



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, August 10, 2006

10:00 a.m. – Joint Appropriative and Non-Agricultural Pool Meeting

AT THE CHINO BASIN WATERMASTER OFFICES

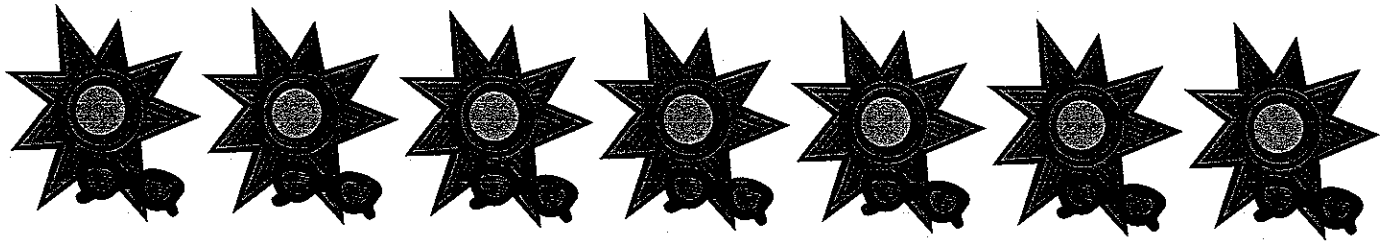
*9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888*

Tuesday, August 15, 2006

9:00 a.m. – Agricultural Pool Meeting

AT THE INLAND EMPIRE UTILITIES AGENCY OFFICES

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



CHINO BASIN WATERMASTER

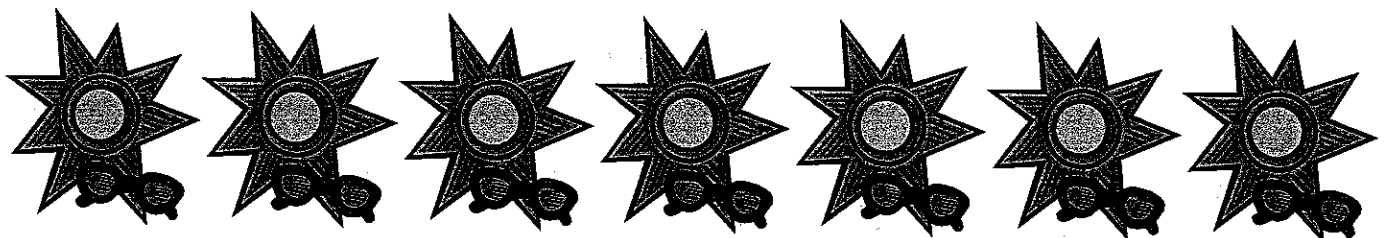
August 10, 2006

10:00 a.m. - Joint Appropriative & Non-Agricultural
Pool Meeting

August 15, 2006

9:00 a.m. - Agricultural Pool Meeting

AGENDA PACKAGE



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

10:00 a.m. – August 10, 2006

At The Offices Of

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

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held July 13, 2006
(Page 1)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2006 (Page 9)

C. WATER TRANSACTION

1. **Consider Approval for Transaction of Notice of Sale or Transfer** – Fontana Water Company has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006. Date of application: June 26, 2006
(Page 11)

II. BUSINESS ITEMS

A. ANNUAL MONITORING PROGRAM AGREEMENT BETWEEN IEUA & CBWM

Consider Approval of the Annual Monitoring Program Agreement between Inland Empire Utilities Agency and Chino Basin Watermaster (Page 25)

B. UPDATE OF RESOLUTION 01-01

Consider Updating Resolution 01-01 Cost Structure (Page 31)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Goodrich Subpoena
2. Stakeholder Non-Binding Term Sheet
3. Vulcan Assignment to San Antonio Water Company

B. WATERMASTER ENGINEERING REPORT

1. Basin Outflows Regarding the Chino Airport Plume

C. CEO/STAFF REPORT

1. Storm Water/Recharge Report
2. Legislative/Bond Update
3. Hanson Aggregate Update
4. Budget vs. Actual Update
5. IEUA Landscaping Alliance (*Page 33*)

IV. INFORMATION

1. Newspaper Articles (*Page 37*)
2. IE PAN Invitation (*Page 47*)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. FUTURE MEETINGS

August 10, 2006	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
August 15, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
August 24, 2006	9:00 a.m.	Advisory Committee Meeting
August 24, 2006	11:00 a.m.	Watermaster Board Meeting
August 29, 2006	9:00 a.m.	GRCC Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

9:00 a.m. – August 15, 2006

At The Offices Of

Inland Empire Utilities Agency
6075 Kimball Ave., Bldg. A, Board Room
Chino, CA 91710

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

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A. MINUTES

1. Minutes of the Agricultural Pool Meeting held July 18, 2006 (*Page 5*)

B. FINANCIAL REPORTS

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C. WATER TRANSACTION

1. **Consider Approval for Transaction of Notice of Sale or Transfer** – Fontana Water Company has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006. Date of application: June 26, 2006 (*Page 11*)

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4. Budget vs. Actual Update
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6. Data Request Procedure Update

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2. IE PAN Invitation *(Page 47)*

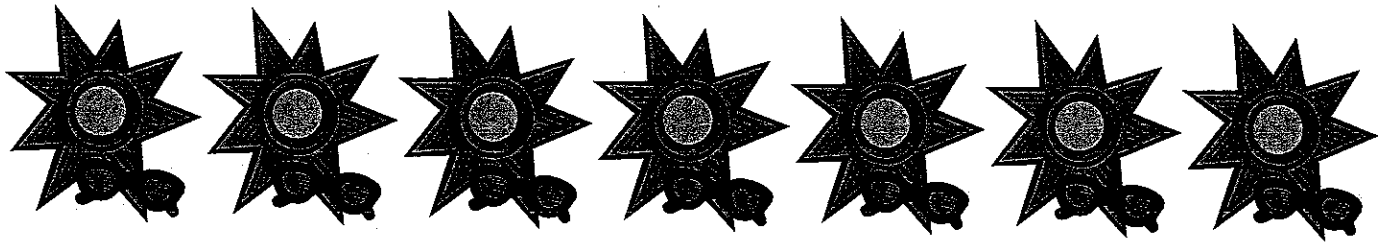
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August 29, 2006	9:00 a.m.	GRCC Meeting

Meeting Adjourn

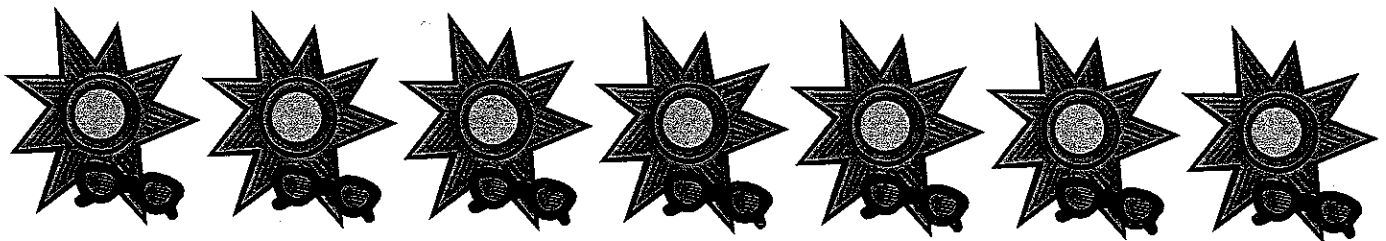


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Appropriative & Non-Agricultural
Pool Meeting – July 13, 2006



Draft Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
July 13, 2006

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 13, 2006 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

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

NON-AGRICULTURAL POOL MEMBERS PRESENT

Justin Scott-Coe	Vulcan Materials Company (Calmat Division)
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Watermaster Board Members Present

Sandra Rose	Monte Vista Water District
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Watermaster Staff Present

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

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Rich Atwater	Inland Empire Utilities Agency
David DeJesus	Three Valleys Municipal Water District
Paul Deutsch	Geomatrix/GE

Chair DeLoach called the meeting to order at 10:08 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held June 8, 2006

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2006

2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through May 31, 2006
3. Treasurer's Report of Financial Affairs for the Period May 1, 2006 through May 31, 2006
4. Profit & Loss Budget vs. Actual July through May 2006

Item B4 was pulled for discussion.

Mr. Kinsey inquired into the costs for category 8467 regarding Agricultural Pool legal service fees and category 7109 regarding recharge and the well monitoring programs. Mr. Manning stated the Appropriative Pool does pay for the Agricultural Pool legal expenses and he will mention the over budget amount at the next Agricultural Pool meeting. Ms. Rojo noted on the 7109 category this cost is actually shared by Inland Empire Utilities Agency which has not been divided out and billed to them yet. Ms. Rojo noted starting July 1, 2006 the accounting breakdowns will show differently in this category so that only Chino Basin Watermaster's portion will show up. Mr. Kinsey referenced the Judgment regarding when a line item for administration costs goes over budget by 20% that item needs to go through the Watermaster process for notification/approval.

*Motion by Kinsey, second by Jeske, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar Items A through B, as presented*

II. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Counsel Fife stated consultants and staff are gearing up for the upcoming Special Referee Workshop on July 26, 2006 at 11:00 a.m. here at the Watermaster office. We are working with Professor David Sunding from the University of Berkley who is performing the macro level economic review and we are anticipating a presentation by him at the workshop. Mr. Wildermuth is working with Mr. Scalmanini on his review of the model and we are anticipating hearing about that review at the workshop also.

Counsel Fife stated he did receive the comment letters to the Orange County Water District (OCWD) PEIR. Watermaster did submit a comment letter; however, we were not sure who else was submitting one. We have now received copies of all the comment letters and OCWD's responses. The comments are interesting, although, nothing that was not already anticipated in the way of verbiage. The main comments were from the Center for Biological Diversity and from the State Water Resources Control Board, both of which had a lot of problems with OCWD's environmental work. Copies can be distributed on the gathered comments. A lengthy discussion ensued with regard to the comment letters and the re-operational approach.

Mr. Kinsey inquired to the format of the Special Referee's Workshop. Counsel Fife stated we are hoping this to be a workshop with a fair amount of discussion. The agenda has been informally put together with the workshop beginning at 11:00 a.m., Scott will then give an overview of what is the Peace II Agreement, then we will take a short lunch, after lunch Mark Wildermuth will give his technical presentation on the modeling work regarding hydraulic control, and then we will hear from Professor Sunding who will present his findings regarding the macro level review of the non-binding term sheet. We do not know if Mr. Scalmanini will be giving a presentation or not at this point in time. A court reporter will be present; however, we are attempting to keep this workshop on an informal level to allow questions and comments. A discussion ensued with regard to the presentation Mr. Wildermuth will be giving along with using the non-binding term sheet which was previously approved. A lengthy discussion ensued with regard to the re-operational approach. Mr. Manning stated the presentation that Mr. Wildermuth is going to be giving is based upon the same information that all of you have available to you, there is nothing new added or deleted from it. The only new information that will be given is from Professor Sunding regarding the financial information. A discussion ensued with regard to parties

speaking at the workshop and the non-binding term sheet that will be discussed and presented.

B. CEO/STAFF REPORT

1. Storm Water/Recharge Report

Mr. Treweek stated there is a handout on the back table which summarizes the year end recharge totals. We have recharged 49,000 acre-feet from "all sources", imported, storm, and recycled water. A plan for fiscal year 06-07 has been drawn up and is available on the back table; the plan consists of four pages. The first page is on imported water, the second page is on storm water, the third page recycled water plan, and the fourth is a summary; we anticipate 60,000 acre-feet of recharge for the next fiscal year. There were two assumptions made in drawing up the new plan, that MWD would continue to provide replenishment water and that we will have an average rainfall year. This year our rainfall was about 20% below average. Our Phase II design consultant Kennedy Jenks has been brought under contract and they will design our Phase II improvements this fiscal year with the idea that in July of 2007 the Phase II improvements will be designed and constructed and that will add 15,000 acre-feet to the total replenishment. Watermaster staff has already identified some additional basins that we want to either lease or purchase; the Etiwanda Conservation Ponds, Victoria Basins South, and improvements to the Upland Basin that would constitute as a Phase III design for fiscal year 08-09. We are anticipating in the year 2008 we will be able to report that we can recharge 80,000 acre-feet. A discussion regarding College Heights Basin ensued.

2. Legislative/Bond Update

Mr. Manning thanked Rich Atwater and Martha Davis for the work they are doing in the legislative area. Regarding Proposition 84, Inland Empire Utilities Agency and Metropolitan Water District have both taken positions of favor on Prop 84. It is an issue that all the agencies should be looking at. Chair DeLoach asked that Mr. Manning explain what Prop 84 entails. Mr. Manning stated this is the Caves initiative which is a \$5.4 billion dollar bond issue that is a water bond broken down into a \$2.7 billion dollar water bond and \$2.7 billion dollar environmental bond and it does provide money for the Santa Ana regions. There is a lot of discussion on this proposition. Mr. Atwater stated most of the member agencies that he has spoken to are in favor of Prop 84. A discussion ensued with regard to legislation issues.

3. Hanson Aggregate

Mr. Manning stated this item has now been in the newspaper a few times and some of those articles are in the meeting packet under information. Mr. Manning noted last month a letter was sent to Hanson Aggregate which was signed by Rich Atwater and himself informing Hanson that we have silt build up in our Lower Day Basin which is just below the 210 freeway. The letter stated that preliminary investigations have pointed to the fact that we suspect Hanson was the cause of the silt from illegal discharges from their Hanson plant. A few weeks ago the Daily Bulletin phoned and scheduled an appointment with us go out with them to look at the damaged area and at Hanson facilities. Watermaster staff met with the Daily Bulletin staff at the site and showed them the problems first hand. We received a letter from Hanson Aggregate yesterday which informed us that they firmly believe they did not cause any of this damage because they practice Best Management Practices and this type of incident could not take place. Watermaster is now looking at our options as to how to proceed next and staff will keep the parties apprised. Mr. Manning stated the Daily Bulletin has taken this event on and feels it is news worthy material; they are spending a lot of time and resources on following up on this item. Mr. Manning stated we are looking at approximately \$1.2 million dollars in losses and that figure is going up almost every day. A discussion ensued with regard to this issue.

- 4. Annual Monitoring Program Agreement between IEUA & CBWM
Mr. Manning stated this is actually a notification item that this agreement is being worked on and will be coming up for approval through the Watermaster process in August.

III. INFORMATION

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

IV. POOL MEMBER COMMENTS

No comment was made regarding this item.

V. OTHER BUSINESS

No comment was made regarding this item.

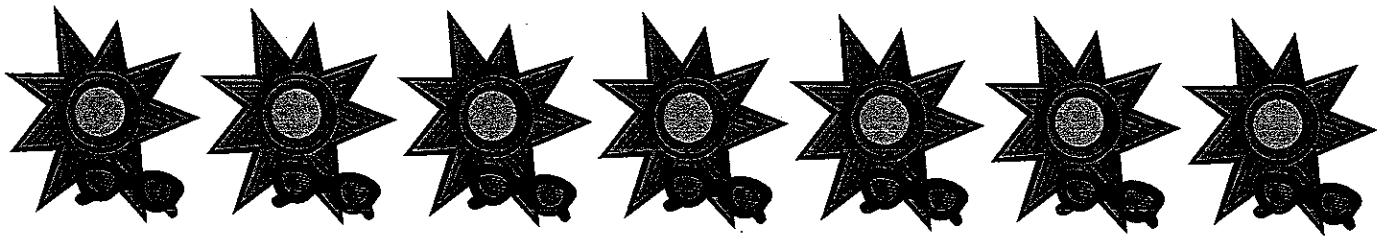
VI. FUTURE MEETINGS

July 13, 2006	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
July 17, 2006	1:00 p.m.	AGWA Meeting @ CBWM
July 18, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 25, 2006	9:00 a.m.	GRCC Meeting
July 26, 2006	11:00 a.m.	Workshop for Peace II w/ Special Referee
July 27, 2006	9:00 a.m.	Advisory Committee Meeting
July 27, 2006	11:00 a.m.	Watermaster Board Meeting

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 10:55 a.m.

Secretary: _____

Minutes Approved: _____

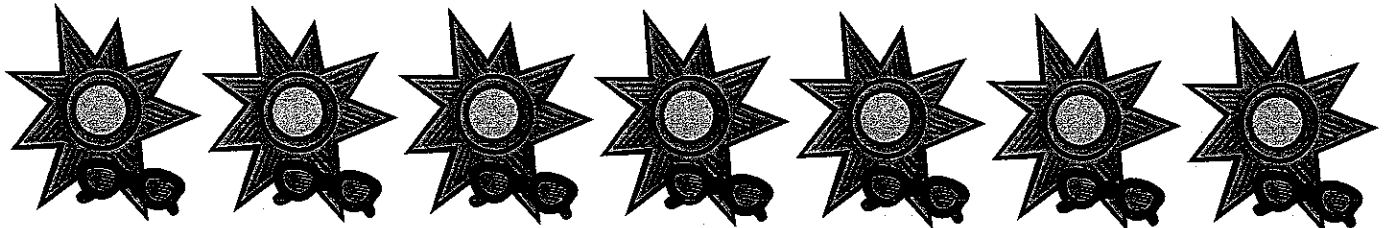


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting – July 18, 2006



Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

July 18, 2006

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on July 18, 2006 at 9:00 a.m.

Agricultural Pool Members Present

Nathan deBoom, Chair	Dairy
Jeff Pierson	Crops
Glen Durrington	Crops
John Huitsing	Dairy
Bob Feenstra (by proxy)	Dairy
Pete Hettinga	Dairy

Watermaster Board Member Present

Sandra Rose	Monte Vista Water District
Paul Hofer	Crops

Watermaster Staff Present

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

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Andy Malone	Wildermuth Environmental Inc.

Chair deBoom called the meeting to order at 9:11 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held June 20, 2006

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2006
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through May 31, 2006
3. Treasurer's Report of Financial Affairs for the Period May 1, 2006 through May 31, 2006
4. Profit & Loss Budget vs. Actual July through May 2006

Motion by Durrington, second by Pierson, and by unanimous vote

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

005

II. BUSINESS DISCUSSION ITEM – NO ACTION REQUIRED**A. DATA REQUEST PROCEDURE**

Chair deBoom stated this item was placed on the agenda for this month from a request by the Agricultural Pool committee members last month for additional information to be brought back. Mr. Manning stated this item was held over from last month in anticipation that Mr. Koopman would be in attendance at the August meeting. With Mr. Koopman not being in attendance, this item can be held over for the September agenda or a brief overview of the two data requests can be given. The Agricultural Pool committee members asked that a brief report be given on the outcome of the two data requests. Mr. Manning noted there were two data requests presented to the Agricultural Pool last month; one was for the City of Chino. That one was requesting release of data within a two mile radius around a particular well in order to be able to make decisions and to assist them in their permitting process with the Department of Health Services. The other request was for the Chino Airport Plume. This request was a result of the Chino Airport's clean up and abatement orders and their interest in them getting information about the wells in the adjacent area. With regard to the Chino Airport's request, Watermaster sent out the request for release of data post card and out of the entire lot that was sent only one was received back stating they did not want their information released. Watermaster has in its policy that if we do not get a returned receipt for a letter that is sent out to an owner, we then determine the answer is a no for release of data. With regard to the City of Chino's request, only nine post cards were returned stating they did not want their well data released. A discussion regarding the post cards that are sent out requesting release of data ensued. Chair deBoom inquired to the types of requests that will be forthcoming over the next several months. Mr. Manning stated that the majority of the requests that will come through Watermaster in the future are primarily represented by two requests we just had; these are the norm or typical requests. Chair deBoom inquired if Watermaster has sent recent well water quality data to the individual private well owners recently. Mr. Manning stated the last time the well water quality data was sent out was a few years ago and this is something that staff is currently working on with Wildermuth Environmental. A discussion ensued with regard to private well owners receiving water quality information. A report will be given with this regard in the near future. Mr. Manning stated what Watermaster staff was proposed at the last Agricultural Pool meeting is for these types of requests is to alter the policy for those instances for when we are working with entities who are parties to the Judgment. The same process would be followed in that the letters asking for the request of release of well data but then staff will notify the Agricultural Pool at their next meeting as opposed to asking first and then mailing out the letters. In the case of a PRP wells where they will be working with the Regional Board, staff would use the same process. If anyone else would come to us and ask for information we would come to the Agricultural Pool first and then proceed with the letters being sent out. This would give staff a jump start on responding to the requests by known parties. The other option would be to call the Pool chairman and inform them of the request to see if we could be pre-approval in that manner and then bring it back to the Pool for notification. Chair deBoom stated he does not believe the Agricultural Pool committee members are comfortable to change the process from how it has been handled in the past to a more expedited process at this point in time. A discussion ensued with regard to the presented offer to expedite the procedure.

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

1. Counsel Fife stated in June the Watermaster Board did approve the non-binding Peace II Term Sheet and the next step after that decision is to have a workshop with the referee. That workshop is scheduled for July 26, 2006 starting at 11:00 a.m. at the Chino Basin Watermaster office. The intention of the workshop is that we will ultimately be going to go to the court on the Peace II Term Sheet, possibly in the September time frame, to ask for an initial approval of the term sheet. The purpose of the workshop next week is to take evidence that will be used at that hearing. Counsel Fife state rather than having lengthy presentations given to Judge Gunn, we will provide the presentations to the referee and the referee's assistant that will create a record and on the basis of that record the court will make its decision. There will be a court reporter present at the workshop and we are

anticipating a presentation by the economist that has been hired to do the cost benefit analysis of Hydraulic Control and the desalter element in the term sheet. We are also going to have a presentation by Mark Wildermuth concerning all of his technical analysis that went into the term sheet. We may or may not have a presentation given by Joe Scalmanini who is doing a review of the Wildermuth model. We are anticipating the workshop to last the entire day after it begins, lunch will be served, and all parties are invited to attend.

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III. INFORMATION

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

IV. POOL MEMBER COMMENTS

No comment was made regarding this item.

V. OTHER BUSINESS

No comment was made regarding this item.

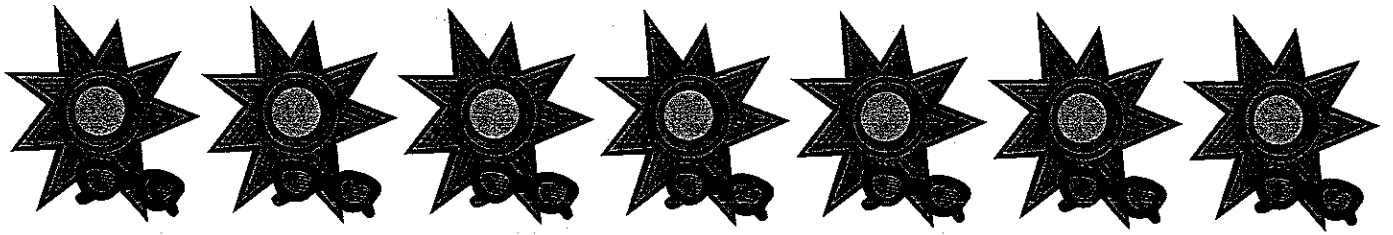
VII. FUTURE MEETINGS

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July 25, 2006	9:00 a.m.	GRCC Meeting
July 26, 2006	11:00 a.m.	Workshop for Peace II w/ Special Referee
July 27, 2006	9:00 a.m.	Advisory Committee Meeting
July 27, 2006	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool Meeting Adjourned at 10:05 a.m.

Secretary: _____

Minutes Approved: _____

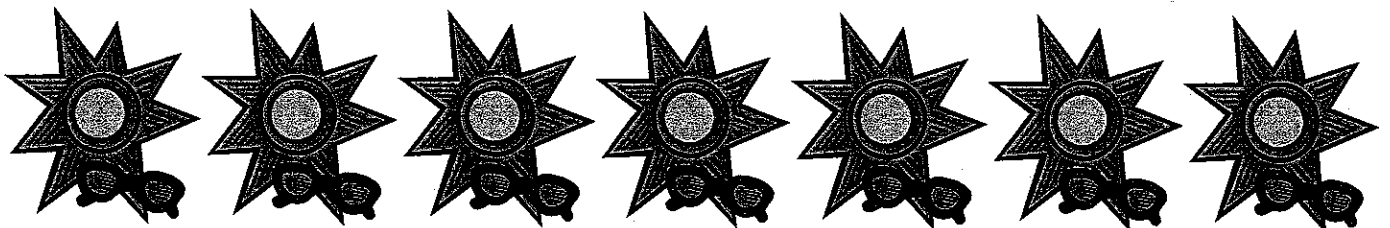


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2006





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: August 10, 2006
August 15, 2006
August 24, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report – July 2006

SUMMARY

Issue – Record of cash disbursements for the month of July 2006.

Recommendation – Staff recommends the Cash Disbursements for July 2006 be received and filed as presented.

Fiscal Impact – All funds disbursed were included in the FY 2005-06 Watermaster Budget.

BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

DISCUSSION

Total cash disbursements during the month of July 2006 were \$514,600.32. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$248,184.17, Monte Vista Irrigation Company in the amount of \$25,387.71, and Hatch & Parent in the amount of 47,394.38.

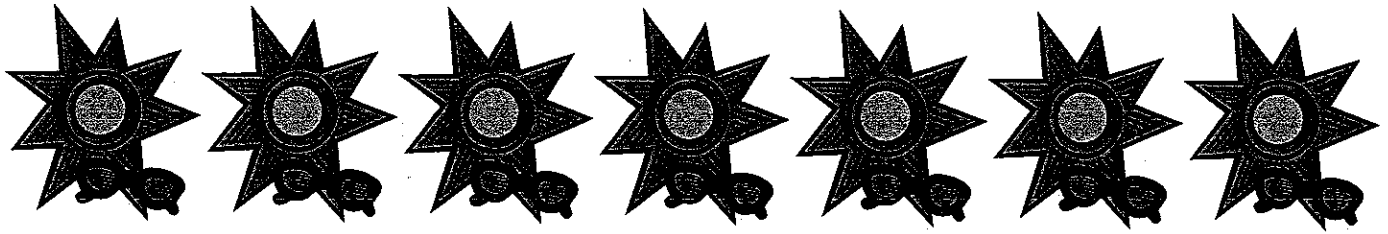
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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
July 2006

	Type	Date	Num	Name	Amount
Jul 06	General Journal	7/5/2006	07/06/3	PAYROLL	-5,802.64
	General Journal	7/5/2006	07/06/3	PAYROLL	-20,090.79
	Bill Pmt -Check	7/6/2006	10617	APPLIED COMPUTER TECHNOLOGIES	-1,743.20
	Bill Pmt -Check	7/6/2006	10618	CA-NV-AWWA	-75.00
	Bill Pmt -Check	7/6/2006	10619	CITISTREET	-3,400.00
	Bill Pmt -Check	7/6/2006	10620	GLOBAL PRESENTER.COM	-5,920.86
	Bill Pmt -Check	7/6/2006	10621	HSBC BUSINESS SOLUTIONS	-543.98
	Bill Pmt -Check	7/6/2006	10622	MEDIA JIM	-885.00
	Bill Pmt -Check	7/6/2006	10623	PAYCHEX	-182.52
	Bill Pmt -Check	7/6/2006	10624	REID & HELLYER	-3,917.59
	Bill Pmt -Check	7/6/2006	10625	SOFTCHOICE	-2,116.83
	Bill Pmt -Check	7/6/2006	10626	SOURCE 1 PRINTING, PACKAGING & MEDIA	-6,660.31
	Bill Pmt -Check	7/6/2006	10627	THE FURMAN GROUP, INC.	-2,565.00
	Bill Pmt -Check	7/6/2006	10628	UNION 76	-283.19
	Bill Pmt -Check	7/6/2006	10629	UNITED PARCEL SERVICE	-328.26
	Bill Pmt -Check	7/6/2006	10630	VELASQUEZ JANITORIAL	-1,200.00
	Bill Pmt -Check	7/6/2006	10631	VERIZON	-418.43
	Bill Pmt -Check	7/6/2006	10632	WATER EDUCATION FOUNDATION	-275.00
	Bill Pmt -Check	7/6/2006	10633	YUKON DISPOSAL SERVICE	-134.72
	Bill Pmt -Check	7/6/2006	10634	CITISTREET	-2,900.00
	Bill Pmt -Check	7/11/2006	10635	PETTY CASH	-732.78
	Bill Pmt -Check	7/12/2006	10636	ACWA SERVICES CORPORATION	-198.95
	Bill Pmt -Check	7/12/2006	10637	COMPUSA, INC.	-5,079.23
	Bill Pmt -Check	7/12/2006	10638	HATCH AND PARENT	-47,394.38
	Bill Pmt -Check	7/12/2006	10639	LAYNE CHRISTENSEN COMPANY	-14,850.00
	Bill Pmt -Check	7/12/2006	10640	RICOH BUSINESS SYSTEMS-Maintenance	-1,042.00
	Bill Pmt -Check	7/12/2006	10641	STANTEC CONSULTING, INC.	-1,758.23
	Bill Pmt -Check	7/12/2006	10642	STATE COMPENSATION INSURANCE FUND	-793.28
	Bill Pmt -Check	7/12/2006	10643	UNITEK TECHNOLOGY INC.	-5,448.65
	Bill Pmt -Check	7/12/2006	10644	WHEELER METER MAINTENANCE	-1,050.00
	Bill Pmt -Check	7/12/2006	10645	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	0.00
	Bill Pmt -Check	7/12/2006	10646	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-6,739.51
	Bill Pmt -Check	7/12/2006	10647	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-6,736.44
	Bill Pmt -Check	7/12/2006	10648	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-6,739.51
	Bill Pmt -Check	7/14/2006	10649	CARPET CARE CONNECTION	-212.32
	Bill Pmt -Check	7/17/2006	10650	ROUTE 66 SUBS	-153.05
	Bill Pmt -Check	7/17/2006	10651	VIP AUTO DETAILING	-499.20
	Bill Pmt -Check	7/19/2006	10663	A & R TIRE	-778.54
	Bill Pmt -Check	7/19/2006	10664	BANK OF AMERICA	-3,250.59
	Bill Pmt -Check	7/19/2006	10665	DCSE	-5,048.33
	Bill Pmt -Check	7/19/2006	10666	MCI	-908.17
	Bill Pmt -Check	7/19/2006	10667	RICOH BUSINESS SYSTEMS-Lease	-3,591.31
	Bill Pmt -Check	7/19/2006	10668	STAULA, MARY L	-136.61
	Bill Pmt -Check	7/19/2006	10669	WESTECH	-1,000.00
	Bill Pmt -Check	7/19/2006	10670	RICOH BUSINESS SYSTEMS-Lease	-888.94
	Bill Pmt -Check	7/19/2006	10671	RICOH BUSINESS SYSTEMS-Maintenance	-0.27
	Bill Pmt -Check	7/19/2006	10652	A & R TIRE	-410.22
	Bill Pmt -Check	7/19/2006	10653	CALPERS	-2,427.95
	Bill Pmt -Check	7/19/2006	10654	ELLISON, SCHNEIDER & HARRIS, LLP	-4,735.22
	Bill Pmt -Check	7/19/2006	10655	EWINS	0.00
	Bill Pmt -Check	7/19/2006	10656	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
	Bill Pmt -Check	7/19/2006	10657	MEDIA JIM	-450.00
	Bill Pmt -Check	7/19/2006	10658	NORDBAK'S PROMOTIONAL PRODUCTS	-415.40
	Bill Pmt -Check	7/19/2006	10659	PITNEY BOWES CREDIT CORPORATION	-468.72
	Bill Pmt -Check	7/19/2006	10660	PRE-PAID LEGAL SERVICES, INC.	-103.60
	Bill Pmt -Check	7/19/2006	10661	PUMP CHECK	-3,315.95
	Bill Pmt -Check	7/19/2006	10662	SOFTCHOICE	-58.16
	Bill Pmt -Check	7/20/2006	10672	WILSON, JANINE ELLEN	-1,298.76
	General Journal	7/20/2006	06/07/3	PAYROLL	-6,245.83
	General Journal	7/20/2006	06/07/3	PAYROLL	-21,683.89
	Bill Pmt -Check	7/21/2006	10673	RED HILL GENERAL STORE	0.00
	Bill Pmt -Check	7/25/2006	10674	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-6,739.51
	Check	7/26/2006	10675	MONTE VISTA IRRIGATION COMPANY	-25,387.71
	Check	7/26/2006	10676	SANTA ANA RIVER WATER COMPANY	-13,290.53
	Bill Pmt -Check	7/26/2006	10677	ARROWHEAD MOUNTAIN SPRING WATER	-49.00
	Bill Pmt -Check	7/26/2006	10678	BLACK & VEATCH CORPORATION	-1,842.50
	Bill Pmt -Check	7/26/2006	10679	CA-NV-AWWA	-330.00
	Bill Pmt -Check	7/26/2006	10680	COMPUSA, INC.	-1,094.72

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
July 2006

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	7/26/2006	10681	GBT DELIVERY	-275.00
Bill Pmt -Check	7/26/2006	10682	PETTY CASH	-641.72
Bill Pmt -Check	7/26/2006	10683	SPRINT	-390.20
Bill Pmt -Check	7/27/2006	10684	WILDERMUTH ENVIRONMENTAL INC	-248,184.17
Bill Pmt -Check	7/28/2006	10685	EL TORITO	-95.82
Bill Pmt -Check	7/31/2006	10686	ROUTE 66 SUBS	-67.13
Jul 06				<u><u>-514,600.32</u></u>

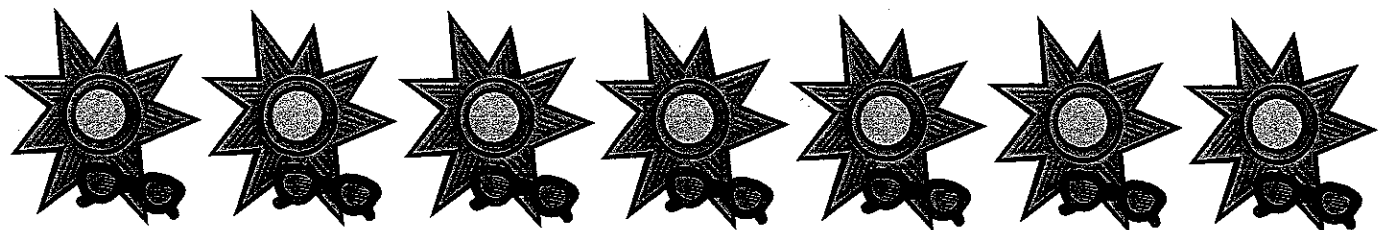


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTION

Consider Approval for Transaction of Notice of Sale or Transfer – Fontana Water Company has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for fiscal year 2005/2006



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

July 25, 2006

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **June 26, 2006**

Date of this notice: **July 25, 2006**

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

- A. Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company’s anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006.

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

Appropriative Pool:	August 10, 2006
Non-Agricultural Pool:	August 10, 2006
Agricultural Pool:	August 15, 2006

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: July 25, 2006

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

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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

DATE: July 25, 2006
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary -

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

Issue -

- Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company’s anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006.

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

- Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from San Antonio Water Company water in storage in the amount of 5,000 acre-feet to satisfy a portion of the Company’s anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006.

Notice of the water transaction identified above was mailed on July 25, 2006 along with the materials submitted by the requestors.

DISCUSSION

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



FONTANA WATER COMPANY

A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY


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

RECEIVED

June 26, 2006

JUN 29 2006


CHINO BASIN WATERMASTER



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


Subject: Purchase of Water in Storage
Chino Basin-Fiscal Year 2005/2006

Dear Mr. Manning:



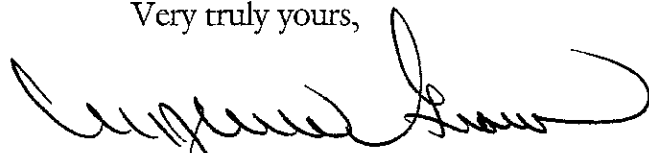
Please take notice that Fontana Water Company ("Company") has agreed to purchase from San Antonio Water Company water in storage in the amount of 5000 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2005/2006.

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




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

Very truly yours,



Michael J. McGraw
General Manager



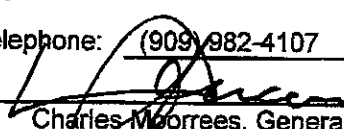
MJM:bf
Enclosures

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

TRANSFER FROM LOCAL STORAGE AGREEMENT # _____

<u>San Antonio Water Company</u>		<u>June 6, 2006</u>	<u> </u>
Name of Party		Date Requested	Date Approved
<u>139 No. Euclid Avenue</u>		<u>5,000</u> Acre-feet	<u> </u> Acre-feet
Street Address		Amount Requested	Amount Approved
<u>Upland</u>	<u>CA</u>	<u>91786</u>	
City	State	Zip Code	
Telephone: <u>(909) 982-4107</u>		Telephone: <u>(909) 920-3047</u>	
 Charles Moorrees, General Manager San Antonio Water Company			

TRANSFER TO:

<u>Fontana Water Company</u>	Attach Recapture Form 4	
Name of Party		
<u>8440 Nuevo Avenue</u>		
Street Address		
<u>Fontana</u>	<u>CA</u>	<u>92334</u>
City	State	Zip Code
Telephone: <u>(909) 822-2201</u>	Facsimile: <u>(909) 823-5046</u>	

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

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY

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

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

N/A

ADDITIONAL INFORMATION ATTACHED

Yes [] No [X]



Michael J. McGraw, General Manager
Fontana Water Company

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____


MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED

Yes [] No [X]


Applicant

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

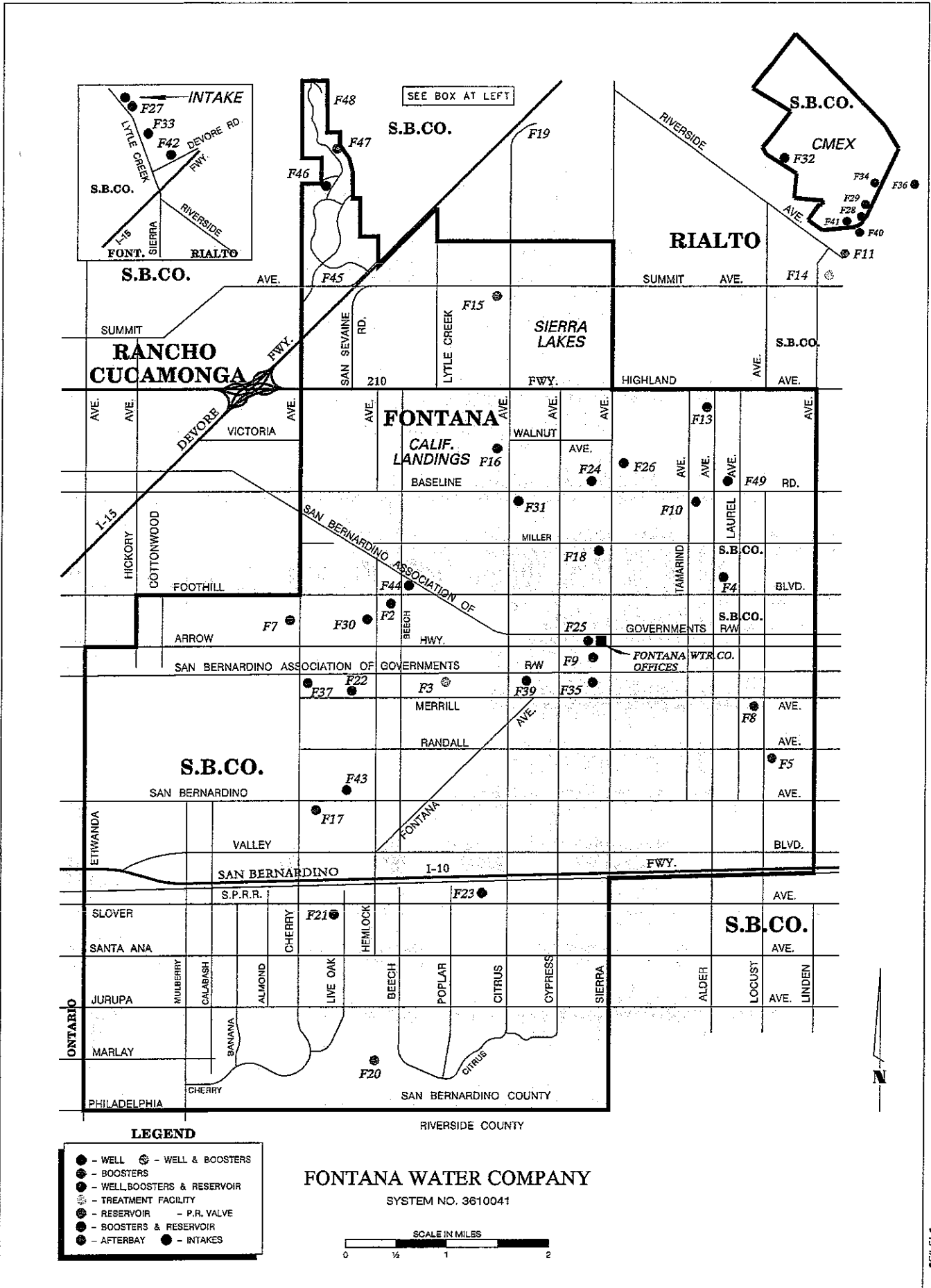
DATE OF BOARD APPROVAL: _____ Agreement # _____

FONTANA WATER COMPANY
Recapture Plan

The subject water is a transfer of stored groundwater from San Antonio Water Company located within Management Zone 1, to Fontana Water Company (“Company”) located within Management Zone 3, in the amount of 5,000 acre-feet to satisfy a portion of the Company’s replenishment obligation for FY 2005/2006. Recapture of the stored water is accomplished by the production of any or all of the 14 wells owned and operated by the Company within Management Zone 3 of the Chino Groundwater Basin. The approximate daily production capacity of these wells is as follows:

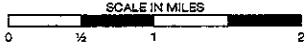
<u>Well</u>	-	<u>Production Acre-Feet/Day</u>
F23A	-	10.6
F21A	-	6.4
F7A	-	7.9
F22A	-	9.9
F24A	-	8.8
F26A	-	8.4
F31A	-	7.3
F2A	-	12.7
F30A	-	9.5
F4A	-	7.5
F17C	-	13.2
F44A	-	10.2
F44A	-	9.7
F44C	-	10.2
Daily Total		132.3

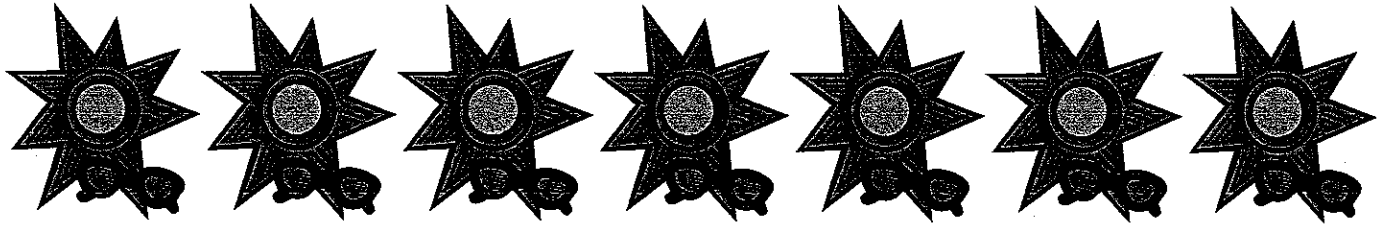
The attached map shows the location of these wells within the Company’s service area. The rate of extraction can vary significantly, depending upon system demand and seasonal weather changes.



- LEGEND**
- - WELL
 - ⊙ - WELL & BOOSTERS
 - ⊕ - BOOSTERS
 - ⊗ - WELL, BOOSTERS & RESERVOIR
 - ⊘ - TREATMENT FACILITY
 - ⊙ - RESERVOIR
 - ⊙ - P.R. VALVE
 - ⊙ - BOOSTERS & RESERVOIR
 - ⊙ - AFTERBAY
 - - INTAKES

FONTANA WATER COMPANY
SYSTEM NO. 3610041

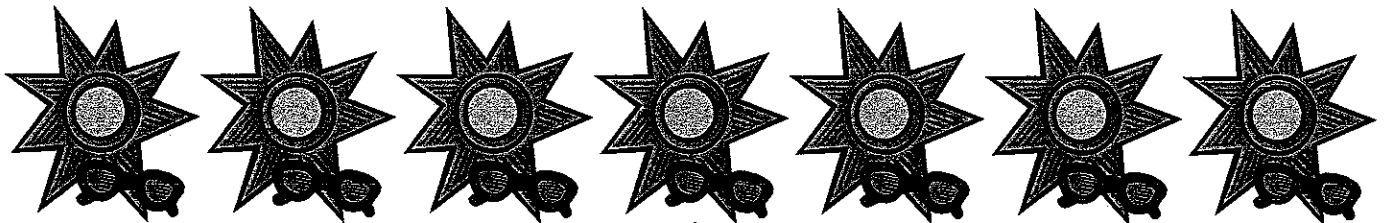




CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. ANNUAL MONITORING PROGRAM AGREEMENT BETWEEN IEUA AND CBWM





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: August 10, 2006
August 15, 2006
August 24, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Memorandum of Agreement, 2006-2007 Annual Monitoring Plan and Budget

SUMMARY

Issue – Watermaster and the IEUA have commitments to perform ground and surface water monitoring programs to support other various programs that each is implementing and some that are being jointly implemented. The proposed Agreement between the Chino Basin Watermaster and the IEUA is intended to reduce the aggregate monitoring requirements and cost by sharing monitoring efforts and data and by equitably sharing the cost of these programs. Watermaster and the IEUA entered into a cooperative agreement in fiscal 2004/05 (2004 Agreement) to fund certain monitoring programs. This agreement requires Watermaster and the IEUA to annually prepare a memorandum of understanding (MOU) that describes the monitoring activities, cost, and cost sharing. The attached MOU has been prepared pursuant to the 2004 Agreement.

Recommendation – Approve and execute the MOU.

Fiscal Impact – The cost outlined in the attached MOU is identical to the cost included in the Watermaster-approved budget for fiscal 2006/07.

BACKGROUND

Watermaster and the IEUA have joint interests that are served by the monitoring programs that have been incorporated into the OBMP, including groundwater level, groundwater quality, and hydraulic control. Watermaster and the IEUA are co-permittees for the recharge of recycled water and are jointly responsible for all monitoring required under the maximum benefit provisions of the 2004 Basin Plan Amendment. Pursuant to the 2004 Agreement, Watermaster and the IEUA have constructed nine new monitoring wells and have implemented vadose zone, groundwater, and surface water monitoring. All monitoring activities conducted thus far and the monitoring activities proposed in the MOU meet the requirements of the OBMP, the Regional Board, and the Department of Health services.

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MEMORANDUM OF AGREEMENT 2006-2007 ANNUAL MONITORING PLAN AND BUDGET

Introduction

This Annual Monitoring Plan (AMP) and Budget, was developed jointly by Chino Basin Watermaster (Watermaster) and the Inland Empire Utilities Agency (IEUA) pursuant to the *Agreement for Cooperative Efforts, Common Monitoring Programs* dated June 2004. This Agreement created an Operating Committee whose purpose is the development, execution, and management of the monitoring programs conducted by Watermaster and IEUA.

Table 1 summarizes the work to be done during the 2006-2007 AMP and the share of cost between Watermaster and IEUA. These efforts and cost are described below.

Comprehensive Monitoring Program

Watermaster will conduct groundwater quality monitoring pursuant to the requirements of the Basin Plan amendment approved by the Santa Ana Regional Water Quality Control Board in 2004 (R8-2004-0001). Watermaster will perform its customary QA/QC procedures and maintain this information in Data X. Watermaster will provide this information for use in subsequent Basin Planning efforts.

- *Groundwater Quality Monitoring (Cost Share 50 percent Watermaster and 50 percent IEUA).* Watermaster and IEUA will perform groundwater quality monitoring and characterization as part of the Comprehensive Monitoring Program.
- *Groundwater Level Monitoring (50 percent Watermaster and 50 percent IEUA).* Watermaster and IEUA will perform groundwater level monitoring as part of the Comprehensive Monitoring Program.
- *Hydraulic Control Monitoring Program (50 percent Watermaster and 50 percent IEUA).* Watermaster and IEUA will perform the third year of monitoring per the HCMP Work Plan and as described in the Agreement.

Recharge and Well Monitoring Program

Use of recycled water for groundwater recharge has been made an integral part of the Chino Basin Watermaster "Peace Agreement" implementing the Chino Basin OBMP and IEUA's Urban Water Management Plan. Recycled water projects across Chino Basin are vital to the protection and enhancement of the safe yield and water quality of groundwater basin.

- *Collected and Analyze Lysimeter and Well Samples at Recycled Water Recharge Basins (25 percent Watermaster and 75 percent IEUA Cost Share).* IEUA and Watermaster will collect and analyze groundwater and lysimeter samples related to the Recycled Water Recharge Program.
- *All other tasks related to the Recycled Water Recharge Program (100% IEUA Cost Share for all other tasks including well and lysimeter installation).* IEUA will perform all other



tasks including support of the recycled water groundwater recharge permit and installation of wells and lysimeter for the Recycled Water Recharge Program.

Non-Watermaster Monitoring Activities

There are several activities that are not part of Watermaster monitoring activities including the construction of monitoring wells near the recharge basins that recharge recycled water, construction of lysimeters, tracer tests, compliance analyses, and reporting to the Regional Board and DHS. These activities will be conducted by a consultant and funded by IEUA. The consultant for these activities may be Wildermuth Environmental, Inc. (WEI). If IEUA uses WEI, then WEI will provide these services to IEUA working within their existing business arrangement with Watermaster and Watermaster will be reimbursed by IEUA. The activities done by construction contractors will be contracted directly by IEUA.

Operating Committee and Tracking Cost

The Operating Committee will meet at least quarterly to review activities conducted under the AMP. Watermaster and IEUA will keep records of their expenditures and provide copies to each other at the end of each calendar quarter. Watermaster and IEUA will review and approve these records. Watermaster and IEUA will each be responsible for their share of costs identified in Table 1. Based on the total cost incurred by each party and the cost sharing percentages identified in Table 1, Watermaster and IEUA will make financial arrangements to ensure that cost sharing is achieved.

The term of this AMP will run from July 1, 2006 through June 30, 2007.

Approved:

CHINO BASIN WATERMASTER

By: _____ Date: _____

Title: _____

INLAND EMPIRE UTILITIES AGENCY

By: _____ Date: _____

Title: _____

028



**Table I: Summary of Annual Monitoring Plan and Budget FY 2006/2007
Watermaster and IEUA Cost Share**

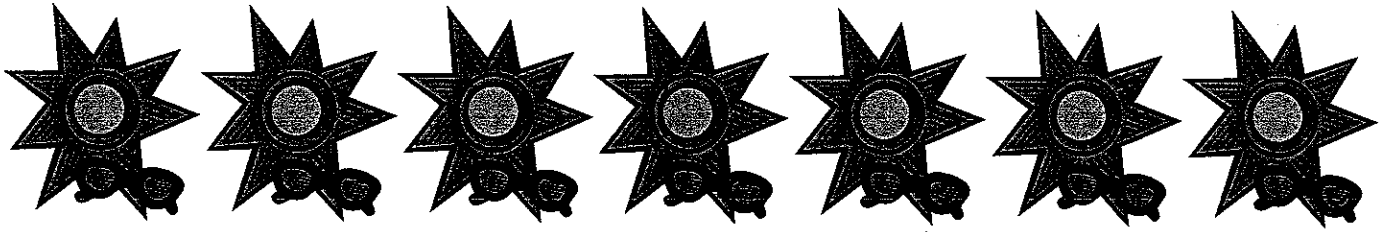
Watermaster No.	Watermaster Group	IEUA Cost Share	Watermaster Cost Share	Description	Labor		Other Direct Charges		Total Watermaster Costs		Total IEUA Costs		Total Program Costs	
					Total Labor		Total ODCs							
					Account	PE	Account	PE	Account	PE	Account	PE	Account	PE
7109 Program Element 1: Comprehensive Monitoring Program														
7103 Groundwater Quality Monitoring														
7103.3	PEI/GWQMP	50%	50%	GWQMP: Groundwater Quality Monitoring Program	\$118,520		\$28,375		\$73,448		\$73,448		\$146,895	
7103.3	PEI/GWQMP	50%	50%	Characterize Groundwater Quality Conditions and Trends	\$89,120		\$28,375		\$58,748		\$58,748		\$117,495	
7104 Groundwater Level Monitoring														
7104.3	PEI/GWLMP	50%	50%	GWLMP: Groundwater Level Monitoring Program	\$113,800		\$55,700		\$84,750		\$84,750		\$169,500	
7108 Hydraulic Control Monitoring Programs														
7108.2	PEI/HCMP	50%	50%	Acquire DEM of Southern Chino Basin	\$282,040		\$680,300		\$481,170		\$481,170		\$962,340	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 3. SAR Discharge Measurement and Grab WQ Samples	\$4,960		\$200		\$2,580		\$2,580		\$5,160	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 4. Acquire Sites, Plans & Specs, Drill and Construct 4 Wells Along SAR	\$43,280		\$123,300		\$83,290		\$83,290		\$166,580	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 4. Monitor HCMP, NAWQA, SARWC, and Four New Wells	\$41,240		\$5,800		\$23,520		\$23,520		\$47,040	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 6. Interpretation of PEI/HCMP Data	\$36,520		\$87,300		\$61,910		\$61,910		\$123,820	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 7. Data Analyses: Comparison with Metrics	\$51,320		\$1,100		\$26,210		\$26,210		\$52,420	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Task 8. Reports	\$51,320		\$1,100		\$26,210		\$26,210		\$52,420	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Meetings	\$30,040		\$700		\$15,370		\$15,370		\$30,740	
7108.2	PEI/HCMP	50%	50%	PEI/HCMP: Meetings	\$23,360		\$800		\$12,080		\$12,080		\$24,160	
7108.5	PEI/HCMP	50%	50%	PEI/HCMP: Task 4. Acquire Sites, Plans & Specs, Drill and Construct 4 Wells Along SAR			\$420,000		\$210,000		\$210,000		\$420,000	
7108.9	PEI/HCMP	50%	50%	Acquire DEM of Southern Chino Basin - Outside Pro (Survey)	\$0		\$30,000		\$15,000		\$15,000		\$30,000	
7108.9	PEI/HCMP	50%	50%	PEI/HCMP: Task 4. Acquire Sites, Plans & Specs, Drill and Construct 4 Wells Along SAR	\$0		\$10,000		\$5,000		\$5,000		\$10,000	
7109 Recharge and Well Monitoring Programs Pursuant to the Groundwater Recharge Permit and Maximum Benefit					\$556,380		\$2,005,400		\$146,350		\$2,415,430		\$2,561,780	
7109.3	PEI/RWRMP	75%	25%	PEI/RWRMP: Collect and Analyze Lysimeter Samples at Recycled Water Recharge Basins	\$80,800		\$311,600		\$98,100		\$294,300		\$392,400	
7109.3	PEI/RWRMP	75%	25%	PEI/RWRMP: Collect and Analyze Well Samples at Recycled Water Recharge Basins	\$78,600		\$114,400		\$48,250		\$144,750		\$193,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Support on Permit Process	\$10,240		\$0		\$0		\$10,240		\$10,240	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Turner Tracer Study	\$34,040		\$43,000		\$0		\$77,040		\$77,040	
7109.3	PEI/RWRMP	100%	0%	Monitor Wells Associated with Ely Basin on Behalf of IEUA	\$10,920		\$16,300		\$0		\$27,220		\$27,220	
7109.3	PEI/RWRMP	100%	0%	Quarterly Report for Chino Basin Groundwater Recharge Program	\$47,840		\$1,400		\$0		\$49,240		\$49,240	
7109.3	PEI/RWRMP	100%	0%	Start-Up Report for Turner Basin	\$14,680		\$800		\$0		\$15,480		\$15,480	
7109.3	PEI/RWRMP	100%	0%	Annual Report for the Chino Groundwater Recharge Project	\$26,280		\$700		\$0		\$26,980		\$26,980	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: IEUA/WEL Coordination Meetings on Recharge Program Activities	\$18,400		\$600		\$0		\$19,000		\$19,000	
7109.3	PEI/RWRMP	100%	0%	Install Replacement Lysimeters in Ely Basin	\$9,420		\$5,000		\$0		\$14,420		\$14,420	
7109.3	PEI/RWRMP	100%	0%	Install Replacement Lysimeters in Ely Basin - Outside Pro (Driller)	\$0		\$12,000		\$0		\$12,000		\$12,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Lysimeters at RP-3 Basin	\$9,420		\$15,200		\$0		\$24,620		\$24,620	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Lysimeters at RP-3 Basin - Outside Pro (Driller)	\$0		\$32,000		\$0		\$32,000		\$32,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Wells at RP-3 Basin	\$28,180		\$8,100		\$0		\$36,280		\$36,280	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Wells at RP-3 Basin - Outside Pro (Driller)	\$0		\$180,000		\$0		\$180,000		\$180,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Lysimeters at Declez Basin	\$9,420		\$5,200		\$0		\$14,620		\$14,620	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Lysimeters at Declez Basin - Outside Pro (Driller)	\$0		\$12,000		\$0		\$12,000		\$12,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Wells at Declez Basin	\$28,180		\$8,100		\$0		\$36,280		\$36,280	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 1 - Install Wells at Declez Basin - Outside Pro (Driller)	\$0		\$170,000		\$0		\$170,000		\$170,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Lysimeters at Brooks Basin	\$9,420		\$5,200		\$0		\$14,620		\$14,620	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Lysimeters at Brooks Basin - Outside Pro (Driller)	\$0		\$12,000		\$0		\$12,000		\$12,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Wells at Brooks Basin	\$65,560		\$16,800		\$0		\$82,360		\$82,360	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Wells at Brooks Basin - Outside Pro (Driller)	\$0		\$480,000		\$0		\$480,000		\$480,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Lysimeters at 7th & 8th Street Basin	\$9,420		\$10,200		\$0		\$19,620		\$19,620	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Lysimeters at 7th & 8th Street Basin - Outside Pro (Driller)	\$0		\$24,000		\$0		\$24,000		\$24,000	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Wells at 7th & 8th Street Basin	\$65,560		\$16,800		\$0		\$82,360		\$82,360	
7109.3	PEI/RWRMP	100%	0%	PEI/RWRMP: Phase 2 - Install Wells at 7th & 8th Street Basin - Outside Pro (Driller)	\$0		\$504,000		\$0		\$504,000		\$504,000	

Annual Monitoring Plan and Budget Totals

	Total Cost	Total Cost Share
AMP Total	\$3,840,515	--
Watermaster	\$785,718	20%
IEUA	\$3,054,798	80%



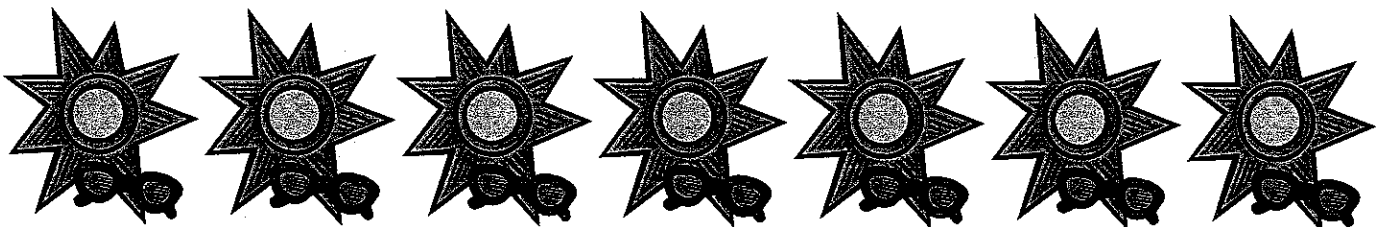
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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. WATERMASTER POLICY – COSTS FOR DATA REQUESTS





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: August 10, 2006
August 15, 2006
August 24, 2006

TO: Committee Members
Watermaster Board Members

SUBJECT: Update of Resolution 01-01

SUMMARY

Recommendation – Staff recommends adoption of the proposed fee revisions to bring Watermaster's copy policy up to date with that of the San Bernardino Superior Court

Fiscal Impact – None for parties to the Judgment since the policy waives such costs for parties to the Judgment. Cost savings to parties to the Judgment to the extent that they do not subsidize providing information to third parties.

BACKGROUND

On February 15, 2001, the Watermaster Board adopted Resolution 01-01 which made effective the Chino Basin Watermaster Procedure, Guidelines and Fee Schedule for Release of Information and Documents.

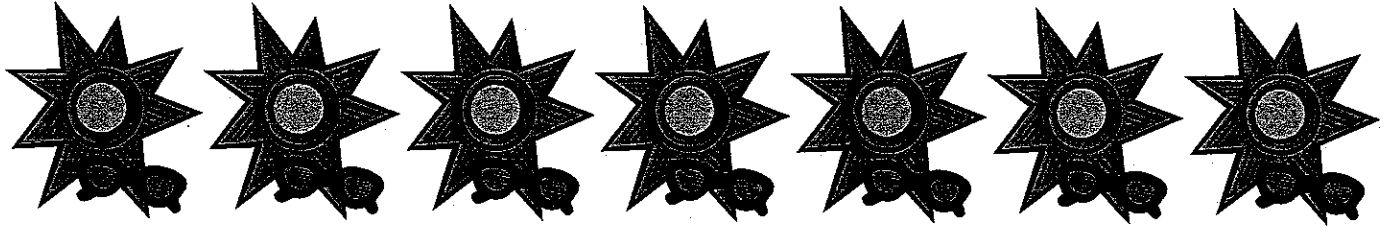
Because Watermaster is an arm of the San Bernardino Superior Court, its policy regarding the release of documents and fees is generally the same as that of the San Bernardino Superior Court.

According to this policy, fees will be waived for parties of the Watermaster and public agencies who reciprocate with a similar waiver of fees. Because of this, Watermaster does not often have the need to formally utilize the policy, and since 2001 the policy has fallen out of date with respect to the policies of the San Bernardino Superior Court.

In order to update the policy and make it current with the policy of the Court, Watermaster staff recommends a revision of the fee schedule to indicate that Photocopies shall be provided at a cost of \$0.50 per page, and electronic data/text equal to one (1) printed page shall also be provided at a cost of \$0.50 per page. Facsimiles shall be provided at a cost of \$1.00 per page. These costs preserve the proportionality of the 2001 policy, and conform to the Court's current policy of charging \$0.50 cents per page for photocopies (the Court does not provide electronic documents nor facsimiles).

The policy will remain the same in all other respects, including the waiver of these costs for parties to the Judgment.

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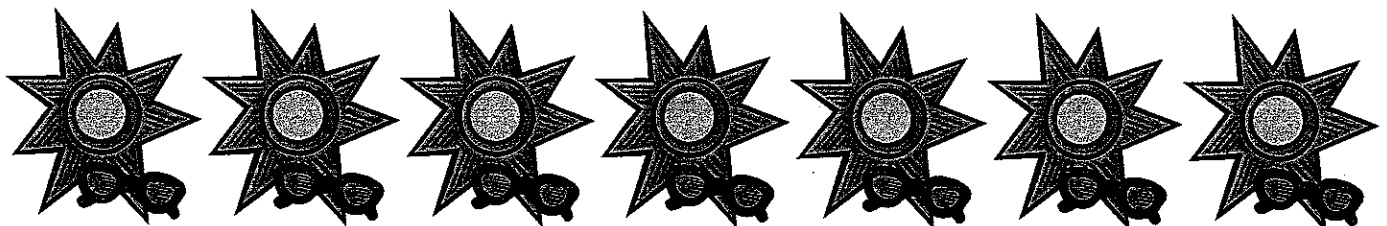


CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

C. CEO/STAFF REPORT

5. IEUA Landscaping Alliance



Proposal for Establishment of the Inland Empire Landscaping Alliance

Purpose of the Inland Empire Landscaping Alliance:

The purpose of the Inland Empire Landscaping Alliance is to make recommendations for the coordination and implementation of policies, programs and actions that will improve landscape water use efficiency within the communities of the Chino Basin. These improvements will help ensure a reliable water supply for our residents, as well as, increase the quality and sustainability of our communities' landscapes.

Rational for Creating the Inland Empire Landscaping Alliance:

- Water supply within the Chino Basin, along with all of California, is limited and under increasing pressure, especially with continued population growth;
- Water is a precious resource that must be used wisely by all Californians;
- Water use efficiency – both promoting the wise use of water and reducing wasteful use of water -- is essential to developing a reliable water supply for our communities and for all of California;
- Urban landscapes are vital to the quality of life and the economy of our Chino Basin communities;
- Improving landscape water use efficiency is especially important to the Chino Basin since an estimated 60% of all water used within our communities is dedicated to outdoor landscaping;
- Improved landscape water use efficiency will result in additional benefits for our communities including:
 - reduced storm water run off;
 - improved water quality and compliance with current and future water quality objectives within the Chino Basin;
 - improved flood control;
 - enhanced local groundwater infiltration;
 - enhanced drought preparedness;
 - enhanced cost savings for pumping and treating water supplies;
 - identification of opportunities for use of recycled water and locally produced compost;
 - development of more economical and reliable water supplies; and
 - reduced costs and more value-added services for rate payers.

- Future growth in our communities will benefit from landscaping water use efficiency policies and programs that are coordinated among all of the cities and water agencies within the region; and
- The Inland Empire Landscaping Alliance will serve as a model for interagency coordination and integration of water use efficiency programs and decisions within the region and in California.

Benefits of Inland Empire Landscaping Alliance to Local Agencies:

- Support the review and coordination of landscaping related policies so that the region can speak with one voice on what can and should be done to improve water efficiency;
- Develop information and prepare cost-benefit evaluations of water use efficiency practices to identify the long-term cost savings along with the value of the multiple benefits to the region from the implementation of these practices; and
- Identify funding opportunities including state and federal grant programs that will support development of pilot projects and implementation of comprehensive programs.

Proposed Structure for the Inland Empire Landscaping Alliance:

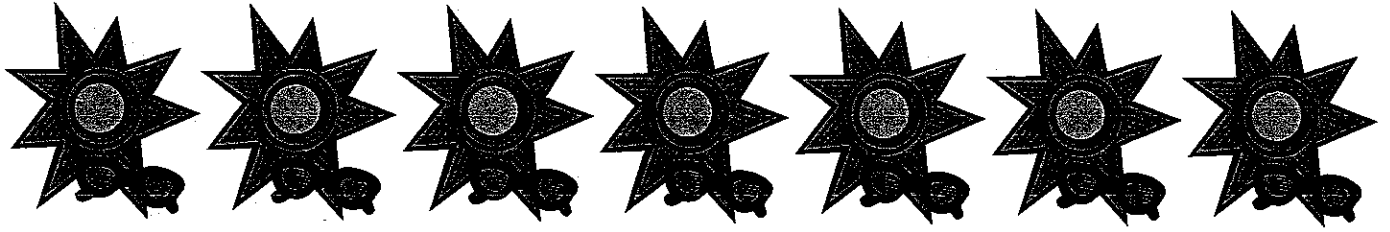
- The Inland Empire Landscaping Alliance is proposed to be comprised of designated representatives from each of the city councils and water agencies within the Inland Empire Utility Agency Service area. These include:
 - Chino
 - Chino Hills
 - Fontana
 - Montclair
 - Ontario
 - Rancho Cucamonga
 - Upland
 - Inland Empire Utilities Agency
 - Monte Vista Water District
 - Cucamonga Valley Water District
 - Chino Basin Water Conservation District
 - Three Valleys Municipal Water District
 - Fontana Water Company
 - San Antonio Water Company

- The Inland Empire Landscaping Alliance would meet on a regular schedule, proposed to be once every other month;
- Staffing for the Inland Empire Landscaping Alliance will be provided by the Inland Empire Utilities Agency; and
- Funding to support specific projects, such as consultants to review landscape ordinances, would be provided through the regional conservation budget and augmented with grant funds where possible.

Potential Projects:

- Review existing city landscaping ordinances and policies and develop recommendations for coordinated region-wide ordinances;
- Work with Metropolitan Water District of Southern California to develop a "California Friendly" designation for cities and lead southern California in being the first region to be designated as "California Friendly";
- Develop region-wide education and outreach programs to increase awareness of the importance of landscape water use efficiency and what can be done to improve landscape choices;
- Identify and develop a list of qualified professionals who can assist residents, businesses and government agencies plan and install water efficient landscapes;
- Develop programs for working with targeted constituencies including property owner associations, trade groups, schools and large commercial landscapes to improve water use efficiency; and
- Identify water and related savings from conversion of median strips to efficient landscaping and conduct a pilot project to demonstrate the savings.

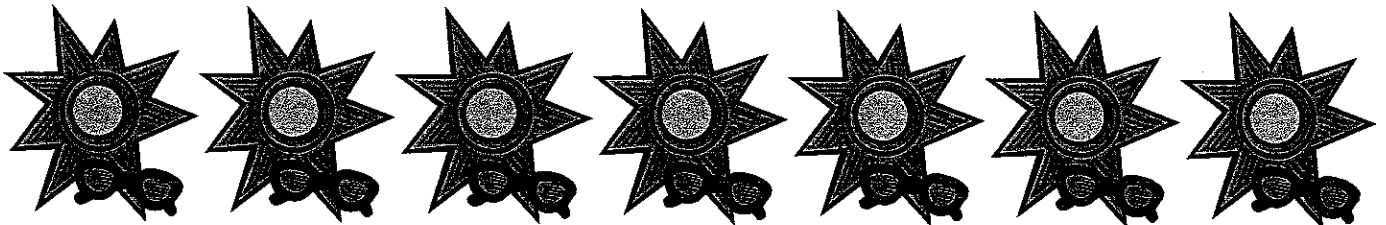
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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles



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Article Launched: 7/20/2006 12:00 AM

Task force seeks funds to begin work

George Watson, Staff Writer
San Bernardino County Sun

It's been nearly two years since Gov. Arnold Schwarzenegger formed a task force whose job is to educate leaders and contractors about the dangers of building in flood-prone areas.

Now 21 months later, the Alluvial Fan Task Force is still waiting for funding so it can actually begin its work.

"We thought we'd be rolling by the first of the year, but now here we are in July," said Susan Lien Longville, director of the Water Resources Institute, which is coordinating the effort. "Everyone agrees that we are anxious to get rolling because there are tremendous benefits to what will come out of it."

Both the state and the Federal Emergency Management Agency have committed to funding the task force's \$800,000 budget. FEMA will pay 75 percent of the costs, with the state Department of Water Resources picking up the rest.

Longville blamed the hold-up on bureaucratic red tape caused by too much paperwork.

The goal of the task force is to show elected leaders, on a local level, and builders how dangerous it can be to construct houses on or near alluvial fans. Officials estimate that 60 percent of population growth and development through 2020 will occur on alluvial floodplains.

Given the damage from the recent fires that blazed through 62,000 acres in the desert - and the expected building growth that is spilling throughout the desert - now could be a good time for the lessons.

"We want to show them what fans are, how they behave under a series of scenarios," Longville said. "And we can show them there are things we can do if they are determined to build there."

Frank Williams, executive officer of the Building Industrial Association's Baldy View chapter, initially supported the formation of the task force.

"The more I hear about it, the more I have changed my mind," Williams said. "I think it was created to add another level of government, another level of bureaucracy, and I think it will be used as a tool to slow down growth."

Local planning departments already have the competency to review building plans, he said, and contractors aren't going to build in unsafe conditions.

Alluvial fans are the build-up of sediment that flows off of mountains. They become particularly dangerous after wildfires. During rainstorms, the denuded slopes allow water to rush down the hills, leading to floods and mudslides.

For example, Upland, Rancho Cucamonga, Fontana, Rialto, San Bernardino and Highland were built on them. Much of the large residential construction projects in these cities are expected to be built in areas closest to the hillsides, which in the past had been left alone.

But the ever-expanding surge of population has called for growth into these areas.

Experts say the power of a debris flow - which is a mishmash of rolling water, dirt, brush, trees and boulders - can be 40 times greater than in areas where there have been no burns.

This area witnessed the deadly power of debris flows on Christmas Day 2003, when heavy rains slammed into the San Bernardino Mountains, which had been burned heavily in the Old Fire two months earlier. As the flow raced downward, 16 people were killed.

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In response, then-Assemblyman John Longville, D-San Bernardino, sponsored legislation that created the task force.

Schwarzenegger, whose office did not return a call for comment Wednesday, signed the bill into law in late September 2004.

Susan Longville, who is married to John Longville, has been one of the torch bearers for the effort. Her organization, the Water Resources Institute, is based at Cal State San Bernardino.

She is currently having someone build "a map unlike any map" that takes data from FEMA and the Department of Water Resources and cross-references it with soil and sediment studies.

Better building in alluvial floodplains is critical not just for directly saving lives, Susan Lien Longville said. Each time it rains, the runoff is supposed to recharge aquifers.

Floodplains with poor construction can alter the runoff, causing additional sediment or other materials to mix in, potentially contaminating water supplies.

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Article Launched: 7/14/2006 12:00 AM

County approves \$16M Fontana project

Inland Valley Daily Bulletin

A \$16 million construction project along San Sevaine Creek from Slover Avenue to the Jurupa Basin in Fontana was approved Tuesday by the county.

The Board of Supervisors backed the project, which will be a link in a large scale flood control project, while also giving local water agencies the ability to restock water supplies.

The project is part of the San Sevaine and Etiwanda Creek Flood Control project that will eventually provide 100-year flood protection, with the total cost estimated at \$150 million.

- Edward Barrera, (909) 483-9356.

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Article Launched: 7/09/2006 12:00 AM

Criminal probe launched into debris in Day Creek

Edward Barrera, Staff Writer
San Bernardino County Sun

RANCHO CUCAMONGA - State officials have started a criminal investigation into possible environmental violations on county-owned land north of the city.

The Department of Fish and Game is waiting for lab results of water samples from the Day Creek Channel to see if muddy water found there came from other-than-natural causes.

Two local water agencies have accused a rock and gravel company, Hanson Aggregates West Inc., of allowing silt from its site to flow off into the channel and muck up water-restocking efforts at a nearby basin.

"A criminal investigation has begun," said Lt. Ernie Acosta of the Department of Fish and Game. "The lab results will really get the ball rolling. If they violated their permit, then I can go after them."

Acosta said the review would focus on water-pollution violations.

The Santa Ana Regional Water Quality Control Board is conducting the lab work on the water samples. A spokesman said it was completed Friday.

"I can't comment on the lab results while the investigation is ongoing," said Kurt Berchtold, the water board's assistant executive officer. "We have the results, but that's not the only piece of evidence we are working on. We have more work to do on the case."

Berchtold said the investigation should be done this week.

The Hanson plant is on land leased from the San Bernardino County Flood Control District north of Banyan Street and east of Milliken Avenue - just outside Rancho Cucamonga's city limits.

Company lawyers refute the allegations, saying the debris would have had to travel more than a mile from the plant over unpaved terrain and past barriers before it reached the channel. They blame the damage on natural causes.

"The capacity of our silt ponds . . . is dwarfed by the quantity of what they say was deposited there," said Kenneth Ehrlich, Hanson's lawyer, on Friday. "There is no way this conduit allowed this much material to get in their basin."

Silt ponds on the site are created by the plant to wash unusable sediment from rock and gravel.

The company is doing its own internal investigation of the problem. Hanson officials also said they hadn't been contacted by Fish and Game.

But the Inland Empire Utilities Agency and the Chino Basin Watermaster - two agencies that oversee water supplies in the Inland Empire - charge that the company is the culprit.

In a June letter, water-agency officials wrote:

"Hanson Inland Plant muddy discharges to Day Creek have resulted in coating the floor (of lower Day Creek Basin) as high as 10 feet up the basin slopes with (one-quarter to one-half) inches of mud."

Friday, Andy Campbell, groundwater recharge coordinator for the Inland Empire Utilities Agency, said his agency has photo documentation of silt entering the lower Day Creek Basin and that staff tracked it back to the plant site.

"We had an employee, starting from the basin, first drive to Banyan Street, then walk through a culvert, straight to the plant,"

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Campbell said.

The silt has sealed the basin, stopping water from being absorbed to replenish local water supplies, officials said.

Acosta said that when his investigation is completed, he will most likely forward it to the District Attorney's Office to see if it wants to prosecute the case. Acosta also has the option of sending it to the state Attorney General's Office.

The district attorney could file either a criminal or civil case, Acosta said. Any case would be handled by the county's specialized prosecution group, said Deputy District Attorney Charles Umeda.

"We rely on the agencies to investigate and will be awaiting their reports," Umeda said.

Hanson is already involved in a lawsuit with the county over its lease. The county said the company allowed its lease to expire in 2004. Hanson officials contend the lease is valid until 2019.

The site is part of 1,137 acres that the county now says it no longer needs for flood control.

Last year, a portion of the land was part of a potential settlement with developers of the Colonies project. The developers and the county are fighting over a 67-acre flood-control facility on an Upland property.

The deal was eventually scuttled. Both sides now say the land near Day Creek has not been part of settlement discussions.

County Supervisor Paul Biane, who represents the 2nd District, said several weeks ago the county is working on a development plan with Rancho Cucamonga leaders that will include annexing the land to the city.

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UNION-TRIBUNE EDITORIAL**Yuck!**

San Diego should flush “toilet to tap” plan

July 24, 2006

Your golden retriever may drink out of the toilet with no ill effects. But that doesn't mean humans should do the same.

San Diego's infamous “toilet to tap” plan is back once again, courtesy of Water Department bureaucrats who are prodding the City Council to adopt this very costly boondoggle. The project was rightly shelved seven years ago amid a public outcry over potential health hazards and the fact that some of San Diego's least affluent neighborhoods were to be the recipients of the treated wastewater.

You know the zealots behind the “toilet to tap” initiative are trying to put something over on you when they change the name to “reservoir augmentation” – a euphemism intended to obscure the nasty fact that the project would take heavily contaminated sewage water, purify it and send it through your tap for human consumption.

Put aside for a moment the reality that most San Diegans do not want their water rates raised through the stratosphere to pay for this \$238 million plan to dump treated sewage water into the San Vicente Reservoir. Regardless of public opinion, there are far better ways for San Diego to boost its water supply.

For example, the landmark San Diego-Imperial Valley water transfer, to be accomplished by lining the All-American Canal and other conservation measures, will provide an additional 200,000 acre-feet a year for the region. That's enough water for 1.6 million San Diegans. And the cost of this supply is roughly one-third that of “toilet to tap” water.

Another promising, much less expensive source of additional water is desalination. Both the County Water Authority and the city of Carlsbad are moving forward with seawater desalination plans that would create up to 50 million gallons a day of safe drinking water. What's more, this source too will cost consumers only about one-third what “toilet to tap” water would cost.

Yet another, more sensible option is to use reclaimed wastewater for irrigation and some industrial uses. The level of treatment needed for these purposes is much less expensive than that needed to convert sewage water into drinking water.

In a key study, the respected National Research Council concluded that turning toilet water to tap water should be only “an option of last resort” because “many uncertainties are associated with assessing the potential health risks of drinking reclaimed water.” The study also noted that “one concern about potable reuse of reclaimed water is the potential health risk from little known or unknown pathogens.”

San Diegans do not need to run the risks associated with drinking toilet water. The City Council should reject this project once and for all.

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SENATE ENERGY & NATURAL RESOURCES CONSIDERS WATER BILLS

The Senate Energy & Natural Resources Subcommittee on Water and Power held a hearing on Thursday, July 27, 2006 on three California water bills, S. 3639 and S. 3638. S. 3639, Reclaiming the Nation's Water Act, amends Title XVI to provide standards and procedures for the review of water reclamation and reuse projects. It was introduced by Sens. Dianne Feinstein and Lisa Murkowski (AK). Rep. Grace Napolitano (Norwalk) has introduced a companion bill in the House, H.R. 5768. S. 3638, The Water Recycling and Riverside-Corona Feeder Act of 2006, was also introduced by Sen. Feinstein. It too amends the Reclamation Wastewater and Groundwater Study and Facilities Act (Title XVI) to encourage projects to treat impaired surface water, reclaim and reuse impaired groundwater, and provide brine disposal in the State of California. H.R. 177, authored by Rep. Gary Miller (Diamond Bar) would authorize Prado Basin Natural Treatment System Project, and the Lower Chino Dairy Area desalination demonstration and reclamation project.

The Subcommittee heard from several witnesses, including Larry Todd, Deputy Commissioner for Policy, Administration, and Budget at the U.S. Bureau of Reclamation; Joe Grindstaff, Director of the California Bay-Delta Authority; and Richard Atwater with the WaterReuse Association.

In addition, Rep. David Dreier (San Dimas) appeared before the panel in support of the California recycling bills and his commitment to Title XVI reform. He Inland Empire Water Recycling Initiative has met with success, authorizing \$30 million for water recycling projects that have resulted in 100,000 acre feet annually in new water supply.

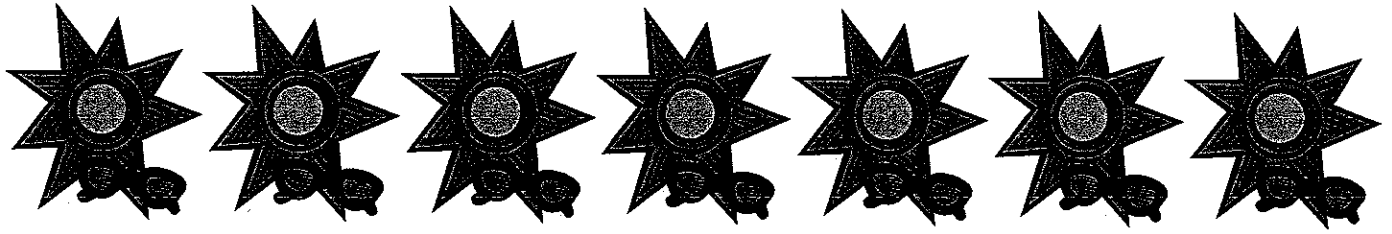
In her opening remarks, Sen. Feinstein detailed how the bills will provide an efficient procedure for evaluation and selection of water projects under the bill, establishing specific deadlines and criteria for project reviews. She noted that the two California bills before the Subcommittee would provide 300,000 acre feet of new water annually for California, which would help substantially to offset the reduction in Colorado River water allocated to the state.

Mr. Todd testified that the Administration did not support S. 3639 at this time, but expressed the desire to work with the subcommittee to work out differences. He noted several areas of concern, focusing on the need for clear standards to evaluate the merits of projects and to prioritize projects especially in light of the federal funding that would be needed. He stated that BOR, at this point, felt that S. 3639 would weaken the level of review that Title XVI projects would go through prior to the Secretary making a recommendation to Congress. With regard to S. 3638, Commissioner Todd testified that S. 3638 had not yet met three of the nine necessary feasibility requirements and until such time as they were met, BOR could not support the project authorized by the bill.

During questioning, Sen. Feinstein offered to sit down with BOR to go over S. 3638 and H.R. 177 to make sure that all the parties understood what the problems were and how to resolve them. Commissioner Todd said he would be happy to do that. Also in response to Sen. Feinstein's suggestion, Todd agreed to work with staff over the upcoming August recess to resolve problems with S. 3639.

Mr. Grindstaff explained how the bills would fit in with the California Water Plan Update 2005. He supported the California bills, as well as S. 3639, the national approach, and noted that they fit well with the goals of the California Water Plan and the policy of multi-level governmental partnerships. Mr. Atwater testified in support of S. 3639 and committed to continue to work with the subcommittee staff and the Administration to resolve differences over the bill. Regarding the specific water projects authorized by the other bills, he did note that a lot of time and effort had been spent reviewing and evaluating those projects and he hoped there would not be a lot of redundancy in order to obtain BOR approval.

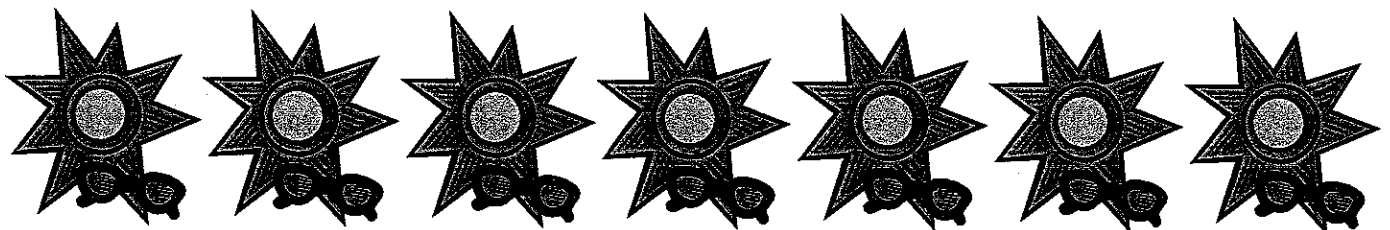
For the complete testimony, visit the Committee's website at: <http://www.energy.senate.gov> .



CHINO BASIN WATERMASTER

IV. INFORMATION

2. IE PAN Invitation





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Please join the Inland Empire Public Affairs Network (PAN) for their Quarterly Luncheon

Featured Speaker
Gary G. Miller

Congressman Gary G. Miller was elected to the U.S. House of Representatives in 1998 to represent California's 42nd Congressional District. Mr. Miller serves on the House Financial Services Committee, which oversees the United States' banks, stock exchanges, real estate market and insurance industry, and the House Transportation and Infrastructure Committee, which oversees the nation's highways, railroads, airports and water infrastructure. As a member of these committees and a former business owner, Mr. Miller brings real-world experience to address the transportation, water and housing needs of the 42nd district.

Mr. Miller is chairman of the Building a Better America Caucus, a congressional organization promoting quality growth. He is also a member of the Republican leadership team as assistant whip.

Mr. Miller and his wife, Cathy reside in the city of Diamond Bar.

Friday, September 8, 2006

11:30 a.m. Registration

Noon Lunch

DoubleTree Hotel Ontario Airport

Lake Gregory Room

222 North Vineyard

Ontario, California 91764

PLEASE RSVP BY: AUGUST 25th

To: **Janine Wilson**

909-484-3888 x 222

Email: jwilson@cbwm.org

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