resulting from the Phase I Recharge Project and the proposed Phase II Recharge Project at six months and five years after the proposed Phase II recharge has begun is illustrated in Figures 2 and 3, respectively. Table 2 summarizes the travel time in the saturated zone from each Phase II basin to the nearest down gradient municipal wells and the cumulative underground retention time. In all cases the underground retention time exceeds six months or 180 days. With one exception the underground retention times exceed one year, the exception being the underground retention time of about 220 days between the Brooks Street Basin and City of Pomona well No. 10.

**Recycled Water Contribution.** Time histories of recycled water contribution at the nearest down gradient wells are presented graphically in Appendix C of the Title 22 Report and are summarized in Table 2 herein. With the exception of three City of Pomona wells located west of the Brooks Street Basins, the recycled water contribution at the nearest down-gradient wells is less than or equal to 20 percent of water produced at these wells five years after the start up of recharge. For City of Pomona wells 4, 10 and 34 the recycled water contribution ranges between 50 to 60 percent at five years. The average recycled water contribution in the entire City of Pomona well field located west of the Brooks Street Basin is about 20 percent at five years.

The recycled water contribution at any level does not constitute a material physical injury. The recycled water contribution is used by DHS to establish the total organic carbon concentration that will be allowed in recycled water used for recharge – the greater the recycled water contribution the lower the TOC concentration. IEUA's goal for the Phase I and II recycled water recharge program was to have a volume-weighted recycled water contribution of 20 percent at each recharge basin. Table 1 shows the recycled water contribution for each basin and the volume-weighted contribution for the Ely Basins, Phase I Basins, Phase II Basins, and the total for Chino Basin. With the exception of the Ely and Brooks Street Basins is about 20 percent or less. The recycled water contribution in the Ely and Brooks Street Basins is about 70 percent. For the Chino Basin as a whole, the recycled water contribution recharged at spreading basins will be about 19 percent.

**Groundwater Level Impacts (liquefaction, land subsidence and increases in pump lift).** In the Phase II Recharge Project, recycled water recharge replaces some imported water recharge and there are no other operational changes in Watermaster's supplemental water. Under current and proposed Phase II recharge Project operations, Watermaster will use its discretion to determine the actual plan of recharge for the Chino Basin and IEUA will supply recycled water to a basin for recharge pursuant to Watermaster's direction. Therefore there will be no liquefaction, land subsidence or increases in pump lift associated with the Phase II Recharge Project.

**Balance of Recharge and Discharge.** Watermaster prepares an assessment of the recharge and discharge in the Chino basin and develops supplemental recharge plans based on achieving a balance of recharge and discharge and other management goals of the OBMP and the Peace Agreement.

Watermaster will use its discretion to determine the actual plan of recharge for the Chino Basin and IEUA will supply recycled water to a basin for recharge pursuant to Watermaster's direction.

**TDS and TN Composite Concentration in Recharge Water.** The 2004 Regional Water Quality Control Plan (Basin Plan) for the Santa Ana Watershed has TDS and TN objectives in the Chino North Management Zone of 430 mg/L and 5 mg/L, respectively. Watermaster and IEUA have agreed to manage the recharge in spreading basins in the Chino Basin so that the five-year, volume-weighted average for TDS and TN in this recharge will not exceed the Basin Plan objectives. Table 1 shows the volume-weighted TDS and TN concentrations for each recharge basin and the volume-weighted recharge in spreading basins for the Chino Basin, the later being the compliance metric for the Basin Plan. The volume-weighted average TDS and TN for the Chino Basin is about 280 mg/L and 2.4 mg/L, respectively, and are well below the compliance metrics. In order to continue to meet the compliance metric for TDS and TN, Watermaster and IEUA will have to plan their recharge very carefully to achieve compliance on a rolling five-year basis.

#### CONCLUSION

The project as proposed by IEUA will not result in a material physical injury to the Chino Basin or other party provided that IEUA follows the permit conditions required by the DHS and the RWQCB; and that Watermaster and IEUA plan their recharge very carefully to achieve the goals of the OBMP, the Peace Agreement and Basin Plan compliance.

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#### Table 1

Basin Name	Potential Basin Recharge (acre-(Vyr)			Total Recharge	Recycled Water	Composite Concentration <sup>4</sup>	
	Storm Water	Imported Water	Recycled Water	Capacity	Contribution	TDS	Total N
	P	Pre-Existing R	echarge Basi	ins			
Ely Basins <sup>2</sup>	1,000	0	2,300	3,300	70%	411	6.3
	Ph	ase I Rechar	ge Project Ba	sins			
Banana Basin	800	3,400	1,000	5,200	19%	283	2.4
Declez Basin	300	1,600	500		21%	293	2.5
Etiwanda Conservation Ponds	1,100	5,300	1,600		20%	288	2.4
Hickory Basin	900	4,200	1,300	6,400	20%	288	2.5
Jurupa Basin <sup>3</sup>	0	0	0	0			
RP-3 Basins	1,700	7,900	2,400	12,000	20%	287	2.5
Turner Basin No. 1 and 2	900	1,300	500	2,700	19%	252	2.6
Turner Basin Nos. 3 and 4	1,800	3,800	1,400	7,000	20%	269	2.6
Subtotal Phase I Basins:	7,500	<u>27,500</u>	<u>8,700</u>	43,700	<u>20</u> %	282	2.5
	Ph	ase II Rechar	ge Project Ba	isins			
7 <sup>th</sup> and 8 <sup>th</sup> Street Basins	1,600	2,600	1,100	5,300	21%	264	2.7
Etiwanda Spreading Basins	1,700	7,900	2,400	12.000	20%	287	2.5
Lower Day Basin	500	3,700	1,000	***************************************	19%	292	2.3
MZ-1 "Cluster" Basins	5,100	26,500	5,000	36,600	14%	269	2.0
Brooks Street Basin	1,900	0	5.000	6,900	72%	423	6.4
College Heights Basins	100	7,900	0,000		0%	248	0.8
Montclair Basins Nos. 1-4	2,100	9,900	0		0%	222	1.1
Upland Basin	1,000	8,700	0	*****	0%	234	1.0
San Sevaine Nos. 1, 2 and 3	1,700	7,700	2,300	11,700	20%	286	2.4
San Sevaine Nos. 4 and 5	500	6,800	1,800	9,100	20%	301	2.3
Victoria Basin	1,000	4,700	1,400		20%	287	2.4
Subtotal Phase II Basins:	12,100	59,900	15,000	87,000	<u>17</u> %	279	2.3
		07.400	00.000	404.000	400/	00.1	0.4
Total All Program Basins:	20,600	87,400	26,000	134,000	19%	284	2.4

#### Source Water Recharge Plan for the Chino Basin Recycled Water Groundwater Recharge Program<sup>1</sup>

1. Adapted from Table 8-9 of Title 22 Report

2. Up to approximately 2,300 acre-ft/yr of recycled water from RP-1 is currently recharged at the Ely Basins. The Ely Basins were in operation prior to the Phase I Recharge Project.

3. The Jurupa Basin, through geotechnical testing (Reference 22), is believed to have minimal percolation benefits. As such, the Jurupa Basin is used as a holding basin for water sources pumped to the RP3 Basins for groundwater recharge.

4. The TDS concentrations assumed for imported, storm and recycled waters are 250 mg/L, 100 mg/L and 550 mg/L, respectively. The total nitrogen concentrations assumed for imported, storm and recycled waters are 0.8 mg/L, 2.3,mg/L, and 8 mg/L, respectively.

#### Table 2

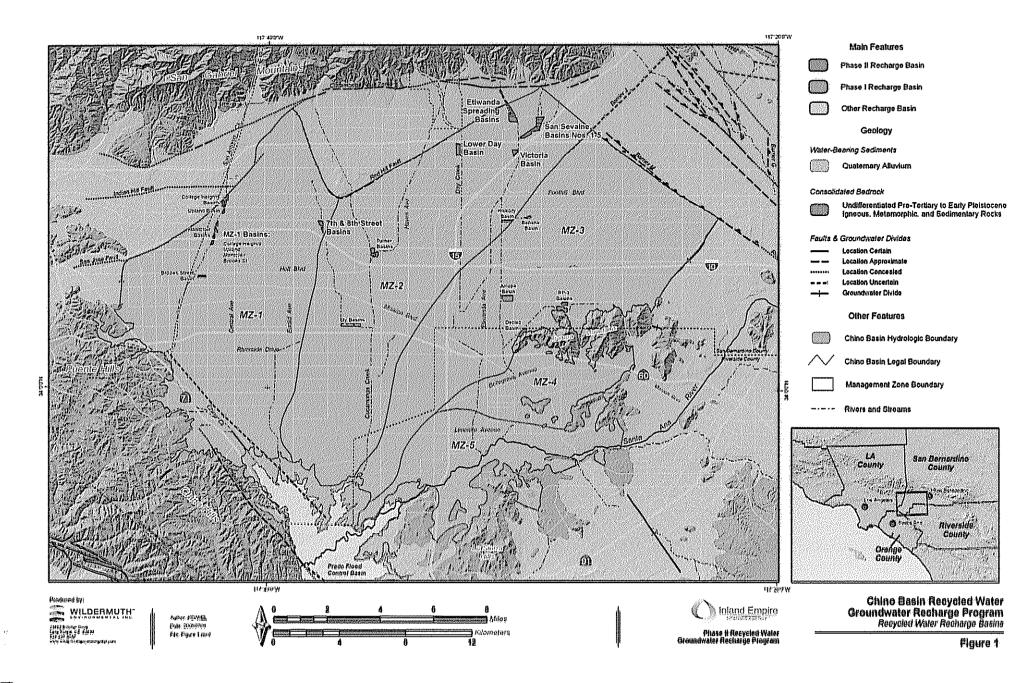
Basin	Nearest Down Gradient Wells	Distance to Nearest Down Gradient	Estimated Travel Time in the Saturated	Travel Time from Ground Surface to the Water	Underground Retention Time	Recycled Water Contribution <sup>3</sup> (%)	
		Well (fcet)	Zone (days)	Table (days)	(days)	Six Months	Five Years
7 <sup>th</sup> and 8 <sup>th</sup> Street Basins	San Antonio Water Company No. 12	740	464	12	476	0	20
Etiwanda Spreading Basins	Cucamonga Valley Water District No. 39	10,693	1,797	18	1,815	O	9
Lower Day Basin	Cucamonga Valley Water District No. CB-5	18,900	>9,125	13	>9,125	0	0
<u>MZ</u> -1 "Cluster" Basins Brooks Street Basin College Heights Basins <sup>2</sup> Montclair Basins Nos. 1-4 <sup>2</sup> Upland Basin <sup>2</sup> San Sevaine No. 1-5	City of Pomona No. 10 City of Pomona No. 30 City of Pomona No. 34 City of Pomona No. 4 City of Pomona No. 17 City of Pomona No. 12 City of Pomona No. 12 City of Pomona No. 15 City of Pomona No. 15 City of Pomona No. 18 City of Pomona No. 14 na na Cucamonga Valley Water District No. 39	1,982 2,191 2,277 2,578 4,580 5,118 5,666 5,678 5,645 6,231 na na na 13,170	257 642 365 1,981 2,153 2,527 4,722 3,745 5,936 na na na	6 6 6 6 6 6 6 7 8 7 8 7 8 7 8 7 8 7 8 7	263 648 648 371 1,987 2,159 2,533 4,728 3,751 5,942 na na na na	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	56 17 57 46 20 8 1 0 0 0 na na na 9
Victoria Basin	Cucamonga Valley Water District No. 39	4,200	1,797	13	1,810	o	9
Statistical Summary Average Median Max Min					2,067 1,814 5,942 263	0 0 0 0	17 9 57 0

#### Retention Time Underground and Recycled Water Contribution for the Nearest Down-Gradient Wells for the Phase II Recharge Project Basins<sup>1</sup>

na – not applicable

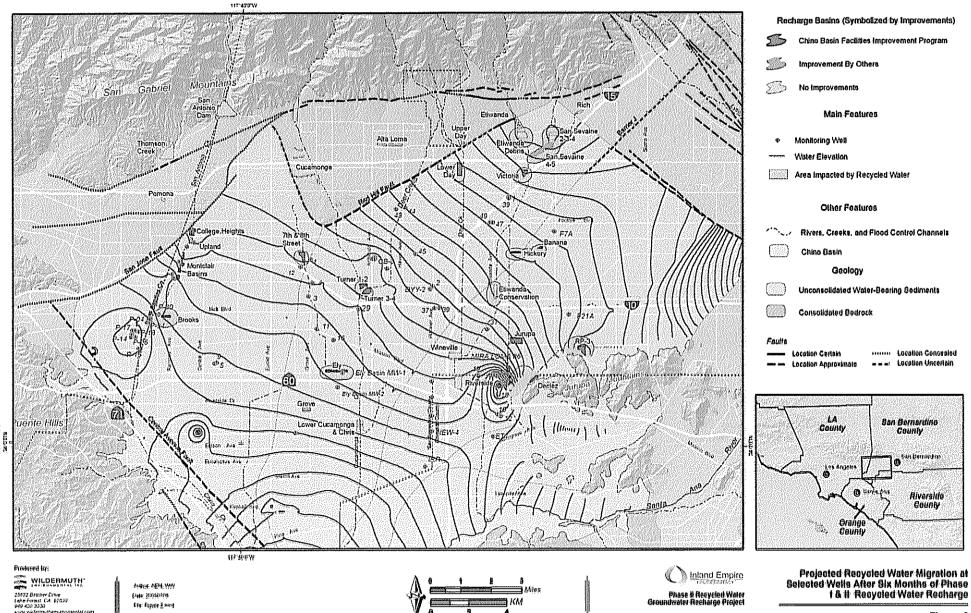
1. Adapted from Table 8-11 of Tille 22 Report 2. These basins will recharge storm and SWP water only.

3. Based on interpretation of recycled water contribution time histories in Appendix c in Title 22 Report









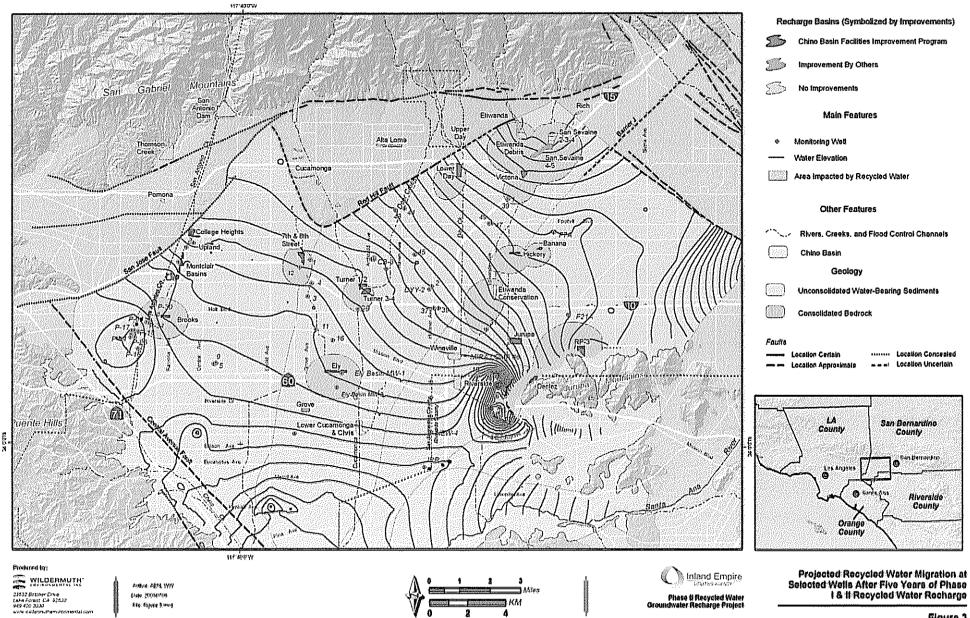


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# II. BUSINESS ITEMS

B. MOTION TO SCHEDULE HEARING TO RE-APPOINT BOARD





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

KENNETH R. MANNING Chief Executive Officer

STAFF REPORT

- DATE: Advisory Committee Watermaster Board
- TO: Committee Members Watermaster Board Members
- SUBJECT: Motion to set hearing date regarding reappointment of Board and request to extend term of current board until the hearing date
- Summary

*Recommendation* – To approve filing the enclosed Motion to Schedule Board reappointment Hearing and to Extend Term of the Board Until Hearing Date.

At the July 28, 2005 Board meeting, the Board directed counsel to draft a Motion to extend the term of the Nine-Member Board for a further five-year term.

This draft Motion was presented to the parties for comment in the month of August, and presented for action in September. At the September 8, 2005 Pool meetings, the Appropriative Pool, with the concurrence of the Overlying (Non-Agricultural) Pool, took action to request the Board to direct counsel to draft a different Motion which would ask the Court to schedule a hearing date at a later point in time and extend the term of the Board until that time, with rotation of Board members to occur as scheduled at the end of the year.

On September 14, 2005, the Board held a special meeting to consider this request. At that meeting the Board directed counsel to draft a pleading consistent with the Appropriative Pool request. A draft of this pleading is included in the agenda package with this staff report.

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Staff and counsel recommend authorizing counsel to file the Motion with the Court.

PLEASE TAKE NOTE: The Court has set an ex parte hearing at 1:30 pm on September 22, 2005 (following the Board meeting), in order to consider the Motion.

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	1 2 3 4 5 6 7	Scott S. Slater (State Bar No. 117317) Michael T. Fife (State Bar No. 203025) Hatch & Parent, A Law Corporation 21 East Carrillo Street Santa Barbara, CA 93101 (805) 963-7000 (805) 965-4333 Attorneys For CHINO BASIN WATERMASTER							
	8	SUPERIOR COURT OF THE STATE OF CALIFORNIA							
	9	FOR THE COUNTY	OF SAN BERNARDINO						
	10	CHINO BASIN MUNICIPAL DISTRICT	Case No. RCV 51010						
F	11 12	Plaintiff,	[Assigned for All Purposes to the Honorable MICHAEL GUNN]						
PAREN Street A 93101	13	vs.	MOTION TO SCHEDULE BOARD						
HATCH AND PARENT 21 East Carrillo Street Santa Barbara, CA 93101	14	CITY OF CHINO, ET AL.	REAPPOINTMENT HEARING AND TO EXTEND TERM OF BOARD UNTIL						
HATCI 21 E Santa	15	Defendant.	HEARING DATE						
	16		Hearing Date:September 22, 2005Time:1:30 pm						
	17								
	18								
	19	On September 28, 2005, the Court issued an Order extending the term of the Watermaster							
	20	Board for a five-year period to expire on Septeml	ber 30, 2005. This re-appointment was based upon						
	21 22	successful completion of the Peace Agreement, w	which allowed implementation of the OBMP to						
	22	commence.							
	24	The Peace Agreement contained a number of issues that were not ripe for resolution in 2000, and so were set for renegotiation by the end of 2005. The parties have been actively negotiating these issues over the past year and have made good progress in these negotiations.							
	25								
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	27								
	28								
			MOTION TO SET HEARING DATE						

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At its July 28, 2005 meeting, the Board directed Watermaster counsel to draft a Motion requesting re-appointment of the nine-member Board for another five-year term. This Motion was distributed to the parties for comment in the month of August, and brought to the Pools for approval in September.

At the September 8, 2005 Appropriative Pool meeting, the members of the Appropriative Pool considered the draft Motion to Re-Appoint the Watermaster Board for Another Five Year Term. At that time, various Pool members commented that the renegotiation of the milestone issues under the Peace Agreement was still in process and that the members of the Pool had agreed amongst themselves to refrain from addressing the issue of the re-appointment of the Board until completion of those negotiations. (*See* Declaration of Michael T. Fife attached to this pleading as Exhibit "A.")

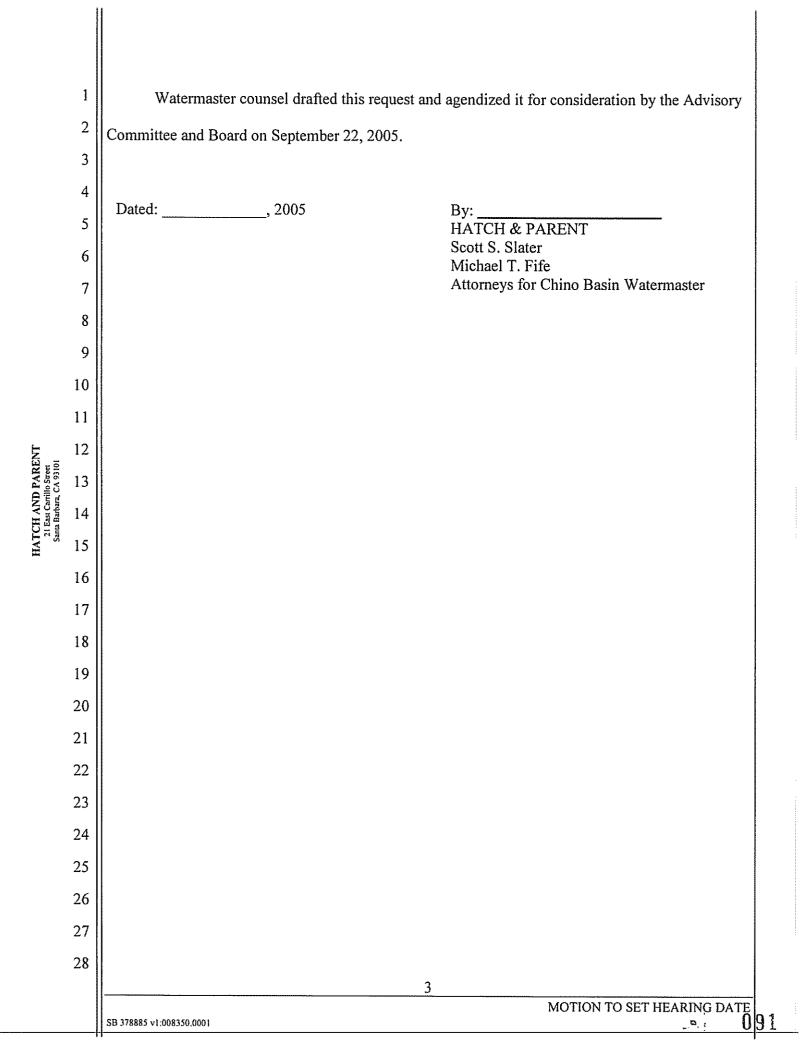
The Pool took action to recommend that the Board inform the Court that the parties are confident in their ability to come to the Court with a consensus concerning the milestone issues under the Peace Agreement as well as the issue of Board re-appointment, but that additional time is necessary in order to reach this consensus. The Pool requested that the Board direct counsel to ask the Court to set a hearing date for reappointment of the Board at a date that will allow sufficient time to complete the negotiations and that the term of the Board be extended until this hearing date. This action received the concurrence of the Overlying (Non-Agricultural) Pool.

On September 14, 2005, the Board held a special Board meeting and directed counsel to draft a Motion informing the Court of the action by the Appropriative Pool and requesting the Court to: (1) Set a hearing for February 9, 2006 to consider re-appointment of the Board;

(2) Order an interim re-appointment of the nine-member Board until the February 9, 2006hearing, with rotation of the Board members to occur according to the existing rotationschedule.

2

MOTION TO SET HEARING DATE



	1							
	2	EXHIBIT "A"						
	3	DECLARATION OF MICHAEL T. FIFE IN SUPPORT OF MOTION						
	4							
	5	1. My name is Michael T. Fife and I am an attorney with the law firm of Hatch & Parent						
	6	licensed to practice law in the State of California.						
	7	2. Hatch & Parent acts as General Counsel to the Chino Basin Watermaster.						
	8	3. On September 8, 2005 I was in attendance at the joint meeting of the Appropriative Pool and						
	9	the Overlying (Non-Agricultural) Pool and am able to report the substance of the discussion that						
	10	took place on the record at that time concerning the agendized business item of the Motion to Re-						
	11	Appoint the Board.						
ENT	12	4. At the September 8, 2005 meeting, members of the Appropriative Pool stated that						
D PAR illo Street L CA 931	13	negotiations concerning certain 5-year milestone issues under the Peace Agreement were continuing						
HATCH AND PARENT 21 East Carrillo Street Santa Barbara, CA 93101	14	and that progress was being made on those issues.						
HAT(	15	5. These members of the Appropriative Pool indicated that they have agreed amongst						
	16	themselves not to discuss issues associated with the re-appointment of the Board until the other						
	17	negotiations concerning the Peace Agreement issues are complete.						
	18	6. These members of the Appropriative Pool further indicated that they would like more time to						
	19	continue their negotiations in order to make a good faith attempt to reach consensus on all issues.						
	20	7. The Appropriative Pool took action to request the Board to direct counsel to request the						
	21	Court set a hearing date for re-appointment of the Board and to extend the term of the Board until						
	22	that time. The members of the Pool asked that their comments be reported to the Board and to the						
	23	Court for its consideration.						
	24	8. I swear under penalty of perjury that the forgoing is a true and correct account made to the						
	25	best of my abilities.						
	26							
	27	Michael T. Fife						
	28							
		4 MOTION TO SET HEARING DATE						
2		SB 378885 v1:008350.0001						

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# III. <u>REPORTS/UPDATES</u>

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

- 5. FY 2004/05 Water Production Report
- 6. FY 2004/05 Water Conservation Activities Report
- 7. State/Federal Legislation Reports
- 8. Community Outreach/Public Relations Report



#### CHINO BASIN WATERMASTER ADVISORY COMMITTEE September 22, 2005

#### AGENDA

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

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

20 - 30 Minutes

#### **Discussion Items:**

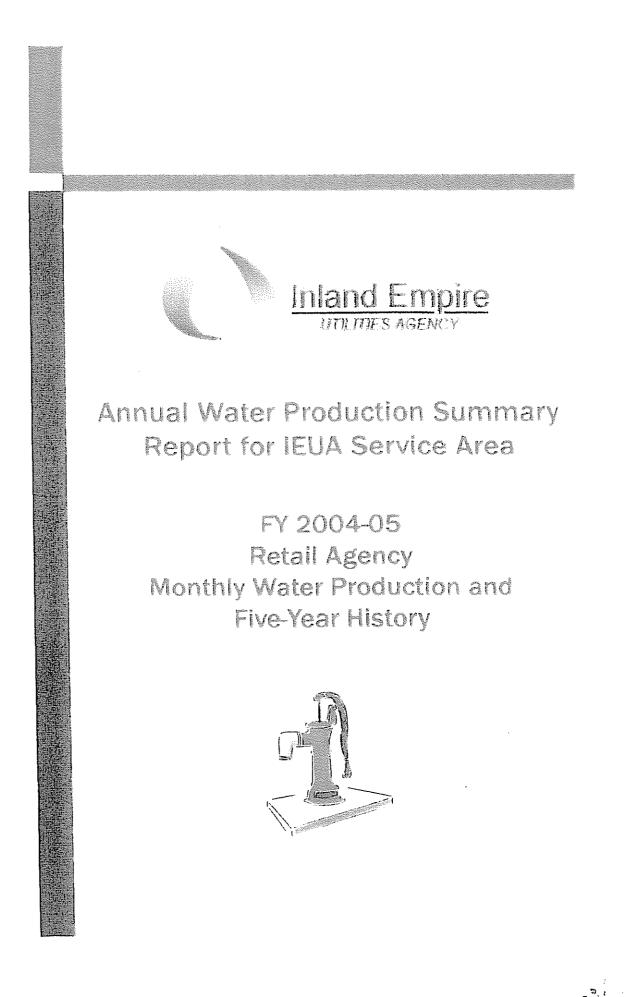
- MWD Status Report Richard Atwater
- Urban Water Management Plan Martha Davis
- Legislative Highlights Martha Davis
- Salinity Reduction

#### Written Monthly Updates:

- FY 2004/05 Water Production Report
- FY2004/05 Water Conservation Activities Report
- State/Federal Legislation Reports
- Community Outreach/Public Relations Report

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# **Table of Contents**

Preface	i
Total IEUA Service Area Water Production by Agency for FY 2004-05	1
City of Chino Historic Annual and FY 2004-05 Monthly Water Use	2 - 3
City of Chino Hills Historic Annual and FY 2004-05 Monthly Water Use	4 – 5
City of Ontario Historic Annual and FY 2004-05 Monthly Water Use	6 – 7
City of Upland Historic Annual and FY 2004-05 Monthly Water Use	8 – 9
Cucamonga Valley Water District Historic Annual and FY 2004-05 Monthly Water Use	10 – 11
Fontana Water Company Historic Annual and FY 2004-05 Monthly Water Use	12 - 13
Monte Vista Water District Historic Annual and FY 2004-05 Monthly Water Use	14 – 15
San Antonio Water Company Historic Annual and FY 2004-05 Monthly Water Use	16 – 17
IEUA Service Area 10 – Year Historical Water Production	18
Definitions	19

### Preface 2004-2005 Production Report

The Annual Water Production Summary Report provides an overview of the total water supplies produced within IEUA's service area to meet urban (residential, commercial, industrial and institutional) water demand.

In FY 2004-2005, the total water produced to meet urban water demand was approximately 222,000 acre-feet, down from 240,000 acre-feet in FY 2003-2004. The area experienced the second highest rainfall recorded in Southern California in the last 100 years, especially for outdoor irrigation, during the fiscal year. Water use was reduced by 8 percent even though the IEUA service area population has grown by 80,000 people during the same time period. Water use in general has not increased during the past five years. The expansion of the regional water conservation programs over the last five years are also helping to keep water use as low as possible while the region is growing.

The mix of water supplies produced within the Agency's service area has diversified over the past five years, with the Chino Basin desalter projects and recycled water representing a significant new supply for the area. The development of these local sources of supply has helped retail agencies to stay within the Tier 1 imported water purchases in 2004 and likely in 2005.

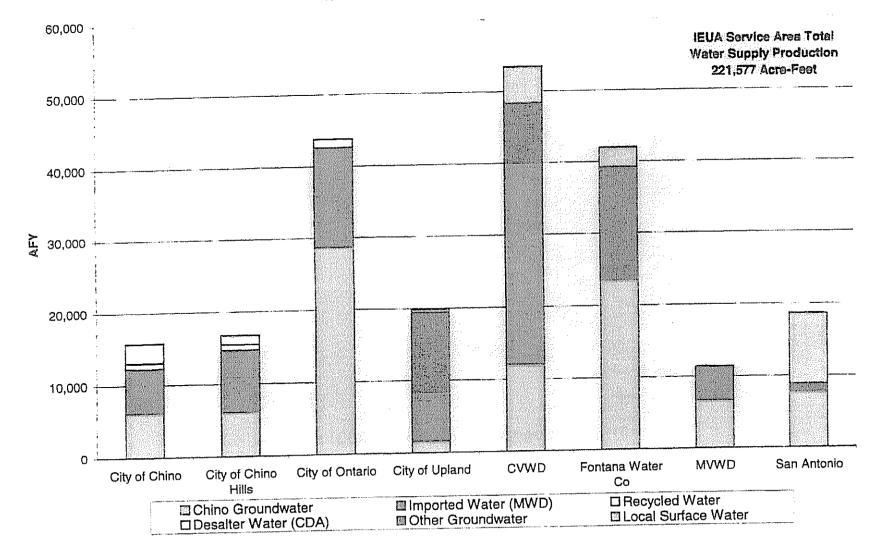
IEUA would like to thank the cities, retail water agencies and Chino Bain Watermaster for their assistance in compiling the data contained in this production report.

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Richard W. Atwater CEO/General Manager Inland Empire Utilities Agency

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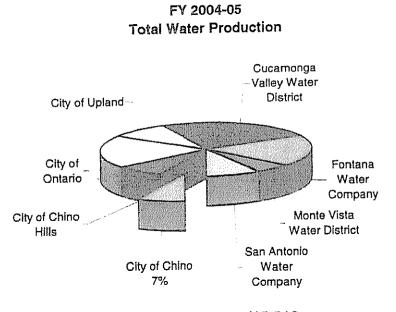
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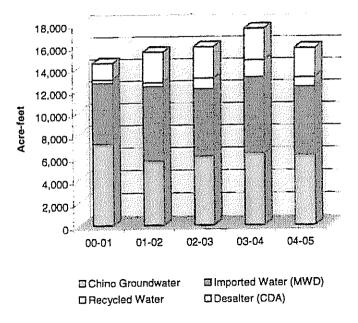
# Total IEUA Service Area Water Production for FY 2004-05

-1-

# City of Chino FY 2004-05 Water Production Report

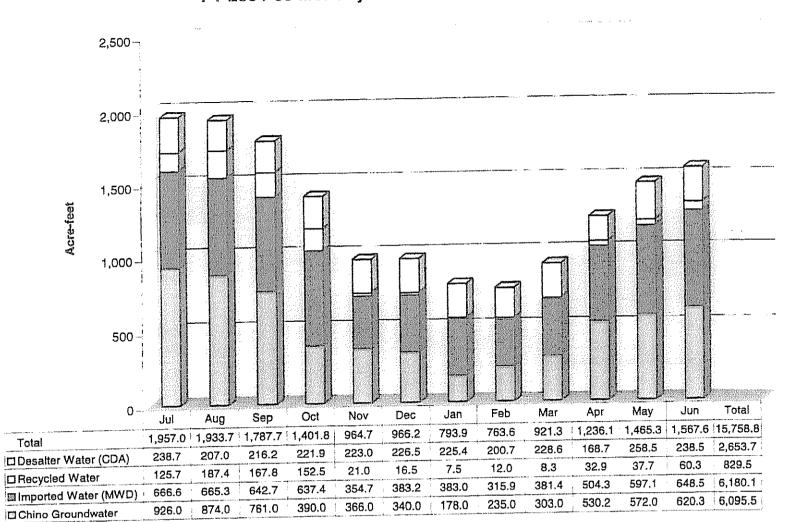


The City of Chino is 7 percent (15,510 acrefeet) out of a total production of 221,577 acrefeet in the IEUA service area.



#### 5 Year Water Production

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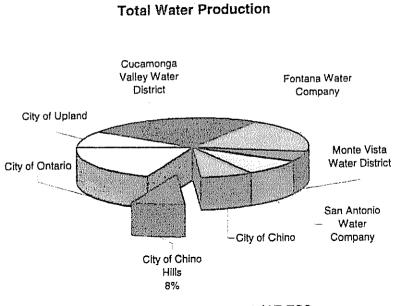


City of Chino FY 2004-05 Monthly Water Production Report

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# City of Chino Hills FY 2004-05 Water Production Report

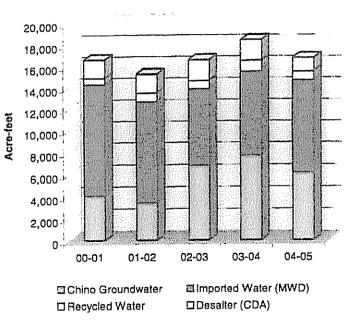


FY 2004-05

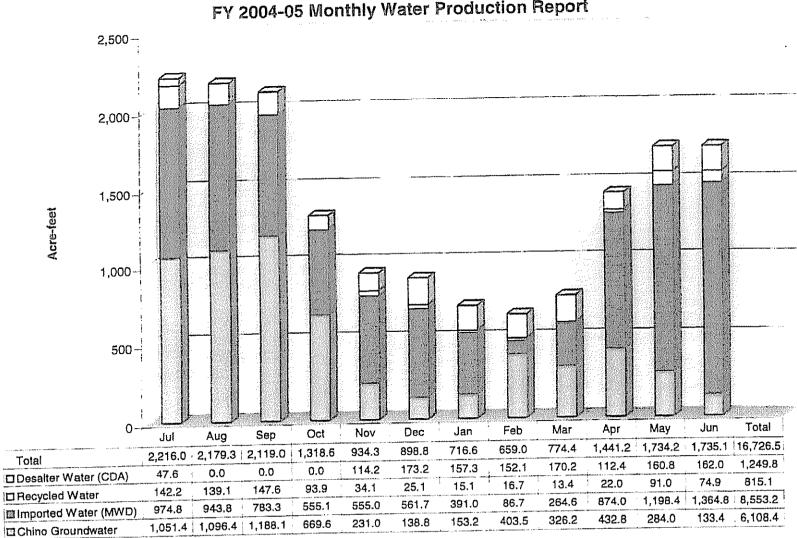
The City of Chino Hills is 8 percent (17,726 acrefeet) out of a total production of 221,577 acrefeet in the IEUA service area.

3

### **5 Year Water Production**



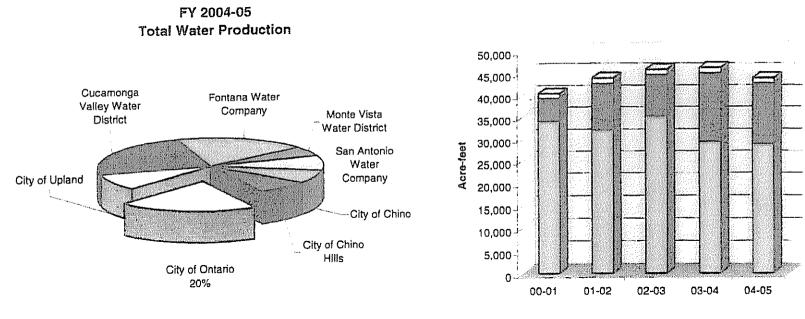
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City of Chino Hills FY 2004-05 Monthly Water Production Report

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# City of Ontario FY 2004-05 Water Production Report



**5 Year Water Production** 

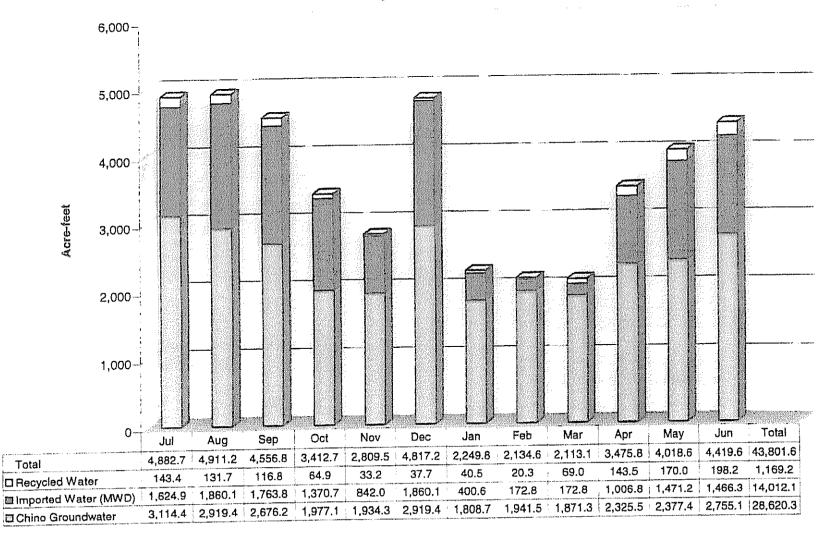
The City of Ontario is 20 percent (44,315 acrefeet) out of a total production of 221,577 acrefeet in the IEUA service area.

Chino Groundwater III Imported Water (MWD) II Recycled Water

-6-

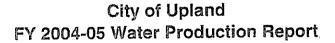
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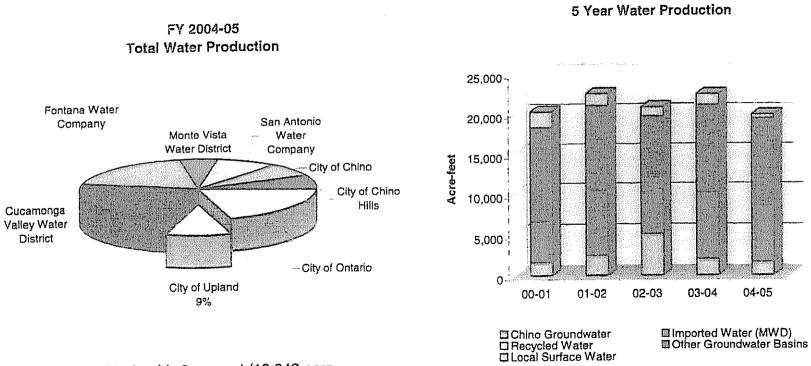
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City of Ontario FY 2004-05 Monthly Water Production Report

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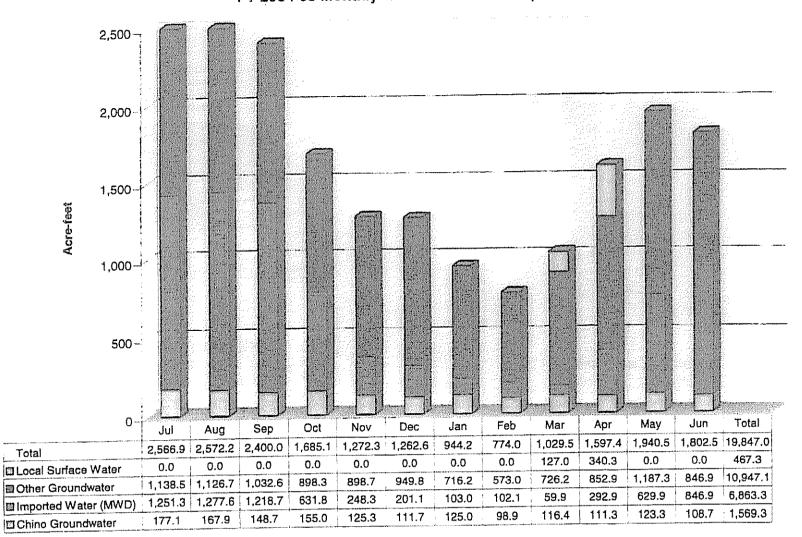


The City of Upland is 9 percent (19,942 acrefeet) out of a total production of 221,577 acrefeet in the IEUA service area.

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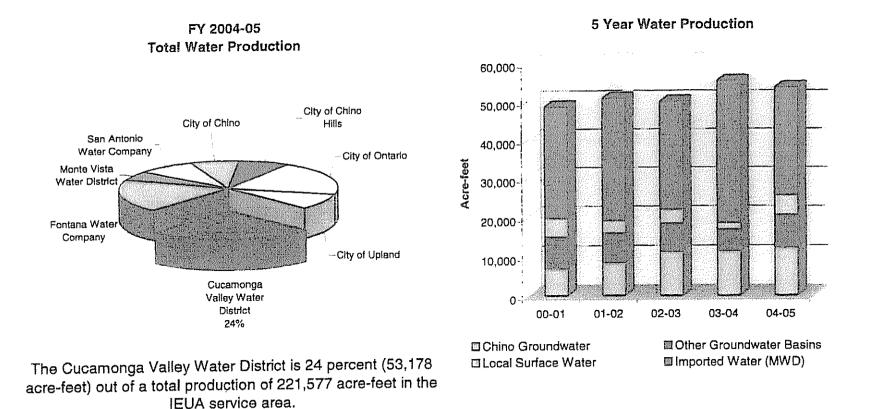
-8-



City of Upland FY 2004-05 Monthly Water Production Report

-9-

# Cucamonga Valley Water District FY 2004-05 Water Production Report

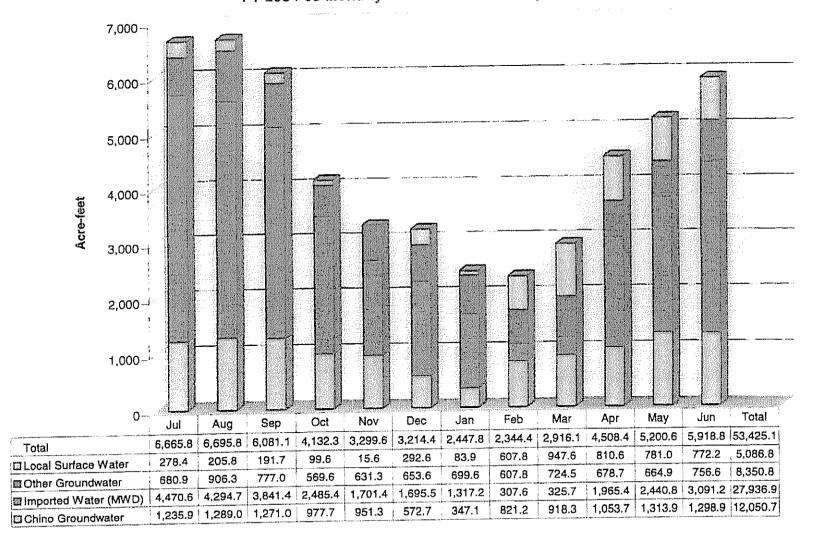


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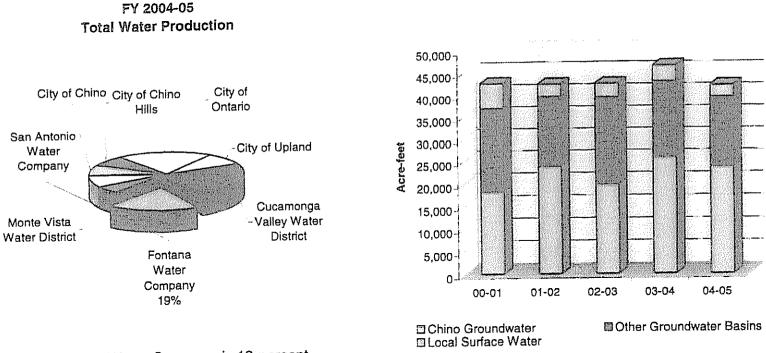
Cucamonga Valley Water District FY 2004-05 Monthly Water Production Report

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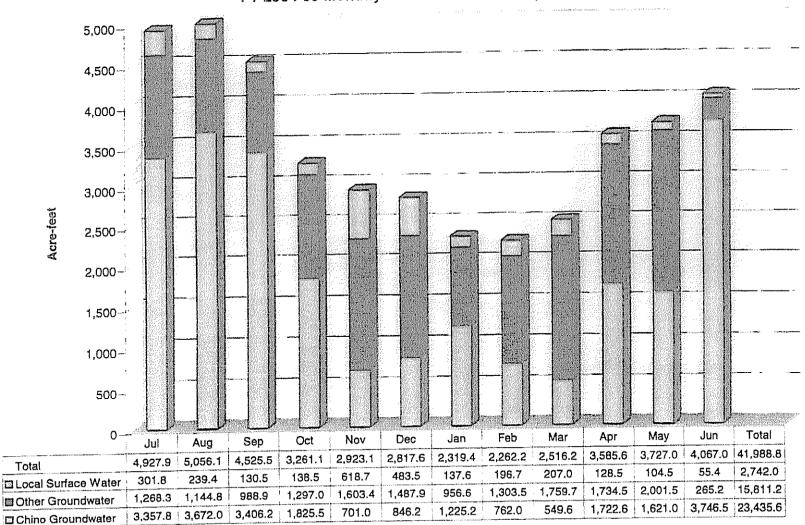
# Fontana Water Company FY 2004-05 Water Production Report



**5 Year Water Production** 

The Fontana Water Company is 19 percent (42,100 acre-feet) out of a total 221,577 acrefeet in the IEUA service area.

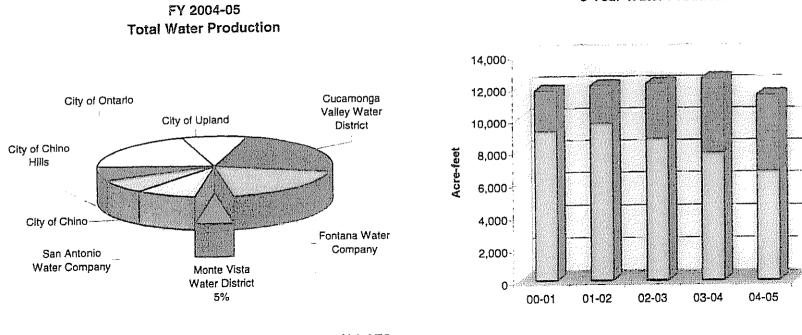
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Fontana Water Company FY 2004-05 Monthly Water Production Report

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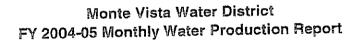
# Monte Vista Water District FY 2004-05 Water Production Report

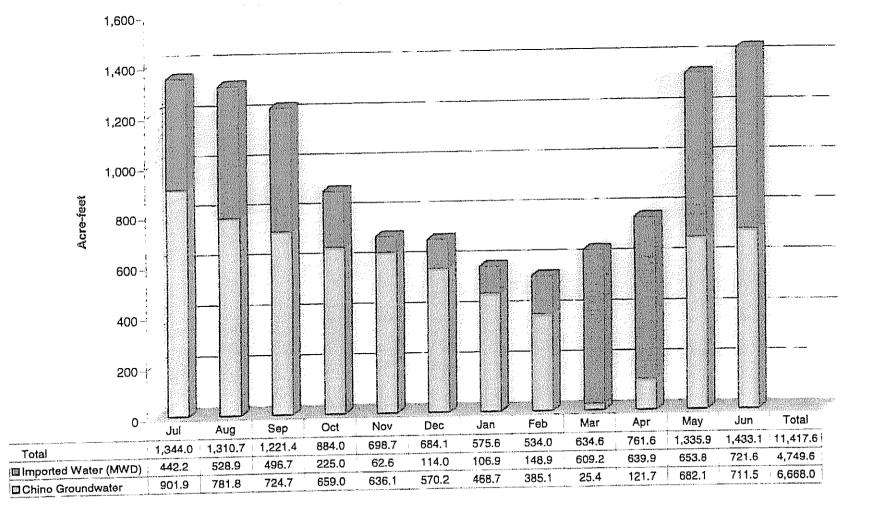


**5 Year Water Production** 

The Monte Vista Water District is 5 percent (11,079 acre-feet) out of a total production of 221,577 acre-feet in the IEUA service area.

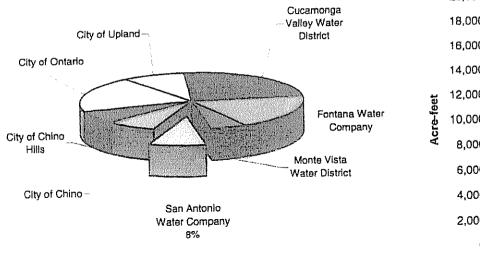
Imported Water (MWD) ■ Chino Groundwater





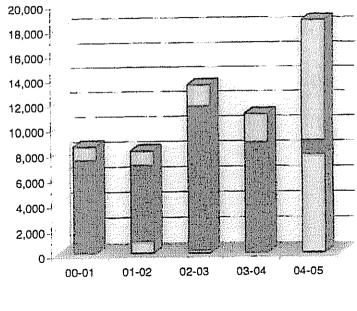
# San Antonio Water Company FY 2004-05 Water Production Report

FY 2004-05 Total Water Production



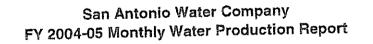
The San Antonio Water Company is 8 percent (17,726 acre-feet) out of a total production of 221,577 acre feet in the IEUA service area.

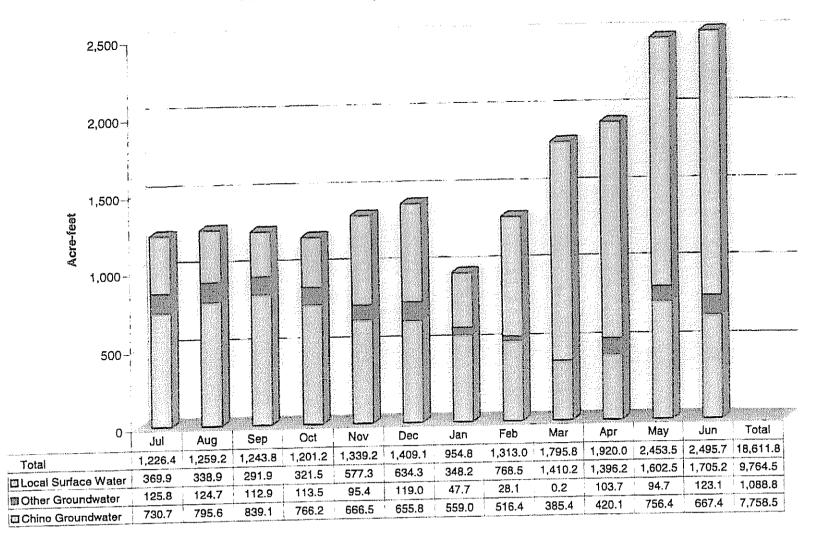
<u>د ا</u> در دن **5 Year Water Production** 



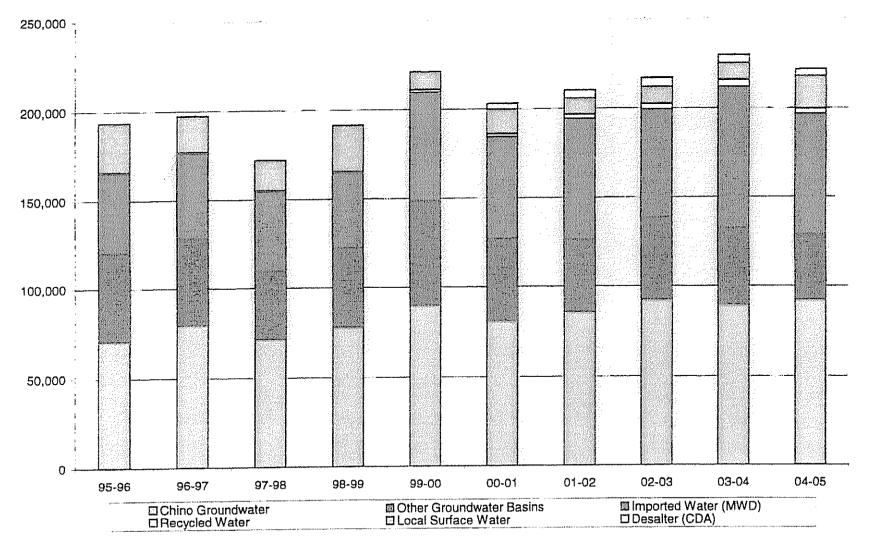
Chino Groundwater

Other Groundwater Basins





-17-



# IEUA Service Area 10-Year Historical Water Production

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## Definitions

**Desalter Water** – Means product water from Chino Desalter I. Groundwater, with high levels of TDS, is treated and distributed to several retail water agencies within the Inland Empire Utilities Agency (IEUA) service area for potable uses.

**Chino Groundwater** – Means water pumped from the Chino Basin aquifer and treated by retail water agencies for all potable uses within the IEUA service area.

**MWD Imported Water** – Means water from the State Water Project and supplied by the Metropolitan Water District of Southern California (MWD) to retail water agencies as a supplementary supply.

**Recycled Water** – Means high quality wastewater (meeting Title 22 standards) produced by IEUA at its water recycling plants for distribution through separate pipelines to retail water agency customers for all non-potable uses.

**Surface Water** – Means water collected by retail water agencies from mountain runoff and storm flows, which is collected and treated for potable use.

Water From Other Groundwater Basins – Means water produced from other local groundwater basins to retail water agencies operating within the IEUA service area. In this report, "water from other groundwater basins" is shown within the category of "other groundwater."

# Regional Water Conservation Update September 2005

**2005 Draft Urban Water Management Plan** – The Draft 2005 UWMP was released for review by local and regional agencies on June 23<sup>rd</sup>. The current Draft UWMP is now available on the IEUA website at <u>www.ieua.org</u>. Comments from local agencies were received and are being integrated into a new draft which will released in September. According to the schedule, the UWMP will be submitted to the IEUA Board of Directors in October and will begin a 30-day public review period. The UWMP will be formally adopted by the Board in November.

**MWD Incentive Rate** - MWD staff met with the staff of several member agencies on August 11 (as a follow up to a June 1 meeting) to review the current water conservation incentive and determine scenarios for increasing the incentive beyond \$154 per acre foot. MWD staff developed three incentive options for discussion purposes. Options include \$250 per AF, \$194 per AF, or No Action. The MWD Board of Directors is scheduled to review the item in December.

Los Angeles County Fair Water Wise Garden – The WEWAC group has been meeting periodically at the Los Angeles County Fairgrounds to complete a makeover of the Water Wise Garden area. The theme of this year's Fair is Polynesian, so the garden has been transformed to reflect a Polynesian ambiance. Each WEWAC member agency will staff the garden site at least one time during the Fair.

**Riverside County Water Symposium Results** - The Riverside County Task Force and other Riverside agencies held a Water Symposium on July 27, 2005 at Lake Perris State Fairgrounds. The purpose of the symposium is to promote communication and cooperation between water and water related agencies and organizations throughout the County. IEUA staff attended this event and will report back on the results.

**MWD California Friendly Landscape Forum** – MWD hosted the second California Friendly Landscape forum on August 23<sup>rd</sup>. The purpose of the forum was to get feedback from landscape industry representatives on the creation of California Friendly as a brand concept and get feedback on a certification program for products and services. The forum was well attended (about 50 people). Lynn Lipinski led the meeting with Carlos Michelon making a presentation on the status model home program and Barbara Eisenstein of the Santa Ana Botanic Garden giving a presentation on their "Native Plant Educational Program." Lynn asked some very basic questions about what people thought of the California Friendly (CF) concept. She wanted to know what they thought could be given a label of CF - not including landscapes and plants (such as homes, parks, services, appliances, etc.), what are the strengths

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and weaknesses of CF, what are the opportunities and threats to CF, and who could be some potential partners that MWD and the industry should consider working with to help promote the brand. The next step for MWD is to go out with an RFP this fall to market the CF brand.

Also, MWD announced the 2005 City Makeover winners through a press release and list of winners. Both of these documents are <u>attached</u>.

**Cooling Tower Workshop** – In conjunction with Metropolitan Water District and the "Save A Buck" CII rebate program, IEUA held a Cooling Tower Workshop on June 27 at the Hilton Ontario Airport from 9:30 to 11:30 am. A follow up Fall Workshop will be held on Monday, September 26 in the IEUA Event Center. IEUA and Honeywell will develop information on water quality and energy costs savings for the businesses.

<u>ULF Toilet Programs</u> –There are two local ULFT distributions scheduled for September; the City of Upland will distribute up to 500 toilets on September 17 and the City of Ontario will distribute up to 400 on September 24. The follow-up old toilet return dates will be in October. The City of Upland will host an additional ULF toilet distribution on October 15 for up to 500 toilets.

For the Multi-Family Direct Install project, the installation of 1,056 ULFTs at the Terracina Apartment Complex in Ontario is complete. Water Wise expects to achieve the FY 2005-06 goal by installing 3,000 by December 2005.

**High Efficiency Clothes Washer Rebate Program** – Approximately 100 rebates were issued during August, bringing the total for the current fiscal year to about 184 rebates. This brings the total number of rebates to approximately 5,250 since the rebate program began in 2002. <u>Attached</u> is the most recent breakout to date, by retail water agency, of the number of rebates issued.

<u>**"SmarTimer of Inland Empire" Weather-Based "ET" Irrigation Controller Rebate Program** – This new rebate program takes advantage of the existing Proposition 13 grant program awarded to MWD. An MWD representative will be available at the September 13<sup>th</sup> workgroup meeting to discuss the program and answer any questions from the agencies. The application and reference guide will be provided at the September 13 Workgroup meeting.</u>

<u>Garden In Every School Program</u> – On August 8, the Chino Basin Water Conservation District (CBWCD) Board of Directors approved a proposal to partner with IEUA on the Garden In Every School Program for FY 2005-06. The CBWCD will provide staff assistance to IEUA as we begin the application and evaluation process in the fall of 2005. Sondra Elrod and Erin Keller will report on this item at the September 13 Workgroup meeting.

Landscape Audit Program – A status report matrix has been created and sent out to each of the agency representatives along with all of the completed

survey/audit reports and a model cover letter for the agencies use. The Dudek & Associates contract has been extended through September 30 to allow for completion of the work. The status report is <u>attached</u>.

Large Landscape Request For Proposals (RFP) – IEUA has developed the RFP for the Phase II Large Landscape Program that will deliver 150 large landscape (commercial) audits and 50 residential audits. Staff has received comments from the agencies and has incorporated them into the document. Issuance of the RFP should occur in early September.

**Residential Landscape Classes** - MWD has extended its support of the "PDA" residential landscape classes through FY 2005-06. IEUA and several local agencies have already secured dates for both regional and local residential classes. IEUA will host a regional residential PDA class on October 15 at the agency's facilities on Kimball Avenue in Chino.

**National Theatre for Children** – Heidi Chadwick of NTC is now contacting the schools and setting up a schedule for both Fall 2005 and Spring 2006. Heidi expects to send out schedule updates weekly.

**Groundwater Model** – EnVison Environmental Education sent an email in mid-August warning that they are having some trouble constructing the frame the model sets in. The frame is expected to be completed by the first weekend in September and the entire unit should be shipped to IEUA by Tuesday September 6. Delivery date should be September 12 or 13.

**<u>California Urban Water Conservation Council</u> – A steering committee meeting was held on August 10 at the offices of the Los Angeles Department of Water & Power. The next plenary session will occur on September 7 at the Irvine Ranch Water District. Major topics on the agenda include candidate nominations for CUWCC officers for 2006, a discussion of the potential for BMP conservation in California, and the recommendations of the statewide AB 2717 Task Force on Landscaping.** 

**California Water Policy Conference 15** – The 15<sup>th</sup> annual California Water Policy Conference will be held at the Hollywood Renaissance Hotel on November 17<sup>th</sup> and 18<sup>th</sup>. The conference, subtitled "California Water Policy – Escaping the Constraints" is accepting award nominations for programs or projects that have helped moved California water policy forward. Nomination forms can be found at www.cawaterpolicy.org.

# Solar Cup 2006

The MWD announced the schedule for the Solar Cup 2006 event. The event will occur May 19<sup>th</sup> through May 21<sup>st</sup>, 2006. Participation commitment forms are available from IEUA and need to be returned to MWD by September 16<sup>th</sup>. It appears that IEUA (as the member agency) will be represented by three schools:

Chino Hills High School and Ayala High School in Chino Hills, and Upland High School.

August 2, 2005 Workgroup Meeting Notes – The notes for the August 2 Workgroup meeting notes are <u>attached</u>.



Date:	September 21, 2005
To:	Honorable Board of Directors
Through:	Public, Legislative Affairs & Water Resources Committee (9/14/05)
From:	Richard W. Atwater Chief Executive Officer/General Manager
Submitted by:	Martha Davis Executive Manager of Policy Development
Subject:	August Legislative Report from Dolphin Group

# **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 – August 2005

#### ENERGY/REGULATORY

### Southern California Edison General Rate Case – Phase II

The Administrative Law Judge in this proceeding has set the hearing schedule for Phase II of Edison's General Rate Case. Edison has requested an increase in electricity rates of 4.3%. Phase II of the proceeding allocates this increase among the various customer classes (i.e. residential vs. commercial vs. agricultural and water pumping.) The structure of all tariffs, demand charges and volumetric energy charges are also determined in Phase II. The 4.3% increase is based on a multiple assumptions by Edison on how other proceedings and issues will be decided by the Commission, and will likely decrease prior to determination of how that increase will be allocated.

Intervenors and customer representatives will file testimony in January 2006, with hearings and further discussion to continue throughout the spring. A commission decision is currently slated for August 2006.

Edison has requested that agricultural and water pumping rates be increased by 9.31%, although they stated that they believe that the true costs of serving these customers is actually 15-25% higher than current rates.

#### Critical Peak Pricing

On August 1, Southern California Edison filed with the CPUC to implement default critical peak pricing (CPP) on large customers in Summer 2006. Edison proposed to implement default CPP rates on all customers with demand over 200 kW. However, direct access and interruptible customers will not be subject to CPP rates.

Customers taking service in the CPP program would be charged very high on-peak energy or demand charges during times when energy reserves run low. In exchange, the customer will receive a discounted on-peak energy or demand charge during non energy-constrained days.

All customers may choose to opt out of the default CPP rates, and be placed on time-of-use rates without penalty. By contrast, Pacific Gas & Electric has suggested to the Commission that the CPP rates be "opt-in", and the default rate remain time-of-use. Various parties have indicated they prefer the opt-in system, and will likely offer testimony in support of that position later this year.

The utilities will be providing bill impact analysis for how both time-of-use and default CPP customers would be affected, as well as the specific bill components for CPP rates on September 1. DGI will provide this information to IEUA/CBC when it becomes available.

The schedule calls for an expedited proceeding, with a Commission decision due by January 2006.

### **Biogas Net Metering**

Assembly Bill 728, Assemblywoman Gloria Negrete-McLeod's (D-Chino) legislation seeking to extend the dairy biogas net metering program continues to advance in the legislature. This measure, co-sponsored by IEUA, would extend the program through 2009 and expand the program from 15 to 50 megawatts statewide. AB 728 is awaiting final action on the Senate Floor and will then return to the State Assembly for concurrence of Senate Amendments.

The Dolphin Group is also working closely with the California Air Resources Board to create a dairy biogas taskforce to bring governmental decision-makers together from various state agencies to discuss emerging biogas issues. The groups is hoping to have its first meeting sometime in late September or early October to begin identifying and scoping issues.

### **OTHER LEGISLATION**

The California Legislature is working hard to finish its legislative session prior to September 9<sup>th</sup>, which is the last day for legislators to sends bills to the Governor for approval. Governor Schwarzenegger will have until October 9<sup>th</sup> to sign or veto the measures.

### • AB 380 (Nuñez D-Los Angeles) – Resource Adequacy Standards

This measure would require the CPUC, in consultation with the CAL-ISO, to establish resource adequacy requirements for all load-serving entities (LSE), and that the costs of procuring that capacity would become nonbypassable from the time the commitment is made. This resource adequacy requirement would not directly apply to public utilities, but the measure would require municipal and public utilities to report to the California Energy Commission on their resource adequacy planning. The bill has also recently been amended to require that public utilities, at a minimum, meet the resource adequacy standards set by the Western Electricity Coordinating Council, a provision long-supported by public utilities. The bill is now before the full Senate for approval.

### • AB 1362 (Levine D-Van Nuys) - Renewable Portfolio Standard

This measure mandates that utilities procure at least 20% of their energy from renewable sources by 2010. Current law mandates compliance by 2017. The measure was placed on the Senate inactive file, and will likely be revisited next year.

### • SB 107 (Simitian D-Palo Alto) - Renewables Portfolio Standard

SB 107 has been "double-joined" with AB 1362, meaning both must be signed by the Governor for the other become effective. SB 107 expands on the Renewables Portfolio Standard acceleration, and provides clarifying details and instructions for the CPUC to implement the program. The measure recently failed to make it out of the Assembly Appropriations Committee.

### • AB 1723 (La Malfa R-Richvale) – Energy Commission Report

This measure would require the California Energy Commission to report to the Legislature, as part of the biannual integrated energy policy report, the amount of forecasted IOU load that may be lost due to community choice aggregation or through acquisition by a local utility. The bill is now before the full Senate for approval.

## • SB 1 (Murray D-Los Angeles) – "Million Solar Homes" Initiative

This bill is also sponsored by Governor Schwarzenegger and authored by Senators Kevin Murray (D-Los Angeles) and John Campbell (R-Irvine). The measure would create the "Million Solar Homes" initiative to invest in rooftop residential solar generation. The goal of the legislation is to produce 3,000 MW of generation by 2018. Additionally, the measure would require local public utilities to adopt a similar initiative, and report progress to the California Energy Commission.

The measure was amended to cap the total expenditures of the three major investorowned utilities at \$1.8 billion over the life of the initiative.

Business groups continue to work with parties on this bill to ensure that larger customers will not be subsidizing the installation of solar panels for residential customers. The measure has also become a source of controversy on labor issues, as the legislation has been mired in debates related to "prevailing wage" and installer certification issues.

Republicans, including the measure's principal co-author, John Campbell (R-Irvine) have recently dropped their support for the measure. The Governor's office has also stated their concerns with the recent labor amendments and its fate is uncertain in the final days of the legislature.

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Date:	September 21, 2005
To:	Honorable Board of Directors
Through:	Public, Legislative Affairs & Water Resources Committee (9/14/05)
From:	Richard W. Atwater Chief Executive Officer/General Manager
Submitted by:	Martha Davis Executive Manager of Policy Development
Subject:	August Legislative Report from Geyer and Associates

# **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\05280 August Leg Report from Geyer

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CONSULTING AND ADVOCACY IN CALIFORNIA GOVERNMENT 1029 K ST., SUITE 33, SACRAMENTO, CA 95814, (916) 444-9346 FAX: (916) 444-7484, EMAIL: geyerv@pacbel.net

### MEMORANDUM

RE:	Legislative Highlights: August
DATE:	September 6, 2005
FROM:	Jennifer West Geyer Associates
TO:	Rich Atwater and Martha Davis Inland Empire Utilities Agency

Next week, after the 2005 Legislative session has finished, I will send you a full legislative report that includes the final status of all water-related bills introduced this year. This memo will serve as an interim report on some of the major legislative highlights of the past month.

### **Legislative Highlights**

### SB 820 (Kuehl) -- Support/ Assembly Floor

IEUA, along with many water districts in Southern California and environmental groups, is in full support of SB 820 by Senator Kuehl. The bill requires a more open process in the development of Urban Water Management Plans, requires the rest of the state to report its groundwater usage, as has been the practice in Southern California since1955, and makes a number of other significant changes to the Water Code. The bill is now on the Assembly Floor and is heavily opposed by the agricultural community, primarily because of the groundwater reporting requirement. IEUA has been asking its delegation to support the measure. It may be a very close vote and the Administration has yet to signal whether the Governor intends to sign the measure once/if the measure makes it to his desk.

## AB 1421 (Laird) - Oppose Unless Amended/Two Year Bill

In late July, Assemblyman Laird introduced a measure that was intended to help his district continue to receive replacement water as a result of perchlorate contamination. The bill is jointly sponsored by Santa Clara Water District and Environment California. Unfortunately, AB 1421 was written in such as way as to require replacement water for ANY degradation of a water supply, even if it was a very small amount of degradation as a result of recycled water use. Although IEUA was very sympathetic to Assemblyman

Laird's district problem, the agency, along with OCWD, MWD, WaterReuse and CASA, had to oppose the bill. This ad hoc coalition offered a counter proposal intended to clarify when replacement water should be provided. Unfortunately, the counter proposal was rejected and the author decided to make AB 1421 a two year bill. Staff of Assemblywoman Negrete-McCleod's said that AB 1421 did not take the right approach, but have indicated that Negrete-McCleod would like to help Assemblyman Laird in the coming year on a bill that does not harm water recycling efforts. IEUA has committed to be part of this process.

### SB 686 (Machado) - California Endangered Species Act/ Two year bill

As a result of the confusion over whether DWR has obtained a "take" permit under CESA for the Delta Smelt, last week Senator Machado said he would introduce a bill that would require state agencies to obtain CESA permits. This is an objective that the regulated community fully supports and believes is current law. Unfortunately, SB 686, as proposed to be introduced, would have greatly increased mitigation requirements for state, private and local entities on any project subject to CEQA, even if a "take" permit was not necessary. This massive overreach was immediately opposed by the Resource Landowners Coalition, in which IEUA is a member. RLC also offered a counter proposal that simply stated state agencies must receive "take" permits. This was rejected. After an intensive one week lobbying effort, Senator Machado decided to make SB 686 a two year bill. He has asked us to participate in negotiations over the fall. The first order of business will be asking the Department of Fish and Game for proof that all state agencies are currently complying with CESA.



Date:	September 21, 2005
To:	Honorable Board of Directors
Through:	Public, Legislative Affairs & Water Resources Committee (9/14/05)
From:	Richard W. Atwater Chief Executive Officer/General Manager
Submitted by:	Martha Davis Executive Manager of Policy Development
Subject:	August Legislative Report from Agricultural Resources

# **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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635 Maryland Avenue, N.E. Washington, D.C. 20002-5811 (202) 546-5115 (202) 546-4472-fax agresources@erols.com

August 27, 2005

### **Legislative Report**

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

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

SU: Legislative Report, August 2005

**Highlights:** 

- Congress to Return Session Continues After Labor Day
- Energy and Water Development Approps September Conference
- Oil and Energy Become Overnight Major Issues
- Miller Recycling Bill, Cleared for House Action in September
- Other Issues
- IEUA Working Partners

**Congress On Recess – To Return After Labor Day.** At the end of July, the Congress completed action on Energy, Transportation and Trade policy. The House and Senate then adjourned for the August recess. The session resumes on September 6, immediately after Labor Day.

*Energy and Water Development Appropriations – Conference in September.* As reported last month, a House-Senate Conference on the Energy and Water Development Appropriations bill will occur sometime in September, likely, late in the month – at the earliest... The House and Senate are far apart on this bill (major issues like funding and policy for Yucca

Mountain are the source of controversy). Staff are not talking. It may become a candidate for a CR (assuming there is one). Funding for the IEUA recycling program is pending and must be conferenced. It is the only "new start" in the bill.

**Oil, Energy – Instant Major Issues.** Since Congress adjourned, oil began racing toward \$70/b and gasoline at the pump passed\$3/gal in DC. Oil and related issues have been on the front pages and on the airwaves across the country for several weeks. Hearings are anticipated. Legislation – or emergency relief – is now being discussed. No details are available yet. Implications are far-reaching. Oil and energy touches every aspect of life. For IEUA, it makes the Organic Management Program economically "more justified."

House Water and Power Subcommittee Ready to Move Rep. Gary Miller Bill, H.R. 177 in September. Previous reports have detailed the status of this bill and IEUA's interest in it. The House Resources Committee now advises that this bill will be advanced to the full House in September under a procedure that expedites certain non-controversial bills (Suspension Calendar). The Resources Committee staff for Pombo and Radanovich, and Rahall and Napolitano have worked very hard to resolve a series of technical issues with the bill and now advise that it is ready to go.

**Other Issues.** Pombo Announces CALFED Oversight Hearings. Resources Committee Chair, Rep. Richard Pombo announced that the Committee will hold oversight hearings in September. WateReuse Draft Bill to be Supported by Feinstein. New legislation for water recycling was submitted to Feinstein this month. Discussions with staff have been positive and. preliminary indications, she will support it.

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

- a. Metropolitan Water District of Southern California (MWD)
- b. Milk Producer's Council (MPC)
- c. Santa Ana Watershed Project Authority (SAWPA)
- d. Water Environment Federation (WEF)
- e. Association of California Water Agencies (ACWA)
- f. WateReuse Association
- g. CALStart
- h. Orange County Water District (OCWD)
- i. Cucamonga Valley Water District (CVWD)
- i. Western Municipal Water District
- k. Chino Basin Watermaster



Date:	September 21, 2005
To:	Honorable Board of Directors
Through:	Public, Legislative Affairs & Water Resources Committee (9/14/05)
From:	Richard W. Atwater Chief Executive Officer/General Manager
Submitted by:	Martha Davis Executive Manager of Policy Development
Subject:	August Legislative Report from Copeland and Associates

### **RECOMMENDATION**

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

### **BACKGROUND**

Letitia White provides a monthly report on their federal activities on behalf of IEUA.

### PRIOR BOARD ACTION

None.

### **IMPACT ON BUDGET**

None.

RWA:MD:jbs G:\board-rec\2005\05278 August Leg Report from Copeland and Associates THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK FOR PAGINATION

# Copeland Lowery Jacquez Denton White un

Specializing in Government Relations

#### MEMORANDUM

- TO: Inland Empire Utilities Agency
- FROM: Letitia White, Alyssa Le Sage Copeland Lowery Jacquez Denton & White

DATE: August 26, 2005

#### RE: Monthly Legislative Report

The House and Senate recess for the month of August for the summer Congressional district work period. Prior to leaving the nation's capital, Congress passed the Interior and Environment Appropriations bill, the first fiscal 2006 appropriations bill sent to the White House, which was signed into law (P.L. 109-54) on August 2, 2005.

During recess, we traveled to California to meet with Inland Empire Utilities Agency (IEUA) officials to discuss the current status of FY06 appropriations and plans for FY07 - including expanding the scope of work we perform on behalf of IEUA.

#### Fiscal Year 2006 Appropriations

Congress will return on September 6th after Labor Day. Since only two appropriations bills have been signed into law - - Interior Appropriations and Legislative Branch Appropriations - - the Congress has a long way to go before the fiscal year ends on September 30th. The House has passed all of the remaining bills; the Senate has passed out all of its bills except Defense Appropriations. Already passed by the House and Senate and ready for conference are three appropriations bills: Foreign Operations, Homeland Security, and Energy and Water.

The \$26.2 billion price tag on Interior-Environment programs, achieved after conference negotiators applied a 0.48 percent cut to each account at the end of the process, represented a reduction from \$27 billion spent on the same agencies last year. Overall, the measure provides \$7.7 billion for the EPA, down \$294 million from the fiscal 2005 level.

Among the bill's many provisions, the bill provides \$2.7 billion for Wildland firefighting and the National Fire Plan, an increase of \$111 million over FY2005. The Fish and Wildlife Service will receive \$1.3 billion - \$7 million above the President's budget request and \$500,000 below FY05, and the National Park Service \$2.3 billion, which is \$50 million above the budget request and \$66 million below FY05. \$236 million is allowed for Payments in Lieu of Taxes (PILT), \$36 million above the request and \$9 million above the 2005 level.

One contentious issue was spending for the Clean Water State Revolving Fund, for which the Senate provided \$1.1 billion and the House provided \$850 million. Negotiators agreed to \$900 million, a cut of nearly \$200 million from fiscal 2005.

Critics of a draft EPA regulation that would allow the agency to use data from pesticide toxicity studies on humans were pleased with language in the conference agreement. Sen. Barbara Boxer and Rep. Hilda L. Solis, both California Democrats, successfully amended the Senate and House versions of the bill with language that would place a one-year moratorium on the use of such data.

The moratorium would last until the EPA issues its final rule, but the bill would place a series of restrictions on the content of that rule. It would prohibit

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the EPA from allowing tests on women, infants and children (to be used), mandate that the rule adhere to standards of the National Academy of Sciences and the Nuremberg Code and establish an independent review board.

## Inland Empire Utilities Agency Position List September 13, 2005

Bill	Summary	Position	Status
AB 728 (Negrete- McLeod) Net metering	Sponsored by IEUA. Extends the biogas net metering program until December 31, 2009. Authorizes up to three large biogas digesters to have a capacity of not more than 10 megawatts. Raises the statewide biogas net metering limitation from 15 to 50 megawatts. The Sierra Club removed its opposition when an amendment was included that requires facilities to install best available control technology (BACT) in order to participate in the tariff.	Support	Enrolled
SB 376 (Soto and Margett) Three Valleys	Clarifies the ability of Three Valleys MWD to implement its lawfully adopted standby charge pursuant to a schedule of adjustments that was approved prior to the enactment of Proposition 218.	Support	Chaptered 2005
SB 820 (Kuehl) Water	<ul> <li>Assemblywoman Negrete-McLeod and Assemblyman Emmerson both voted for the bill when it was heard on the Assembly Floor. IEUA might want to consider writing a letter of thanks to these members for their support of SB 820.</li> <li>Requires that DWR produce a biennial SWP reliability report.</li> <li>Extends the current groundwater reporting requirements in place in Southern California to the rest of the state.</li> <li>Requires public agencies, in preparing the UWMP, to coordinate with public utilities that provide electric or gas service. Requires that the UWMP quantify the amount of energy both produced by and required by existing and planned water sources. Also requires a public agency preparing the plan to hold an additional scoping meeting before the UWMP is prepared.</li> <li>Requires every agricultural water supplier to prepare and adopt an "agricultural water management plan", as defined, by 2010.</li> </ul>	Support	Enrolled

### IEUA Has Taken a Position on the Following Two-Year Bills AB 371 (Goldberg) Water Recycling: Support

- AB 1259 (Daucher): Special District Property Tax Shift: Oppose
- AB 1421 (Laird) Contamination: Oppose Unless Amended
- SB 153 (Chesbro) Habitat/Water Bond: Support
- SB 187 (Soto): OEHHA adopting PHGs: Recommend Oppose
- SB 393 (Ortiz) Special Districts: Oppose
- SB 926 (Florez): Sewage Sludge: Oppose (author is pursuing a Kern County Initiative)

### Inland Empire Utilities Agency Watch List September 13, 2005

Bill	September 13, 2005	Status
Special District O		otatuo
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. ACWA in support. Preferred "alternative" to SB 393 (Ortiz) see positions list.	Enrolled
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. The bill is intended to codify the common law prohibition against public officers holding incompatible offices.	Enrolled
Water Supply	· · · · · · · · · · · · · · · · · · ·	
AB 1477 (Laird) Tamarisk Plant	Requires DWR to develop a program to control or eradicate tamarisk plants in the Colorado River watershed within California and establish another program to control or eradicate tamarisk plants in the watershed generally.	Enrolled
SB 1087 (Florez) Water/Sewer Connections: Low Income	Current General Plan law requires that water and sewer providers give priority services to low income housing applications and agencies are required to have a policy in place explaining this. There have also been numerous discussions at ACWA about whether or not this law, passed in 1991, is constitutional. SB 1087 would require on or before July 1, 2006, that water and sanitation agencies adopt written policies and procedures to ensure conformance with existing law. These policies and procedures must take into account restrictions based on water shortages and the availability of water supplies as determined in a UWMP.	Enrolled
Cal-Fed/Delta/ F	lood Protection	
AB 1200 (Laird)	Requires the DWR to evaluate the potential impacts on water	Enrolled
Delta Levees	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.	
Special District I SB 568 (Kehoe) Hospital exemption	Exempts non-enterprise healthcare districts from the shift of property tax revenues to the ERAF in each county for the 2005- 06 fiscal. Amendments were taken to state that the funds would not be shifted from other special districts. The bill will result in a one-time \$1.4 million General Fund expenditure.	Enrolled
<b>Contaminates/W</b>		
AB 495 (Montanez) WDR	Technical change to the definition of "effluent limitations."	Chaptered 2005
AB 1168 (Saldana) Desalination	Requires DHS, when reviewing an operating permit for a ground or ocean water desalination project, to identify potential contaminants and sources of contaminants and ensure the safety and effectiveness of treatment processes. Existing law requires DHS to issue a water system operating permit for projects providing public drinking water. DHS believes everything in the bill is already required when reviewing a permit for groundwater desalination.	Enrolled
	While it may be unnecessary, it does not appear to set a higher regulatory standard for desalinated water than for other sources of drinking water.	
AB 672 (Klehs) Water reservoirs	Requires a public agency owning reservoirs larger than 2,500 AF to prepare and adopt watershed or recreation master plans that balance recreation and watershed protection.	Enrolled
SB 1067 (Kehoe) Arsenic	Requires OEHHA to develop a PHG for trihalomethanes (THMs) and Total Haloacetic Acids (HAA5) that takes into account the spikes and acute health effects on pregnant women and infants. Requires a public water system that has one or more detections of THMs or HAA5 at a peak, rather than an average level above the MCL, to include specific notice of the risk of certain health effects in its consumer confidence report. MWD and ACWA are opposed.	Enrolled

### <u>Two-Year Bills</u> Inland Empire Utilities Agency

\*Bills likely to move forward in 2005

\*ACA 7 (Nation) Special District tax requirements \*ACA 13 (Harman) Prop. 218 exemption: flood control \*ACA 22 (McClintock) Eminent Domain Condemnation \*AB 32 (Pavley) Green Buildings AB 177 (Bogh) Biomass conversion AB 340 (Parra) Arsenic levels \*AB 342 (Baca) Perchlorate fee \*AB 492 (Baca) Perchlorate reporting AB 501 (La Mafa) UWMP AB 579 (Emmerson) Groundwater AB 580 (Emmerson) Water transfers \*AB 701 (Nava) State Buildings: LEED AB 703 (Houston) Recycled water AB 1146 (Huff) Exchanges of property tax \*AB 1128 (Blakeslee) RWOCB Activities \*AB 1244 (Wolk) CALFED Bay-Delta Program \*AB 1245 (Wolk) CALFED Bay-Delta Program AB 1290 (LaMalfa) Water User Fee \*AB 1354 (Baca) Perchlorate AB 1423 (Bogh) MWD \*AB 1453 (Daucher) Groundwater: Venue of judges \*AB 1665 (Laird) Flood Control Central Valley AB 1724 (Villines) Reclamation \*AB 1727 (Aghazarian) Reorganization of SWRCB Permit Authority SB 31 (Florez) Water Rights Filing \*SB 113 (Machado) Beneficiary Pay CALFED \*SB 868 (Machado) CESA: Permit Authority SB 240 (Margett) Water Rights SB 474 (Runner) Water Quality SB 483 (Cedillo) Special Districts SB 554 (Alarcon) Surplus SB 623 (Aanestad) WDR \*SB 646 (Kuehl) WDR Waivers \*SB 729 (Lowenthal) NPDES: Increased Penalties, SB 773 (Cox) Groundwater Recharge \*SB 866 (Kehoe) Water Use Measurement \*SB 1070 (Kehoe) Waivers

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-- 144



Date:	September 21, 2005
То:	The Honorable Board of Directors
From:	Richard W. Atwater Chief Executive Officer/General Manager
Submitted by:	Sondra Elrod Public Information Officer
Subject:	Public Outreach and Communications

### **RECOMMENDATION**

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

### BACKGROUND

### **Outreach/Tours**

- September 1, 2005, BIA monthly meeting and tour of HQ
- October 19, 2005, Water Education Foundation Southern California Tour meeting at IEUA HQ's for breakfast and orientation plus a tour of Co-Composting facility
- October 4/5, 2005, tour of HQ to Australian architect

### **Calendar of Upcoming Events**

- September 17, 2005, Upland ULFT Distribution
- September 23, 2005, Chino Hills Day at the LA County Fair
- September 24, 2005, Ontario ULFT Distribution
- September 24, 2005, Garden In Every School Workshop, Magnolia Elementary School, Upland
- MWD CII workshop, IEUA Event Center
- September, 28, 2005, IEUA employee picnic
- October 7, 8, 9, 2005, Rancho Cucamonga Chamber Grape Harvest Festival
- October 15, 2005, MWD Regional PDA class, IEUA Event Center
- November 3, 2005, IEUA leadership breakfast

### OUTREACH/EDUCATIONAL INLAND VALLEY DAILY BULLETIN NEWSPAPER CAMPAIGN

- August 29, 2005, Garden In Every School ad
- August 31, 2005, Two-page Safety Awareness Month

- September Two-page Think Environment Week
- September One-page LA County Fair
- October Two-page Literacy/Education Month
- December One-page Health Beat Magazine

### **PRIOR BOARD ACTION**

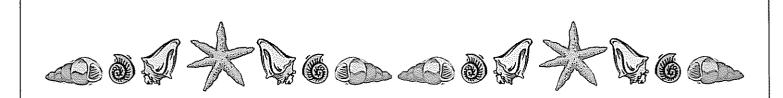
None.

### **IMPACT ON BUDGET**

None.

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146



# **CHINO BASIN WATERMASTER**

## IV. INFORMATION

1. Newspaper Articles





## Inland Valley Daily Bulletin

Rancho city planner Buller retires Sports ministries next on agenda By Molly R. Okeon Staff Writer

Friday, August 05, 2005 - RANCHO CUCAMONGA - After 19 years as city planner, Brad Buller is well aware of what he's leaving behind.

But, despite his intense love for his job, his co-workers and the security his position provides, Buller said he just cannot help himself.

"The world would say, "You're walking away from a certain level of security," Buller said. "I would say I'm walking in the most secure way I can. Like Eric (Liddell, a lead character) in (the 1981 movie) "Chariots of Fire' said, "I feel God's pleasure."

Buller, who announced his resignation this week, will have his last day in office Sept. 1.

This is not a retirement by any means - Buller is only 51. He said he has pondered the decision for some time, and has decided to be adventurous, a trait he got from his parents.

"I'm (making) a bold move, but I'm following my heart," he said.

Above all things, Buller is a devout Christian, a man who says he always follows the will of God.

In fact, part of what Buller will dedicate the rest of his life to is sports ministries for Hillside Community Church in Rancho Cucamonga, where he and his family have attended services the past 17 years.

Buller has been involved with sports since his days Cal Poly Pomona. Recently, he said, he has coached children ages 4 through 12 in almost every major sport.

"Youth sports is a way of learning life's lessons without the harsh consequences," he said.

Buller will also establish a planning and landscape architecture consulting firm called Land Matters, and says he's going to run for the Cucamonga Valley Water District board of directors in November.

"I want to give back to this community big time, and water is a critical element of life," he said.

Born in Fresno, Buller was doing hard labor for his father's construction business by the time he was 8.

"(My father) believed in the education of hard work," he said. "Any free moment I had was spent helping out the family business."

At Cal Poly, he majored in landscape architecture, and after graduation took a job as a landscape

designer for the city of Claremont, where he would stay for almost 10 years.

Buller married Susan in September 1976, the same year he graduated from college. The couple has two children, Joy Walker, now 22, and Joshua, now 20.

In 1979, a position came open for Claremont's assistant city planner, and Buller jumped at the opportunity.

"As a landscape architect, you mostly deal with small projects," he said. "But a whole city? A designer's dream is to work for a city that is changing and wants to be better."

Buller was hired as city planner for Rancho Cucamonga in November 1985. The city, now home to about 164,000 people, had a population of 70,000 when he started.

Buller has had a hand in many of the city's major developments, including the Victoria Gardens outdoor shopping center, Central Park, the rejuvenation of Foothill Boulevard, Empire Lakes Golf Course, City Hall and the Epicenter complex, including Quakes baseball stadium.

Even with his strong work ethic, Buller said he encouraged fun within the Planning Department.

His office is filled with penguins, the unofficial "mascot" of his department. He's got stuffed penguins, statues of penguins, pictures, mugs, signs and even root beer bottles with penguins on them.

"Every good team has a mascot," he said, laughing.

Buller said he will be most sad to leave the people he has developed relationships with over the years.

"I feel extremely privileged to have worked with so many qualified people," he said.

Planning Commissioner Larry McNiel, a commissioner for more than two decades, described Buller as a man of integrity.

""When it comes time to surround yourself with the best people I've known in my life, Brad's in the top five," he said.

Molly R. Okeon can be reached by e-mail at molly.okeon@dailybulletin.com or by phone at (909) 483-9376.

# **Inland Valley Daily Bulletin**

### City may have to purchase land for flood control

Rancho discusses annexation of 37 acres of land in Colonies dispute By Molly R. Okeon Staff Writer

**Friday, July 29, 2005** - RANCHO CUCAMONGA - The city is trying to annex the same 37 acres of land that is at the heart of a dispute between the Colonies developers and San Bernardino County, and preserve it for flood control and open space.

In addition, a lease agreement between a building-materials producer that has been mining aggregate from the land for nearly two decades is up in the air.

The parcel, known as the Day Creek Spreading Grounds, lies within 1,137 acres of land between two flood-control channels - Deer Creek Channel east of Haven Avenue, and Day Creek Channel west of Etiwanda Avenue. The site is north of the 210 Freeway, just above Los Osos High School.

In an effort to settle a legal argument with the Colonies Partners LP, the county has offered the site as a bargaining chip. The Colonies developers are suing the county for \$254 million to reimburse the company for land used for flood control at the 434-acre Colonies development in Upland, for renovations to the flood-control basin on that property.

Despite concerns by some flood-control experts that the site is unfit for development, Colonies co-managing partner Jeff Burum has said he and his associates believe the land can be developed.

But City Planner Brad Buller said the city has plans for the site. Though the land is owned by the county, Rancho Cucamonga started work toward annexing it earlier this year. In the city's general plan, Buller said, the land was pre-zoned to stay as the county has it designated -- flood-control open space.

"We're constantly looking to maintain open space," said Mayor Bill Alexander. "Everything I've heard to this point says we really need this land for maintaining protection for our community and other communities, as well."

County Supervisor Paul Biane said he thinks what happens to the land should be left up to the Rancho Cucamonga City Council.

"Ultimately, the city may have to buy the land from the county if they want to use it as open space," he said.

Biane said he does not have a preference about who gets the land. For now, he said, he is doing research to decide what is best for the flood-control district, and will discuss his findings with the City Council.

Buller said that although the city was conducting an environmental review of the spreading grounds as

a precursor to annexation, it would have to consider other options if the Colonies takes ownership of the land.

"Should we be successful in annexing the property and the settlement (between the Colonies and the county) does create a new owner on the piece of property, we would be obligated to consider any request they might have," he said. "We now know what's in the (news)paper and what's being said. We are proceeding forward to zone it as planned - for flood control, open space and conservation."

Buller was not the only city official who said most of what he's learned about the parcel's role in the Colonies' dispute with the county has been gleaned from local newspapers. City Manager Jack Lam, Alexander and Buller all said they have not been contacted by the Colonies partners or the county to discuss the land, nor have they initiated such discussions.

"The only thing we know is what we read in newspapers," Lam said. "We don't have any direct pipeline."

Ben Garrett and his family have lived for six years in a house on the corner of Whitney Court and Sierra Crest View, just below the Day Creek Spreading Grounds.

He said he doesn't think the site is a good place to build homes, both because of drainage from the mountains and because it could be preserved as open space.

"It's nice to have from Banyan Street to the foothills as undeveloped area," Garrett said. Any more development would be "just urban sprawl and growth. You don't like to see it, but that's a fact of life in California."

Future development of the site isn't the only issue on the table. The county's director of public works, Patrick J. Mead, said the county has leased much of the land to Hanson Aggregates, the world's largest producer of crushed rock, sand and gravel used in heavy-building materials, since the late 1980s or early '90s. The company's lease payments have generated several hundred thousand dollars a year for the flood-control district, he said.

The lease is up for renegotiation.

"If there's a sand and gravel operator with a lease, the term of the lease will have to run out or be bought out before any other activities could take place on that land," Mead said.

Even if the city were to annex the property, Mead said, the county would retain ownership, working with the city on potential zoning changes.

As to reports of instability on the land, which some experts say could threaten the homes and businesses below, Buller said he has confidence in professionals brought in by the city to study the area below the Day Creek Spreading Grounds.

"We would not have approved projects had we not believed the experts that testified ... to the fact that it was safe," he said. "The high school, elementary school, fire station, homes - numerous uses in that area are all based on professional input and public hearing and review."

Resident Cindy Butterweck said the thought of more homes and businesses being built on the site makes her nervous.

2 of 3

"I think it's stupid if it already doesn't have the capacity to handle floods," said Butterweck, who has been following the Colonies/county dispute in the newspapers. She lives on Mount Harvard Court, just south of the site. "It could make the problem worse."

Molly R. Okeon can be reached by e-mail at molly.okeon@dailybulletin.com or by phone at (909) 483-9376.

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# Inland Valley Daily Bulletin

### Scarce water resources must be conserved

Saturday, August 06, 2005 - Hot spells like the one holding the area in its grasp do much more than send tempers and electricity usage soaring.

For every degree the thermometer climbs there's more of a drain on the Southland's water stores. Look out your front window and see how many of your neighbors – if not yourself – have the sprinklers turned on an extra hour or so to keep all those lush lawns and thirsty plants green.

Having grown accustomed to all that high maintenance greenery, too many of us act as though water is an endless resource in Southern California. We forget that sage brush and cactuses are more native to the Southwest than the lawns we treasure so much.

California's water usage will jump 40 percent in the next 25 years, much of that precious resource going for landscaping in the dry inland areas of the state that'll see the bulk of population growth, according to a just-released study by the nonpartisan, nonprofit Public Policy Institute of California.

The study found that half of all water used by inland homeowners goes to irrigating lawns. That spells trouble since half of the state's projected population increase of 25 million will come to Sacramento, San Joaquin and western San Bernardino and Riverside counties.

Fortunately, progress is being made, both by government entities and private developers.

For example, a 2001 law requires developers and government entities to demonstrate in advance they have lined up enough water to serve projects.

As a result, developers are increasingly designing projects that are much more conservation-centered, helping to meet housing and water resource needs.

One example is Valdemosa, opened by KB Home in Temecula. It's the company's first "California Friendly" landscaped community in the state.

It includes front yards with native California and drought-tolerate plans, the latest in programmable sprinkler "smart timers" that are geared to need and climate demands and turn off when it rains. The systems use gallons per hour instead of minutes.

It is a result of the California Friendly Initiative sponsored by water districts and the U.S. Bureau of Reclamation.

Agencies like the Chino Basin Water Conservation District and Montclair Water District also deserve credit for their community conservation projects and educational programs, including those for youths. And there are many others.

Now is the time for the rest of us to pitch in, learn the latest in conservation technologies and more

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wisely use this scarce resource.

## **Inland Valley Daily Bulletin**

### Study of water, sewer services OK'd

Saturday, August 06, 2005 - POMONA - City Council members approved an agreement last week with a Davis consulting firm to conduct a cost study for water and sewer services.

Foresight Consulting Services will be paid \$69,000 to do a cost-of-services study of Pomona's water and sewer systems. The study will be done using the city's 2005 water and sewer master plans, according to a city staff report.

As part of the study, the firm will look at rate structures and provide recommendations on rates that will allow the city to maintain potable water, recycled water and sewer systems.

City administrators project that in the next 20 years the water system will need an investment of about \$155.2 million and the sewer system an additional \$104 million, the staff report said.

Any related rate changes will be presented to the council at a future meeting, the report said.

- Monica Rodriguez, (909) 483-9336.

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## Stricter perchlorate limits proposed

# DRINKING WATER: Laws proposed by health officials would ban higher levels of the rocket-fuel chemical.

12:21 AM PDT on Friday, August 5, 2005

### By DAVID DANELSKI / The Press-Enterprise

SAN FRANCISCO - California and Massachusetts environmental health officials vowed Wednesday to establish the nation's first laws limiting the rocket-fuel chemical perchlorate in drinking water.

The laws would make it illegal to serve water containing more perchlorate. Supplies with higher concentrations would have to be shut down or cleaned up, a process that can cost \$1 million per well or more.

The state officials appeared more aggressive than their federal counterparts in efforts to restrict the chemical that has polluted hundreds of drinking-water supplies across nation, including many in the Inland area.

Most of the perchlorate made in the United States has been used by NASA and the Department of Defense for rockets, missiles and munitions. Perchlorate contains oxygen necessary for explosive combustion.

The chemical has leached from factories, military bases and explosives bunkers into groundwater basins and the Colorado River, a major source of drinking and irrigation water. Researchers have detected perchlorate in cow milk, human breast milk and vegetables irrigated with tainted water.

In sufficient amounts, perchlorate blocks the thyroid gland's ability to absorb iodide, an essential nutrient the gland needs to make hormones that guide the development of brains and nerves in fetuses, babies and children.

The federal government hasn't yet decided whether a national law is needed to limit perchlorate in drinking water, an official with the U.S. Environmental Protection Agency told state and federal toxic-waste cleanup specialists and managers who met here Wednesday.

If the EPA does decide a law is needed, developing it probably would take longer than three years, said Kevin Mayer, the EPA's perchlorate coordinator for the Pacific Southwest region.

State laws limiting perchlorate in California and Massachusetts tap water are expected to be the subject of public hearings this fall and to be made final by next year.

In California, health officials have discovered the chemical in 529 drinking-water sources, making the contamination a top priority, said Rick Brausch, an assistant secretary for the California Environmental Protection Agency.

Water is a scarce commodity in California, he said. "Anything that threatens our water threatens our livelihood."

California set a perchlorate "health goal" -- a guideline for deciding whether drinking water is safe for all consumers, even the most vulnerable -- of 6 parts per billion last year. State health officials are about to push an enforceable limit that Brausch said must be as close to the health goal as economically and technically possible.

Contaminated water supplies in the Inland area have levels ranging from 1 to hundreds of parts per billion, although the highly contaminated water is not served to consumers. Cleanups already are under way at some polluted sites, such as an underground plume spreading toward Riverside from a defunct rocket plant in Mentone.

The EPA earlier this year set a health guideline for perchlorate that is much higher than California's. The guideline, about 24.5 parts per billion in drinking water, will be used as a basis for any future cleanup or health standards, Mayer said.

Federal rules require that national drinking-water standards have a "meaningful opportunity for health-risk reduction in public water systems," Mayer said.

Since few public water systems have perchlorate levels of 24.5 parts per billion or more, a federal perchlorate standard might not be deemed necessary, Mayer said.

Before that decision is made, however, federal officials have to determine how much perchlorate people are consuming in milk, lettuce and other food. The federal Food and Drug Administration is expected to determine the extent of contamination in food.

Massachusetts officials have concluded that only 1 part per billion in water is safe for pregnant women, babies and adults with certain thyroid disorders, said Paul Locke of the Massachusetts Department of Environmental Protection.

While drinking-water standards are debated and developed, the Department of Defense is experimenting with new chemicals that might someday replace perchlorate, said Shannon E. Cunniff, a pollution specialist for the department.

The Defense Department has spent some \$60 million on perchlorate issues, about two-thirds of it on water-treatment technology and cleanup, she said. Some new treatment methods will be unveiled in the Inland area later this month, Cunniff said.

Defense officials also are recycling old missiles in order to recover some 80 million pounds of perchlorate for new weapons or industrial use, she said.

As for finding a substitute for perchlorate, the trick is to find a chemical that has the same stability but doesn't put people's health at risk, Cunniff said.

"This is pretty far off," she said.

The department has learned a great deal from the perchlorate experience, she told the audience. "The DoD needs more coherent ways to evaluate and manage risks from chemicals it used, uses or may use."

Reach David Danelski at (951) 368-9471 or <u>ddanelski@pe.com</u> 158



## Inland area's thirst growing

# SYMPOSIUM: Restrictions on landscaping to meet future water needs are called inevitable.

11:11 PM PDT on Wednesday, July 27, 2005

### By JENNIFER BOWLES / The Press-Enterprise

PERRIS - Cutting back on outdoor water use by planting drought-tolerant gardens at homes and businesses will have to occur on a grand scale for the Inland region to meet the water needs for a growing population, officials said Wednesday.

But water, political and planning officials at the second annual Riverside County Water Symposium stopped short of saying they would mirror other arid cities, such as Las Vegas, that use tiered water rates so water hogs have to pay more, impose fines for people who waste water or offer rebates to customers who remove grass from their lawns.

However, county Supervisor Marion Ashley said that more restrictions could come soon with outdoor water use accounting for 60 percent of a home's water use, and up to 80 percent in the Coachella Valley.

The county recently passed an ordinance calling itself a water-wise county and will tackle a landscape ordinance next, Ashley said.

"It's inevitable," he said, "these things are going to happen, they have to."

The symposium occurred as a new report estimated the state's thirst for water in its cities will increase by an average 40 percent over the next 25 years, with much of the water going for landscaping in the hot, dry Inland valleys, including Riverside and San Bernardino counties.

### Gardens

To see gardens with plants that require little water:

Visit: Western Municipal Water District, 450 Allesandro Blvd., Riverside, (951) 789-5087.

Visit: Coachella Valley Water District, 85-995 Avenue 52, Coachella, or in Palm Desert at 75-525 Hovley Lane East. Call (760) 398-2651.

Log on: www.bewaterwise.com

The two-county Inland region will see the most increase in water needs, at 62 percent, if the per capita water use remains as the population jumps from its current 3.6 million to 6.4 million by 2030, said Ellen Hanak, author of the water report released by The Public Policy Institute of California, a nonprofit group.

Ridding yards of grass, tropical and other water-hogging plants will take a major shift in culture for people to appreciate the beauty of native plants, those at the symposium said.

"We want to change the culture," said Randy Record, a San Jacinto farmer who is the chairman of the Riverside County Water Task Force. Speaking to a crowd of 500, he said if everyone does it, it will become more accepted.

"That's what sends a message," he said.

The benefits, many said, are no lawn to mow and a lower water bill.

Hanak said in Las Vegas, where the water agency pays \$1 per square foot of grass that customers remove for drought-tolerant landscaping, a mind-set has already occurred.

"People are starting to think, 'hey this looks pretty good,' and it's changing the sense of aesthetics," she said.

Some Inland water districts, including Western Municipal Water District in Riverside and the Coachella Valley Water District in Palm Desert, have demonstration gardens to show how low-water landscaping can look.

Eastern Municipal Water District in Perris, with a grant that came mostly from the U.S. Bureau of Reclamation, has started a pilot project in which it pays developers 80 cents per square foot of low-water landscaping. The Valdemosa development in Temecula by KB Home has just opened its model homes with such landscaping, said Ted Haring, the water district's conservation manager.

Reach Jennifer Bowles at (951) 368-9548 or jbowles@pe.com

Online at: http://www.pe.com/breakingnews/local/stories/PE\_News\_Local\_D\_water28.1825e402.html

## San Bernardino County Sun

Anger and fear fill Arrowhead Clarification sought of water decision By Guy McCarthy and George Watson Staff Writers

**Friday, August 05, 2005** - LAKE ARROWHEAD - Less than 24 hours after the state clamped down on resort residents' use of an artificial lake they call their own, builders and water customers howled while embattled utility board members announced plans to appeal.

Panic gripped some people who understood the potential impact of the state Department of Water Resources' decision. Others blithely carried on Thursday in a setting they still view as paradise.

While leaders of the Lake Arrowhead Community Services District faced angry residents in their board room, a few hundred yards away a young woman in a black bikini frolicked knee-deep in placid waters on the lake's north shore.

"Recreation loves a full lake,' board President Bruce Field said over lunch after the meeting. "But consumption by definition consumes water out of the lake. There's a conflict.'

Others took a less balanced view of the situation, blaming the district board, their consultants and their lawyers for ignoring the need to solidify what they see as a right to tap the waters of Lake Arrowhead, not just play in it.

"All the problems up here, overuse of the water we have, comes directly from the fact that we are being overdeveloped without any planning,' said board member Ted Heyck, the attorney who filed motions that led to the state's ruling this week.

"The message from the state water board to this district is that 'If you don't plan, we'll do it for you," Heyck said during a closed session he was excluded from.

People on all sides of the water debate sounded off in this densely populated mountain resort. But everyone agreed a building stoppage imposed by the state could cut deeply into the town's real estate-driven economy.

The district board announced its intent to seek clarification of the state's moratorium on issuing new water connections. They expect an answer before Tuesday's board meeting. Builders' futures in Lake Arrowhead may hinge on the outcome.

"What's going on with this problem?' foreman Jose Serrato shouted from the rafters of an unfinished two-story home overlooking the lake's southwest shore. "We're going to be out of work. They're not going to be building up here any more.'

Contractor David Fenn, who attended the district board meeting, said he intends to wait and see.

"We'll keep working, but we won't know until Tuesday if we'll get any permits for new projects,' Fenn said. "We don't really know what's going on until they clarify what the state wants.'

Water customers overwhelmed district staff Thursday with concerns and questions about their service.

"Everybody is just absolutely panicked,' said Mike Scorziell, a Lake Arrowhead contractor who was raised in the area and has built homes there for 23 years.

Scorziell recently purchased two lots for \$175,000 and planned to begin working once he secured water meters. But now, he figures his investment could be tied up for years even if the district can find alternative sources of water.

By early Thursday afternoon, Scorziell had already called the district for information and had several conversations with colleagues in the business. He figured larger operations would look elsewhere for building opportunities. Field advised builders to complete projects they've already started, even if they haven't secured water hookups.

"If I'm hammering nails right now, I would not stop,' Field said. "Otherwise it creates a public nuisance. You finish the house, protect the property, but you have no water connection. That's what I would do.'

If a moratorium on building in Lake Arrowhead is upheld, there could be legal arguments that the stoppage amounts to taking of land and property, Field said.

"Tujunga Canyon and Lake Tahoe have dealt with temporary moratoriums that lasted longer than 25 years,' Field said. "There have been arguments that these amounted to takings. I don't know the outcome, and I don't know if this will parallel with those cases.'

A moratorium will not be in place until the state water board meets to authorize the order, said Liz Kanter, a spokeswoman with the state board. But the district suspended selling water meters Wednesday.

The San Bernardino County Planning Department is reviewing the issues, which its director, Julie Rynerson, described as complex.

"We most certainly understand there are projects out there that are being impacted,' Rynerson said. "What that is, we don't know yet. It's very complicated. Water in California typically is.'

Having the ability to use a cease-and-desist order, when it came to diverting water, to stop building is a relatively new power given to the state water board, Kanter said.

Despite what might appears to be a harsh ruling to mountain residents, "the Lake Arrowhead issue was in line with past enforcement issues,' Kanter said.

Heyck's complaint to the state board that the district was illegally diverting water initiated the state's investigation in March 2003. He defended his actions Thursday after reading comments that characterized his actions as "reckless.'

"Asking a state agency to investigate a local agency is not reckless,' Heyck said. "It's the absolute essence of democracy.'

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At issue is whether pre-1914 rights require the lake's use be contained to recreation, as Heyck argued and the state board agreed, or grants the district authority to change them.

If the district fails in its efforts to overturn the state board's order, one option could be trying to get additional water from the Crestline-Lake Arrowhead Water Agency.

The Lake Arrowhead Community Services District, along with the Crestline-Lake Arrowhead Water Agency and the San Bernardino Valley Municipal Water District, entered into an agreement earlier this summer to augment Lake Arrowhead's supply with water from the State Water Project.

But that agreement, granting the water district rights to 8,000 acre-feet of water over the next 15 years, is a short-term plan.

Some residents who watch the water district meetings closely said it's time for Lake Arrowhead residents to face an uncomfortable truth. Adrian Lee, a member of Protect Lake Arrowhead Now, uses a digital videocam to record the district meetings.

"The man-in-the-woods perspective, that they've been using the lake for 80 to 90 years with no problem, is based on a false premise,' Lee said. "They've been misinformed for 80 to 90 years. They've had no legal right to the water.'

Other residents blasted the water district board during its closed session and afterward during time allotted for public comment.

"Their press release says the district could be fined \$500,000 when it's really \$182,000,' Larry Komar said. "They're lying to sway public opinion. It's typical. ... I want honesty.'

Sherwin Grossman told the board, "The state has ruled. Deal with it. Do not litigate. We're just going to spend tons of money.'

Harry Sherman agreed, advising the board to deal with facts rather than point fingers. But he advised the board to fire their attorneys.

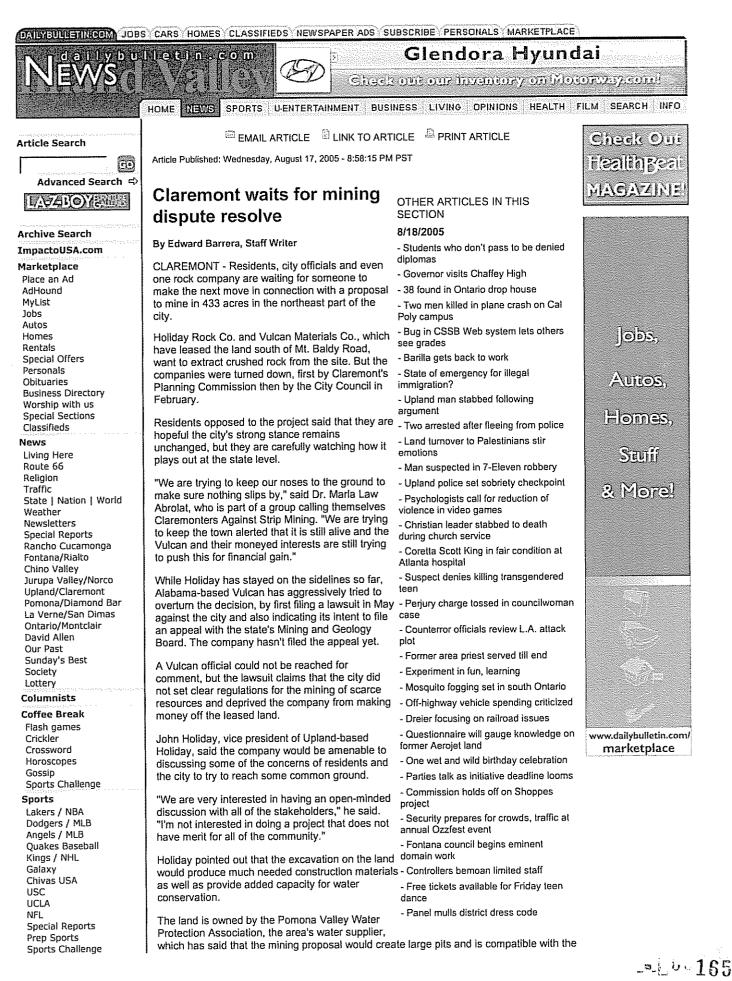
Bill Roberts, a resident of the area since 1959, told the board it has "a fiduciary responsibility to seek a malpractice suit against all the consultants who have given you bad information' for so many years.

"It's mind-boggling this happened,' Roberts said. "They knew all about it.'

Field later dismissed the criticism. And he insisted one of the centerpiece resorts in the nation's most urbanized forest will survive.

"We're being vilified for the sins of our predecessors,' Field said. "There's no way this means the end of Lake Arrowhead as we know it. It might be a little different. But it will still be here.'

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Sports Columnists

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Information

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Feedback

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#### Water company fires general manager

**Tuesday, August 16, 2005 -** UPLAND - The San Antonio Water Co. officially announced General Manager Ray Wellington's termination on Tuesday.

Wellington, 63, was put on paid administrative leave last month, with the Board of Directors saying it wanted to head in a different direction. They have not divulged the specific reasons for the firing.

The company, which provides water to San Antonio Heights and Upland, had first put Wellington on paid leave while its lawyer determined the exact amount of severance the general manager deserved.

Besides being paid through the end of the month, Wellington, who oversaw the company for the past 12 years, will also receive nine months of his base salary as severance, plus accrued vacation time. Charles Moorrees, who was appointed acting-general manager, declined to release the monetary value of the severance until the request was reviewed by the company's lawyer.

The board also discussed releasing the names of the company's shareholders. The company will review whether the public release of the names would violate privacy laws.

@tag: Edward Barrera, (909) 483-9356

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County to seek basin funding Split vote OKs expansion By Guy McCarthy Staff Writer

**Tuesday, August 16, 2005** - A day after two U.S. senators intensified their scrutiny of unresolved flood-control issues in Rancho Cucamonga, the county Board of Supervisors voted 3-2 to pursue federal funding to expand Deer Canyon debris basin.

The split vote Tuesday underlined years of disagreement among scientists and public agencies regarding the basin's ability to protect central Rancho Cucamonga from flooding in worst-case storms.

Supervisor Dennis Hansberger said he supports Sens. Dianne Feinstein and Barbara Boxer in their quest for answers about public safety below Deer Canyon.

But Hansberger said he voted against seeking federal funds because public works officials did not explain if the work is needed to make it safer for existing neighborhoods and businesses, or to enable development on 1,137 acres below Deer Creek basin the county is appraising for a possible legal settlement with developer Colonies Partners LP of Upland.

"I believe, at least for now, the downstream area is safe if left undeveloped," Hansberger said after the meeting. "I don't believe the (flood-control) district owes any money to the Colonies, and therefore I do not wish to provide them with any developable land for money they say is due."

Supervisor Gary Ovitt said he voted against adding the basin to the county's 2005 federal legislative platform because he didn't want other needed flood-control projects to be underfunded to pay for improving a structure public works officials maintain is adequate.

The dissension came less than 24 hours after Feinstein and Boxer called for the federal agency that designed and built the basin to re-assess threats to public safety below Deer Canyon.

Hansberger sided with Boxer and Feinstein in calling for the Army Corps of Engineers to do a public-safety assessment below the basin.

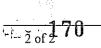
"Yes, I do join them," Hansberger said. "If the basin is not adequate, any development below should not be approved. It needs to be resolved before anything below can be sold or developed."

The Corps designed the basin in the mouth of Deer Creek Canyon and, upon its completion in 1983, transferred its ownership, operation and maintenance to the county Flood Control District.

The basin is in the district of Supervisor Paul Biane, who has been involved in settlement talks with Colonies principal Jeffrey Burum.

Before the county board's vote Tuesday, Biane's chief of staff Matt Brown said Biane would pursue federal funding to improve the Deer Canyon basin even without the other supervisors' support. Biane said he intends to visit Boxer and Feinstein next week in Washington to discuss public safety concerns below the basin.

Biane said Tuesday modifying the basin would cost "in the neighborhood of \$500,000."



Questionnaire will gauge knowledge on former Aerojet land By Mason Stockstill Staff Writer

Wednesday, August 17, 2005 - CHINO HILLS - Residents of Chino Hills will soon be asked how much they know about the cleanup of a former weapons facility in their neighborhood.

About 12,000 questionnaires will be mailed out to homes in the city as an early step toward developing a "community education plan" regarding the Aerojet facility at the end of Woodview Road, west of the Los Serranos area of the city.

"It's asking about what level of information they would like to receive, and if they have any concerns or desires of specific information they'd like to receive in the community education plan," said Tim Murphy, director of public affairs for GenCorp, Aerojet's parent company.

The plan is part of the agreement Aerojet made with the state's Department of Toxic Substances Control regarding cleanup of the site, which closed in 1995. Until that time, Aerojet had manufactured and tested munitions and chemical weapons at the 800-acre site.

Tests of soil and water samples from the surrounding area found low levels of some contaminants, including perchlorate, a rocket-fuel component that can interfere with thyroid functioning.

Depleted uranium was also found, though according to the World Health Organization, the risks to the general public from exposure to low levels of DU are slight.

Cleanup of the site has been ongoing since 2000.

The questionnaire, accompanied by a four-page fact sheet, will be mailed to residents later this week, Murphy said.

Chino Hills officials reviewed the information before it was finalized, although the city is not involved yet in the community education plan.

"It's all governed by DTSC," said city spokeswoman Valerie McClung.

The questionnaire asks respondents if they feel "adequately informed" about the cleanup efforts, and requests their "overall impression" of the Aerojet site.

Murphy said there was no timeline yet for when the "community education plan" would actually be in place. After the questionnaires are collected, he said, the firm will again hold meetings to ask people what they want to know.

For Councilwoman Gwenn Norton-Perry, the plan is taking far too long.

"It's something they should have done beginning day one when it closed, when they began cleanup efforts," she said.

The city's main concern, though, is that the site is cleaned up sufficiently, she said.

"We continue to request that DTSC hold Aerojet's feet to the fire, so to speak, and ensure that ample remediation and sampling has been done," she said. "I don't believe that that site will ever be clean."

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Supes, senators' staffs delay basin meeting By Guy McCarthy Staff Writer

**Sunday, August 21, 2005** - Questions about San Bernardino County flood control continue to haunt local, state and federal officials, while two county supervisors prepare to meet with congressional staff members to discuss public-safety concerns related to the area below Deer Canyon in Rancho Cucamonga.

All five county supervisors said last week that they joined the senators in their call on the U.S. Army Corps of Engineers to evaluate the full range of possible threats to public safety below the Deer Canyon debris basin and recommend what remedial action to take.

"Any time we are notified of unsafe circumstances, we are immediately accountable for doing something about it," said 5th District Supervisor Josie Gonzales.

Second District Supervisor Paul Biane and 1st District Supervisor Bill Postmus were expected to fly to Washington today to confer with the staffs of Sens. Barbara Boxer and Dianne Feinstein on Capitol Hill, however the trip was delayed and is being rescheduled.

Critics of the Corps say asking the agency to again critique its own work is pointless. The Corps, which designed and built the basin, has not acted on a \$250,000 state study completed in 2002.

In Washington, staff members of the Corps' commanding general, Carl A. Strock, did not respond to messages seeking comment.

"It's ridiculous to ask the Corps about this again," said Massoud Rezakhani, a hydrology specialist who examined flood-hazard mapping below Deer Canyon for a Federal Emergency Management Agency contractor in 2000.

"Let's get serious," Rezakhani said. "Why not ask the National Academy of Sciences to look at what the Corps has done?"

At issue is the size of the Deer Canyon basin and whether it can protect neighborhoods of homes, schools and businesses, including Ontario International Airport, from a 100-year flood.

The Christmas 2003 storm that killed 16 people in areas unprotected by flood control was estimated to be a five-year to 10-year event by county hydrologist Michael Fox. Individual storms last rain season did not exceed 25-year magnitude or intensity, meteorologists said earlier this year.

Corps officials in Los Angeles have said the basin is slightly undersized, while scientists representing the state, homeowners and the airport found the capacity posed a threat to lives and property downstream.

The county acknowledged in 2004 that the basin was undersized when it sought a hazard-mitigation grant of \$330,000 to enlarge the structure.

Rezakhani is not alone in contending the Corps' review of its own work constitutes a conflict of interest. Shortly after the state completed its 2002 study of the basin, Robert Johnson, of Los Angeles World Airports, owners of Ontario International Airport, wrote to State Resources Secretary Mary Nichols.

"We are concerned that the agency responsible for the initial design (the Corps) is apparently the same agency continuing to lead the rebuttal of a growing body of contrary opinion," Johnson said. "This strikes us as an obvious conflict."

Airport officials and other scientists are frustrated that an independent study was never conducted.

In July 2000, Feinstein and Boxer wrote to U.S. Comptroller General David M. Walker requesting a comprehensive investigation and review of the design, construction and maintenance of the Deer Canyon basin.

A spokesman for Walker at the Government Accountability Office in Washington said Friday that the senators withdrew their request later that year. Senatorial staff members were unable to explain Friday why the request was withdrawn.

The county is appraising 1,137 acres below Deer Canyon for a possible settlement with Upland developers Colonies Partners LP. Biane has met with Colonies principal Jeffrey Burum and says climbing real estate values mean the land could be worth more than \$100million.

Douglas Hamilton, a consulting engineer with Exponent Failure Analysis of Irvine, worked for a homeowners association in the area for a year and continued studying Deer Canyon on his own. He has worked for the county in the past and accurately predicted debris flows in north San Bernardino after the 1997 Hemlock fire.

Hamilton concluded in 2000 that "at best, the debris basin will only provide a 20-year level of protection. It's about a third the size it needs to be."

"There's consensus between the state, the county and the other parties that a fix needs to be done," Hamilton said Friday. "I think the county and the city of Rancho Cucamonga are both knowledgeable enough to spearhead this.

"Most parties agreed with my study," Hamilton said. "They need to fix this."

Biane, a former Rancho Cucamonga councilman, has estimated a suitable basin fix will cost "in the neighborhood of \$500,000." Hamilton said cost estimates from a 2003 Santa Ana Watershed Project Authority study group ranged from \$2.5 million to \$5 million to adequately enlarge the basin.

116-174 2 of 2

8/22/2005 1:26 PM

# Inland Valley Daily Bulletin

Water company problems spur interest in spots By L.C. Greene Staff Writer

**Monday, August 15, 2005** - MIRA LOMA - The water company's recent plague of mechanical and logistical glitches appears to have prompted a heightened interest in running for public office.

Nine candidates, including two incumbents, will vie in the November election for the three seats on the Jurupa Community Services District board of directors.

The utility serves customers in Mira Loma, Eastvale, Glen Avon and Pedley.

The services district declared a water emergency in early July when two high-volume well pumps broke down while the company's water treatment plant was offline for repairs.

With water quantity and quality suddenly in question, the district imposed emergency conservation measures.

Controversy erupted when the utility experienced difficulties circulating an emergency water notice advising parents not to give tap water to infants.

While longtime board member Curtis Hummel has decided not to run again, incumbents Jack Smith and Ken McLaughlin are fighting to retain their seats.

Utility operations are immensely complicated, and his four years on the board should count for a lot, Smith said.

McLaughlin is also completing his first elected term after being appointed to fill a board vacancy in 2000.

Craig Maxwell, 52, of Mira Loma, is a civil engineer with more than 30 years' experience in public works, including the building of water plants.

Regarding the district's recent problems, "You need long-term planning to keep those things from happening," he said.

Eastvale resident Kathryn Bogart said she brings business expertise as a business manager for SBC Communications.

"The JCSD is a business and needs to be run more efficiently," she said.

Allen Wallace, also from Eastvale, is a 33-year-old mortgage company project manager. The district's recent troubles involving water pumps and communications represent only a part of the company's problems, and many issues need addressing, he said.

"The first thing that needs to happen is to get their house in order," Wallace said.

Longtime local government critic R.M. Cook Barela of Indian Hills has also thrown his hat in the ring.

Barela, 56, said he would advocate stopping all development in booming Eastvale until the utility could demonstrate it had sufficient water.

"There is no water," he said.

Also on the ballot are Edward Southerland, 76, a retired government worker from Pedley; Arthur Nelon, 61, a retired business executive, also from Pedley; and Alice Beard, a 54-year-old Indian Hills social worker.

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8/22/2005 1:21 PM

## Inland Valley Daily Bulletin

Wise water usage focus of council woman By L. ALEXIS YOUNG STAFF WRITER

**Thursday, August 18, 2005** - When a position opened up for a general manager atthe Chino Basin Water Conservation District, a longtimecouncilwoman saw it as a chance to get her hands wet and make adifference.

Though her resume includes more politics than plantlife, Eunice Ulloa, former Chino mayor, said her background in the political arena will assist her as she attempts to educate the public on wise water usage, and encourage people to use plantsthat are water friendly.

"In the involvement with the city you have to look at theinfrastructure of everything that impacts the city and one of the things always on our minds is water," said Ulloa, who wasre-elected to the Chino City Council in June. "So when this opportunity came I thought "this is something that I could do.'

"Because of my background in politics I have witnessed thecosts that cities pay for landscaping so I want to educate thecity on ways to cut down on maintenance costs and use thingsthat don't have to be mowed every week," Ulloa said about thelush landscapes that many cities opt for.

The board of directors at the water district are confidentthat Ulloa will make a smooth transition from her 20 years inpolitics to leader of the district that serves Montclair,Ontario, Chino and Chino Hills, Upland and Rancho Cucamonga.Ulloa began working in her new position on Aug. 1 and the directors say she is a welcome addition.

"Eunice brings to the district a wealth of experience andbackground in political affairs both local and regional, andher dedication to ensure a reliable sustainable water supplyfor the region," said director Gil Aldaco.

"We welcome her enthusiasm and motivation to further the district's water conservation and educational goals and objectives."

Ulloa will be responsible for the management and overall supervision of the activities and operations at the district, as well as the planning and direction. After only one week on the job, Ulloa had already set goals and secured partnerships with other agencies.

"One of my goals for the district is for us to set theexample," Ulloa explained. "All of the landscaping here usesdrought resistant or water use friendly plants, and we have agarden that shows people what they can do at home to help usewater more efficiently. We are partnering with the InlandEmpire Utilities Agency for their Garden in Every Schoolprogram, and we're hoping to do partnerships with the colleges in the future and work with their horticulture departments."

Board member Jeff Vanden Heuvel said Ulloa's passion forwater conservation efforts will aid the

district in creating awater-wise community.

"As a recent Public Policy Institute study shows, the rapidpopulation growth in the Inland Empire will require asubstantial and focused effort to use water more efficiently,"Vanden Heuvel said. "Ms. Ulloa is ideally qualified to helpthe district tackle this challenge."

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178 ອຼໄດ້ເປ 2 of 2

## San Bernardino County Sun

#### **Basin Study**

Safety foremost concern with Deer Canyon Sens.

Monday, August 22, 2005 - Boxer and Feinstein should be demanding action not yet another study.

Observing that public safety issues regarding county flood control have not been resolved, California's two U.S. senators, Dianne Feinstein and Barbara Boxer, have asked the U.S. Army Corps of Engineers to study the issue.

But it's a study that's already been done. And it cost taxpayers \$250,000.

Four years ago, the senators asked the state Department of Water Resources to determine whether the Deer Canyon Debris Basin in Rancho Cucamonga was built to withstand a 100-year storm.

The study found the basin, intended to protect homes, schools and businesses in the floodplains below, was too small to guarantee protection.

Thus, Boxer and Feinstein recommended that the Army Corps and the county flood control district enlarge the basin.

Four years later, that has not been done.

In frustration, the senators have asked the Army Corps, which built the basin, to vouch for its safety. But the Corps' own engineer Joseph Evelyn has said the basin offers a "fairly high level' of protection, though it's up to the county and the public to decide if that's acceptable.

Since the county doesn't appear willing or able to make that assessment, we'll make the call. And why the senators are asking the Army Corps to police itself on a project it signed off on is beyond us.

Rather than commission yet another study, at taxpayer expense, the senators need to demand that county officials read the first study, and make decisions affecting development and public safety accordingly.

The problem is, the supervisors are appraising land below the canyon for use in a possible legal settlement with the Colonies developers in Upland. It is acreage that most probably will be used for yet more homes.

Considering that the debris basin already has been deemed too small, and nothing has been done to address the situation, it would be entirely reckless to approve the land, as is, for additional development.

Then again, existing properties, including Ontario International Airport, already conceivably lie in the path of a worst-case storm without adequate flood control.

Instead of ordering up a new study, the senators should investigate why nothing has been done to address the original study's findings. And why supervisors have left existing property owners at risk by not demanding changes be made.

Public-safety warnings have gone unheeded for the sake of development revenue.

Though the Deer Canyon basin has not failed, it has not been truly tested either in a storm of 100-year, or even 50-year intensity.

With homes and property conceivably in harm's way, the basin must be brought up to capacity. It is a public-safety issue that can no longer be ignored.

#### **Conservation measures remain**

Water board wants all problems fixed before lifting all of its restrictions By L.C. Greene Staff Writer

**Monday, August 22, 2005** - MIRA LOMA - Water conservation measures affecting residents and home builders in northwest Riverside County will continue until a water treatment plant is functioning and running reliably, a utility manager said Monday.

The long-troubled treatment plant could be operational by the first week of September, after which the utility's board of directors is expected to vote on lifting restrictions, said Carole McGreevy, general manager for the Jurupa Community Services District.

"The board feels that once the plant is up and running and running efficiently, they can lift the Stage 1 alert," McGreevy said.

That alert, in place since early July when two well pumps broke down, imposes a ban on all water used for home construction and a voluntary 50 percent cutback for residential water use.

With water supplies plentiful, district administrators had considered asking the utility's board to end the restrictions Monday, district operations manager Charlie Smith said last week.

However, board members have opted to wait until all its equipment is operational, McGreevy said.

The troubles with the treatment plant date back to June 2004, when the facility was first placed in operation.

For the first 30 days, the treatment plant performed as designed. But then, portions of the facility began to come apart because of poor workmanship, Smith said.

The plant was taken off line in October of last year to correct problems and was expected to be up and running by June.

However, after the plant was disinfected, bacterial tests came back positive. Engineers were forced to repeat the cleaning process.

When the two water wells broke down in July, and with the treatment plant off line, the district was forced to impose the Stage 1 alert and conservation measures July 8.

The district purchased water from neighboring water systems to maintain adequate supplies.

The utility provides water to residents and businesses in the western Jurupa Valley, including Mira Loma, Eastvale, Glen Avon and Pedley.

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