

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

Thursday, October 27, 2005

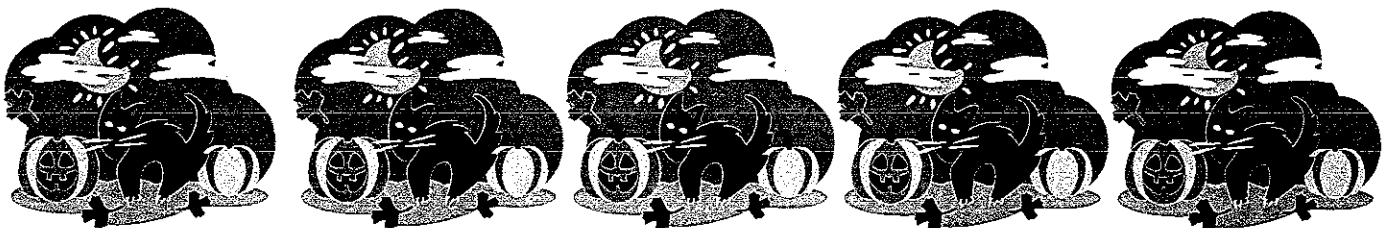
9:00 a.m. – Advisory Committee Meeting

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*





# **CHINO BASIN WATERMASTER**

**October 27, 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. – October 27, 2005

At The Offices Of

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

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held September 22, 2005 (*Page 1*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of September 2005 (*Page 13*)
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through August 31, 2005 (*Page 16*)
3. Treasurer's Report of Financial Affairs for the Period July 1, 2005 through August 31, 2005 (*Page 19*)
4. Profit & Loss Budget vs. Actual August 2005 (*Page 21*)

**C. VOLUME VOTE (*Page 23*)**

**II. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Attorney-Manager Process
2. September 22, 2005 Hearing

**B. CEO/STAFF REPORT**

1. Basin Re-Operation/HCMP Update
2. Water Quality Update
3. Consultant Service Agreement
4. Assessment Package Workshop
5. November meeting schedule

**C. INLAND EMPIRE UTILITIES AGENCY**

1. MWD Status Report – Richard Atwater
2. Urban Water Management Plan – Martha Davis
3. State/Federal Legislative Highlights – Martha Davis
4. Quarterly – Planning and Water Resource Report (*Page 31*)

5. Quarterly – Chino Basin Facilities Improvement Project Summary (*Page 36*)
6. Quarterly – Recycled Water Project Report (*Page 41*)
7. Monthly Water Conservation Programs Report (*Page 45*)
8. State/Federal Legislation Reports (*Page 49*)
9. Community Outreach/Public Relations Report (*Page 69*)

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**III. INFORMATION**

1. Newspaper Articles (*Page 71*)

**IV. COMMITTEE MEMBER COMMENTS**

**V. OTHER BUSINESS**

**VI. FUTURE MEETINGS**

October 27, 2005	9:00 a.m.	Advisory Committee Meeting
October 27, 2005	11:00 a.m.	Watermaster Board Meeting
November 2, 2005	9:00 a.m.	Assessment Package Workshop
November 10, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
November 15, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
* November 17, 2005	9:00 a.m.	Advisory Committee Meeting
* November 17, 2005	11:00 a.m.	Watermaster Board Meeting

\* Note: meeting is one week early due to Thanksgiving

**Meeting Adjourn**

**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – October 27, 2005

At The Offices Of

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

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held September 22, 2005 *(Page 7)*

**B. FINANCIAL REPORTS**

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1. Newspaper Articles *(Page 71)*

**IV. BOARD MEMBER COMMENTS**

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\* Note: meeting is one week early due to Thanksgiving

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Advisory Committee Meeting – September 22, 2005



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

*September 22, 2005*

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on September 22, 2005 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**Appropriative Pool**

Ken Jeske, Chair	City of Ontario
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
Rosemary Hoerning	City of Upland
Dave Crosley	City of Chino
Bill Stafford	Marygold Mutual Water Company
Kevin Sin	City of Pomona
Mark Kinsey	Monte Vista Water District

**Agricultural Pool**

Nathan deBoom	Milk Producers Council
John Huitsing	Dairy
Pete Hettinga	Dairy

**Non-Agricultural Pool**

Justin Scott-Coe	Vulcan Materials Company (Calmat Division)
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**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

**Others Present**

Steven G. Lee	Agricultural Pool Legal Counsel
Terry Catlin	Inland Empire Utilities Agency
Martha Davis	Inland Empire Utilities Agency
Henry Pepper	City of Pomona
Josephine Johnson	Monte Vista Water District
Rick Hansen	Three Valleys Municipal Water District
Randy Crawford	Scuba Duba
Charlie Anderson	Scuba Duba
Scott Crawford	Scuba Duba

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



**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

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

1. Minutes of the Advisory Committee meeting held August 25, 2005

**B. FINANCIAL REPORTS**

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

**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
2. **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
3. **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

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

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

**II. BUSINESS ITEMS****A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY**

Mr. Manning stated that when a party is going to recharge water, it is necessary to go through Material Physical Injury. Inland Empire Utilities Agency sent a letter to Chino Basin Watermaster in 2004 asking for the analysis to be done; that request was forwarded to Wildermuth Environmental Inc. for review. Included in the meeting package is a copy of Wildermuth's finding report. Mr. Wildermuth stated that a presentation was given at the Pool meetings regarding this item and inquired if this committee wanted to see that presentation at this meeting. The Advisory Committee waived seeing the presentation. Mr. Wildermuth stated that nothing has changed since the presentation was given to the Pools. Chair Jeske inquired if the action being sought out today was to receive and file only. Mr. Manning stated that is what staff is seeking for a motion. Mr. Atwater added comment that IEUA has a meeting with the Department of Health Services (DHS) on Monday and there is a tentative meeting scheduled to have a public hearing with DHS on October 26, 2005. Mr. Atwater noted that in this second phase report, staff is contemplating that the permit with the Regional Water Quality Control Board and the findings of fact from the DHS would be identical to Phase I. A question regarding Material Physical Injury for some Pomona wells was presented. Mr. Wildermuth stated that DHS criteria was used as the primary criteria and even though it shows this recycled water contribution in excess of 20%, that does not mean there is a Material Physical Injury; it means to comply with the draft regulations, the recycled quality of water being recharged would have to be improved. A discussion ensued with regard to the quality of recharge water.

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

***Moved to receive and file the analysis of material physical injury, as presented***

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

Counsel Fife reviewed the chronology for this item and stated the Appropriative Pool considered the motion the Board had directed counsel to prepare, requesting an extension of the nine member board. Rather than action being taken on that motion, the Appropriative Pool requested the Board to consider directing counsel to draft a different motion, asking for an extension and a hearing date in early 2006. In the meeting package on page 13 there is a copy of the minutes for a special board meeting that was held last week via conference call. The Board took this request from the Appropriative Pool and directed counsel to draft the pleading that is presented in the meeting packet; that pleading requests the court to set a hearing for reappointment of the Board. The court is willing to put that hearing on February 9, 2005; the motion specifically requests a hearing on February 9, 2005 and further requests that the term of the Board be extended until February 9, 2005. On the back table there is a larger set of documents regarding this motion; the material in the meeting packet has identical essence. Staff is asking for a motion to file this motion; there is an Ex-Parte hearing scheduled for this afternoon at 1:30 p.m. If this committee directs counsel to file this motion, it would be filed today. A discussion ensued with regard to noticing the special board meeting. Counsel Fife stated this was a special closed meeting, it was not noticed except to the Board members; as our rules specify, we try and always comply with the Brown Act, however, given the special nature of these circumstances it was understood that the action that was taken would be fully agendized for consideration at this meeting. Mr. deBoom noted that this special board meeting took the Agricultural Pool members by surprise and that during the Agricultural Pool meeting, a closed caucus was called to order where Mr. Hofer and Counsel Lee offered commentary.

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

***Moved to recommend requesting the Board to have their attorney file this motion, as presented***

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

Counsel Fife stated the Attorney-Manager process continues and all parties feel good progress has been achieved. Counsel Slater will be giving a full report at the Watermaster Board meeting today on the progress that has been made and noted this report will be given in closed session.

**B. CEO/STAFF REPORT****1. Wet Basin Maintenance Presentation**

Mr. Manning stated that the strategies within the Chino Basin need to be looked at far enough in advance for us to be prepared to deal with them. One of those strategies is for basins that are going to be used for reclaimed water; those basins are possibly going to be kept wet 365 days a year which presents a maintenance problem. The problem arises because the same basins that are going to be used for reclaimed are also used for imported and storm flow. In recognition that there are going to be maintenance issues for our basins, a strategy for wet basin clean up needs to be researched. Scuba Duba is one of the companies that has performed a wet basin demonstration test for the Chino Basin Watermaster and has since modified their equipment to possibly accommodate cleaning out the basins while still wet. They are here today to present their findings. Mr. Treweek will present the other explored options first in a report regarding basin desilting. Mr. Treweek presented the basin desilting options that he investigated which are as follows: 1) Dry, Scrape and Haul, 2) Semi-submersible, 3) Diver Controlled Vacuum, 4) Cable-controlled Barge, and 5) Tracked submersible Vehicle. Mr. Treweek presented the advantages and disadvantages of each of these options along with a comparison in capital costs, O&M costs, and annual costs. A discussion ensued with regard to these options. Mr. Anderson gave a presentation on the continuous recharging of basins throughout the year by using the system that Scuba Duba developed specifically for

particular basins needs. The system that Scuba Duba uses is an Automated Hydraulic Basin Cleaning System which has been modified for our specific recharge basin needs. A detailed review of the research and design accomplishments which were specific to the Chino Basin project was presented. Mr. Manning stated that the reason this item is being brought forth today is because staff is hoping to foster some discussions over the next few months to get an idea as to where we should go with this idea; or if it should be abandoned if there is no interest. Mr. Manning inquired that if the Pools, Advisory Committee, and Board feel the technologies that we are investigating have some value to us in the future. Mr. Manning stated that staff will be investigating over the next few months if there are other agencies who would be interested in participating in this study and in this investigation. A discussion ensued and questions were presented to the staff at Scuba Duba.

2. Water Quality Update

Mr. Manning stated there was a meeting held on the clean up and abatement orders in Ontario at the offices of the Regional Water Quality Control Board in Riverside; all parties mentioned as PRP's were in attendance. At that meeting the Regional Board presented a good case as to why those six PRP's should be included in the suit, following that presentation Mr. Wildermuth gave a presentation on costs for clean up. Mr. Thibeault requested that the parties reconvene in approximately 30-45 days where the negotiations would begin; that meeting has now been scheduled for October 11, 2005. Since that meeting Mr. Manning has been in touch with staff at the Desalter Authority to keep them apprised because one of the solutions being presented would be the inclusion of the Desalter Authority.

3. Legislative Update

Mr. Manning noted that Martha Davis from Inland Empire Utilities Agency (IEUA) will provide an update for this item under IEUA's section Legislative Highlights.

4. Water Activity Report/Assessment Calendar

Ms. Rojo stated that staff was waiting to receive comments back regarding the Water Activity Report, however, to date no comments have been received and due to that lack of comment staff is assuming that all parties have agreed with the new formatting. The Water Activity Reports will be mailed out early next week to the appropriators and staff is asking for a signature that you agree with the numbers that are represented in the report. Following that schedule, an Assessment Package Workshop will be scheduled in the middle/end of October for inclusion of the package in the November meeting packet. A discussion ensued with regard to the Water Activity report in relation to the Assessment Package.

5. Status of MZ1 Supplemental Water Deliveries

Mr. Manning stated that as a result of the Peace II discussions, there was an agreement to supply 32,500 acre-feet of water into the MZ1 area over a five year period. At the end of the five years we had not quite reached that goal, however, as of today we have crossed over and have delivered 32,596.3 acre-feet into MZ1 – the commitment has now been fulfilled.

**C. INLAND EMPIRE UTILITIES AGENCY**

1. MWD Status Report – Richard Atwater

Mr. Atwater stated that Rick Hansen and he attended the Member Agency Managers Meeting which was held at Inland Empire Utilities Agency last Friday and noted they had good conversations at that meeting about emergency connections on the Azusa Pipeline and the issues concerning the Rialto Pipeline. At another meeting for the Northern Group Meeting, Director Tim Brick suggested that more focus be placed on groundwater storage in

Southern California. Mr. Hansen spoke on some cost sharing ideas for the emergency connections.

2. Urban Water Management Plan – Martha Davis

Ms. Davis noted that the plans for the Urban Water Management are due at the end of December. Another draft of the Regional Plan the first week of October and the goal is to have this adopted by the IEUA board in November. Inland Empire Utilities Agency is assisting the Water Facilities Authority and the Chino Basin Desalter Authority to help prepare their plans.

3. Legislative Highlights – Martha Davis

Ms. Davis noted the legislative year came to a close the first week of September. One of the bills that are being followed for the Chino Basin is SB 820 (Kuehl). In terms of issues coming up for next year are water quality bills particularly bills that focuses on perchlorate are going to be a big topic of discussion. Staff will want to work closely with the Water Quality Committee to obtain guidance on policy issues related to that legislation. The other area that will have great attention paid is issues related to energy. Phase II rate increases are being looked at by all energy servers. We need to have input on how we are going to have some control over our energy future and figuring out how we can maximize our efficiency of our energy usage. Ms. Davis reviewed several projects for water efficiency in correlation to funding issues. In a meeting at SAWPA it was noted that SAWPA is talking about organizing another tour of the whole watershed; no dates have been set for that tour. Ms. Davis stated that HR 177 (Miller) which authorizes additional funding for desalters in the Prado Basin has been cleared to move out of the subcommittee on the house side and will hopefully be moving next week – this is very good news. Staff will want to sit down with other agencies and discuss the congressional agenda for next year. Mr. Manning reviewed several other bills that were presented in favor of water issues this past year. The SB 376 (Soto), the Three Valley's bill was chaptered and signed by the governor which is good news for Three Valleys Municipal Water District.

4. Salinity Reduction

Ms. Davis stated that this report is an update to an earlier presentation given several months ago. The report being presented is a Salinity Reduction Study which is a collaborative resource project. Ms. Davis stressed the importance of keeping salt (total dissolved solids) as low as possible in recycled water. The IEUA Salinity Management Plan is to reduce introduction of salts into wastewater treatment systems from all sources. It was noted that residential water softeners contribute salts to wastewater systems and there is a great need to develop salinity reduction programs for residential customers. The purpose and hypothesis for the Salinity Reduction Study was reviewed in detail. Ms. Davis reviewed several sampling results in the Chino residential area. The Salinity Reduction Programs have several main goals such as; creating awareness, invoke a sense of urgency about the situation, create a passion, and to provide "thank you" and rebates for resident participation. There is a "Pinch the Salt" outreach program in place right now which addresses the public by a direct mail campaign, has a web site for review, and solicits water softener owners to participate in in-home water softener assessments. The results from the "Pinch the Salt" campaign were reviewed in detail and it was noted that the program increased collaboration. There were salinity reduction studies schedule for Salinity Characterization, Demographic Profiling, Salinity Reduction Programs, and Evaluations scheduled through 2005.

5. FY 2004/05 Water Production Report

No comment was made regarding this item.

6. FY 2004/05 Water Conservation Activities Report

No comment was made regarding this item.

- 7. State/Federal Legislation Reports  
No comment was made regarding this item.
- 8. Community Outreach/Public Relations Report  
No comment was made regarding this item.

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

Mr. Hansen thanked all parties for their support on SB 376; especially Cucamonga Valley Water District and Inland Empire Utilities Agency who actually wrote Three Valleys support letters. Mr. Hansen spoke on an increase on property tax bills. Mr. Hansen encouraged this group who began efforts in Washington DC to show a unified front in the Chino Basin area that we are all working together for regional value and regional benefit.

**IV. INFORMATION**

- 1. Newspaper Articles  
No comment was made regarding this item.

**V. COMMITTEE MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

**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

The Advisory Committee Meeting Adjourned at 10:46 a.m.

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

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



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Watermaster Board Meeting –  
September 22, 2005



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**BOARD MEETING**  
*September 22, 2005*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on September 22, 2005 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Robert Neufeld, Chair	Fontana Union Water Company
John Anderson	Inland Empire Utilities Agency
Paul Hamrick	Jurupa Community Services District
Al Lopez	Western Municipal Water District
David DeJesus	Three Valleys Municipal Water District
Justin Scott-Coe	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	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

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

**Others Present**

Terry Catlin	Inland Empire Utilities Agency
Mark Kinsey	Monte Vista Water District
Kevin Sin	City of Pomona
Dave Crosley	City of Chino
Rosemary Hoerning	City of Upland
Henry Pepper	City of Pomona
Randy Crawford	Scuba Duba
Charlie Anderson	Scuba Duba
Scott Crawford	Scuba Duba

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

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board meeting held August 25, 2005
2. Minutes of the Special Closed Watermaster Board meeting held September 14, 2005

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of August 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through July 31, 2005
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**C. WATER TRANSACTION**

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3. **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

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

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

**II. BUSINESS ITEMS****A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY**

Mr. Manning stated in 2004 Inland Empire Utilities Agency (IEUA) had requested, an analysis of material physical injury be pursued relative to the Phase II Chino Basin Recharge Project. Included in the meeting packet is the report of the analysis as well as the conclusions. Mr. Wildermuth referenced Table I titled "Source Water Recharge Plan for the Chino Basin Recycled Water Groundwater Recharge Program" and offered comment on the Pre-Existing Project Basins, Phase I Recharge Project Basins, and Phase II Recharge Project Basins. Table I evaluated the Potential Basin Recharge per acre-foot (for Storm Water, Imported Water, and Recycled Water), Total Recharge Capacity, the Recycled Water Contribution, and the Composite Concentration per basin. A brief discussion ensued with regard to imported water. It was noted that the motion being requested for this item is to receive and file the IEUA application to implement Phase II Chino Basin Recycled Water Recharge Project. Mr. Wildermuth reviewed Figure 3 map which depicts projected recycled water migration at selected wells after five years of Phase I & II recycled water recharge. Mr. Wildermuth stated that 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 Department of Health Services and the Regional Water Quality Control Board; and that Watermaster and IEUA plan their recharge very carefully to achieve the goals of the OBMP, the Peace Agreement and Basin Plan compliance. A question regarding land subsidence and the two year study was presented. Mr. Wildermuth stated that the recharge scenarios which are looked at while performing this analysis take into account the need to balance recharge and discharge in every area and sub-area pursuant to the Peace Agreement and has a natural bias towards favoring recharge in the western part of the basin; the subsidence issue has been imbedded into this analysis. A discussion ensued with regard to recharge and discharge in relation to subsidence. Mr. Manning stated that staff is seeking a motion to receive and file this analysis only.

*Motion by Vanden Heuvel, second by Kruger, and by unanimous vote*

*Moved to receive and file the analysis of material physical injury, as presented*



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

Counsel Fife stated the motion which is in the meeting packet is the motion that counsel was directed to draft at the special board meeting which was held via conference call last week; there is another set of motions available on the back table are identical motions. The court has scheduled an Ex-Parte hearing for this afternoon at 1:30 p.m. to consider this motion if the board should approve this motion and direct counsel to file. The process of forming the motion that is in the meeting packet is a result of a request that was made by the Appropriative Pool at its meeting earlier this month. Rather than going to the court immediately to ask for an extension of the term of the board, which expires on September 30, 2005, that pool requested the board to instead ask the court to schedule a hearing in the first part of 2006, in order to allow more time to negotiate all the items and to request the court to extend the term of the nine member board until that hearing date. Informal feedback has been received by the court that February 9, 2006 would be an acceptable hearing date. The motion in the package requests February 9, 2006 as that hearing date. This was the direction given to counsel at the special board meeting. The Appropriative Pool was aware of this as was the Non-Agricultural Pool which had been meeting jointly with the Appropriative Pool when they made the request and they concurred with the motion. The Agricultural Pool held their regularly scheduled meeting they noted was not aware of the action of the Appropriative Pool. The Agricultural Pool was presented both motions (the original motion from the Watermaster Board and new motion from the Appropriative Pool) and was given option to act on either motion. The Agricultural Pool had a lengthy discussion and ultimately approved the motion that is in the meeting packet today. They made that motion in the spirit and cooperation with the Appropriate and Non-Agricultural Pools; though they asked that a couple of additional comments be made with that approval; 1) they are in approval of the reappointment of the nine member board, and 2) consistent with the action taken and the special board meeting conference call, they would like to see all discussions of the nine member board issue conducted in open session, in public, so that everyone can participate. The Advisory Committee today considered the motion that is in the meeting package and voted unanimously to recommend that the board direct counsel to file it. Staff is asking the board to direct counsel to deliver this to the court today at 1:30 p.m. A lengthy discussion ensued with regard to the motion. A question regarding the rotation schedule was presented. Counsel Fife stated the court provided a rotation schedule through the year 2015. A discussion on who would be coming on the board and who were some of the minor reps for the next rotation ensued. Counsel Fife reviewed the chronology for the nine member board process and a discussion ensued with regard to the Peace II process. Mr. DeJesus expressed his concerns at looking at changing the current make up of the Watermaster Board and noted that the Board, as it stands, has done a good job and that it should remain as it was originally positioned in 2000. A discussion ensued with regard to the comments received regarding changing the constitution of the Watermaster Board. Counsel Slater stated that there have been no discussions, drafts, or forethoughts directed to counsel or other members of the Watermaster staff to change the nine member board. It was noted that Three Valleys did not participate in the recent special board meeting conference call in. Chair Neufeld stated that every member of the Watermaster Board was invited to participate in the conference call. Counsel Fife noted that notice of this conference call was sent out and that it was entitled a "Special Closed Board Conference Call". Watermaster Board members offered comment on the motion that is being requested.

*Motion by Lopez, second by Kruger, and by majority vote – Negative vote by David DeJesus  
 Moved to approve counsel to file the motion with the court this afternoon, as  
 presented*

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

1. Attorney-Manager (to be discussed in closed session)

**B. CEO/STAFF REPORT**1. Wet Basin Maintenance Presentation

Mr. Manning stated that the strategies within the Chino Basin need to be looked at far enough in advance for us to be prepared to deal with them. One of those strategies is for basins that are going to be used for reclaimed water; those basins are possibly going to be kept wet 365 days a year which presents a maintenance problem. The problem arises because the same basins that are going to be used for reclaimed are also used for imported and storm flow. In recognition that there are going to be maintenance issues for our basins, a strategy for wet basin clean up needs to be researched. Scuba Duba is one of the companies that has performed a wet basin demonstration test for the Chino Basin Watermaster and has since modified their equipment to possibly accommodate cleaning out the basins while still wet. They are here today to present their findings. Mr. Treweek will present the other explored options first in a report regarding basin desilting. Mr. Treweek presented the basin desilting options that he investigated which are as follows: 1) Dry, Scrape and Haul, 2) Semi-submersible, 3) Diver Controlled Vacuum, 4) Cable-controlled Barge, and 5) Tracked submersible Vehicle. Mr. Treweek presented the advantages and disadvantages of each of these options along with a comparison in capital costs, O&M costs, and annual costs. A discussion ensued with regard to these options. Mr. Anderson gave his presentation on the continuous recharging of basins throughout the year by using the system that Scuba Duba developed specifically for our recharge basins needs. The system that Scuba Duba uses is an Automated Hydraulic Basin Cleaning System which has been modified for our specific basin needs. A detailed review of the research and design accomplishments which were specific to the Chino Basin project was presented. Mr. Manning stated that the reason this item is being brought forth today is because staff is hoping to foster some discussions over the next few months to get an idea as to where we should go with this idea; or if it should be abandoned if there is no interest. Mr. Manning inquired if the Pools, Advisory Committee, and Board feel the technologies that we are investigating have some value to us in the future. Mr. Manning stated that staff will be investigating over the next few months if there are other agencies who would be interested in participating in this study and in this investigation. A discussion ensued and questions were presented to the staff at Scuba Duba.

2. Water Quality Update

Mr. Manning stated there was a meeting held on the clean up and abatement orders in Ontario at the offices of the Regional Water Quality Control Board in Riverside; all parties mentioned as PRP's were in attendance. At that meeting the Regional Board presented a good case as to why those six PRP's should be included in the suit, following that presentation Mr. Wildermuth gave a presentation on costs for clean up. Mr. Thibeault requested that the parties reconvene in approximately 30-45 days where the negotiations would begin; that meeting has now been scheduled for October 11, 2005. Since that meeting Mr. Manning has been in touch with staff at the Desalter Authority to keep them apprised because one of the solutions being presented would include the Desalter Authority.

3. Legislative Update

Mr. Atwater stated there are approximately 700 bills waiting to be signed by the governor. Mr. Atwater spoke on SB 820 (Kuehl) and noted it is still being worked on. Mr. Manning congratulated Three Valleys Water District bill SB 376 for being passed and signed by the governor. Next year several water bills are going to present themselves and the water industry needs to continue to be forceful in making sure that good science prevails.

4. Strategic Planning Retreat

Mr. Manning stated that as a part of his CEO goals and objectives was to initiate a strategic planning retreat with the board and interested parties within the basin; discussions on dates took place and it was decided the retreat would be held during the first week of December. The tentative dates are December 5, 6, and 7, 2005 and will be

held at the JW Marriott Resort in Palm Desert. Mr. Manning noted that some costs will be picked up by our vendors. Rooms for all Watermaster Board members and the chairs of the Pool will be paid for by Watermaster and for all others who wish to attend will be responsible for their own rooms, however, meals will be provided. The question if the members who will be coming on in January were included in the invitation and Mr. Manning stated that they were included. Staff wanted to make sure that there was consensus from the board prior moving forward with this event. It was noted that the Watermaster board members were in favor of the presented retreat.

**IV. INFORMATION**

1. Newspaper Articles

No comment was made regarding this item.

**V. BOARD MEMBER COMMENTS**

Mr. Hofer stated that at the recent Agricultural Pool meeting the members requested that they be notified for all the scheduled Water Quality meetings regarding any water quality issues.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

At 1:00 p.m. the open Watermaster Board meeting was adjourned and the confidential session convened.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

At 2:00 p.m. the confidential session was adjourned and the Watermaster Board meeting convened.

No comment was made regarding this item.

**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

The Watermaster Board Meeting Adjourned at 2:00 p.m.

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

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

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

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





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 13, 2005  
October 18, 2005  
October 27 2005

**TO:** Committee Members  
Watermaster Board Members

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

### SUMMARY

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

**Recommendation** – Staff recommends the Cash Disbursements for September 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 September 2005 were \$990,466.96. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$340,577.88, Inland Empire Utilities Agency in the amount of \$434,186.70, and Hatch & Parent in the amount of \$50,975.89.

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

Type	Date	Num	Name	Amount
Sep 05				
Bill Pmt -Check	9/1/2005		A & R TIRE	0.00
General Journal	9/1/2005	05/09/3	PAYROLL	-4,778.28
General Journal	9/1/2005	05/09/3	PAYROLL	-19,000.28
General Journal	9/1/2005	05/07/10	PAYROLL	-4.08
Bill Pmt -Check	9/2/2005	9876	WILDERMUTH ENVIRONMENTAL INC	-174,140.32
Bill Pmt -Check	9/7/2005	9877	VIP AUTO DETAILING	-795.00
Bill Pmt -Check	9/8/2005	9878	PARK PLACE COMPUTER SOLUTIONS, INC.	-2,915.00
Bill Pmt -Check	9/13/2005	9879	ACWA SERVICES CORPORATION	-222.68
Bill Pmt -Check	9/13/2005	9880	AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA	-24.00
Bill Pmt -Check	9/13/2005	9881	BANK OF AMERICA	-591.33
Bill Pmt -Check	9/13/2005	9882	CITISTREET	-3,600.00
Bill Pmt -Check	9/13/2005	9883	COMPUSA, INC.	-1,454.25
Bill Pmt -Check	9/13/2005	9884	EXCEL LANDSCAPE	-4,200.00
Bill Pmt -Check	9/13/2005	9885	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	9/13/2005	9886	HATCH AND PARENT	-50,975.89
Bill Pmt -Check	9/13/2005	9887	HSBC BUSINESS SOLUTIONS	-321.59
Bill Pmt -Check	9/13/2005	9888	MCI	-909.55
Bill Pmt -Check	9/13/2005	9889	OFFICE DEPOT	-540.17
Bill Pmt -Check	9/13/2005	9890	PAYCHEX	-258.57
Bill Pmt -Check	9/13/2005	9891	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,483.31
Bill Pmt -Check	9/13/2005	9892	REID & HELLYER	-11,128.50
Bill Pmt -Check	9/13/2005	9893	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
Bill Pmt -Check	9/13/2005	9894	STATE COMPENSATION INSURANCE FUND	-991.99
Bill Pmt -Check	9/13/2005	9895	THE FURMAN GROUP, INC.	-2,580.00
Bill Pmt -Check	9/13/2005	9896	UNITEK TECHNOLOGY INC.	-2,163.61
Bill Pmt -Check	9/13/2005	9897	VELASQUEZ JANITORIAL	-1,200.00
Bill Pmt -Check	9/13/2005	9898	VERIZON	-375.61
Bill Pmt -Check	9/13/2005	9899	WATER EDUCATION FOUNDATION	-45.00
Bill Pmt -Check	9/13/2005	9900	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,483.33
Bill Pmt -Check	9/13/2005	9901	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,483.32
Bill Pmt -Check	9/13/2005	9902	UNITED PARCEL SERVICE	-300.28
General Journal	9/15/2005	05/09/5	PAYROLL	-5,684.88
General Journal	9/15/2005	05/09/5	PAYROLL	-22,222.41
Bill Pmt -Check	9/22/2005	9903	MANNING, KEN	-5,000.00
Bill Pmt -Check	9/27/2005	9904	JAMES JOHNSTON	-90.00
Bill Pmt -Check	9/27/2005	9905	INLAND EMPIRE UTILITIES AGENCY	-434,186.70
Bill Pmt -Check	9/27/2005	9906	BLACK & VEATCH CORPORATION	-6,310.00
Bill Pmt -Check	9/27/2005	9907	CALPERS	-2,418.36
Bill Pmt -Check	9/27/2005	9908	CUCAMONGA VALLEY WATER DISTRICT	-5,076.00
Bill Pmt -Check	9/27/2005	9909	ELLISON, SCHNEIDER & HARRIS, LLP	-13,342.94
Bill Pmt -Check	9/27/2005	9910	INLAND EMPIRE UTILITIES AGENCY	-510.50
Bill Pmt -Check	9/27/2005	9911	LOS ANGELES TIMES	-42.00
Bill Pmt -Check	9/27/2005	9912	PRE-PAID LEGAL SERVICES, INC.	-129.50
Bill Pmt -Check	9/27/2005	9913	PREMIERE GLOBAL SERVICES	-44.72
Bill Pmt -Check	9/27/2005	9914	QUILL	-94.21
Bill Pmt -Check	9/27/2005	9915	RICOH BUSINESS SYSTEMS-Lease	-873.62
Bill Pmt -Check	9/27/2005	9916	SAVIN CORPORATION dba RICOH BUSINESS	-745.50
Bill Pmt -Check	9/27/2005	9917	STANDARD INSURANCE CO.	-566.60
Bill Pmt -Check	9/27/2005	9918	STAULA, MARY L	-136.61
Bill Pmt -Check	9/27/2005	9919	TETTEMER & ASSOCIATES	-1,352.50
Bill Pmt -Check	9/27/2005	9920	WILDERMUTH ENVIRONMENTAL INC	-166,437.56
Bill Pmt -Check	9/30/2005	9921	CAFE CALATO	-171.29
Bill Pmt -Check	9/30/2005	9922	VIP AUTO DETAILING	-299.40
General Journal	9/30/2005	05/09/7	PAYROLL	-4,706.24
General Journal	9/30/2005	05/09/7	PAYROLL	-19,343.17
				<b>-990,466.96</b>
Sep 05				



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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION AND SPECIAL PROJECTS APPROPRIATIVE POOL	AGRICULTURAL POOL	NON-AGRIC. POOL	GROUNDWATER OPERATIONS GROUNDWATER REPLENISHMENT	SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2004-05
Administrative Revenues										
Administrative Assessments			369,248						369,248	\$3,984,888
Interest Revenue				2,254					2,254	78,330
Mutual Agency Project Revenue									-	0
Grant Income									-	0
Miscellaneous Income									-	0
Total Revenues	-	-	369,248	2,254	-	-	-	-	371,502	4,063,218
Administrative & Project Expenditures										
Watermaster Administration	101,699								101,699	621,784
Watermaster Board-Advisory Committee	8,350								8,350	37,018
Pool Administration			2,372	15,534	706				18,612	91,153
Optimum Basin Mgmt Administration		246,897							246,897	1,019,183
OBMP Project Costs		429,176							429,176	3,733,694
Education Funds Use								-	-	375
Mutual Agency Project Costs	5,255								5,255	80,004
Total Administrative/OBMP Expenses	115,304	676,073	2,372	15,534	706			-	809,989	5,583,211
Net Administrative/OBMP Income	(115,304)	(676,073)								
Allocate Net Admin Income To Pools	115,304		86,814	26,640	1,850				-	0
Allocate Net OBMP Income To Pools		676,073	509,023	156,203	10,846				-	0
Agricultural Expense Transfer			198,378	(198,378)					-	0
Total Expenses			796,587	-	13,402	-	-	-	809,989	5,583,211
Net Administrative Income			(427,339)	2,254	(13,402)				(438,487)	(1,519,993)
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						(805,365)			(805,365)	0
Net Other Income						(805,365)			(805,365)	(99,000)
Net Transfers To/(From) Reserves			(427,339)	2,254	(13,402)	(805,365)			(1,243,852)	(1,618,993)

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

**DEPOSITORIES:**

Cash on Hand - Petty Cash		\$ 500
Bank of America		
Governmental Checking-Demand Deposits	\$ 183,883	
Savings Deposits	9,660	
Zero Balance Account - Payroll	-	193,543
Vineyard Bank CD - Agricultural Pool		409,328
Local Agency Investment Fund - Sacramento		7,140,695
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>8/31/2005</b>	<b>\$ 7,744,066</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>7/31/2005</b>	<b>8,231,684</b>
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (487,618)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable		\$ 135,300
Assessments Receivable		537
Prepaid Expenses, Deposits & Other Current Assets		-
(Decrease)/Increase in Liabilities: Accounts Payable		232,826
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(251)
Transfer to/(from) Reserves		(856,030)
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (487,618)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash		Govt'l Checking Demand		Zero Balance Account Payroll		Savings	Vineyard Bank	Local Agency Investment Funds	Totals
Balances as of 7/31/2005	\$ 500	\$	122,702	\$	-	\$	9,660	\$ 408,127	\$ 8,690,695	\$ 9,231,684
Deposits	-		135,837		-		-	1,201	-	137,038
Transfers	-		500,894		49,106		-	-	(550,000)	-
Withdrawals/Checks	-		(575,550)		(49,106)		-	-	-	(624,656)
<b>Balances as of 8/31/2005</b>	<b>\$ 500</b>	<b>\$</b>	<b>183,883</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>9,660</b>	<b>\$ 409,328</b>	<b>\$ 8,140,695</b>	<b>\$ 8,744,066</b>
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$</b>	<b>61,181</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$ 1,201</b>	<b>\$ (550,000)</b>	<b>\$ (487,618)</b>

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

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
8/25/2005	Withdrawal	L.A.I.F.	\$ 550,000				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ 550,000</b>	<b>-</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  
August 31, 2005

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 8,140,695			
<b>TOTAL INVESTMENTS</b>	<b>\$ 8,140,695</b>			

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

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**CHINO BASIN WATERMASTER**  
**Profit & Loss Budget vs. Actual**  
**July through August 2005**

	<u>Jul - Aug 05</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4010 · Local Agency Subsidies	0	132,000	-132,000	0.0%
4110 · Admin Asmnts-Approp Pool	369,248	4,804,121	-4,434,873	7.69%
4120 · Admin Asmnts-Non-Agri Pool	0	73,425	-73,425	0.0%
4700 · Non Operating Revenues	2,253	78,330	-76,077	2.88%
<b>Total Income</b>	<u>371,501</u>	<u>5,087,876</u>	<u>-4,716,375</u>	<u>7.3%</u>
<b>Gross Profit</b>	371,501	5,087,876	-4,716,375	7.3%
<b>Expense</b>				
6010 · Salary Costs	59,162	404,153	-344,991	14.64%
6020 · Office Building Expense	13,068	97,850	-84,782	13.36%
6030 · Office Supplies & Equip.	5,191	47,500	-42,309	10.93%
6040 · Postage & Printing Costs	14,549	75,700	-61,151	19.22%
6050 · Information Services	25,810	103,500	-77,690	24.94%
6060 · Contract Services	0	130,500	-130,500	0.0%
6080 · Insurance	0	24,210	-24,210	0.0%
6110 · Dues and Subscriptions	1,088	14,000	-12,912	7.77%
6140 · WM Admin Expenses	554	6,500	-5,946	8.52%
6150 · Field Supplies	339	4,050	-3,711	8.38%
6170 · Travel & Transportation	37,603	45,200	-7,597	83.19%
6190 · Conferences & Seminars	461	17,500	-17,039	2.63%
6200 · Advisory Comm - WM Board	2,445	14,082	-11,637	17.36%
6300 · Watermaster Board Expenses	5,906	29,782	-23,876	19.83%
8300 · Appr PI-WM & Pool Admin	2,372	15,347	-12,975	15.46%
8400 · Agri Pool-WM & Pool Admin	2,416	18,756	-16,340	12.88%
8467 · Agri-Pool Legal Services	13,117	45,000	-31,883	29.15%
8470 · Ag Meeting Attend -Special	0	10,000	-10,000	0.0%
8500 · Non-Ag PI-WM & Pool Admin	706	7,423	-6,717	9.51%
6500 · Education Funds Use Expens	0	375	-375	0.0%
9500 · Allocated G&A Expenditures	<u>-56,126</u>	<u>-378,284</u>	<u>322,158</u>	<u>14.84%</u>
<b>Subtotal G&amp;A Expenditures</b>	128,661	733,144	-604,483	17.55%
6900 · Optimum Basin Mgmt Plan	232,494	996,767	-764,273	23.33%
6950 · Mutual Agency Projects	5,255	75,000	-69,745	7.01%
9501 · G&A Expenses Allocated-OBMP	<u>14,403</u>	<u>109,541</u>	<u>-95,138</u>	<u>13.15%</u>
<b>Subtotal OBMP Expenditures</b>	252,152	1,181,308	-929,156	21.35%
7101 · Production Monitoring	9,055	68,755	-59,700	13.17%
7102 · In-line Meter Installation	4,886	97,954	-93,068	4.99%
7103 · Grdwtr Quality Monitoring	29,050	66,503	-37,453	43.68%
7104 · Gdwtr Level Monitoring	17,273	184,812	-167,539	9.35%
7105 · Sur Wtr Qual Monitoring	2,560	90,223	-87,663	2.84%
7106 · Wtr Level Sensors Install	0	5,734	-5,734	0.0%
7107 · Ground Level Monitoring	14,669	554,825	-540,156	2.64%
7108 · Hydraulic Control Monitoring	111,067	495,368	-384,301	22.42%
7109 · Recharge & Well Monitoring Prog	107,690	133,061	-25,371	80.93%
7200 · PE2- Comp Recharge Pgm	54,548	759,105	-704,557	7.19%

**CHINO BASIN WATERMASTER**  
**Profit & Loss Budget vs. Actual**  
**July through August 2005**

	<u>Jul - Aug 05</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7300 · PE3&5-Water Supply/Desalte	339	12,548	-12,209	2.7%
7400 · PE4- Mgmt Plan	6,528	1,081,014	-1,074,486	0.6%
7500 · PE6&7-CoopEfforts/SaltMgmt	25,644	255,769	-230,125	10.03%
7600 · PE8&9-StorageMgmt/Conj Use	4,145	77,268	-73,123	5.36%
7690 · Recharge Improvement Debt Pymt	0	300,000	-300,000	0.0%
7700 · Inactive Well Protection Prgm	0	12,128	-12,128	0.0%
9502 · G&A Expenses Allocated-Projects	41,723	268,742	-227,019	15.53%
<b>Subtotal Special Project Expenditures</b>	<u>429,176</u>	<u>4,463,809</u>	<u>-4,034,633</u>	<u>9.62%</u>
<b>Total Expense</b>	<u>809,989</u>	<u>6,378,261</u>	<u>-5,568,272</u>	<u>12.7%</u>
<b>Net Ordinary Income</b>	-438,487	-1,290,385	851,898	33.98%
<b>Other Income/Expense</b>				
<b>Other Income</b>				
4231 · MZ1 Assigned Water Sales	0	600,000	-600,000	0.0%
<b>Total Other Income</b>	<u>0</u>	<u>600,000</u>	<u>-600,000</u>	<u>0.0%</u>
<b>Other Expense</b>				
5010 · Groundwater Replenishment	805,365	699,000	106,365	115.22%
9999 · To/(From) Reserves	-1,243,852	-1,389,385	145,533	89.53%
<b>Total Other Expense</b>	<u>-438,487</u>	<u>-690,385</u>	<u>251,898</u>	<u>63.51%</u>
<b>Net Other Income</b>	<u>438,487</u>	<u>1,290,385</u>	<u>-851,898</u>	<u>33.98%</u>
<b>Net Income</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>

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# **CHINO BASIN WATERMASTER**

## **I. CONSENT CALENDAR**

### **C. VOLUME VOTE**





# APPROPRIATIVE POOL

## ALLOCATION OF VOLUME VOTE

Fiscal Year 2004-2005 (Based on 2003-2004 Production)

	2004-2005 Assmts. Billed & Paid (1)	Assmt. Vote	O.S.Y. Vote	Allocated Vote
Arrowhead Mtn. Spring Water Co.*	\$14,897	0.51	0.00	0.51
Chino, City of	\$399,622	13.72	36.79	50.51
Chino Hills, City of	\$271,483	9.32	19.26	28.58
Cucamonga Valley Water District	\$483,358	16.59	33.00	49.59
Desalter Authority	\$5	0.00	0.00	0.00
Fontana Union Water Company	\$308,027	10.57	58.28	68.85
Fontana Water Company	\$4,655,832	159.83	0.01	159.84
Inland Empire Utilities Agency*	\$537	0.02	0.00	0.02
Jurupa Community Services District	\$1,454,731	49.94	18.79	68.73
Los Serranos Country Club	\$5	0.00	0.00	0.00
Marygold Mutual Water Company*	\$36,222	1.24	5.97	7.21
Metropolitan Water Dist of So Calif	\$25	0.00	0.00	0.00
Monte Vista Irrigation Co.*	\$66,042	2.27	6.17	8.44
Monte Vista Water District	\$2,035,933	69.89	43.99	113.88
Niagara Bottling Company, LLC*	\$141,438	4.86	0.00	4.86
Nicholson Trust*	\$190	0.01	0.03	0.04
Norco, City of*	\$38,696	1.33	1.84	3.17
Ontario, City of	\$3,416,024	117.27	103.71	220.98
Pomona, City of	\$785,429	26.96	102.27	129.23
Santa Ana River Water Company*	\$50,856	1.75	11.87	13.62
San Antonio Water Company*	\$109,479	3.76	13.74	17.50
San Bernardino County (Shooting Park)*	\$3,213	0.11	0.00	0.11
Southern California Water Company*	\$0	0.00	3.75	3.75
Upland, City of	\$215,937	7.41	26.01	33.42
West End Consolidated Water Company*	\$45,666	1.57	8.64	10.21
West Valley Water District*	\$31,054	1.07	5.88	6.95
* Indicates Minor Rep	\$14,564,701	500.00	500.00 500.00	1,000.00 1,000.00

(1) Assmts. Billed & Paid reflect actual assessment billed & paid.

Motion: \_\_\_\_\_ by \_\_\_\_\_, 2nd by \_\_\_\_\_, \_\_\_\_\_ vote

Date: \_\_\_\_\_

Quorum: 50% of voting power or 7 members to give affirmative action.

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## OVERLYING (NON-AGRICULTURAL) POOL

### ALLOCATION OF VOLUME VOTE

Fiscal Year 2004-2005 (Based on 2003-2004 Production)

	FY 2004-2005			
	ASSESSMENTS PAID	ASSMT. VOTE	O.S.Y. VOTE	ALLOCATED VOTE
AMERON STEEL	\$0	0.00	9.88	9.88
ANGELICA RENTAL SERVICE	\$3,050	29.50	1.90	31.40
CALIFORNIA SPEEDWAY	\$14,044	135.81	100.95	236.76
CALIF STEEL INDUSTRIES	\$0	0.00	131.23	131.23
CCG ONTARIO, LLC	\$0	0.00	63.62	63.62
GENERAL ELECTRIC (GEOMATRIX)	\$690	6.67	2.82	9.49
PRAXAIR, INC.	\$3,698	35.76	0.00	35.76
RELIANT ENERGY	\$18,895	182.72	43.15	225.87
SAN BERNARDINO COUNTY	\$1,342	12.98	96.36	109.34
EDISON COMPANY	\$0	0.00	13.51	13.51
SPACE CENTER MIRA LOMA	\$6,148	59.45	10.51	69.96
SUNKIST GROWERS	\$18,747	181.29	189.12	370.41
SWAN LAKE	\$9,997	96.68	46.86	143.54
VULCAN MATERIALS CO(CALMAT)	\$117	1.13	32.09	33.22
WEST VENTURE DEVELOPMENT	\$0	0.00	0.00	0.00
<b>TOTAL</b>	<b>\$76,728</b>	<b>742.00</b>	<b>742.00</b>	<b>1484.00</b>

NOTES:

Data obtained from previous year assessment package.

MOTION: \_\_\_\_\_

\_\_\_\_\_

DATE: \_\_\_\_\_

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# ADVISORY COMMITTEE

## ALLOCATION OF VOLUME VOTE(2)

Fiscal Year 2004-2005 (Based on 2003-2004 Production)

APPROPRIATIVE POOL	ALLOCATED VOTE	ABSENT	REALLOCATION OF VOTE	VOLUME VOTE
Chino, City of	3.79		0.00	3.79
Chino Hills, City of	2.14		0.00	2.14
Cucamonga County Water District	3.72		0.00	3.72
Fontana Union Water Company	5.16		0.00	5.16
Fontana Water Co.	11.99		0.00	11.99
Jurupa Community Services District	5.15		0.00	5.15
Monte Vista Water District	8.54		0.00	8.54
Ontario, City of	16.57		0.00	16.57
Pomona, City of	9.69		0.00	9.69
Upland, City of	2.51		0.00	2.51
San Antonio Water Company	2.87		0.00	2.87
Santa Ana River Water Co.	2.87		0.00	2.87
	75.00	0.00	0.00	75.00
<b>OVERLYING AGRICULTURAL POOL</b>				20.00
<b>OVERLYING NON-AGRICULTURAL POOL</b>				5.00
<b>TOTAL</b>				100.00

(1) Allocation of Volume Vote between pools determined by total assessments paid

(2) If an appropriator is absent, his vote is reallocated to the remaining members in attendance.

Motion: \_\_\_\_\_

Date: \_\_\_\_\_

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# CHINO BASIN WATERMASTER

## II. REPORTS/UPDATES

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

4. Quarterly – Planning & Water Resources Report
5. Quarterly – Chino Basin Facilities Improvement Project Summary
6. Quarterly – Recycled Water Project Summary
7. Monthly Water Conservation Programs Report
8. State/Federal Legislation Reports
9. Community Outreach/Public Relations Report



**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE  
October 27, 2005**

**AGENDA**

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

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

**20 – 30 Minutes**

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**Discussion Items:**

- MWD Status Report – Richard Atwater
- Urban Water Management Plan – Martha Davis
- State/Federal Legislative Highlights – Martha Davis

**Written Updates:**

- Quarterly – Planning and Water Resources Report
- Quarterly – Chino Basin Facilities Improvement Project Summary
- Quarterly – Recycled Water Project Summary
- Monthly Water Conservation Programs Report
- Monthly State/Federal Legislation Reports
- Community Outreach/Public Relations Report



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## Planning and Water Resources Activities

### First Quarter Highlights

#### ■ 2005 IEUA Urban Water Management Plan

An updated draft 2005 IEUA UWMP has been released for review by the general public on October 12. The current Draft UWMP is available on the IEUA website at [www.ieua.org](http://www.ieua.org). Comments from the public are welcome, but must be received by November 15. The Draft UWMP will be submitted to the IEUA Board of Directors on October 19 and will begin a public review period. A public hearing will be held at the IEUA Board of Directors meeting on November 16, at which time the UWMP will be formally adopted by the Board.

#### ■ Water Facilities Authority (WFA) & Chino Desalter Authority (CDA)

A draft for WFA will be available October 24, 2005, and then adopted on November 8, 2005. A draft for CDA will be completed by October 31, 2005, and then adopted on December 8, 2005. A draft is available online now and the final will be posted late October/early November. Comments from the public are welcome.

#### ■ IEUA Title 22 Engineering Report Phase II Chino Basin Recycled Water Groundwater Recharge Project

On September 22, 2005 the Watermaster Advisory Committee and Board unanimously approved the Phase 2 Title 22 Engineering Report submitted to DHS and the Regional Board. As a result IEUA has fully distributed and discussed with all the stakeholders within the Watermaster process (Approp. Pool, Non-Ag Pool, Ag Pool, Adv Comm. And the Board) during September.

#### ■ Status of Groundwater Recharge/Facilities Bid packages 4, 6 & 7 will be presented to the IEUA Board for construction acceptance as complete in November 2005. Bid Package 5, the SCADA system will be completed in November 2005. This will complete the \$38.7 million project, that began construction March 24, 2003, with the improvement of 16 basins and construction of two new recharge sites, plus construction of diversion structures, pipelines and pumping stations. The final reports are being assembled and documents will be finalized in November with a draft by November 11, 2005 and a final completed by December 31, 2005.

#### ■ Chino Creek Master Plan

The Chino Creek Master Planning process is being hosted by IEUA and Orange County Water District in partnership with the city of Chino, Lewis Operating Corporation and the State Water Resources Control Board. The purpose of the Chino Creek Master Plan is to identify agreed-upon goals and potential projects that will result in improved water quality, flood control, habitat restoration, recreation and water conservation with Chino Creek and related drainages with the Prado Basin. The plan is being developed through the First Thursday workgroup meetings held at IEUA's headquarters. A two-day planning charrette was conducted in early October. The draft plan is scheduled to be released in early winter, 2006.

#### ■ Grants

In July, The Bureau of Reclamation awarded IEUA \$50,000 to support regional conservation programs including the Garden In Every School, Ontario Cares and Regional Landscape Audit Program.

#### ■ Awards

In September, the California Storm Water Quality Association named IEUA's Headquarters as its Outstanding Storm Water Best-Management Practices Implementation Project of the Year.

## Planning and Water Resources

#### ■ MWD

In September, Full Service water sales for calendar year 05 were almost 41,000 acre-feet. This is about 10,000 acre-feet lower than September last year. Barring unusual weather in the next three months, the purchase of full service water should be well within the Tier 1 level by the end of the calendar year.

MWD is developing its Regional Urban Water Management Plan 2005. A public workshop was held on October 10<sup>th</sup> and the Board is expected to approve the UWMP in December.

MWD is reviewing its current conservation incentive rate of \$154 per acre-foot. There are a number of scenarios under consideration, ranging from \$195/acre-foot to \$247/acre-foot of water conserved with various proposed caps (50%, 75% or no cap). MWD will review the proposal in November and is expected to approve a revised rate in December.

#### ■ State Water Plan (Bulletin 160)

The California Department of Water Resources released this plan for public comment in July. The Plan's recommendations to promote regional investments in recycled water, groundwater and other local projects along with the maintenance of the State Water Project system has garnered praise around the State. The Pacific Institute recommended in September that a fourth "super water conservation" scenario be added to the plan which DWR agreed to do. The final meeting of the statewide advisory committee is scheduled for December 9, 2005 in Sacramento. The final State Water Plan is expected to be released in January.

#### ■ CALFED

The CALFED program is undergoing a refocusing of its mission and organizational structure. There are three "audits" underway: a fiscal review by the Department of Finance; a governance review by the Little Hoover Commission; and a review of organization and program management by an independent consultant. Recommendations are scheduled to be released in November and will

## Planning and Water Resources con't.

greatly impact the future of this program. The next meeting of the CALFED Authority is November 10<sup>th</sup>.

CALFED continues to face serious legal challenges. An October 7 decision by the California Third District Court of Appeals invalidated the Citing three significant flaws, the Court's decisions invalidated the environmental documentation for the CALFED program citing three issues: (1) failure to analyze options to pump less water from Northern California and the Bay Delta Estuary; (2) failure to identify the sources of additional water that CALFED had planned to export; and (3) failure to recognize that population growth is not inevitable. The State will make a decision on whether to appeal the decision by the end of the month. DWR is scheduled to release the environmental impact report for the South Delta Improvements Package within the next few weeks, and this document may be impacted by the appellate court decision. Other pending lawsuits include a challenge to the validity of the federal environmental documentation for the CALFED program and to the federal Operations Criteria and Plan (OCAP).

- **AB 2717 Landscape Task Force**

A Landscape Task Force created by the California Legislature and convened by the California Urban Water Conservation Council released its draft report in August, making more than 40 recommendations for improving the water efficiency of the State's landscapes. The draft report includes recommendations for increasing the use of recycled water for irrigating landscapes, installing separate meters for landscapes and requiring the use of "smart" irrigation controllers. The final report is scheduled to be released by December 31, 2005. A copy of the report is available at: [http://www.cuwcc.org/ab2717\\_landscape\\_task\\_force.lasso](http://www.cuwcc.org/ab2717_landscape_task_force.lasso)

- **Regional Recycled Water Program**

In July 2005, Paradise Textile became the first textile company in the nation to convert to recycled water for 100 percent of their process water needs. Recycled water usage for FY 2005-06 is up to 2,825 AF and should reach just over 8,000 AF by the end of the FY. New customers for 2005 that are either connected to recycled water or will be connected within the next few months include Chino Hills High School, Inland Paperboard, Kaiser Hospital, Cal Poly Pomona at CIM, Lewis Homes Phase I, Empire Lakes Golf Course, City Parks in Chino Hills, El Prado Business Park, Li's Farms, and City of Ontario Street Sweeping and Sewer Cleaning. For Detailed Information refer to the Recycled Water Summary.

- **Hydraulic Control Monitoring Program**

All work related to the HCMP wells, MW-1, MW-4 and MW-6 is complete. The wells are sampled on a quarterly basis and groundwater levels are recorded continuously with pressure transducers. MW-1, the last well to be installed, recently had video survey completed.

- **Chino Desalter Program**

The Chino I Desalter Expansion is complete, with the exception of the some offsite facilities. Total production for the calendar year 2005 through September is 3,280 AF. The Chino II Desalter will be completed by the end of this year, with the exception of some of the offsite facilities.

## Water Quality Programs

- **Salinity Reduction Program**

IEUA in partnership with the national Water Research Institute, Southern California Salinity Coalition and the Water Quality Association/Pacific Water Quality Association is completing a Salinity Reduction Study that will develop and evaluate strategies for measurably reducing salinity introduced into the regional waste water treatment system by residential water softeners.

In September, the Water Quality Association sent invitations to water softener customers within the study area to participate in an "in-home" assessment of the operation of these softeners. The assessment included a rebate offer of up to \$250 to repair an existing unit or replace it with a more efficient one. The "in-home" assessments will be conducted in October/November and the study is expected to be completed in December 2005.

## Water Conservation Programs

- **ULFT Rebate Program** - Through the last quarter, a total of 149 rebates were issued. The total number of rebates issued is 2,514 since the rebate program began two years ago.

- **High Efficiency Clothes Washer Rebate Program** — Through the last quarter, a total of 290 rebates were issued, bringing the total for the current fiscal year to about 290 rebates. This brings the total number of rebates to approximately 5,359 since the rebate program began in 2002.

- **"SmarTimer of Inland Empire" Weather-Based "ET" Irrigation Controller Rebate Program**—Application and reference guides are being prepared so the promotion of the rebate can begin. The Monte Vista and Cucamonga Valley Water Districts will have free smart controllers available for participants at their scheduled residential landscape classes in October as a pilot program to promote installation of smart controller technology.

- **Multi-Family ULFT exchange Programs** — Approximately 2,429 installations have taken place through the end of September. The Archstone Apartment Building project retrofit in Ontario has been completed with a total of 857 toilets installed.

- **X-Ray Film Processors** — This program, funded with a \$230,000 DWR grant and additional funding from MWD has completed the installation of 11 processors at area hospitals and clinics. Within the last quarter there has been no rebates produced for this program.

- **California Urban Water Conservation Council (CUWCC) Activities** — The next Steering Committee will be held in Sacramento on November 9, and the next Plenary Session will be held on December 7 at the Santa Clara Valley Water District in San Jose. Members of the CUWCC have an open invitation to attend and participate in any of the CUWCC committee and plenary meeting. For more general information about CUWCC, please go to [www.cuwcc.org](http://www.cuwcc.org).

- **Landscape Audit Program** - A status report matrix has been created and sent out to each of the agency representatives along with all the completed survey/audit reports and a model cover letter for the agencies to use. The Dudek & Associates contract has been extended through October to allow for completion of the work.

## Water Conservation Programs cont.

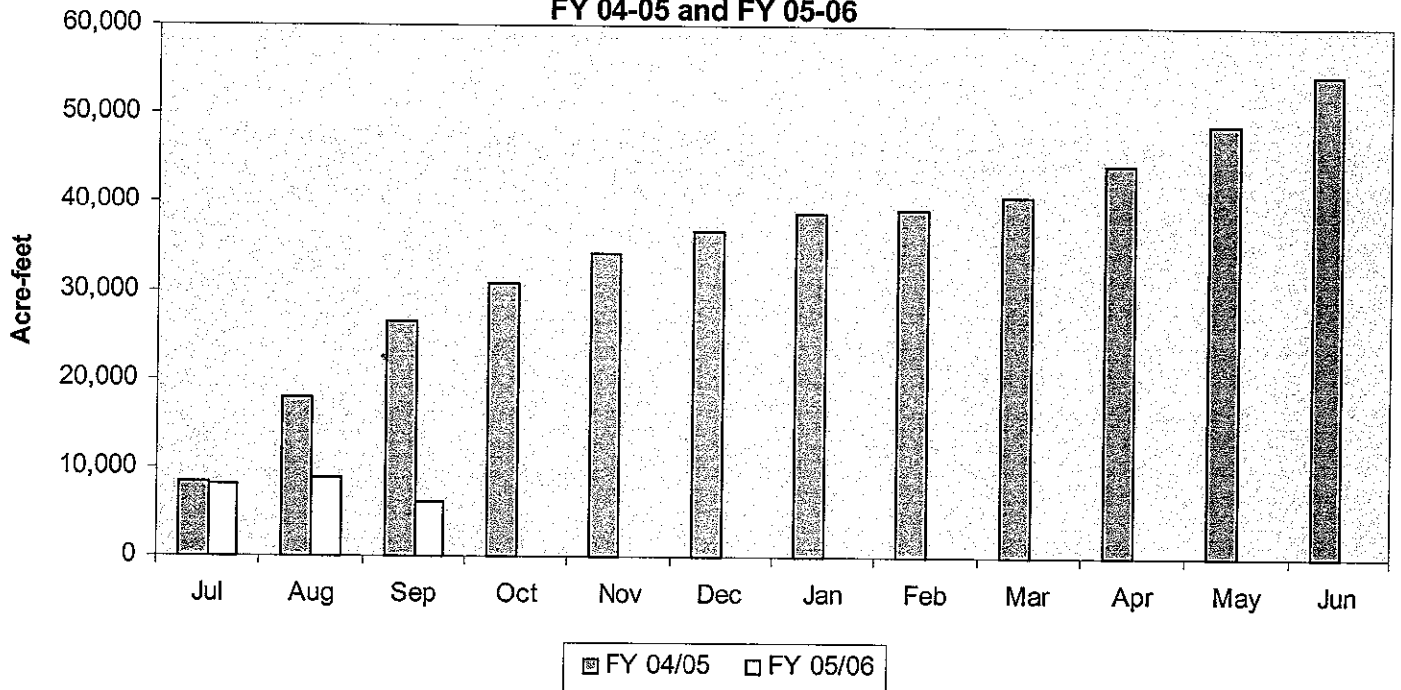
- **Large Landscape Request For Proposals (RFP)** - IEUA has developed the RFP for the Phase II Large Landscape Program that will deliver 150 large landscape (commercial) audits and 50 residential audits. Staff has received comments from the agencies and has incorporated them into the document. Issuance of the RFP should occur in late October.
- **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, 2005 at IEUA's headquarters.
- **California Water Policy Conference 15**—The 15th annual California Water Policy Conference will be held at the Hollywood Renaissance Hotel on November 17th and 18th. The conference, subtitled "California Water Policy—Escaping the Constraints" is accepting award nominations for programs or projects that have helped move California water policy forward. Nomination forms can be found at [www.cawaterpolicy.org](http://www.cawaterpolicy.org).
- **Solar Cup 2006**—The MWD announced the schedule for the Solar Cup 2006 event. The event will occur May 19th through May 21st, 2006. 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.
- **Commercial/Industrial/Institutional (SAVE-A-BUCK) Program**—IEUA is now finalizing an addendum to the Master Agreement with MWD to increase the CII rebate amount for most of the menu of devices in the program. This was discussed as part of the FY 2005-06 conservation budget process in a pilot effort to increase participation in the CII program. A total of \$27,000 will be used by Honeywell/DMC.
- **Groundwater Model**  
Envision Environmental Education was completed and shipped in September. The Model was received by the City of Chino Hills in good condition. Chino Hills' staff and IEUA staff are now in the process of learning how to operate to the Model properly. Once operation of the model is understood, IEUA and Chino Hills will set up a meeting with interested agencies to see the model demonstrated.
- **Water Conservation Activity Summary**  
The Regional Water Conservation Workgroup have been meeting once a month at IEUA offices. Over the last quarter, major topics discussed were the FY 2005-06 conservation program budget and the landscape audit program. The major topics have MWD Community Partnership Program, the Landscape Audit Program, the Draft IEUA Urban Water Management Plan.
- **Garden In Every School Program**  
A two page Daily Bulletin ad featuring the program was published in July. The FY 2005/06 program and is underway. Applications were sent to schools in August. A workshop was held on September 24 at Magnolia Elementary School in Upland, one of last year's participants, where a program overview and demonstration was done. Approximately 25 people attended representing fifteen different schools. The application deadline was October 7, and seven schools will be chosen by mid-November.
- **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.

## Conferences & Meetings

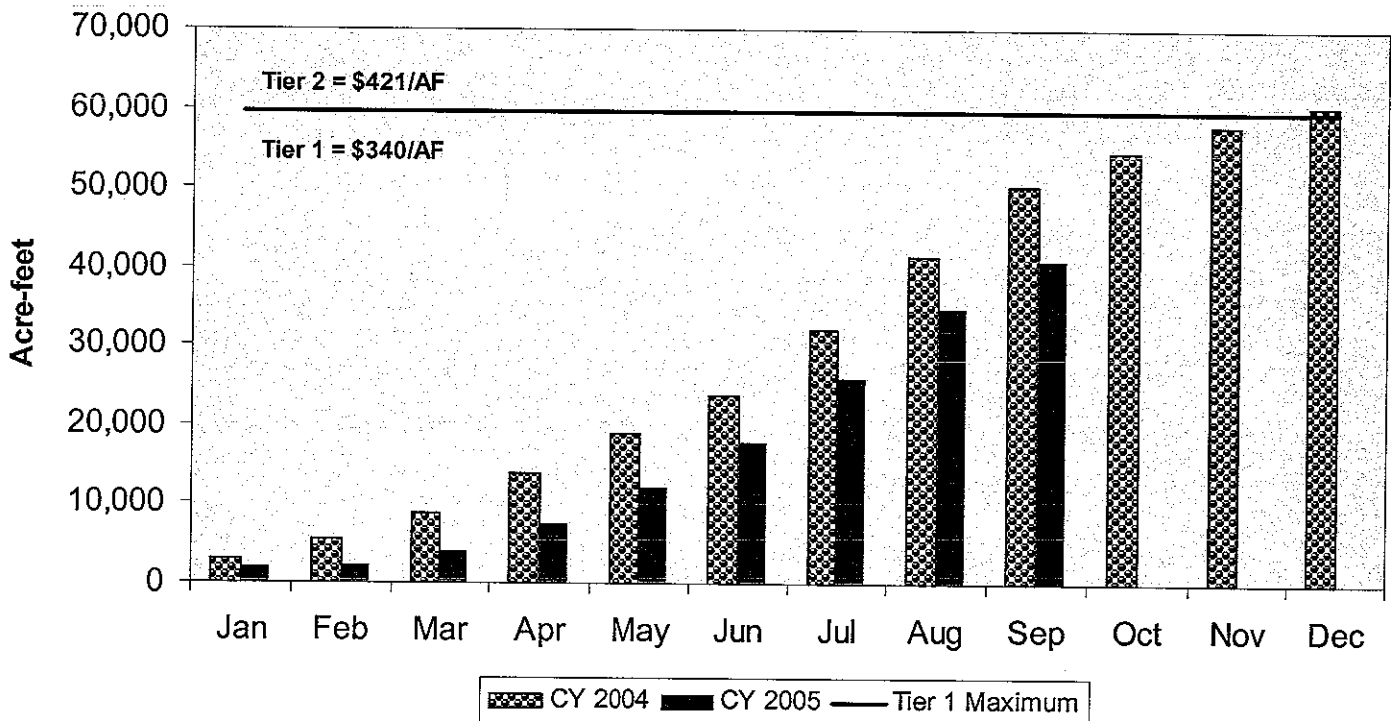
October 26, 2005—Southern CA Water Dialogue Meeting, Water Transfers (w/ Tom Graff and Jeff Kitlinger) @ MWD Headquarters  
 November 9, 2006—Steering Committee Meeting in Sacramento  
 December 7, 2005—CUWCC Plenary Session Meeting @ Santa Clara Valley Water District (San Jose)  
 November 17th & 18th—California Water Policy Conference @ the Hollywood Renaissance Hotel

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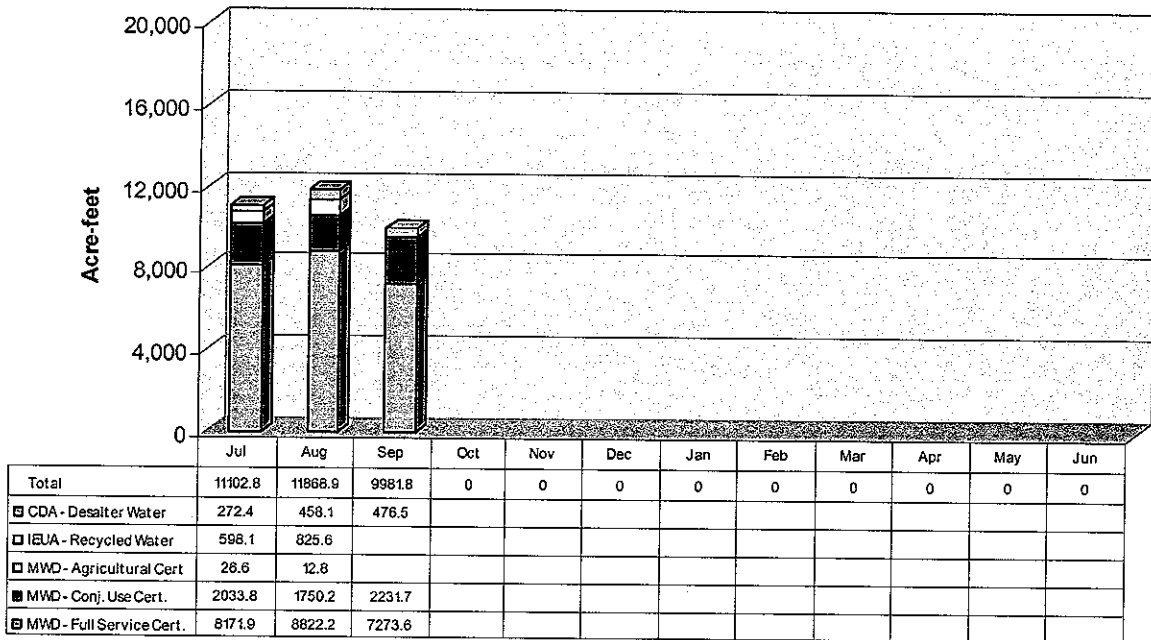
**Cumulative Monthly Full Service Imported Water Deliveries  
Within IEUA's Service Area  
FY 04-05 and FY 05-06**



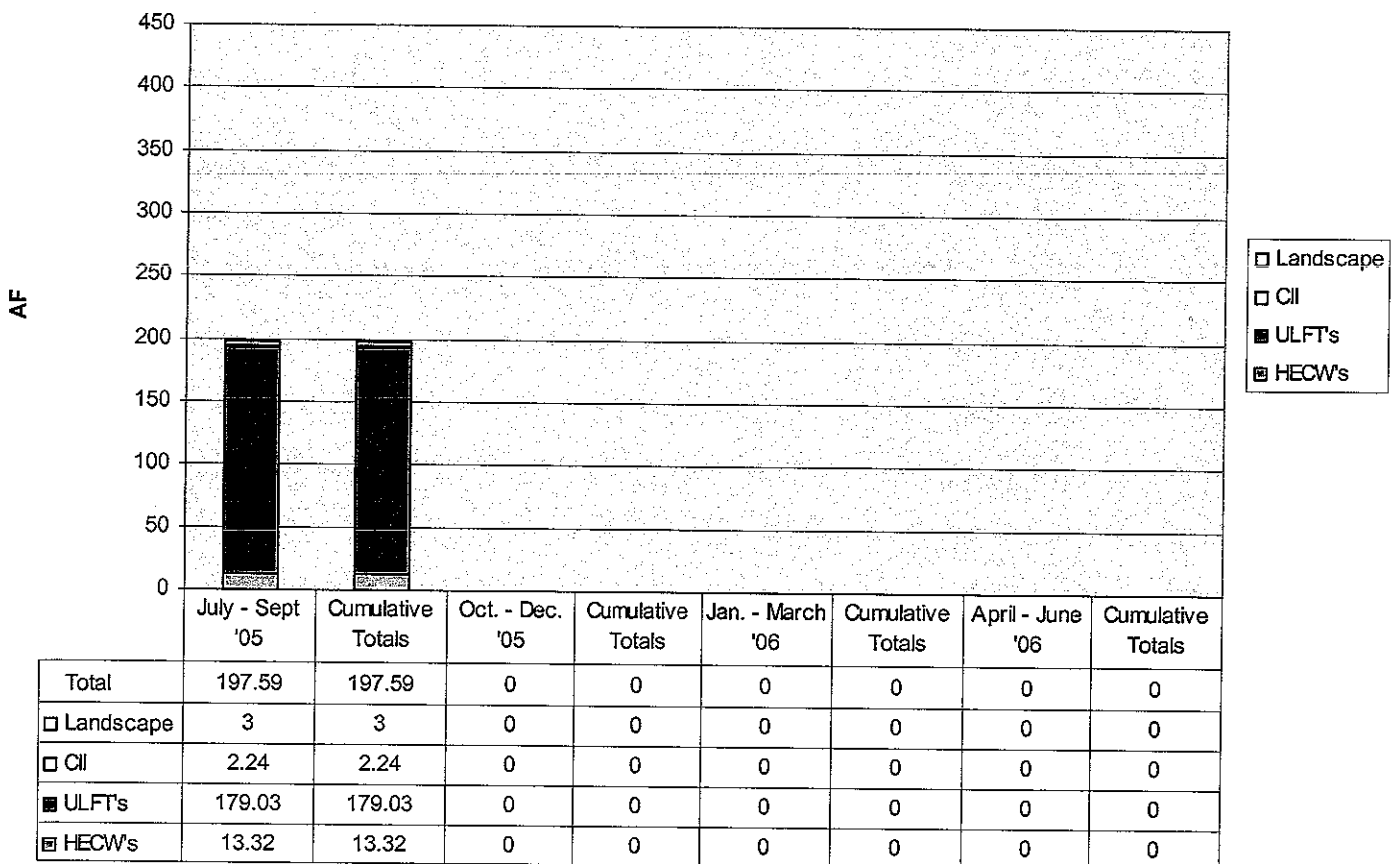
**IEUA  
Cumulative Monthly Full Service Imported Water Deliveries  
Calendar Year 2004 and Calendar Year 2005**



FY 05/06 Monthly Water Production From Within IEUA's Service Area Imported, Desalter, and Recycled Sources



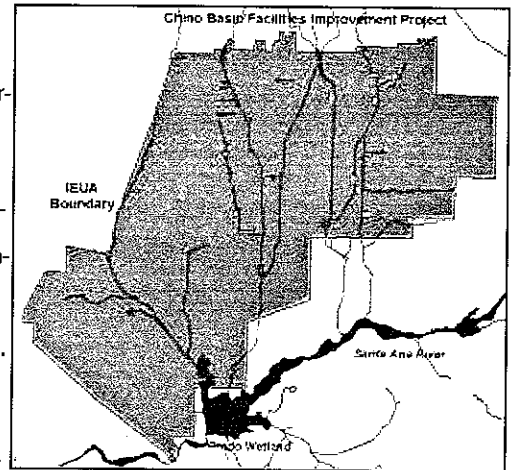
Conservation Devices Installed in AFY FY 2005-06



# SEPTEMBER 2005 CHINO BASIN FACILITIES IMPROVEMENT PROJECT SUMMARY

## Program Description

The American Society of Civil Engineers (ASCE) award winning Chino Basin Facilities Improvement Program (CBFIP), a joint effort of the Chino Basin Watermaster (CBWM), the Chino Basin Water Conservation District (CBWCD), the Inland Empire Utilities Agency (IEUA), and the San Bernardino County Flood Control Department (SBCFCD) is well underway with seven bid packages being constructed. IEUA was selected as the "Contracting Agency", established financing for the CBFIP through grants from the Santa Ana Watershed Project Authority (SAWPA) under Proposition 13 in June 1999. The CBFIP is a system comprised of activation of two Metropolitan Water District turnouts from the Rialto Pipeline and construction of a new turnout on the Etiwanda Intertie; modifications to several flood control channels conveying imported water, storm water and recycled water with five rubber dams and three drop inlets diversion structures in the flood control channels to divert the water to the 18 groundwater recharge sites. The 18 sites have 38 recharge basins varying from 1 to 5 sub-basins at the respective sites. The groundwater recharge sites, when fully developed will have a total annual recharge capacity of 120,000 to 170,000 ac. ft.; 20,000 to 25,000 of storm water; 80,000 to 120,000 ac. ft. of imported water; and 20,000 to 25,000 ac. ft. of recycled water.



**Key Highlights:**

- Approximately 14,600 AF of storm water was recharged during the winter of 2004 - 2005 with an estimated value of over \$3 million.
- The project is expected to finish in December 2005 slightly under budget.
- The recharge program will continue beyond the Facilities Improvement project with an additional \$5 million grant from DWR.

The construction of the CBFIP is in seven phases, with different contractors, totaling \$38,700,000.

The CBFIP is scheduled for close-out December 31, 2005.

**Project Purpose:**

The purpose of the project is to provide storm water, recycled water and imported water re-

**Project Participant:**

- Inland Empire Utilities Agency (Lead, Contracting Agency)
- Chino Basin Watermaster
- San Bernardino County Flood Control District
- Chino Basin Water Conservation District
- SAWPA

**Design and Construction Management Team:**

- Tettermer & Associates (Design Consultant)
- Black & Veatch/IEUA (Program & Construction Management)
- URS/Twining-Govil-Ryan (Geotechnical Consultant)

Bid Package No. 1 includes six basins: Banana Basin, College Heights Basins, Lower Day Basin, RP-3 Basins, Turner Basin No. 1, Turner Basins No. 2, 3, & 4

- The IEUA Board of Directors accepted as complete Bid Package No. 1, May 12, 2004.

**Bid Package No. 2 (Budget \$7,020,000)**

Bid Package No. 2 includes three basins: Declaz Basin, Ely Basins 1, 2, & 3, and 8th Street Basins; four rubber dams: College Heights (San Antonio Channel), Lower day Basin (Day Creek Channel), RP-3 Basins (Declaz Channel), Turner Basin No. 1 (Cucamonga Channel); and three drop inlets: Brooks Basin (San Antonio Channel), and Turner Basins 2, 3, & 4 (Deer Creek Channel).

- The IEUA Board of Directors accepted as complete Bid Package No. 2, August 18, 2004

**Bid Package No. 3 (Budget \$3,800,000)**

Bid Package No. 3 includes the construction of 11,000 linear feet of 36" diameter pipeline in Jurupa Avenue from the Jurupa Basin at Mulberry Avenue to Beech Avenue at the RP-3 Basins.

- The IEUA Board of Directors accepted as complete Bid Package No. 3, January 12, 2005

**Bid Package No. 4 (Budget \$2,270,000)**

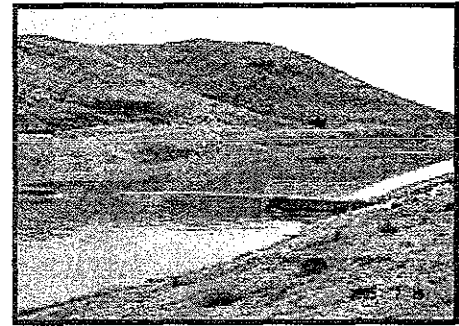
- Bid package No.4 consists of constructing (1) a canal and 100 linear feet of 48" pipe to convey water to (2) the Jurupa Pump Station and (3) 400 lineal feet of 36" diameter cement mortar lined & coated (CML & C) steel pipe force main for delivering water to the 36" Jurupa Pipeline (BP No. 3).

(Continued on page 2)



*(Continued from page 1)*

- The Jurupa Basin Pump Station work is 100% complete. IEUA construction management is closing out the project.
- SBCFCD has committed to constructing a section of the San Sevaine concrete channel with a drop inlet and pipeline to deliver storm water, imported water, and recycled water to Jurupa Basin that will be pumped to the RP-3 Basins and the Declerz Basin. The drop inlet is schedule for completion December 2006. The remainder of the San Sevaine Channel between Valley Boulevard to the Jurupa Basin drop inlet will be an open channel until funds are available to complete channel lining.
- Test run on April 5, 2005 was completed
- Acceptance by the IEUA Board of Directors is November 16, 2005



Declerz Basin

**Bid Package No. 5 (Budget \$3,860,000)**

- Bid Package No. 5 includes the SCADA system consisting of radio controls to monitor and govern water levels in all the basins, control the drop inlets and rubber dams. Four monitoring sites will be established at the CBWM, CBWCD and SBCFCD offices with the master controls located at RWRP-1. The SBCFCD offices will have a satellite control station.
- The contractor has established SCADA communication at 98% of the sites and is awaiting completion of Bid Package No. 7 projects to connect the remaining sites. DenBoar under Change Order is constructing a 48" 760 lineal foot pipeline at the Day Creek Basin site. Completion will be July 20, 2005.
- The construction period is 242 calendar days. Estimate work is 95% complete.
- Substantially complete date: August 30, 2005; an extension of time due to rain delays and delays on other bid packages.
- Acceptance by the IEUA Board of Directors is anticipated November 16, 2005.



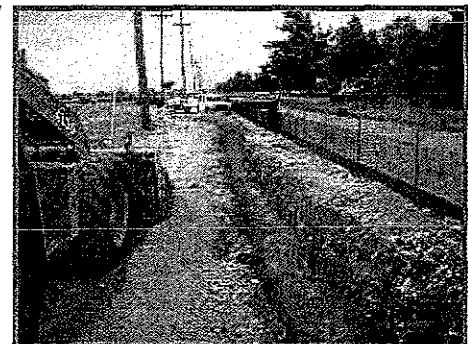
Lower Day Basin



RP-3 Basin No. 4

**Bid Package No. 6 (Budget \$1,450,000)**

- Bid Package No. 6 includes the MWD CB Turnouts No. CB-11, CB-15 and a new connection on the Etiwanda Intertie @ Station 211 + 47 now designed as CB-18.
- The Bid for redevelopment of the two existing MWD turnouts and development of a new turnout from the Etiwanda Intertie CB-18T@ location 211+47 was awarded February 4, 2004 to Griffith Construction, Inc. The letter of Notification to Proceed was issue on March 19, 2004. Work is 100% completed.
- Acceptance by the IEUA Board of Directors is anticipated November 16, 2005



Montclair Basin Trenching for SCADA

## Bid Package No. 7 (Budget \$3,040,000)

- Bid Package No. 7 consists of the RP-3 mitigation project, Hickory Basin manifold and pump station plus a rubber dam in the San Sevaine Channel diverting water to Hickory Basin: discharge pipeline and appurtenances to Banana Basin, improvements to Victoria Basin and SCADA module. Brutoco Engineering & Construction, Inc. has been issued a change order to install the staff gauges in the Groundwater Recharge Basin equaling approximately \$ 31,000.
- Project is 99% completed.
- Acceptance by the IEAU Board of Directors is anticipated November 16, 2005.

## Equipment Purchase

- Due to increased construction costs the equipment considered for purchase will be limited to:

### Equipment to be Purchased

- Safety grates for gate opening \$7,500

- The equipment pre-purchased for various bid packages included:

### Pre-purchased Equipment

1. Rubber Dams, 5 ea.	\$885,479
2. Sleeve valves 3 each and butterfly valves 3 each	\$264,941
3. Pickup, 1 ea.	\$22,455
Subtotal	\$1,172,815
Total—Recommended Projects & Equipment	\$1,180,315

## Cost Savings Achieved

### RP-3 Site

- Dispatch Trucking has removed the 400,000 cubic yards of stock piled dirt from RP-3 site Cell No. 2. The hauling was completed in August 9, 2004. The saving from this is \$2,400,000 (\$6.00/cu.yd. X 400,000 cu.yd.)
- Clay materials washed into the Victoria Basin during the December 25, 2003 flooding has transported to the RP-3 Mitigation Site and placed the material to seal the bottom of the wetlands portion of the site. Estimated savings by not purchasing Bentinite clay is \$75,000.

### Victoria Basin

- Dispatch Trucking has excavated the 100,000 cubic yards. of soil from the floor of the Victoria Basin which will ultimately save \$600,000 (\$6.00/cu.yd. X 100,000 cu.yd.)

Total Estimate savings: \$3,075,000

## DWR Grant for Future Recharge Improvements

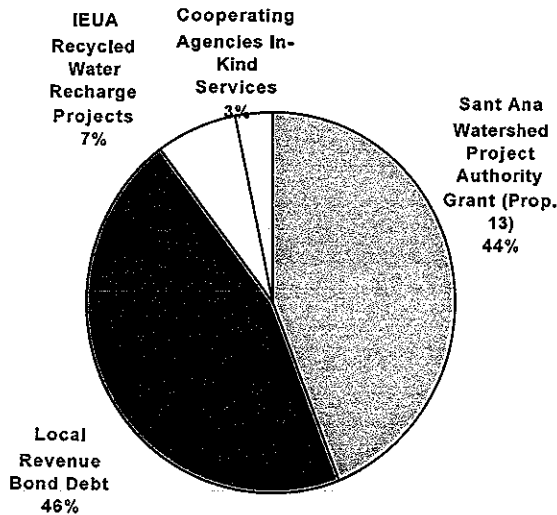
- IEUA and Watermaster are in the process of executing a grant agreement with DWR (Prop. 13 Funding) for additional recharge improvements. The estimated DWR grant amount is \$5.2 million.

### CBFIP Active Projects Construction Schedule

ID	Project Name	2004												2005				
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
1	Bid Package No. 1	[Shaded]																
2	Bid Package No. 2	[Shaded]																
3	Bid Package No. 3	[Shaded]																
4	Bid Package No. 4	[Shaded]																
5	Bid Package No. 5	[Shaded]																
6	Bid Package No. 6	[Shaded]																
7	Bid Package No. 7	[Shaded]																

### Project Financing

- Santa Ana Watershed Authority Grant (Prop. 13) \$19 Million
- Local revenue bond debt \$19.7 Million
- Cooperating Agencies in-kind Services \$1.5 Million
- Future DWR Grant \$5.5 Million

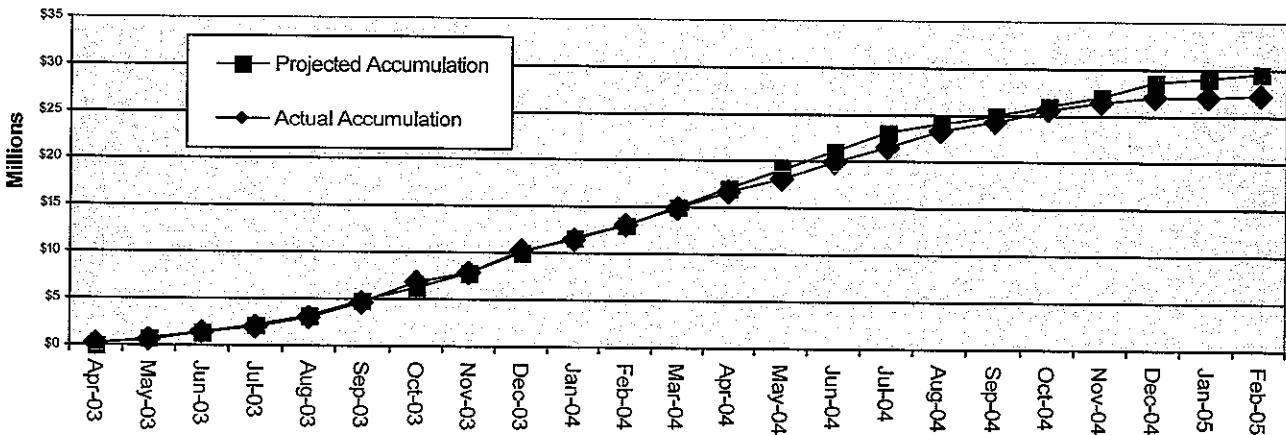


### Project Summary

Construction Phase	Estimated Cost	Budget
Bid Package No. 1	\$8,250,000	\$8,250,000
Bid Package No. 2	\$7,020,000	\$7,020,000
Bid Package No. 3	\$3,800,000	\$3,800,000
Bid Package No. 4	\$2,270,000	\$2,300,000
Bid Package No. 5	\$3,860,000	\$3,870,000
Bid Package No. 6	\$1,450,000	\$1,450,000
Bid Package No. 7	\$3,071,000	\$3,000,000
Non-Construction Cost*	\$8,400,000	\$9,000,000
<b>Total Budget**</b>	<b>\$38,121,000</b>	<b>\$38,700,000</b>
Expenditure To Date	\$38,061,749	

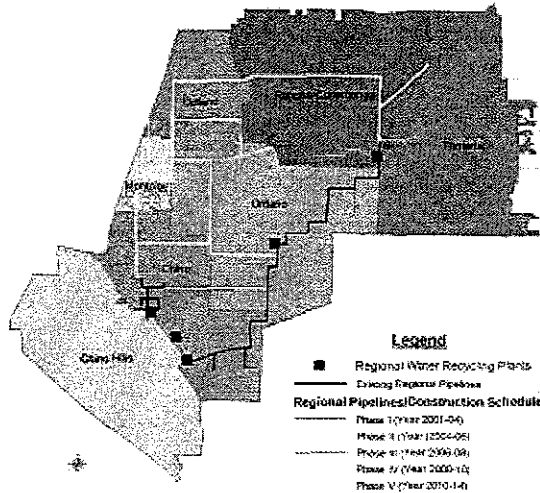
\*includes equipment purchases, engineering administration, and cooperative contribution from other agencies.  
 \*\*does not include \$5.5 million DWR grant.

### Projected vs. Actual Costs



1ST QUARTER FY2005/06  
RECYCLED WATER SUMMARY

# Capital Projects Summary



## PROJECTS COMPLETED

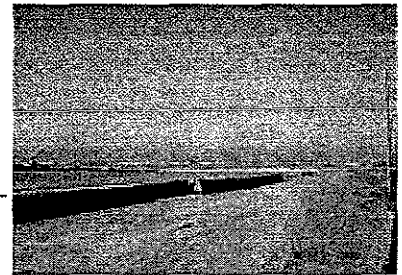
- RP-1/RP-4 Pump Station (Budget \$7,718,000)
- RP-1 Chlorination Tank (Budget \$4,817,200)
- Pine Avenue Intertie (Budget—Phase I & II \$1,066,000)
- Wineville Pipeline (Budget \$2,307,200)
- Reliant Pipeline (Budget \$1,115,476)
- Philadelphia Pipeline (Budget \$3,591,400)
- Whittram Pipeline (Budget \$3,621,000)
- RP-4 West Branch Phase I & II (Budget \$9,688,096)

**Total Budget — \$33,954,371**

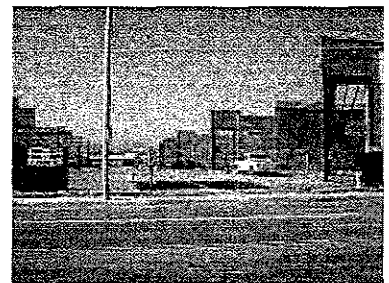
## PROJECTS IN DESIGN AND CONSTRUCTION

- RP-4 Area 3 MG Regional Recycled Water Reservoir, Pipeline and Pump Station  
On-hold awaiting acquisition of property
- North Etiwanda Regional Water Pipeline and Pump Station  
On-hold awaiting acquisition of property
- RP-1 South Recycled Water Pump Station  
50% design complete. Value engineering will be conducted.
- San Antonio Channel Recycled Water Pipeline  
There are two design segments; Segment A & B. Segment A—Design complete. Segment B—80% design complete.
- Wineville Recycled Water Pipeline Extension  
In design. This pipeline will serve major laundry facilities in Ontario as well as serving the City of Fontana.
- 7th & 8th St. Basin Pipeline  
50% design complete. This pipeline will bring recycled water to 7th and 8th Street Basins and also will serve a few schools and parks along the way.
- Edison Avenue Pipeline  
Construction of Edison-Eucalyptus Regional Recycled Water Transmission Pipeline is underway. This pipeline will interconnect the existing CCWRF and TP-1 Outfall system supplementing additional recycled water supply to meet the growing demand in southern service area serving major agricultural users in Ontario, College Parks in Chino and ultimately many parks and other landscaping customers.

**Projected Budget — \$70,300,000**



Edison Avenue Pipeline



El Prado Business Park in Chino

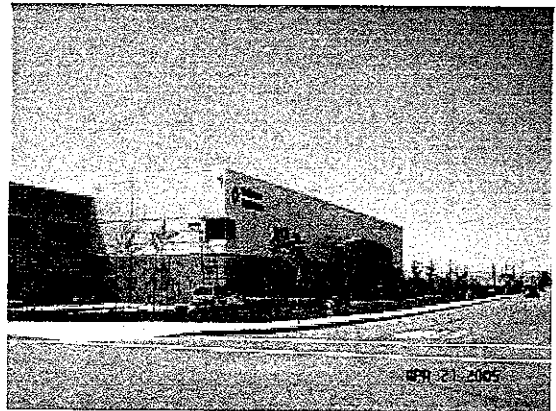
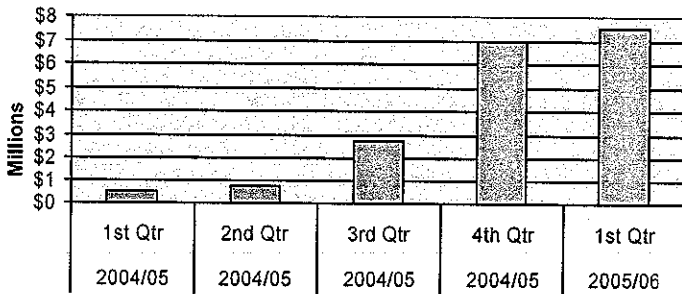
### Total Implementation Plan

ID	Task Name	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1	Phase I																		
2	Phase II																		
3	Phase III																		
4	Phase IV																		
5	Phase V																		

### Phase II & III Implementation Plan

ID	Task Name	Budget	2006												2007													
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	RP-4 Recycled Water Pipeline, Reservoir & Pump Station	\$11,500,000																										
2	North Etiwanda Recycled Water Pipeline, Reservoir & Pump Station	\$21,300,000																										
3	RP-1 Recycled Water South Pump Station	\$4,800,000																										
4	San Antonio Channel Recycled Water Pipeline	\$12,400,000																										
5	Wineville Avenue Pipeline Extension	\$1,300,000																										
6	7th & 8th Street Basin Pipeline	\$3,300,000																										
7	Edison Avenue Pipeline	\$15,700,000																										

### Regional Recycled Water Phase II—Projected Cash Flow



Valbruna Stainless in Chino

### TYCIP Projects

- Twelve Significant Projects
- Serves 45,000 AFY
- Capital Cost \$117 million
- Grant Funding \$42.5 million
- State Loan Funds \$66.5 million
- Local Funding \$8 million

Project No.	Project Description	Budgeted Cost	State Funding	Federal Funding	SRF Loan	Total Funding
1	San Antonio Channel Pipeline (2006)	12.4	3		9.4	12.4
2	TP-1 South Zone Pump Station (2006)	4.8	1		3.8	4.8
3	RP-4 Reservoir and Pump Station ((2007)	11.5		5	6.5	11.5
4	Edison Avenue Pipeline (2006)	15.7	7		8	15
5	Wineville Avenue Pipeline Extension (2007)	1.3	0.5		0.8	1.3
6	7th and 8th St. Basin Pipeline (2007)	3.3	2		1.3	3.3
7	Etiwanda Avenue Pipeline (2007)	12.9		7	5	12
8	Etiwanda Ave. Reservoir , Pump Station (2007)	8.4		3	5	8
9	San Sevaine, Etiwanda Basin Pipelines (2009)	22.3	4		18	22
10	Etiwanda Pipeline South (2009)	4.4	2		2	4
11	Chino/Chino Hills Zone 800 (2009)	10.8	3		7	10
12	RP-5/2 Recycled Water Pipelines (2005)	3.8				
	Land	5			5	
	<b>Total (\$ Millions)</b>	<b>117</b>	<b>22.5</b>	<b>20</b>	<b>66.5</b>	<b>109</b>

## Customer Development

### ■ Agricultural customers along the TP-1 Outfall line

Mural Farm with over 140 acres of farming land has started to use recycled water for their crops in November 2004. CW Farms II & III located next to Co-Compost and Chino Airport respectively have been connected successfully. Staff is working closely with the City of Ontario to convert Li's farms. There are three agricultural parcels spread out along the existing TP-1 Outfall line. Two of the parcels require a short stretch of service lateral.

### ■ NRW (Non-Reclaimable Water) Customers

IEUA staff working closely with the retail agencies are targeting NRW customers. With passing of new pass through rate, these customers potentially save as much as 50% discount on the wastewater discharge in addition to the water bill by converting to use recycled water for their process and irrigation. Many of these industries interviewed are eager to use recycled water not only for the savings, but also for environmental benefits.

### ■ Targeted Major Customers in 2005

1. Empire Lakes Golf Course (CVWD)
2. Additional Farms on Outfall (Ontario & Chino)
3. Ontario Center Owners Association (Ontario)
4. California Co-generation (Chino)
5. Vellano Golf Course (Chino Hills)
6. CIM (Farming Operation—Chino)
7. Paradise Textile (Chino)
8. Mission Linen (Chino)
9. Cintas I & II (Ontario)

### ■ Consulting services for recycled water program management services

In March 2005, T.R Holliman and Associates, Inc. has been retained to aid in all aspects of recycled water marketing and program.

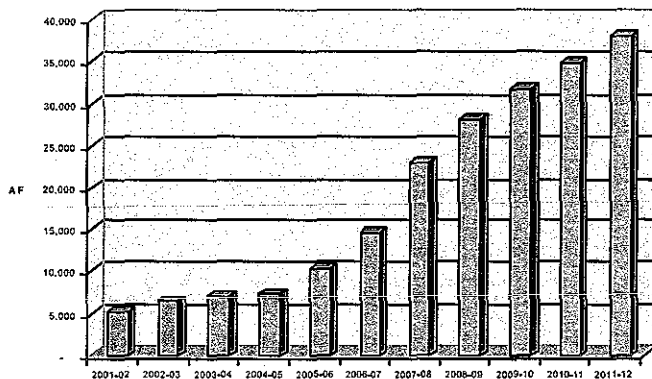


Paradise Textile in Chino

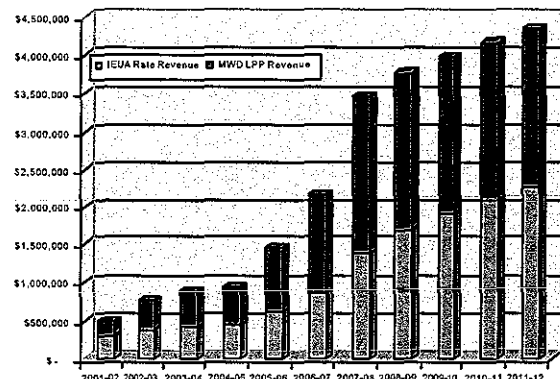
Paradise Textile successfully converted to using recycled water in July 2005. Paradise Textile is the first in the nation to fully utilize the recycled water for 100% of the process. Staff is continuing to coordinate with operation to meet Paradise Textile's water quality needs.

## Projected Sales & Revenue

Projected Recycled Water Sales



Projected Recycled Water Revenue



## Regulatory/Permits

- CEQA—PEIR Certified June, 2002
- CBWM Article X Permit — *Approved* May, 2002
- SARWQCB Basin Plan "Maximum Benefit" — *Approved* January, 2004
- DHS Title 22 Report (Recharge) - *Approved* April, 2005
- SARWQCB Discharge Permit January 2005



Li Farm

# Activity Summary

## New Customers in 2004

- 10 new recycled water customers were connected:

	Estimated Usage (AFY)
CW Farm II & III	500
Lewis Homes Phase I	100
Central Park Industrial Partners	10
Sterling Downs Apartment	3
Cottonwood Dairy	5
Murai Farm	700
Quetico II	2
Denny's Restaurant	5
IEUA Headquarters	10
<b>Total</b>	<b>1,335</b>

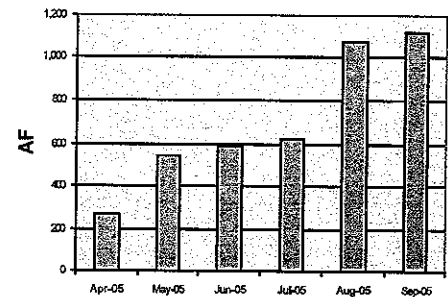
## New Customers in 2005

	Expected Connection Date	Expected Usage (AFY)
New Chino Hills High School and elementary school	December	30
Inland Paper Board	November	1,100
Kaiser Hospital	October	100
CalPoly Pomona in CIM	<b>On-line</b>	2,500
Lewis Homes Phase I (6 connections)	<b>On-line</b>	20
Empire Lakes Golf Course	November	800
Irrigation Customer along 6th Street	November–December	25
Paradise Textile	<b>On-line</b>	600
City Parks in Chino Hills	December	25
City of Ontario Street Sweeping & Sewer Cleaning	<b>Complete</b>	50
El Prado Business Park	December	2
Li's Farm	December	600
<b>Total</b>		<b>5,852</b>

## Potential Customers in 2006

- City of Chino  
Mission Linen, OLS Energy and College Park (2,500 homes, 2 schools, extension of Ayala Park over 435 acre)
- City of Chino Hills  
Vellano Golf Course and Western Hills Golf Course
- City of Ontario  
California Commerce North & South, Blue Beacon, Guasti Park, Bakken Property, Fruit Growers Supply, Longs Drug, Ontario Mills, Carlisle Tire & Wheel, Cintas I & II, Crothall Laundry, Danco Metal Surfacing, Unifirst, and Agricultural customers
- City of Rancho Cucamonga  
Metal Coaters of California, Steelscape, Tamco
- City of Fontana  
California Steel, California Speedway, Sierra Aluminum, and Pacific Forge

## Recycled Water Sales



Delivery Period	2004/05	2005/06
<b>1st Quarter</b>	2,334	2,825
<b>Year to Date</b>	4,423	4,951
<b>FY Total</b>	2,334	2,825
<b>Budget</b>		8,290

## Operation & Planning

- On September, TP-1 Outfall line was shut-down for 8 hours to accommodate the relocation of the line in Preserve.
- 10 new recycled water hydrants were installed along RP-4 and TP-1 Outfall line to provide additional recycled water for constructions and street sweeping around Ontario and Rancho Cucamonga.



Cal Poly Pomona Farming in CIM

# Regional Conservation Programs

## Monthly Report-September

### Highlights

- **Urban Water Management Plan**- An updated draft 2005 UWMP has been released for review by the general public on October 12. The current Draft UWMP is available on the IEUA website at [www.ieua.org](http://www.ieua.org). Comments from the public are welcome, but must be received by November 15. The Draft UWMP will be submitted to the IEUA Board of Directors on October 19 and will begin a public review period. A public hearing will be held at the IEUA Board of Directors meeting on November 16, at which time the UWMP will be formally adopted by the Board.
- **Water Facilities Authority (WFA) & Chino Desalter Authority (CDA)**  
A draft for WFA will be available October 24, 2005, and then adopted on November 8, 2005. A draft for CDA will be completed by October 31, 2005, and then adopted on December 8, 2005. A draft is available online now and the final will be posted late October/early November. Comments from the public are welcome.

### MWD Activities

- **MWD Incentive Rate**- MWD is reviewing its current conservation incentive rate of \$154 per acre-foot. There are a number of scenarios under consideration, ranging from \$195/acre-foot to \$247/acre-foot of water conserved with various proposed caps (50%, 75% or no cap). MWD will review the proposal in November and is expected to approve a revised rate in December.

### Landscape Programs

- **Large Landscape Audit-05/06 "SmarTimer of Inland Empire" Weather-Based "ET" Irrigation Controller Rebate Program**- As discussed at the September Workgroup meeting, IEUA staff will have the application and reference guide available for each of the agencies at next Workgroup meeting so promotion of the rebate can begin. The Monte Vista Water District and the Cucamonga Valley Water District will have free smart controllers available for participants at their scheduled residential landscape classes in October as a pilot program to promote in installation of smart controller technology.
- **Pilot Landscape Audit Program (04/05)**- 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 October to allow for completion of the work.
- **Ontario Cares**- Staff members from MWD, IEUA, the City of Ontario and Chino Basin Water Conservation District met in October to discuss the new partnership of added extra value to this already existing Ontario program. Funding from MWD, the Bureau of Reclamation and IEUA will allow for the Ontario Cares program to push the "California Friendly" landscape design. The group will meet several more time within the next two months to carry out a marketing plan and to implement this program.
- **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 hosted a regional residential PDA class on October 15 at the agency's facilities on Kimball Avenue in Chino, with 32 residents attending.

### Commercial/Industrial/Institutional Program

- **(CII SAVE-A-BUCK)**- IEUA is now finalizing an addendum to the Master Agreement with MWD to increase the CII rebate amount for most of the menu of devices in the program. This was discussed as part of the FY 2005-06 conservation budget process in a pilot effort to increase participation in the CII program. A total of \$27,000 was budgeted this year. The funding will be divided among the devices based on the recommendations of the Conservation Workgroup at the next meeting in November.
- **Conductivity Controller Cooling Tower**- A workshop addressing water and energy efficiency in the commercial sector was scheduled for September 26 and was postponed due to lack of participants. In August, the Ontario Hotel in Ontario participated in the Conductivity Controller Cooling Tower rebate program.
- **Restaurant Spray Heads**- This is an ongoing program being carried out by Honeywell until funding is depleted.



### Residential Rebates

- **ULF Toilet Exchange Programs**- The City of Upland held the first of two ULF toilet exchange programs on September 17. A total of 500 ULF toilets were distributed at this event. The City of Ontario distributed 400 ULF toilets on September 24. The City of Upland hosted an additional ULF toilet distribution on October 15 where another 500 toilets were distributed.
- **Multi-Family ULF Toilet Program**- Under the current Multi-Family Direct Install program, the installation of 1,056 ULFTs at the Terracina Apartment Complex in Ontario is complete. The Archstone Apartment Building project retrofit in Ontario has been completed with a total of 857 toilets installed. Water Wise expects to achieve the FY 2005-06 goal by installing 3,000 by December 2005. Approximately 2,429 ULF toilet installations have already taken place through the end of September. After this program is completed, the new Multi-Family ULF Toilet Program will be funded by a DWR \$1.6 million grant. The DWR grant will provide funding for the installation of 22,000 toilets over the next three years. Contract documents are being processed and the project will begin in January, 2006.
- **High Efficiency Clothes Washer Rebate**- Approximately 109 rebates have been issued during September, bringing the total for the current fiscal year to about 290 rebates. This brings the total number of rebates to approximately 5,359 since the rebate program began in 2002. Staff will distribute the totals for the month of September at the Conservation Workgroup meeting.

### School Education Programs

- **Garden in Every School**- A workshop was held on September 24 at Magnolia Elementary School in Upland, one of last year's participants, where a program overview and demonstration was done. Approximately 25 people attended representing fifteen different schools. The application deadline was October 7, and 13 applications are eligible candidates. Cite evaluations will be done in the in the last weeks of October and first weeks of November, and seven schools will be chosen by mid-November.
- **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 is sending out updated schedules to the agencies weekly.
- **Groundwater Model**- Envision Environmental Education was completed and shipped in September. The Model was received by the City of Chino Hills in good condition. Chino Hills' staff and IEUA staff are now in the process of learning how to operate to the Model properly. Once operation of the model is understood, IEUA and Chino Hills will set up a meeting with interested agencies to see the model demonstrated.
- **Solar Cup (2006)** - 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. 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.

### Outreach

- **Conservation Ads (monthly and special)** - Conservation tips are printed in the Daily Bulletin monthly (on Sundays towards the end of each month). Drafts are sent to members of the Conservation Group prior to printing.
- **Water Education Water Awareness Committee (WEWAC)** - Project WET is set for October 26<sup>th</sup> at the Central Park Rancho Cucamonga Community Center. The workshop will include hands-on, teacher-friendly water education classroom materials that meet state curriculum standards.
- **BMP Support Grants**- In October, San Antonio Water District submitted a letter of request for the \$2,000 BMP Support Grant that is budgeted for 05/06.

### Upcoming Events

- **California Urban Water Conservation Council (CUWCC)** - The next Steering Committee will be held in Sacramento on **November 9**, and the next Plenary Session will be held on **December 7** at the Santa Clara Valley Water District in San Jose. Members of the CUWCC have an open invitation to attend and participate in any of the CUWCC committee and plenary meeting.
- **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>**. Registration forms for the conference,

subtitled "California Water Policy – Escaping the Constraints" can be found at [www.cawaterpolicy.org](http://www.cawaterpolicy.org). The deadline is November 1<sup>st</sup>.

## CALENDAR

October 22, 2005	PDA "Water Wise Gardening Class (Monte Vista Water District)
October 26, 2005	Project WET (WEWAC)
November 5, 2005	Upland ULF Toilet Return Day (City of Upland/IEUA)
November 9, 2005	Steering Committee (CUWCC)
November 17 <sup>th</sup> & 18 <sup>th</sup>	California Water Policy Conference
December 7, 2005	Plenary Session (CUWCC)
March 4, 2006	Landscape Design Basics Workshop (City of Upland)
March 11, 2006	California Friendly & Native Plants (City of Upland)
March 18, 2006	Landscape Sprinkler Systems (City of Upland)
March 25, 2006	Soils, Watering, & Fertilizers (City of Upland)
April 28 <sup>th</sup> -30 <sup>th</sup> , 2006	Lemon Festival (City of Upland)
May 13, 2006	Water Awareness Day (Cucamonga Valley Water District)
May 19 <sup>th</sup> -21 <sup>st</sup> , 2006	Solar Cup

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# *Agricultural Resources*

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September 28, 2005

## **Legislative Report**

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

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

**SU:** Legislative Report, September 2005

**Highlights:**

- Congress Returns – Hurricanes and Other Upheavals
- Appropriations – CR Being Enacted, Energy and Water Development Approps Conference Pending
- Miller Recycling Bill Cleared for House Action
- Other Issues
- IEUA Working Partners

*Congress Returns, Hurricanes and Other Upheavals.* The House and Senate returned to the devastating hurricanes throughout the Gulf, staggering impacts on the communities and the the Nation's energy infrastructure. As this month closes, the House GOP leadership is in unexpected transition. As a result, Rep. David Dreier was named Assistant Majority Leader of the House and he remains Chair, Committee on Rules.

*Appropriations – CR and Energy and Water Development Appropriations.* The House and Senate, at month's end, are passing a Continuing Resolution (CR) to provide for funding the Federal Government as the new fiscal year begins October 1. Chairman Lewis has declared that this funding is temporary, and that individual funding bills will be passed. Initially, we

anticipated the Energy and Water Bill would be conferenced at the end of September. Then Katrina hit, followed by Rita, and the expectation shifted, as that bill also funds the US Army Corps of Engineers – word was the bill would move quickly. In the end, that didn't happen and the bill remains unconfereced. Additional funds are being added for the Corps (Katrina-Rita) and the concern is, BuRec funding might be reduced). During the last two weeks, the issue of “offsets” has been raised (how to pay for Katrina-Rita). We are trying to protect the new start funding for IEUA's recycling efforts. With hurricane funding dependent on this bill, it is anticipated that action on this funding bill will be completed shortly.

***H.R. 177 Now Cleared for House Floor Action.*** 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 under a procedure that expedites certain non-controversial bills (Suspension Calendar). It was on the schedule two weeks ago, but delayed for unrelated reasons. The Resources Committee staff for Pombo and Radanovich, and Rahall and Napolitano worked very hard to resolve various technical issues and now advise that it is ready to go. OWCD's Virginia Grebbien and IEUA's Rich Atwater briefed Republican and Democratic Senate Energy Committee staff counsel in the past week highlighting the benefits to the Bureau of Reclamation, Colorado River, Bay Delta – as well as the Santa Ana watershed, Watermaster and our immediate service area.

***Other Issues. Pombo Announces CALFED Oversight Hearings.*** Last month, I reported that Resources Committee Chair, Rep. Richard Pombo announced that the Committee will hold CALFED oversight hearings, likely in California. Those hearings haven't been scheduled yet, but are expected to be announced soon. ***Bay Delta Levees Highlighted by Katrina.*** The levee failures in New Orleans put a huge spotlight on the California Bay Delta levees. State and Federal officials, and legislators are demanding additional funds, and immediate evaluations. ***CEQ Water Recycling Report.*** CEQ was directed to undertake a survey of recycled water use and application, in the Federal departments and agencies. That report is finalized and its release is anticipated shortly. ***WaterReuse Draft Bill to be Supported by Feinstein.*** New water recycling legislation has been prepared by Senator Feinstein and discussions with Senator Domenici and his Energy Committee staff are underway. Discussions with staff have been positive and preliminary indications, she will support it. ***Domenici water technology bill expected.*** Senators Domenici and Bingaman, the Chair and ranking Energy Committee senators have announced that their technology bill will be introduced shortly. The bill was introduced for discussion purposes in the last congress, has now been revised and is anticipated shortly. Senator Domenici has repeated said that he wants to turn to water issues. ***CALFED Director Grindstaff in DC.*** At the end of September, Joe Grindstaff will be in DC to brief water reps, meet with Federal officials, delegation and committees. ACWA is arranging a briefing. ***ESA bill Reported in House and Passed Senate.*** Chairman Pombo introduced, heard and reported his long-awaited ESA Reform Bill. It was reported by the House Resources Committee and immediately brought to the House floor, where it passed. The bill is highly controversial and its fate in the Senate is uncertain. ***Oil and Gas, Energy.*** In September, the House and Senate began addressing the cost of energy, and a full range of related issues. Legislation – an Energy

Bill II – is being planned, but its fate is also uncertain. **Bill Introduced to Amend CVPIA.** Rep. Devon Nunes introduced legislation to amend, and significantly change the CVPIA. However, Mr. Pombo, Committee Chair, did not know about the bill, and is opposed to significant provisions. **Water Recycling Policy Review.** The Senate Energy Committee staff, democrat and republican invited the House Resources Committee, on a bi-partisan basis, to review the Title XVI program. The Congressional Research Service was directed to undertake a programmatic review. At a staff level, talks are now underway for the program's future. **Perchlorate.** Issue remains a priority with Senator Feinstein. Perchlorate in drinking water is now showing up in Texas (politically significant).

***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. WaterReuse Association
- g. CALStart
- h. Orange County Water District (OCWD)
- i. Cucamonga Valley Water District (CVWD)
- j. Western Municipal Water District
- k. Chino Basin Watermaster

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Inland Empire  
UTILITIES AGENCY

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Date: October 19, 2005  
To: Honorable Board of Directors  
Through: Public, Legislative Affairs & Water Resources Committee  
(10/12/05)  
From: Richard W. Atwater  
Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: September Legislative Report from Copeland and Associates

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**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:jhs  
G:\board-rec\2005\05325 September Leg Report from Copeland and Associates

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# Copeland Lowery Jacquez Denton & White LLC

Specializing in Government Relations

## MEMORANDUM

**TO:** Inland Empire Utilities Agency

**FROM:** Letitia White  
Copeland Lowery Jacquez Denton & White

**DATE:** September 27, 2005

**RE:** Monthly Legislative Report

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Many Members of Congress returned earlier than the scheduled September 6<sup>th</sup> return date, to begin the job of providing relief from Hurricane Katrina.

### ***Hurricane Katrina Response***

To date, two emergency supplemental appropriations bills (one for \$10.5 billion and a second for \$51.8 billion) have been signed into law. Additional requests may be necessary.

### ***Tax Relief Measures for Hurricane Victims***

Proposals to shore up municipal bond markets and use bond policy to encourage business recovery on the Gulf Coast will be the focus as House and Senate tax writers work on a second round of hurricane-inspired tax breaks. The House and Senate agreed last week on an initial package focused on individual tax benefits.

The task of responding to the disasters caused by Katrina and Hurricane Rita have not been the only roadblocks for the Senate moving forward. The death of Chief Justice William Rehnquist on September 3<sup>rd</sup> has added the task of another Supreme Court nomination to the Senate's agenda.

### **Fiscal Year 2006 Appropriations**

The full Senate passed its FY06 Science, Commerce, Justice & the Judiciary Appropriations bill on Thursday, September 15 by a vote of 91-4. The \$48.9 billion bill contains \$48.6 billion in discretionary spending, and is \$884.1 million above the FY05 funding level and \$1.7 billion above the Administration's budget request.

The Senate also passed both the Agriculture and VA-Military Construction appropriations bills on September 22. The Senate now has four remaining bills it must pass: Labor-HHS-Education, Transportation-Treasury-HUD, Defense, and D.C - they are slated to move in the weeks ahead. The Senate Appropriations Committee plans to mark up the last of its appropriations bills (Defense) the week of September 26, 2005.

The Agriculture Appropriations bill, as passed by the Senate, totals \$100.7 billion and would fund the U.S. Department of Agriculture, the Food and Drug Administration, and rural development programs. The bill also would provide money for programs such as land conservation, food stamps and nutrition aid, food safety and rural housing. The House passed its version of the bill totaling \$100.3 billion in early June. The bill will now head to conference with the House where differences between the two bills will be reconciled.

The Senate VA-Military Construction bill totals \$82.9 billion -- \$6.8 billion more than FY05 levels. Most of that increase in funding will go to VA healthcare services due to the growing use of its facilities from soldiers returning from Iraq and

Afghanistan. The bill will now head to conference with the House where differences between the two bills will be reconciled.

The new fiscal year begins on October 1 and Congress has only enacted two appropriations bills (Interior-Environment and Legislative Branch). Both the House and Senate are expected to pass a continuing resolution at the end of the week to keep the government funded through November 18. Hopefully, the House and Senate can pass the remaining appropriations bills in that time or another continuing resolution will be necessary.

*FY06 Energy and Water Appropriations Bill*

The House and Senate have held informal conference meetings on the Energy & Water Appropriations bill, but a formal conference agreement is not eminent. The House Energy and Water Appropriations bill would provide \$29.7 billion in fiscal 2006 - which matches the president's request but is \$131.7 million less than what was provided in fiscal 2005. The roughly \$30 billion bill funds the U.S. Army Corps of Engineers-Civil, the Department of Energy, and several other independent agencies. The Energy Department would receive a boost of \$278 million over fiscal 2005 levels to \$24.6 billion. The Army Corps of Engineers would get \$4.7 billion, about 6 percent less than in fiscal 2005. \$35 million is also included for CALFED.

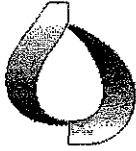
In addition, the House bill currently includes \$1 million in funding for the IEUA Water Recycling project.

The Senate Energy and Water Appropriations bill includes \$31.245 billion in FY06 funding for the Department of Energy and Army Corps of Engineers, but is approximately \$1.8 billion more than the House version, a major reason this conference has stalled. The CALFED restoration project is funded at \$35 million - the same as the House. The full Senate passed the bill on Friday, July 1.

We will continue to work with the work with the offices of Congressman David Dreier, Joe Baca, Jerry Lewis, and Howard "Buck" McKeon to maintain the House's funding mark in conference.

Levee Improvements

Following the destruction of Hurricane Katrina, Senator Dianne Feinstein and Representative Richard Pombo wrote a letter to the Army Corps of Engineers asking for funding to strengthen California's levees, especially those in the Sacramento-San Joaquin Delta. Noting last year's \$90 million CALFED authorization, they asked how much of the levee problem would be addressed if the entire \$90 million were appropriated.



Inland Empire  
UTILITIES AGENCY

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Date: October 19, 2005

To: Honorable Board of Directors

Through: Public, Legislative Affairs & Water Resources Committee  
(10/12/05)

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

Submitted by: Martha Davis  
Executive Manager of Policy Development

Subject: September Legislative Report from Dolphin Group

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**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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# Chino Basin / OBMP Coalition

## Status Report – September 2005

### ENERGY/REGULATORY

#### *Biogas Net Metering*

After working out final amendments to address air quality concerns, Assembly Bill 728, Assemblywoman Gloria Negrete-McLeod's (D-Chino) legislation seeking to extend the dairy biogas net metering program was approved by the Senate on September 6<sup>th</sup> on a 35-1 vote, and the Assembly concurred the next day by a vote of 78-1.

The measure is now before Governor Schwarzenegger for approval. The Governor has until October 9<sup>th</sup> to sign or veto the measure. The measure is supported by the investor-owned utilities.

#### *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. SCE 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. Pacific Gas & Electric has suggested an alternative approach to the CPUC; that the CPP rates be "opt-in", and the default rate remain time-of-use.

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 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 a direct penalty. However, the proposals by PG&E and SDG&E both offer "participation credits", which could potentially create costs that would be borne by all ratepayers. SCE has not proposed a participation credit. Various parties have indicated they prefer the opt-in system with no participation credit, and will likely offer testimony in support of that position later this year.

A settlement conference was held on September 22<sup>nd</sup> among all interested in parties to discuss the specific proposals and possible grounds for settlements. Although no immediate settlement was reached, parties agreed to continue to discuss the proposals. Testimony from parties is due on October 5<sup>th</sup>.

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

## OTHER LEGISLATIVE

The California Legislature completed its legislative session on September 8<sup>th</sup>. Governor Schwarzenegger will have until October 9<sup>th</sup> to sign or veto the measures.

### *Energy Legislation*

- **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 requires 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 was approved by both houses and will now be considered by Governor Schwarzenegger.

- **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 inactive file in the Senate, and may be reconsidered 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 to 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 was not approved this year, but may be reconsidered next year.

- **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 utility load that may be lost due to community choice aggregation or through acquisition by a local utility. The bill was unanimously approved by the Senate and the Assembly for consideration by the Governor.

- **SB 1 (Murray D-Los Angeles) – “Million Solar Homes” Initiative**

This measure was sponsored by Governor Schwarzenegger and originally coauthored 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 fell victim to political maneuvering in the last weeks of the Legislative session, particularly over installation certification and prevailing issues. The measure failed to be approved by the Legislature, but may be considered next year.

### **INTER-AGENCY BIOGAS WORKING GROUP**

At the urging of the Chino Basin Coalition, the Schwarzenegger Administration has created an Inter-Agency Working Group to identify and address issues related to the expansion of biogas generation as a renewable energy source in California. The first meeting of the Working Group is scheduled for October 5, 2005.

Participating agencies include:

- California EPA;
- California Department of Food and Agriculture;
- California Energy Commission;
- California Public Utilities Commission;
- California Air Resources Board;
- State Water Resources Control Board;
- Central Valley Regional Water Quality Control Board; and
- San Joaquin Valley Air Pollution Control District.

Michael Boccadoro and Martha Davis of the Chino Basin Coalition have also been invited to participate.

### **LEGISLATURE RECONVENES**

The Legislature reconvenes in early January to complete the second year of the two-year session. Energy policy is expected to be a major topic of discussion as the state seeks to maintain reliability and move beyond the energy crisis of 2001.



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Inland Empire  
UTILITIES AGENCY

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Date: October 19, 2005

To: Honorable Board of Directors

Through: Public, Legislative Affairs & Water Resources Committee  
(10/12/05)

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

Submitted by: Martha Davis  
Executive Manager of Policy Development

Subject: September Legislative Report from Geyer and Associates

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**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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G:\board-rec\2005\05327 September Leg Report from Geyer

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**Inland Empire Utilities Agency  
Position List  
September 28, 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	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. <ul style="list-style-type: none"> <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	Summary	Status
<b>Special District Governance</b>		
AB 1234 (Salinas) Local agency governance	Applies to special districts, cities and counties. Allows compensation to members of a "legislative body" for attendance at a meeting of a legislative body, a meeting of an advisory body and a conference. There is no specified rate of compensation. Requires all local agencies to adopt a written policy regarding reimbursements. Requires board members to receive ethics training. 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.	Chapters, Chapter 254, Statutes of 2005
<b>Water Supply</b>		
AB 1466 (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	<u>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.</u> 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
<b>Cal-Fed/Delta/ Flood Protection</b>		
AB 1200 (Laird) Delta Levees	Requires the DWR to evaluate the potential impacts on water supply derived from the Delta resulting from subsidence, earthquakes, floods and climate change. Requires DWR and	Enrolled

	DFG to evaluate options and present them to the Legislature by 2005.	
<b>Special District Finances</b>		
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/Water Quality</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.  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.	Enrolled
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



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Date: October 19, 2005

To: 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

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### **RECOMMENDATION**

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

### **BACKGROUND**

#### **Outreach/Tours**

- October 12, 13, 2005, Chino Creek Charrette, IEUA's Even Room
- 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
- Fall Festival at Windrows Elementary School, Rancho Cucamonga

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

- October 8, 2005, Rancho Cucamonga Chamber Grape Harvest Festival at Victoria Gardens
- October 15, 2005, MWD Regional PDA class, IEUA Event Center
- November 3, 2005, IEUA leadership breakfast

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

- October – Two-page Literacy/Education Month
- December – One-page Health Beat Magazine

### **PRIOR BOARD ACTION**

None.

### **IMPACT ON BUDGET**



None.

G:/Board-Rec/2005/05290 Public Outreach and Communication Update

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# CHINO BASIN WATERMASTER

## III. INFORMATION

### 1. Newspaper Articles :



Article Last Updated: 9/08/2005 02:25 AM

## Fontana finds PUC water-rate decision puzzling

Kelly Rayburn, Staff Writer  
San Bernardino County Sun

FONTANA - Residents here may be getting a raw deal from their water company. But that doesn't mean their rates should be reduced.

City and school officials say that it is this curious logic that permeates a recent order by the California Public Utilities Commission in an ongoing struggle between the city, school district and consumer advocates on one side and the Fontana Water Co. on the other.

"It just doesn't make any sense to me," said Marvin T. Sawyer, counsel for the Fontana Unified School District. "The decision says the rate wasn't justified by the evidence."

The order, issued Aug. 25, questioned an earlier decision granting the water company a rate increase of 33 percent over three years.

The new order calls for a limited rehearing of the rate-increase application, but left the current rate untouched.

Sawyer joined city officials in his criticism of that part of the PUC's decision, but in their nearly three-year battle with the water company, things have never looked as good for their side as they do now.

"It's a victory," said Mayor Mark Nuaimi, "but we're going to have to wait to be able to celebrate the victory."

Nuaimi characterized the issue as the single largest threat to the financial health of Fontana and its residents.

Since November 2002, when the water company applied for a rate increase of about 70 percent over four years, Nuaimi has argued that the company has not used water readily available, exaggerated Fontana's population growth and pursued methods of perchlorate cleanup that are unreasonably costly.

All of these arguments will likely resurface along with some new ones in the coming months, said Nuaimi and City Manager Ken Hunt.

At a City Council meeting Tuesday evening, members assigned Nuaimi and Councilman John Roberts to be part of an ad hoc committee to explore the city's options in dealing with the matter.

The council pledged to consider all options. That includes, Hunt said, the possibility of the city trying to take over the water company.

The water company is a division of the San Gabriel Valley Water Co. Privately owned, it serves residents in Fontana and portions of Rancho Cucamonga, Rialto, Ontario and unincorporated San Bernardino County.

Michael Whitehead, president of San Gabriel Valley Water, said the company had already justified the rate hike and that it would do so again.

He said the increase was needed to generate money for water supply and water-treatment projects in a fast-growing area.

He said he was confident that when all was said and done, the PUC would determine that the "original decision was a sound decision."

Under direction from the PUC, the rehearing will be considered by Administrative Law Judge Bertram Patrick.

Patrick originally heard the case and penned a proposal to split the difference between the water company's original request and an opposing request from the city and school district for a rate decrease.

The increase the PUC adopted was slightly smaller than Patrick's recommendation. The rate took effect in July 2004.

The rehearing will be in conjunction with an application for a new rate-increase application the water company filed this year.

Hunt said no date had been set for the start of proceedings, but the city is asking that the matter be considered by a different

judge.

Shortly after the PUC order was issued, the water company announced a program to save low-income customers more than \$200 per year on their bills. Both the company and city officials said this program is unrelated to the rate increases.

In a written statement, the water company's general manager, Mike McGraw, said the company believes "this program provides a substantial benefit to our community," and urged those eligible to sign up for it.

State Sen. Nell Soto , D-Ontario, whose district includes Fontana, praised the water company's program, saying in a news release that it would "help those in the community who are in the most need of help."

Soto spokesman David Miller said Wednesday she would not be available to comment about the other issues between Fontana and the water company.

"We just don't know enough about all the particulars," he said, adding that Soto would likely soon contact individuals involved in the dispute.

# Perchlorate deal OK'd

By Nikki Cobb  
Staff Writer

RIALTO — City leaders have approved a county plan to staunch the plume of toxic perchlorate seeping toward the city's water supply.

Perchlorate, an ingredient in munitions, fireworks and rocket fuel thought to cause thyroid malfunction, is oozing through underground waterways from county-owned land, where it originated, toward Rialto's Well No. 3.

The city has filed lawsuits against San Bernardino County, the Defense

Department and about 40 defense contractors over perchlorate contamination of the ground.

Peter Fox, Rialto water superintendent, said that of all the parties held to be responsible for the contamination, the county has been the most responsive.

"The county's been very cooperative, a good partner with the city to ensure that the city is able to provide the water to our customers," he said.

The Defense Department manufactured perchlorate products during

See TOXIC / Page A8

## Toxic

continued from page A1

World War II on land now belonging to the county, including the Mid-Valley Landfill.

Its contractors continued to use the toxic stuff through the 1950s and 1960s, further contaminating the area.

The county is partially responsible for cleanup, Rialto officials maintain, because it owns the land and because it exacerbated the problem with some of its operations there.

A year ago, the Santa Ana Regional Water Quality Control Board ordered the county to either treat Well No. 3 or provide replacement water for the roughly 1,300 acre-feet the city pumps from it annually.

An acre-foot of water is 326,000 gallons, or about the amount two families use in a year.

The county has since installed an ion-exchange filtration system on Well No. 3, cleaning the water to the point where perchlorate is undetectable.

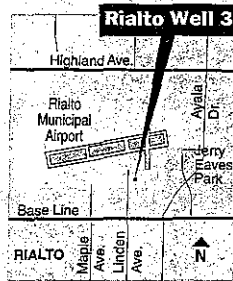
Under the new agreement, the county will install a series of extraction wells — a sort of picket fence that intercepts the perchlorate-tainted water before it seeps into Rialto's water system.

The extraction wells will pump about 200 acre-feet of water each month. That water will be delivered to a treatment system to be built by the county on city land and operated by the city. The treated water will then be returned to Rialto's water system.

It costs about \$1 million to outfit a well for perchlorate treatment. Then there's an annual cost of \$300,000 to \$500,000 to maintain it and replace the resin that filters out the perchlorate.

Rialto is treating two of its 11 wells besides Well No. 3.

The county has provided replacement water to Rialto — about 1,000 acre-feet this year, according to Fox — from the Riverside-Highland Water District.



Staff graphic

Next the agreement will go before the Board of Supervisors.

Rex Richardson, spokesman for the county Solid Waste Management Division, said he expects county supervisors to approve the plan by the end of the month.

The county is fulfilling its current obligation to Rialto — for now — according to Kurt Berchtold, the Santa Ana Regional Water Quality Control Board's assistant executive officer.

But the county may need to build more "picket fences" to prevent the migration of the perchlorate plume into other areas, Berchtold said.

"(The county) will need to provide replacement water to the city and prevent the plume from migrating further," Berchtold said. "We'll be evaluating them, looking at whether the county needs to do other work to accelerate the cleanup of the plume."

Berchtold said extensive testing and research remain to be done, to assess the hydrology of the basin and monitor the movement of the perchlorate plume.

Richardson said the county is pleased to be able to address the perchlorate problem and intends to follow through.

"For us this has been a really good thing. A real win-win situation, where we can address the county's problem of perchlorate spread of the plume," Richardson said.

"Everybody's suing everybody. But everybody's working together, too," he said.

Contact writer Nikki Cobb at (909) 386-3874 or via e-mail at [nikki.cobb@sbsun.com](mailto:nikki.cobb@sbsun.com).

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Article Last Updated: 9/12/2005 09:22 AM

## SB County waste operation faces \$52 million shortfall

Andrew Silva, Staff Writer  
San Bernardino County Sun

The county's waste management division faces a \$52 million shortfall in the next three years due, in part, to expensive groundwater cleanup and extra expenses related to the bark beetle crisis.

Without the money, the agency won't be able to expand its landfills, and it's possible San Bernardino County could start to run out of landfill space.

"In a year or so, it would be a problem without the money," division manager Peter Wulfman said.

The budget problem has been on the agency's radar since 2000, and several steps have been taken. But some problems appeared after 2000, including the bark-beetle crisis and groundwater contamination by a rocket-fuel ingredient.

Among the possible solutions are selling a valuable chunk of county-owned land in Ontario, combined with some fee increases, and forgiveness of an agency debt.

An earlier discussion of fixing the budget problem was delayed because officials were looking at the potential value of land next to the now-closed Milliken landfill in Ontario, and two new county supervisors who took their seats in December needed to be fully oriented, Wulfman said.

The delay will be a few more weeks.

"It causes a great deal of concern," said 5th District Supervisor Josie Gonzalez, one of the freshman supervisors. "We need to make sure everyone has the big picture. Once we start down the road of raising fees, there's no turning back."

Raising fees is an alternative the agency wants to avoid, Wulfman said.

The biggest expenditure will be for expansions at five county landfills that require installation of liners to prevent groundwater contamination. The cost of the new liners is projected to be \$38 million.

The agency sold \$115 million in bonds in 1996 that were supposed to cover capital expenditures for the expansions and also to keep an eye on the condition of groundwater with monitoring wells, but a significant chunk of the money got gobbled up by unexpected expenses, Wulfman said.

"At the time the bonds were issued, a financial plan was in place to make it work. With these unexpected costs, we're in a pinch," he said.

Among the added expenses are:

About \$10 million to deal with groundwater contamination by PCE, or tetrachlorethylene, around the Mid-Valley Landfill in Rialto, discovered in the late 1990s.

About \$7 million so far to clean and monitor groundwater contamination by the rocket fuel ingredient perchlorate around the Mid-Valley Landfill, with another \$9 million expected to be necessary in the next few years.

Roughly \$4 million at the beginning of the bark-beetle crisis in the San Bernardino National Forest that has killed hundreds of thousands of trees. The county wasn't charging its usual dumping fee, called a tipping fee, at the landfills for people bringing in wood waste.

Higher than budgeted "host fees" paid to Fontana and Rialto for effects from traffic and other problems associated with the Mid-Valley Landfill. Rialto received an upfront payment of \$14 million, which wasn't originally planned for, and Fontana gets more than \$2 per ton, which sends about \$1.5 million per year to the city.

The problem has the potential to be largely solved with a single move.

The county owns about 99 acres next to the now-closed Milliken Landfill.

The land could be worth as much as \$46 million, Wulfman said.

It's near Ontario International Airport and between Interstate 10 and Highway 60, making it prime land for commercial development.

The county is looking at adding a 69-cent-per-ton charge on waste to help cover the cost of the perchlorate mess, which should raise about \$1 million per year.

In addition, the agency will add \$1.75 per ton for processed green waste, which is often used to cover the waste at the landfills at the end of each day. That would mean about \$400,000 a year. Currently the county doesn't charge a fee for green waste.

The waste division also owes the county \$10.7 million from when the landfill system was transferred from the county's general fund to the division. Wulfman will ask the Board of Supervisors to forgive the remaining debt.

Other alternatives for covering the shortfall are far less desirable, he said.

The agency could borrow \$59.7 million, but that would require an increase of \$2.58 per ton in the tipping fees, and leave the agency saddled with debt for another 20 years.

Or tipping fees could be raised an average of \$12 per ton.

When Orange County continues to charge below-market rates for its landfills, that could force more trash out of San Bernardino County.

A final alternative would be to sell the entire system, but that would take far too long, Wulfman said.

"We'll need money before then. We need a quick infusion of cash," he said.

Once the other debt from the 1996 bonds is cleared up in 2016, the waste division will have \$10 million a year freed up.

"What we have to do is get to 2016 somehow, and we'll be pretty flush," he said.

The division's annual budget is about \$74 million.



# The 100-year flood debate

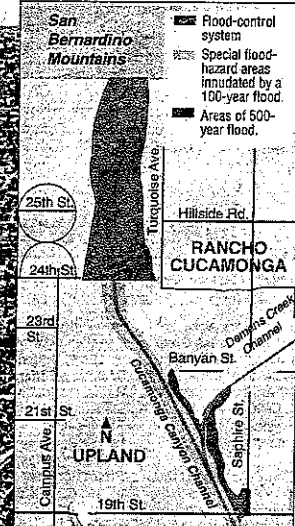
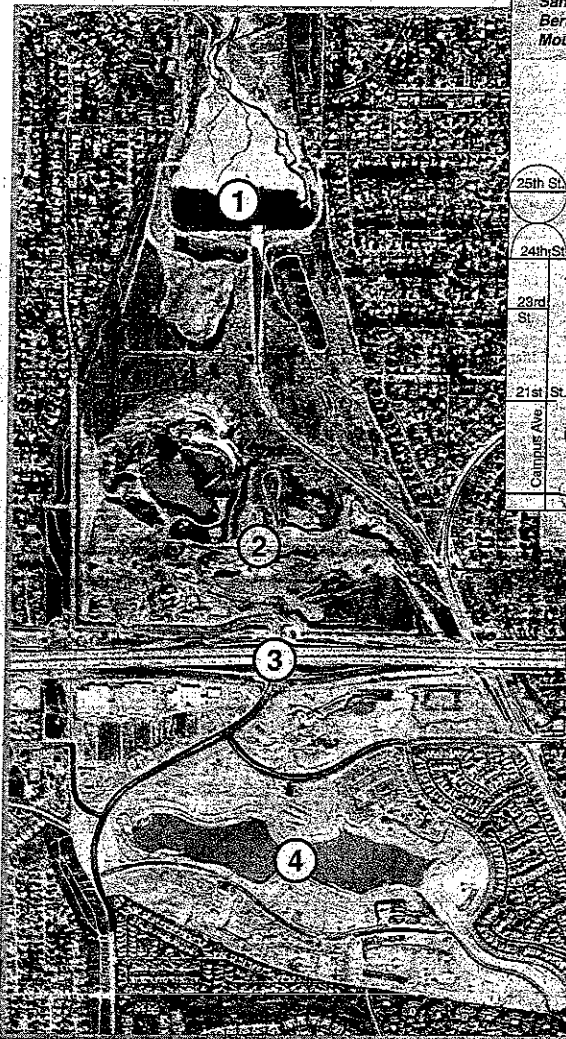
## Flood maps questioned

### The Cucamonga Canyon floodplain today

Composite aerial photos of the Cucamonga Canyon floodplain taken in January 2005 show what a corresponding 1996 Federal Emergency Management Agency flood-insurance rate map does not — features that have changed floodpaths, including the 210 Freeway, the Colonies development in Upland and a flood-control basin at the heart of a dispute in which the builders claim they are owed as much as \$254 million.

### The outdated FEMA flood-insurance rate map

The FEMA map made in July 1996 is intended to show 100-year floodplains below Cucamonga Canyon, but it is not updated to show the changes.



- 1. CUCAMONGA BASIN:** The flood-control works pictured were completed after the devastating floods of 1969.
- 2. FORMER SPREADING GROUNDS:** Upland developer Colonies Partners LP is involved in a dispute with the county Flood Control District over costs of protecting land south of the 210 Freeway.
- 3. 210 FREEWAY:** The FEMA flood insurance rate map does not show the freeway, which changes flood paths south of the freeway.
- 4. COLONIES RETAIL PROJECT:** To contend with new floodpaths south of the 210 Freeway, Colonies Partners LP has engineered a flood-retention basin to regulate flood flows into Cucamonga Creek channel.

Sources for photos: San Bernardino County Flood Control District. Sources for map: San Bernardino County Flood Control District, FEMA.

Chris Marich/Staff graphic

## Crucial data missing, experts say

By Guy McCarthy  
Staff Writer

San Bernardino County's most recent floodplain maps for Upland north of the controversial Colonies development show the massive Cucamonga Flood Control Basin.

They also show a 100-year flood zone inside the basin. But the maps do not show the 210 Freeway, the Colonies or a flood control basin at the heart of the development — features that radically change flood paths below Cucamonga Canyon.

The Federal Emergency Management Agency's flood insurance rate maps — intended to guide emergency assistance agencies, inform homebuyers about flood dangers and help insurance carriers set rates — are so out-of-date they are virtually useless, flood plain scientists say.

Furthermore, flood plain experts warned last week the level of flood protection used by Southern California communities to identify where acceptable risk begins — the 1 percent annual flood chance — is inadequate for densely-populated urban

areas.

Although scientists and flood plain managers agree the concept of 100-year flood protection is imprecise and inadequate, it may be months or years before land use decision-makers in San Bernardino County have to take this information into account.

"That means thousands more homes can legally be built in the way of foreseeable flood hazards, where they may or may not be protected if worst-case storms overwhelm existing flood control facilities.

"In certain situations, in urban areas with flood control structures and levees, 100-year protection is not enough," said Ricardo Fineda, flood insurance coordinator for the state Department of Water Resources. "In New Orleans, they had 250-year protection. But over 50 years, that works out to an 18.2 percent chance."

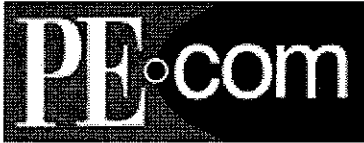
Confirmed storm deaths from Hurricane Katrina topped 500 last week, various news agencies



Bratt K. Snow/Staff photographer

Deer Creek flood basin is shown here north of Rancho Cucamonga.

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## Water plant is back on line

**NITRATES: The facility had been down nearly a year with mechanical breakdowns and bacteria.**

07:11 AM PDT on Thursday, September 15, 2005

By SANDRA STOKLEY / Press-Enterprise

MIRA LOMA - A treatment plant that serves thousands of water customers in the Jurupa and Eastvale communities returned to service Wednesday after being sidelined for nearly a year by mechanical and bacterial contamination problems.

The plant's renewed operation prompted the Jurupa Community Services District to lift an alert asking residential customers to conserve water and end a rule barring construction crews from using district water at building sites.

Steve Williams of the California Department of Health Services drinking-water field operations branch said the facility -- which removes the contaminant nitrate from drinking water through a process known as ion exchange -- tested negative for bacteria in the latest round of state-mandated checks.

Because the plant already was turned off for mechanical repairs when the bacteria were first detected, contaminated water never entered the public distribution system, district officials said.

District technicians spent most of the summer trying to isolate the source of the bacteria, testing and disinfecting every portion of the plant, from the wells that feed into the facility to the vessels where the chemical process takes place to remove the nitrates.

"We never determined where the contamination came from," said district operations manager Charles Smith..

The district has an estimated 21,000 water customers in the unincorporated west Riverside County communities of Pedley, Glen Avon, Sunnyslope and much of Mira Loma.

But most of the district's 9 percent annual growth rate is centered in the Eastvale area, a former dairy enclave west of Hamner Avenue and north of the Santa Ana River that is morphing into a residential hub.

High concentrations of nitrates can affect the blood's ability to carry oxygen in infants younger than 6 months, experts say. The condition known as "blue baby syndrome" is potentially fatal.

Reach Sandra Stokley at (951) 368-9647 or [sstokley@pe.com](mailto:sstokley@pe.com)

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Article Last Updated: 9/22/2005 01:07 AM

## Water firm said to owe millions

### Customers due for refunds

Kelly Rayburn, Staff Writer  
San Gabriel Valley Tribune

FONTANA -- The San Gabriel Valley Water Company owes ratepayers in Los Angeles and San Bernardino counties more than \$27 million, a division of the California Public Utilities Commission has determined.

The conclusion is listed as a recommendation to PUC commissioners in an audit released this week by the commission's water division's audit and compliance branch, and is not a binding decision.

Nevertheless, the city of Fontana is counting the audit's findings as the latest in a string of victories in its ongoing struggle against the water company, whose Fontana division is seeking major rate increases the city says are not needed.

The El Monte-based company has about 48,000 customers in Arcadia, Baldwin Park, El Monte, Hacienda Heights, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, Santa Fe Springs, San Gabriel, South El Monte, West Covina and Whittier.

The company says it has reinvested the more than \$27 million in question in infrastructure projects needed to serve its customers.

"We do not agree with all of the conclusions," company president Michael Whitehead said of the audit.

He said there was a "fundamental difference of opinion" on whether the company owed ratepayers money and stressed that the PUC commissioners would not necessarily adopt the audit's recommendations.

"We're confident the commission will make the right decision," he said.

The review was requested after the Fontana Water Company applied for a rate increase in November 2002. At the time, the city of Fontana and other groups fighting the increase said that they did not have enough information about the company's finances.

Still, the PUC eventually approved a rate increase of about 33 percent over a three-year period.

That decision was appealed, and a limited rehearing was granted Aug. 25.

In the meantime, the company sought another rate increase this year. The application for that increase as well as a rehearing of the original increase is set to be heard simultaneously before an administrative law judge.

The audit will be key to the upcoming hearing, said Ken MacVey, an attorney with law firm Best, Best and Krieger, who is representing the city.

"It's an important issue," MacVey said. "It's a question of whether millions of dollars were taken by the company that belonged to the ratepayers. That's the question."

The San Gabriel Valley Water Company is divided into two divisions, the Fontana Water Company, or Fontana division, and a Los Angeles County division based in El Monte.

Although the audit came at the request of those fighting a rate increase sought exclusively by the Fontana division, it raised questions about accounting company-wide and recommended that rate-payers to the Los Angeles County division be paid as well.

The audit said ratepayers in each division -- about 48,000 in Los Angeles County and about 38,000 in Fontana -- are owed about \$13.9 million.

The audit's results will likely come up in discussion at a pre-hearing conference scheduled for Sept. 29 in San Francisco.

Other topics that a judge has said will be discussed include a request by the water company to have the two rate increase applications considered separately and a request by state consumer advocates to address the rate residents currently pay before proceedings move ahead.

Although the PUC granted the rehearing -- questioning whether the original rate hike was properly implemented -- it did not

require that the rate be adjusted.

While dismayed over that portion of the PUC's ruling, city officials nevertheless say they believe the struggle with the water company is beginning to swing their way.

Fontana Mayor Mark Nuaimisays the water company issues are the single most important financial challenge facing the city and its residents. He seems confident that, when all is said and done, the water company's rate increases will not be permitted.

Whitehead, in contrast, reiterated Wednesday that the company had already justified a rate increase and that he believed it would do so again in the upcoming hearing.

-- Kelly Rayburn can be reached at (909) 889-9666.

Article Last Updated: 9/26/2005 09:45 PM

## Water company still reviewing supply options

By Edward Barrera, Staff Writer  
Inland Valley Daily Bulletin

UPLAND - As the San Antonio Water Co. develops plans to maximize its water supplies, it still has not named a permanent top executive and must now deal with a complaint filed with the Public Utilities Commission.

The company, which provides water to the unincorporated community of San Antonio Heights and parts of Upland, is attempting to streamline its operations while making the mutual water company fiscally sound.

Board member and Upland Councilman Ken Willis said water company staff is reviewing options that would establish long-term benefits to the city and San Antonio Heights residents.

The city and most homeowners in the unincorporated community own shares in the company, which set the amount of water they are allowed.

But Upland owns nearly 68 percent of the shares, which has prompted complaints by some San Antonio Heights residents who believe the city is treating them unfairly.

"My sense is that there are only a few people in the Heights who are truly contentious," Willis said. "Most people are just curious, and they want more information."

The company needs to maximize its water delivery and ensure that additional resources are available to all customers, Willis said. Eventually, water rates must also be discussed as well, he added.

Several months ago, the Board of Directors ignored a preliminary water study that determined that a steep increase and tiered system was the only way for the company to remain in the black a conclusion that critics dismissed as flawed.

Another point of contention during last week's monthly meeting was a resident's request to release shareholders' names. That request was denied.

"On the advice of counsel, we declined to release the shareholders, believing that the privacy laws outweighed the open information," said Tom Thomas, board president and Upland councilman.

Thomas added that no search has begun to locate a permanent replacement for fired General Manager Ray Wellington. Assistant General Manager Charles Moorrees is serving as acting manager.

No reason was given for the July firing of Wellington, except that the Board of Directors wanted to move in a different direction.

In addition, early this month longtime critic and San Antonio Heights resident Ken McNeil filed a complaint with the PUC against the water company, alleging various violations including selling water at more than cost and allowing nonshareholders access to water without proper documentation. The commission has oversight of public water, electricity and gas utilities statewide.

Willis and Thomas dismissed the complaints, insisting that water is sold at cost and that the PUC has no jurisdiction of San Antonio Water Co. because it is a privately owned mutual water company, not a public utility.

McNeil could not be reached for comment.

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

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Article Last Updated: 9/24/2005 10:57 PM

## State Sen. Perata wants to upgrade California's system of levees

Associated Press  
Inland Valley Daily Bulletin

SACRAMENTO - Senate President Pro Tem Don Perata called on Gov. Arnold Schwarzenegger and other lawmakers Saturday to support a statewide bond to shore up California's aging system of levees and address other infrastructure problems.

Perata's request in his weekly radio address followed a similar plea for federal funding from a bipartisan group of California's congressional delegation.

Democratic Sen. Dianne Feinstein urged others to join them and the governor in calling for more than \$90 million in federal money to repair and upgrade 12 key levee systems, mostly in the Central Valley and Sacramento-San Joaquin Delta.

Perata said major levee breaks would threaten \$47 billion in property, drinking water for 22 million Southern California residents and irrigation water for 2.3 million acres of farmland.

Although the state has taken steps to strengthen levees in the Central Valley Delta, "nothing done so far comes close to what we must do if our flood protection system is to be strong, safe and reliable," Perata said.

Schwarzenegger spokesman Bill Maile said the governor plans to aggressively pursue his agenda for funding to fix the levees in the next legislative session.

"The governor has been engaged on this issue for the last year and has moved aggressively to improve our levees and advance measures that will help save lives and property against flooding," Maile said.

Perata's February proposal for a \$10.3 billion plan which includes \$1.2 billion for levees and flood control stalled when Schwarzenegger and Republican lawmakers balked at more borrowing.

Schwarzenegger's spokesman said the governor hasn't ruled out any plan. He said this week that the state should consider all its options in trying to get funding as soon as possible.

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# Sinking land plan in focus

By Marianne Napoles

After three years of testing to determine the effects of deep well pumping on land sinking in the Chino Valley, a long-term plan may be around the corner.

Studies concluded in July found that deep well pumping has contributed to land sinking in the Chino Valley, according to the Chino Basin Watermaster.

The agency, which has been monitoring land subsidence in Chino and Chino Hills for three years, has asked both cities for more time to analyze the data.

The Chino Hills city council approved the one-year extension Aug. 23. Chino submitted its approval in early August.

Both cities agreed to reduce the water pumped from certain wells so that scientific data may be obtained. During this time, the Watermaster placed instruments in wells to monitor water levels and ground movements.

The land sinking plan was initiated in 2002, after a lawsuit was filed by Chino Hills against Chino.

Chino had refused a permit to Chino Hills to build a water line, concerned that over-pumping could cause further land sinking.

The two cities have since resolved their litigation over the water line.

In 1994, land sinking occurred in an area generally east of Central Avenue, south of Schaefer Avenue, and north of Chino Hills Parkway, said Chino officials.

Kenneth Manning, chief executive officer for the Chino Basin Watermaster, said more time is needed to implement a long-range plan.

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BY JIM TAYLOR

## City of Pomona takes a forward-looking approach to leveraging local water resources

IN SOUTHERN CALIFORNIA, WATER IS A SCARCE COMMODITY. EVEN THE RECENT UNUSUALLY HEAVY RAINS BROUGHT THE REGION'S RESERVOIR LEVELS TO LESS THAN 70% OF CAPACITY.

**F**aced with the rising cost of imported water, progressive water agencies, such as the city of Pomona's Utility Services Department, are increasingly looking to their own local groundwater resources as the most-reliable source of water for the communities they serve.

In 1992 the city of Pomona opened a facility that was, at the time, the world's largest nitrate-removal plant, based on ion exchange (IX) technology. Served by 12 wells from a centralized location, the treatment facility still produces 15 mgd (57 ML/d) of drinking water and is currently under design for a capacity and optimization upgrade.

Within the next decade, 10,000 people were added to the city's population, creating increasing water demands. With diminishing prospects for reasonably priced imported water to meet future growth, the city needed to act. The good news was that improved technology and private sector resources had combined to offer an affordable solution to the city's growing need for high-quality water.

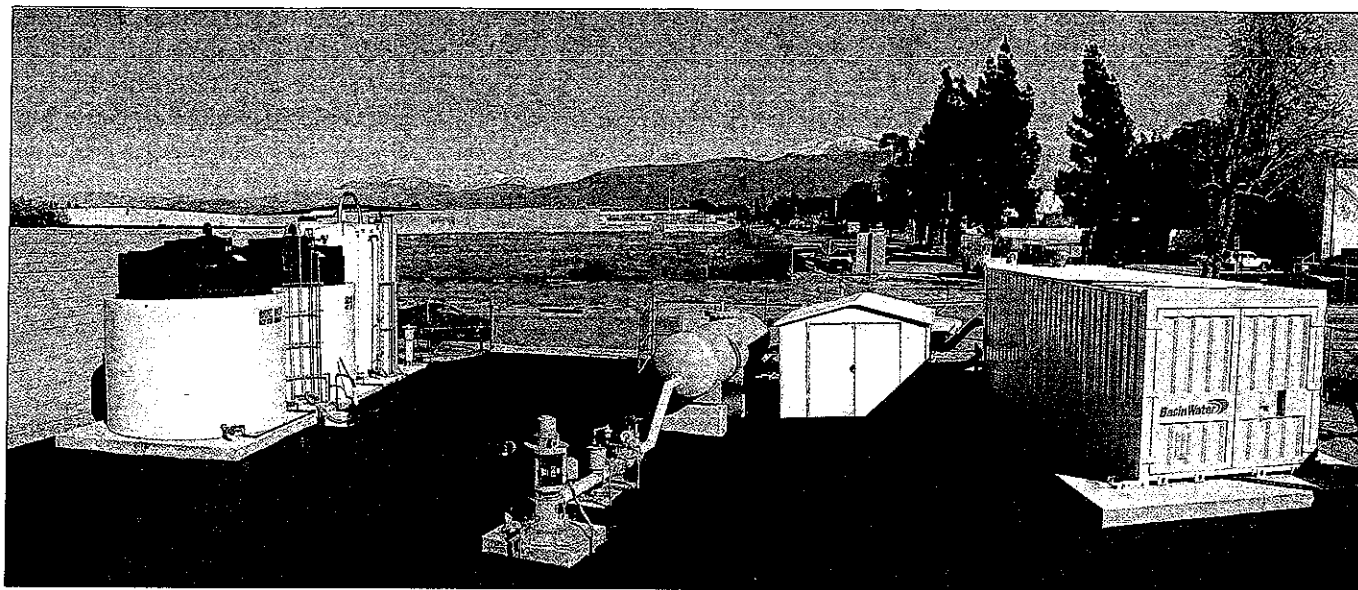
The familiarity of the Pomona Utility Services Department's operations staff with IX treatment increased the comfort levels enough to consider the use of next-generation IX technology from Basin Water Inc. The Pomona City Council approved an agreement with Basin Water to provide for the treatment of high-nitrate groundwater to drinking water standards. Basin Water's compact, wellhead-based treatment system was viewed as a way to bring remote wells into compliance and help ensure a reliable, economical, local source of drinking water for Pomona, the fifth largest city in Los Angeles County.

### BACKGROUND

The City of Pomona covers nearly 23 sq mi (60 km<sup>2</sup>) and serves a population of approximately 156,000 people. In addition to treating surface water supplies from the Mt. Baldy Watershed, the city's utility services department also draws water from three groundwater aquifers: the Chino Basin, the Six Basins, and the Spadra Basin. Pomona has 37 groundwater wells



City of Pomona employees who have contributed to the installation and maintenance of the nitrate removal unit are: (front row, left to right) Tim Connor, water distribution supervisor; Gary Matthews, water operations crew chief; Nick Capogni, water treatment plant supervisor; (back row, left to right) Adam Ly, water quality program administrator; Raul Garibay, utilities engineer; Jim Taylor, water/wastewater operations manager.



The city of Pomona Well 29 facility includes the wellhead (center) surrounded by the brine waste tanks (left) and the Basin Water nitrate removal unit (right).

in operation, with three more planned to go online within the coming year.

Historically Pomona was a major citrus growing region until the 1930s, when it began a transition to residential housing and then to manufacturing related to technology and the defense industry. Over time, agricultural and industrial chemicals started to show up

previously mentioned 15 mgd (57 ML/d) IX plant started operation. Third, in the late 1990s, the city pursued a comprehensive \$44 million capital improvement program aimed at replacing aging infrastructure and maximizing the use of local water resources. The goal was to reduce the city's reliance on expensive imported

been developed by Basin Water to answer this challenge. The compact Basin Water system treated groundwater right at the wellhead, so no new piping was required.

The modular design of the Basin Water ion exchange treatment system allowed for installation of the treatment modules in free-standing conventional

## Imported water can no longer be relied on, as in the past, to provide for high demand.

in local groundwater wells. These compounds included volatile organic compounds and inorganic chemicals, including nitrates, perchlorate, arsenic, and hexavalent chromium.

The city responded with a three-pronged approach. First, in 1966, the city implemented one of the state's first large-scale municipal recycled water systems, which still delivers more than 5 mgd (19 ML/d) of tertiary treated recycled water. This system includes three high-nitrate water wells dedicated for industrial use that pump non-potable well water. Second, in 1992, after years of planning and design, the

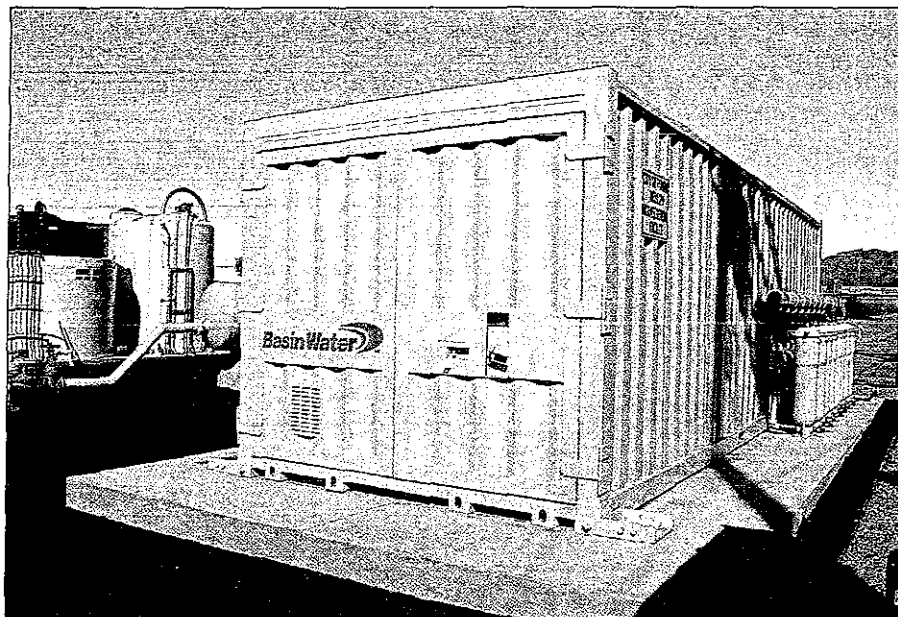
water, provide a higher level of drought-proofing for the city's customers, and more fully utilize adjudicated groundwater rights.

### BASIN WATER

Basin Water was brought in to eliminate nitrate contamination at Well 19, a heavily used, nonpotable well, in the Spadra Basin. One major challenge was the remote location of the wellhead: It was too distant to economically construct a new pipeline to the centralized treatment facility. The city investigated various treatment alternatives and discovered that a new technology had

buildings or in containerized boxes that could be delivered by flatbed trailer to the well site. This made the installation of the Basin Water system relatively easy and straightforward compared with a conventional treatment plant. The Basin Water system was permitted and fully operational for the treatment of nitrates at Well 19 a short time later. The effort successfully brought the well back into compliance for potable domestic uses, producing roughly 500,000 gpd (1.9 ML/d) of drinking water.

The success was to be short-lived. Despite decades of water quality data showing nitrates as the only con-



The 500 gallon per minute Basin Water nitrate removal unit at Well 29.

stituent of concern, six weeks after the Well 19 facility started treating water, a problem developed. A plume of volatile organic compounds had migrated to the well, the very first sign of volatile organic compounds in the Spadra Basin. The utility services department returned Well 19 to industrial use and considered its options.

The city faced the possibility of having a stranded investment, and other alternatives were both costly and time-consuming. The development of another well in the city would cost more than \$1 million and take many months to budget, plan, permit, and construct. The ability to find "sweet" well water without some contaminant requiring removal would be unlikely. Imported water for Pomona was costing the city \$467/acre-ft (\$0.38/m<sup>3</sup>). Given these constraints and so as not to lose the investment, the best alternative was to use the system to treat water at another impaired water well.

Fortunately, the Basin Water system was transportable. If a conventional IX facility had been constructed, the city's investment would have been lost. Instead, the entire Basin Water treatment system was loaded onto a flatbed truck and moved nearly 10 mi (161 km) to Well 29, which was limited to operating only occasionally because of "yo-yoing" levels of nitrates. The California Department of Health Services (CDHS) had accepted the monitoring and control of the well by an onsite nitrate analyzer wired to shut down the well at 36 mg/L as NO<sub>3</sub>, a limit that includes an appropriate margin of safety for Pomona customers. Well 29 draws water from the Chino Groundwater Aquifer, which is one of the largest groundwater basins in Southern California, and provides drinking water to more than one million people in the Greater Inland Empire stretching from Pomona in the west to Fontana in the east. The Chino Basin encompasses a total area

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of about 235 mi (378 km), the western portion of which overlies the city's service area. The basin stores about 5 mil acre-ft ( $6.2 \times 10^6 \text{ m}^3$ ) of water and is the largest groundwater basin in the Upper Santa Ana River Watershed. Prior to the move, Basin Water technicians upgraded various components to further enhance the system's performance and efficiency.

#### THE NITRATE PROBLEM IS SOLVABLE

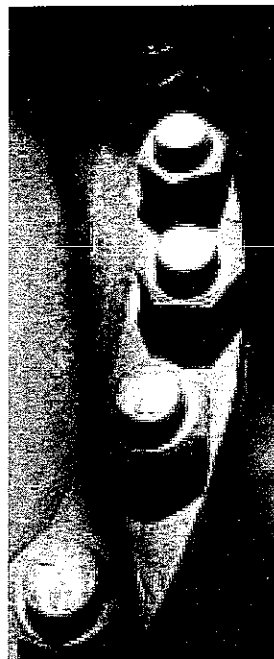
The city was granted an amended operating permit by the CDHS to operate the Basin Water IX treatment system. The treatment system was tested, operating settings were fine-tuned, shutdown alarms were confirmed, and lab analyses verified that all water quality parameters were in compliance. The Basin Water IX treatment system at Well 29 is presently producing more than 0.5 mgd (1.9 ML/d) of safe, locally sourced drinking water for Pomona residents. All operating conditions are supervisory control and data acquisition—monitored by city staff, and water treatment plant operators spend less than an hour a day checking, testing, and recording the plant's operations. It has been running, according to Utility Services engineer Raul Garibay, "flawlessly." Garibay also noted that the Pomona water treatment operators were involved with the development of the operations manual, which gave them "buy in" on the project and eased concerns about the ability of the equipment to maintain a high degree of performance and reliability.

The new Basin Water technology offers other benefits over the older IX systems. For example, one of the major operating expenses with the centralized treatment facility has been for residuals management. The Basin Water treatment system creates more than 90% less brine waste than the older technology at the centralized plant.

The key to Basin Water's superior system is its patented multibed technology. Although conventional IX uses three large beds, two in adsorption and one in regeneration, the Basin Water system uses up to 16 small beds. The multiple-bed design substantially reduces waste and provides a much more consistent effluent water quality. This design also offers the ability to take beds out of operation for maintenance without having to shut down the entire system.

Additionally, under the contract with Basin Water, city personnel are no longer involved in pumping, handling, or disposing of brine waste. Brine use is optimized to achieve maximum efficiency, thereby reducing salt requirements and greatly lowering the volume of brine waste, allowing for off-site disposal under a contract with a waste-hauling company.

Automated features are abundant to reduce staff time. Alarms and "shut-downs" are fully automated,



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and even some troubleshooting and repair can be managed remotely. This dramatically reduces staff visits. Plant operators spend less than an hour a day operating the treatment system.

Like Pomona, other water agencies can enjoy the advantages of cost and operating efficiency associated with Basin Water's technology. Reduced brine waste-disposal costs, lower salt usage, and reduced staffing costs over conventional IX plants make this next-generation modular ion exchange treatment technology a good option for water purveyors wanting to leverage their local water resources and keep costs low.

**ONGOING COST SAVINGS**

The cost savings for the city of Pomona—and its residents—is tremen-

dous: more than \$150/acre-ft (\$0.12/m<sup>3</sup>) in savings compared with importing water. Pomona is not only saving money, but also helping to keep water rates down while maintaining customer satisfaction.

**CONCLUSION**

The water supply in Southern California has been under threat by tightening environmental requirements, drought in the Upper Colorado Basin, and the growth of cities. Cities and water agencies have a choice to make, and this choice can no longer be dictated by taking the path of least resistance, which has often meant doing nothing. In the past, the easiest decision was to shut off contaminated wells. A new paradigm now exists. Imported water can no longer be relied on, as in the past, to provide

for high demand. Water agencies should consider the treatment options now available to provide their customers a safe and reliable supply of drinking water using local groundwater.

Choices made now will affect this generation and the ones to follow. Water industry professionals must ask themselves how they can make the best possible use of their resources. The city of Pomona has demonstrated a clear vision for the future, which is reflected in the choices it has made in water resource management.

—Jim Taylor is water/wastewater operations manager for the City of Pomona, 505 S. Garey Ave., Pomona, CA 91766, (909) 620-2251.

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With an aging population and low birth rates, the competition for highly skilled workers is expected to greatly intensify in many US industries in the very near future—the water and wastewater industries are no exception.

**Just a few things you should know:**

- ▶ In the US between 2000 and 2030, the **0-65 age group will grow by 28.6%** while the **65+ population will grow by 107.9%**

- ▶ **35%** of employees in the **water and wastewater industry** are eligible to retire in the next 10 years, **22%** within the next five years

- ▶ The **number of people entering the trade labor pool** is declining at a high rate

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