

CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

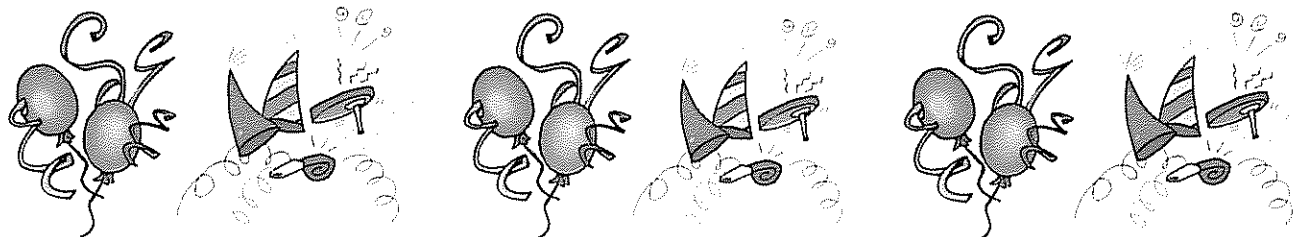
Thursday, January 26, 2006

9:00 a.m. – Annual Advisory Committee Meeting
11:00 a.m. – Annual 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

January 26, 2006

9:00 a.m. - Annual Advisory Committee Meeting

11:00 a.m. - Annual Watermaster Board Meeting

(Lunch will be served)

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
ANNUAL ADVISORY COMMITTEE MEETING**

9:00 a.m. - January 27, 2006

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. INTRODUCTIONS OF THE ADVISORY COMMITTEE OFFICERS, CALENDAR YEAR 2006

<u>Nathan deBoom</u>	Chair	(Agricultural Pool)
<u>Ken Jeske</u>	Vice-Chair	(Appropriative Pool)
<u>Bob Bowcock</u>	Second Vice-Chair	(Non-Agricultural Pool)
<u>Ken Manning</u>	Secretary/Treasurer	(Chief Executive Officer)

II. 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 December 15, 2005 (*Page 1*)

B. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 06-01 - Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy (*Page 11*)

C. LOCAL AGENCY INVESTMENT FUND

Resolution 06-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) (*Page 19*)

D. ASSESSMENTS

Resolution 06-03 – Resolution of the Chino Basin Watermaster Levying Replenishment and Administrative Assessments for Fiscal Year 2005-2006 (*Page 21*)

E. NOTICE OF INTENT

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield (*Page 25*)

III. BUSINESS ITEMS

A. PROPOSAL FOR PROFESSIONAL ENGINEERING SUPPORT SERVICES FOR THE CHINO BASIN FACILITIES IMPROVEMENT PROJECT

Consider the proposal to secure an outside professional engineering support service "Stantec" in the amount of \$10,000.00 to be billed monthly on a time-and-materials basis (*Page 29*)

B. BASIN OPERATIONS MANUAL

Consider approval of the Basin Operations Manual which will be available on the Wildermuth Environmental Inc. web site and the Chino Basin Watermaster FTP site (Page 33)

C. MONTE VISTA WATER DISTRICT APPLICATION TO RECHARGE

Consider approval for the Monte Vista Water District application to the Chino Basin Watermaster dated November 1, 2005, requesting to recharge up to 3,500 acre-ft/yr of State Water Project water by injection at its wells 1, 4, 30, and 32 (Page 37)

IV. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

- 1. Board Reappointment Motion (Page 127)
- 2. Peace II Process

B. ENGINEERS REPORT

C. CEO/STAFF REPORT

- 1. Ontario International Airport Data Request
- 2. Water Activity Update

D. INLAND EMPIRE UTILITIES AGENCY

- 1. MWD Status Report – Richard Atwater
- 2. Recycled Water Status Report – Rich Atwater
- 3. Water Bond Update – Martha Davis (Page 140)
- 4. Monthly Water Conservation Programs Report (Page 143)
- 5. Quarterly Planning and Water Resources Report (Page 145)
- 6. Chino Basin Facilities Improvement Project Report (Page 151)
- 7. State/Federal Legislation Reports (Page 157)
- 8. Public Relations Report (Page 175)

E. OTHER METROPOLITAN MEMBER AGENCY REPORTS

V. INFORMATION

- 1. Newspaper Articles (Page 177)
- 2. NWRA Election Results (Page 193)
- 3. AGWA Hydrologic, Environmental and Legislative Challenges to Southern California's Present and Future Managed Aquifer Recharge Programs Monday, February 6, 2006 (Page 195)
- 4. Integrated Resource Management Business Disclosure (Page 197)

VI. COMMITTEE MEMBER COMMENTS

VII. OTHER BUSINESS

VIII. FUTURE MEETINGS

January 25, 2006	1:00 p.m.	MZ1 Technical Committee Meeting
January 26, 2006	9:00 a.m.	Annual Advisory Committee Meeting
January 26, 2006	11:00 a.m.	Annual Watermaster Board Meeting
February 9, 2006	9:00 a.m.	Joint Appropriative & Non-Ag Pool Meeting
February 21, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
February 23, 2006	9:00 a.m.	Advisory Committee Meeting
February 23, 2006	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
ANNUAL WATERMASTER BOARD MEETING**

9:00 a.m. - January 27, 2006

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

PUBLIC COMMENTS

INTRODUCTIONS - CALENDAR YEAR 2006 WATERMASTER BOARD MEMBERS

John Anderson	Inland Empire Utilities Agency
Bob Bowcock	Non-Agricultural Pool (Vulcan Materials Company)
Paul Hofer	Agricultural Pool (Crops)
Bill Kruger	City of Chino Hills
Bob Kuhn	Three Valleys Municipal Water District
Al Lopez	Western Municipal Water District
Sandra Rose	Monte Vista Water District
Geoffrey Vanden Heuvel	Agricultural Pool (Dairy)
Ken Willis	West End Consolidated Water Company

RECOGNITION OF OUTGOING WATERMASTER BOARD MEMBERS

1. Mr. Robert Neufeld
2. Mr. Paul Hamrick

I. CALENDAR YEAR 2006 OFFICERS – Action

A. ELECTION OF OFFICERS

1. Nominations will be heard for Watermaster Board Chair
2. Nominations will be heard for Watermaster Board Vice-Chair
3. Nominations will be heard for Watermaster Board Secretary/Treasurer

II. CONSENT CALENDAR

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2. Peace II Process

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C. CEO/STAFF REPORT

1. Ontario International Airport Data Request
2. Water Activity Update

V. INFORMATION

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Meeting Adjourn

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CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting – December 15, 2005



Draft Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING
December 15, 2005

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

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Ken Jeske, Chair	City of Ontario
Rosemary Hoerning	City of Upland
Dave Crosley	City of Chino
Raul Garibay	City of Pomona
Mike Maestas	City of Chino Hills
J. Arnold Rodriguez	Santa Ana River Water Company
Mark Kinsey	Monte Vista Water District
Robert DeLoach	Cucamonga Valley Water District
Charles Moorrees	Santa Ana Water Company

Agricultural Pool

John Huitsing Dairy

Non-Agricultural Pool

Justin Scott-Coe Vulcan Materials Company (Calmat Division)

Watermaster Board Members Present

John Anderson Inland Empire Utilities Agency

Watermaster Staff Present

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

Watermaster Consultants Present

Scott Slater	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Terry Catlin	Inland Empire Utilities Agency
Justin Brokaw	Marygold Mutual Water Company
Rick Hansen	Three Valleys Municipal Water District

The Advisory Committee meeting was called to order by Chair Jeske at 9:07 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 November 17, 2005

B. FINANCIAL REPORTS

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

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer – Monte Vista Water District has agreed to purchase from the City of Chino Hills a portion of the City's water in storage in the amount of 5,000 acre-feet. Date of application: October 18, 2005

Motion by DeLoach, second by Rodriguez, and by unanimous vote

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

II. BUSINESS ITEMS**A. MOTION FOR EXTENSION OF THE WATERMASTER BOARD**

Mr. Manning stated the Watermaster Board had asked counsel to prepare a motion to file with the court that would extend the nine member board; that has been done and a copy of that motion is in today's meeting packet. The motion, as represented in the meeting packet, has gone to the Agricultural Pool with their full support. The Appropriative Pool and Non-Agricultural Pool was also in support of the motion, although they approved it with a contingency statement that would outline a review process and a two year time frame by which there would be a governance structure committee that would be appointed. Mr. Manning read the motion that was presented at the continued Appropriative Pool meeting this morning. Counsel Slater inquired to the Committee Members if it was their pleasure to proceed with the motion presented in the meeting packet or the motion which was presented by the Appropriative Pool Committee Members. It was noted the Committee Members wished to go forth with the motion presented by the Appropriative Pool and read by Mr. Manning. Counsel Slater stated that he wanted to call attention to paragraph 38a of the Judgment which requires cross notification of a new recommendation out of either pools. In counsel's view, as this motion has been structured, it is truly not a new motion or a new recommendation originating from the committee, but more or less a condition associated with a request for feedback transmitted by the Board. Counsel Slater stated in giving the existing discussions it would appear that no such additional cross notification is required. Mr. Huitsing inquired to the presented motion and the motion which was approved at the Agricultural Pool meeting on December 6, 2005 differences. A discussion ensued with regard to the motion differences. Counsel Slater stated the Watermaster Board is likely to give weight to the view of the Advisory Committee and Pools as to whether this is new subject matter.

Motion by DeLoach, second by Crosley, and by unanimous vote – Agricultural Pool concurred with the revised motion

Moved to approve the recommendation of the reappointment of the nine member Watermaster Board contingent upon the formation of a Watermaster committee to review and make recommendations regarding possible changes in the Watermaster governance structure including the roles and functions of the Pools, Advisory Committee, and the Watermaster Board of Directors no later than December 31, 2007, as presented

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

1. Attorney Manager Process/Discussion of Peace II Agreement
Counsel Slater stated there has been an on going process with public workshops to review the Peace II Term Sheet and the process is moving forward; a further report will be given today to the Watermaster Board. There is some desire to obtain feedback on the next

steps to further discussions among the stake holder groups. Mr. Kinsey inquired as to the thoughts that have been given to the go forward process. Counsel Slater stated two workshops have been held and there has been significant discussion and input received by Watermaster counsel and staff. It was noted that a technical report will be forthcoming which will respond to all the technically based questions that have been raised at the workshops and in addition, staff and legal counsel are drafting answers to the legal questions. Once those reports are formulated they will be going through the Watermaster process for a decision.

B. CEO/STAFF REPORT

1. Volume Vote Calculations and 85/15 Credit for Non-Agricultural Assignments Review
Mr. Manning stated it was asked that this item be reviewed and an update be provided, however, due to time constraints in having the meetings early in December, a full report will be given at a subsequent meeting on this item.

Added Item:

Mr. Manning stated that Huell Howser along with ACWA are sponsoring a production of segments that will be aired on public broadcasting that will talk about water in California and issues related to water. So far there are thirteen segments corresponding to that particular piece. The segments have been reviewed by Watermaster staff and discussions have taken place by staff with other groundwater managers in Southern California because, in those twelve segments, there is no discussion or mention of groundwater. Mr. Manning noted that is a tremendous oversight on the parties that have put the segments together. Mr. Manning stated that our representative on that committee is Mr. Robert Neufeld and he has been asked to address this situation with that planning committee. It was related by Mr. Neufeld at the last ACWA meeting that if the groundwater topic was to be discussed or reviewed in a segment a fourteenth segment could be added at the cost of \$30,000 dollars for a sponsorship. In response to that dollar figure and the possibility of adding a segment Mr. Manning spoke to John Rossi from Western Municipal Water District and Rich Atwater from Inland Empire Utilities Agency about trying to pool some resources in coming up with the \$30,000 dollars to pay for groundwater coverage. Mr. Manning encouraged each committee member to go back to their prospective boards and talk about the possibly of participating financially in this endeavor. A discussion ensued with regard to the possible segments and the necessity to have groundwater as one of the topics.

C. INLAND EMPIRE UTILITIES AGENCY

1. MWD Status Report – Richard Atwater
No comment was made regarding this item.
2. Recycled Water Status Report - Richard Atwater
No comment was made regarding this item.
3. Monthly Water Conservation Programs Report
No comment was made regarding this item.
4. Community Outreach/Public Relations Report
No comment was made regarding this item.

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Hansen commented on the Rialto Feeder reliability issue for those who take state project water. An agreement has been finalized between Metropolitan Water District, San Gabriel Valley Municipal Water District, Inland Empire Utilities Agency, and Three Valleys Municipal Water District. This will allow the tapping into the San Gabriel pipeline, a non -MET member agency, and make imported water available to Cucamonga Valley's treatment plants, WFA treatment plants, and the Three Valleys treatment plants. It was noted there will be no shutdown in January 2006. A brief discussion ensued with regard to isolation valves.

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

December 15, 2005	8:30 a.m.	Continuance of the Appropriative & Non-Ag Pool Meeting from December 8, 2005
December 15, 2005	9:00 a.m.	Advisory Committee Meeting
December 15, 2005	11:00 a.m.	Watermaster Board Meeting
December 19, 2005	1:00 p.m.	AGWA Meeting
January 12, 2006	9:00 a.m.	Annual Appropriative Pool Meeting
January 12, 2006	11:00 a.m.	Annual Non-Agricultural Pool Meeting
January 17, 2005	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 26, 2006	9:00 a.m.	Annual Advisory Committee Meeting
January 26, 2006	11:00 a.m.	Annual Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 9:35 a.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting – December 15, 2005



Draft Minutes
CHINO BASIN WATERMASTER
BOARD MEETING
December 15, 2005

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on December 15, 2005 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Robert Neufeld, Chair	Fontana Union Water Company
John Anderson	Inland Empire Utilities Agency
Al Lopez	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Justin Scott-Coe	Vulcan Materials Company
Paul Hofer	Agricultural Pool, Crops
Paul Hamrick	Jurupa Community Services District
Bill Kruger	City of Chino Hills
Geoffrey Vanden Heuvel	Agricultural Pool, Dairy

Watermaster Staff Present

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

Watermaster Consultants Present

Scott Slater	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Rosemary Hoerning	City of Upland
Raul Garibay	City of Pomona
Ken Jeske	City of Ontario
Robert DeLoach	Cucamonga Valley Water District
Terry Catlin	Inland Empire Utilities Agency
Mike Maestas	City of Chino Hills
Josephine Johnson	Monte Vista Water District

The Watermaster Board Meeting was called to order by Chair Neufeld at 11:05 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 November 17, 2005

B. FINANCIAL REPORTS

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

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer – Monte Vista Water District has agreed to purchase from the City of Chino Hills a portion of the City's water in storage in the amount of 5,000 acre-feet. Date of application: October 18, 2005

Motion by Kruger, second by Anderson, and by unanimous vote

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

II. BUSINESS ITEMS

A. MOTION FOR EXTENSION OF THE WATERMASTER BOARD

Mr. Manning stated last month the motion that was drafted on behalf of the board, was requested to be sent through the pool process for comment; it has now been through the complete pool process including a special session of the Appropriative Pool. The Agricultural Pool took the position to support the motion for the reappointment of the nine member board at their pool meeting. The Appropriative Pool and actions taken today at the Advisory Committee meeting formed a motion that was modified from the original motion which Counsel Slater will elaborate on. It was noted the Advisory Committee took a position to support the motion as delivered by the Appropriative Pool. Counsel Slater reiterated that the Agricultural Pool took action and accepted the motion as it was presented in its original form, the same pleading was presented to the Appropriative and the Non-Agricultural Pool and their motion was that the pleading should be filed with an additional item to be worked into the pleading. Counsel Slater read the motion which was approved by all three pools and was also presented today's meeting packet. Counsel Slater made reference to the procedure in paragraph 38a of the Judgment which states that if a recommendation is generated from a pool that there be cross pool notification of the recommendation, so that other pools have an opportunity to review and comment. The recommendation coming out of the Appropriative Pool was that the intention was consistent with the Board's direction for advice and comment, on the pleading, that they are providing that advice and comment which is actually a reaction to a Board's direction, which they are responding to. Secondly, the Appropriative Pool believes their motion is consistent with the action the Board had already taken along with what the Agricultural Pool approved. This motion in its entirety was presented to the Advisory Committee which included Agricultural Pool representation and was approved by a unanimous vote. This motion now comes to this Board with the understanding that there was an intention to be consistent with the Board's direction, that it is a comment to move forward on the pleading but with an added recommendation that a committee be established to review possible governance changes by December 31, 2007. Based upon the prior action of the Advisory Committee, in counsel's view, the intent and spirit was to be consistent with paragraph 32a of the Judgment. A discussion ensued with regard to having a committee formed be part of the motion. Counsel Slater noted it was the impression of counsel and staff that the support for moving forward with the nine member board also came along with a commitment to evaluate internally our progress; in tying the two together in a desire to go forward with the pleading that was dependant on an acknowledgement by Watermaster and this Board that it will evaluate the propriety of our existing governance. It was noted that there was no discussion of the make up of the new committee in hopes that that decision would go through the Watermaster process. Mr. Vanden Heuvel expressed his concerns regarding the representation of the Agricultural Pool at the Advisory Committee. Counsel Slater noted that there are some decisions that need to be made with regard to advancing the pleadings in the first or second week of January and there was a desire to keep us on track towards to making that pleading timeline. The checks and balances that are contained within the Judgment

include a rather extensive process periods for the Pools to communicate with each other and with the Advisory Committee and the Watermaster Board. If we were to follow precisely the notice and counter notices it could take an abundance of time. Mr. Kuhn stated that he supports the motion. A discussion ensued with regard to the composition and intent of the "new" committee. Mr. Jeske noted the motion included the words, the Pools, the Advisory, and the Watermaster Board to ensure it is an all inclusive process. The intention is to have a cooperative process to look at the governance of Watermaster to include all perspectives and parties. Chair Neufeld offered comments on remarks made by other parties who are very interested in this process. Counsel Slater addressed the chair and the members of the board with the two options that are presently available based upon the fact that the Advisory Committee unanimously voted on this item and forwarded to this board. The first option is to accept the recommendation included in the pleading and move forward or the second option would be to express caution or concern about that motion and hold a public hearing wherein you would have an opportunity to have further discussion with the Advisory Committee which requires a thirty day notice under the rules of the Judgment and will put this situation well into the mid to late January time frame and beyond the date that has been scheduled for filing the pleading. There is nothing that would preclude this board from agendizing a separate matter for schedule, composition, and anything else this board would like to outline with regard to this process and a subsequent meeting and then to refer it through the regular Watermaster process for approval. Mr. Vanden Heuvel expressed his confidence in the system and in the decision making process.

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

Moved to approve the recommendation of the reappointment of the nine member Watermaster Board contingent upon the formation of a Watermaster committee to review and make recommendations regarding possible changes in the Watermaster governance structure including the roles and functions of the Pools, Advisory Committee, and the Watermaster Board of Directors by no later than December 31, 2007, as presented

III. REPORTS/UPDATES

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Added Item:

Mr. Manning stated that Huell Howser along with ACWA are sponsoring a production of segments that will be aired on public broadcasting that will talk about water in California and issues related to water. So far there are twelve segments corresponding to that particular piece. The segments have been reviewed by Watermaster staff and discussions have taken place by staff with other groundwater managers in Southern California; because in those twelve segments there is no discussion or mention of groundwater. Mr. Manning noted that is a tremendous oversight on the parties that have put the segments together. Mr. Manning stated that our representative on that committee is Mr. Robert Neufeld and he has been asked to address this situation with that planning committee. It was related by Mr. Neufeld at the last ACWA meeting that if the groundwater topic was to be discussed or reviewed, a thirteenth segment could be added at the cost of \$30,000 dollars for a sponsorship. In response to that dollar figure and the possibility of adding a segment Mr. Manning spoke to John Rossi from Western Municipal Water District and Rich Atwater from Inland Empire Utilities Agency about trying to pool some resources in coming up with the \$30,000 dollars to pay for groundwater coverage. Chair Neufeld noted that the segments will not be aimed at any agency; the agencies will only receive credit for sponsoring a particular segment. What the committee is looking at doing is to cover all the items that are in the ACWA Blue Print which was published earlier this year. Included in that Blue Print were the issues pertaining to groundwater. In the election to set the segments for the Huell Howser series, the groundwater element was left out, and in discussions with the members of the committee that issue was brought to light more than once. Mr. Neufeld was assured that the segment listing which consists of thirteen segments can be expanded and the only reason that it was ever limited was because of the \$30,000 dollar needed sponsorships per segment. As of last Thursday eleven of the segments have been financially committed to by agencies. This morning the Chino Basin Water Conservation District has committed some monies. Mr. Neufeld expressed that he is looking forward to each of the agencies in this area to possibly participate financially in these very important aired publications; all sponsors will be given recognition no matter how small or large a contribution.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. BOARD MEMBER COMMENTS

The board wished all parties Happy Holidays and a Happy New Year.

VI. OTHER BUSINESS

Mr. Neufeld recognized Josephine Johnson from Monte Vista Water District, who is retiring this month, and acknowledged all that she has done cause over the past several years. Mr. Neufeld thanked her for her diligence on many issues and noted her efforts always had good intentions. All committee members wished her luck in her retirement.

VII. FUTURE MEETINGS

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The Watermaster Board Meeting Adjourned at 11:40 a.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

B. CHINO BASIN WATERMASTER INVESTMENT POLICY



RESOLUTION 06-01

**RESOLUTION OF THE CHINO BASIN WATERMASTER,
SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING
A WATERMASTER INVESTMENT POLICY**

WHEREAS, the normal and prudent operation of the Watermaster's daily business generates cash balances, operating and fund reserves; and

WHEREAS, the cash management system is designed to accurately monitor and forecast expenditures and revenues on behalf of Watermaster, thus enabling the Watermaster to invest funds to the fullest extent possible; and

WHEREAS, the cash funds are to be placed in investments authorized for public agencies of the State of California (Judgment Paragraph 23); and

WHEREAS, Watermaster deems it to be in the best interests of the parties to the Judgment to delegate the authority to invest and reinvest the funds of Watermaster to the Watermaster Finance Manager subject to the provisions of its Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

WHEREAS, it is the Watermaster's policy to annually review, update, and adopt an investment policy;

NOW, THEREFORE, BE IT RESOLVED, by the Chino Basin Watermaster that:

- Section 1. The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster Chief Financial Officer subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.
- Section 2. This resolution shall take effect from and after its date of adoption and Resolution 00-09 is rescinded in its entirety.

**Watermaster's Investment Policy originally adopted by the Advisory Committee on February 13, 1997 and the Watermaster Board on March 5, 1998.

APPROVED by the Advisory Committee this 26th day of January 2006.
ADOPTED by the Watermaster Board on this 26th day of January 2006.

By: _____
Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, _____, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 06-01, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CHINO BASIN WATERMASTER

Secretary

Date: _____

CHINO BASIN WATERMASTER INVESTMENT POLICY

I PURPOSE

This statement provides guidelines for the prudent investment of the Chino Basin Watermaster's (Watermaster) cash, and outlines the policies for maximizing the efficiency of Watermaster's cash management system. The ultimate goal, through the implementation of the investment policy, is to maintain the security, the liquidity, and yield (in that order of priority) of the investments made with the Watermaster's reserves and temporarily idle funds to maximize the economic position of the Watermaster while protecting its pooled cash assets through a system of checks and balances.

II SCOPE

This policy covers all funds and investment activities under the direct authority of the Watermaster as administered by the Treasurer and/or Controller and Watermaster Services Staff, that are collected pursuant to adoption of the Watermaster Budget and subsequent assessment levy by the Watermaster for any given fiscal year.

III OBJECTIVE

The Watermaster's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the Watermaster to invest funds to the fullest extent possible. The objective is to receive the highest yield obtainable on behalf of Watermaster, as long as investments meet the criteria established for safety and liquidity. The investment portfolio will be diversified to minimize risks and to assure safety and probable income.

IV POLICY

The Watermaster operates its temporary pooled idle cash investments under the prudent person rule (Civil Code Section 2261, et seq.) which obligates a fiduciary to insure that:

"...investments shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived."

V DEPOSITS AND INVESTMENTS CRITERIA:

A. DEPOSITS:

1. In selecting financial institutions for the deposit or investment of Watermaster funds, the Treasurer and/or the Controller shall consider the creditworthiness of institutions, including the Depositories' latest equity/asset ratio data. They shall continue to monitor the financial institutions' credit characteristics and financial history throughout the period during which Watermaster funds are deposited or invested. Institutions must be at least three (3) years old, have total assets in excess of ten (10) billion dollars and an equity to assets ratio of 5% or better, or have total assets in excess of one hundred (100) million dollars and an equity to assets ratio of 6% or better.

2. Total deposits placed with any local savings and loan institution shall not exceed \$100,000.
3. Except for those funds necessary to meet day-to-day cash demands and the amount required by the bank to maintain Watermaster checking accounts, all Watermaster funds are deposited in interest-bearing accounts.
4. Total deposits placed with any financial institution shall not exceed three (3) million dollars of available funds. The computation of this limitation shall not include the funds in demand deposits, passbook savings accounts, or invested in U.S. Government securities.
5. Upon request by a financial institution, the Watermaster may waive up to 90% of the collateral requirement on funds insured by either the Federal Deposit Insurance Corporation or the Savings Association Insurance Fund (SAIF).
6. All financial "Brokers" utilized in conjunction with Investments or Deposits shall be authorized by an Advisory Committee adopted Resolution.

B. INVESTMENTS:

1. Securities of the United States Government, its agencies and instrumentality's with remaining maturities of five years or less, provided that the yield exceeds the currently available yield on Time Certificates of Deposit. These may include Treasury Bills, Notes, Bonds, Certificates of Indebtedness and Government National Mortgage Association issues (GNMA's). Securities may be purchased on a when-issued basis at prices set in the open market prior to the issuance auction and before the settlement date in order to eliminate uncertainty about prices and amounts purchased. When investing in "when-issued" securities, trading will be based on documented ability and intention to accept delivery and make payment on the settlement date to avoid speculation.
2. Insured or Collateralized Certificates of Deposit placed with commercial banks and/or savings and loan institutions.
3. Negotiable Certificates of Deposit issued by a nationally or state chartered bank or savings and loan association; total of purchases shall not exceed 30% of available funds.
4. Commercial Paper rated "prime quality" or of the highest letter and numerical rating by Moody's or Standard and Poor's. The corporations issuing the commercial paper must be organized and operating within the United States, have assets of \$500,000,000 and an "AAA" or better rating on debentures other than commercial paper. The term of the investment shall not exceed 180 days, nor shall the amount placed exceed 10% of the outstanding commercial paper of an issuing corporation. Purchases of commercial paper shall not exceed 15% of the Watermaster's funds available for investment.
5. Local Agency Investment Fund (LAIF) - State Pool. Investment of funds cannot exceed the maximum per agency "floating" cap of the LAIF.
6. Passbook Savings Account and Demand Deposits offered by federally insured institutions and meeting all aforementioned criteria.

VI INVESTMENT SELECTION AND PRIORITY CRITERIA

- A. **Safety:** The safety and risk associated with an investment refers to the potential loss of principal, interest, or a combination of these amounts. Since it is the primary duty and responsibility of the Treasurer and/or Controller to protect, preserve, and maintain cash and investments placed in his/her trust on behalf of the Watermaster, those instruments that are considered very safe will be used for investment.
- B. **Liquidity:** This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of the principal or interest. Liquidity is an important investment component since cash requirements cannot be fully anticipated and an unexpected need for funds may occur occasionally.
- C. **Yield:** Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return. It should become a consideration only after the basic requirements of safety and liquidity have been met.

VII SAFEKEEPING

Securities purchased from broker/dealers shall be held in segregated customer accounts, in the Watermaster's name, either by possession or at an approved depository pursuant to SEC Rule 15C3-3. Securities purchased through the financial institutions shall be held by the institutions' agent(s). All Certificates of Deposit and Government Agency Issues must be issued to and held by Watermaster.

VIII PUBLIC TRUST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. In a diversified portfolio, it must be recognized that occasional measured losses are possible, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IX RISK TOLERANCE

Portfolio diversification is employed as a way to control risk. Investment managers are expected to display prudence in the selection of securities, as a way to minimize default risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Treasurer and/or Controller shall, on behalf of Watermaster, periodically prepare and recommend guidelines and strategies to the Advisory Committee to control risks of default, market price changes, and illiquidity. Any changes to the policy will be effectuated by resolution to be adopted by the Watermaster following recommendation of the Advisory Committee. All investment periods shall be for one (1) year or less.

X REPORTING

The Treasurer and/or Controller shall submit a monthly investment report to the Watermaster Advisory Committee and shall submit reports to Watermaster when Watermaster convenes. This report will include all required elements of the monthly report as prescribed by Government Code Section 53646.

Required elements of the monthly report include:

- a. Type of investment
- b. Name of Institution
- c. Date of maturity
- d. Amount of deposit or cost of the security
- e. Current market value of a security with a maturity in excess of 12 months
- f. Rate of interest/earning
- g. Statement relating the report to the Statement of Investment Policy
- h. Statement that there are sufficient funds to meet the next 30 days' obligations

XI DELEGATION OF AUTHORITY

The financial and accounting duties imposed by Government Code Section 40802-40805 have been transferred to the _____.

XII INTERNAL CONTROLS

The Treasurer and/or Controller shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed with the Chief of Watermaster and an independent auditor and presented to the Advisory Committee. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by employees and/or officers of the Watermaster.

XIII POLICY ADOPTION

The above investment policy will be adopted periodically by resolution of the Watermaster. The policy is reviewed on a periodic basis by the Treasurer and/or Controller and by the Watermaster, and any modifications made thereto are subsequently reviewed and approved by a resolution of the Watermaster Advisory Committee prior to implementation.

The Treasurer and/or Controller will strive to maintain the level of investment of all Watermaster funds as near 100% as possible, through daily and projected cash flow determination. Idle cash management and investment transactions are also the assigned responsibility of the Treasurer and/or Controller. The basic premise underlying Watermaster's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

mls:invest.wm

RESOLUTION 00-09

RESOLUTION OF THE CHINO BASIN WATERMASTER,
SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING
A WATERMASTER INVESTMENT POLICY

WHEREAS, the normal and prudent operation of the Watermaster's daily business generates cash balances, operating and fund reserves; and

WHEREAS, the cash management system is designed to accurately monitor and forecast expenditures and revenues on behalf of Watermaster, thus enabling the Watermaster to invest funds to the fullest extent possible; and

WHEREAS, the cash funds are to be placed in investments authorized for public agencies of the State of California (Judgment Paragraph 23); and

WHEREAS, Watermaster deems it to be in the best interests of the parties to the Judgment to delegate the authority to invest and reinvest the funds of Watermaster to the Watermaster Office Manager/Accountant subject to the provisions of its Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

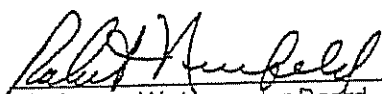
WHEREAS, it is the Watermaster's policy to periodically review, update, and adopt an investment policy;

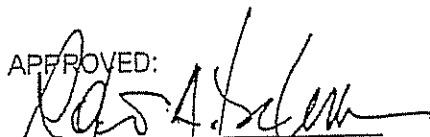
NOW, THEREFORE, BE IT RESOLVED, by the Chino Basin Watermaster that:

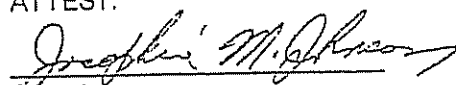
- Section 1. That the Chino Basin Watermaster Investment Policy dated the 28th of October, 1999, revising "Controller" to "Office Manager/Accountant", remains in effect.
- Section 2. The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster Office Manager/Accountant subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.
- Section 3. This resolution shall take effect from and after its date of adoption and Resolution 99-11 is rescinded in its entirety.

**Watermaster's Investment Policy originally approved by the Advisory Committee on February 13, 1997 and the Watermaster Board on March 5, 1998.

APPROVED by the Advisory Committee this 22nd day of December 2000.
ADOPTED by the Watermaster Board on this 22nd day of December 2000.

By: 
Chairman, Watermaster Board

APPROVED: 
Chairman, Advisory Committee

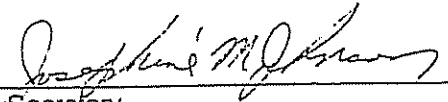
ATTEST:

Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Josephine Johnson, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 2000-09, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

- AYES: Members Arbelbide, Boston, Catlin, Hofer, Johnson, King, Krueger, Neufeld, and Vanden Heuvel
- NOES: None
- ABSENT: None
- ABSTAIN: None

CHINO BASIN WATERMASTER



Secretary



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

C. LOCAL AGENCY INVESTMENT FUND



RESOLUTION 06-02 OF CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

PHONE: 909-484-3888

**AUTHORIZING INVESTMENT OF MONIES
IN THE LOCAL AGENCY INVESTMENT FUND**

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under San Bernardino Superior Court Case No. WCV51010 (formerly Case No. SCV164327) entitled Chino Basin Municipal Water District V. City of Chino, et al., with powers to authorize the investment or deposit of surplus funds pursuant to the California Government Code, Section 53600; and

WHEREAS, upon filing of an appropriate resolution, local agencies are permitted to remit money to the State Treasurer for deposit in the fund for the purpose of investment; and pursuant to Section 16429.3 of said Government Code, such monies are not subject to impoundment of seizure by any state official or state agency.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the deposit and withdrawal of Chino Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that record.

BE IT FURTHER RESOLVED, that the following Chino Basin Watermaster officers and designated employees or their successors in office/position shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

_____	<u>Chairman of the Board</u>	_____
(NAME)	(TITLE)	(SIGNATURE)
_____	<u>Vice-Chair</u>	_____
(NAME)	(TITLE)	(SIGNATURE)
_____	<u>Secretary/Treasurer</u>	_____
(NAME)	(TITLE)	(SIGNATURE)
<u>Kenneth R. Manning</u>	<u>Chief Executive Officer/Secretary</u>	_____
(NAME)	(TITLE)	(SIGNATURE)
<u>Sheri Rojo</u>	<u>C.F.O./Asst. G.M.</u>	_____
(NAME)	(TITLE)	(SIGNATURE)

PASSED AND ADOPTED, by the Board of Directors of Chino Basin Watermaster, San Bernardino County, State of California on January 26, 2006.

Note: Resolution must be adopted by the governing body. Please submit a certified copy of the resolution to LAIF. A certified copy is 1) a copy of the resolution affixed with the seal of the agency or 2) a copy of the resolution attested by the Board Secretary with his/her original signature.

ATTEST:

Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, _____, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution of Chino Basin Watermaster, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CHINO BASIN WATERMASTER

Secretary

Date:



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

D. ASSESSMENTS FOR FISCAL YEAR 2005-2006



RESOLUTION 06-03

A RESOLUTION OF THE CHINO BASIN WATERMASTER LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2005- 2006

WHEREAS, the Chino Basin Watermaster was appointed on January 27, 1978, under Case No. RCV 51010 (formerly case No. SCV 164327) entitled Chino Basin Municipal Water District v. City of Chino, et al., with powers to levy and collect administrative and replenishment assessments necessary to maintain water levels and to cover the cost of administering the Chino Basin Judgment; and

WHEREAS, the Watermaster Advisory Committee approved and the Watermaster Board adopted the Fiscal Year 2005-2006 Budget on November 17, 2005 to carry out the necessary Watermaster functions under the Judgment; and

WHEREAS, the parties named in this Judgment have pumped 24,617.091 acre-feet of water in excess of the operating safe yield, which is required to be replaced at the expense of the parties in accordance with the assessment formulas for the respective pools.

NOW, THEREFORE, BE IT RESOLVED that the Chino Basin Watermaster levies the respective assessments for each pool effective November 17, 2005 as showed on Exhibit "A" attached hereto.

BE IT FURTHER RESOLVED, that pursuant to the Judgment, each party has thirty-days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Judgment.

THE FOREGOING RESOLUTION was

APPROVED by the Advisory Committee on the 26th day of January 2006.

ADOPTED by the Watermaster Board on the 26th day of January 2006.

By: _____
Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Secretary, Watermaster Board

Exhibit "A"
Resolution 06-02

Summary
of
Assessments
Fiscal Year 2005-2006
Production Year 2004-2005

1.	OVERLYING (NON-AGRICULTURAL) POOL	
a.	2005-2006 Budget	\$ <u>5.92</u> Per AF/Production Admin. \$ <u>22.02</u> Per AF/Production OBMP
b.	Replenishment	\$ <u>251.00</u> Per AF
2.	APPROPRIATIVE POOL	
a.	Administration	
	1. 2005-2006 Budget	\$ <u>5.92</u> Per AF/Production Admin. \$ <u>22.02</u> Per AF/Production OBMP
	2. 2004-2005 Ag Pool Reallocated Safe Yield	\$ <u>4.22</u> Per AF Reallocated Admin. \$ <u>15.69</u> Per AF Reallocated OBMP
b.	100% Net Replenishment	\$ <u>251.00</u> Per AF
c.	15/85 Water Activity	
	Net - 15% Assessments	\$ <u>466,111.62</u> Total
d.	Pomona Credit	\$ <u>66,667.00</u> Total
e.	Recharge Debt Payment	\$ <u>300,000.00</u> Total

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, _____, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 06-02 was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CHINO BASIN WATERMASTER

Secretary

Date: _____

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CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

E. NOTICE OF INTENT





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: January 12, 2006
January 17, 2006
January 26, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield

Summary

Issue – Reservation of Right to Re-determine Operating Safe Yield as per Chino Basin Watermaster Judgment.

Recommendation – Recommends the approval of the filing of Watermaster's "Notice of Intent to Change the Operating Safe Yield of the Chino Groundwater Basin".

Fiscal Impact - None

Discussion

In an effort to comply with the Judgment requirement that a five-year notice of change be provided should a re-determination of the operating safe yield of the Chino Basin be made, Watermaster has approved its Notice of Intent in each year since 1982.

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Watermaster's "Notice of Intent" to Change the Operating Safe Yield of the Chino Groundwater Basin

PLEASE TAKE NOTICE that on this 26th day of January 2006, Chino Basin Watermaster hereby files this 'NOTICE OF INTENT' to change the operating safe yield of the Chino Groundwater Basin Pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. RCV 51010 (formerly Case No. 164327) (Exhibit I, Paragraph 2b, Page 80).

Approved by
**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE**

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS**

By: _____
Chair

By: _____
Chair

ATTEST:

By: _____
Secretary

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CHINO BASIN WATERMASTER

III. BUSINESS ITEM

- A. PROPOSAL FOR PROFESSIONAL ENGINEERING SUPPORT SERVICES FOR THE CHINO BASIN FACILITIES IMPROVEMENT PROJECT





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: January 12, 2006
January 17, 2006
January 26, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Professional Engineering Services for Reviewing SBCFCD/DSOD Operating Procedures

SUMMARY:

Issue – During FY 2004/2005, Staff determined that the existing recharge basins have two shortcomings which should be corrected prior to FY2006/2007

Fiscal Impact – The contract ceiling for this effort is \$10,000 with labor and expenses to be billed on a time and materials basis.

RECOMMENDATION:

During FY 2004/2005, Staff determined that the existing recharge basins have two shortcomings which should be corrected prior to FY2006/2007. The first shortcoming relates to the earthen berms which were constructed as internal conservation berms in several of the recharge basins. Originally designed as soil cement berms, they were eventually constructed as earthen berms as a cost saving measure. Regrettably the first major storm of the season breached the earthen berms, and rendered them ineffective. A recent feasibility study by Stantec determined that the berms should be hardened with soil cement, and heightened to store up to 50 AF as allowed by DSOD requirements. Based on the feasibility study, IEUA is currently selecting a design engineer to prepare detailed designs for the "heightening and hardening" of the intermediate berms with construction to occur in 2nd and 3rd quarters of CY 2006.

The second shortcoming relates to the SBCDCF/DSOD requirements to begin emptying the DSOD regulated basins immediately following a storm event. This means that several large basins, such as Etiwanda Debris Basin, Hickory Basin, San Sevaine #5 Basin and Jurupa Basin are not able to store and recharge the stormwater which results from major storm events. Staff feels that some flexibility exists within the DSOD requirements such that only 50% of the stored volume needs to be released (or recharged) within a 7 day period following a storm event. Of course a variety of engineering tests may be required, such as slope stability and drawdown analyses, to allay SBCFCD/DSOD concerns. The

purpose of this contract with Stantec is to more precisely determine exactly what the SBCFCD/DSOD requirements are, what engineering analyses have already been performed, and what additional tests are needed in order that modifications to current operating practices can be negotiated with the respective agencies.

The contract ceiling for this effort is \$10,000 with labor and expenses to be billed on a time and materials basis. Both the "heightening and hardening" and the modifications to operating procedures have been discussed in GRCC meetings, and the four parties have agreed to proceed as presented above.

Stantec Consulting Inc.
19 Technology Drive
Irvine CA 92618-2334
Tel: (949) 923-6000 Fax: (949) 923-6121
stantec.com



Stantec

November 8, 2005

Gordon Treweek, Ph.D.
Project Engineer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

**Reference: Letter Proposal for Professional Engineering Support Services
Chino Basin Facilities Improvement Project (CBFIP)**

Dear Gordon:

Thank you for the opportunity to provide Chino Basin Watermaster (CBWM) with continued Professional Engineering Support Services for the Chino Basin Facilities Improvement Project (CBFIP). It is my understanding that services to be provided will include, but may not be limited to the following:

- review of San Bernardino County Flood Control District (SBCFCD) DSOD facilities including Etiwanda Basin, Hickory Basin, Jurupa Basin and San Sevaine Basins;
- review of actual DSOD criteria for the subject SBCFCD facilities;
- review of geotechnical investigations previously prepared under the CBFIP;
- review of conservation dike locations with respects to dam embankments;
- perform drawdown analyses; and
- summarize information gained during the review and analysis process.

Actual scope of work to be performed will be per the direction of CBWM and as agreed to by Stantec in order to further define scopes and estimated fees for tasks to be performed. The proposed total fee for these services is \$10,000.00 to be billed monthly on a time-and-materials

Stantec

November 8, 2005

Page 2 of 2

basis in accordance with the existing contract between CBWM and Stantec. Thank you for your consideration and please contact me at (949) 923-6211 with any questions or comments regarding this proposal.

Sincerely,

STANTEC CONSULTING INC.

A handwritten signature in black ink, appearing to read "Kevin B. Brandt". The signature is fluid and cursive, with a large, stylized initial "K" and "B".

Kevin B. Brandt
Project Manager
Tel: (949) 923-6211
Fax: (949) 923-6077
kbrandt@stantec.com



CHINO BASIN WATERMASTER

III. BUSINESS ITEM

B. BASIN OPERATIONS MANUAL





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: January 12, 2006
January 17, 2006
January 26, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Approval of the Chino Basin Recharge Facilities Operating Procedures Manual

SUMMARY

Issue – The staff members of the Watermaster, Inland Empire Utilities Agency (IEUA), Chino Basin Water Conservation District (CBWCD) and San Bernardino County (County) have jointly developed the *Chino Basin Facilities Operating Procedures Manual* (Manual) and are nearing the completion of the final draft. The County is requiring that the Manual be completed and approved by all parties prior to allowing the basins to be operated for maximum stormwater recharge (pursuant to the Manual).

Recommendation – Approve the *Chino Basin Recharge Facilities Operating Procedures Manual* with minor revisions.

BACKGROUND

This manual was prepared pursuant to the *Agreement for Operation and Maintenance of Facilities to Implement the Chino Basin Recharge Master Plan* (Agreement) dated January 2004. The manual describes the operation of the basins during storm, non-storm and maintenance periods.

The final draft will be completed in the next month or so and will be nearly identical to Administrative Draft No. 3—the difference being the correction of typographical errors and other minor edits and clarifications. The *Chino Basin Facilities Operating Procedures Manual, Administrative Draft No. 3* is available for review at the Watermaster ftp site www.cbwm.org/ftp. The Manual has been vetted by the staff and management of the Watermaster, CBWCD, IEUA, and the County. Watermaster staff is seeking the Watermaster's approval of the Manual. The IEUA, CBWCD, and the County are concurrently asking their boards to approve the Manual.

DISCUSSION

The Manual contains the operating procedures for the Chino Basin recharge facilities as the facilities currently exist. This document was developed jointly by the Watermaster, CBWCD, IEUA, and the County. It is anticipated that these operating procedures will be routinely revised as the recharge facilities are completed over time and with operational experience. The Manual contains the following sections:

Section	Contents
1	Introduction
2	<i>General Description of the Recharge Plan</i> as developed in the OBMP and implemented pursuant to the Peace Agreement
3	<i>General Pattern of Operation.</i> This section describes operation of the recharge facilities and roles of the various agencies that are participating in the operation of the recharge basins
4	<i>Montclair and Brooks Basins, San Antonio Creek System.</i> This section describes the details of basin operation for the San Antonio Creek system.
5	<i>7th and 8th Street and Ely Basins, West Cucamonga Creek System.</i> This section describes the details of basin operation for the West Cucamonga Creek system.
6	<i>Turner Basins, Cucamonga and Deer Creeks System.</i> This section describes the details of basin operation for the Cucamonga and Deer Creeks system.
7	<i>Lower Day Basin, Day Creek Systems.</i> This section describes the details of basin operation for the Day Creek system.
8	<i>San Sevaine, Victoria, Banana, Hickory, Jurupa, RP3, Declez Basins, Etiwanda and San Sevaine Creeks System.</i> This section describes the details of basin operation for the Etiwanda and San Sevaine Creeks system.
Exhibits	The <i>Exhibits</i> contain the full agreement between the Watermaster, IEUA, CBWCD, and County for recharge, the Sample Supplemental Water Recharge Plan, and the Elevation-Area-Volume curves developed by Tettemer and Associates for each basin.

Section 3 is the most interesting section of the document, as it describes the operating concepts that are infused in all the facilities. Sections 4 through 8 describe the operations of specific facilities by drainage system and the responsibilities of the parties to the Agreement. Some of the main concepts incorporated in the Manual are:

- The recharge interests of the Watermaster, CBWCD, and IEUA are sometimes in conflict with the flood control function of the recharge basins. The plan of operation described recognizes the different goals of recharge and flood control and provides for the restoration of the flood control function of the multipurpose basins prior to significant storm events.
- The IEUA will be the operator of the recharge basins for the benefit of the CBWCD, IEUA, and Watermaster. The IEUA will designate specific staff to coordinate, manage and carryout the activities necessary for recharge.
- The Watermaster is responsible for and manages supplemental water recharge in the Chino Basin. In this role, the Watermaster will develop a supplemental water replenishment plan (SWRP) each year that is based on its replenishment needs and other recharge obligations (e.g. the Dry-Year Yield Program). The SWRP will also include the type of supplemental water (recycled or imported), location, and source of that water (Metropolitan, IEUA, others).
- The IEUA Groundwater Recharge Coordinator and Operators shall not, on his/her own initiative, change the mix of imported and recycled water specified in the SWRP unless instructed to or approved to do so in writing by the Watermaster.
- The IEUA Groundwater Recharge Coordinator will use his/her best efforts to obtain supplemental water per the SWRP and have that water delivered through flood control channels and pipelines to the recharge basins
- Operating rules, expressed as rule curves or set points, are used for each recharge basin. For conservation basins, rule curves define the target water surface elevation and storage for each basin throughout the year. For multipurpose basins the rule curves are simpler and are based on storm forecasting and limiting losses of supplemental water. The operating rules are tentative and meant to be reevaluated and updated for each basin as unique operational characteristics are identified through recharge experience at each basin.

- 1) There are three distinct operating modes: conservation mode, pre-storm mode and storm mode.
- 2) During conservation mode, conservation and multi-purpose basins are operated to maximize the recharge of storm and supplemental water.
- 3) For dedicated conservation basins, the IEUA Operator will divert supplemental water into the basins as described in the SWRP. These diversions are subject to the maximum water surface elevation limits specified in the rule curve for each basin. The storage levels in the rule curves assume a maximum long-term average 10 percent loss of supplemental water due to outflow from storm events
- 4) The maximum volume of supplemental water that can be stored in a multipurpose basin when it is being operated in conservation mode is equal to the estimated volume of water that can be recharged in a 7-day period.
- 5) Pre-Storm mode consists of activities that take place to prepare multipurpose basins to receive stormwater.
- 6) Storm Mode applies to multipurpose basins. The Storm Mode starts with the initiation of significant rainfall and continues until the SBCFCD authorizes the IEUA Groundwater Recharge Coordinator to change the operation mode from Storm to Conservation Mode.

There are tables that detail the operation of all of the operable elements of the recharge facilities for each operational mode in Sections 4 through 8.

CONCLUSION

The Manual is substantially complete and has been vetted by the staff and management of the Watermaster, CBWCD, IEUA, and the County. Watermaster staff recommends that the Watermaster approve the *Chino Basin Recharge Facilities Operating Procedures Manual* with minor revisions.

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CHINO BASIN WATERMASTER

III. BUSINESS ITEM

- C. ANALYSIS OF MATERIAL
PHYSICAL INJURY – MONTE VISTA
WATER DISTRICT APPLICATION
TO RECHARGE STATE WATER
PROJECT WATER





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: January 12, 2006
January 17, 2006
January 26, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Analysis of Material Physical Injury – Monte Vista Water District Application to Recharge dated November 1, 2005

SUMMARY

Issue – On November 1, 2005, the Monte Vista Water District (MVWD) sent an application to the Watermaster requesting to recharge up to 3,500 acre-ft/yr of State Water Project (SWP) water by injection at its wells 1, 4, 30 and 32. The MVWD characterizes this proposal as the initial phase of a larger recharge project that it has developed and may implement in the future based on the performance of this initial phase. Upon receipt of a recharge application, the Watermaster must conduct an analysis of Material Physical Injury pursuant to the Peace Agreement and the Watermaster's Rules and Regulations. The Watermaster CEO directed staff to complete the analysis of Material Physical Injury using the requirements listed in the Peace Agreement, balance of recharge and discharge in every area and subarea, maintenance of hydraulic control, and other criteria that may become appropriate to the Watermaster. Wildermuth Environmental Inc. (WEI) completed this analysis and their results are summarized below. Based on WEI's analysis, Watermaster staff has concluded that no material physical injury will occur from the MVWD's proposed recharge project.

Recommendation – Approve the MVWD's application to recharge a maximum 3,500 acre-ft/yr of treated SWP water by injection at its wells 1, 4, 30 and 32 subject to entering into an agreement with the Watermaster and IEUA whereby MVWD's recharge would be covered in the Watermaster/IEUA permit for the recharge of imported and recycled water.

BACKGROUND

The MVWD proposes to recharge up to 3,500 acre-ft/yr of treated State Water Project (SWP) water by injection at its wells 1, 4, 30 and 32 and to subsequently recover this water within the same year. This water will be treated to drinking water standards at the Water Facilities Authority treatment plant prior to injection. Injection will occur in the seven-month period of October through April and recovery will occur in the five-month period of May through September. The injected water will be used to offset a portion of the MVWD's annual overproduction in the Chino Basin.

The MVWD completed an investigation entitled *Groundwater Recharge Facilities Program Feasibility Study* in April 2003 (hereafter, *Feasibility Study*) and a related CEQA document entitled *Findings of Consistency, Groundwater Recharge Facility Feasibility Study* (hereafter, *Findings of Consistency*) in May 2003. The finding of consistency relates to the OBMP Program EIR completed in 2000.

DISCUSSION

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

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

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

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

The Watermaster staff's analysis of material physical injury is summarized below.

Groundwater Level Impacts (Liquefaction, Land Subsidence, and Increases in Pump Lift). The proposed project will produce seasonal, short term localized increases in groundwater levels in the vicinity of the injection wells and a slight general increase in groundwater levels in the area bounded by the injection wells. The depth to groundwater ranges from 350 to 500 feet in this area. The expected increase in groundwater levels will likely average less than 5 feet. There will be no adverse impacts from the groundwater level changes.

Balance of Recharge and Discharge in Every Area and Subarea. The locations of recharge are the same wells that are used to pump groundwater and subsequently result in overproduction. In the absence of the proposed project, replenishment would occur in nearby Montclair and Upland Basins. The proposed project provides a better balance of recharge and discharge at the "subarea" level and augments the recharge capacity of the Montclair and Upland Basins.

TDS and TN Concentration in Recharge Water. The 2004 Regional Water Quality Control Plan (Basin Plan) for the Santa Ana Watershed has TDS and total nitrogen (TN) objectives in the Chino North Management Zone of 430 mg/L and 5 mg/L, respectively. The Watermaster and IEUA have agreed to manage the recharge in spreading basins in the Chino Basin so that the five-year, volume-weighted average for TDS and TN in this recharge will not exceed the Basin Plan objectives. The average TDS and TN of SWP water is about 290 mg/L and 1 mg/L, respectively. The volume-weighted average TDS and TN for the Chino Basin is about 280 mg/L and 2.4 mg/L, respectively, and is well below the compliance metrics. Therefore, the proposed recharge project will not encroach on the current assimilative capacity or interfere with the Watermaster and IEUA's recharge activities.

Water Quality Impacts on Other Pumpers. Presumably, water quality impacts on the MVWD, if any, will be small and will be managed pursuant to a permit issued by the RWQCB. Water quality impacts on other nearby pumpers could occur from minor changes in the groundwater flow system; impacts that would be the result of reprogramming replenishment from recharge basins to injection wells. These impacts were estimated by the MVWD's consultant (CDM) to be negligible in the *Feasibility Study* and related *Findings of Consistency*. Watermaster staff did not conduct an independent modeling assessment to validate this finding. However, we concur that the impact should be negligible and likely not measurable at other nearby wells.

CONCLUSION

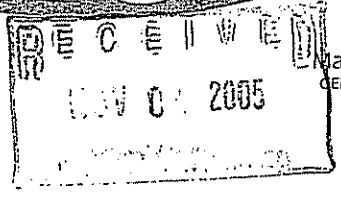
The project, as proposed by the MVWD, will not result in a material physical injury to the Chino Basin or other party. This conclusion is conditioned on the MVWD obtaining a permit to recharge treated SWP water from the RWQCB or alternatively entering into an agreement with the Watermaster and IEUA whereby MVWD's recharge would be covered in the Watermaster/IEUA permit for the recharge of imported and recycled water.

Monte Vista

Dedicated to Quality,

Service and Innovation

November 1, 2005



Mark N. Kinsey
GENERAL MANAGER

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

Application for Recharge

Dear Mr. Manning: *Ken*

Enclosed is Monte Vista Water District's Application for Recharge of up to 3,500 AF of water, annually. Water recharged under this request will be State Water Project supplies treated to drinking water standards at the Water Facilities Authority plant in Upland, and will be utilized to offset a portion of the District's annual over-production in the Chino Groundwater Basin.

Recharge will be accomplished through injection at District wells 1, 4, 30, and 32. Additional information detailing the operation of these wells for groundwater injection purposes is provided in the attached *Findings of Consistency* for the District's Groundwater Recharge Facility Feasibility Study, dated May 2003.

In addition to detailing the operational aspects of these facilities, the *Findings of Consistency* provides a summary of the localized and regional water quality and groundwater level changes associated with project implementation through 2020. This information was developed through the use of the groundwater model utilized for Watermaster's Optimum Basin Management Program and its supporting environmental documentation.

If you have any questions regarding this application or require further information, please contact the District at your convenience. Thank you.

Sincerely,

Monte Vista Water District

Mark N. Kinsey
General Manager

Enclosures

cc: MVWD Board of Directors
Robert Tock, District Engineer

Water District

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

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APPLICATION FOR RECHARGE

APPLICANT

Monte Vista Water District
 10575 Central Avenue
 Montclair, CA 91763
 (909) 624-0035 (phone)
 (909) 624-4725 (fax)

11/1/05
 Date Requested
3,500 AF
 Amount Requested
400 – 1,000 gpm per well
 Projected Rate of Recharge

 Date Approved

 Amount Approved
7 Months (Oct-Apr)
 Projected Duration of Recharge

SOURCE OF SUPPLY

Water From:

- State Water Project
- Colorado River
- Local Supplemental
- Recycled Water
- Other (explain)

Source: **WFA Water Treatment Plant**

METHOD OF RECHARGE

- Percolation
- Injection
- Exchange

Basin Name: **Chino Basin (MZ1)**
 Location: **4 locations along Benson Avenue between Arrow Highway and Holt Boulevard**
 Well Number: **1S8W26BO1 (Well 1); 1S8W14AO3 (Well 4); 1SO8W23A004S (Well 30); and Well 32 (TBD)**
 Location (attach map): **See map**
 Facility Name: **MVWD Well Nos. 30, 32, 4, and 1**
 Share of Safe Yield: **4823.75 AF**
 Carry Over Right: **4823.75 AF**
 Water in Storage: **5995.718 AF, as of June 2005**
 Pumping Capacity (cfs): **4.45 cfs**

Values are expressed as total capacities for MVWD and are not specific to these wellhead facilities

WATER QUALITY AND WATER LEVELS

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

Static water levels range from 365' to 480' below ground level. Nitrate water quality data for these wells range from 50-75 mg/l.

MATERIAL PHYSICAL INJURY

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

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

None required. Water injected will be utilized to offset a portion of the District's annual over-production within the Chino Groundwater Basin.

ADDITIONAL INFORMATION ATTACHED

Yes No

Monte Vista Water District Groundwater Recharge Facility Feasibility Study – Findings of Consistency, May 2003

Applicant

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement #: _____

Monte Vista Water District

Groundwater Recharge Facility Feasibility Study

May 2003

*Findings of
Consistency*



2920 Inland Empire Boulevard, Suite 108
Ontario, California 91764-4802
tel: 909 945-3000
fax: 909 945-1333

May 15, 2003

Mr. Mark Kinsey, General Manager
Monte Vista Water District
10575 Central Avenue
Montclair, California, 91763

Subject: Groundwater Recharge Facility Feasibility Study
Findings of Consistency

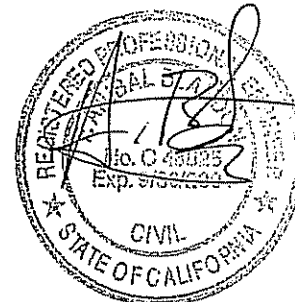
Dear Mr. Kinsey

Camp Dresser & Mc Kee Inc. (CDM) is very pleased to submit this report detailing the findings of consistency for the above referenced study with the OBMP Programatic Environmental Impact Report. We have included a description of the groundwater modeling aspects of the project under Appendix A and the water levels and water quality impacts of the different alternatives on local wells as Appendix B.

CDM appreciates the opportunity to continue assisting the District on water related projects. Should you have any questions or need further information, please contact us at 909-945-3000.

Very truly yours,

F. Anibal Blandon
Senior Project Manager
Camp Dresser & McKee Inc.



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<i>Appendix A</i>	Groundwater Modeling
<i>Appendix B</i>	Evaluation of Alternatives

Section 1

Findings of Consistency

1.1 Introduction

The Monte Vista Water District (MVWD or District) in association with the Chino Basin Watermaster (Watermaster) is proposing to implement a Groundwater Recharge Feasibility Project. The project consists of using a combination of up to four existing and new wells to inject high quality treated imported water into the westerly portion of the Chino groundwater basin. The purpose of this project is to store imported water in the basin during wet years and extract it during periods when imported water deliveries may be reduced. This project also intends to enhance water quality and water levels in the basin by injecting high quality water in high nitrate areas.

This project is a second-tier, or specific implementation project, of the Chino Basin Optimum Basin Management Program (OBMP). An overview of the OBMP is provided below in order to put the proposed Groundwater Recharge Feasibility Project into the context of the larger Basin program.

1.1.1 Chino Basin Optimum Basin Management Program

The purpose of the OBMP is to ensure a continuing water supply for the long-term beneficial use of all IEUA constituents. The mission statement of the OBMP is as follows:

The purpose of the Optimum Basin Management Program is to develop a groundwater management program that enhances the safe yield and the water quality of the basin, enabling all groundwater users to produce water from the Basin in a cost-effective manner.

The OBMP consists of two phases. Phase I of the OBMP defined the state of the Chino Groundwater Basin, established goals concerning major issues identified by stakeholders, affirmed a management plan for the achievement of the established goals, and provided a process to facilitate periodic reviews, public comments, and necessary updates of the overall Program. Phase II of the OBMP consists of the development of the specific implementation plans that will effectively allow for the physical construction, operation, management, and monitoring of OBMP facilities.

The OBMP establishes four primary management goals and identifies a series of activities that would be necessary to accomplish the intended goals. The OBMP goals are as follows:

Goal 1 - Enhance Basin Water Supplies

Goal 2 - Protect and Enhance Water Quality

Goal 3 – Enhance Management of the Basin

Goal 4 – Equitably Finance the OBMP

The proposed Groundwater Recharge Feasibility Project meets the goals listed above through the following elements:

- Goal 1 – Enhance Basin Water Supply by
 - Storing imported water during wet years for subsequent use
 - Improving drought reliability
 - Minimizing dependence on MWD deliveries during the summer
 - Creating recharge facilities in the upper part of the basin and within Management Zone 1
- Goal 2 – Protect and Enhance Water Quality by
 - Injecting high quality water in areas of degraded water quality
 - Pumping groundwater from areas of degraded water quality
- Goal 3 – Enhance Management of the Basin by
 - Developing alternate recharge methods in Management Zone 1
 - Creating recharge facilities in the upper portion of the basin
 - Being consistent with conjunctive use policies and programs that take into account water quality and quantity
 - Injecting and pumping in areas of degraded water quality
- Goal 4 – Equitably Finance the OBMP by
 - Seeking funding from state/federal/MWDSC to fund projects that provide regional/statewide/Colorado River benefits to improve drought reliability

The proposed Groundwater Recharge Feasibility Project meets the goals listed above through the following OBMP Program Elements:

- Program Element 3 – Develop and Implement Water Supply Plan for the Impaired Areas of the Basin. The proposed project is consistent with this element by allowing injection of low nitrate water into high nitrate areas and recovering blended water for beneficial use.

- Program Element 4 - Develop and Implement Comprehensive Groundwater Management Plan for Management Zone 1. The proposed project is consistent with this element by recharging imported water into the upper portion of Management Zone 1 that would result in the enhancement of both water quality and quantity.
- Program Element 9 - Develop and Implement Groundwater Storage Management Program. The proposed project is consistent with this element by storing imported water in the basin during wet years and extracting it during summer months and/or dry years.

1.1.2 Compliance with the California Environmental Quality Act (CEQA)

In July 2000, the Inland Empire Utilities Agency (IEUA) Board of Directors approved and certified the OBMP Program Environmental Impact Report (Program EIR). A Program EIR is an EIR which is prepared on a series of actions that can be characterized as one large project and are related either: 1) geographically; 2) as logical parts in the chain of contemplated actions; 3) in connection with issuance of rules, regulations, plans or other general criteria to govern the conduct of a continuing program; or 4) as individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways as in CEQA Guidelines Section 15168(a). The Program EIR prepared for the OBMP is the primary information source and CEQA-compliant document for any subsequent discretionary actions or approvals by the IEUA, the Watermaster, and any constituent agencies, including MVWD, should they also decide to implement programs as CEQA Responsible or Lead Agencies under the OBMP.

The proposed Groundwater Recharge Feasibility Project is, therefore, considered a second-tier project under CEQA (Section 15152, State CEQA Guidelines). As a proposed program under the OBMP, the Groundwater Recharge Facilities Program has already been subject to a general environmental review. However, the physical impacts resulting from construction and operation of proposed facilities development at specific locations and under specific operating conditions must still be analyzed and described in subsequent environmental reviews. The intent of this addendum to the Program EIR and Findings of Consistency is to provide a written checklist, pursuant to CEQA Guidelines Section 15168(c)(4), to document the evaluation of the sites and the project to determine that the environmental effects of the operation are consistent with those that were previously evaluated and covered in the Program EIR.

1.2 Project Location

The Groundwater Recharge Feasibility Project would occur within Management Zone 1 of the Chino Groundwater Basin (Chino Basin or the Basin) as shown on the vicinity map in Figure 1-1. The Chino Basin consists of an alluvial valley that is relatively flat from east to west, sloping from north to south at a one to two percent grade. Basin

elevation ranges from about 500 feet near Prado Dam to about 2,000 feet in the foothills.

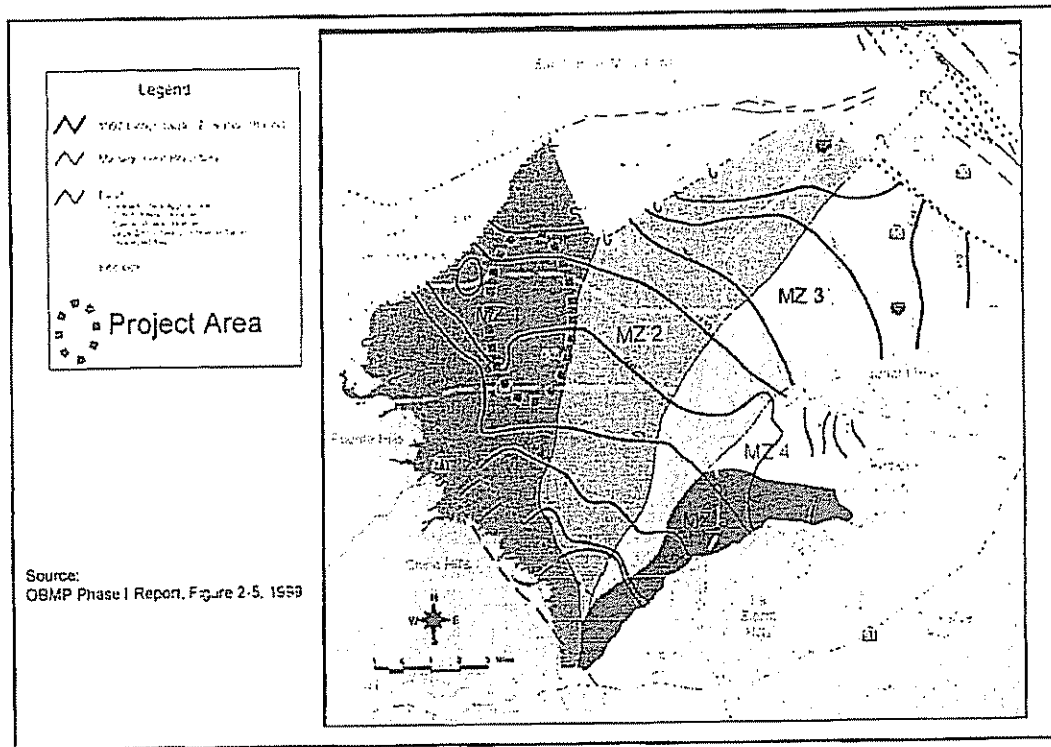
The principal drainage course for the Basin is the Santa Ana River, which flows 69 miles across the Santa Ana Watershed from its origin in the San Bernardino Mountains to the Pacific Ocean. The Santa Ana River enters the Basin at the Riverside Narrows and flows along the southern boundary to the Prado Flood Control Reservoir where it eventually discharges through the outlet at Prado Dam. Also within the Basin are a series of ephemeral and perennial streams including: Chino Creek, San Antonio Creek, Cucamonga Creek, Deer Creek, Day Creek, Etiwanda Creek, and San Sevaine Creek. These creeks, flowing primarily north to south, carry significant flows only during and for a short time after, intermittent storms occurring between October and April. Year-round flows occur along the Santa Ana River due to year-round surface inflows above Riverside Narrows, discharges from municipal water recycling plants that enter the Santa Ana River between the narrows and Prado Dam, and rising groundwater. Some rising groundwater occurs in Chino Creek, in the Santa Ana River at Prado Dam, and potentially at other locations on the Santa Ana River, depending on climate and season.

The Chino Basin is one of the largest groundwater basins in Southern California, containing a capacity of approximately 5,000,000 acre-feet for water storage, with an additional, unused storage capacity estimated at approximately 1,000,000 acre-feet (Findings of Consistency of the Chino Groundwater Basin Dry-Year Yield Program, December 2002). Cities and water supply entities produce groundwater for all or part of their municipal and industrial supplies from the Chino Basin. An additional 300 to 400 agricultural users also produce groundwater from the Basin.

While still considered to be a single basin, the Chino Groundwater Basin has been divided into five Management Zones based upon Basin geophysical characteristics, and into three different sub-basins based on the Santa Ana Regional Water Quality Control Plan (Basin Plan, 1995). Due to hydrologic characteristics of the basin, the water resource management activities that occur in each flow system have little to no impact on the other systems. These Management Zones are used to characterize the groundwater level, storage, production, and water quality conditions within the Chino Basin. These Management Zones, in addition to the hydrologic boundary of the Basin itself, are not intended to represent absolute barriers or isolated mechanisms, rather these divisions have been made based on observed flow characteristics and general patterns that can be assumed from existing groundwater flow data.

Water in Management Zone 1, the zone in which the proposed Groundwater Recharge Feasibility Project would be located, flows generally south with some localized flows to the west in response to groundwater production. Sources of water to Management Zone 1 include direct percolation of precipitation, returns from irrigation, recharge of storm flows and imported water in spreading basins, and subsurface inflow from the Pomona, Claremont Heights, and Cucamonga Basins.

Discharge is through groundwater production, and as rising groundwater in Chino Creek and the Santa Ana River.



Source:
OBMP Phase I Report, Figure 2-5, 1999

Figure 1-1
Chino Groundwater Basin

Monte Vista Water District is located within San Bernardino County and services approximately 14,000 connections primarily in the communities of Montclair and Chino and the unincorporated areas in San Bernardino County lying in between the cities of Chino, Montclair and Ontario. In addition, the District provides wholesale water service to the City of Chino Hills. The retail and wholesale service area of the District is depicted in Figure 1-2.

The facilities for MVWD's Groundwater Recharge Feasibility Project would be located in the City of Montclair and the City of Ontario, at the western end of San Bernardino County in the Chino Groundwater Basin. The City of Montclair and the City of Ontario are both located approximately 35 miles east of downtown Los Angeles. The proposed project would involve drilling new wells and/or rehabilitating existing wells at four MVWD well sites. These locations are shown in Figure 1-3.

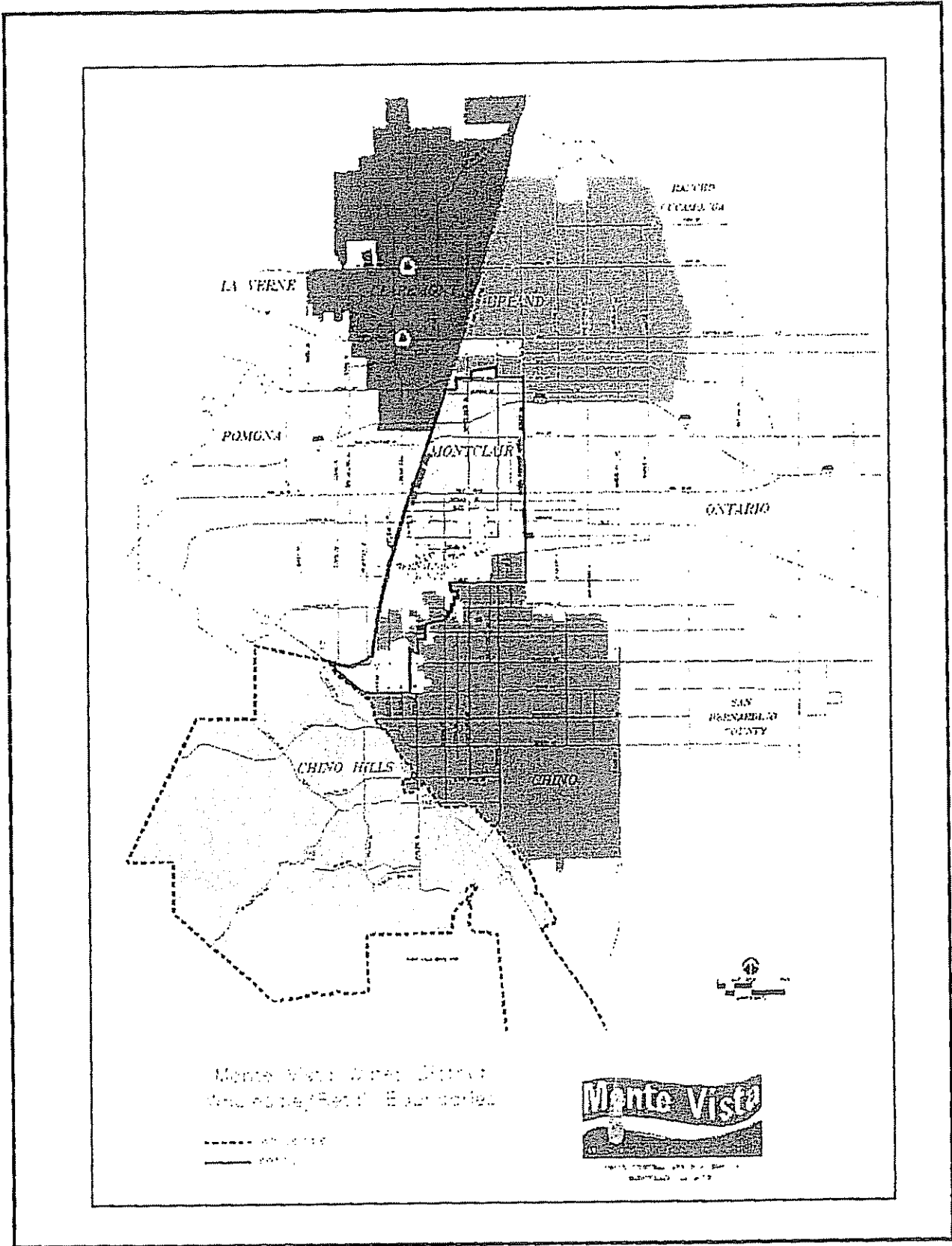


Figure 1-2
 Monte Vista Water District Service Area

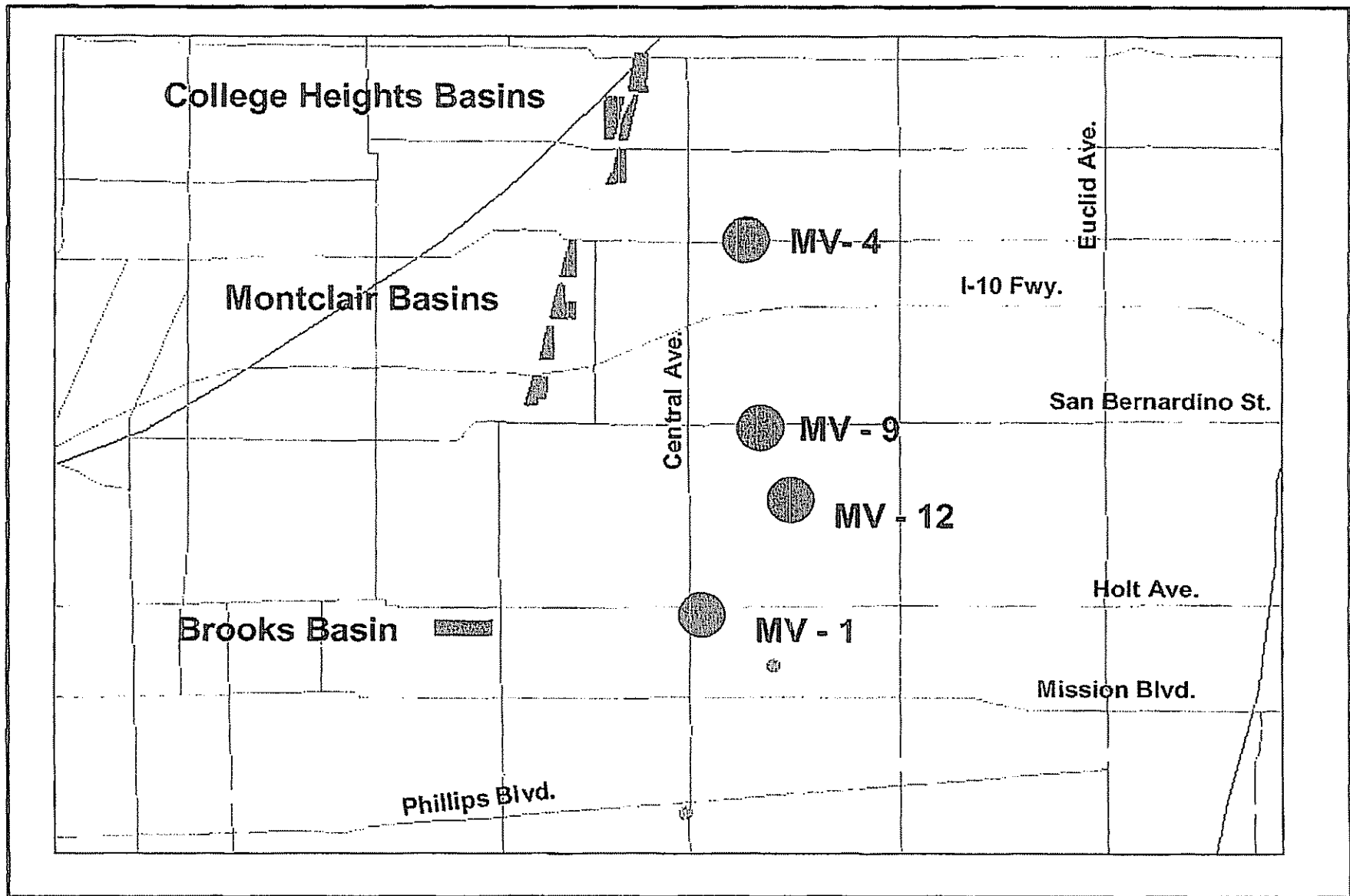


Figure 1-3
Well Location Map

1.3 Project Objectives

The three primary objectives of MVWD's Groundwater Recharge Facilities Program include;

- Increasing recharge of imported water into Management Zone 1,
- Enhancing the cleanup of nitrates from this portion of the Chino Groundwater Basin;
- Increasing water supply reliability for the MVWD; and
- Supporting the Dry-Year Yield Program of the Metropolitan Water District and its local member agency IEUA.

1.4 Project Description

The project presents an implementation plan for the phased reactivation of MVWD Wells No. 1, 9, and 12 and the modification of MVWD Well No. 4 for groundwater injection and extraction purposes. It is anticipated that actual project implementation is likely to be phased over the coming five to ten year period depending on system demand, long-term ASR well performance and available funding sources. Full project implementation includes the drilling of two new wells and/or rehabilitate and modify four existing wells to be used for direct injection of treated imported water into the groundwater basin during non-summer months and during wetter years when excess State Water Project supply is available. These wells would also be used for subsequent extraction of groundwater during the summer months or during periods when the water deliveries from the State Water Project may not be sufficient to meet local MVWD demands.

Four different alternatives for spreading and/or injection of imported water in Management Zone 1 of the Chino Groundwater Basin have been considered for this project. Spreading and/or injecting of imported water in this Management Zone is consistent with the Optimum Basin Management Plan to maintain production and adequate water levels. Individual alternatives vary depending on whether the existing wells would be rehabilitated for injection/extraction or new wells would need to be drilled. Alternatives also vary depending on the time and length of the injection and extraction cycles. The Draft Groundwater Recharge Facilities Program Feasibility Study (April 2003) evaluated four different alternatives and assessed their short-term and long-term impact on groundwater levels and water quality in Management Zone 1. These alternatives are briefly described below. Annual estimations of groundwater recharge, injection, and extraction for each alternative are summarized in Table 1-1.

1.4.1 Alternative 1 - Maximum Spreading of Imported Water

This alternative consists of recharging the groundwater basin by spreading untreated imported water at selected spreading basins. This alternative represents the conditions by which the groundwater basin would have been recharged in the absence of any injection program. Under this alternative, MVWD would pump an estimate 18,986 ac-ft per year. MVWD Wells MV-1, MV-4, MV-9, and MV-12 would remain in their current conditions with Well MV-4 in operation for groundwater extraction and Wells MV-1, MV-9 and MV-12 not in use. It should be noted that this level of groundwater production by the District is significantly higher than the 9,319 ac-ft per year used in the OBMP for the year 2000 and would exceed the District's Initial Share of the Operating Safe Yield plus anticipated Agricultural Transfers. Replenishment obligations to be incurred by the District are estimated at 11,541 ac-ft per year.

To compensate for the increase in groundwater production (9,667 ac-ft per year) over the OBMP values, spreading of imported water for basin recharge was increased by the same amount bringing total recharge in Management Zone 1 to 26,250 ac-ft per year. Spreading of imported water would take place at the Montclair and College Heights spreading basins. This alternative would not require the construction of new spreading facilities in Management Zone 1. However, additional transmission facilities would be required to convey imported water to the Upland-College Heights spreading grounds. The assessment of the transmission facilities is not a part of this study.

1.4.2 Alternative 2 - Maximum Injection of Imported Water

This alternative considers a maximum injection rate of 4,500 ac-ft per year over a three year period for a total injection of 13,500 ac-ft. The three injection years would be followed by two years of extractions. To accomplish this level of injection, the following improvements would be necessary:

- Rehabilitate existing Well No. 1 by installing a liner casing and constructing the appropriate ASR injection and extraction facilities
- Modify existing Well No. 4 to become an ASR facility
- Construct two 1,000 ft deep replacement wells for wells 9 and 12

Production capacity for the new wells is anticipated at 2,000 gpm each. Injection rate for these wells was estimated at 60 percent of their production capacity or 1,200 gpm. Production capacity for the two existing wells was estimated at 800 gpm for Well No. 1 and 900 gpm for Well No. 4. Injection rates for these wells were assumed to be 50 percent of their production capacity.

During the injection mode, the two new wells would inject treated imported water from the WFA treatment plant on a continuous basis over a 36 month period. During this period, the other two wells (MV-1 and MV-4) would operate seasonally by

injecting during the winter months and extract during the summer. Annual groundwater production by the District during this period is estimated at 19,527 ac-ft. During the 24-month extraction cycle that follows, the four ASR wells would operate as production wells by pumping directly into the distribution system on a continuous basis over a 24 month period as part of a five year cycle. Groundwater production during this period is estimated at 22,762 ac-ft per year. Spreading of imported water to meet replenishment obligations is anticipated to average 25,362 ac-ft per year over the five year period.

1.4.3 Alternative 3 - Moderate Injection of Imported Water

Similar to the Maximum Injection alternative, this alternative considers the construction of two new ASR wells (MV-9 and MV-12), the rehabilitation of MV-1 by installing a liner casing, and the refurbishment of MV-4 to become an ASR well. Under this alternative, MV-4, MV-9 and MV-12 would operate in the injection mode during the winter months reverting to the extraction mode during the summer. Well MV-1 would operate on the injection mode during the winter but it would be shut down during the summer. This mode of injection/extraction operation was maintained constant over the 20-year evaluation. In the model, a total of 3,272 ac-ft of treated imported water was injected on an annual basis over the study period.

This alternative is considered as moderate injection because the amount of injected water would be less than the maximum alternative during the injection years; however, the amount of water injected over a five year period would be higher. Under this alternative a five-year total of 16,260 ac-ft of treated imported water would be injected in the basin compared to 13,500 ac-ft for the maximum injection alternative. Spreading of imported water to meet replenishment obligations have been estimated at 25,119 ac-ft per year.

1.4.4 Alternative 4 - Minimum Injection of Imported Water

This alternative considers an annual injection rate of 1,640 ac-ft per year. Similar to the moderate injection alternative, the ASR wells would operate on a seasonal basis. The facility improvements would be limited to modifying Well No. 4 to become an ASR facility and rehabilitating the three existing wells. Rehabilitation of these wells would consist of installing liner casings and constructing the appropriate ASR injection and extraction facilities. Production capacity for wells No. 9 and 12 after rehabilitation was assumed to be equal to the production of Well No. 4. Production from this well was increased to 900 gpm after it was rehabilitated in the late 1990's. Production capacity for Well No. 1 was maintained at 800 gpm while injection rates for all wells were considered at 50 percent of their capacity. Spreading of imported water to meet replenishment obligations in the basin have been estimated at 26,073 ac ft per year.

1.5 Groundwater Modeling Results

The impact of the four alternatives described above on the groundwater basin was assessed through the use of a groundwater model of the westerly portion of the basin.

Table 1-1
Annual Recharge, Injection and Extraction Values (acre-feet)

	Management Zone 1 Spreading	Injection	MVWD Extraction
Alt. 1 – Maximum Spreading	25,362	0	19,527
Alt. 2 – Maximum Injection			
Injection Cycle	25,362	4,449	22,797
Extraction Cycle	25,119	0	21,152
Alt. 3 – Moderate Injection		3,272	
Alt. 4 – Minimum Injection	26,073	1,640	20,472

Source: Draft Groundwater Recharge Facilities Program Feasibility Study (March 2003)

The model used was a modified version of the OBMP model. The OBMP model was used to address water quantity issues as part of the programmatic EIR. The modifications made to this model consisted of a) reduction of the modeling area to represent the area of interest, b) modification of the model from a steady-state to a transient mode to allow evaluation of non-equilibrium conditions over time, c) addition of new MVWD wells, d) implementation of seasonal flow changes for MVWD facilities, and e) addition of solute transport capabilities to allow evaluation of nitrate-nitrogen (nitrate) concentrations in the aquifer.

The modified model was run for all alternatives and the result compared to the OBMP modeled conditions. Modeling results indicate that water levels would not significantly change or could slightly increase as a result of increased groundwater spreading and direct injection of imported water in Management Zone 1. Modeling results also indicate that different alternatives would have a positive impact on groundwater quality in this management zone in general and at the District and the City of Chino wells in particular. Appendix A provides a complete description of the modeling results from a water quality and water level perspective. In addition, a full description of the groundwater model used to evaluate the alternatives is presented.

1.6 Other Considerations

Modifications to the existing well sites would be required to convey treated imported water to the injection sites and to connect the wells to the distribution system. An underground pipeline conveying treated imported water would be brought to the well site to connect to the well. This pipeline would have a 20-25 feet above-grade section at the well head facility. Once constructed, each well is anticipated to require

maintenance activities on a daily basis, including recording water production, checking oil levels in the motors, checking chlorine residual in the water, checking for water leaks and/or signs of trespassing, etc.

Liquid sodium hypochlorite would be used for disinfection of the water produced at each well during the extraction mode. Sodium hypochlorite would be injected into the water to provide a chlorine residual (injection would take place at the well head facilities during the discharge phase as water is pumped from the ground into the distribution system). Sodium hypochlorite is considered a corrosive material and would be stored and housed in a fiberglass shed with secondary containment. Approximately 200 gallons of sodium hypochlorite would be stored at each of the four well sites.

1.7 Construction Activities and Schedule

The construction of new wells and/or the rehabilitation of existing wells would require the use of a well rig and additional supporting construction equipment including a backhoe, trucks for piping, mud tanks, pump rig, and an equipment trailer to store the contractors' supplies. Drilling of new wells would use the reverse circulation drilling method where the bore hole is drilled using water as the drilling fluid. Each well pilot hole would be drilled to an approximate depth of 1,000 feet below ground surface (bgs). The final depth of each well would be determined after the pilot hole is drilled and geophysical logs are completed. Construction would last approximately three months and is anticipated to begin late in 2003 or in 2004. However, it should be recognized that MVWD has no plans to immediately implement this program at this time; further, this document represents a guidance document for the phased implementation of the proposed facilities.

When constructed, all of the well sites would contain the following aboveground structures: a sodium hypochlorite feed system housing unit (approximately 10-feet by 10-feet), a motor control center pad (approximately 5-feet by 18-feet), a pump foundation and motor (6-feet by 6-feet), a transformer pad (4-feet by 4-feet), and aboveground piping and appurtenances. At-grade wellhead equipment would consist of a well pump, motor, electrical service, piping, valves, controls, instrumentation, and appurtenances. Well design and construction would meet the criteria and requirements of the following standards: California Water Well Standards, Department of Water Resources; and the California Department of Health Services.

1.8 Procedural Considerations

As previously stated, the Inland Empire Utilities Agency certified and adopted a Program Environmental Impact Report (Program EIR) for the Optimum Basin Management Program (OBMP) in July 2000. This Program EIR addressed this proposed project as part of a larger, integrated program of water resources management for the Chino Groundwater Basin (Basin). Among other elements, the Program EIR evaluated the impact of a 150,000 to 300,000 AF conjunctive water use

program in the Basin. The Program EIR evaluated the general use of the Basin for conjunctive use and the installation of support infrastructure as permitted activities under the OBMP and addressed impacts as part of its baseline and cumulative environmental evaluation. The Monte Vista Water District must determine whether the proposed project results in a new significant impact not evaluated in the Program EIR and must decide what CEQA environmental determination to make if it chooses to approve the proposed project.

A Program EIR is used when a project consists of a program that will entail a series of future actions or specific construction projects which can be characterized as a large project, such as a groundwater management plan over a large geographical area. A Program EIR describes the broad program objectives and facilities and evaluates the cumulative impact of implementing the total project over a period of time with all its elements. Under this programmatic concept, future individual actions are reviewed in the context of the Program EIR findings. These future individual actions may include specific well, pipeline, treatment and other infrastructure projects analyzed as part of a whole multifaceted program in the Program EIR. Where activities or facilities being implemented in the future fall within the scope of impacts identified for the Program EIR, (in this case, the OBMP Program EIR) later environmental studies can be minimized through elimination of specific environmental issues deemed to be insignificant during the earlier stage of environmental review or through finding that the environmental impact analysis in the Program EIR was sufficient to fully address program environmental impacts, including significant impacts.

The Program EIR provides a baseline and cumulative environmental evaluation and determination for the activities permitted under the OBMP, which includes desalters, wells, recharge basins, conjunctive use, pipelines, treatment and other infrastructure systems and groundwater monitoring. Later activities are then reviewed for consistency with the plan evaluated in the Program EIR which allows "tiering" of any future environmental review as provided in Sections 15152 and 15385 of the State CEQA Guidelines, if subsequent environmental review is required (Section 15162, CEQA Guidelines). Existing conditions used to make impact forecasts in this Written Checklist are assumed to be the same as those in the Program EIR, as the analysis presented in this Written Checklist will be completed within a little over three years of the certification of the Program EIR.

Based on the above, the Program EIR, as amended with the information and analysis presented herein as an Addendum, adequately addresses the potential impacts of the Groundwater Recharge Facilities Program.

Section 15162 of the CEQA Guidelines indicates that when an EIR has been certified for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines one or more of the following:

- Substantial changes are proposed in the project which will require major revisions of the previous EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- Substantial changes occur with respect to circumstances under which the project is undertaken which will require major revisions of the previous EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, shows any of the following:
 - The project will have one or more significant effects not discussed in the previous EIR;
 - Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Based on the information and analysis presented herein, the Monte Vista Water District finds as follows:

- The proposed project would not result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects requiring revisions to the previous EIR (see checklist answers and associated explanations above);
- The proposed project would not have circumstances that would result in new significant environmental effects and require revisions to the previous EIR; and
- Since the previous EIR, no new information has been identified that would result in:
 - One or more new significant effects (see items 1 and 2 directly above);
 - Increase the severity of a previous significant effect (see item 2 directly above and item II.(a) in Checklist); or

- Find new feasible mitigation measures or alternatives that the project proponents decline to adopt; or
- Find new mitigation measures or alternatives different than those in the previous EIR that would reduce significant effects that the project proponents decline to adopt (see above).

Section 2

Written Checklist

Purpose of the written checklist:

This written checklist evaluates Monte Vista Water District's (MVWD) proposed Groundwater Recharge Facilities Program as part of the Chino Basin Optimum Basin Management Program (OBMP), which was previously evaluated in the Inland Empire Utilities Agency's OBMP Program Environmental Impact Report (SCHMV-2000041047). The proposed project would involve implementation of one of the five alternatives, as described in Section 1, Project/Program Description. The general premise and scope of the Groundwater Recharge Facilities Program for MVWD is accounted for and addressed within the OBMP Final Program Environmental Impact Report (Program EIR). The following written checklist provides a review of the proposed Groundwater Recharge Facilities Program to determine whether there are any environmental impacts that have not been previously contemplated and addressed in the OBMP Final Program EIR, pursuant to CEQA Guidelines Section 15168(c)(4).

Project title:

Addendum to the Optimum Basin Management Program EIR for the Monte Vista Water District Groundwater Recharge Facilities Program

Lead agency name and address:

Monte Vista Water District
10575 Central Avenue
Montclair, CA 91763

Contact person and phone number:

Mr. Mark N. Kinsey, General Manager
Monte Vista Water District
10575 Central Avenue,
P.O. Box 71
Montclair, CA 91763
(909) 624-3812

Project location:

The proposed project, would be within Monte Vista Water District's (MVWD) boundaries, lies within the greater Chino Groundwater Basin, as depicted in Figure 1, Chino Groundwater Basin, and Figure 2, Monte Vista Water District Service Area. Implementation of Alternatives 2, 3 or 4, as previously described, would involve improvements at three existing well sites in the City of Montclair and one well site within the City of Ontario. Alternatives 1 and 2 would maintain status quo conditions at each of the well locations described below, and depicted in Figure 1-3, Well Locations Map.

- Well MV-1 is located at 10575 Central Avenue in the City of Montclair. Most of the property at this address is used by Monte Vista Water District for its headquarters offices, and the well is located in an enclosed building in the southeastern portion of the property.
- Well MV-4 is located at 5501 Arrow Highway in the City of Montclair. This property is located on the south side of Arrow Highway in the middle of the block bound by Benson Avenue on the east and Vernon Avenue on the west. Also located on this property is MVWD Well MV-27.
- Well MV-9 is located at 5617 San Bernardino Street in the City of Montclair. This property is located on the south side of San Bernardino Street in the middle of the block bound by Benson Avenue on the east and Vernon Avenue on the west. Adjacent to the well on the west is Vernon Middle School, and to the east is Buena Vista Elementary School.
- Well MV-12 is located at the northeast corner of Benson Avenue and G Street in the City of Ontario. The well is situated in the northeastern portion of this MVWD property.

Project sponsor's name and address:

Monte Vista Water District
10575 Central Avenue
Montclair, CA 91763

General plan designation:

- General plan designations for each of the well locations is provided below:
 - Well MV-1: Limited Manufacturing
 - Well MV-4: MIP – Manufacturing Industrial Park
 - Well MV-9: Residential
 - Well MV-12: Non-Recreational Open Space

Zoning:

- Zoning designations for each of the well locations is provided below:
 - Well MV-1: M-1, Manufacturing
 - Well MV-4: MIP – Manufacturing Industrial Park
 - Well MV-9: Single-Family Residential
 - Well MV-12: Open Space

Description of the project:

Monte Vista Water District (MVWD) proposes to drill two new and/or rehabilitate existing wells at four existing well sites for groundwater injection and extraction purposes. Four alternatives are under consideration by MVWD and are described in detail under Program Description. For three of these alternatives, Alternatives 2, 3, and 4, new drilling and construction activities would be required and/or MVWD facilities would require rehabilitation. For Alternative 1, no new construction and/or rehabilitation would be required.

Surrounding land uses and environmental setting:

Three of four well locations for the proposed project are located within the city limits of the City of Montclair and the fourth well is located within the City of Ontario. The well sites are surrounded by land uses associated with urbanized areas. These are described below:

- Well MV-1 is on property owned and operated by Monte Vista Water District. The well itself is located in the southeastern portion of the site, is approximately 16-20 inches in diameter and currently extends approximately 500 feet below ground. The existing condition of this well is such that using the well for groundwater extraction or injection of imported water is not possible. The well has not been in use for several years, and the casing prohibits successful extraction of water. Above ground, surrounding the well is a building currently used for furniture and supply storage. The rest of the MVWD property is used for offices and water storage tanks associated with MVWD operations. Land uses surrounding the MVWD property at 10575 Central Avenue include the following:
 - North of the property are manufacturing, warehouse and industrial land uses;
 - South of the property are storage facilities and a Union Pacific/Metrolink railroad line;
 - East of the property are manufacturing, warehouse and industrial land uses; and
 - West of the property is Central Avenue, a divided four-lane main arterial street.

Well MV-4 is located on property owned and operated by Monte Vista Water District. The well itself is located in the eastern portion of the property, is currently operational for extracting groundwater, and would need to be re-equipped as part of the proposed project. The well would be adapted to not only extract groundwater, but would also be able to be used for groundwater injection. Also located on this property is Monte Vista Water District's Well MV-27 and a water storage tank. Adjacent to Well MV-4 is vacant land approved for the construction of an Industrial Park. The applicant has received approval for the project and is in the final plan check phase with the City of Montclair Planning Department. Land uses surrounding the MVWD property at 5501 Arrow Highway include the following:

- North of the property is Arrow Highway, a four-lane main arterial street, and commercial land uses;
- South of the property is vacant land and a mobile home park;
- East of the property is vacant land and industrial uses; and
- West of the property are industrial and commercial land uses.

Well MV-9 is located on property owned and operated by MVWD. The well itself is located in the western portion of the site, closest to Vernon Middle School, is approximately 16-20 inches in diameter and currently extends 500 feet below ground. The existing condition of this well is such that using the well for groundwater extraction or injection of imported water is not possible. The well has not been in use for several years, and the casing prohibits successful extraction of water. Above ground, surrounding the well is a small building currently used for storage, piles of debris, and old casing extracted from Well MV-1, Well MV-9 and Well MV-12. Land uses surrounding the MVWD property at 5617 San Bernardino Street include the following:

- North of the property is San Bernardino Street, a secondary street, and single family residential units;
- South of the property are playfields for Buena Vista Elementary School and Vernon Middle School, as well as residences;
- East of the property is Buena Vista Elementary School, Benson Avenue, a main arterial street, and single-family residences; and
- West of the property is Vernon Middle School, Vernon Avenue, and single-family residences.

Well MV-12 is located on property owned and operated by MVWD. The well itself is located in the eastern portion of the site, is approximately 16-20 inches in diameter, and currently extends 500 feet below ground. The existing condition of this well is such that using the well for groundwater extraction or injecting imported water is not possible. The well has not been in use for several years, and the casing prohibits successful extraction of water. Above ground, surrounding the well is vacant, unimproved land, electrical power lines, and one mature tree. Land uses surrounding the MVWD property at the northeast corner of Benson Avenue and G Street include the following:

- North of the property is vacant land and single-family residences;
- South of the property is G Street, a collector street, and single-family residences;

- East of the property is vacant land and Bellevue Memorial Park, a cemetery; and
- West of the property is Benson Avenue, a collector street, and single-family residences.

The general impacts to aesthetics and visual resources of the overall Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.15 on pages 4-437 through 4-444 of the OBMP Program EIR, and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
I. AESTHETICS – Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a-b) **No Impact:** For Alternatives 2, 3 and 4, proposed well improvements associated with the Groundwater Recharge Facilities Program would occur below ground level. Existing above-ground facilities at each of the MVWD properties includes electrical connections, well heads, and perimeter walls/fencing. Where required, facilities would be improved. Therefore, visual conditions at each of the four well locations would not change, and no impacts to scenic vistas or scenic resources would occur.

c) **Less Than Significant Impact:** For Alternatives 2, 3 and 4, proposed well improvements would occur below ground level. Existing above-ground facilities on the MVWD properties currently include electrical connections, well heads, and perimeter walls/fencing. Where required, facilities would be improved and updated. Currently, landscaping and perimeter fencing is included at the operational Well MV-4 site. Such landscaping and fencing

around the perimeter of each of the other well sites may be included in the project. Therefore, the visual character of the well locations may change but would not be compromised.

- d) **No Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), no lighting would be associated with the proposed injection and extraction wells. Therefore, no new light or glare impacts would occur from the proposed project.

The general impacts to agricultural resources of the overall Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.2, on pages 4-3 through 4-26 of the OBMP Program EIR, and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
II. AGRICULTURAL RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a-c) **No Impact:** For each of the three build alternatives, the four proposed injection and extraction well sites are located on land currently owned and developed by MVWD uses. No farming activities occur at, or immediately adjacent to, the properties; therefore, no prime or unique farmland or farmland

of statewide importance would be directly or indirectly converted as a result of the proposed program.

The general impacts to air quality resources of the overall Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.6, on pages 4-270 through 4-295 of the OBMP Program EIR, which are included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
III. AIR QUALITY – Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **No Impact:** According to planners with both the City of Montclair and the City of Ontario, the project would not conflict with any adopted air quality plans. The proposed project would not conflict with adopted air quality plan. Construction impacts from the project would be limited and short-term. Drilling and re-equipping wells would generate limited amounts of emissions. Primary emissions sources during construction would result from construction equipment used during drilling and re-equipping activities. Operations activities for the injection and extraction wells would not generate air emissions or affect air movement, moisture, temperature or climate.

- b-c) **Less Than Significant Impact:** The proposed Groundwater Recharge Facilities Program would be located within the South Coast Air Quality Management District, a non-attainment area for ozone (O₃), carbon monoxide (CO), nitrogen dioxide (NO₂), and particulates (PM₁₀). Construction activities for the proposed well drilling and rehabilitation for Alternatives 2, 3 and 4 may generate emissions related to fugitive dust and construction equipment. These emissions would be short-term, limited, and would not directly result in any air quality standard violations or contribute substantially to existing or projected violations in the program area.
- d) **Less Than Significant Impact:** Construction activities, including well drilling and rehabilitation would occur within close proximity to sensitive receptors. Well MV-9 is located between Buena Vista Elementary School and Vernon Middle School, and across the street from single-family residences. Well MV-12 is also located across the street from single-family residences. However, due to the limited nature of anticipated air emissions during construction activities at Well MV-9 and Well MV-12, sensitive receptors would not be exposed to substantial pollutant concentrations. Well MV-1 and Well MV-4 are not located near sensitive receptors.
- e) **Less Than Significant Impact:** Construction equipment used during well drilling and re-equipping activities would generate diesel odors within the immediate project area. However, these odors would be short-term, occur within the immediate construction area only, and would only be associated with diesel equipment use. Odors would be expected to dissipate before reaching surrounding sensitive receptors and surrounding land uses and would cease upon completion of project construction.

The general impacts to biological resources of the overall Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.8, on pages 4-308 through 4-336 of the OBMP Program EIR which are included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES -- Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not result in habitat modifications that would affect sensitive, candidate, or special status species. All four well sites are located on land owned and currently utilized by MVWD. No habitat currently exists that would support sensitive, candidate, or special status species, and no new land would be acquired for the proposed project; therefore, no impacts would occur.
- b) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not result in modifications to riparian habitat or other sensitive natural communities identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service. All four well sites are located on land owned and currently utilized by MVWD. No riparian habitat or other sensitive natural communities exist on the four MVWD well locations, and no new land would be acquired for the proposed project that consists of riparian habitat or habitat for sensitive communities; therefore, no impacts would occur.
- c) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not result in affects to wetlands. No wetland conditions exist at, or immediately adjacent to, the four MVWD well locations, and no new land would be acquired for the proposed project; therefore, no impacts would occur.
- d) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not interfere with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites. All well locations are currently utilized by MVWD, are fenced off, and no new land would be acquired for the proposed project; therefore, no impacts would occur.
- e) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not interfere with any local policies or ordinances protecting biological resources. At the Well MV-12 location, one mature does exist, and at the Well MV-4 location, landscaping around the perimeter is in place. However, well improvements at these two sites are not anticipated to affect the tree or landscaping in any way. Therefore, no impacts would occur.
- f) **No Impact:** According to planners with the City of Montclair and the City of Ontario, implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not interfere with any adopted Habitat Conservation Plans, Natural Community Plans, or other approved local, regional, or state habitat conservation plans. All well locations are currently utilized by MVWD, not subject to any habitat conservation plans, and no new land would be acquired for the proposed project; therefore, no impacts would occur.

The general impacts to cultural resources of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.14, on pages 4-425 through 4-435, of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES – Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

a-d) **Less Than Significant Impact with Mitigation:** Construction activities associated with the groundwater recharge facilities improvements for Alternatives 3 and 4 do have the potential to result in significant impacts to historical, archaeological, or paleontological resources and human remains. For Alternatives 1 and 2, no improvements to the four existing wells would occur; therefore, no impacts would result. Implementation of Alternative 4 would require rehabilitating the existing Well MV-1, Well MV-9 and Well MV-12; therefore no impacts would occur. However, with Alternatives 3 and 4, new wells would be drilled immediately adjacent to the existing Well MV-9 and Well MV-12. Implementing either one of these alternatives would have the potential to disturb cultural resources during drilling activities. However, implementation of Mitigation Measures 4.14-1 through 4.14-5, as detailed in the OBMP Program EIR would reduce any significant cultural resources impacts to less than significant levels in the event that Alternatives 3 or 4 are chose as the preferred alternative. These mitigation measures include:

4.14-1 Inventory: A required basic archaeological inventory should encompass the following guidelines:

- a. **Literature and Records Search:** Existing maps, site reports, site records, and previous EIRs in the region of the subject area should be researched to identify known archaeological sites and works completed in the region. All maps, EIRs, historical maps and documents, and site records should be cited in text and

references. Local historical societies should also be contacted and referenced. State Information Centers will provide the bulk of this information. The San Bernardino County Archives or the Eastern Information Center at UC Riverside should be contacted.

- b. **Field Reconnaissance:** Conduct a surface survey to obtain comprehensive examination of current status of the area and gather general understanding of the kinds of cultural and related phenomena present. At a minimum, all ground surface chosen for survey should be walked over in such a way that every foot of ground can be visually scanned. All previously recorded cultural resources should be revisited to determine their current status, and all newly discovered sites should be recorded on either State Form 422 or 523 and supplements, as appropriate. Trinomial designations will be obtained from the Information Center. For the inventory process, a compilation of all historical resources, including archaeological and historic resources older than 50 years, using appropriate State record forms, following guidelines in the California Office of Historic Preservation's handbook should be completed for all new discoveries. Two copies should be submitted to the San Bernardino County Archaeological Information Center for the assignment of trinomials if discovered within San Bernardino County. Otherwise, the appropriate comparable agency in Riverside County shall be the recipient of these reports.
- c. **Report:** A technical report should be prepared which fully describes both the methods and results of all efforts. Research sources should be listed, and the information summarized. The field work should be presented in detail, with all appropriate maps and graphics. Any areas not inspected with full intensity should be specified, preferably using clear, easily understood maps, and the reasons for the deficiency presented. Site records should be prepared for all new discoveries, and amendments prepared to update old forms should be provided in the separable appendix, but the sites should be described in the main text. Each resource description should include a professional opinion of significance, with reference to the qualities or research potential which make it worthy of further consideration. Archaeological sites which need test excavation to confirm significance, integrity, and boundaries should be identified and a sampling program recommended.

4.14-2 Assessment

Properties shall be evaluated using a well-understood cultural context that describes the cultural development of an area and identifies the significant patterns that properties represent. This same historic context is used to organize all identification, registration, and preservation decisions within the planning framework. To be useful in subsequent stages of the planning process, evaluation decisions must make clear the significance of the property with the historic context. Potential preservation treatments should not influence the evaluation of significance (National Park Service n.d.:35)

The nature and type of assessment will depend on the particular resource(s) and level of information for a particular region. Consequently, it is not possible to prescribe specific methods to be utilized. However, there are certain basic elements that should be included and are as follows:

- a. Preparation of a Research Design – Archaeological documentation can be carried out only after defining explicit goals and a methodology for reaching them. The goals of the documentation effort directly reflect the goals of the preservation plan and the specific needs identified for the relevant historic contexts.
- b. Field Studies – The implementation of the research design in the field must be flexible enough to accommodate the discovery of new or unexpected data classes or properties, or changing field conditions. An important consideration in choosing methods to be used in the field studies should be assuring full, clear, and accurate description of all field operations and observations, including excavation and recording techniques and stratigraphic or inter-site relationships.
- c. Report – The assessment report should evaluate the significance and integrity of all historical resources within the project area, using criteria established in Appendix G of the CEQA Guidelines for important archaeological resources and/or CFR 60.4 for eligibility for listing on the National Register of Historic Places. The report should contain the following information and should be submitted to the San Bernardino County Archaeological Information Center or to the Eastern Information Center at UC Riverside for permanent archiving:
 - (1) Description of the study area;
 - (2) Relevant historical documentation/background research;
 - (3) The research design;
 - (4) The field studies as actually implemented, including any deviation from the research design and the reason for the change;
 - (5) All field observations;
 - (6) Analysis and results, illustrated as appropriate with tables, maps and graphs;
 - (7) Evaluation of the study in terms of the goals and objectives of the investigation, including discussion of how well the needs dictated by the planning process were served;
 - (8) Information on where recovered materials are curated and the satisfactory condition of those facilities to protect and to preserve the

artifacts and supporting data. The County of San Bernardino requests that historical resource data and artifacts collected within this project area be permanently curated at a repository within the County.

- d. In the event that a prehistoric or historic artifact over 50 years in age is encountered within the project area, especially during construction activities, all land modification activities in the immediate area of the finds should be halted, and an onsite inspection should be performed immediately by a qualified archaeologist. This professional will be able to assess the find, determine its significance, and make recommendations for appropriate mitigation measures. Further, if human remains of any kind are encountered on the property, the San Bernardino or Riverside County Coroner's Office must be contacted within 24 hours of the find, and all work should be halted until a clearance is given by that office and any other involved agencies.

4.14-3 Monitoring

In situations where resources are potentially subject to direct or indirect impact and testing or data recovery is not proposed, an archaeological monitor and Native American observer/consultant should be present during subsurface work. One circumstance under which this might occur would be if a known resource was close to an area of impact and the site boundaries were ambiguous. Monitors help insure that exposed data or materials are collected and that if potentially significance cultural materials or features are encountered, they will be preserved either by realignment of the proposed facilities or by prompt evaluation and recommendations for any necessary mitigation measure.

4.14-4 Data Recovery

If an archaeological resource is found to be significant and no other preservation option is possible, mitigation of adverse effects by scientific data recovery, including analysis and reporting is the method of last resort. Such a mitigation program is usually only developed after an assessment test has been completed to identify physical parameters and cultural complexity, and formulate a research design. Each specific program would have to be developed in response to the site and potential impact, with the concurrence of the appropriate agencies and in consultation with Native American representatives.

4.14-5 Future Project Siting

Future project siting shall be located, whenever possible or feasible, outside of the highly sensitive cultural resource areas depicted in Figures 4.14-1 in the OBMP Program EIR. Before any projects are located, and before any construction activities begin, any proposed project that will result in ground disturbance to any area that does not have a complete cultural resource survey on record with either the AIC or the EIC offices will conduct a site specific cultural resource evaluation and report prior to any ground breaking activity. Further, if cultural resources have been

identified on the site, a qualified archaeologist or paleontologist will be retained to devise an excavation and/or curation plan for the resources, and a qualified cultural resource monitor will be present onsite during all construction-related activities that could potentially uncover previously undiscovered resources. This monitor will examine excavated soils and have the authority to cease construction activities if resources are unearthed.

The general impacts to geology and soils from the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.4, on pages 4-42 through 4-70, of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
VI. GEOLOGY AND SOILS – Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death. Drilling new and/or rehabilitating existing wells and operating four injection and extraction wells would not result in any adverse geology and soils impacts.
- b) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not result in soil erosion or loss of topsoil. All well improvements would occur below ground, and improvements above ground to well heads and perimeter walls, fencing and landscaping would not create conditions that would cause soil erosion or loss of topsoil. Therefore, no impacts would occur.
- c-d) **No Impact:** According to planners with the City of Montclair and the City of Ontario, there are no known unstable geologic units, unstable soils, or expansive soils in the vicinity of the four well sites. Drilling and/or rehabilitation of the well sites would not occur on unstable soils; therefore, no impacts would occur.
- e) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not affect soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems. Therefore, no impacts would occur.

The general impacts to hazards and hazardous materials from the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Sections 4.5.3, 4.7.3, 4.7.4, and 4.4.10, on pages 4-128 through 4-139, 4-304 through 4-306, and 4-347 through 4-365 of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
VII. HAZARDS AND HAZARDOUS MATERIALS –				
Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a-c) **Less Than Significant Impact:** Drilling new wells and rehabilitating existing wells under Alternatives 2, 3, and 4 of the Groundwater Recharge Feasibility Project would not create any hazards for the public, neighboring schools, or the environment through the routine transport, use, or disposal of hazardous materials. Operations activities at the four well sites would involve the daily use of liquid sodium hypochlorite for disinfection purposes. The chemical would be injected into the water to provide a chlorine residual to prevent bacterial growth in the water distribution system. The sodium hypochlorite would be transported by truck and stored in vented, closed fiberglass sheds with secondary containment at each of the proposed well sites. Approximately 200 gallons of liquid sodium hypochlorite would be stored at each of the four sites. Transportation of sodium hypochlorite would follow transportation routes established in the City of Montclair and the City of Ontario General Plans for the transportation of hazardous materials. The amount of sodium hypochlorite used for disinfection at each well site would be regulated to prevent accidental spills. With these safety precautions in place, no health hazards would result.
- d) **Less Than Significant Impact:** Two of the four well sites that would be utilized in Alternatives 2, 3 and 4 are listed within hazardous materials databases. According to the January 27, 2003 EDR site reports prepared for each of the four well sites, Wells MV-9 and MV-12 are not listed on any hazardous materials lists. Well MV-1 is listed on the "CA HAZNET" list and "CA San Bern. Co. Permit" list. "CA HAZNET" means that the site is listed within the Hazardous Waste Information System, and "CA San Bern. Co. Permit" means that MVWD has obtained a permit to operate as a hazardous material handler at the site. Well MV-4 is also listed on the "CA San Bern. Co. Permit" list.
- e) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would occur outside of an airport land use plan and would be outside the two mile radius of the closest airport, the Ontario International Airport. Therefore, no impacts would occur.
- f) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not occur in the vicinity of a private use airport. Therefore, no impacts would occur.
- g) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not impair implementation of or physically interfere with, an adopted emergency response plan or emergency evacuation plan. The proposed well rehabilitations and improvements would all occur on property currently owned, utilized, and enclosed by MVWD. The sites are not currently part of an emergency response plan; therefore, no impacts would occur.

- h) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) would not result in an increase in wildland fires. All well improvements would occur below ground, and improvements above ground to well heads and perimeter walls, fencing and landscaping would not create conditions that would increase wildland fire potential in the urbanized areas of Montclair and Ontario. Therefore, no impacts would occur.

The general impacts to hydrology and water quality of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.5, on pages 4-87 through 4-166 of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
VIII. HYDROLOGY AND WATER QUALITY – Would the project:				
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) **No Impact:** Implementation of Alternatives 2, 3 or 4, would not violate any water quality standards. Treated water provided to MVWD by Metropolitan Water District (MWD) would be injected into the groundwater basin for extraction at a future time. Before being processed through the water system, all extracted groundwater would be disinfected with sodium hypochlorite. In addition, nitrate concentrations in the extracted water quality would be monitored to determine if blending would be needed to maintain nitrate levels below the maximum levels allowed by the State of California. Therefore, no water quality violations would occur.
- b) **Less Than Significant Impact:** Implementation of the MVWD Groundwater Recharge Facilities Program would not substantially deplete groundwater supplies or interfere with groundwater recharge. Instead, the intent of the Program is to more closely balance recharge and injection in Management Zone 1 with extraction activities by MVWD. Table 1-1 shows the modeled extraction, injection and recharge values annually for each of the four alternatives.
- c-d) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would not alter the existing drainage patterns in the vicinity of any of the four well locations. For each alternative, groundwater levels would temporarily rise during injection, and then upon extraction of the groundwater, water levels would drop slightly. Therefore, no impacts would occur.
- e) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would not create or contribute runoff water to the existing stormwater drainage systems. Therefore, no impacts would occur.
- f) **Less Than Significant Impact:** The Groundwater Recharge Facilities Program is designed to improve groundwater quality over time. Short-term water quality would not be compromised for the long-term improvement, and less than significant impacts would occur. Water quality impacts as a result of Alternatives 1, 2, 3, and 4 are presented in detail under Appendix B.
- g-h) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not place any housing or structures in 100-year flood hazard areas. Therefore, no impacts would occur.
- i) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam. Therefore, no impacts would occur.

- j) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not increase the potential for, or be subject to, inundation by seiche, tsunami, or mudflow. Therefore, no impacts would occur.

The general impacts to land use and planning of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.2, on pages 4-3 through 4-26 of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
IX. LAND USE AND PLANNING - Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well properties that are fenced/walled off to the general public and would not physically divide an established community. Therefore, no impacts would occur.

- b) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not conflict with an adopted land use plan, policy or regulation. The proposed project is consistent with, and a component of, the Inland Empire Utilities Agency's previously approved Chino Basin OBMP. Therefore, no land uses inconsistencies would occur.

- c) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not conflict with any with adopted conservation plans. The proposed project would not be located within the boundaries of any habitat conservation plans or natural community plans. Therefore, no impacts would occur.

The general impacts to mineral resources of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.4.2.2, on pages 4-49 through 4-51 of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
X. MINERAL RESOURCES – Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a-b) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not affect any mineral resources that might exist in the project area. The only mineral resources identified within the vicinity of the project are aggregate reserves (sand and gravel). Well drilling and rehabilitation activities would not disturb these resources. Therefore, no impacts would occur.

The general impacts to noise of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.11, on pages 4-378 through 4-392 of the OBMP Program EIR and has been included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XI. NOISE: Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) **Less Than Significant Impact with Mitigation:** According to the noise discussions in the municipal codes for the City of Montclair and the City of Ontario, the maximum allowable base ambient exterior noise levels, as shown in Tables 2-1 and 2-2, apply for each of the cities.

Table 2-1
City of Montclair Base Ambient Exterior Noise Levels

	7:00 am – 10:00 pm	10:00 pm – 7:00 am
Residential	55 dB	45 dB
Commercial	65 dB	55 dB
Industrial	70 dB	60 dB

Table 2-2
City of Ontario Base Ambient Exterior Noise Levels

	7:00 am – 10:00 pm	10:00 pm – 7:00 am
Residential (except M-F)	65	45
M-F Residential & Mobile Home Parks	65	50
Commercial	65	60
Light Industrial	70	70
Heavy Industrial	70	70

Within the City of Montclair, construction work is allowed in any land use area, and is not subject to exterior noise level maximums, as long as construction is limited to the hours of 7:00 am through 8:00 pm.

Construction activities associated with Alternatives 2, 3 and 4 would cause a short-term increase in noise due to heavy equipment operations and paving activities. Noise levels at well drilling sites are typically 60 to 65 dB at 200 feet from soundproofing. Noise generated from well drilling and construction would be short-term, and, with the exception of well drilling, project construction would not occur between the hours of 8:00 pm and 7:00 am.

For Alternatives 2, 3 and 4 of the Groundwater Recharge Facilities Program, sensitive receptors would be exposed to noise associated with well drilling and rehabilitation. Well MV-9 is located adjacent to Buena Vista Elementary School and Vernon Middle School, and across the street from single-family residences. Well MV-12 is located across single-family residences at both Benson Avenue and G Street in the City of Ontario.

Base ambient exterior noise level guidelines for the City of Montclair and the City of Ontario are expected to be exceeded at all well sites during well drilling. Though well-drilling would occur 24 hours per day, ground drilling activities would occur primarily during the hours of 7:00 am and 8:00 pm.

Impacts from construction and drilling activities associated with Alternatives 2, 3 and 4 of the proposed Groundwater Recharge Facilities Program were anticipated and accounted for in the OBMP Program EIR. Mitigation measures 4.11-1 through 4.11-8 in the OBMP Program EIR were identified to reduce significant impacts associated with construction noise. For the proposed project, implementation of these measures, in combination with an additional mitigation measure, 4.11-9, would reduce impacts to less than significant levels.

4.11-1 Construction shall be limited to the hours of 7 a.m. to 7 p.m. on Monday through Friday, and between 9 a.m. to 6 p.m. on Saturday, and shall be prohibited on Sundays and federal holidays.

4.11-2 All construction vehicles and fixed or mobile equipment shall be equipped with properly operating and maintained mufflers.

4.11-3 All employees that will be exposed to noise levels greater than 75 dB over an 8-hour period shall be provided with adequate hearing protection devices to ensure no hearing damage will result from construction activities.

4.11-4 If equipment is being used that can cause hearing damage at adjacent noise receptor locations (distance attenuation shall be taken into account), portable noise barriers shall be installed that are demonstrated to be adequate to reduce noise levels at receptor locations below hearing damage thresholds.

4.11-5 All production wells or booster pumps shall have their noise levels attenuated to 50 dBA CNEL at 50 feet from the well head.

4.11-6 Project design will include measures which assure adequate interior noise levels as required by Title 25 (California Noise Insulation Standards).

4.11-7 Require that all parking for desalter uses adjacent to residential areas be enclosed within a structure or separated by a solid wall with quality landscaping as a visual buffer.

4.11-8 Desalters shall be constructed and operated so that noise levels from operations do not exceed 50 dB during night hours and 65 dB averaged over the 12 hours of day time when located adjacent to existing or future sensitive land uses. This can be achieved by siting desalters a sufficient distance from sensitive noise receptors; by incorporating attenuation features in the facility or designing attenuation features at the boundary of the property.

4.11-9 Sound blankets shall be used at all of the well sites during well drilling to decrease noise levels.

- b) **Less Than Significant Impact:** Construction and operations associated with drilling new and/or rehabilitating existing wells under Alternatives 2, 3 and 4 are not anticipated to generate excessive groundborne vibration or groundborne noise.
- c) **Less Than Significant Impact:** During well drilling/rehabilitation activities, a short-term noise increase is anticipated. However, normal use/operation of Wells MV-1, MV-9 and MV-12 under Alternatives 2, 3 and 4 are not anticipated to result in a substantial permanent increase in ambient noise levels. Well MV-4 is already in use and no new noise impacts will result if this well is reequipped for groundwater injection and extraction purposes.
- d) **Less Than Significant Impact with Mitigation:** Construction and drilling activities for the proposed Groundwater Recharge Facilities Program are anticipated to generate substantial temporary increases in ambient noise levels. Well drilling under Alternatives 2, 3 and 4 would occur 24 hours per day over a 30-day period at each site. These impacts were considered in the OBMP Program EIR, and implementation of mitigation measures 4.11-1 through 4.11-9 above would reduce impacts to less than significant levels.
- e-f) **No Impact:** The well improvements proposed for Alternatives 2, 3 and 4 would not be located within a two-mile radius of a public use or private airport or within an airport land use plan area.

The general impacts to population and housing of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.3, on pages 4-33 through 4-41 of the OBMP Program EIR and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XII. POPULATION AND HOUSING – Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) **Less Than Significant Impact:** Implementation of the Groundwater Recharge Facilities Program is not anticipated to directly or indirectly induce growth in the City of Chino Hills and the City of Montclair. Instead, this groundwater injection and extraction program is intended to account for the forecast population growth as discussed in the OBMP Program EIR and more closely balance groundwater recharge and injection with extraction activities in the long-term. Therefore, less than significant impacts would occur.

b) **No Impact:** Installation and operation of the proposed groundwater injection and extraction wells for any of the five alternatives would not displace any housing and would not require the construction of replacement housing. Therefore, no impacts would occur.

c) **No Impact:** Installation and operation of the proposed injection and extraction wells for any of the five alternatives would not displace any people and would not require the construction of replacement housing. Therefore, no impacts would occur.

The general impacts to public services of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.12, on pages 4-406 through 4-409 and in Section 4.2, on page 4-18 of the OBMP Program EIR, and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XIII. PUBLIC SERVICES				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) **No Impact:** Implementation of the Groundwater Recharge Facilities Program would occur at existing MVWD well locations and would not require any additional fire protection, police protection, increased school demand, or increased park demand than what is currently generated by the well locations; therefore, no impacts would occur.

The general impacts to recreation of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.2, on page 4-18 of the OBMP Program EIR, and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XIV. RECREATION –				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) **No Impact:** Implementation of any of the three build alternatives (Alternatives 2, 3 and 4) for the injection and extraction well improvements would occur at existing MVWD well locations and would not increase the need for, or use of, neighborhood or regional park lands. Therefore, no impacts would occur.

b) **No Impact:** Implementation of the Groundwater Recharge Facilities Program would occur at existing MVWD well locations and would not include any recreational components; therefore, no impacts would occur.

The general impacts to transportation and traffic of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.7, on pages 4-296 through 4-307 of the OBMP Program EIR, and included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XV. TRANSPORTATION/TRAFFIC – Would the project:				
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) **Less Than Significant Impact:** Construction of the proposed injection and extraction wells would result in increased traffic and employee vehicle trips during the short construction period. Operation of the injection and extraction wells would not result in significant increases in traffic. One vehicle trip per day would be required for maintenance activities at each operational well site. Therefore, less than significant impacts would occur.
- b) **Less Than Significant Impact:** Construction of the proposed injection and extraction well improvements under Alternatives 2, 3 and 4 would result in a temporary increase in construction truck traffic and employee vehicle trips on roadways during well drilling and rehabilitation activities. However, well sites are not located in areas, or at intersections, that are subject to roadway

congestion within the City of Montclair and the City of Ontario. During operation of the injection and extraction wells, the only vehicle traffic that would result from the project would be one maintenance vehicle on the roadway to provide daily service/maintenance at each well site.

- c) **No Impact:** The proposed injection and extraction wells would be at or below the ground surface and would not result in an increase of air traffic; therefore, no impacts would occur.
- d) **No Impact:** The proposed injection and extraction wells would not affect roads or design features for roadways. Therefore, no increases in hazards would occur as a result of the project.
- e) **No Impact:** The proposed injection and extraction wells would be located on sites already owned by MVWD and in urbanized areas. Rehabilitating existing wells and/or drilling new wells would not affect emergency access in any way since improvements would occur off of roadways and emergency access pathways. Therefore, no impacts would occur.
- f) **No Impact:** The proposed injection and extraction wells would not displace any parking and would not generate an increased demand in parking; therefore, no parking capacity issues would occur as a result of the proposed project.
- g) **No Impact:** The proposed injection and extraction wells would not conflict with, or affect, any adopted policies, plans, or programs supporting alternative transportation. Therefore, no impacts would occur.

The general impacts to utilities and service systems of the Chino Basin groundwater management program, of which the proposed project is a part, are discussed in Section 4.5, on pages 4-87 through 4-166 of the OBMP Program EIR, and is included here.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XVI. UTILITIES AND SERVICE SYSTEMS –				
Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the projects projected demand in addition to the providers existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the projects solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) **No Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), the four new and/or rehabilitated wells would be utilized for groundwater injection and extraction and would not generate any wastewater through construction and/or operation; therefore, no wastewater treatment requirements would be exceeded.

- b) **No Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), the four new and/or rehabilitated wells would be utilized for groundwater injection and extraction and would not generate the need for additional water or wastewater treatment facilities. Therefore, no impacts would occur.
- c) **No Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), the four new and/or rehabilitated wells would not generate additional storm water runoff; therefore no additional storm water facilities would be required and no impacts would occur.
- d) **Less Than Significant Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), the water injection phase of each injection/extraction cycle is dependent upon water provided to MVWD by the MWD. Based upon the amount of water provided by MWD for each injection phase, the accompanying amount of water extracted from the ground during the extraction phase would be adjusted and remain balanced, within reason. Consistent with the goal of the project, to avoid over drafting the available supply of groundwater, each injection/extraction cycle would remain relatively balanced. Therefore, less than significant impacts would occur.
- e) **No Impact:** For each of the build alternatives (Alternatives 2, 3 and 4), the four new and/or rehabilitated wells would not generate any wastewater through construction and/or operation; therefore, no impacts to wastewater capacity would occur.
- f-g) **Less Than Significant Impact:** Drilling and rehabilitating the proposed injection and extraction wells would generate small amounts of solid wastes. This solid waste would be disposed of in accordance with Federal, State and local solid waste regulations. Therefore, less than significant impacts would occur.

Impacts Associated with the Groundwater Recharge Feasibility Project

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
XVII.MANDATORY FINDINGS OF SIGNIFICANCE --				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- a) **No Impact:** For any of the three build alternatives (Alternatives 2, 3 and 4), injection and extraction well improvements would occur at existing MVWD well locations and would not have the potential to degrade the quality of the environment, reduce the habitat or population of fish or wildlife species, eliminate or threaten to eliminate a plant or animal community, reduce the number or restrict the range of rare or endangered plants or animals, or eliminate important examples of California history or pre-history.
- b) **No Impact:** For any of the three build alternatives (Alternatives 2, 3 and 4), injection and extraction well improvements would occur at existing MVWD well locations and would not result in impacts that are considered cumulatively considerable. All impacts associated with the project alternatives are localized and short term.
- c) **Less Than Significant Impact with Mitigation Incorporation:** For any of the three build alternatives (Alternatives 2, 3 and 4), injection and extraction well improvements would occur at existing MVWD well locations and would not result in significant adverse effects on human beings, either directly or indirectly. Any impacts to humans, specifically related to construction noise, are short-term and localized, and can be reduce to less than significant levels through mitigation.

Section 3

List of Acronyms

CEQA	California Environmental Quality Act
EIR	Environmental Impact Report
IEUA	Inland Empire Utilities Agency
MVWD	Monte Vista Water District
MWD	Metropolitan Water District
MWDSC	Metropolitan Water District of Southern California
OBMP	Optimum Basin Management Program
RWQCB	Regional Water Quality Control Board

Section 4

List of Documents and Individuals Consulted

Carol Fraizer-Burton, Planner, City of Montclair; 4 March 2003.

City of Montclair, General Plan, Chapter 4.

EDR Site Report, Monte Vista Water District, 10575 Central Avenue; 27 January 2003

EDR Site Report, Monte Vista Water District, Benson Avenue/G Street; 27 January 2003

EDR Site Report, Well MV-9, 5617 San Bernardino Street; 27 January 2003

EDR Site Report, Monte Vista Water District MV-4, 5501 Arrow Highway; 27 January 2003

Inland Empire Utilities Agency; Findings of Consistency of the Chino Groundwater Basin Dry-Year Yield Program, December 2002.

Inland Empire Utilities Agency; Final Program Environmental Impact Report for the Optimum Basin Management Program, July 2000.

Luis Batres, Planner, City of Ontario; 30 January 2003

Monte Vista Water District; Groundwater Recharge Facilities Program Feasibility Study, April 2003.

Ontario Engineering Department, 6 February 2003

Tiffany Williams, Planner, City of Ontario, 30 January 2003

Appendix A

Groundwater Modeling

A.1 Introduction and Model Objectives

An analysis was conducted that included groundwater modeling to assess the relative impacts of the recharge management alternatives on existing groundwater flow and water quality conditions in the westerly portion of the Chino Basin. These management alternatives include recharge operations using combinations of existing wells, new replacement wells, and use of existing spreading basins to increase recharge in Management Zone 1. Specific modeling objectives include the following:

- Assessment of water level, gradient and flow direction changes resulting from implementation of alternatives, relative to the groundwater conditions and assumptions made as part of the OBMP evaluation.
- Assessment of the impact on nitrate-nitrogen (nitrate) concentrations in groundwater and in the extracted water resulting from the alternatives, relative to the OBMP modeling.

To accomplish these objectives, CDM obtained and modified a previously developed model from the Chino Basin Watermaster that was used to support the development of the OBMP. The model used was a modified version of the OBMP model. The OBMP model was used to address water quantity issues as part of the programmatic EIR. The modifications made to the OBMP original model to fulfill the objectives of this study included:

- Reduction of the modeling area to represent the specific area of interest a segment of the westerly portion of the Chino Basin that includes the area in and around the MVWD service area and the Montclair and College Heights spreading grounds to the north (See Figure A-1).
- Modification of the model from a steady-state to a transient mode to allow evaluation of non-equilibrium conditions over time.
- Addition of new MVWD wells.
- Implementation of seasonal flow changes for MVWD facilities.
- Addition of solute transport capabilities to allow evaluation of nitrate-nitrogen (nitrate) concentrations in the aquifer.

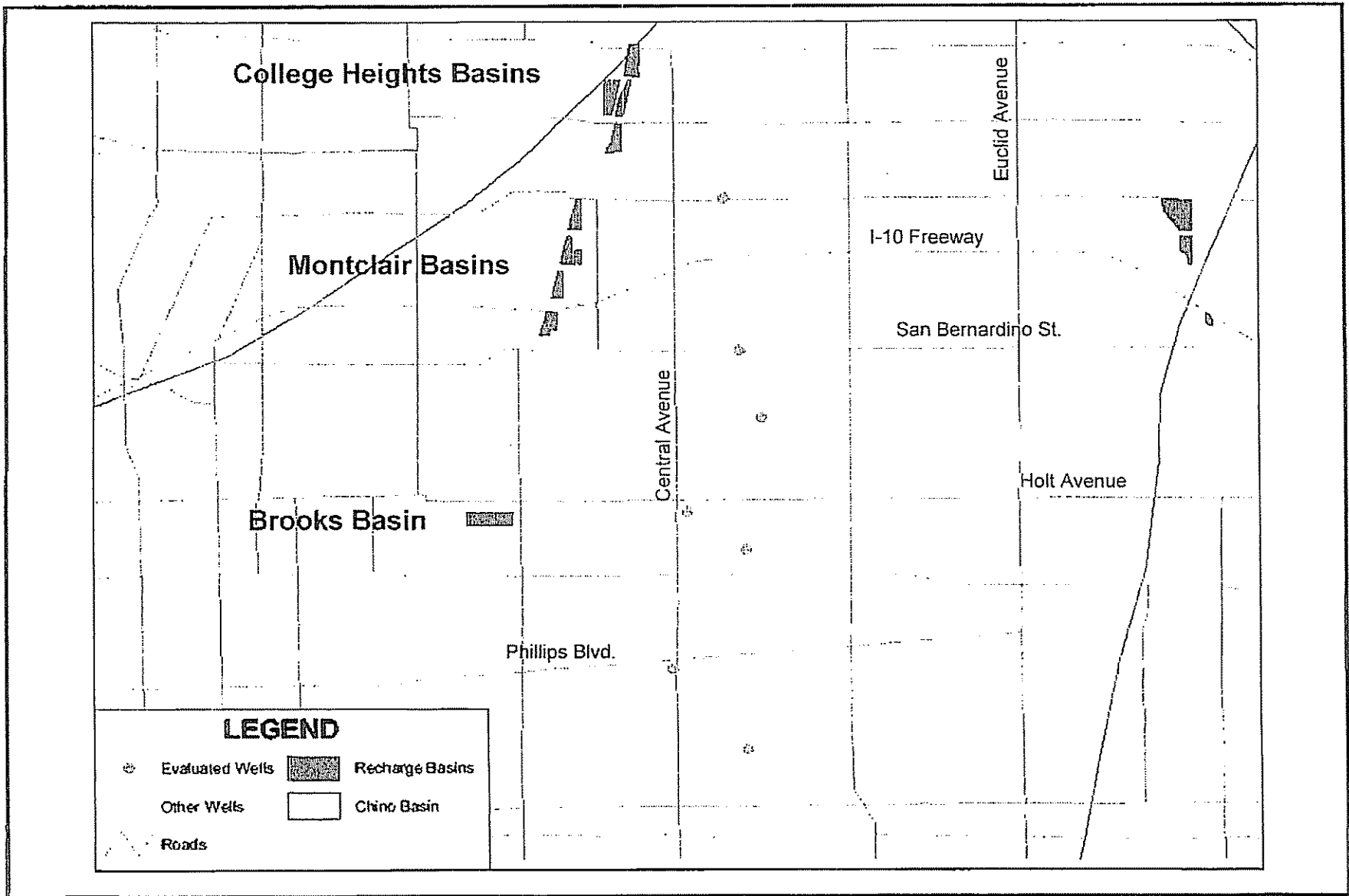


Figure A-1
Modeled Area

A.2 Development of Conceptual Model

The conceptual model for the OBMP Chino Basin groundwater flow model developed by Wildermuth Environmental Inc. (WEI) is summarized in the Draft Initial State of the Basin Report (WEI 2002). A full description of the conceptual model for the basin is provided in that report and is not included here. Geologically, the Chino Basin consists of a faulted valley filled with unconsolidated alluvial sediments. In the area of interest, the aquifer thickens from approximately 300 feet in the north to approximately 700 feet in the south. In the area of interest, groundwater flows in a generally south-southwesterly direction. Natural groundwater recharge in Management Zone 1 occurs along the mountain fronts and stream channels where water flows into this portion of the basin. A significant amount of recharge also occurs throughout this management zone due to precipitation and at spreading basins such as the Montclair and College Heights basins. Water discharges from the Chino Basin flow to streams, wells, and evapo-transpiration by vegetation along the Santa Ana River and other streams in the basin.

The Chino Basin's water supply systems are subject to significant seasonal variations in supply and demand. This seasonal variation has been conceptualized in the OBMP as a yearly cycle of supply and demand based on a seven-month winter season of October through April and a five-month summer season of May through September. The winter season is characterized by a lower demand and higher supply; the time of year when groundwater extraction will typically be lower and more abundant water supplies will make artificial recharge more practical. The summer season is characterized by higher demand and less abundant supplies resulting in limited availability of water for recharge and higher groundwater extraction rates.

Project alternatives evaluated the use of existing or new wells at the locations of MVWD wells No. 1, 4, 9, and 12 and increased spreading at the Montclair and College Heights basins. The impacts of the alternatives on MVWD ASR wells and the City of Chino wells CC-5, CC-10, and CC-14 were estimated for each of the alternatives. The City of Chino wells are located immediately downstream of the MVWD wells. Figure A-2 presents a summary of extractions by MVWD and surface water spreading in Management Zone 1 based on the different alternatives as well as the OBMP assumed conditions. In this section of the report, MVWD wells currently identified by the prefix "W" will be referred to as "MV" to distinguish among wells operated by other entities such as the City of Chino (CC). For example, MVWD well W-4 is referred as well MV-4.

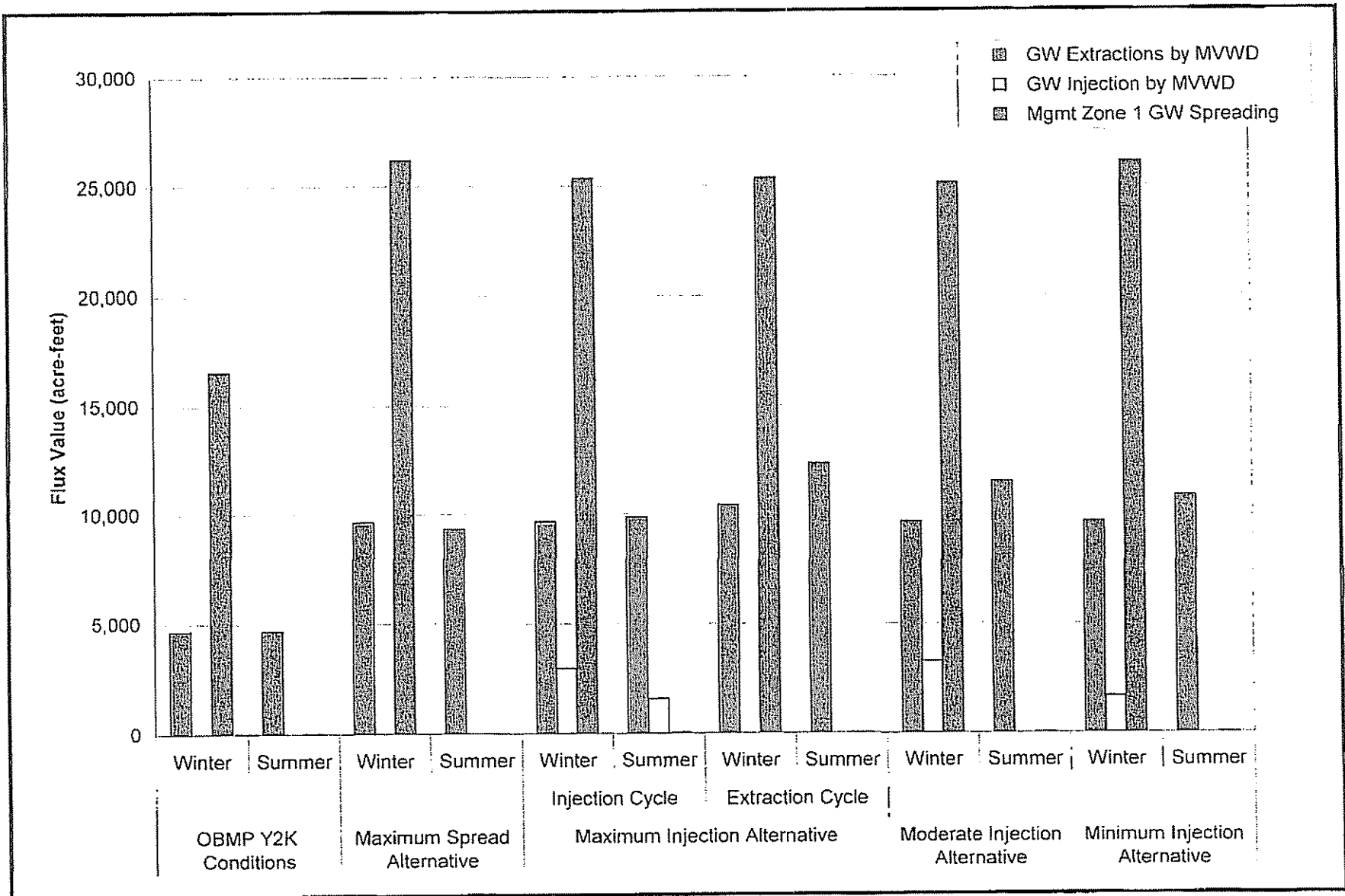


Figure A-2
Total Seasonal Extraction, Injection and Recharge Summary

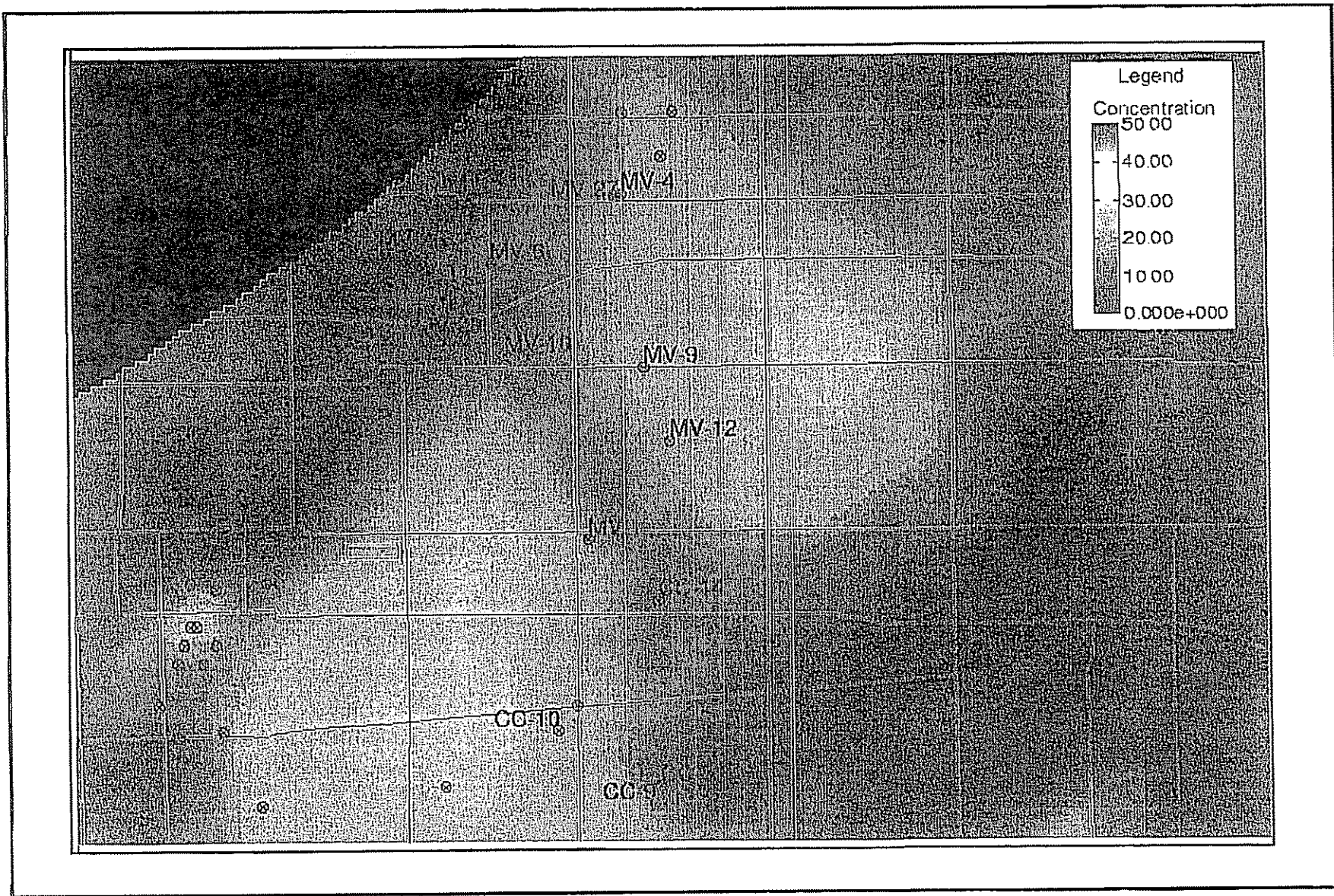


Figure A-3
Nitrate (as N) Initial Concentration Distribution Map

The groundwater nitrate concentrations in the Chino Basin present challenges to drinking water suppliers. According to the Draft Initial State of the Basin Report, in the post-1998 period, of 610 groundwater samples collected in the Chino Basin 509 contained concentrations of nitrate in excess of the US EPA drinking water standard of 45 mg/l as NO_3 or 10 mg/l as nitrate-N (WEI 2002). Figure A-3 presents the initial concentrations of nitrate-N distribution used for development of the solute transport model. Nitrate-N concentrations in groundwater in the vicinity of the MVWD artificial recharge program ranges from approximately 3 mg/l in the northern part of the study area, near Base Line Road to greater than 25 mg/l in the vicinity of Mission Boulevard and Central Avenue and in areas to the southeast. The data presented were received from the Chino Basin Watermaster and interpolated onto a grid for use in the modeling analysis. For modeling purposes, the nitrate distribution was static, with no additional nitrate loading added to the system such as potential loading from the overlying vadose zone, except for that contained in imported water used for spreading and injection. Based on analyses of MVWD deliveries from the WFA treatment plant, a 0.75 mg/L nitrate as N (3.3 mg/L as NO_3) concentration was used for all recharge water. This was considered an acceptable approach since it is constant for all alternatives and the modeling results are not absolute but relative to OBMP conditions.

A.3 Model Selection

A finite difference groundwater flow model of the Chino Basin was developed and calibrated by WEI for the Chino Basin Watermaster. The OBMP model was configured using the USGS MODFLOW software package (McDonald & Harbaugh, 1988) as implemented in the Groundwater Vistas (version 3) graphical user interface (ESI,2001). The OBMP model provides a steady-state solution from the calibrated groundwater flow model and uses the most current pumping and recharge fluxes available. The well pumping and recharge fluxes provided by Watermaster were specified as the "Year 2000 pumping Chino Desalter 1, 50 percent recharge" scenario; in this report, this scenario is known as the Y2K scenario.

The OBMP model was calibrated by WEI to the Y2K conditions using yearly average recharge and pumping rates. Recharge in the model is simulated using both the Recharge and Stream packages. No constant head boundaries are used in the model. All discharges from the OBMP model are simulated via wells or as stream discharges.

No reports describing the OBMP model or the Y2K scenario were available from the Watermaster. The model has been used for groundwater management in the Chino Basin and has been adopted for the evaluation of alternatives presented in this study. The two-dimensional OBMP model simulates the basin as a single unconfined aquifer using a single layer. The OBMP model addresses steady-state groundwater flow only and does not simulate chemical transport. This model is described in greater detail under Section A.4 of this report.

The OBMP model was supplemented to allow simulation of nitrate transport for evaluating relative impacts of alternatives on the distribution of nitrate in the aquifer.

The solute transport code MT3DMS (Zheng, 1999), as issued by the US Army Corps of Engineers, was used for chemical transport analysis. The basic flow model configuration was incorporated into MT3DMS, with retention of the same grid design and boundary conditions.

A.4 Numerical Implementation of Conceptual Model

The OBMP numerical groundwater flow model developed by WEI simulates the Chino Basin as a single-layer system with no-flow boundaries surrounding the model domain and at the bottom of the system. The model consists of a uniform finite difference grid with 537 rows and 663 columns. These square cells have a uniform dimension of about 197 feet (60 meters) on each side. In the model 157,834 of the cells are active, giving the model a relatively large number of grid elements. Hydraulic conductivity in the study area ranges from about 10^{-4} to 10^{-3} feet per second, as depicted in Figure A-4, and is considered constant through the aquifer thickness.

Inflow of water to the model is simulated with the Stream and Recharge packages. The Stream package is a module that simulates streams flowing through the Chino Basin with water either discharging from the aquifer to the stream or vice-versa, depending on the difference in water level between the stream and the aquifer. The Recharge package is a module that simulates the addition of areal recharge to the water table, either from precipitation, return flows from irrigation or from recharge basins. Outflows from the model were simulated by WEI using the Stream and Well packages. The model units for length and time are feet and seconds respectively.

No modifications were made to the aquifer properties, grid dimensions, or to the Stream package in the basin model.

Prior to assessment of alternatives, the following modifications to the OBMP groundwater flow model were implemented:

- Inclusion of aerial recharge at the simulated recharge basins
- Addition of simulated recharge wells operated by the MVWD
- Addition of MVWD wells constructed since the Y2K scenario fluxes were compiled
- Addition of the College Heights No. 1 recharge basin
- Implementation of transient flow conditions
- Assignment of a specific yield estimate for the aquifer materials
- Implementation of the solute transport model MT3DMS and simulated nitrate concentration field

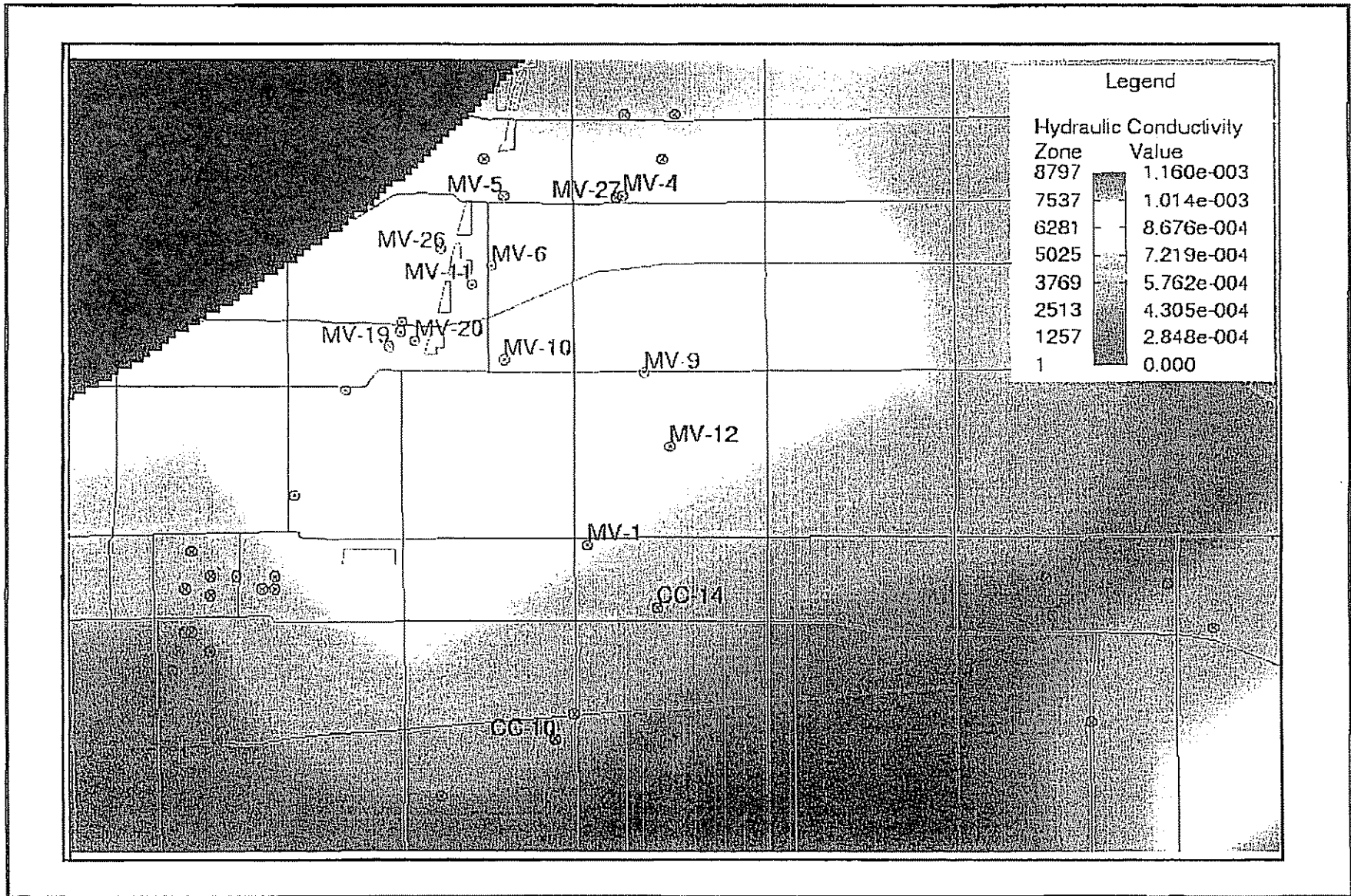


Figure A-4
Hydraulic Conductivity Distribution in Modeled Area

The transient simulation consists of a 20-year period with each year divided into winter and summer seasons based on a seven-month winter season of October through April and a five-month summer season of May through September. The winter and summer stress periods were further discretized into 10 and 7 time steps (approximately three weeks), respectively.

Implementation of the transient simulation scheme required the assignment of a value for specific yield, which is the amount of water produced from a unit volume of aquifer resulting from a unit change in head. A value of 0.13 was applied across the entire model. This value represents an average of the values present in the area of interest that were provided by WEI. It should be noted that the specific yield values were derived from the upper part of the aquifer's zone of saturation and may be

significantly different throughout the aquifer's thickness. Limitations resulting from this assumption are discussed below.

After implementation of a transient simulation scheme, the model was run for a simulated period of twenty years using the same aquifer stresses as the OBMP Y2K model, after which the results were compared with the original steady-state OBMP Y2K model's solution. The results of the transient run and the original OBMP Y2K model were in agreement indicating that the transient version of the OBMP Y2K model represents the same set of aquifer stresses as the original OBMP Y2K model.

Following the comparison of the transient and original steady-state simulations, a seasonal component was applied to the simulated recharge basins in Management Zone 1 and extraction wells operated by the District to simulate seasonal variations in these aquifer stresses. High groundwater extraction rates and low recharge rates were simulated in the summer when stormwater runoff and imported water are scarce and demand is high. All other fluxes representing pumping by other agencies in the area were simulated as constant rates.

A monthly schedule of anticipated extraction and injection rates at all MVWD wells for the alternative was provided by the District. These values were divided into winter and summer seasonal totals. The pumping or injection rates were summed seasonally. For each alternative evaluated, a flux term was assigned for each of the 40 stress periods for each of the MVWD wells. Table A-1 presents a summary of groundwater extraction and injection rates.

Table A-1
Groundwater Injection and Extraction Summary (ac-ft per year)

Location	OBMP Conditions	Maximum Spreading Alternative		Maximum Injection Alternative				Moderate Injection Alternative		Minimum Injection Alternative	
				Injection		Extraction					
				Total	Winter	Summer	Winter				
Seasonal Extraction	9,319	9,649	9,337	9,649	9,878	10,430	12,332	9,649	11,502	9,649	10,823
Annual Extraction	9,319	18,986		19,527		22,762		21,152		20,472	
Seasonal Injection	0	0	0	2,946	1,552	0	0	3,272	0	1,640	0
Annual Injection	0	0		4,498		0		3,272		1,640	

Recharge at spreading basins was simulated by increasing the recharge rate specified in the model for those cells overlying the location of the simulated basin. Recharge of imported water was simulated during the winter months (October through April). Table A-2 presents a summary of groundwater recharge rates at the various recharge basins.

Table A-2
Groundwater Recharge Summary (ac-ft per year)

Spreading Basin	OBMP Conditions	Maximum Spreading Alternative	Maximum Injection Alternative		Moderate Injection Alternative	Minimum Injection Alternative
			Injection Cycle			
			Injection Cycle	Extraction Cycle		
Montclair 1	3,121	4,076	3,991	3,991	3,967	4,061
Montclair 2	5,134	6,706	6,565	6,565	6,526	6,681
Montclair 3	2,745	3,585	3,510	3,510	3,489	3,571
Montclair 4	4,793	6,260	6,129	6,129	6,092	6,237
College Heights 1	6	2,422	2,202	2,202	2,146	2,384
College Heights 2	777	3,194	2,974	2,974	2,917	3,155
Annual Recharge	16,575	26,243	25,370	25,370	25,136	26,089

In the assignment of recharge fluxes, the geometry of the College Heights spreading basins in the Y2K OBMP model was observed to differ significantly from the mapped spreading basins. Corrections to the simulated location of the College Heights spreading basins were made in the OBMP model to more closely correspond to their actual location and size. The simulated area for the College Heights spreading basins (1 and 2) appeared to be a single elongate zone larger than any of the spreading basins. A second simulated spreading basin was configured in the revised model to represent the more northerly College Heights No. 1 basin. The flux of the larger recharge zone representing the College Heights spreading basins was originally 773 ac-ft per year in the OBMP Y2K model. For all alternatives, the increased quantities of water added to the College Heights spreading basins was divided evenly between and the No. 1 and 2 basins. No changes were made to the configuration of the Montclair spreading basins. MVWD wells that have been constructed in recent years

(MV-26, 27 and 28) were not present in the OBMP Y2K model were added to the revised model.

The solute transport model MT3DMS was used to simulate the effects of the various alternatives on relative nitrate concentrations and movement within the aquifer. This solute transport model uses the groundwater flow results from MODFLOW and simulates the transport of dissolved species in the aquifer. The initial conditions used to simulate nitrate were provided by Watermaster and an interpolated grid was developed. The grid of nitrate data values was then loaded to MT3DMS. This interpolation assumed that data were representative of average concentrations in the entire thickness of the aquifer. No continuing sources of nitrate were incorporated in the model. All nitrate impact analyses used this nitrate distribution as the initial condition. Limitations resulting from these assumptions are discussed below. Figure A-3 presents a contour map showing the initial distribution of nitrate used for evaluation of the alternatives.

Based on water quality data provided by the District for imported water, the nitrate (NO₃) concentration of recharged water in the model was set to 3.3 mg/L or 0.75 mg/L as Nitrogen. This value was assigned to all simulated water recharged at the recharge basins and at the four injection wells. This value remained constant throughout the entire 20-year simulated period.

A.5 Groundwater Simulation of Alternatives

Four alternatives were evaluated using the revised basin model. Figure A-2 summarized the overall recharge and extraction flows used in each alternative. In addition to the four alternatives evaluated, the revised model was run to simulate OBMP conditions which were used as a basis for comparison. Comparison of results between the different alternatives with the OBMP conditions are presented in Appendix B. The OBMP conditions and the four alternatives evaluated are discussed below.

A.5.1 OBMP Conditions

The OBMP conditions simulation provides the baseline against which all four alternatives were evaluated. To be consistent with the OBMP Y2K model, this simulation uses the same well pumping rates for the MVWD wells and the same recharge basin fluxes (See tables 4-1 and 4-2) at the Montclair and College Heights spreading basins. In this simulation, groundwater pumping by the District wells represented an annual aggregate of 9,319 ac-ft per year. The alternative was implemented by leaving all simulated MVWD wells pumping at a yearly aggregate of 9,319 ac-ft per year and setting the Montclair and College Heights spreading basin fluxes to simulate recharge of 16,575 ac-ft during the winter season. This recharge is simulated as having 15,793 ac-ft recharged between the four Montclair spreading basins and 782 ac-ft recharged at the two College Heights spreading basins. In this simulation, there is no groundwater injection at any of the District wells. Of the four

wells considered for ASR purposes, only MV-4 was modeled as an active well; this well has been used by the District since it was rehabilitated in the late 1990's.

A.5.2 The "Maximum Spreading" Alternative

This alternative represents the current plan under which imported water would be recharged in Management Zone 1 in the absence of a well injection and extraction program. Under this alternative, modeled groundwater extractions were increased, relative to OBMP conditions, by 9,667 ac-ft to a total of 18,986 ac-ft per year. The increased in production resulted in the same increase in surface water recharge, relative to OBMP conditions, to a total to 26,242 ac-ft per year. In this alternative, groundwater extractions and imported water recharge follow a seasonal schedule with recharge occurring in winter and the majority of extractions in summer. There is not deep well injection recharge considered in this alternative.

A.5.3 The "Maximum Injection" Alternative

This alternative considers the construction of two new ASR wells (MV-9 and MV-12), the rehabilitation of MV-1 by installing a liner casing, and the refurbishment of MV-4 to become an ASR well. This alternative simulates a five-year cycle composed of three consecutive years of injection followed by two years of extractions. During the injection cycle, it was assumed that treated imported water would be available for injection over the entire year. The two new ASR wells would operate continuously over the three initial years while the refurbished wells would inject during the winter only reverting to the extraction mode during the summer. During the two drought years, groundwater production would be increased to make up for reduced imported water deliveries by operating all four ASR wells in the extraction mode only. This second period is known as the extraction cycle.

In the three-year modeled injection cycle, 4,499 ac-ft per year would be injected into the aquifer through the four ASR wells representing a total of 13,497 ac-ft of imported water injected. Groundwater extractions during this period would be increased relative to the OBMP conditions by 10,208 ac-ft per year to a total of 19,527 ac-ft per year.

During the two-year extraction cycle the four ASR wells would operate as extraction wells only. Modeled groundwater extractions were increased to reflect the reduced availability of treated imported water to meet summer demands. Relative to the OBMP conditions, modeled groundwater extractions were increased by 13,443 ac-ft per year to a total of 22,762 ac-ft per year.

During the five-year cycle, spreading of imported water would be reduced from maximum spreading over the five-year period at 25,370 ac-ft per year to reflect the basin recharge that took place through direct injection. This level of modeled recharge represents an increase of 8,794 ac-ft per year over the OBMP conditions.

A.5.4 The "Moderate Injection" Alternative

Similar to the Maximum Injection alternative, this alternative considers the construction of two new ASR wells (MV-9 and MV-12), the rehabilitation of MV-1 by installing a liner casing, and the refurbishment of MV-4 to become an ASR well. Under this alternative, MV-4, MV-9 and MV-12 would operate in the injection mode during the winter months reverting to the extraction mode during the summer. Well MV-1 would operate on the injection mode during the winter but it would be shut down during the summer. This mode of injection/extraction operation was maintained constant over the 20-year evaluation. In the model, a total of 3,272 ac-ft of treated imported water were injected on an annual basis over the study period.

Groundwater extractions in the model were increased, relative to the OBMP conditions, by 11,833 ac-ft per year to a total of 21,152 ac-ft per year. Annual groundwater spreading was increased by 8,561 ac-ft per year to a total of 25,136 ac-ft. The relative increase in groundwater spreading represents the difference between increased extractions (11,833 ac-ft per year) and groundwater recharge via injection (3,272 ac-ft per year).

A.5.5 The "Minimum Injection" Alternative

This alternative considers the rehabilitation of three MVWD wells (MV-1, MV-9, and MV-12) by installing a liner casing, and the refurbishment of MV-4 to become an ASR well. Injection/extraction operations under this alternative were consistent with the moderate injection alternative. All four ASR wells operated in the injection mode during the winter months reverting to the extraction mode during the summer. This mode of injection/extraction operation was maintained constant in the model over the 20-year evaluation. Under this alternatives, a total of 1,640 ac-ft of treated imported water were modeled as injection on an annual basis over the study period.

Groundwater extractions in the model were increased, relative to the OBMP conditions, by 11,153 ac-ft per year to a total of 20,472 ac-ft per year. An increase in annual groundwater spreading of 9,514 ac-ft per year, over OBMP conditions, to a total of 26,089 ac-ft was simulated. The relative increase in groundwater spreading represents the difference between increased extractions (11,153 ac-ft per year) and groundwater recharge via injection (1,640 ac-ft per year).

A.6 Modeling Assumptions and Limitations

As with any mathematical simulation of a real-world system, certain assumptions and limitations exist due to the inability to practically account for all variables. This is true of the model application used to simulate the MVWD's artificial recharge alternatives.

All modeling was performed using the existing basin model, which represents the basin aquifers as a single hydro stratigraphic layer. This simplification results in the following limitations of the groundwater flow model:

- Confined or semi-confined conditions are not be simulated.
- The model does not allow evaluation of vertical flow within the aquifer.
- The use of surface spreading basins and wells for recharge or extraction assumes that recharge or withdrawal of water is evenly distributed throughout the entire thickness of the aquifer.
- The specific yield value assigned to the model is constant throughout the entire thickness of the aquifer.

The representation of the basin aquifers as a single hydro stratigraphic layer results in the following limitations of the solute fate and transport (MT3DMS) model:

- Within a given model cell the simulation of dissolved species is assumed to be homogenous throughout the entire thickness of the aquifer.
- Stratification of dissolved nitrate cannot be simulated; any nitrate mass loading or removal is distributed evenly throughout the entire aquifer thickness.
- Areal recharge does not provide for simulation of nitrate mass loading in areas other than the spreading basins.

The above model limitations affect both the evaluation of groundwater flow and solute transport for the alternatives evaluated. The exclusion of simulated nitrate loading from basin-wide areal recharge in the model may result in the underestimate of nitrate concentrations in the aquifer. Conceptually, the simulated existing nitrate mass in the aquifer is diluted by the effect of clean water being added to the aquifer. In reality, it is anticipated that nitrate concentrations in unsaturated zone will continue loading nitrate mass to the aquifer well into the future. However, this approach is considered acceptable since it is the same for all alternatives and the results are used for relative comparison between alternatives and the OBMP conditions.

Conversely, there is a significant likelihood that in reality, nitrate concentrations are highest in the uppermost portion of the aquifer and that due to the construction of wells used to collect samples, a bias exists in the representation of the nitrate concentration field. This bias could result in the overestimation of nitrate concentrations throughout the entire saturated thickness of the aquifer. In a practical sense the impact of such a bias may not be significant if vertical flow from the lower aquifer to supply wells is minimal, thus diminishing the relevance of the lower aquifer to the analyses.

The lack of the model's ability to represent aquifer stratification also impacts the evaluation of the movement of water recharged via both injection wells and spreading basins. As the simulated "bubble" of recharged water containing low concentrations of nitrate is distributed throughout the aquifer's entire thickness, the areal extent of

the recharged water is understated by the model. In reality, the "clean" recharged water would be more likely to spread laterally in a distinct vertical interval. This is especially true if distinct layers of less permeable materials exist throughout the aquifer's thickness, as shown in aquifer cross section diagrams presented in the Draft Initial State of the Basin Report (WEI 2002).

Like most numerical groundwater flow models, the MODFLOW software does not provide for simulation of flow through the unsaturated zone. As a result, areal recharge is applied instantaneously to the aquifer. This limitation prevents simulation of lag time between the time water is applied to the recharge basins and the time it reaches the aquifer.

The uniform grid spacing of 197 feet does not allow for detailed assessment of drawdown at or very near the simulated wells. The result of this limitation is that simulated heads at wells are the average head over the model cell (an area of 197 ft by 197 ft square). This is not anticipated to affect evaluation of heads at pumping wells. If a well in a thick aquifer pumping at a given rate results in a given drawdown, a regional lowering of the head in the aquifer by a few feet would not result in the well's drawdown being significantly increased.

The OBMP model was developed as a basin-wide model and does not provide a detailed representation of the hydrogeology in the vicinity of the MVWD wells. The result of this limitation is that the model's representation of the localized stratigraphy, aquifer stresses, and boundary conditions are not defined in great detail.

Due to the uncertainties introduced by the model's limitations, the model should not be considered a predictive tool to quantify the actual concentration of nitrate at a well in the future or to determine exactly how many feet of drawdown will occur under a given pumping or recharge scenario. For this reason, all analysis and interpretation of results is conducted to provide a relative comparison between the alternatives and OBMP conditions.

Appendix B

Evaluation of Alternatives

This section presents the evaluation of the alternatives based on groundwater impacts, project economics, and other factors. In addition, it presents the selection of the preferred alternative.

B.1 Groundwater Impacts

The evaluation of groundwater impacts is based on comparison of water levels and nitrate concentrations differences between the alternatives relative to OBMP conditions. As discussed in Appendix A, the modeling results present relative changes over the 20-year study period and not absolute values at a given well, location, or time. To illustrate the groundwater impacts of the different alternatives, modeling results are presented for key individual wells within the study area being modeled. Modeling results are presented for the four ASR well locations and for four additional wells located downstream of the District wells. These additional wells include the City of Chino wells 10 and 14, the City of Ontario Well 15 (ONT-15) and the Sunkist No. 2 well (SKS-2). The location of these wells is depicted in Figure B-1.

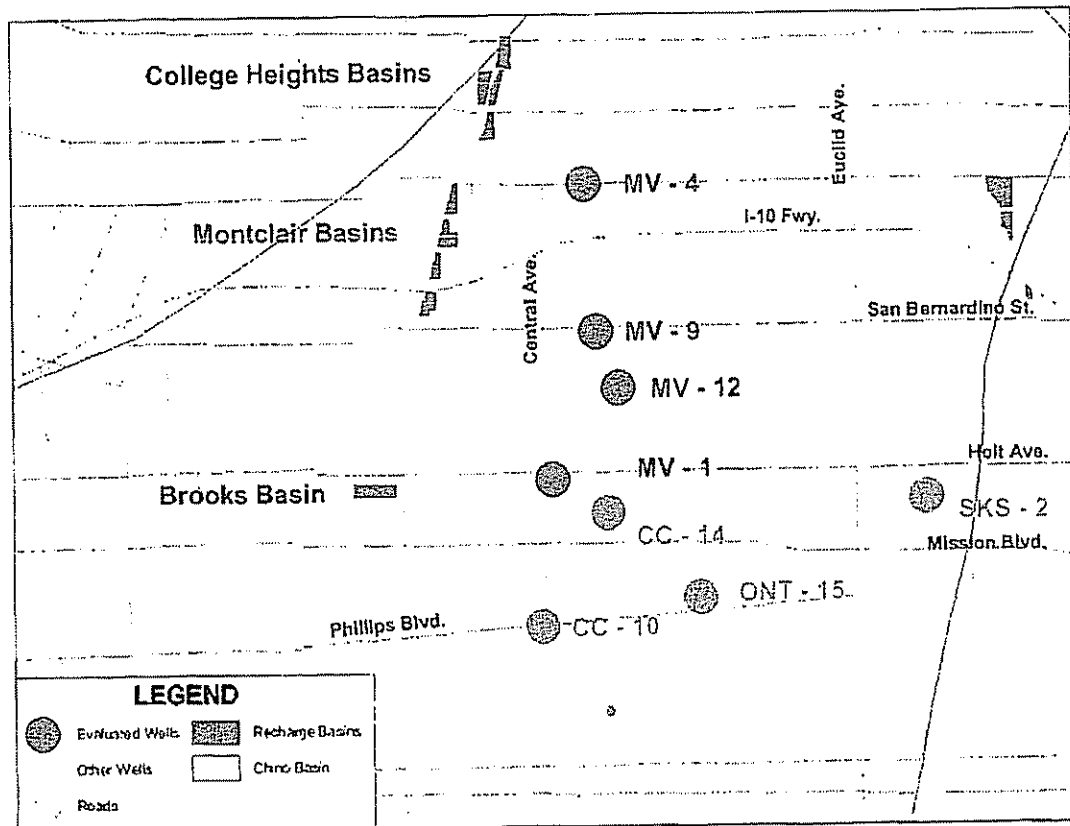


Figure B-1
Location of Wells used to Evaluate Modeling Results

B.1.1 Groundwater Level Impacts

In general, modeling results for all alternatives indicate that water levels in the study area would not significantly change or would slightly increase as a result of injecting treated imported water and bringing additional imported water for basin recharge. Figure B-2 shows the annual water level changes under each alternative, relative to OBMP conditions, for the four ASR wells over the 20-year study period. Annual water levels were used to reflect the weighted average between winters and summer cycles. Four individual graphs, representing the District wells MV-1, MV-4, MV-9, and MV-12, are presented in this figure. The zero line in the individual graphs represents OBMP conditions. Values above the zero line indicate water levels under a given alternative would be higher than those estimated under the OBMP conditions; conversely, values below the line indicate water levels would be lower. The following observations are made from this figure.

- The rapid modeled rise in water levels during the first year is in part related to the significant amount of additional recharge that was added to all alternatives relative to OBMP conditions. This can be observed by the modeled increase in water levels under the Maximum Spreading alternative during that year. In the OBMP model groundwater pumping by MVWD was 9,667 ac-ft lower than actual for the year 2000 (See Figure A-2). To maintain the basin whole, the increase in pumping was matched by an increased in surface water recharge.
- The additional modeled increase in water levels during the first year is related to the mounding created around injection sites as a result of modeled cells being filled with imported water.
- Long-term simulated trends in water level shows that after the initial rise, water levels at the four wells would fall back asymptotically towards equilibrium conditions over the 20-year simulation.
- Long-term water levels under the three injection alternatives are projected to be slightly higher than those projected under OBMP conditions over the 20-year study period.
- Simulated water levels under the Maximum Injection alternative show the projected response to the annual three-year injection cycle followed by the two-year extraction cycle. Simulated changes in annual water levels are much more accentuated at wells MV-9 and MV-12 because of their higher injection and extraction rates.

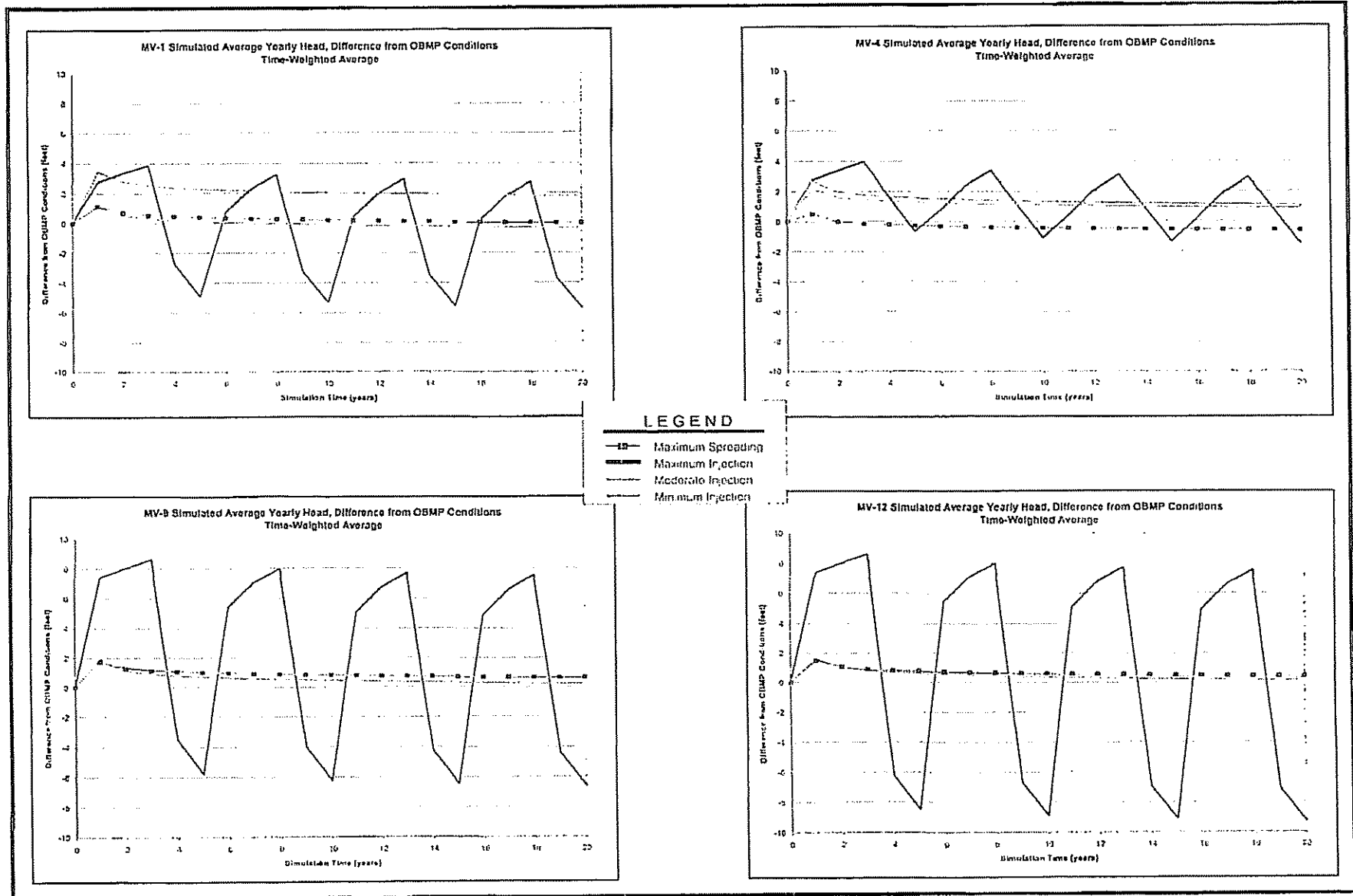


Figure B-2
Water Level Changes at ASR Wells Relative to OBMP Conditions for all Alternatives

Simulation results indicate that bringing additional imported water into Management Zone 1, either by surface spreading or direct injection, would not result in any significant change in water levels at the wells owned by the cities of Chino and Ontario and by Sunkist. Figure B-3 illustrates simulated water levels for all alternatives over the 20-year study period at CC-10, CC-14, ONT-15 and SKS-2. These wells are located downstream of the District wells with CC-14 being the closest to the south and SKS-2 the furthest to the east from the injection wells. Projected annual average water levels at these wells under the Maximum Spreading, Moderate Injection, and Minimum injection alternatives would vary less than a foot compared to those projected under the OBMP conditions. Simulated annual average water levels under the Maximum Injection alternative would have a higher variation in response to longer injection and extraction cycles. The change would be less than four feet higher during the injection cycle and less than four feet lower during the extraction mode with minimal long-term change. It should also be noted that the variations in water levels at the city wells would be higher at the closest well (CC-14) and would dampened at the furthest locations.

B.1.2 Groundwater Quality Impacts

Modeling results for all alternatives indicate that injecting treated imported water and bringing additional imported water for basin recharge would have a positive impact on groundwater quality in Management Zone 1 in general and at the District and City of Chino wells in particular. To illustrate the impacts, the modeling results are depicted as regional water quality nitrate contour maps at discrete times over the 20-year modeling period for each of the alternatives and as water quality histograms at individual wells.

Groundwater Quality Impacts in the Study Area

Modeling results indicate that the study area would be positively impacted by spreading imported water at the Montclair and College Heights basins and by the injection at the four ASR wells. Imported water would generally dilute and displace the high nitrate plumes towards the south and injection would additionally create localized zones of good quality water downstream of the ASR wells. Figures B-4 through B-7 depict the modeling results for each of the alternatives showing nitrate contour zones for initial conditions and after 5, 10 and 20 years. A contour showing the 45 mg/l nitrate (as NO₃) concentration during initial conditions has been added to these figures to illustrate the pattern of change in the area of poor quality water over time. The following observations can be made from these figures:

- Initial conditions show the existence of two main areas within the model area where nitrate concentrations exceed the 45 mg/l MCL. The upper area is generally bounded by Arrow Highway and Holt Avenue in a north-south direction and by Euclid Avenue and Central Avenue in an east-west direction. The lower high nitrate area is located south of Holt Avenue between Central Avenue and Ramona Avenue.

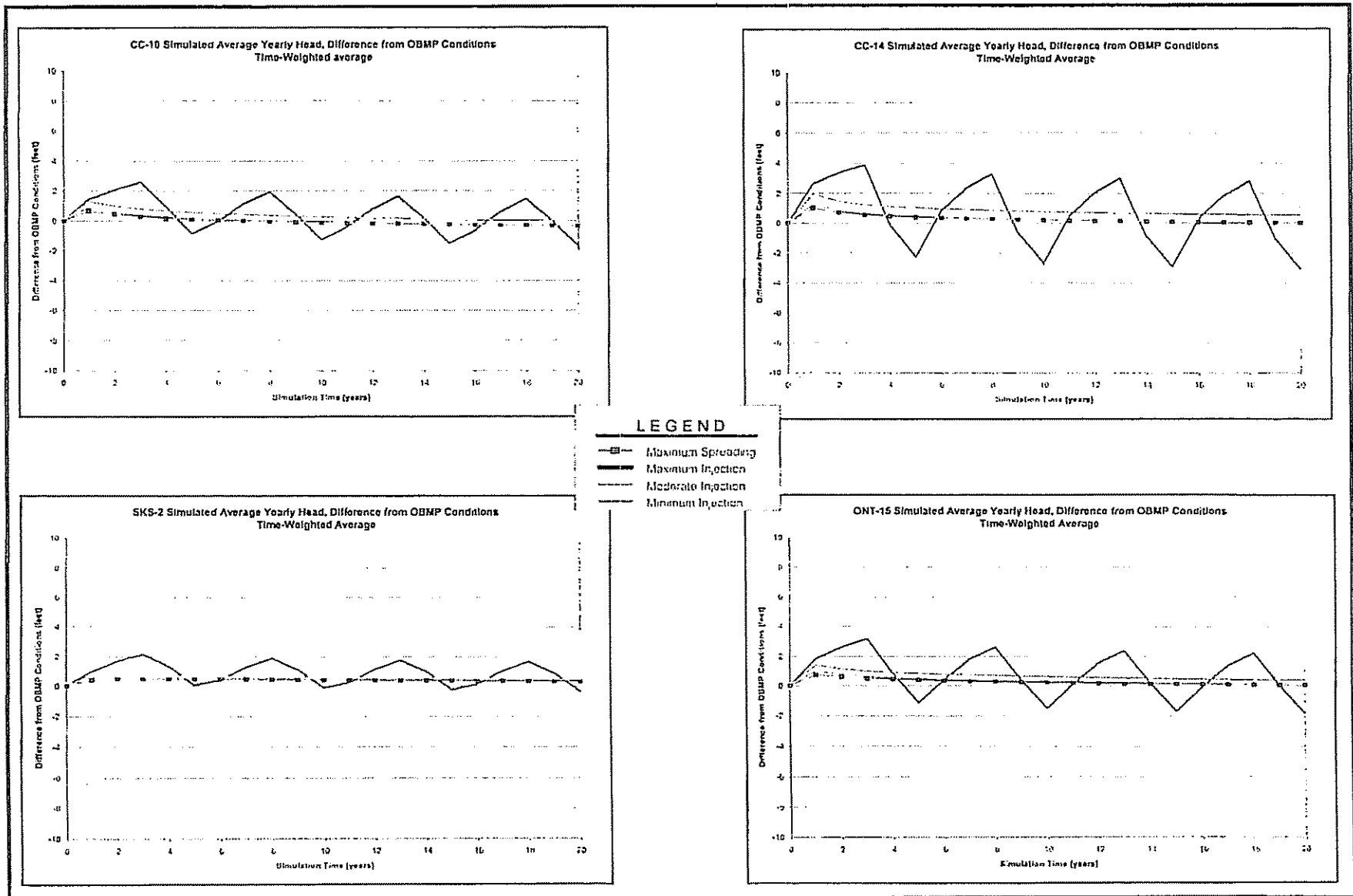


Figure B-3
 Water Level Changes at Other Local Wells Relative to OBMP Conditions for all Alternatives

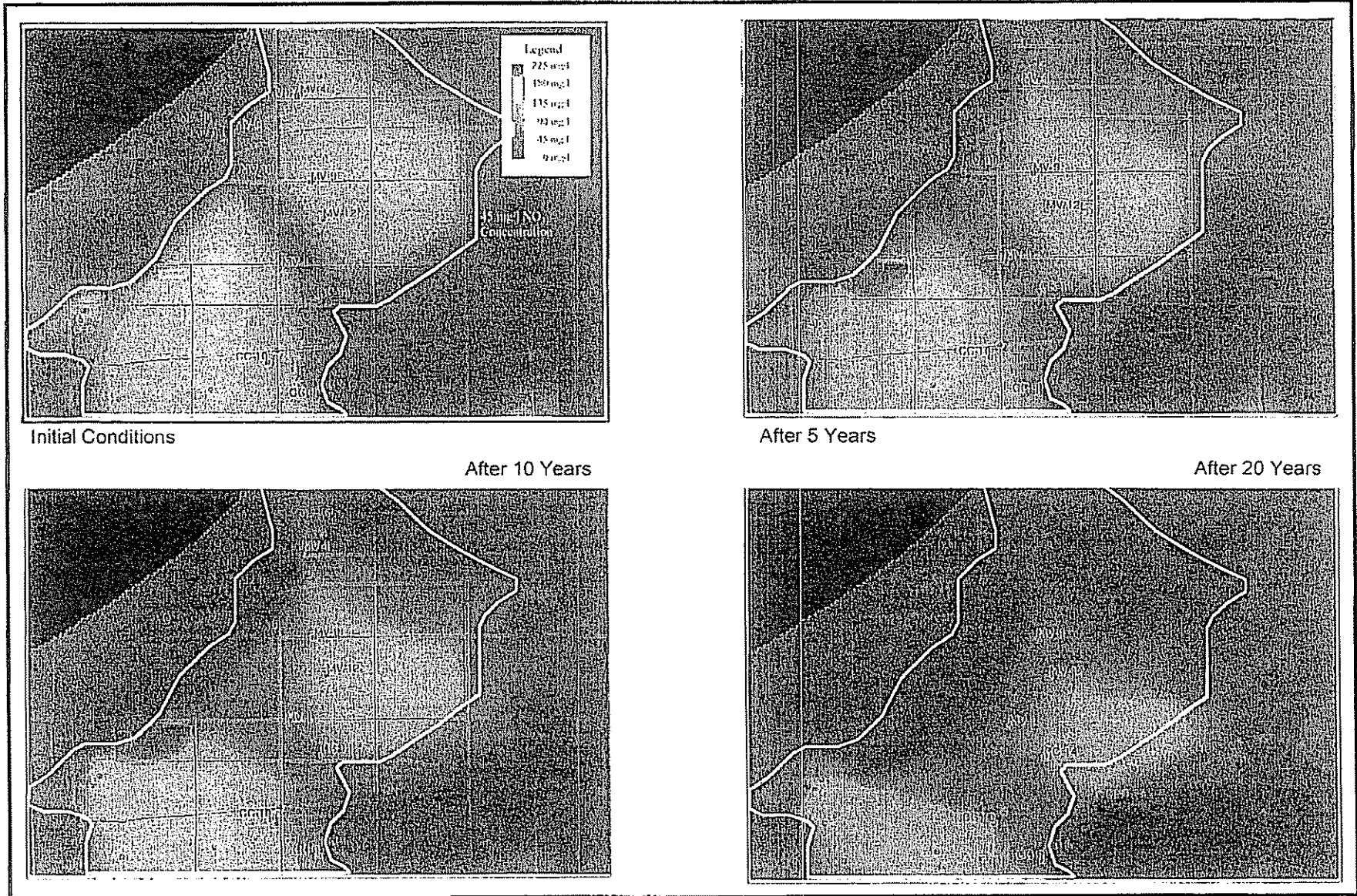
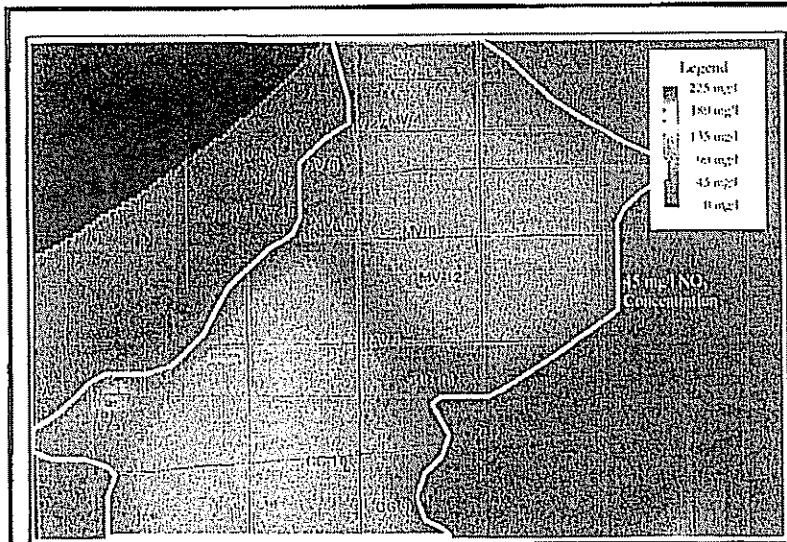
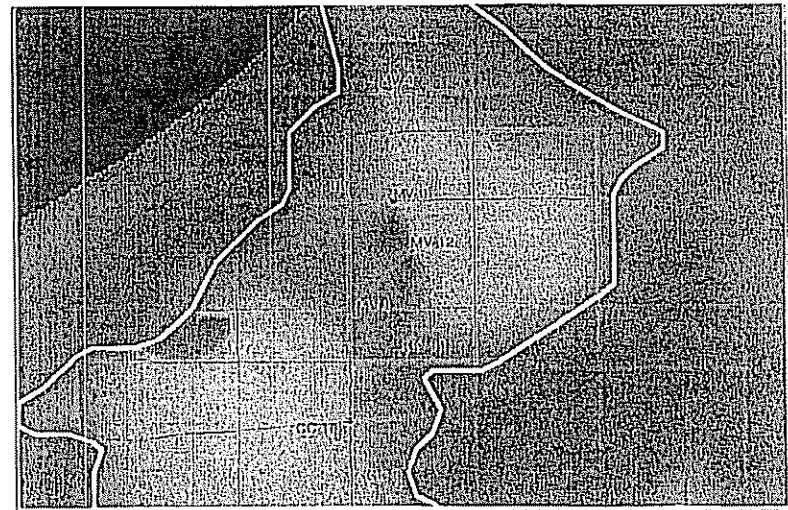


Figure B-4
Maximum Spreading Alternative - Time Series of Nitrate (as N) Concentrations



Initial Conditions



After 5 Years

After 10 Years

After 20 Years

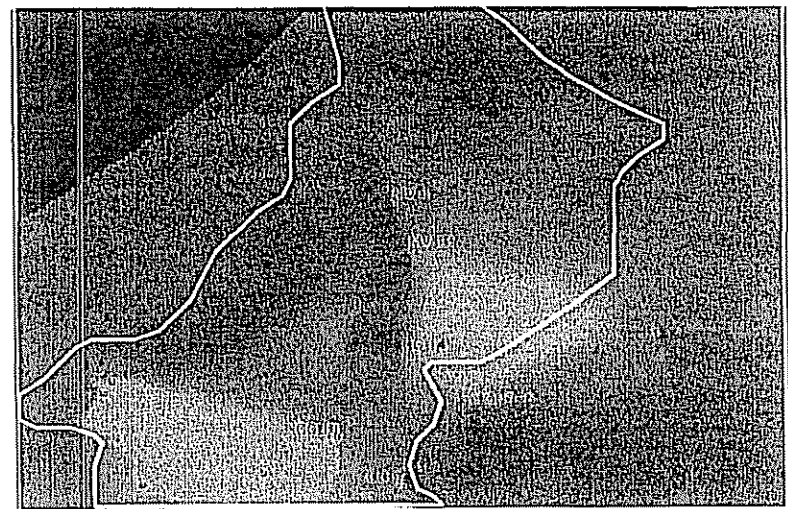
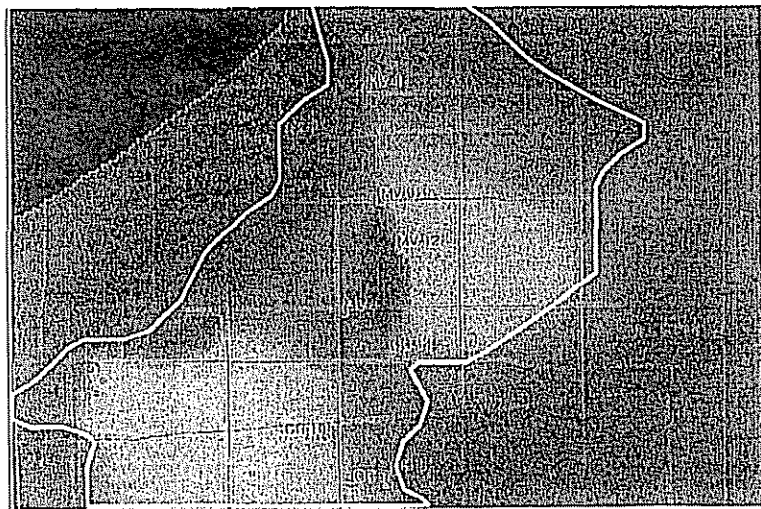


Figure B-5
Maximum Injection Alternative - Time Series of Nitrate (as N) Concentrations

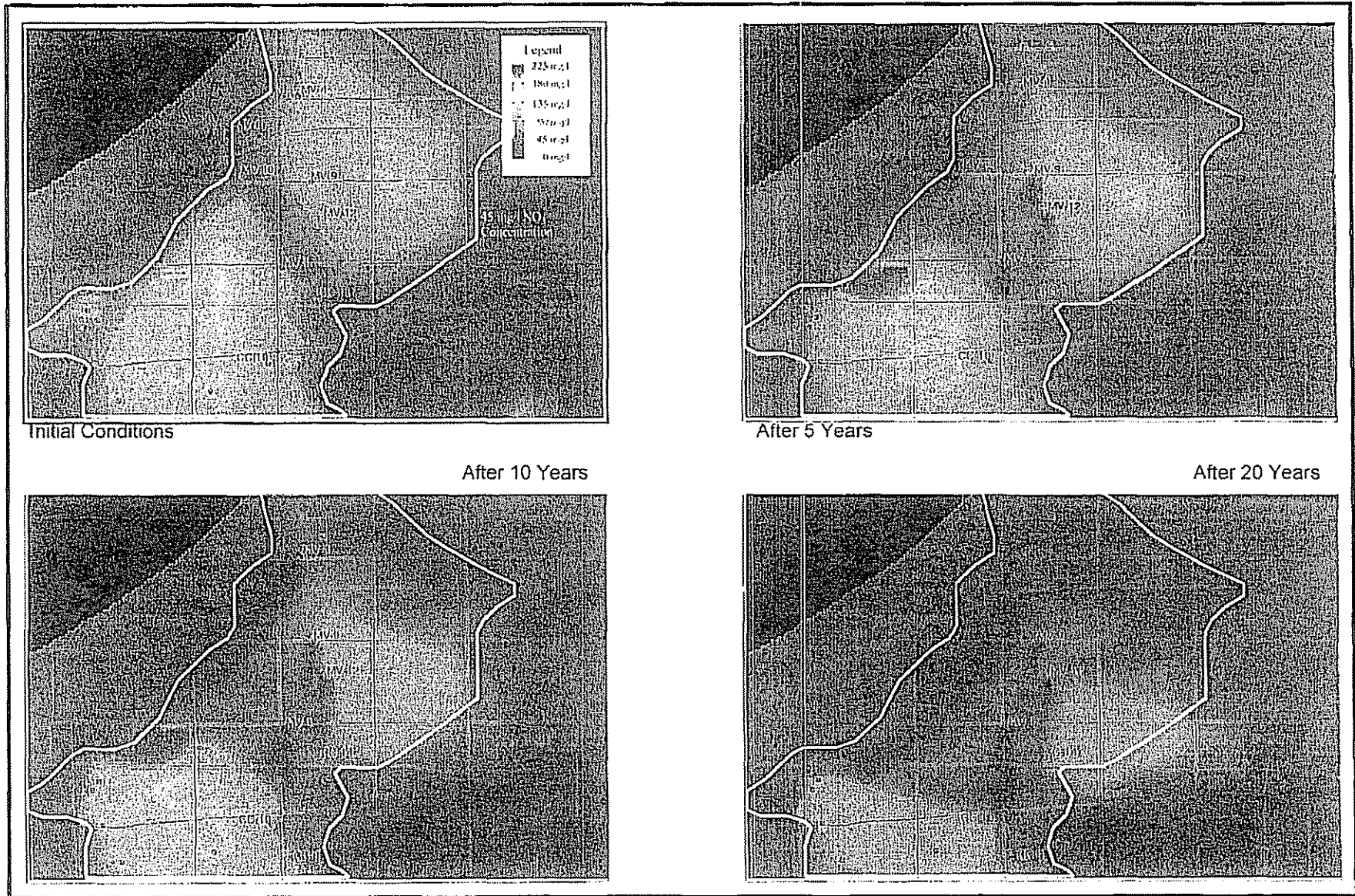
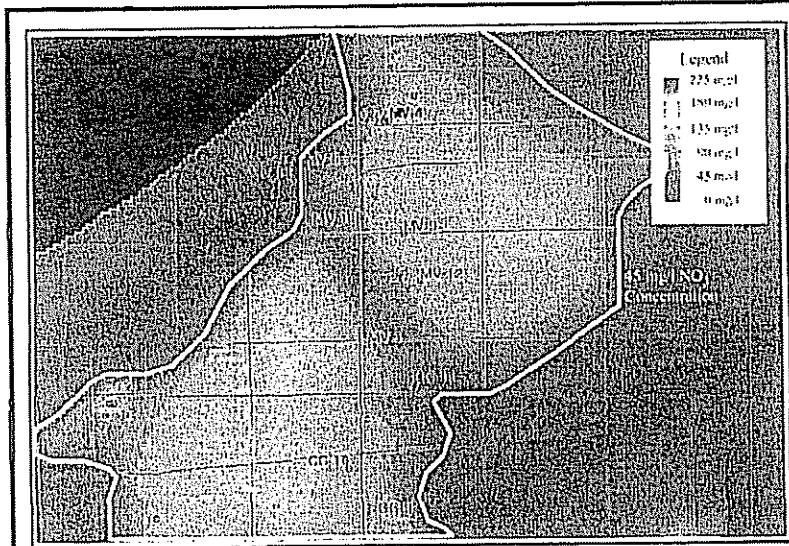
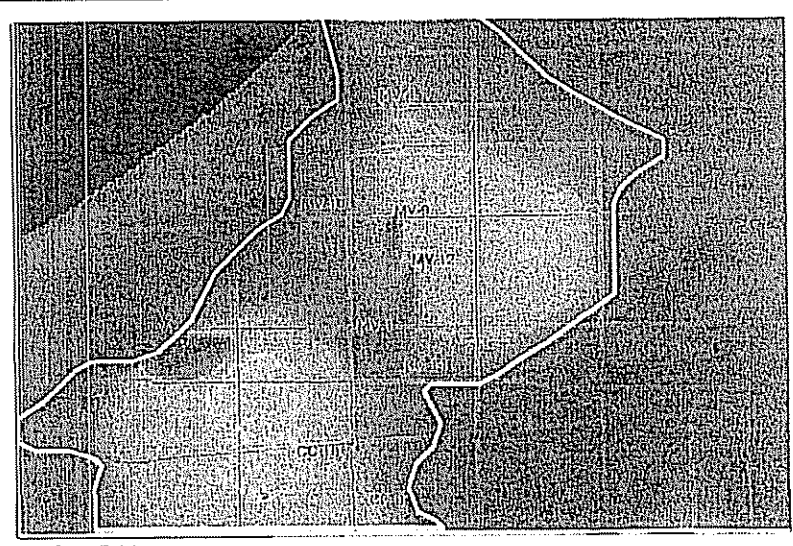


Figure B-6
Moderate Injection Alternative - Time Series of Nitrate (as N) Concentrations



Initial Conditions



After 5 Years

After 10 Years

After 20 Years

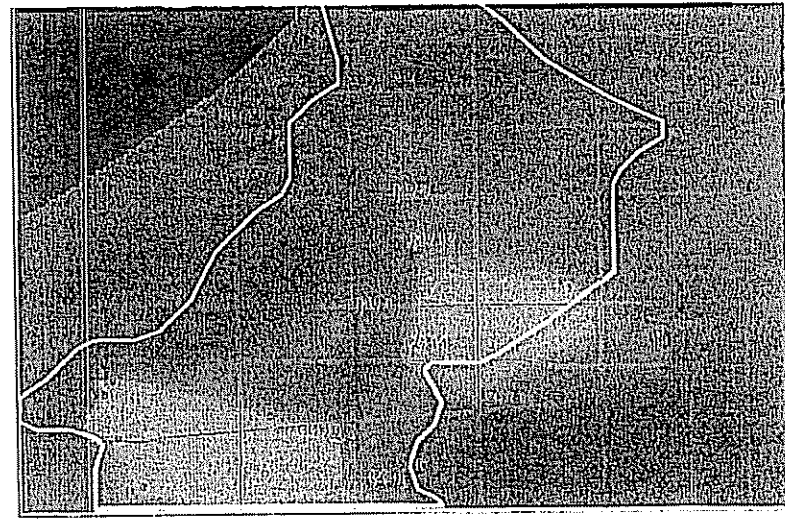
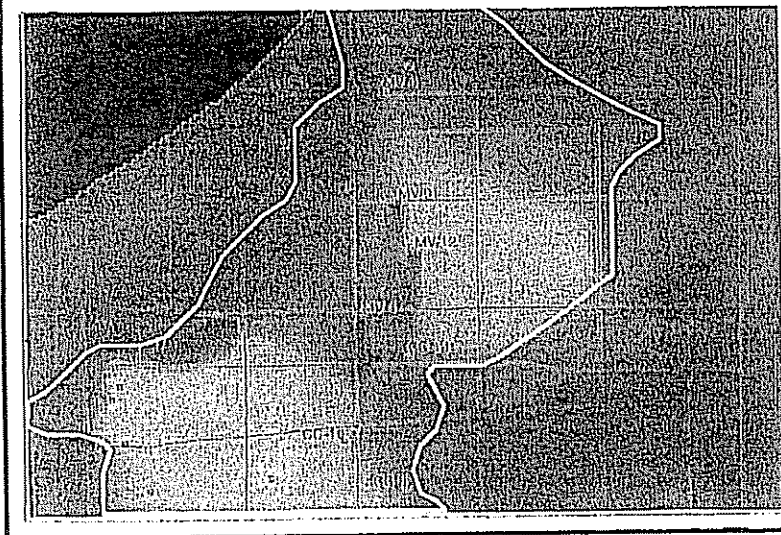


Figure B-7
Minimum Injection Alternative - Time Series of Nitrate (as N) Concentrations

- The District's MV-4, MV-9 and MV-12 wells are located along the westerly edge of the upper high nitrate area while the MV-1 well is located along the northeasterly edge of the lower area. Other District wells are mainly located around and south of the Montclair spreading basins where groundwater quality meets drinking water standards.
- The City of Chino wells CC-10, and CC-14 are all located along the easterly edge of the lower high nitrate area.
- The City of Ontario Well ONT-15 and the Sunkist well SKS-2 are located outside the 45 mg/l Nitrate concentration contour line in areas where groundwater quality under initial conditions is acceptable.
- Groundwater recharge through surface water spreading constitutes all of the imported water recharge for the Maximum Spreading alternative and most of the recharge in Management Zone 1 for all injection alternatives.
- Modeling results indicate that water spread at the Montclair and College-Heights basins would move south with the gradient into areas where poor quality groundwater exists today. The effect of surface water spreading at these spreading basins is relatively similar between all the alternatives because surface water recharge would continue to represent all or most of imported water recharge in Management Zone 1.
- Under the Maximum Recharge alternative, surface water recharge would displace the upper high-nitrate area towards the south and east resulting in water quality improvement at MV-4, MV-9 and MV-12. The water quality impacts at CC-10 and CC-5 would be generally positive as a result of direct spreading; however, CC-14 may observe higher nitrate concentrations as the upper high-nitrate area moves south. It should be noted that the deterioration of groundwater at CC-14 is also observed under the OBMP conditions; a relative water quality comparison at the City of Chino wells between all alternatives and the simulated OBMP conditions is provided later in this section.
- Improvements in water quality represent relative changes between all alternatives compared to OBMP conditions since the model does not consider any continued loading of nitrates in the unsaturated portion of the aquifer.
- Injection of imported water at the four ASR wells would create areas of high quality water in between the upper and lower high nitrate areas and would greatly improve the quality at the District Wells and at the CC-14 well over time.
- A portion of the injected water may not be recovered by the ASR wells because stored water move would south with the gradient and away from these facilities. At the same time, high-nitrate water upstream of the injection points would move towards the ASR wells during the extraction cycle. This could potentially greatly

benefit downstream wells as areas of good quality water move in a southerly direction.

Groundwater Quality Impacts at Individual Wells

Similar to the water level impact results, separate graphs have been created to illustrate the relative impacts on the District wells and on the City of Chino wells downstream. Figure B-8 shows the annual nitrate (as NO₃) concentrations changes under each alternative, relative to OBMP conditions, for the four ASR wells over the 20-year study period. Annual values were used to reflect the weighted average between winter and summer cycles. Four individual graphs, representing the District wells MV-1, MV-4, MV-9, and MV-12, are presented in this figure. The zero line in the individual graphs represents OBMP conditions. Values below the zero line indicate a decrease in the nitrate concentration in the aquifer under a given alternative compared to OBMP conditions. The following observations are made:

- The rapid decline in nitrate concentration simulated during the first year at ASR wells is associated with the injection of imported water with a very low nitrate concentration into the aquifer. The model cell (60 mts x 60 mts square) around each well in this single layer model is quickly filled with imported water resulting in a rapid decrease in nitrate concentration relative to the OBMP conditions.
- The difference in simulated nitrate concentrations between the alternatives and the OBMP conditions tend to diminish over the 20-year study period. This is due to the relative improvements in water quality under the OBMP conditions associated with the spreading of imported water. Water quality at the District wells would improve over time as imported water spread moves in a southerly direction.
- Simulated nitrate concentrations under the Maximum Injection alternative show the response to the three-year injection cycled followed by the two-year extraction cycle. Simulated changes in water quality are more accentuated at wells MV-9 and MV-12 because of their higher injection and extraction rates. Under this alternative, nitrate concentrations at the ASR wells rise during the first year of extraction. This rise is associated with the depletion of good quality water in the cell where individual wells are located. As the water in these cells is depleted, groundwater from the surrounding areas moves towards the wells.
- The reduction in water quality at MV-1 and MV-4 under the Maximum Injection alternative during the first year of extraction in the five-year cycle is not as accentuated as in the other two ASR wells. This is due to the relatively lower amounts of imported water injected at these two wells

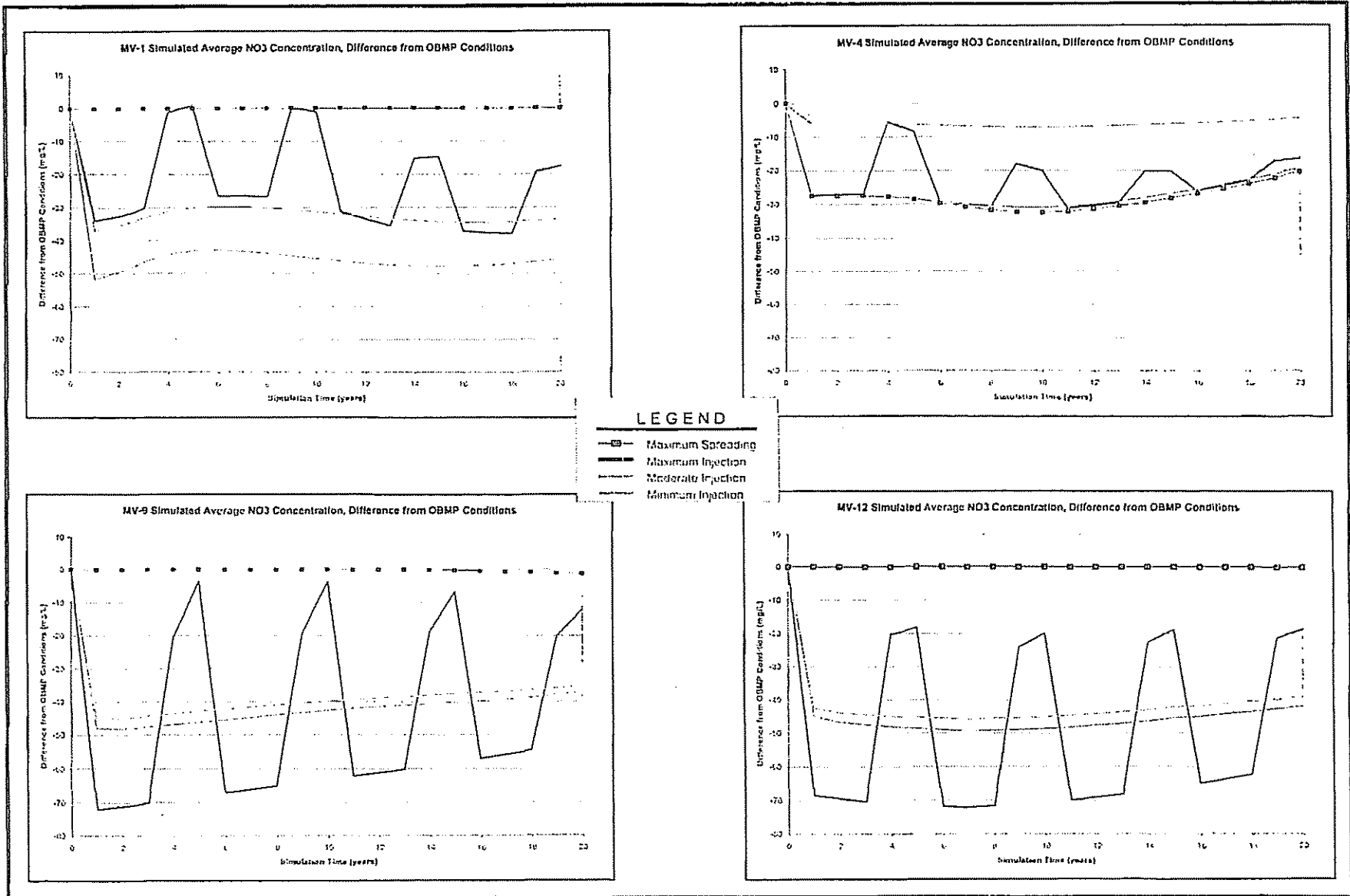


Figure B-8
Nitrate (as NO₃) Changes at ASR Wells Relative to OBMP Conditions for all Alternatives

- Modeling results under the Maximum Injection alternative for the study area, depicted in Figure B-5, indicate that extractions at MV-4 would be directly impacted by surface water recharge at the College-Heights spreading grounds. This can also be observed in Figure B-8 where nitrate concentrations at this well are closer between the alternatives. This later figure also indicates that surface spreading of imported water under the Maximum Spreading alternative would result in much lower nitrate concentrations when compared to OBMP conditions.
- Modeling results under the Maximum Injection alternative for the study area (Figure B-5) indicate that injection of imported water at MV-9 would result in water quality improvements at MV-12 downstream.

Simulation results indicate that the injection of imported water under all injection alternatives would have an impact in water quality at the City of Chino Wells. Figure B-9 illustrates water quality impacts at CC-10, CC-14, ONT-15, and SKS-2 wells under all simulated alternatives. Water quality impacts would be more noticeable at CC-14 because it is the closest one to the District wells. Water quality at this well would significantly benefit with increasing levels of injection. Impacts at CC-10 would be minimal for most alternatives, but positive under the Moderate Injection alternative. Negligible but positive impacts are anticipated at ONT-15 and SKS-2 because of their relative location.

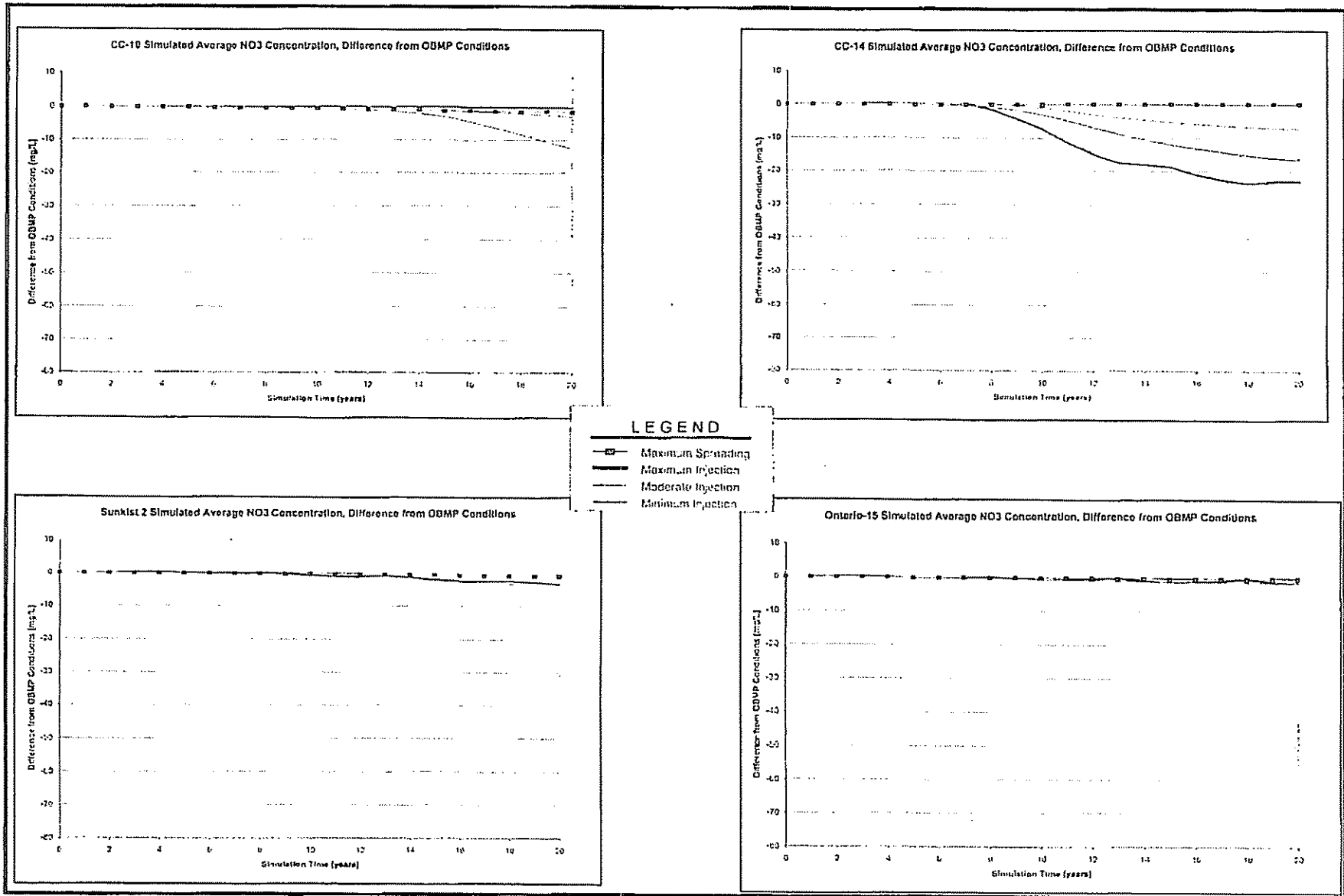


Figure B-9
Nitrate (as NO₃) Changes at Other Local Wells Relative to OBMP Conditions for all Alternatives



CHINO BASIN WATERMASTER

IV. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Board Reappointment Motion



HATCH AND PARENT
21 East Carrillo Street
Santa Barbara, CA 93101

1 SCOTT S. SLATER (State Bar No. 117317)
MICHAEL T. FIFE (State Bar No. 203025)
2 **HATCH & PARENT, A LAW CORPORATION**
21 East Carrillo Street
3 Santa Barbara, CA 93101
Telephone No: (805) 963-7000
4 Facsimile No: (805) 965-4333

5 **Attorneys For**
CHINO BASIN WATERMASTER

6
7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF SAN BERNARDINO**

10 CHINO BASIN MUNICIPAL DISTRICT

11 Plaintiff,

12 vs.

13 CITY OF CHINO, ET AL.

14 Defendant.

Case No. RCV 51010

[Assigned for All Purposes to the Honorable
MICHAEL GUNN]

**NOTICE OF MOTION AND MOTION IN
SUPPORT OF MOTION TO RE-APPOINT
THE NINE-MEMBER BOARD FOR A
FUTHER FIVE YEAR TERM; MOTION
TO RECEIVE AND FILE STATE OF THE
BASIN REPORT**

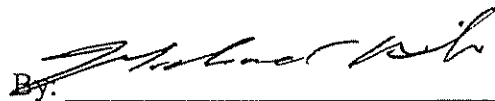
Hearing Date: February 9, 2006
Time: 2:00 P.M.
Department: 8

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20 **TO ALL PARTIES AND THEIR COUNSEL OF RECORD:**

21 **PLEASE TAKE NOTICE** that on February 9, 2006, at 2:00 p.m., or as soon thereafter as
22 the matter can be heard, at 8303 Haven Avenue, Rancho Cucamonga, CA 91730.

23 This motion is based upon this Notice, Memorandum of Points and Authorities, Declaration
24 of Michael T. Fife and on other matters in this action.

25
26 DATE: January 11, 2006

By: 

HATCH & PARENT
Scott S. Slater
Michael T. Fife
Attorneys for Chino Basin Watermaster

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1 SCOTT S. SLATER (State Bar No. 117317)
MICHAEL T. FIFE (State Bar No. 203025)
2 HATCH & PARENT, A LAW CORPORATION
21 East Carrillo Street
3 Santa Barbara, CA 93101
Telephone No: (805) 963-7000
4 Facsimile No: (805) 965-4333

5 Attorneys For
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10 CHINO BASIN MUNICIPAL DISTRICT

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13 CITY OF CHINO, ET AL.

14 Defendant.
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Case No. RCV 51010

[Assigned for All Purposes to the Honorable
MICHAEL GUNN]

**DECLARATION OF MICHAEL FIFE IN
SUPPORT OF MOTION TO RE-APPOINT
THE NINE-MEMBER BOARD FOR
FURTHER FIVE YEAR TERM; MOTION
TO RECEIVE AND FILE STATE OF THE
BASIN REPORT**

Hearing Date: February 9, 2006
Time: 2:00 P.M.
Department: 8

20 I Michael Fife under penalty and perjury:

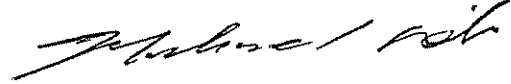
21 1. I am an attorney with the law firm of Hatch and Parent licensed to practice law in the
22 State of California.

23 2. The Law firm of Hatch and Parent serves as general counsel to the Chino Basin
24 Watermaster.

25 3. I have served as general counsel for the Chino Watermaster since February 2000 and
26 am readily familiar with the practices and procedures of all Watermaster Committees and the Board.

27 4. The Watermaster Pool Committees, Advisory Committee, and Board considered this
28 motion at their December meetings, and directed legal counsel to file this motion.

1
2 5. At its December 15, 2005 meeting the Watermaster Board committed to form a
3 committee to investigate and make recommendations concerning the issue of Watermaster
4 governance by December 31, 2007.



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MICHAEL T. FIFE

HATCH AND PARENT
21 East Carrillo Street
Santa Barbara, CA 93101

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21 East Carrillo Street
Santa Barbara, CA 93101

1 SCOTT S. SLATER (State Bar No. 117317)
MICHAEL T. FIFE (State Bar No. 203025)
2 **HATCH & PARENT, A LAW CORPORATION**
21 East Carrillo Street
3 Santa Barbara, CA 93101
Telephone No: (805) 963-7000
4 Facsimile No: (805) 965-4333

5 **Attorneys For**
CHINO BASIN WATERMASTER

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF SAN BERNARDINO**

10 CHINO BASIN MUNICIPAL DISTRICT

Case No. RCV 51010

11 Plaintiff,

[Assigned for All Purposes to the Honorable
MICHAEL GUNN]

12 vs.

13 CITY OF CHINO, ET AL.

**POINTS AND AUTHORITIES IN
SUPPORT OF MOTION TO RE-APPOINT
THE NINE-MEMBER BOARD FOR A
FURTHER FIVE YEAR TERM; MOTION
TO RECEIVE AND FILE STATE OF THE
BASIN REPORT**

14 Defendant.

Hearing Date: February 9, 2006
Time: 2:00 p.m.
Department: 8

19
20 **I.**

21 **INTRODUCTION**

22 On February 19, 1998, the Court appointed a nine-member Board consisting of
23 representatives from the Overlying (Agricultural) Pool, the Overlying (Non-Agricultural) Pool, the
24 Appropriative Pool, and three municipal water districts to serve as Interim Watermaster for the
25

1 through 10 in accordance with the schedule set forth [in the Order] . . .; and (4) Inclusion in such
2 reports of schedule and budget information essentially in a form equivalent to Exhibit "E" and Table
3 4-14 of the Phase I Report; and (5) Watermaster cooperation in the independent assessment and
4 verification of the data included in Reports Nos. 1 through 10 to be provided to the Court by the
5 Special Referee and her technical expert." (September 28, 2000 Order p.6.)
6

7 **A. SATISFACTION OF INITIAL CONDITIONS OF APPOINTMENT**

8 Watermaster has fulfilled all of the Court's five conditions of appointment:

- 9 1. The terms and condition applicable to the purchase of desalted water were resolved
10 through an agreement known as the Integrated Chino Arlington Desalter Term Sheet and the
11 subsequent formation of the Chino Desalter Authority. Based on this, Western Municipal Water
12 District rescinded its conditional execution of the Peace Agreement on April 25, 2001, by way of
13 Western Resolution 2162. Watermaster submitted this resolution to the Court on September 19,
14 2001.
15
- 16 2. The Court approved a revised Watermaster Rules and Regulations on July 19, 2001.
- 17 3. Watermaster has exceeded the requirement to file 10 bi-annual OBMP status reports
18 and since the beginning of 2003 has been filing quarterly status reports. Watermaster has completed
19 a total of 15 such status reports.
20
- 21 4. Inclusion of schedule and budget information in a form equivalent to that on Exhibit
22 E, Table 4-14 of the Phase I Report has been provided to the Special Referee and the Court
23 periodically and in a satisfactory manner. As the years have passed, the format of this information
24 has departed from the original dictates of the Court, but Watermaster has remained responsive to the
25 expectations of the Special Referee and the Court.
26

27
28 (5) years. The Court will by subsequent orders provide for successive terms or for a successor
Watermaster."

1 5. Watermaster has cooperated in the independent verification of the data included in
2 OBMP status reports through periodic meetings between Watermaster staff and consultants and the
3 Special Referee and the Court's Technical Advisor.
4

5
6 **B. ADDITIONAL CONDITIONS OF RE-APPOINTMENT**

7 As described above, when the nine-member Board was extended for a full five-year term, the
8 Court stated broadly that, "[t]he OBMP progress reports, together with independent assessment of
9 OBMP implementation status, including verification of data to be provided by the Special Referee
10 and her technical expert, will be the basis for consideration of continuing the appointment."
11 (September 28, 2000 Order, p.4.)

12 However, in addition to this broad statement of the basis for continuing the appointment of
13 the nine-member Board, the Court also guidance on specific elements of the OBMP that it would
14 closely consider. "The Court hereby gives notice to the parties that a primary concern of the Court in
15 any future application for reappointment of the nine-member board will be the parties' continued
16 commitment to provide for future desalters and preserve safe yield in accordance with the OBMP."
17 (September 28, 2000 Order p.5.) "The parties are forewarned that any future application for
18 reappointment of the nine-member board may be conditioned on the development of a detailed plan
19 to reach the OBMP goal of 40,000 acre-feet per year of desalting capacity to be installed in [the]
20 southern part of the Basin by 2020." (September 28, 2000 Order p.7.)
21
22

23 At the September 28, 2000 hearing, the Court also provided additional guidance on the
24 factors that would be relevant to the consideration of re-appointment:

- 25 "1. All production meters will be installed;
26 2. Basin monitoring will be completely in place and will have been the basis for the
27 semi-annual reports specified in my Order;
28

1 3. The Recharge Master Plan will be complete and appropriate recharge facilities will
2 have been installed; and

3 4. The OBMP Desalter I Expansion and Desalter II will be installed and operational,
4 with demonstrated delivery of desalter water for municipal use in the Basin.”

5
6 (Handout re September 28, 2000 Order from Court to Watermaster General Counsel and
7 memorialized at the Court’s direction in the September 28, 2000 Notice of Entry of Order.)

8 **C. SATISFACTION OF ADDITIONAL CONDITIONS OF RE-APPOINTMENT**

9 Pursuant to Order of the Court dated November 15, 2001, Watermaster was to prepare an
10 Initial State of the Basin Report and a State of the Basin Report. The Initial State of the Basin Report
11 was prepared in October 2002. In July 2005, Watermaster completed its State of the Basin Report
12 which provides a comprehensive analysis of Watermaster’s management of the Chino Basin and
13 status of OBMP implementation. A copy of the State of the Basin Report is attached to this pleading
14 as Exhibit “A.” As a part of the present Motion, Watermaster respectfully requests the Court to
15 receive and file the State of the Basin Report.
16

17 The State of the Basin Report provides the information necessary to be responsive to the
18 Court’s additional conditions of re-appointment:

19 1. Watermaster’s State of the Basin Report describes the installation of meters as
20 follows: “As of June 1, 2005, Watermaster counted about 530 active agricultural wells. About 390 of
21 these wells are now equipped with operating inline flow meters. Watermaster has budgeted to install
22 meters on 30 additional wells during the fiscal year 2005-06. Of the approximately 110 unmetered
23 wells remaining, approximately 65 are wells producing less than 10 acre-feet per year. The other 45
24 wells are anticipated to become inactive within 18-24 months because of urban development in the
25 southern portion of Chino Basin.” (State of the Basin Report 3-2.)
26
27
28

1 2. Under OBMP Program Element 1, Watermaster has developed numerous monitoring
2 programs. The accomplishments of these programs are described in detail in the State of the Basin
3 Report.

4 In summary, Watermaster has programs to monitor groundwater level, groundwater
5 production, and artificial recharge. These three programs are described in chapter 3 of the State of
6 the Basin Report. Watermaster also monitors water quality throughout the Basin and these efforts are
7 described in chapter 4 of the State of the Basin Report. Watermaster conducts ground level
8 monitoring and these efforts are currently focused on MZ1 subsidence issues. The ground level
9 monitoring activities are described in chapter 5 of the State of the Basin Report. Watermaster closely
10 monitors activities at all of the recharge basins and these activities are described in chapter 6 of the
11 State of the Basin Report. Finally, Watermaster conducts detailed monitoring of the condition of
12 hydraulic control, which is the relationship between the groundwater basin and the surface water of
13 the Santa Ana River. This program is described in chapter 8 of the State of the Basin Report and in
14 the May 2004 Hydraulic Control Monitoring Program Final Workplan. The project described in the
15 Hydraulic Control Monitoring Program Final Workplan consisted of the construction of nine wells at
16 an estimated cost of \$1,500,000 (State of the Basin 9-5.).

17 3. The parties completed the Recharge Master Plan Phase II Report in August 2001. The
18 Recharge Master Plan described a series of recharge basin improvements that would enhance the
19 water supply of the Basin through the ability to capture more stormflow. Because of the magnitude
20 of the project, the Recharge Master Plan recommended a phased approach to implementation.
21 However, the parties decided that given the importance of the project that implementation should
22 move forward as quickly as possible. The full project was a \$40 million series of construction
23 activities that were completed in the fall of 2004.
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1 The project is anticipated to be fully operational for the 2006 storm season. Based on lessons
2 learned during the 2004-2005 storm season, further refinements to the recharge basins are being
3 developed.

4 4. In 2001, the parties created a Joint Powers Agency known as the Chino Desalter
5 Authority to own and operate the Chino Basin Desalters. The progress of the desalters is reported in
6 great detail in chapter 9.2 of the State of the Basin Report. According to the April 2005 CDA
7 Progress Report, the expansion of the Chino I Desalter and the construction of Chino II are estimated
8 to be complete by February 2006.
9

10 **D. CONDITIONALITY REGARDING WATERMASTER'S REQUEST FOR**
11 **REAPPOINTMENT**

12 This Motion, and the issue of Watermaster governance, has been a subject of extensive
13 discussion between the parties. The Motion was presented to the Pool Committees, the Advisory
14 Committee and the Board at their December meetings. The Motion was unanimously approved for
15 filing by all committees and the Board, and Watermaster is unaware of any present opposition to the
16 re-appointment of the Board. However, as a condition of its approval of the Motion, the Board
17 included a commitment to establish a committee to review and recommend whether changes to the
18 Watermaster governance structure, including composition of the Board and clarification regarding
19 the roles and functions of the various committees and the Board, are necessary. The committee will
20 provide its report no later than December 31, 2007. Logistical matters associated with this
21 committee, including size of the committee and membership, have been left for future discussion by
22 the parties and direction from the Board at a later date.
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III.

MOTION FOR RE-APPOINTMENT

Based on all of the forgoing, Watermaster respectfully requests the Court to re-appoint the nine-member Watermaster Board for another five-year term beginning February 9, 2006 and ending February 9, 2011, acknowledging the Board's commitment to convene a committee which will make recommendations concerning Watermaster governance issues by December 31, 2007.

Dated: January 11, 2006

By: 

HATCH & PARENT
Scott S. Slater
Michael T. Fife
Attorneys for Chino Basin Watermaster



CHINO BASIN WATERMASTER

IV. REPORTS/UPDATES

D. INLAND EMPIRE UTILITIES AGENCY

3. Water Bond Update
4. Monthly Water Conservation Programs Report
5. Quarterly Planning and Water Resources Report
6. Chino Basin Facilities Improvement Report
7. State and Federal Legislative Reports
8. Community Outreach/Public Relations Report



DRAFT
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE
January 26, 2006

AGENDA

INTER-AGENCY WATER MANAGERS' REP ORT

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

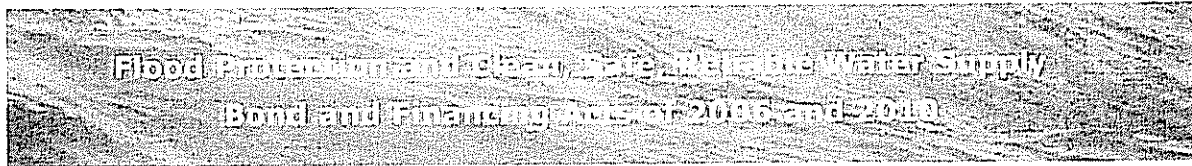
20 – 30 Minutes

Discussion Items:

- MWD Status Report – Richard Atwater
- Recycled Water Status Report – Richard Atwater
- Water Bond Update – Martha Davis

Written Updates:

- Monthly Water Conservation Programs Report
- Quarterly Planning and Water Resources Report
- Chino Basin Facilities Improvement Report
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report



California must invest to improve the flood management system and ensure clean, safe, reliable water supplies for all Californians. Governor Schwarzenegger is proposing the Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Acts of 2006 and 2010 to help meet these challenges.

The proposed 2006 bond will provide \$1 billion over the next five years to pay for levee repairs and improvements, upgrade flood protection for urban areas, improve emergency response capabilities, and develop a new vision for the long-term protection of the Delta. The 2010 bond will provide an additional \$1.5 billion to continue these programs.

	2006	2010
Repair of State-Federal Project Levees and Facilities	\$210 million	\$300 million
Flood Control and Levee System Improvements	\$200 million	\$200 million
Delta Levee Subventions and Special Projects	\$210 million	\$700 million
Flood Control Subventions	\$250 million	\$200 million
Floodplain Mapping	\$90 million	\$0
Floodway Corridor Program	\$40 million	\$100 million
TOTAL	\$1 billion	\$1.5 billion

Key projects include:

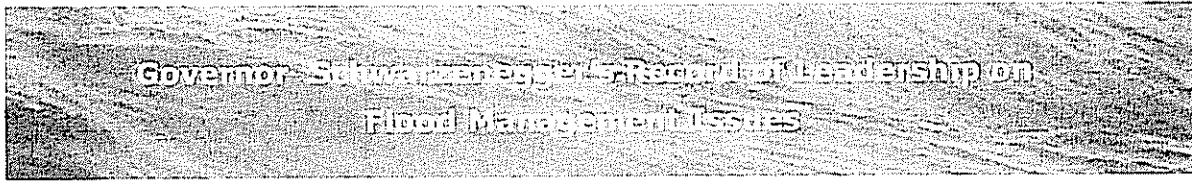
- Remapping more than one million acres of Central Valley floodplains
- Repairing State-Federal Project Levees
- Initiating seismic strengthening of critical Delta levees
- Improving flood protection for urban areas including modifications of Folsom Dam to provide Sacramento with 200-year flood protection
- Fully funding the backlog of the state's share for flood control projects outside of the Central Valley

The 2006 bond provides \$2 billion over the next five years to improve water management activities in all regions of the state. The funds will be used for projects that reduce water demand and increase water supplies, improve water quality and promote good stewardship of our natural resources. The 2010 bond will provide an additional \$4.5 billion.

	2006	2010
Regional Water Management Grants	\$1 billion	\$2 billion
Water Quality Improvements	\$250 million	\$500 million
State Support for Development of New Water Storage	\$250 million	\$1 billion
Water Resources/Quality Science and Technology	\$300 million	\$500 million
Resource Stewardship and Ecosystem Restoration	\$200 million	\$500 million
TOTAL	\$2 billion	\$4.5 billion

Key projects include:

- Financial support for integrated regional water management plans
- Funding for projects that benefit the water supply and water quality needs of disadvantaged communities
- Water quality improvements achieved with pollution prevention strategies and groundwater cleanup projects
- Development of groundwater storage and surface storage projects to protect fisheries, improve water quality and provide additional flood control capacity
- Advancements in desalination, water science and technology to address climate change impacts, energy issues associated with water, and environmental concerns

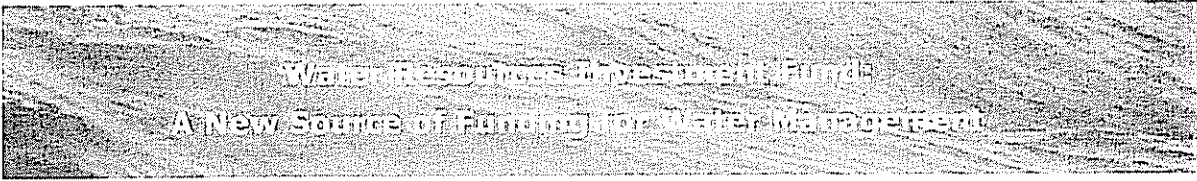


Governor Schwarzenegger has provided strong leadership on flood management issues – recognizing the need to invest more in our flood systems, levees, emergency response capabilities and disaster preparedness to better protect lives and property.

- In response to the first major flood emergency of his Administration at Jones Tract in the Delta in June 2004, the Governor committed state resources to immediately repair the levee break, protect lives and property, and ensure the integrity of the water deliveries from the Delta to the Bay Area and southern California.
- On January 10, 2005, Governor Schwarzenegger issued a 'call to action' with the release of a comprehensive Flood White Paper. The report detailed many of the most serious challenges facing our existing flood control system and outlined a bold plan to make improvements
- In his 2005-06 budget, the Governor increased the state's flood management budget by more than \$9 million, a 70 percent increase. Some of the benefits of this additional investment in levee maintenance and flood emergency response are being realized in the current flood fights
- The Administration is sponsoring AB 1665 (Laird, D-Santa Cruz) to make essential reforms to the state's flood management system, including updated flood maps, better notice to residents about flood risks, and a comprehensive evaluation of the Central Valley levee system
- Another Administration-sponsored measure, ACA 13 (Harman, R-Huntington Beach) is a proposed constitutional amendment to give local agencies better greater ability to fund vital levee maintenance work.
- Last year, the Governor signed AB 1200 (Laird, D-Santa Cruz) that directs DWR and the Department of Fish and Game (DFG) to study island subsidence, floods, earthquakes in the Delta, and SB 264 (Machado, D-Linden) which extends the Delta Levee Subventions Program for two years. These are important steps to improve Delta flood control efforts
- Under the Governor's leadership, the Department of Water Resources is taking the lead with the U.S. Army Corps of Engineers and DFG to complete the Delta Risk Management Strategy. This two-year, \$6 million effort will better quantify the risks associated with the Delta's fragile levee system and develop risk reduction strategies
- Working with Senator Dianne Feinstein and Congressmen Richard Pombo and Dan Lungren, the Schwarzenegger Administration intensified efforts to obtain more funding for critical California levees, especially in the Delta and Central Valley. This effort produced \$40.9 million in federal funds to begin strengthening California levees and flood control systems.
- The Governor has proposed the Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Acts of 2006 and 2010 to improve the state's flood management system

Leadership and responsible planning are keys to protecting Californians from dangerous floods. Governor Schwarzenegger has been at the forefront of efforts to develop a comprehensive, well-funded and sustained flood management plan that will help ensure the continued vitality of our economy, the well-being of our communities, and more safety for our people.

January 2006



As California grows, so does the need to invest in clean, safe, reliable water supplies to assure a vital economy, healthy environment, and high standard of living. Governor Schwarzenegger has proposed bonds to improve water management activities in all regions of the state. In addition, the California Water Resources Investment Fund (WRIF) is designed to provide a stable and perpetual source of revenue to meet the state's water quality and water supply needs now and in the future.

WRIF will provide a stable funding source for water management activities that are described in the California Water Plan, focused on integrated regional water management and improvements to statewide systems.

- Provides a stable funding source for water management activities that are described in the California Water Plan, focused on integrated regional water management and improvements to statewide systems.
- Establishes a fee in the form of a capacity charge that would be collected from each water user in the state.
- Two-thirds of the funds collected in each region of the state would be returned to those respective regional cost-share accounts, distributed through grants, or used to provide specialized technical assistance to regions. Less than one-third of funds collected are retained in a state account.
- A designated entity, such as a reconfigured California Water Commission, oversees distribution of funds and recommends any changes or improvements to the Fund and fee structure.
- The funds available to implement water management projects will increase over time as new connections are added.
- Regions will prepare integrated regional water management plans consistent with California Water Plan to meet their local needs, and fund their projects from their regional accounts.
- The state account will support the state's share of new surface water storage and integrated water planning.

Regional Conservation Programs

Monthly Report-January

Highlights

- **Urban Water Management Plan**- The IEUA UWMP was formally adopted at the Board of Directors meeting on November 16th, 2005. It can be viewed on the IEUA website.
- **Urban Water Management Plans for Water Facilities Authority (WFA) & Chino Desalter Authority (CDA)** – The WFA UWMP was adopted at the WFA Board Meeting on November 17th, 2005. The CDA UWMP was adopted after a public hearing on December 8th. Both can be viewed on the IEUA website.

MWD Activities

- **MWD Incentive Rate**- At its December 13th board meeting MWD adopted a new conservation incentive rate of \$195/AF up to 100% of the cost of a device. The new rate is effective immediately.

Landscape Programs

- **“SmarTimer of Inland Empire” Weather-Based “ET” Irrigation Controller Rebate Program**- The final application form and product description for the irrigation controllers have been created and were distributed at the December Conservation Group meeting. They will be available on the IEUA web site in January, 2006.
- **Phase II Landscape Audit Program (05/06)** - The RFP for the 05/06 Audit Program will be released in January, 2006, and the program will commence in spring.
- **Ontario Cares**- City of Ontario will implement a pilot project to integrate “California Friendly” into the city’s program to improve existing neighborhoods. MWD consultant presented “California Friendly” templates to Ontario Cares inspection staff and landscape contractors. MWD will test templates and marketing materials on 4-5 houses and report back with results. The group will finalize materials at the next meeting. Implementation of the “California Friendly” landscape will begin February, 2006.
- **Residential Landscape Classes**- MWD has extended its support of the “PDA” residential landscape classes through FY 2005-06. The next Regional PDA class is February 11, 2006 at the IEUA Event Center.

Commercial/Industrial/Institutional Program

- **(CII SAVE-A-BUCK)**- At the December meeting the Conservation Workgroup agreed to add \$27,000 to the rebate incentives. The group plans to have Honeywell target our retail area in early 2006 with the increased rebates and test how long it takes to expend \$27,000. Honeywell will analyze which devices benefited from the rebate increase, and from those results the group will adjust the program to make it more effective in the future.
- **Conductivity Controller Cooling Tower**- This is a program being implemented by Honeywell/DMC through MWD. To date 15 conductivity controllers have been installed in our service area since the program began in FY00/01.
- **Restaurant Spray Heads**- This is a program being implemented by Honeywell/DMC through MWD. To date 2 spray nozzles have been installed in our service area since the program began in FY00/01.
- **Commercial High Efficiency Clothes Washers**- 15 high efficiency clothes washers were installed in November; two at an apartment Laundromat in Montclair, and 13 at a coin Laundromat in Ontario. To date 305 commercial high efficiency clothes washers have been installed in our service area since the program began in FY00/01.

Residential Rebates

- **Single-Family ULF Toilet Exchange Programs**- The Conservation Workgroup has been discussing alternate options on how to proceed with the ULF toilet exchanges for spring, 2006. This will be a key discussion item for the January 10th meeting.
- **Multi-Family ULF Toilet Program**- Currently, through the direct install program approximately 4,724 toilets have been installed, of which 3,000 were completed between July and November, 2005. The remaining toilets are expected to be installed early 2006. The next round of the program will be funded by a DWR \$1.6 million grant for 22,000 toilets.

- **High Efficiency Clothes Washer Rebate**- Approximately 120 rebates were issued during December, bringing the total for the current fiscal year to 632 rebates. This brings the total number of rebates to approximately 5,691 since the rebate program began in 2002.

School Education Programs

- **Garden in Every School**- Notifications to the selected schools were sent out December 1st and then announced at the December 7th Board meeting. Garden design and irrigation systems will begin in January.
- **National Theatre for Children**- The fall school schedule has been completed. NTC is currently working on the spring schedule.
- **Groundwater Model**- Chino Hills' and IEUA staffs are now in the process of learning how to operate the Model. Once this is done meetings to see the model demonstrated will be set up with interested agencies.
- **Solar Cup (2006)** - 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.

Outreach

- **Conservation Ads (monthly and special)** - Conservation tips are printed in the Daily Bulletin monthly (on Sundays at the end of each month).
- **Water Education Water Awareness Committee (WEWAC)** – Edugrant applications were reviewed at the December 6th meeting and ten grants were awarded in mid-December. The next meeting is January 24, 2006.
- **BMP Support Grants**- No new action.

Upcoming Events

CALENDAR

January 12, 2006	Landscape Taskforce Kickoff Meeting (IEUA)
January 20, 2006	Rainwater Recovery Meeting (SAWPA)
January 26 th -29 th , 2006	WEWAC Display @ Home & Garden Expo. (Pomona Fair Grounds)
February 4, 2006	PDA "Water Wise" Gardening MiniClass (Cucamonga Valley Water District)
February 11, 2006	Regional PDA "Water Wise" Gardening MiniClass (IEUA)
March 4, 2006	Landscape Design Basics PDA Class (4)(City of Upland)
March 11, 2006	PDA "Water Wise" Gardening MiniClass (Monte Vista Water District)
March 11, 2006	California Friendly & Native Plants PDA Class (4)(City of Upland)
March 18, 2006	Landscape Sprinkler Systems PDA Class (4)(City of Upland)
March 22, 2006	Kids Water Awareness Day (Cucamonga Valley Water District)
March 25, 2006	Soils, Watering, & Fertilizers PDA Class (4) (City of Upland)
April 28 th -30 th , 2006	Lemon Festival (City of Upland)
May 13, 2006	Water Awareness Day (Cucamonga Valley Water District)
May 19 th -21 st , 2006	Solar Cup

Planning and Water Resources Activities

Second Quarter Highlights

■ 2005 IEUA Urban Water Management Plan

The 2005 IEUA Urban Water Management Plan was adopted on November 16, 2005. The UWMP is available on the website at www.ieua.org. As required by law, the Plan addresses water demand and supply scenarios through 2025. Consistent with the request of IEUA's retail agencies, staff will develop a 2030 scenario by March 2006.

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

The WFA UWMP was formally adopted on November 17, 2005. The CDA UWMP was formally adopted on December 8, 2005. Both UWMPs are available on the IEUA website.

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

On December 29, 2005, IEUA's Technical Support Department hosted a tour of IEUA's Recharge facilities for DHS and the Regional Board.

■ Status of Groundwater Recharge/Facilities

Bid packages 4, 5 & 7 will be presented to the IEUA Board for construction acceptance as complete on January 18, 2006. This will complete the \$38.7 million project, that began construction March 24, 2003, with the improvement of 16 existing basin sites, plus construction of two new recharge sites, and the construction of diversion structures, pipelines and pumping stations. The DRAFT final report has been assembled and documents were finalized in December, 2005 with a final completed by January 15, 2006.

■ 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. Resulting from the charrette there is a draft project list being developed. The draft plan is scheduled to be released in early winter, 2006.

■ Grants

IEUA submitted a grant request to the Dairy Water Quality Program for the treatment of organic waste using gasification technology.

Planning and Water Resources

■ MWD

In December, Full Service water sales for calendar year 05 totaled 51,642 acre-feet, or 86% of the Tier 1 Annual limit. This is about 11,823 acre-feet lower than December last year. MWD held a public workshop in October for their Regional Urban Water Management Plan. The UWMP was then approved by the board in December, 2005. On December 13, 2005, MWD, approved a new conservation incentive (rebate) rate of \$195 per acre-foot up to 100% cost of a water conserving device. State Water Project allocation has been increased to 65% based upon water conditions and operation constraints. Last year at this time the allocation was 40%.

■ State Water Plan (Bulletin 160)

The California Department of Water Resources is scheduled to release the State Water Plan in January. DWR is now developing a plan to continue work on the State Water Plan update in recognition that there were many elements that remain incomplete in the current plan. It is expected that the Advisory Committee for the State Water Plan will continue to meet in 2006.

■ CALFED

The California Bay Delta Authority approved a ten-year action plan framework in late December, 2005, to address recommended changes in the governance structure and focus of the CALFED program. The plan incorporates findings from the Little Hoover Commission to improve the program's accountability. Key elements include: (1) a proposed executive leadership council that will be responsible for implementation of the CALFED programs and projects. The council would include directors of state and federal agencies that implement programs within the Bay Delta and would be chaired by the Resources Secretary and a federal lead person appointed by the Secretary of the Interior. The MOU creating the council would be prepared by June 2006. (2) a new independent oversight body comprised of public members would be created through reinvigoration of the currently defunct California Water Commission which would replace the Bay Delta Authority. (3) a new state policy advisory committee would be established to replace the Bay-Delta Public Advisory Committee. This body is expected to be similar to the current advisory committee in its makeup of stakeholders as well as tribal and environmental justice representatives. (4) Current Authority staff would be re-assigned to the Resources Agency and a new undersecretary position created to oversee CALFED activities. The Resources Secretary would be the lead state official responsible for implementing the program. (5) Refocusing of CALFED actions into two groups - activities that are directly linked to problems and solutions in the Delta and are to be implemented by CALFED agencies and actions

Planning and Water Resources con't.

that have an indirect link to Delta problems and are to be implemented largely by local agencies. And (5) a near term (through 2008) finance plan that calls for \$60 million in new water user contributions over the next two years to help support programs such as ecosystem restoration and new visioning process for the delta. A complete description of the framework is available at www.calwater.ca.gov.

In related activities the California Department of Water Resources released the South Delta Improvement Package Environmental Impact Report in December and has scheduled a public hearing on the package in Southern California on January 25th, at 9:00 a.m., at Metropolitan Transit Authority. At the same time, mid winter fishing counts show the delta's pelagic fish populations at historic lows. A major focus in the public hearing will be the reasons for the decline and its potential implications for the EIR. In early January, MWD adopted CALFED statement of principles to guide the discussions within CALFED on next steps and the proposed finance plan. On January 3rd, a CALFED convened science review panel released its report on the use of best available science in the October 2004 Biological Opinion on the Long Term Central Valley Project and State Water Project Operations Criteria and Plan (OCAP). The panel unanimously concluded that scientific information used in the Biological Opinion was not the best available and identified improvements that could be made.

■ **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 final report in January, making more than 40 recommendations for improving the water efficiency of the State's landscapes. The 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. A copy of the report is available at: http://www.cuwcc.org/ab2717_landscape_task_force_lasso. Legislation is expected to be introduced by Assemblyman Laird to implement the task force recommendations.

■ **Regional Recycled Water Program**

In October 2005, Cal Poly Pomona at CIM converted to recycled water for 100 percent of their irrigation needs. Recycled water usage for FY 2005-06 is up to over 4,000 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, 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. A final report for the program was completed and sent to the Department of Water Resources in December, 2005.

■ **Chino Desalter Program**

The Chino I Desalter Expansion is complete, with the exception of the some offsite facilities. For the second quarter production was 3,260 AF bringing the total production for FY 05/06 through December to 5960 AF. The Chino II Desalter and the offsite facilities will be complete and operating by March, 2006.

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 through February and the first phase of the study is expected to be completed in March 2006.

New Drinking Water Regulations for 2006. Three new regulations are expected to take effect in 2006: (1) The U.S. Environmental Protection Agency is developing a draft perchlorate standard that will most likely be issued in early 2006. The standard is anticipated to be set at 6 parts per billion (ppb). (2) The new federal standard for arsenic of 10 ppb will become effective on January 23, 2006. Because California is behind schedule in adopting its own arsenic standard, the federal standard must be complied with. And (3) the Long Term 2 Enhanced Surface Water Treatment and Stage 2 Disinfectants and Disinfection Byproducts Rule was signed by the EPA administrator in December and is expected to be effective immediately with its publication in the Federal Register in January. Reporting compliance dates are staggered, with the largest systems due first in October 2006. The most significant changes in the rule are the increased regulation of Cryptosporidium, a harmful microorganism, and the monitoring requirements for trihalomethanes and haloacetic acids. The EPA will issue guidance documents for these regulations when it publishes the new rule in the Federal Register.

Energy Issues

■ During the first quarter of 2006, Southern California Electric's rates are expected to increase by about 24% on a system average basis for bundled service customers. Several factors are contributing to the increases, including the California Department of Water Resources' (DWR) revenue requirement, the impact of natural gas costs and infrastructure improvements on DWR's utility costs, SCE's Energy Resources Recovery Account (ERRA), and the 2006 General Rate Case, Phase I. The rate increase will be phased in over three months. Funds are available through SCE's energy efficiency cash rebates to implement actions that will help reduce energy costs.

The California Public Utilities Commission adopted a Water Action Plan in December that will guide the Commission's actions in promoting water conservation, energy efficiency and the use of recycled water in regulating investor-owned utilities. The California Energy Commission adopted its Integrated Energy Program Report in December which highlights the nexus between water and energy investments. A draft report on California Leadership Strategies to Reduce Global Warming Emissions has been released by the California Environmental Protection Agency and is expected to be adopted in late January.

Water Conservation Programs con't.

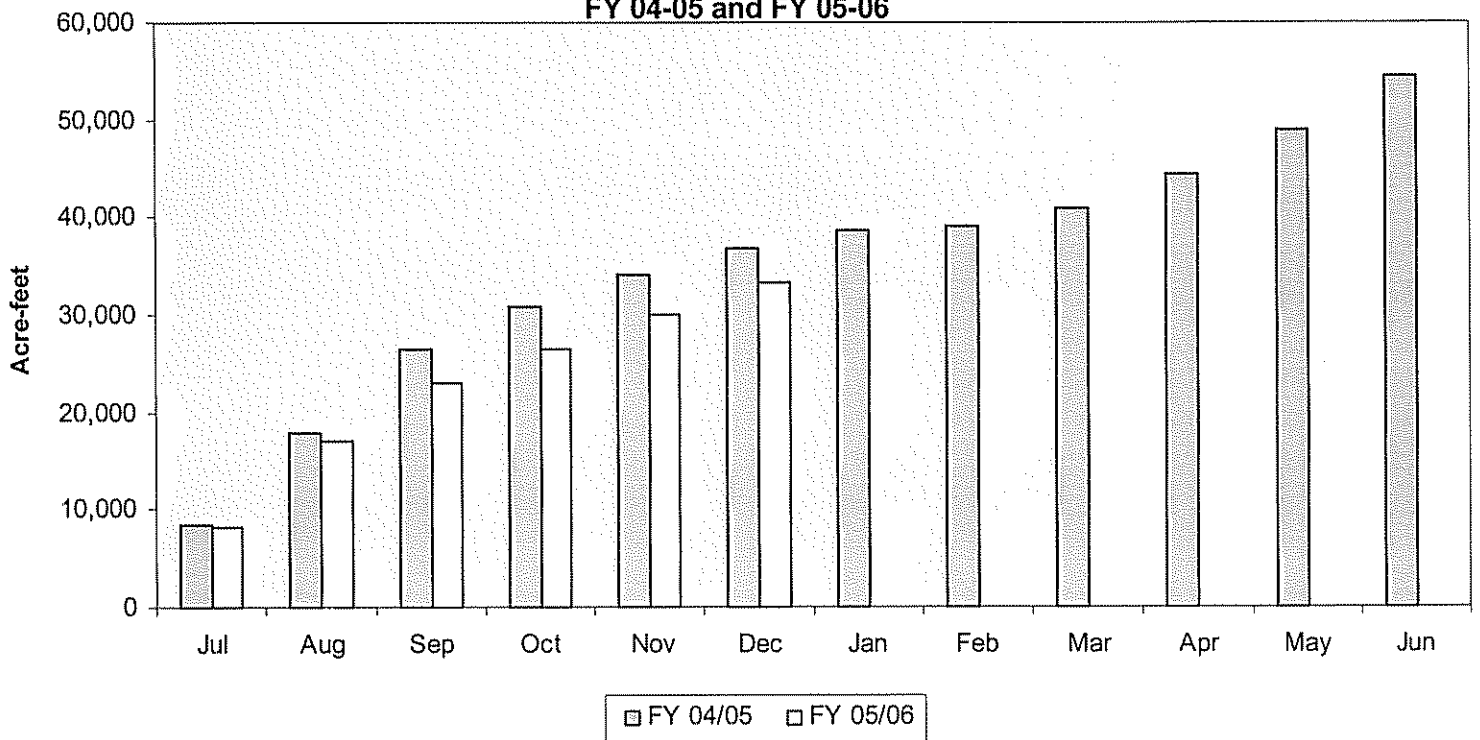
Water Conservation Programs

- ULFT Rebate Program—Through the last quarter, a total of 109 rebates were issued. The total number of rebates issued is 2,537 since the rebate program began three years ago.
- High Efficiency Clothes Washer Rebate Program —Through the last quarter, a total of 339 rebates were issued, bringing the total for the current fiscal year to about 629 rebates. This brings the total number of rebates to approximately 5,691 since the rebate program began in 2002.
- “SmarTimer” Weather-Based “ET” Controller Rebate Program—Application and reference guides were prepared over the last quarter. The materials will be available on the IEUA website by the end of January.
- Multi-Family ULFT Exchange Programs — Approximately 4,717 installations have taken place through the end of November. A total of 6,000 toilets will be complete in early 2006. The next round will be funded by a DWR \$1.6 million grant for 22,000 toilets to begin in spring 2006.
- 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 Meeting is February 1, 2006 at MWD, and the next Plenary Meeting is March 8th, 2006 in San Francisco. 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 the CUWCC, please go to www.cuwcc.org.
- Phase II Landscape Audit Proposals—IEUA has developed the RFP for the Phase II Landscape Audit 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 January.
- 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 February 11, 2006 at IEUA's headquarters.
- Solar Cup 2006—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 to target IEUA's service area in early 2006.
- Groundwater Model—Envision Environmental Education was completed and shipped in September. 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 meetings with interested agencies to see the model demonstrated.
- Water Conservation Activity Summary—The Regional Conservation Partnership has been meeting once a month at IEUA offices. Over the last quarter, major topics discussed were the Urban Water Management Plan, Multi-family and Single-family ULFT programs, increased rebate incentive rates, and other conservation efforts.
- Garden In Every School Program—The application deadline was October 7, with 13 schools applying. Site evaluations and application reviews were done in October and November. 7 schools were selected and announced in early December. First meetings to begin the garden designs and irrigation will take place in January. Planting will begin in February.
Participating Schools: Newman Elementary (Chino), Hidden Trails Elementary (Chino Hills), Our Lady of Lourdes (Montclair), Foothill Knolls Elementary (Upland), North Tamarind (Fontana), Ranch View Elementary (Ontario), and Coyote Canyon (Rancho Cucamonga)
- National Theatre For Children
The fall schedule of performances was completed. Heidi Chadwick of NTC is now contacting schools and setting a schedule for Spring 2006.

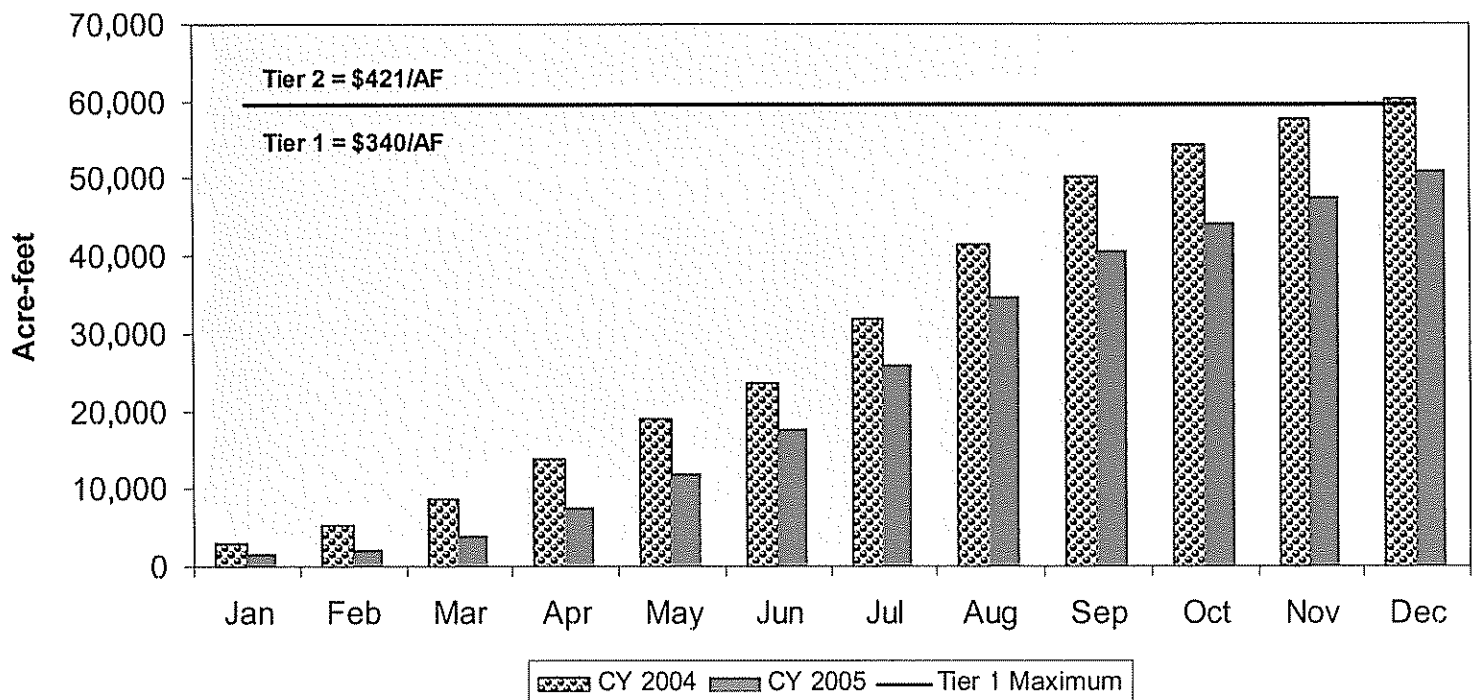
Conferences & Meetings

- January 25, 2006—Southern California Water Dialogue Meeting @MWD
- February 1, 2006—CUWCC Steering Committee Meeting @MWD
- February 6, 2006—AGWA Workshop in Ontario
- February 22, 2006—Leadership Breakfast with Michael Boccodoro @ Inland Empire Utilities Agency
- March 7, 2005—CUWCC Plenary Session Meeting @ San Francisco Public Utilities Commission
- March 12th-14th—Water Reuse Association Annual Conference @ San Francisco Hyatt Regency

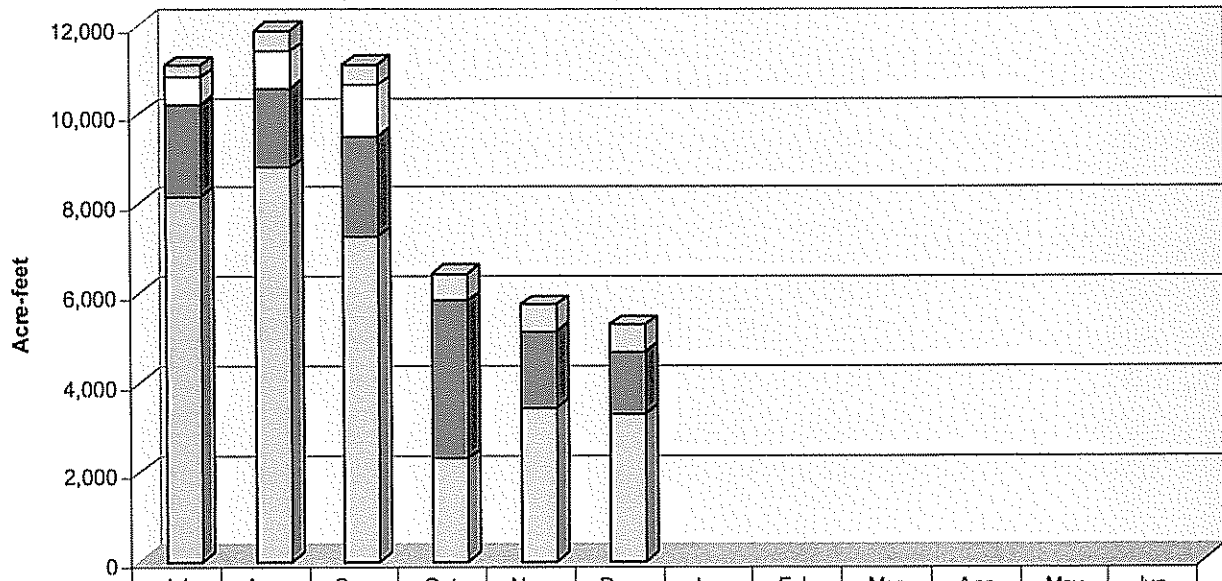
**Cumulative Monthly Full Service Imported Water Deliveries
Within IEUA's Service Area
FY 04-05 and FY 05-06**



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

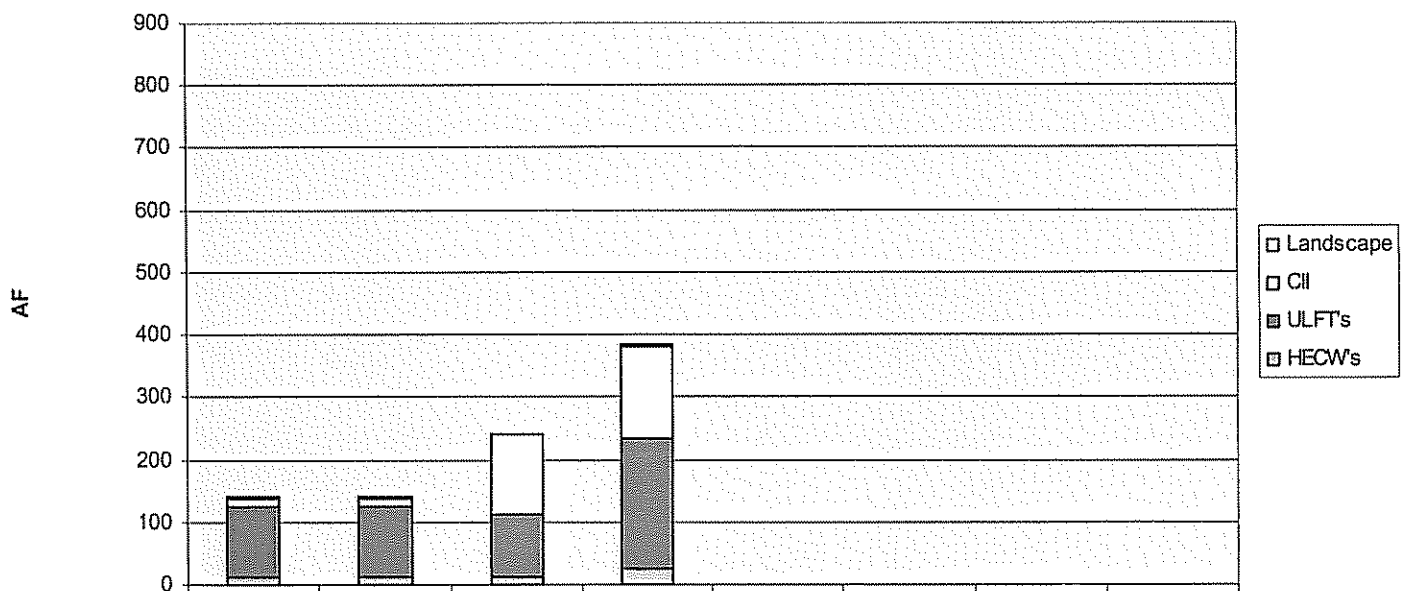


FY 05/06 Monthly Water Production From Within IEUA's Service Area Imported, Desalter, and Recycled Sources



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
■ CDA - Desalter Water	272.4	458.1	476.5	587.4	612.6	612.3						
□ IEUA - Recycled Water	598.1	825.7	1125.29									
□ MWD - Agricultural Cert	26.6	12.8	12	10.1	4.7							
■ MWD - Conj Use Cert.	2033.8	1750.2	2231.7	3521.3	1694.8	1374.9						
■ MWD - Full Service Cert.	8171.9	8822.2	7273.6	2292.7	3422	3299.5						

Conservation Devices Installed in AFY
FY 2005-06



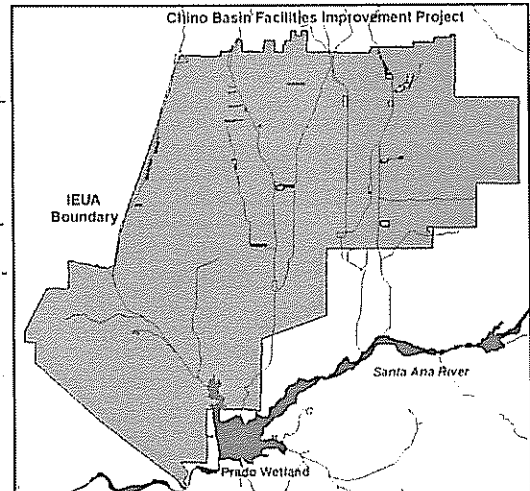
	July - Sept '05	Cumulative Totals	Oct - Dec '05	Cumulative Totals	Jan. - March '06	Cumulative Totals	April - June '06	Cumulative Totals
Total	142	142	241	383	0	0	0	0
□ Landscape	3	3	0	3	0	0	0	0
□ CII	15	15	130	145	0	0	0	0
■ ULFT's	112	112	98	210	0	0	0	0
■ HECW's	12	12	13	25	0	0	0	0

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DECEMBER 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 recharge program will continue beyond the Facilities Improvement project with an additional \$5 million grant from DWR.
- Cost savings achieved through soils removal and use of clay materials washed in from burned areas accomplished an estimated savings of \$3,075,000.
- The \$38.7 million project was completed \$166,000 under budget.

The construction of the CBFIP is in seven phases, with different contractors, totaling \$38,700,000. The CBFIP schedule was closed-out January 18, 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 (Budget \$8,250,000)

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

- Start Date: March 24, 2003; Date of Completion: April 6, 2004
- 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: Declez 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 (Declez 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).

- Start Date: July 16, 2003; Date of Completion: May 30, 2004
- 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.

- Start Date: January 5, 2004; Date of Completion: January 10, 2005
- The IEUA Board of Directors accepted as complete Bid Package No. 3, January 12, 2005

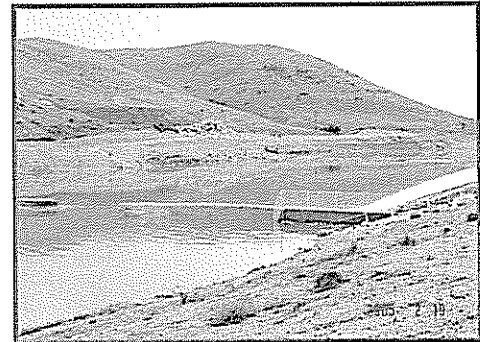
Bid Package No. 4 (Budget \$2,270,000)

- Bid package No.4 consisted 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).

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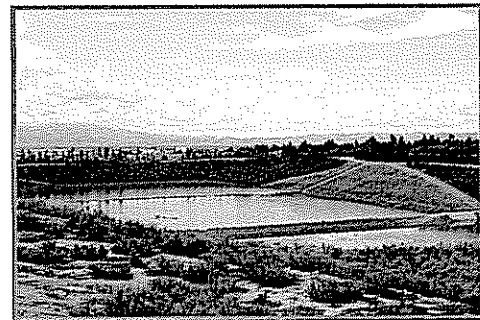
- SBCFCD has committed to constructing a section of the San Sevaine concrete channel with a drop inlet and pipeline to deliver storm water, imported water, and recycled water to Jurupa Basin that will be pumped to the RP-3 Basins and the Declez Basin. The drop inlet is schedule for completion December 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
- *Start Date: February 19, 2004; Date of Completion: November 16, 2005*
- *The IEAU Board of Directors accepted as completed Bid Package No. 4 January 18, 2006*



Declez Basin

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

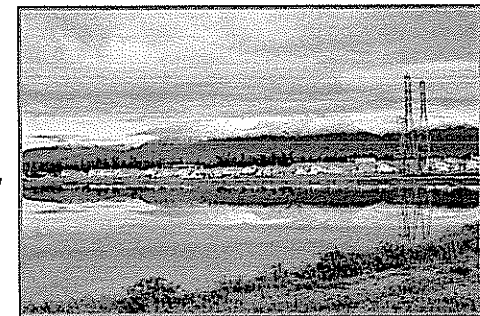
- Bid Package No. 5 includes the SCADA system consisting of radio controls to monitor and govern water levels in all the basins, control the drop inlets and rubber dams. Four monitoring sites will be established at the CBWM, CBWCD and SBCFCD offices with the master controls located at RWRP-1. The SBCFCD offices will have a satellite control station.
- *Start Date: March 18, 2004; Date of Completion: November 16, 2005*
- *The IEAU Board of Directors accepted as completed Bid Package No. 5 January 18, 2006*



Lower Day Basin

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.
- *Start Date: March 22, 2004; Date of Completion: August 3, 2005*
- *The IEUA Board of Directors accepted as completed Bid Package No. 6 October 5, 2005*



RP-3 Basin No. 4

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 equalling approximately \$ 31,000
- *Start Date: July 1, 2004; Date of Completion: November 15, 2005*
- *The IEAU Board of Directors accepted as complete Bid Package No. 7 January 18, 2006*



Montclair Basin Trenching for SCADA

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

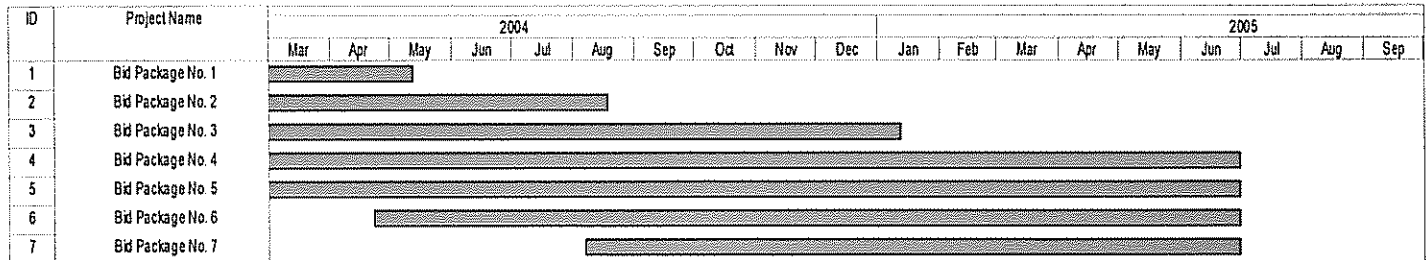
- Dispatch Trucking has excavated the 100,000 cubic yards of soil from the floor of the Victoria Basin which will ultimately save \$600,000 (\$6.00/cu.yd. X 100,000 cu.yd.)

Total Estimate savings: \$3,075,000

DWR Grant for Future Recharge Improvements

- IEUA and Watermaster have received a grant agreement with DWR (Prop. 13 Funding) for additional recharge improvements. The estimated DWR grant amount is \$5.2 million.

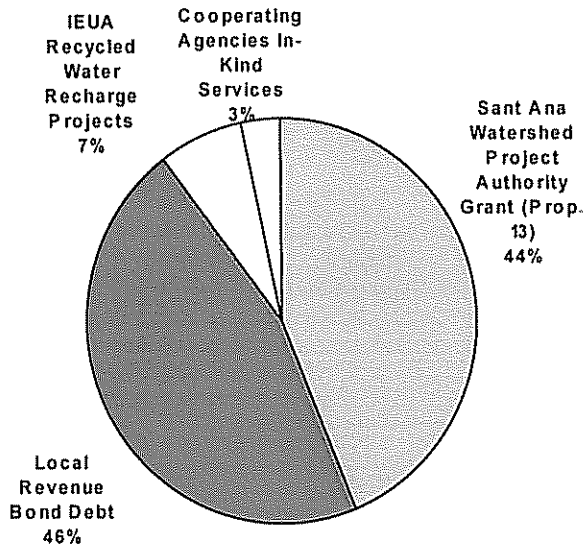
CBFIP Active Projects Construction Schedule



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	Actual Cost	Budget
Bid Package No. 1	\$8,246,175	\$8,250,000
Bid Package No. 2	\$7,019,137	\$7,020,000
Bid Package No. 3	\$3,615,746	\$3,800,000
Bid Package No. 4	\$2,060,324	\$2,300,000
Bid Package No. 5	\$4,037,936	\$3,870,000
Bid Package No. 6	\$1,413,861	\$1,450,000
Bid Package No. 7	\$3,067,576	\$3,000,000
Non-Construction Cost*	\$9,073,308	\$9,000,000
Total Budget**	\$38,534,063	\$38,700,000
Expenditure To Date	\$38,534,063	

*includes equipment purchases, engineering administration, and cooperative contribution from other agencies.

**does not include \$5.5 million DWR grant.



Inland Empire
UTILITIES AGENCY

Date: January 18, 2006
To: Honorable Board of Directors
Through: Public, Legislative Affairs & Water Resources Committee
(1/11/06)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: December Legislative Report from Agricultural Resources

RECOMMENDATION

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

BACKGROUND

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

PRIOR BOARD ACTION

None

IMPACT ON BUDGET

None

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Agricultural Resources

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

December 29, 2005

Legislative Report

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

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

SU: Legislative Report, December 2005

Highlights:

- Congress To Adjourn – Late Session
- Next Session
- Water Recycling/Local Projects
- MWD's Wes Bannister in DC to Champion Water Recycling and Local Projects
- Senate Energy Committee and Water Recycling
- MWD's Bannister in DC on behalf of Water Recycling/Local Projects
- Farm Bill, USDA Energy Programs
- Other Issues
- IEUA Working Partners

Congress To Adjourn – Late Session. The House and Senate are now slated to adjourn [hopefully today] for the year following a tumultuous Fall and early Winter. The final appropriations bills will head for the White House (assuming now expected House concurrence to Senate changes to DOD and Labor-HHS funding bills). The DOD bill contains a 1% across the board cut from current appropriations. We are tracking to make certain that the IEUA \$ 1 million appropriation in the CALFED program for water recycling is not disproportionately

singled out, by the US Bureau of Reclamation, for “more than its share” of the cut.

109 Congress, Second Session. The Senate will reconvene on January 3, but then will likely recess until the State of the Union speech (third week of January) and the House is now planning to reconvene at the end of January. There is a possibility that changes – significant ones – may occur in the House GOP leadership. As indicated, the President will deliver his State of the Union and then a week or so later, the Administration’s proposed budget will be submitted to Congress. Given the high-profile concerns about debt and deficit, both USDA budgets for energy and alternative fuels (biomass) and the Bureau of Reclamation’s budget for water recycling are braced for possible reductions. More will be known after the first of the year.

Water Recycling and Local Projects There are significant developments. Rep. Gary Miller’s bill, H.R. 177, passed the House in mid-October. It was immediately referred to the Energy Committee in the Senate. Last week, Senator Feinstein introduced a Senate version of the bill, S. 2106. This is in addition to the Dreier recycling bill (S. 746, H.R. 540 and H.R. 802). All these bills are now pending in the Senate Energy Committee.

Energy Committee and Water Recycling. The Senate Energy Committee has undertaken a comprehensive review of Title XVI, in large part because of program opposition by the Interior Department and the Bureau of Reclamation. The Committee, working with the Water Subcommittee in the House, asked the Congressional Research Service (CRS) to undertake a program review. It’s final report to the Committee is pending. WaterReuse worked to get CEQ to undertake a federal agency review of recycling programs. That report has been finalized and submitted to the Committee. The Committee has stated that it intends to hold comprehensive oversight hearings on the program in February and that those oversight hearings would come before any legislative hearings on specific bills. IEUA and others are already preparing for those hearings, and providing various kinds of background and programmatic information to the committee. As previously reported on numerous occasions, the Interior Department’s “alternative” to Title XVI has been a program they established called Water 2025. However, Congress is clearly unhappy with it, slashed its funding to almost nothing and promised to look at it again in the coming year. In the meantime, we closely follow the NOAA/USDA Drought Monitor and its weekly updates. As you undoubtedly know, the Colorado River remains in a drought-state. Secretary Norton and Interior continue to publicly challenge MWD, the State of California, Southern California water users and their Colorado River partners to adopt “shortage allocations” for the Colorado River (inexplicably, with NO mention of Title XVI as a means to stretch local supplies). Finally, last week in Las Vegas, at the Colorado Water Users annual conference, there was a panel of “former Commissioners.” Former Commissioner Dan Beard highlighted Title XVI and specifically the Southern California Initiative and IEUA’s programs in his talk. He was the only former Commissioner to highlight this program.

MWD’s Bannister in DC to Urge Action on Water Recycling and Local Projects. MWD’s Board Chair, Wes Bannister was in DC in late November, meeting with the delegation and committee members – specifically championing both the Dreier and Miller bills. MWD is

making these projects a priority and urging ACWA and others to do the same. Meetings included Chairman Domenici, Ranking Democrat on the Energy Committee, Senator Jeff Bingaman and Senator Dianne Feinstein. Meetings in the House included Reps. Grace Napolitano, Ken Calvert, David Dreier and Gary Miller among others. The meetings and discussions were significant in that they elevated the importance and significance of both Title XVI and the IEUA local and regional projects. While CALFED and others in the State are embroiled in various levels of conflict, IEUA is building new supplies and expanding its base of REAL "wet water." Senator Feinstein is beginning to appreciate the positive and constructive program that's now growing throughout Southern California.

Farm Bill – USDA Energy Programs. The USDA has been conducting "hearings" and "listening sessions" across Rural America in anticipation of Congress writing a new Farm Bill in 2007. At the same time, developments in international trade become the "driver" in farm policy. The US is involved in high-level trade talks, with "ag subsidies" poised for reduction or even phase-out. The outcome of those talks will directly influence the formulation of a farm bill. Some believe that this creates an excellent opportunity to build more expansive energy and *manure-to-power* programs within USDA, either at NRCS or within a stand-alone Energy Office. IEUA has been working with WEF and others to explore and develop these opportunities.

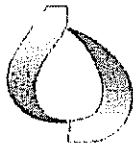
Other Issues. **CALFED I.** The program is in turmoil. Members and staff were startled by the Recommendation to eliminate the CALFED office. Explanations will be sought right after the first of the year. **Pombo Announced CALFED Oversight Hearings.** Previously reported, Resources Committee Chair, Rep. Richard Pombo publicly announced that the Committee will hold CALFED oversight hearings, likely in California. Members are asking when the hearings will be held. **Bay Delta Levees.** The levee failures in New Orleans put a huge spotlight on the California Bay Delta levees. Funding bills provided funds. Evaluations are reportedly underway. Chairman Radanovich and Ranking Member Napolitano are tracking this issue. **Interior Fails To Deliver Water Report to Water Subcommittee.** The Radanovich Water Subcommittee held hearings on four bills a couple of months ago. During his testimony, the Bureau of Reclamation witness referred to a report on Water 2025 that no one had seen. Radanovich and Napolitano officially asked that the report be submitted to the Committee. Interior and Bureau of Reclamation have not done so. This is an issue for early next year. **Domenici water technology bill Passes Senate Energy Committee.** The Domenici-Bingaman bill was reported by the Energy Committee. **Perchlorate.** Issue remains a priority with Senator Feinstein. Perchlorate in drinking water is now showing up in Texas.

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

As this year comes to a close, I would add that it is a professional pleasure to represent IEUA before the Congress of the United States. IEUA has developed and is maintaining a reputation for excellence – for its policies and programs. It is an honor to serve on your behalf. I look forward to a productive 2006.



Inland Empire
UTILITIES AGENCY

Date: January 18, 2006
To: Honorable Board of Directors
Through: Public, Legislative Affairs & Water Resources Committee
(1/11/06)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: December Legislative Report from Copeland and Associates

RECOMMENDATION

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

BACKGROUND

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

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None

RWA:MD:jbs
G:\board-rec\2006\06006 December Leg Report from Copeland and Associates

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Copeland Lowery Jacquez Denton & White LLC
Specializing in Government Relations

Memorandum

TO: Rich Atwater and Martha Davis
FROM: Letitia White and Heather McNatt
Copeland Lowery Jacquez Denton & White
DATE: December 22, 2005
RE: Monthly Legislative Report

Our work on behalf of Inland Empire Utilities Agency in the month of December has resulted in some positive steps forward for IEUA's agenda. On November 16th officials from Mojave Water District and Orange County Water District met with staff for Congressman David Dreier and Senator Pete Domenici to advocate for movement of Congressman Dreier's bill, HR 802. Those meetings resulted in direct contact from Congressman Dreier to the Senate to push for Senate consideration of HR 802. A two-tier approach was crafted during a series of conference calls in mid-December. While the push for HR 802 continues, CLJ will also move forward with an appropriations strategy for FY '07. Thankfully, the negotiations between IEUA and the Bureau of Reclamation in December went well, and the previously appropriated funds should be contracted in January.

Congress has finished work for the year. The final weeks of 2005 have been extremely contentious and busy on Capitol Hill. The House finalized business late this afternoon and went out of session with the expectation they would not return until January 31, 2006. The Senate voted until late in the evening of December 21st and plans to return on January 18th to take up the Supreme Court nomination of Judge Samuel A. Alito Jr.

FY06 Appropriations Overview

When the House and Senate returned from the Thanksgiving recess, only two Appropriations bills remained, the Labor, HHS, Education bill and the Defense bill. Despite heavy opposition from Democrats, the Labor, HHS, Education bill passed the Senate on December 21st. Funding for those programs received a cut of \$1.5 billion from last year, and many Members of Congress were angered by the funding shortfalls the bill will cause. However, the cuts would have been even more severe if the bill had not passed and programs were funded under a Continuing Resolution.

The Defense Appropriations bill became tied up in the battle over drilling for oil in the Artic National Wildlife Refuge. A provision allowing drilling in ANWR was stripped from the Budget Reconciliation package and inserted into the Defense

Appropriations bill during the final stages of year-end negotiations. The measure passed the House but could not overcome cloture in the Senate. Sixty votes are required to invoke cloture on a bill and prevent a filibuster under Senate rules.

After the failure of the cloture vote, members of Senate leadership crafted a resolution to remove the ANWR provision, \$2 billion for low-income heating assistance, \$1.14 billion for border security, \$2 billion for Gulf Coast rebuilding, \$2 billion for homeland security activities and \$1 billion for agriculture conservations programs. Those changes were approved by the House by Unanimous Consent on December 22nd bringing to an end the 2006 Appropriations cycle.

Budget Reconciliation

On December 21, the Senate approved the conference report on the Deficit Reduction Act of 2005 (S. 1932) by a vote of 51-50, with Vice President Cheney casting the tie-breaking vote. The final package will result in \$39.7 billion in savings in mandatory spending programs. Several provisions of the conference report were successfully challenged by Senate Democrats who raised points of order against them prior to passage. As a result, the conference report must be sent back to the House for approval prior to transmission to the President. As of this writing, it appears unlikely the House will be able to take up the conference report again until after the first of the year.

Defense Authorization

The House and Senate agreed on a final version of the long-stalled Defense Authorization bill after Senator McCain and the White House reached a deal on the issue of regulating the treatment of suspected terrorists and insurgents. The bill authorized \$441.5 billion in defense spending with an additional \$50 billion for ongoing operations in Iraq and Afghanistan. It bans "cruel, inhuman or degrading" treatment of prisoners and established the Army Field Manual as the standard for interrogations. The President is expected to sign the bill in the near future.



Inland Empire
UTILITIES AGENCY

Date: January 18, 2006
To: Honorable Board of Directors
Through: Public, Legislative Affairs & Water Resources Committee
(01/11/06)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: December Legislative Report from Dolphin Group

RECOMMENDATION

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

BACKGROUND

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

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

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Chino Basin / OBMP Coalition

Status Report – December 2005

ENERGY/REGULATORY

Natural Gas Energy Cost Increases

As a result of recent spikes in natural gas prices, both Southern California Edison and the Southern California Gas Company will be increasing energy rates beginning January 2006. Since the Katrina and Rita hurricanes in the fall, natural gas prices have risen from approximately \$6/therm to \$14/therm. Long term projections by the US Department of Energy show that similar prices are to be expected throughout next year.

As a result, Southern California Edison will be increasing their system average rates by 18.8% by February 2006. Agricultural and water pumping rates are expected to climb by 19.3%, with residential rates increasing by 14.6%. This rate increase is necessary to cover the cost of the long-term DWR power purchase contracts (many of which are indexed to the price of natural gas) as well as Edison's own generation costs. This rate increase is expected to be much higher in Southern California than in Northern California, due to the fact that Edison is much more dependent on natural gas for generation than PG&E.

Furthermore, SCE expects to increase rates again in March 2006 by 1.5-3.5% as a result of their General Rate Case, which determines the costs for Edison to maintain transmission and distribution facilities.

Similarly, the Gas Company will be implementing a natural gas rate increase in January of 3.1% for core commercial and industrial customers, and 3.9% for noncore customers.

CHINO BASIN COALITION WORKSHOP

On December 19, a workshop was held at the IEUA headquarters for members of the Chino Basin Coalition regarding current events related to energy. Representatives of Southern California Edison and the Southern California Gas Company updated the group on the aforementioned rate changes, as well as available funding for energy efficiency programs and planning.

Additionally, The Dolphin Group updated the coalition on other current developments in the energy world. In particular, the state had recently released two key reports relating to energy matters; the *2006 Integrated Energy Policy Report (IEPR)* from the California Energy

Commission as well as the California Climate Action Team's *Draft Report to the Governor and Legislature* on the state's efforts to combat greenhouse gas emissions.

The coalition was apprised of two legislative opportunities for the 2006 session, both stemming from recommendations from the IEPR. First, electricity utilities' energy efficiency portfolios should be amended to include funding of water conservation projects. The IEPR noted the close relationship between electricity consumption and water use, and urged the Legislature and the CPUC to recognize this relationship in programs aimed at energy conservation.

Secondly, the IEPR supported a policy of allowing water and wastewater utilities to "wheel" power along utility distribution systems from self-generation facilities. Legislation enabling this type of wheeling would encourage more distributed generation, since a larger amount of electricity usage could be offset through this aggregation of load.

BOND ACTIVITY

Maneuvering continues around the Capitol related the flurry of proposed infrastructure bonds that have been the major topic of discussion in December. All told, there are expected to be nearly a half-dozen separate proposals for a statewide ballot measure either for the June Primary or November General Election:

- o Senate President Pro Tem Don Perata - SB 1024 (\$11-13 billion)
- o Schwarzenegger Administration (\$30-50 billion)
- o Assembly Speaker Fabian Nuñez (\$ Unknown)
- o Senator Wes Chesbro – SB 153 (\$4 billion)
- o CAVES Initiative – (\$5.3 billion)

The proposals will address a myriad of infrastructure projects; namely water quality, flood control, transportation, ports and other related projects. Governor Schwarzenegger is expected to release his full plans in early January, after which the Administration will engage with the Legislature in the hopes of proposing a single initiative to the voters. Not to be outdone, Democratic gubernatorial hopeful and current State Treasurer Phil Angelides has issued a report warning against the issuance of a bond the size being discussed by the Administration.

Depending on whether or not an early consensus can be reached, many parties are hopeful to have an initiative qualify for the earlier June Primary, which would require a 2/3 vote of approval by the Legislature by April, 2006

LEGISLATURE RECONVENES

The Legislature reconvenes in early January to complete the second year of the two-year session. Energy policy and infrastructure needs are expected to be major topics of discussion in 2006, particularly since state revenues are significantly higher than expected, which is expected to ease budget negotiations.

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Inland Empire
UTILITIES AGENCY

Date: January 18, 2006

To: Honorable Board of Directors

Through: Public, Legislative Affairs & Water Resources Committee
(1/11/06)

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

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: December Legislative Report from Geyer and Associates

RECOMMENDATION

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

BACKGROUND

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

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD:jbs
G:\board-rec\2006\06008 December Leg Report from Geyer

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MEMORANDUM

TO: Rich Atwater and Martha Davis

FROM: Jennifer West
Geyer Associates

DATE: December 27, 2005

RE: December Legislative Report

2006 Year for Infrastructure Bonds

California Legislative leadership and the Governor have both announced that 2006 will be the year for major infrastructure investment. It is likely that the voters will be asked to pass an "infrastructure" bond, which may include significant water funding, on either the June or November 2006 ballot.

There are now three major bond proposals in various states of development – the Senate Leadership bond, the Governor's bond and a bond developed by the proponents of Proposition 50, primarily backed by the large land trusts. This is now being referred to as the "Caves" bond.

One of the primary questions that the Legislature will have to decide upon quickly, is whether the infrastructure bond will be a "revenue" bond, paid for by new state funding streams, or a traditional General Obligation bond, paid for over time out the General Fund. Which direction they go will depend upon how large the bond may be.

Governor's Revenue Bond?

The Governor has hinted to the press that he is considering a very large bond that would be financed through a variety of new revenue sources. (Depending on the source, the bond ranges from \$30 to \$100 billion.) The Governor is expected to announce his intention to place the measure, or a series of bond measures, before the voters in his "state of the state" address in the first week of January. At this point, water funding being considered for inclusion in the bond includes levee funding and funding for Integrated Regional Water Management Program (Chapter 8, Prop. 50).

As part of this bond, the Governor may try to create and fund the "Water Infrastructure Investment Fund". As described by DWR, this would be funded by a \$3 to \$10 per household utility fee, which would raise approximately \$350 million a year statewide. The proposal calls for one-half of the funds to go into a state fund, which would then be used to finance "water projects of statewide importance." The other half of the funds would remain local and be available on a competitive basis for projects that were consistent with the Integrated Regional

Water Management Program. If a Water Infrastructure Investment Fund is enacted, the water community will demand that the funds not be allowed to be used for other general fund purposes. This has been the case for local transportation funding, which is regularly siphoned off during the budget process for non-transportation general fund activities. The water community will also need much greater specificity on what the "state portion" of the funds will be used for and state agencies receiving the funding will need to be held accountable for the new activities they will be performing.

Senator Perata Bond

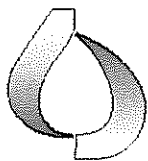
Senator Perata is also developing an infrastructure bond that he intends to place on the June 2006 ballot. This means that the bond will have to be written and passed and signed by the Governor no later than late March 2006. At this point, it is unclear whether his bond will be a general obligation bond or a revenue bond, or some hybrid of the two (it may include a requirement that none of the funding can be spent until additional revenue streams are enacted by the Legislature). Perata says he intends to fund transportation projects, port and levee improvement projects with his bond. Negotiations are now under way to include all the water and habitat funding in the Caves bond (see below) into Perata's bond.

"Caves" Bond

Last month a \$5.4 billion general obligation bond was filed with the Attorney General for title and summary that included approximately \$2 billion in funding for water and water-related projects. Some of that funding includes \$114 million for the Santa Ana region (IRWMP), \$45 million of the Santa Ana River Conservancy administered by the Coastal Conservancy, flood corridors projects, stormwater and urban stream projects. This bond does not include any new revenue streams.

While there is quite a lot of bond activity going on, it is not at all clear that the Legislature and the Governor can work together to pass a bond that will be acceptable to voters. The Governor is up for reelection in November of 2006 and the Democratic leadership will be working hard to get a Democrat back into the Governor's office. If both Perata's and Governor's bond efforts fail to materialize, Joe Caves says he intends to pursue his bond independently for the November ballot.

As you know, we have been working closely with Joe Caves in the development of his bond and will continue to seek inclusion of water funding in whatever bond measure appears to be moving forward. At the same time, we will keep you apprised of the development of new state revenue streams that might impact the agencies or its customers.



Date: January 18, 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

RECOMMENDATION

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

Outreach/Tours

- January 4, 2006, City of Riverside tour of HQ
- January 16, 2006, Cal State San Bernardino Environmental class tour of HQ, RP-5 and Chino 1 Desalter
- January 20, 2006, "Leadership Tomorrow" tour of HQ
- Tour of HQ sometime in February for City of Los Angeles Public Works Department

Calendar of Upcoming Events

- January 20, 2006, SCWC quarterly meeting, Hilton Hotel 10am to 3pm
- January 21, 2006, "Pruning of IEUA's Roses" by Master Gardner, 9am
- February, 3, 4, 5, 2006, MWD Colorado River Trip
- February 22, Leadership Breakfast, Event Room, 7:30am
- March 7, 2006, "Inland Empire Legislative Reception" in Sacramento, 5pm to 7pm
- March 20, 2006, IEUA hosted Special District dinner at Panda Inn, Ontario, 6pm

OUTREACH/EDUCATIONAL INLAND VALLEY DAILY BULLETIN NEWSPAPER CAMPAIGN

- Staff is recommending we continue our campaign during 2006. The recommendation will be brought to the Public, Legislative Affairs & Water

Resources Committee and Finance, Legal and Administration Committee's
January 11, 2006 meeting.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.



CHINO BASIN WATERMASTER

V. INFORMATION

1. Newspaper Articles



Article Last Updated: 1/01/2006 10:11 PM

Dam drains water quality

Solving tainted supply problem to cost millions

Andrew Silva, Staff Writer
San Bernardino County Sun

The water flowing from the rugged canyons northeast of San Bernardino was renowned for its purity, clarity and abundance.

Born of the snow and rain that fall on the San Bernardino Mountains, the water trickles, tumbles, and sometimes roars out of the mountains and into the headwaters of the Santa Ana River where it begins its 96-mile journey to the Pacific Ocean

But now, that once-pure water resembles chocolate milk, meaning higher costs for water suppliers and possibly higher water rates for the region's consumers.

With problems caused by one great engineering project, the Seven Oaks Dam, it will take tens of millions of dollars in new engineering work to undo the damage.

Area water agencies treasured the water's pristine quality, quality far higher than the water imported from Northern California.

In the name of safety, the purity of the water was sacrificed.

"They were focused on building a flood-control dam. And they built a very good flood-control dam. This (water-quality problem) is an issue that wasn't a priority," said Bob Martin, general manager of East Valley Water District.

The district has budgeted \$227,000 in 2006 to buy replacement water. The value of the lost water has been put at several million, and local agencies will likely spend millions for replacement water in the coming years.

A modest trickle during the summer months, the Santa Ana River could build into a murderous torrent during the storms that occasionally pummel Southern California.

Indeed, the Army Corps of Engineers for decades called the Santa Ana River the greatest flood threat west of the Mississippi River.

In 1999, with the completion of the Seven Oaks Dam just east of Highland and north of Mentone, that threat was largely gone.

Also gone was the ample supply of pure water.

The dam itself has trashed the purity of the Santa Ana's flows.

A report completed in December details the problems created by the dam and offers possible solutions - all of them expensive.

The study was commissioned by the local water agencies because the Army Corps of Engineers, which built the 550-foot-tall earthen structure, was only recently allocated \$1 million by Congress to start its own study of the problem.

Any solution, even if everything moves ahead smoothly, is years away.

The report prepared by CDM in Carlsbad lists several possible solutions and recommends a two-part fix.

The centerpiece would be a treatment plant near the front of the dam that would scrub the water of the silt, algae and organic material that make it all but unusable.

That means water that is absolutely clean less than a mile upstream will have to run through a plant to restore it to the condition it was in before it hit the backside of the dam.

"It's very frustrating," Martin said.

The problem is the pool that's allowed to form behind the dam at the beginning of the rainy season. While perhaps not an engineering disaster, it's a design feature the water agencies were worried about from the beginning, Martin said.

About 100 feet deep, the so-called debris pool acts as a cushion to protect the inlet works and the back of the dam from the

boulders, trees and debris that can come hurtling down the canyon during a big storm.

It also serves as a catch basin for all the fine sediment that flushes down with the early storms.

Sediment isn't the only problem. Once the pool is established, if it doesn't rain again for a while, imagine a swimming pool untended for a year.

It turns a putrid green.

Water that hits the pool later stirs up the sediment and becomes contaminated itself.

It literally mucks up the works for every supplier downstream.

When water like that is diverted to percolate into the ground, the silt plugs up the settlement basins, and the water has a much harder time seeping into soil. That means more expenses for the San Bernardino Valley Water Conservation District, which has to scrape out the basins to make them work properly.

The dirtiness or color of the water, called turbidity, has declined from a crystal clear rating of 1 or 2 up to a nearly opaque rating of 200 when at its worst.

And the organic materials means agencies have to add more disinfectant when they treat the water for distribution to homes and businesses. The problem is the disinfectants can react with the organic material to create other chemicals thought to be health threats.

The U.S. Environmental Protection Agency recently tightened rules for such byproducts, presenting another challenge to water agencies charged with delivering pure water to the area's taps.

The second part of the proposed fix is to move more water through the 100-year-old tunnels, flumes and pipes that Southern California Edison uses to run two of its small hydropower plants. That conduit system carries water around the dam without touching the polluted pool.

A few miles up the canyon on a rugged, dusty dirt road accessible only by four-wheel drive, Southern California Edison's Santa Ana River No. 1 hydroelectric plant, built in 1898, still cranks out power. Back then it sent electricity to Los Angeles on the highest-voltage, longest power lines in the country at the time.

Mule teams used to haul supplies, including the still-running original turbines, up the rocky, sandy track, said Marty Weinberg, operations supervisor for Edison's hydropower department.

Tim Rippy, who works on the remote station, cranked a wheel 3 feet in diameter to open a valve that allows the water into the turbine. With a loud whoosh as the water rushes in, the old generators quickly settle into a smooth, steady hum, as they turn at 300 revolutions per minute, putting out 1.25 megawatts of power.

"I get a four-wheel drive loaded with my tools and I drive back in the canyons," he said. "They so much knew what they were doing back then. When you try to modernize, it makes it harder to work on. This is just basic, simple. They run just like sewing machines. I love this job."

But when water backs up behind the dam, that access road is submerged. The station is maybe a quarter-mile up the canyon from the high point of the reservoir if the dam ever filled to its capacity of 145,600 acre-feet. If full, the reservoir would cover 780 acres and reach nearly 3 miles up the canyon.

Hardening the Edison plants to reduce damage during the storms and creating a way to run water through the pipes around the dam even if the stations aren't operating would provide additional uncontaminated water, the report says.

But Edison recently had the plants relicensed, a process that takes years, and any changes to operation could create a bureaucratic nightmare, the report says.

Officials at the Army Corps familiar with the dam were not available last week. So, it's not clear how long its study of the problem might take, or how long it will take to adopt a solution.

Until then, agencies are left watching millions of gallons of water go to waste, while being forced to spend hundreds of thousands of dollars to replace it.

"The Santa Ana River has been one of our highest-quality sources. We went from one of the best sources of water to one of the

worst," Martin said. "If things go well, we're looking at years for a solution."

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Article Last Updated: 1/03/2006 10:42 PM

Board: Groundwater near ONT contaminated

By Mason Stockstill, Staff Writer
Inland Valley Daily Bulletin

ONTARIO -- A recently discovered plume of contaminants in the groundwater south of Ontario International Airport will be cleaned up by the industrial firms and military agencies responsible for the pollution, water quality officials say.

The Regional Water Quality Control Board has not yet issued a formal cleanup order for the contaminated groundwater, but the responsible parties are already working on a plan to remove the chemicals before they enter the drinking water supply.

"We are giving the companies the opportunity to voluntarily come together, hire a consultant, perform an investigation and reach an agreement to fully fund the cleanup," said Gerard Thibeault, executive director of the state Regional Water Quality Control Board, Santa Ana division.

People believe the contaminants seeped into the groundwater between the 1940s and 1980s, when the airport hosted numerous industrial operations, such as aircraft maintenance plants.

The pollution was not detected until recently because the area south of the airport is largely dedicated to agricultural uses, such as dairy farms. Agricultural wells are not tested for the same number of contaminants as is water used for human consumption, Thibeault said.

However, the contamination is a larger concern now, because local agencies are relying more on groundwater pulled from wells in that area for drinking water.

"The Chino Desalter Authority has a series of extraction wells and a desalting facility that is pumping up salt-contaminated groundwater, pumping salt out and supplying it to local water agencies," Thibeault said. "This plume from Ontario is migrating toward those wells."

The main component of the plume is trichloroethylene, a solvent used for cleaning metal. It can cause health problems if ingested by humans over a long period of time; the International Agency for Research on Cancer lists TCE as a probable carcinogen.

In the groundwater south of the airport, TCE has been detected at concentrations more than 16 times the maximum level in drinking water set by the Environmental Protection Agency.

Since cleanup plans are still in the works, additional data is being collected by the responsible parties that will be involved in the cleanup -- aerospace firms Boeing, Lockheed Martin and Northrop Grumman; industrial giant General Electric; the Department of Defense and the California Air National Guard.

As part of that effort, some dairy farmers in Ontario will be asked to share water-quality information with local officials so that the extent of the contamination can be better understood, said Ken Manning, executive director of the Chino Basin Watermaster, which oversees the groundwater basin.

The watermaster has collected data on water usage and purity on behalf of dairy farmers in the area for years, Manning said. Using that information to compare levels of TCE or other pollutants through the years could help track the plume's growth and movement.

"It's not complete data, but it's a lot," Manning said. "It goes back several years, depending on the well -- at least a decade on many of them."

Groundwater contaminated by aerospace and defense industries is nothing new for the Inland Valley. Cleanup efforts are at various stages in several other cities, including Rialto, Chino Hills and Norco.

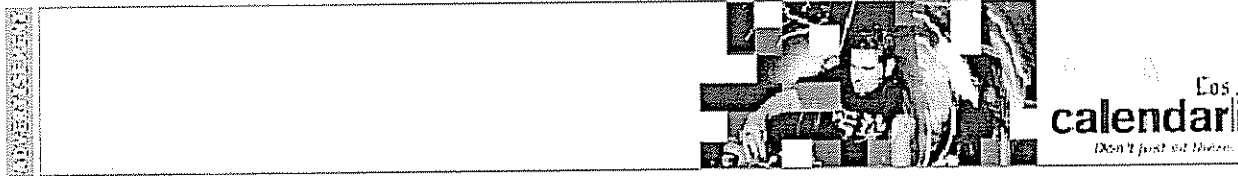
There are also three other known groundwater plumes in the area south of the airport: two related to former General Electric facilities, and one from the now-closed Milliken landfill.

The parties held responsible for the pollution will likely seek to correct it either by cleaning up the groundwater before it reaches the desalter plants, or by paying the local agencies to remove the contaminants during the water treatment process.

"We've had very good cooperation from them," Thibeault said. "This is something that has come out of the blue, sometimes from operations that are 40 to 50 years in the past for them."

Mason Stockstill can be reached by e-mail at mason.stockstillor by phone at (909) 483-9354.

Los Angeles Times
latimes.com



<http://www.latimes.com/business/printedition/la-fi-dairy9jan09.1.6804618.story?coll=la-headlines-pe-business>

From the Los Angeles Times

Dairies Moving Out of Inland Empire

Housing developers are paying top dollar for land to farmers, many of whom are relocating their herds north to the San Joaquin Valley.

By Jerry Hirsch
 Times Staff Writer

January 9, 2006

Once home to one of the nation's largest concentrations of dairy farms, the Inland Empire's \$500-million dairy industry is rapidly evaporating as dozens of farmers sell out to real estate developers.

In the last two years, more than 160 dairies — nearly 80% of those operating just a year ago — have either been sold or are in escrow, according to the Milk Producers Council, a trade association based in Chino.

The industry could be virtually gone within five years. The pace of sales has accelerated as land values in the region have soared.

"There is not a dairy left that has not had a significant number of developers knocking on the door trying to buy it," said Randall Lewis, executive vice president of Lewis Operating Corp., a developer in Upland.

The dairy lands of San Bernardino and Riverside counties make up some of the largest undeveloped tracts in metropolitan Southern California.

Developers are offering \$400,000 to \$500,000 an acre, and sometimes more, for land farmers purchased decades ago at just a fraction of that price. Five years ago, the same land sold for \$50,000 to \$100,000 an acre, Lewis said.

"The money is in the land, not the cows," said dairy farmer Jean Gastelluberry, who purchased his first 20 acres of pasture in Ontario 36 years ago for \$160,000.

To be sure, farmers fleeing urban sprawl is nothing new.

"People and cows don't mix," said longtime dairyman Bill Van Leeuwen.

But the speed with which the milk industry is leaving the region — turbocharged by large jumps in land values in recent years — is surprising even to longtime area dairymen such as Van Leeuwen.

And unlike previous cycles, dairy farming is leaving Southern California for good as milk producers move to Fresno, Kern, Kings and Tulare counties, and even as far as New Mexico and North Texas.

Open land, the proximity of large, milk-hungry cheese and ice cream plants in the San Joaquin Valley and the ability to sell off fertilizer to crop farmers have turned those counties into the nation's milk shed.

In Ontario, Gastelluberry spends \$240,000 annually to have the manure from his 2,500-cow herd hauled away because there are no nearby farms that can use the waste.

"We have lost 41% of our Southern California milk in the last three years," said Gary Korsmeier, chief executive of Artesia-based California Dairies Inc., a farmer-owned cooperative that markets almost half of the milk produced in the state.

That milk is being replaced by shipments from the growing dairies in the San Joaquin Valley, he said. But because of the way milk prices are regulated in California, the northward shift in production isn't expected to add to the wholesale price of milk, he said.

Most of the Inland Empire dairymen are the descendants of Dutch and Basque immigrants who settled in what is now Cerritos, Artesia and Paramount starting in the 1920s. Almost five decades ago, a younger generation started the migration to the Inland Empire as the last pastures in Los Angeles County gave way to housing tracts, shopping centers and, later, auto malls.

There still are dozens of dairies with names such as D&S Vander Schaaf Dairy — a windmill and two statues of kissing Dutch children decorate the entrance — and Rioseco Dairy lining either side of Schaefer Avenue as it heads east from Chino into Ontario.

Hundreds of black-and-white Holsteins jostle each other almost up to the street and many of the farms have signs hanging out front offering "Free Fertilizer."

For residents new to the area, it is impossible to miss the presence of the dairy industry. The smell of manure hangs in the air. On Riverside Drive in Ontario, residents looking out the windows of their stucco homes see Holsteins across the street. Errant shots on goal by soccer players at Colony High School have a good chance of hitting cows at the dairy next door.

At one point in the late 1980s about 400 dairies called San Bernardino County home, making it the largest milk producing county in the nation, said Nathan de Boom, the Milk Producers Council's chief of staff.

The Van Leeuwen family illustrates the generational trek to the Inland Empire.

Bill Van Leeuwen's grandfather moved to Paramount from the Netherlands in the late 1920s, opening a small dairy where he milked 60 cows by hand each day.

The next generation purchased 17 acres in Norwalk in 1945 where Bill Van Leeuwen helped his father care for a herd of 180 cows, and the family had upgraded to mechanical milking. The family's milk was sold to the old Arden Farms brand.

But the post-World War II building boom made Van Leeuwen's father feel fenced in and he sold the dairy land for \$17,000 and moved to Chino in 1957.

Two decades later and another move, Bill Van Leeuwen went out on his own, purchasing 131 acres in the Eastvale area of Riverside County, where he milked 1,600 cows. But as land values rose, the family saw yet another opportunity to sell and expand. Van Leeuwen sold 40 acres to a developer two years ago for more than \$10 million.

Two of his sons, now the fourth generation of Van Leeuwen dairymen in Southern California, operate a 2,600-cow dairy in the Imperial Valley. A third son still runs a dairy in Riverside County. But the rented land has been sold, and he will have to move on in the next year or so too.

Dairy farmers "will say they were forced out by urbanization," Van Leeuwen said. "But really we were enticed to leave."

Lewis is one of those doing the enticing. In recent years, his company has purchased 30 dairies ranging in size from 20 to 250 acres.

Most of the acquisitions have been in an area now called The Preserve at Chino, where Lewis has more than 1,000 acres for a 7,300-home planned community.

"A big appeal of this real estate is that it is so close to the job centers and the freeways," said Lewis, whose company continues to seek out more dairy land. "This is how you get scale."

The open space is so desirable for building that developers put up with the extra expense required to convert former dairies to homes.

The biggest problem is figuring out what to do with the years of manure that have piled up on the sites.

Ontario requires developers to check for methane gas and to take soil samples throughout the sites. Sometimes, they have to haul away soils "with high organic content," said Jerry Blum, the city's planning director. They then have to bring in clean soil, mix it with the remaining dirt, then regrade and compact the earth.

The decline of the dairy industry has not hurt the region's economy. Dairies account for about 2,000 jobs in the region, down from about 2,600 four years ago, according to the state Employment Development Department. The Inland Empire has generated 19,300 new jobs over the last 12 months. At the same time, the unemployment rate has dipped to 5% from 5.3% a year ago, the state agency says.

Construction employment has jumped 5.2% as retail centers, warehouses and homes take shape on former dairy land.

Nonetheless, the northward migration of the dairy industry is forcing vendors and suppliers left behind to diversify in order to survive.

Valley Equipment Co., a longtime supplier of milking and sanitation systems, has shifted its product mix to swimming pool toys, pool chemicals and spas. Dairy supplies fill up a small space in the back of its Euclid Avenue store in Ontario.

Owner Norm Zuidema Jr. still sells to dairies, but he is preparing for the day when they are gone, a likelihood that's hard for him to miss.

The dairy that had been next door to Valley Equipment was closed down. It's now a tumbleweed-strewn lot.

And Dairy Center Inc., on the other side of Zuidema's store, now sells pet products.

"It scaring me to death," Zuidema said. "Not all of us are going to make it through" this transition.

Through a quirk of geography, Bob Dejager, owner of Dairyland Hay Co. in Chino, said his business will survive, but not in its current form. It turns out that Chino serves as a midway point between the hay fields of the Imperial Valley and the Central Valley dairies.

Dejager will send his fleet of 50 trucks to collect the animal feed and haul it over the Tejon Pass to Bakersfield and Tulare.

And as the dairies move north, there's going to be a greater need for trucks to move milk back to the urban areas, providing Dejager with more milk hauling opportunities.

Although he is losing local clients, Dejager stands to benefit because the state's dairy business remains strong

California produces a fifth of the nation's milk and its market share is growing. It is also about to become the leading cheese-producing state, surpassing Wisconsin.


California has about 2,100 dairies, a 5% decline from five years ago. But the number of dairy cows has jumped 14%, to more than 1.7 million, during that same period as the average size of the dairy farms has grown.

"When these dairymen move, almost all of them grow because they reinvest the capital generated by the sale of the property into a bigger dairy," said Korsmeier of California Dairies.

Although he sees all these trends, Gastelluberry, 70, says he's one farmer who doesn't plan to leave Ontario anytime soon: "There's no reason to go anyplace else. I am going to retire from here."

And when he does, "I will make 10 times in real estate what I did during a lifetime of dairy."

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PARTNERS:



Article Last Updated: 1/02/2006 02:08 AM

River purity sacrificed for safety of dam

Once clear water runs milk-brown, posing challenges to County

By Andrew Silva, Staff Writer
Inland Valley Daily Bulletin

The water flowing from the rugged canyons northeast of San Bernardino was renowned for its purity, clarity and abundance.

Born of the snow and rain that fall on the San Bernardino Mountains, the water trickles, tumbles, and sometimes roars out of the mountains and into the headwaters of the Santa Ana River where it begins its 96-mile journey to the Pacific Ocean

But now, that once-pure water resembles chocolate milk, bringing higher costs for water suppliers and possibly higher water rates for the region's consumers.

With problems caused by one great engineering project, it will take tens of millions of dollars in new engineering work to undo the damage of the Seven Oaks Dam.

What once was

Area water agencies treasured the water's pristine quality, far higher than the expensive and degraded water imported from Northern California.

In the name of safety, the purity of the water was sacrificed.

"They were focused on building a flood control dam. And they built a very good flood control dam. This (water quality problem) is an issue that wasn't a priority," said Bob Martin, general manager of East Valley Water District

The district has budgeted \$227,000 in 2006 to buy replacement water. The value of the lost water has been put at several million, and local agencies will likely spend millions for replacement water in the coming years

A modest trickle during the summer months, the Santa Ana River could build into a murderous torrent during the epic storms that occasionally pummel Southern California.

Indeed, the Army Corps of Engineers for decades called the Santa Ana River the greatest flood threat west of the Mississippi River.

In 1999, with the completion of the Seven Oaks Dam just east of Highland and north of Mentone, that threat was largely gone.

Also gone was the ample supply of pure water.

The dam itself has trashed the purity of the Santa Ana's flows.

A report completed in December details the problems created by the dam and offers possible solutions all of them expensive.

The study was commissioned by the local water agencies because the Army Corps of Engineers, which built the 550-foot-tall earthen structure, was only recently allocated \$1 million by Congress to start its own study of the problem.

Any solution, even if everything moves ahead smoothly, is years away.

The report prepared by CDM of Carlsbad lists several possible solutions and recommends a two-part fix.

The centerpiece would be a treatment plant near the front of the dam that would scrub the water of the silt, algae and organic material that make it all unusable.

That means water that is absolutely clean less than a mile upstream will have run through a plant to restore it to the condition it was before it hit the backside of the dam

"It's very frustrating," Martin said

The problem is the pool that's allowed to form behind the dam at the beginning of the rainy season. While perhaps not an

engineering disaster, it's a design feature the water agencies were worried about from the beginning, Martin said.

About 100 feet deep, the so-called debris pool acts as a cushion to protect the inlet works and the back of the dam from the boulders, trees and debris that can come hurtling down the canyon during a big storm.

It also serves as a catch basin for all the fine sediment that flushes down with the early storms.

Sediment isn't the only problem. Once the pool is established, if it doesn't rain again for a while it becomes reminiscent of a swimming pool untended for a year: It turns a putrid green.

Water that hits the pool later stirs up the sediment and becomes contaminated itself.

It literally mucks up the works for every supplier downstream.

When water like that is diverted to percolate into the ground, the silt plugs up the settlement basins, and the water has a much harder time seeping into the soil. That means more expenses for the San Bernardino Valley Water Conservation District, which has to scrape out the basins to make them work properly.

The dirtiness or color of the water, called turbidity, has declined from a crystal clear rating of 1 or 2 up to a nearly opaque rating of 200 when it's at its worst.

And the organic materials mean agencies have to add more disinfectant when they treat the water for distribution to homes and businesses. Disinfectants can react with organic material to create other chemicals believed to be health threats.

The U.S. Environmental Protection Agency recently tightened rules for such byproducts, presenting another challenge to water agencies charged with delivering pure water to the area's taps.

The second part of the proposed fix is to move more water through the 100-year-old tunnels, flumes and pipes that Southern California Edison uses to run two of its small hydropower plants. That conduit system carries water around the dam without touching the polluted pool.

A few miles up the canyon on a rugged, dusty dirt road accessible only by four-wheel-drive, Southern California Edison's Santa Ana River Station 1, built in 1898, still cranks out power. Back then it sent electricity to Los Angeles on the highest-voltage, longest power lines in the country at the time.

Mule teams used to haul supplies, including the still-running original turbines, up the rocky, sandy track, said Marty Weinberg, operations supervisor for Edison's hydropower department.

Tim Rippey, who works on the remote station, cranked a 3-foot-diameter wheel to open a valve that allows the water into the turbine. With a loud whoosh as the water rushes in, the old generators quickly settle into a smooth, steady hum, as they turn at 300 revolutions per minute, putting out 1.25 megawatts of power.

"I get a four-wheel-drive loaded with my tools and I drive back in the canyons," he said. "They (knew) what they were doing back then. When you try to modernize, it makes it harder to work on. This is just basic, simple. They run just like sewing machines."

But when water backs up behind the dam, that access road is submerged. The station is maybe a quarter-mile up the canyon from the high point of the reservoir if the dam ever filled to its capacity of 145,600 acre-feet. At capacity, the reservoir would cover 780 acres and reach nearly three miles up the canyon.

Hardening the Edison plants to reduce damage during the storms and creating a way to run water through the pipes around the dam even if the stations aren't operating would provide additional uncontaminated water, the report says.

But Edison recently had the plants relicensed, a process that takes years, and any changes to their operation could create a bureaucratic nightmare, the report warns.

Officials at the Army Corps familiar with the dam were not available last week. It is not clear how long its study of the problem might take, or how long it will take to adopt a solution.

Until then, agencies are left watching millions of gallons of water go to waste, while being forced to spend hundreds of thousands of dollars to replace it.

"The Santa Ana River has been one of our highest quality sources. We went from one of the best sources of water to one of the worst," Martin said. "If things go well, we're looking at years for a solution."

Article Last Updated: 1/09/2006 10:20 PM

Water rates argued

Hearings begin in city of Fontana

Kelly Rayburn, Staff Writer
San Bernardino County Sun

FONTANA - The Fontana Water Co. made an opening pitch Monday for more money from its customers, but lawyers for parties fighting the company subsequently questioned data being used to impose steep rate hikes

The rate case pits the privately owned company against the city, the Fontana Unified School District and state ratepayer advocates.

Monday was the first day of evidentiary hearings before administrative-law Judge Robert Barnett. The California Public Utilities Commission, the state agency responsible for regulating privately owned water, communications, gas and electric companies will make the ultimate ruling in the case and will also decide whether a previous rate increase was granted properly.

The commission will also address the findings of a PUC staff audit that said the company owes ratepayers in Fontana and surrounding areas nearly \$14 million in company proceeds.

The Fontana Water Co. is a division of the San Gabriel Valley Water Co.

In opening remarks, Martin Mattes, representing the company, said Fontana Water was challenged with providing service to more than 1,000 new customers a year while facing variable rainfall levels, contaminated water and increasingly strict clean-water regulations.

"The investment required . . . is substantial," he said, acknowledging those investments pose "a real burden on ratepayers."

The case centers on the question of whether imposing those burdens on ratepayers is reasonable and necessary.

The opposition says Fontana Water Co. has overstated its case.

Offering opening remarks, Jim Allen, representing the school district, said the company went through a severe drought before last winter "with a surplus of water."

"We will show," he said, "that they have more than enough water right now."

Allen indicated the eight new wells the company would like to dig are unneeded.

He said each new well could serve 1,600 customers, and that with the company expecting up to 1,300 a year, three wells, at most, were justified.

The company's first witness was Stephen Johnson, a water engineer with Stetson Engineers Inc. of Covina.

Stetson completed a so-called Water System Master Plan for the company in April, which was submitted as evidence by the company to support its requests for more money.

But Allen and Ken MacVey, representing the city, challenged Johnson on both water-supply and financial data.

At one point, MacVey had Johnson adding figures on a calculator in an attempt to show an upgrade to the Sandhill treatment plant would be more costly than the company indicated.

These rounds of hearings which continue through Thursday at City Hall follow the city's appeal of a PUC ruling in July 2004 giving the company a 33 percent increase over three years.

Current rates are \$1.54 per 100 cubic feet, plus a service fee charge that differs based on the size of a customer's water meter. By comparison, residents of Rialto pay 87 cents per 100 cubic feet; Colton, 95 cents; in Ontario, \$1.26.

Last year, the company applied for another round of increases that would see rates increase by an additional 13.1 percent this year, 6.3 percent in 2007, and 4.2 percent in 2008.

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Tuesday, January 17, 2006

High water mark in O.C.

Aquifer is full from last year's rain, and experts say suppliers could save money this year.

By PAT BRENNAN

The Orange County Register

"We're actually kind of happy about it," said Roy Herndon, chief hydrologist for the Orange County Water District, which manages the county's deep-water aquifer.

The aquifer has been running a serious, drought-driven deficit for the past five years, but it is now considered full - a condition not seen since 1994.

"At this point, I can't say we have any residual effects of the prior drought we had," Herndon said. "We're ready to go into the next drought."

Flooding has kept several trails at the Shipley Nature Center in Huntington Beach closed for months, and water levels have been rising in Huntington's Central Park as well.

A Water District monitoring well in Irvine, near Cuiver Drive and Irvine Center Drive, also has had water seeping up above the surface, and caps on several other wells in the area had to be tightened to prevent seepage, Herndon said.

The water poses no danger to the public and does not affect oil wells, which run much deeper than the aquifer, said Water District spokesman Ron Wildermuth.

But county water suppliers could save money because they might have to purchase less imported water in the coming year.

Cities in northern and central Orange County, which have faced cutbacks in recent years, might be able to pump more water from the aquifer, a cheaper option than buying imported supplies.

The deep aquifer is now at minus 200,000 acre-feet - exactly where the Water District wants it. That leaves room for more if this winter's rains prove heavy as well.

Orange County's last rainy season was the fourth-rainiest on record. Santa Ana received a total of 28.4 inches for the rain year ending June 30, more than double the average.

So far this year, we're behind, but winter rains could remedy that.

While the Water District captures some storm water behind Prado Dam, allowing it to trickle into basins where it can settle into the aquifer, the district also relies on natural percolation of rainwater into the ground.

This process can take months. The trail closures at Shipley began in November, said Shipley volunteer Tom Livengood. A pond there also has increased in size, along with water levels in ponds at Huntington Central Park across the street.

"It's amazing, because it's like a 3-acre pond," Livengood said of the Shipley pond. "Probably that little pond is well over 10 acres now."

Not only is the land there low, but beneath the ground are ancient peat bogs that allow water from below to seep up under pressure.

Historically, the area was full of artesian wells, or natural upwelling of water from the aquifer, which earned Fountain Valley its name.

But most of the swampy land was drained in the early 1900s, and heavy use of the aquifer in recent years consigned most of the artesian wells to oblivion.

In 2002, the Water District reported that the aquifer was at a 411,000-acre-foot deficit (an acre-foot is enough water to supply two typical families for a year). When the aquifer is running low, the district must inject water into the ground near the coast to prevent seawater from entering.

High groundwater levels ease that situation as well.

"We are seeing water levels that will not allow seawater intrusion," Herndon said.

The high groundwater levels also have helped keep wild land vegetation moist, reducing the risk of wildfire.

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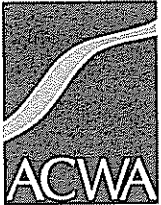


CHINO BASIN WATERMASTER

V. INFORMATION

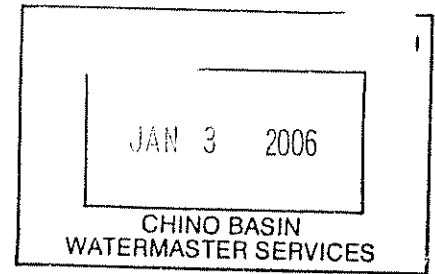
2. NWRA Election Results





Association of California Water Agencies

Leadership Advocacy Information Since 1910



MEMORANDUM

December 20, 2005

TO: ACWA MEMBER AGENCY BOARD PRESIDENTS and GENERAL MANAGERS

FROM: JAN JENNINGS, DIRECTOR OF ADMINISTRATION

SUBJECT: NWRA ELECTION RESULTS

It gives me great pleasure to officially inform you that the following candidates have secured the position of NWRA Board Director for the California Caucus during the recent election.

David A Breninger, Placer County Water Agency, NWRA Board of Directors
Lawrence M. Libeu, San Bernardino Valley WCD, NWRA Board of Directors
John Fraser, El Dorado Irrigation District, NWRA Board of Directors
Wayne Clark, Municipal Water District of Orange County, Alternate NWRA Board of Directors
Adrienne (Ann) Mathews, Kern County WA, Alternate NWRA Board of Directors

Additionally, ACWA's newly appointed Federal Affairs Chair, Greg Zlotnick, serves on the NWRA Board by virtue of the office. Elected representatives shall assume their respective positions at the next scheduled NWRA meeting.

In this time of increasing legislative and regulatory mandates, it is essential for California to take a proactive posture in NWRA and on its Board.

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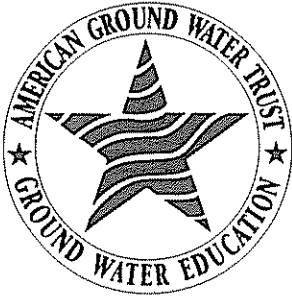


CHINO BASIN WATERMASTER

V. INFORMATION

3. AGWA Conference

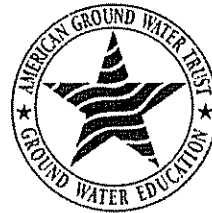




American Ground Water Trust

Independent Authority on Ground Water

16 Centre Street ★ Concord, New Hampshire 03301 ★ (603) 228-5444
Fax (603) 228-6557 ★ Email: TrustInfo@agwt.org ★ Web: www.agwt.org



“Hydrologic, Environmental and Legislative Challenges to Southern California’s Present and Future Managed Aquifer Recharge Programs”

Association of Ground Water Agencies / American Ground Water Trust

A one-day program – Monday February 6th, 2006
Ontario, California

(Field trip: February 7th)

To all program presenters and panelists:

I have enclosed copies of the February 6th program flyer. PLEASE will you mail (or give) them to colleagues and contacts who are likely to be interested in this AGWA/ AGWT event. We appreciate your willingness to be involved in the program. In a few days I will send via e-mail, details about the conference presentation logistics.

Please ensure that this conference is listed on your organization’s events calendar. If you have contact information on an organizational e-mail list serve, I hope that you will forward information about the event throughout California.

Full program details are listed at www.agwt.org.

Many thanks

Andrew Stone
American Ground Water Trust

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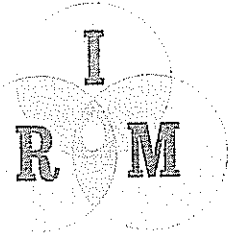
CHINO BASIN WATERMASTER

V. INFORMATION

- 4. Integrated Resource Management Business Disclosure



K.M. > 1/12/06



Integrated Resource Management **RECEIVED**

JAN 17 2006

CHINO BASIN WATERMASTER

January 12, 2006

Kenneth R. Manning
Chief Executive Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, California 91730

RE: Important Business Disclosure

Mr. Manning:

In my capacity as a member of the Watermaster Board of Directors (the "Board"), I am writing to the Board, and hereby disclose to the Board, that I have embarked on an exciting opportunity. In late December, Aqua Capital Management LLC, a Delaware limited liability company (the "Company"), was formed to invest and/or trade in a geographically diverse portfolio of water rights in the United States. Based on the Company's investment mandate, there may be circumstances in which the Company may be in a position to (i) bid for, invest in or acquire water rights, (ii) lease water rights or (iii) sell or lease water rights within the Chino Basin. As a member and officer of the Company, I owe a fiduciary duty to the Company and its other members, the satisfaction of which, if adverse to or in conflict with my obligation to serve as a member of the Board, will, in respect of the acquisition or divestiture, lease or brokerage of water rights, supersede and have priority over any such duties owed by me to the Board.

I hereby request that this letter be entered into the minutes of a meeting of the Board.

Sincerely,

Robert W. Bowcock

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