



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, January 25, 2007

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

Thursday, January 25, 2007

9:00 a.m. – Advisory Committee Meeting
11:00 a.m. – Watermaster Board Meeting

(Lunch will be served)

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
ANNUAL ADVISORY COMMITTEE MEETING**

9:00 a.m. - January 25, 2007
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>Ken Jeske</u>	Chair	(Appropriative Pool)
<u>Bob Bowcock</u>	Vice-Chair	(Non-Agricultural Pool)
<u>Robert Feenstra</u>	Second Vice-Chair	(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 21, 2006 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of December 2006 *(Page 13)*
2. Combining Schedule of November 30, 2006 *(Page 17)*
3. Treasurer's Report of Financial Affairs for the Period November 1, 2006 through November 30, 2006 *(Page 19)*
4. Profit & Loss Budget vs. Actual July 2006 through November 2006 *(Page 21)*

C. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 07-01 - Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy *(Page 23)*

D. LOCAL AGENCY INVESTMENT FUND

Resolution 07-02 - Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) *(Page 25)*

E. NOTICE OF INTENT

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield *(Page 27)*

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Santa Ana River Water Right Application
2. Regional Salinity Cooperative Agreement

3. MWD DYY Agreement
4. Peace II Process

B. ENGINEERING UPDATES

1. Rialto Request

C. FINANCIAL REPORT

1. Assessment Package Update

D. CEO/STAFF REPORT

1. Legislative Update
2. Recharge Update
3. Cyclic Storage Account
4. AGWA February 5, 2007

E. INLAND EMPIRE UTILITIES AGENCY

1. Monthly Water Conservation Programs Report *(Page 31)*
2. Monthly Imported Water Deliveries Report
3. State and Federal Legislative Report *(Page 35)*
4. Community Outreach/Public Relations Report *(Page 55)*

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Newspaper Articles *(Page 57)*

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. FUTURE MEETINGS

January 23, 2007	9:00 a.m.	GRCC Meeting
January 25, 2007	9:00 a.m.	Annual Advisory Committee Meeting
January 25, 2007	11:00 a.m.	Annual Watermaster Board Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
ANNUAL WATERMASTER BOARD MEETING**

11:00 a.m. - January 25, 2007

At The Offices Of

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

AGENDA

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

PUBLIC COMMENTS

INTRODUCTIONS - CALENDAR YEAR 2007 WATERMASTER BOARD MEMBERS

John Anderson	Inland Empire Utilities Agency
Bob Bowcock	Non-Agricultural Pool (Vulcan Materials Company)
Jim W. Bowman	City of Ontario (Appropriative Pool)
Paul Hofer	Agricultural Pool (Crops)
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. Paul Hamrick

I. CALENDAR YEAR 2007 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

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

A. MINUTES

1. Minutes of the Watermaster Board Meeting held December 21, 2006 (Page 7)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of December 2006 (Page 13)
2. Combining Schedule of November 30, 2006 (Page 17)
3. Treasurer's Report of Financial Affairs for the Period November 1, 2006 through November 30, 2006 (Page 19)
4. Profit & Loss Budget vs. Actual July 2006 through November 2006 (Page 21)

C. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 07-01 - Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy (Page 23)

D. LOCAL AGENCY INVESTMENT FUND

Resolution 07-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) (Page 25)

E. NOTICE OF INTENT

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield (Page 27)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

- 1. Santa Ana River Water Right Application
- 2. Regional Salinity Cooperative Agreement
- 3. MWD DYY Agreement
- 4. Peace II Process

B. ENGINEERING UPDATES

- 1. Rialto Request

C. FINANCIAL REPORT

- 1. Assessment Package Update

D. CEO/STAFF REPORT

- 1. Legislative Update
- 2. Recharge Update
- 3. Cyclic Storage Account
- 4. AGWA February 5, 2007

IV. INFORMATION

- 1. Newspaper Articles (Page 57)

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. FUTURE MEETINGS

January 23, 2007	9:00 a.m.	GRCC Meeting
January 25, 2007	9:00 a.m.	Annual Advisory Committee Meeting
January 25, 2007	11:00 a.m.	Annual Watermaster Board Meeting

Meeting Adjourn



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting – December 21, 2006



Draft Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING
December 21, 2006

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on December 21, 2006 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Agricultural Pool

Nathan deBoom, Chair

Ag Pool/Dairy

Jeff Pierson

Ag Pool/Crops

Appropriative Pool

Robert DeLoach

Cucamonga Valley Water District

Dave Crosley

City of Chino

Teri Layton

Santa Ana River Water Company

Ken Jeske

City of Ontario

Raul Garibay

City of Pomona

Anthony La

City of Upland

Non-Agricultural Pool

Bob Bowcock

Vulcan Materials Company (Calmat Division)

Watermaster Board Members Present

Sandra Rose

Monte Vista Water District

John Anderson

Inland Empire Utilities Agency

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.

Dr. David Sunding

University of Berkley

Others Present

Terry Catlin

Inland Empire Utilities Agency

Rosemary Hoerning

City of Upland

Steve Lee

Reid & Hellyer

Rick Hansen

Three Valleys Municipal Water District

The Advisory Committee meeting was called to order by Chair deBoom at 9:06 a.m.

I. **CONSENT CALENDAR**

A. **MINUTES**

1. Minutes of the Advisory Committee Meeting held November 16, 2006

B. FINANCIAL REPORTS

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

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

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

II. BUSINESS ITEMS**A. DR. SUNDING ECONOMIC BENEFITS REPORT**

Mr. Manning stated in the discussions regarding the Peace II Agreement there are prerequisites that need to be completed. One of those prerequisites was a macro evaluation of the Peace II arrangement and how it was going to affect the basin. The macro analysis viewed the basin as if were one owner and was not looking at individual parties. Dr. Sunding had presented his initial draft Economic Benefits Report to the parties at a July 2006 workshop and from that workshop he took questions and comments and has incorporated those changes into his newly revised report, which is ready to be approved to be received and filed with the court. Dr. Sunding gave his updated report and highlighted the changes that were made from the draft to the final report. Dr. Sunding reviewed several tables in detail to allow the parties to have a better understanding of his analysis. A discussion ensued with regard to Dr. Sunding's report. Mr. Jeske inquired about the net benefit number offered. Dr. Sunding stated what the analysis captures is whether or not we do basin re-operation and how you do it; the assumption is the facilities get built and that is a common factor to all of the scenarios. Mr. Garibay inquired about the term "controlled over-draft". Mr. Manning stated that is a term that Watermaster is comfortable endorsing as equal to re-operation. A discussion regarding yield ensued. Mr. Manning stated staff is seeking a recommendation to move this forward to the Watermaster Board for a receive and file motion. A question regarding the next steps was presented and Counsel Fife responded that this question will be answered under legal counsel report. Although, the next step toward economic analysis is to move onto the micro economic analysis which is specified in the Term Sheet.

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

Moved to receive and file with the court the revised Economic Benefits Report by Dr. David Sunding, as presented

B. INLAND VALLEY DAILY BULLETIN ADVERTISING CAMPAIGN

Mr. Manning stated several parties have been participating in this water industry campaign for three years now and there have been excellent comments about the publications. Mr. Manning recapped what the past publications were trying to capture and noted this years will be slightly different in that there will be more articles printed in the actual newspaper as opposed to what was done in the past with inserts. Mr. Manning noted this item is in the FY 2006-2007 budget. A discussion ensued with regard to the context of the articles. Mr. Jeske commented on the possibilities of using the internet side of advertising for this cause. Mr. Manning stated this was an excellent idea and he would pursue it with the Daily Bulletin representatives.

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

Moved to approve the twelve month advertising campaign with the Inland Valley Daily Bulletin to match contributing funds with Inland Empire Utilities Agency, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Santa Ana River Application**

Counsel Fife stated there is a letter on the back table to the State Water Resources Control Board. Counsel Fife noted he has reported over the last few months that it appeared there is movement on this application to bring this item to a water rights hearing in the near future. The State Board does appear determined to hold a hearing on all of the Santa Ana River Water Right Applications including Chino Basin Watermaster's. At ACWA there were comments from Art Baggett that there will be a hearing in the spring of 2007. In response to that statement all the parties have been meeting on a regular basis to discuss what we feel the hearing should look like and how all the parties can work together. The letter is the first real outcome and proposes that we convene workshops prior to noticing the hearing. Chino Basin Watermaster has one remaining protest to the Chino Basin's application and that is from the Department of Fish and Game, although, they have not clearly stated what they are protesting and in the meantime have permitted our project. A brief discussion ensued with regard to this issue. Counsel will keep the parties apprised on the progress of this matter.

2. Peace II

Counsel Fife stated there is a draft timeline on the back table for review; this is an aggressive timeline to facilitate resolution of Peace II. This timeline was drafted by the request of the Watermaster Board. We are asking for comments on this draft timeline. Two items really need to have input on them and those are the itemization of issues and the steps we need to go through and the other is the time frames we have attached to those items. A discussion ensued with regard to the draft timeline and what is needed from the parties as far as comments. A discussion ensued with regard to the listed items on the timeline. Mr. Manning stated that the next evolution of this timeline will be the expansion of the timeline into a gant chart; the parties will work together to create a critical path process.

3. Waste Discharge Requirements

Counsel Fife stated the parties which are most interested in this topic are Western Municipal Water District and San Bernardino Municipal Water District. They are continuing to meet and work on the draft which was handed out last month. Chino Basin Watermaster is continuing to monitor the progress of this process.

4. MZ1 Long Term Plan

Counsel Fife stated the non-binding term sheet set a goal of December 31, 2006 for the MZ1 long term plan to be completed. The MZ1 Technical Committee is meeting on a regular basis and the long term plan is being worked on and good progress is being made; however, we are going to miss the December 31st deadline. There is a potential that we will not miss that date by much time; a final product could come to fruition in the first quarter of 2007.

C. CEO/STAFF REPORT**1. Storm Water/Recharge Report**

Mr. Manning stated the Storm Water report is available on the back table for review. In summary, we are on schedule in terms of our recharge progress.

2. Legislative Update

Mr. Manning stated we received notice last week from Washington DC that a few changes have taken place that we all should be aware. There are ten new members on the House side; ten new democrats bringing the total to thirty-eight members on that committee. Among the ten were three Californians; however, none of them are representing this area. Jerry Lewis will continue to hang on as the ranking Republican in that committee. In the senate, Diane Feinstein, remains on the senate appropriations committee and has become the chair of the interior sub-committee. Mr. Manning stated he recently had breakfast with

Senator Margett and Dan Dun Moyer; Dan is the senior and chief policy advisory to Governor Schwarzenegger and had a chance to sit down briefly with Dan and talk about state wide water policy. While at the recent ACWA conference a number of people met with Bob Johnston, Commissioner of the Bureau of Reclamation, to talk about Title 16 issues and that conversation went very well. A brief discussion ensued with regard to legislative issues.

3. Strategic Planning Issue Report

Mr. Manning stated the matrix from the October conference is now complete in draft form and available on the back table for review and comment. Mr. Manning reviewed the column titles and explained their meanings. Mr. Manning stated the context of this matrix will be incorporated into his next goals and objectives.

4. Holiday Open House

Mr. Manning stated he and his wife Sue, will be hosting an open house at their home in Alta Loma and all are invited to attend; there is a flyer on the back table with the address and time of the event.

D. INLAND EMPIRE UTILITIES AGENCY

1. Monthly Water Conservation Programs Report

No comment was made regarding this item.

2. Monthly Imported Water Deliveries Report

No comment was made regarding this item.

3. State and Federal Legislative Report

No comment was made regarding this item.

4. Community Outreach/Public Relations Report

No comment was made regarding this item.

E. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Hansen spoke on the recent election at the Metropolitan Water District for the new chairman; Mr. Tim Brick is now the new chairman. Mr. Hansen stated that Mr. Brick recently announced his management team/executive team. Mr. Hansen reviewed the new rate increases for Tier I and Tier II and a discussion ensued with regard to the increase.

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 19, 2006	9:00 a.m.	GRCC Meeting
December 21, 2006	9:00 a.m.	Advisory Committee Meeting
December 21, 2006	11:00 a.m.	Watermaster Board Meeting
January 11, 2007	10:00 a.m.	Annual Appropriative Pool Meeting
January 11, 2007	11:00 a.m.	Annual Non-Agricultural Pool Meeting
January 16, 2007	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 25, 2007	9:00 a.m.	Annual Advisory Committee Meeting
January 25, 2007	11:00 a.m.	Annual Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 9:45 a.m.

Secretary: _____

Minutes Approved: _____

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board – December 21, 2006



Draft Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

December 21, 2006

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 21, 2006 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, Chair	West End Consolidated Water Company
Sandra Rose	Monte Vista Water District
John Anderson	Inland Empire Utilities Agency
Paul Hamrick	Jurupa Community Services
Bob Kuhn	Three Valleys Municipal Water District
Bob Bowcock	Vulcan Materials Company
Geoffrey Vanden Heuvel	Agricultural Pool, Dairy
Paul Hofer	Agricultural Pool, 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

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

Others Present

Rosemary Hoerning	City of Upland
Dave Crosley	City of Chino
Mark Kinsey	Monte Vista Water District
Ken Jeske	City of Ontario
Bill Kruger	City of Chino Hills
Jeff Pierson	Crops
Abayomi Sonuyi	State of California CIW
Wally Hall	State of California CIW
Raul Garibay	City of Pomona
David DeJesus	Three Valleys Municipal Water District

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

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

Mr. Manning stated there is a correction in the minutes in red and the minutes have been revised to reflect the revision.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Watermaster Board Meeting held November 16, 2006

B. FINANCIAL REPORTS

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

Added Comment by Legal Counsel:

Counsel Slater noted the minutes are reviewed by the Special Referee and the Special Referee's Technical Assistant; they have reviewed the presented minutes. Via a telephone conversation with them yesterday, Ms. Schneider and Mr. Scalmanini do not want to make any adjustments to the presented minutes; however, there is a comment they would like shared with the Board members, which is, "Upon the review of the minutes they wish the Board and the members of the Watermaster family to understand that Mr. Scalmanini has formed no opinion as to the proper percentage for the percentage of forgiveness for replenishment to be used in connection of Hydraulic Control and that they are waiting for the completion of Mr. Scalmanini's report."

Motion by Rose, second by Willis, and by unanimous vote

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

II. BUSINESS ITEMS**A. DR. SUNDING ECONOMIC BENEFITS REPORT**

Mr. Manning stated in the discussions regarding the Peace II Agreement there are prerequisites that need to be completed. One of those prerequisites was a macro evaluation of the Peace II arrangement and how it was going to affect the basin. The macro analysis viewed the basin as if were one owner and was not looking at individual parties. Dr. Sunding had presented his initial draft Economic Benefits Report to the parties at a July 2006 workshop and from that workshop he took questions and comments and has incorporated those changes into his newly revised report, which is ready to be approved to be received and filed with the court. Dr. Sunding gave his updated report and highlighted the changes that were made from the draft to the final report. Dr. Sunding reviewed several tables in detail to allow the parties to have a better understanding of his analysis. A discussion ensued with regard to Dr. Sunding's report. Ms. Rose inquired about the storage losses. Dr. Sunding stated there are different assumptions about exactly what the storage loss will be in percentage terms and could be as high as 2%. Mr. Kinsey inquired about the summary on the first page and offered comments regarding recycled water benefits. Mr. Kinsey referenced a letter written to Dr. Sunding regarding the "no action alternative." Monte Vista Water District feels the no action alternative is incorrect; essentially a no action alternative evaluated in this presented analysis says you build all the desalters but because you don't take advantage of re-operation, you do not get any of those benefits. Mr. Kinsey stated this is the macro analysis, which is the benefits of the collective and the more difficult part will be the micro analysis where it says how the costs will affect the various parties. Mr. Kinsey asked that his comments be made part of the record and that a follow up letter will be submitted to reiterate his points made. A discussion ensued with regard to page six of the scenario in the presented Economic Report. Mr. Vanden Heuvel asked Mr. Kinsey if he had any documentation to back up the assertion that absent Hydraulic Control we would not be able to use as much recycled water. Mr. Kinsey stated this subject was researched when he was working for Inland Empire Utilities Agency in working with the Regional Board and has also had some informal concept conversations with the Regional Board but there is nothing in writing. Mr. Kinsey referenced the Rancho Caballeros decision written by the Regional Board regarding the same content. Mr. Wildermuth stated he recently assisted Inland Empire Utilities Agency in negotiating their Reclamation Permit and the Basin Plan would put a limitation on the use of recycled water for direct uses without Max Benefit. In formal conversations in which you will not find documentation on, the Regional Board stated if one has a cemetery or a golf course prior to

Max Benefit, they would encourage that; however, a massive reclamation effort for direct use would have to have some offset built into the plan to offset the TDS loads if there was an analysis of capacity in the basin. Prior to Max Benefit, there was no safe capacity in the basin. What Max Benefit did was to create a safe capacity in which we could direct recycled water use projects with and for the record the Rancho Caballeros decision said, "You can't write a permit that can't doesn't implement the Basin Plan." Mr. Wildermuth stated the Regional Board would not allow us to have a reclamation permit if it did not implement the Basin Plan. Mr. Manning stated at the Advisory Committee meeting this morning there were some comments made that had merit about some corrections that could be made to the report. The report that Dr. Sunding has done is a report that is large in magnitude and there could be corrections that could go on for a long period of time; however, in the nature of continuing our dialog towards the completion of the Peace II process this is the first in the "next steps" that needs to be done. Mr. Manning stated the report is the report and staff is seeking a recommendation to receive and file this report with the court.

Motion by Rose, second by Willis, and by unanimous vote

Moved to receive and file with the court the revised Economic Benefits Report by Dr. David Sunding, as presented

B. INLAND VALLEY DAILY BULLETIN ADVERTISING CAMPAIGN

Mr. Manning stated several parties have been participating in this advertising water industry campaign for three years now and there have been excellent comments about the publications. Mr. Manning recapped what the past publications were trying to capture and noted this years will be slightly different in that there will be more articles printed in the actual newspaper as opposed to what was done in the past with inserts. Mr. Manning noted this item is in the FY 2006-2007 budget. A discussion ensued with regard to the context of the articles. Mr. Jeske commented on the possibilities of using the internet side of advertising for this cause. Mr. Manning stated this was an excellent idea and he would pursue it with the Daily Bulletin representatives.

Motion by Kuhn, second by Rose, and by unanimous vote

Moved to approve the twelve month advertising campaign with the Inland Valley Daily Bulletin to match contributing funds with Inland Empire Utilities Agency, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Santa Ana River Application

Counsel Slater stated there is a letter on the back table to the State Water Resources Control Board. The State Board does appear determined to hold a hearing on all of the Santa Ana River Water Rights Applications including Chino Basin Watermaster's. At ACWA there were comments from Art Baggett that there will be a hearing in the spring of 2007. In response to that statement all the parties have been meeting on a regular basis to discuss what we feel the hearing should look like and how all the parties can work together. The letter is the first real outcome and proposes that we convene workshops prior to noticing the hearing. Chino Basin Watermaster has one remaining protest to the Chino Basin's application and that is from the Department of Fish and Game, although, they have not clearly stated what they are protesting and in the meantime have permitted our project. Counsel will keep the parties apprised on the progress of this matter.

2. Peace II

Counsel Slater stated Dr. Sunding's report was to not exceed twenty thousand dollars and having worked personally with Dr. Sunding through this process, counsel can assure all the parties that we got our monies worth. Counsel Slater thanked Dr. Sunding for his outstanding job performance on this report. The study which is now complete was part of the Peace II Term Sheet and was the macro analysis. We are continuing to wait for the issuance of the Scalmanini review of the Wildermuth model. As of yesterday afternoon it

was heard from the Special Referee and Mr. Scalmanini that they believe his report would be out at the end of January 2007.

Counsel Slater stated there is a draft timeline on the back table for review; this is an aggressive timeline to facilitate resolution of Peace II. This timeline was drafted by the request of the Watermaster Board. We are asking for comments on this draft timeline. Two items really need to have input on them and those are the itemization of issues and the steps we need to go through and the other is the time frames we have attached to those items. Counsel Slater stated there will be one pathway with Wildermuth Environmental reviewing the physical project, we have a second pathway which is the integration of the concepts in the Peace II Term Sheet into legal instruments and then moving the court with the benefit of all of the information which we have received to date including the more deliberate micro analysis. Counsel would go to the court sometime in 2007 and ask the court for a conditional approval of the whole package (not individual pieces). Conditional because we still have to anticipate the fact that we have to comply with CEQA as to some or all and we cannot lock all the parties into a final agreement until CEQA has been complied with as we did in 2000. A discussion ensued with regard to Counsel Slater's comments and possible person/party responsibilities. Mr. Vanden Heuvel stated he would like to see an estimate of cost done for the micro analysis from Dr. Sunding. A lengthy discussion ensued with regard to the listed items on the timeline. Mr. Manning stated that the next evolution of this timeline will be the expansion of the timeline into a gant chart; the parties will work together to create a critical path process.

3. Waste Discharge Requirements

Counsel Slater stated the parties which are most interested in this topic are Western Municipal Water District and San Bernardino Municipal Water District. They are continuing to meet and work on the draft which was handed out last month. Chino Basin Watermaster is continuing to monitor the progress of this process.

4. MZ1 Long Term Plan

Counsel Slater stated the non-binding term sheet set a goal of December 31, 2006 for the MZ1 long term plan to be completed. The MZ1 Technical Committee is meeting on a regular basis and the long term plan is being worked on and good progress is being made; however, we are going to miss the December 31st deadline. There is a potential that we will not miss that date by much time; a final product could come to fruition in the first quarter of 2007.

C. CEO/STAFF REPORT

1. Storm Water/Recharge Report

Mr. Manning stated the Storm Water report is available on the back table for review. In summary, we are on schedule in terms of our recharge progress. Mr. Treweek gave his "Silt Extraction" presentation and noted this presentation was given to the Agricultural Pool last month. A lengthy discussion ensued with regard to the presentation and several questions were presented to Mr. Treweek about the process and costs.

2. Legislative Update

Mr. Manning stated we received notice last week from Washington DC that a few changes have taken place that we all should be aware of. There are ten new members on the House side; ten new democrats bringing the total to thirty-eight members on that committee. Among the ten were three Californians; however, none of them are representing this area. Jerry Lewis will continue to hang on as the ranking Republican in that committee. In the senate, Diane Feinstein, remains on the senate appropriations committee and has become the chair of the interior sub-committee. Mr. Manning stated he recently had breakfast with Senator Margett and Dan Dun Moyer; Dan is the senior and chief policy advisory to Governor Schwarzenegger and had a chance to sit down briefly with Dan and talk about state wide water policy. While at the recent ACWA conference a number of people met with

Bob Johnston, Commissioner of the Bureau of Reclamation, to talk about Title 16 issues and that conversation went very well. A brief discussion ensued with regard to legislative issues.

3. Strategic Planning Issue Report

Mr. Manning stated the matrix from the October conference is now complete in draft form and available on the back table for review and comment. Mr. Manning reviewed the column titles and explained their meanings. Mr. Manning stated the context of this matrix will be incorporated into his next goals and objectives.

4. Holiday Open House

Mr. Manning stated he and his wife Sue, will be hosting an open house at their home in Alta Loma and all are invited to attend; there is a flyer on the back table with the address and time of the event.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. POOL MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

December 19, 2006	9:00 a.m.	GRCC Meeting
December 21, 2006	9:00 a.m.	Advisory Committee Meeting
December 21, 2006	11:00 a.m.	Watermaster Board Meeting
January 11, 2007	10:00 a.m.	Annual Appropriative Pool Meeting
January 11, 2007	11:00 a.m.	Annual Non-Agricultural Pool Meeting
January 16, 2007	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 25, 2007	9:00 a.m.	Annual Advisory Committee Meeting
January 25, 2007	11:00 a.m.	Annual Watermaster Board Meeting

The Watermaster Board Meeting Adjourned at 12:20 p.m.

Secretary: _____

Minutes Approved: _____

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of December 2006
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2006 through November 30, 2006
3. Treasurer's Report of Financial Affairs for the Period November 1, 2006 through November 30, 2006
4. Profit & Loss Budget vs. Actual July 2006 through November 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: January 11, 2007
January 16, 2007
January 25, 2007

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report – December 2006

SUMMARY

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

Recommendation – Staff recommends the Cash Disbursements for December 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 October 2006 were \$547,542.41. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$244,921.00 and Hatch and Parent in the amount of \$64,535.39.

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
December 2006

Type	Date	Num	Name	Amount
Dec 06				
General Journal	12/2/2006	06/12/4	PAYROLL	-6,581.81
General Journal	12/2/2006	06/12/4	PAYROLL	-23,011.77
Bill Pmt -Check	12/4/2006	10978	ANDERSON, JOHN	-250.00
Bill Pmt -Check	12/4/2006	10979	APPLIED COMPUTER TECHNOLOGIES	-3,013.60
Bill Pmt -Check	12/4/2006	10980	BLACK & VEATCH CORPORATION	-6,175.00
Bill Pmt -Check	12/4/2006	10981	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	12/4/2006	10982	CA SOCIETY OF MUNICIPAL FINANCE OFFICERS	-110.00
Bill Pmt -Check	12/4/2006	10983	CUCAMONGA VALLEY WATER DISTRICT	-5,340.00
Bill Pmt -Check	12/4/2006	10984	DIRECTV	-74.98
Bill Pmt -Check	12/4/2006	10985	ELLISON, SCHNEIDER & HARRIS, LLP	-18,080.12
Bill Pmt -Check	12/4/2006	10986	HAMRICK, PAUL	-125.00
Bill Pmt -Check	12/4/2006	10987	INLAND COUNTIES INSURANCE SERVICES, INC.	-238.57
Bill Pmt -Check	12/4/2006	10988	INLAND EMPIRE UTILITIES AGENCY	-63,757.01
Bill Pmt -Check	12/4/2006	10989	KUHN, BOB	-250.00
Bill Pmt -Check	12/4/2006	10990	MEDIA JIM	-795.00
Bill Pmt -Check	12/4/2006	10991	OFFICE DEPOT	-184.14
Bill Pmt -Check	12/4/2006	10992	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	12/4/2006	10993	QUILL	-19.99
Bill Pmt -Check	12/4/2006	10994	R&D PEST SERVICES	-85.00
Bill Pmt -Check	12/4/2006	10995	REID & HELLYER	-4,988.83
Bill Pmt -Check	12/4/2006	10996	SCOTT-COE, JUSTIN	-125.00
Bill Pmt -Check	12/4/2006	10997	SOUTHERN CALIFORNIA WATER COMMITTEE	-290.00
Bill Pmt -Check	12/4/2006	10998	STANDARD INSURANCE CO.	-555.18
Bill Pmt -Check	12/4/2006	10999	THE FURMAN GROUP, INC.	-2,590.00
Bill Pmt -Check	12/4/2006	11000	UNION 76	-147.94
Bill Pmt -Check	12/4/2006	11001	UNITEK TECHNOLOGY INC.	-129.27
Bill Pmt -Check	12/4/2006	11002	VANDEN HEUVEL, GEOFFREY	-375.00
Bill Pmt -Check	12/4/2006	11003	VELASQUEZ JANITORIAL	-1,200.00
Bill Pmt -Check	12/4/2006	11004	VERIZON	-44.00
Bill Pmt -Check	12/4/2006	11005	WILLIS, KENNETH	-250.00
Bill Pmt -Check	12/4/2006	11006	YUKON DISPOSAL SERVICE	-134.72
Bill Pmt -Check	12/4/2006	11007	CALIFORNIA WATER AWARENESS CAMPAIGN	-375.00
Bill Pmt -Check	12/4/2006	11008	CALPERS	-2,427.95
Bill Pmt -Check	12/14/2006	11009	ARROWHEAD MOUNTAIN SPRING WATER	-30.34
Bill Pmt -Check	12/14/2006	11010	BANK OF AMERICA	-1,407.98
Bill Pmt -Check	12/14/2006	11011	CITISTREET	-2,632.30
Bill Pmt -Check	12/14/2006	11012	CUCAMONGA VALLEY WATER DISTRICT	-5,340.00
Bill Pmt -Check	12/14/2006	11013	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	12/14/2006	11014	HATCH AND PARENT	-64,535.39
Bill Pmt -Check	12/14/2006	11015	LOS ANGELES TIMES	-42.40
Bill Pmt -Check	12/14/2006	11016	MCI	-907.73
Bill Pmt -Check	12/14/2006	11017	MONTE VISTA WATER DIST	-1,000.00
Bill Pmt -Check	12/14/2006	11018	PAYCHEX	-279.97
Bill Pmt -Check	12/14/2006	11019	PREMIERE GLOBAL SERVICES	-167.85
Bill Pmt -Check	12/14/2006	11020	PUMP CHECK	-330.00
Bill Pmt -Check	12/14/2006	11021	PURCHASE POWER	-2,032.27
Bill Pmt -Check	12/14/2006	11022	RICOH BUSINESS SYSTEMS-Lease	-4,480.25
Bill Pmt -Check	12/14/2006	11023	SPRINT	-591.95
Bill Pmt -Check	12/14/2006	11024	STATE COMPENSATION INSURANCE FUND	-1,149.98
Bill Pmt -Check	12/14/2006	11025	UNITED PARCEL SERVICE	-296.92
Bill Pmt -Check	12/14/2006	11026	VERIZON	-352.13
Bill Pmt -Check	12/14/2006	11027	VIP AUTO DETAILING	-798.80
Bill Pmt -Check	12/14/2006	11028	WATER EDUCATION FOUNDATION	-575.00
Bill Pmt -Check	12/14/2006	11029	CITISTREET	-2,632.30
Bill Pmt -Check	12/14/2006	11030	RICOH BUSINESS SYSTEMS-Maintenance	-1,047.00
Bill Pmt -Check	12/14/2006	11031	VERIZON WIRELESS	-161.70
Bill Pmt -Check	12/14/2006	11032	CITISTREET	-2,914.84
General Journal	12/16/2006	06/12/6	PAYROLL	-6,581.81
General Journal	12/16/2006	06/12/6	PAYROLL	-23,011.77
Bill Pmt -Check	12/20/2006	11033	ACWA SERVICES CORPORATION	-221.50
Bill Pmt -Check	12/20/2006	11034	CALPERS	-3,058.44
Bill Pmt -Check	12/20/2006	11035	COMPUSA, INC.	-407.28
Bill Pmt -Check	12/20/2006	11036	INLAND EMPIRE UTILITIES AGENCY	-10,000.00
Bill Pmt -Check	12/20/2006	11037	JASON KARNER	-30.00
Bill Pmt -Check	12/20/2006	11038	PARK PLACE COMPUTER SOLUTIONS, INC.	-3,135.00
Bill Pmt -Check	12/20/2006	11039	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	12/20/2006	11040	RICOH BUSINESS SYSTEMS-Maintenance	-24.82
Bill Pmt -Check	12/20/2006	11041	STAULA, MARY L	-136.61

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
December 2006

Type	Date	Num	Name	Amount
Bill Pmt -Check	12/20/2006	11042	WILDERMUTH ENVIRONMENTAL INC	-244,921.00
Bill Pmt -Check	12/21/2006	11043	DAVID L. SUNDING	-20,000.00
Dec 06				<u>-547,542.41</u>

CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2006 THROUGH NOVEMBER 30, 2006

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION AND SPECIAL PROJECTS APPROPRIATIVE POOL	AGRICULTURAL POOL	NON-AGRIC. POOL	GROUNDWATER OPERATIONS GROUNDWATER REPLENISHMENT	SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2006-2007
Administrative Revenues										
Administrative Assessments			5,103,741		110,425				5,214,166	\$7,308,205
Interest Revenue			59,855	7,409	2,573			24	69,861	138,500
Mutual Agency Project Revenue										138,000
Grant Income										0
Miscellaneous Income										0
Total Revenues			5,163,596	7,409	112,998			24	5,284,027	7,582,705
Administrative & Project Expenditures										
Watermaster Administration	393,780								393,780	601,598
Watermaster Board-Advisory Committee	20,380								20,380	52,123
Pool Administration			9,054	31,971	3,090				44,115	118,245
Optimum Basin Mgmt Administration		824,897							824,897	1,855,795
OBMP Project Costs		1,963,549							1,963,549	5,904,269
Education Funds Use								375	375	375
Mutual Agency Project Costs	7,806								7,806	5,000
Total Administrative/OBMP Expenses	421,966	2,788,446	9,054	31,971	3,090			375	3,254,902	8,537,405
Net Administrative/OBMP Income	(421,966)	(2,788,446)								
Allocate Net Admin Income To Pools	421,966		324,748	88,142	9,076					0
Allocate Net OBMP Income To Pools		2,788,446	2,146,011	582,461	59,974					0
Agricultural Expense Transfer			699,949	(699,949)						0
Total Expenses			3,179,762	2,625	72,140			375	3,254,902	8,537,405
Net Administrative Income			1,983,834	4,784	40,858			(351)	2,029,125	(954,700)
Other Income/(Expense)										
Replenishment Water Purchases						369,248			369,248	0
MZ1 Supplemental Water Assessments										0
Water Purchases										0
MZ1 Imported Water Purchase										0
Groundwater Replenishment						(1,480,310)			(1,480,310)	0
Net Other Income						(1,111,062)			(1,111,062)	0
Net Transfers To/(From) Reserves			1,983,834	4,784	40,858	(1,111,062)		(351)	918,063	(954,700)
Working Capital, July 1, 2006			4,439,157	470,561	186,984	1,139,615	158,251	1,942	6,396,510	
Working Capital, End Of Period			6,422,991	475,345	227,842	28,553	158,251	1,591	7,314,573	
05/06 Assessable Production			124,900.575	33,899.960	3,490.589				162,291.124	
05/06 Production Percentages			76.961%	20.888%	2.151%				100.000%	

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
NOVEMBER 1 THROUGH NOVEMBER 30, 2006**

DEPOSITORIES:

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	72,603		
Zero Balance Account - Payroll		-		72,603
Vineyard Bank CD - Agricultural Pool				428,645
Local Agency Investment Fund - Sacramento				2,073,222
TOTAL CASH IN BANKS AND ON HAND				\$ 2,574,970
TOTAL CASH IN BANKS AND ON HAND	11/30/2006			3,136,148
	10/31/2006			3,136,148
PERIOD INCREASE (DECREASE)				\$ (561,178)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$	-
Assessments Receivable				(5,214,166)
Prepaid Expenses, Deposits & Other Current Assets				(56,877)
(Decrease)/Increase in Liabilities: Accounts Payable				(80,641)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				(6,673)
Transfer to/(from) Reserves				4,797,179
PERIOD INCREASE (DECREASE)				\$ (561,178)

SUMMARY OF FINANCIAL TRANSACTIONS:	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Savings	Vineyard Bank	Local Agency Investment Funds	Totals
Balances as of 10/31/2006	\$ 500	\$ 125,406	\$ -	\$ 9,722	\$ 427,298	\$ 2,573,222	\$ 3,136,148
Deposits	-	-	-	-	1,347	-	1,347
Transfers	-	431,443	78,279	(9,722)	-	(500,000)	-
Withdrawals/Checks	-	(484,246)	(78,279)	-	-	-	(562,525)
Balances as of 11/30/2006	\$ 500	\$ 72,603	\$ -	\$ -	\$ 428,645	\$ 2,073,222	\$ 2,574,970
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (52,803)	\$ -	\$ (9,722)	\$ 1,347	\$ (500,000)	\$ (561,178)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
NOVEMBER 1 THROUGH NOVEMBER 30, 2006**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
11/13/2006	Withdrawal		\$ 500,000				
TOTAL INVESTMENT TRANSACTIONS			\$ 500,000	-			

*The earnings rate for L.A.I.F. is a daily variable rate; 4.93% was the effective yield rate at the Quarter ended September 30, 2006

**INVESTMENT STATUS
November 30, 2006**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 2,073,222			
TOTAL INVESTMENTS	\$ 2,073,222			

Funds on hand are sufficient to meet all foreseen and planned Administrative and project expenditures during the next six months.

All investment transactions have been executed in accordance with the criteria stated in Chino Basin Watermaster's Investment Policy.

Respectfully submitted,



Sheri M. Rojo, CPA
Chief Financial Officer & Assistant General Manager
Chino Basin Watermaster

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July through November 2006

	<u>Jul - Nov 06</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	0	138,000	-138,000	0.0%
4100 · Administrative Assessments	5,214,166	0	5,214,166	100.0%
4110 · Admin Asmnts-Approp Pool	0	7,227,619	-7,227,619	0.0%
4120 · Admin Asmnts-Non-Agri Pool	0	80,586	-80,586	0.0%
4700 · Non Operating Revenues	69,861	136,500	-66,639	51.18%
Total Income	<u>5,284,027</u>	<u>7,582,705</u>	<u>-2,298,678</u>	<u>69.69%</u>
Gross Profit	5,284,027	7,582,705	-2,298,678	69.69%
Expense				
6010 · Salary Costs	301,844	447,037	-145,193	67.52%
6020 · Office Building Expense	43,971	102,000	-58,029	43.11%
6030 · Office Supplies & Equip.	18,585	45,000	-26,415	41.3%
6040 · Postage & Printing Costs	42,805	78,500	-35,695	54.53%
6050 · Information Services	57,962	112,500	-54,538	51.52%
6060 · Contract Services	51,568	131,000	-79,432	39.37%
6080 · Insurance	0	25,210	-25,210	0.0%
6110 · Dues and Subscriptions	12,693	16,750	-4,057	75.78%
6140 · WM Admin Expenses	1,474	6,500	-5,026	22.67%
6150 · Field Supplies	795	4,000	-3,205	19.88%
6170 · Travel & Transportation	8,733	19,350	-10,617	45.13%
6190 · Conferences & Seminars	21,073	22,500	-1,427	93.66%
6200 · Advisory Comm - WM Board	4,993	15,168	-10,175	32.92%
6300 · Watermaster Board Expenses	15,388	36,955	-21,567	41.64%
8300 · Appr PI-WM & Pool Admin	9,054	15,918	-6,864	56.88%
8400 · Agri Pool-WM & Pool Admin	8,288	18,633	-10,345	44.48%
8467 · Agri-Pool Legal Services	21,058	65,000	-43,942	32.4%
8470 · Ag Meeting Attend -Special	2,625	12,000	-9,375	21.88%
8500 · Non-Ag PI-WM & Pool Admin	3,090	6,694	-3,604	46.16%
6500 · Education Funds Use Expens	375	375	0	100.0%
9500 · Allocated G&A Expenditures	-167,723	-408,749	241,026	41.03%
Subtotal G&A Expenditures	<u>458,650</u>	<u>772,341</u>	<u>-313,691</u>	<u>59.38%</u>
6900 · Optimum Basin Mgmt Plan	765,414	1,713,780	-948,366	44.66%
6950 · Mutual Agency Projects	7,806	5,000	2,806	156.12%
9501 · G&A Expenses Allocated-OBMP	59,483	142,015	-82,532	41.89%
Subtotal OBMP Expenditures	<u>832,703</u>	<u>1,860,795</u>	<u>-1,028,092</u>	<u>44.75%</u>
7101 · Production Monitoring	45,770	61,565	-15,795	74.35%
7102 · In-line Meter Installation	4,820	64,904	-60,084	7.43%
7103 · Grdwtr Quality Monitoring	55,036	149,713	-94,677	36.76%
7104 · Gdwtr Level Monitoring	70,654	191,953	-121,299	36.81%
7105 · Sur Wtr Qual Monitoring	1,678	32,247	-30,569	5.2%
7107 · Ground Level Monitoring	54,051	160,984	-106,933	33.58%
7108 · Hydraulic Control Monitoring	91,200	483,258	-392,058	18.87%
7109 · Recharge & Well Monitoring Prog	19,198	146,350	-127,153	13.12%
7200 · PE2- Comp Recharge Pgm	705,660	1,822,997	-1,117,337	38.71%
7300 · PE3&5-Water Supply/Desalte	325	4,676	-4,351	6.95%

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July through November 2006

	<u>Jul - Nov 06</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7400 · PE4- Mgmt Plan	83,489	578,762	-495,273	14.43%
7500 · PE6&7-CoopEfforts/SaltMgmt	104,087	310,507	-206,420	33.52%
7600 · PE8&9-StorageMgmt/Conj Use	10,928	6,698	4,230	163.15%
7690 · Recharge Improvement Debt Pymt	608,415	1,608,000	-999,586	37.84%
7700 · Inactive Well Protection Prgm	0	14,921	-14,921	0.0%
9502 · G&A Expenses Allocated-Projects	108,240	266,734	-158,494	40.58%
Subtotal Special Project Expenditures	<u>1,963,549</u>	<u>5,904,269</u>	<u>-3,940,720</u>	<u>33.26%</u>
Total Expense	<u>3,254,902</u>	<u>8,537,405</u>	<u>-5,282,503</u>	<u>38.13%</u>
Net Ordinary Income	2,029,125	-954,700	2,983,825	-212.54%
Other Income/Expense				
Other Income				
4210 · Approp Pool-Replenishment	369,248	0	369,248	100.0%
Total Other Income	<u>369,248</u>	<u>0</u>	<u>369,248</u>	<u>100.0%</u>
Other Expense				
5010 · Groundwater Replenishment	1,480,310			
9999 · To/(From) Reserves	918,063	-954,700	1,872,763	-96.16%
Total Other Expense	<u>2,398,373</u>	<u>-954,700</u>	<u>3,353,073</u>	<u>-251.22%</u>
Net Other Income	<u>-2,029,125</u>	<u>954,700</u>	<u>-2,983,825</u>	<u>-212.54%</u>
Net Income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

C. CHINO BASIN WATERMASTER INVESTMENT POLICY



RESOLUTION 07-01

**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 25th day of January 2007.

ADOPTED by the Watermaster Board on this 25th day of January 2007.

By: _____

Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Board Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Ken Manning, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Resolution being No. 07-01, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES: Unanimous
NOES: 0
ABSENT: 0
ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary

Date: _____



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

D. LOCAL AGENCY INVESTMENT FUND



RESOLUTION 07-02 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>Board 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)

APPROVED by the Advisory Committee this 25th day of January 2007.
ADOPTED by the Watermaster Board on this 25th day of January 2007.

By: _____
Chairman, Watermaster Board

APPROVED:

Chairman, Advisory Committee

ATTEST:

Board Secretary
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, Ken Manning, 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: Unanimous
NOES: 0
ABSENT: 0
ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary

Date: _____



CHINO BASIN WATERMASTER

II. CONSENT CALENDAR

E. NOTICE OF INTENT



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

PLEASE TAKE NOTICE that on this 25th day of January 2007, 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

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



CHINO BASIN WATERMASTER

II. REPORTS / UPDATES

E. INLAND EMPIRE UTILITIES AGENCY

1. Monthly Water Conservation Programs Report
2. Monthly Imported Water Deliveries Report
3. State and Federal Legislative Reports
4. Community Outreach/Public Relations Report



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

January 25, 2007

AGENDA

INTERAGENCY WATER MANAGERS' REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

15-20 Minutes

Discussion Items:

Written Updates:

- Monthly Water Conservation Programs Report
- Monthly Imported Water Deliveries Report
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

Regional Conservation Programs

Monthly Report – December 2006

MWD Activities

- **California-Friendly® Marketing Campaign** - The fall California-Friendly® campaign concluded on November 12th, and it focused on California-Friendly® landscaping to save water outdoors. MWD contacted nurseries to partner in their efforts to promote drought tolerant plants and many nurseries now have California-Friendly® plants identified for customers.

Landscape Programs

- **Landscape Audit Program** - HydroEarth has completed 7 commercial audits. The completed sites' maps have been inputted onto GPS and the reports are currently being produced. To date no residential audits have been completed. The program consists of 150 commercial audits and 50 large landscape residential audits to be completed by September 2007.
- **Ontario Cares** - The City of Ontario is implementing a pilot project to integrate California-Friendly® into the city's existing Ontario Cares program to improve neighborhoods. A MWD consultant presented California-Friendly® templates to Ontario Cares inspection staff and landscape contractors. Two homes have been retrofitted using California-Friendly® protocols (example photos attached). IEUA is seeking approval from the U.S. Bureau of Reclamation to increase the rebate from \$300 to \$500 per site based on larger than average property sizes and the City's interest in adding California-Friendly® plantings.
- **Inland Empire Landscape Alliance** - The formation of the Inland Empire Landscape Alliance is underway. The following is a list of agencies and cities who have adopted resolutions of support: IEUA, Chino Basin Water Conservation District, CVWD, MVWD, San Antonio Water Co., Chino Basin Watermaster, the Cities of Chino Hills, Montclair, Rancho Cucamonga, and Upland. The kickoff workshop is scheduled to occur early February.
- **PDA Landscape Classes** - Several retail agencies are holding local PDA classes this year to educate their residents on California-Friendly® plants and efficient irrigation. CVWD and MVWD both held residential PDA classes this past fall. CVWD, MVWD, the City of Ontario and the City of Upland all have upcoming classes scheduled beginning February 2007 (see calendar).

Commercial/Industrial/Institutional Program

- **(CII SAVE-A-BUCK)** - Five rebates were issued in November. The following is a list of the most recent rebate activity within the IEUA service area:
 - **High Efficiency Clothes Washers** - There were 5 clothes washers rebated for the month of November bringing the total for FY 06/07 to 35. To date 370 commercial high efficiency clothes washers have been installed in our service area since FY 00/01.
 - **Conductivity Controller Cooling Tower** - 1 controller was installed in FY 05/06 bringing the total to 15 conductivity controllers installed through the Save-a-Buck program since FY 00/01.
 - **ULF Toilets** - 161 ULFTs were rebated in June bringing the total to 1,502 ULFTs in our service area since FY 00/01.
 - **Waterless Urinals** - 6 waterless urinals were installed in the month of July. This was the second installation of waterless urinals rebated for in the IEUA service area bringing the total to 10.
 - **Water Broom** - 1 water broom was rebated in June bringing the total to 694 since FY 00/01.
 - **SmarTimer Controllers** - 14 SmarTimer Controllers were rebated in July. This brings the total to 36 SmarTimers installed and rebated through the CII program in the IEUA service area.
- **Restaurant Spray Heads** - This program is being implemented by the CUWCC. Phase II was completed in December, 2005 with approximately 861 spray nozzles installed in our service area. Within Phase I & II approximately 1,192 spray heads were installed. Phase III is currently underway and will end in March 2007.

Residential Rebate Programs

- **ULFT & HET Rebate Program** - In the month of November, 15 ULFT rebates were processed. This brings the total number of rebates processed for FY 06/07 to 92; 90 ULFT rebates and 2 HET rebates.
- **High Efficiency Clothes Washer Rebate** - The total number of rebates processed in December was 111 bringing the number of rebates issued for FY 06/07 to 669. The total number of rebates processed since the rebate program began in 2002 is approximately 7,093.

- **“SmarTimer of Inland Empire” Program** - Since the start of the program in April 2006 seven SmarTimer Irrigation Controller rebates have been processed.
- **Rotating Nozzles for Pop-up Spray Heads** - The new rebate program for rotating nozzles will kick off in January 2007. The incentive is \$4 per rotating nozzle replaced. The rotating nozzles save up to 6,600 gallons of water over five years.

Other Residential Programs

- **Multi-Family ULFT Program** - The Multi-Family ULFT retrofit program, conducted by Bottom Line Utility Solutions, Inc. is underway. In November, 1,223 toilet installations were completed bringing the total installed to 2,040 toilets.

School Education Programs

- **Garden in Every School** - In October seven schools were chosen for the 2006/07 Garden in Every School Program. The selected schools are Litel Elementary in Chino Hills, El Rancho Elementary in Chino, Liberty Elementary in Ontario, Sycamore Elementary in Upland, Victoria Groves Elementary in Rancho Cucamonga, Buena Vista Arts-integrated School in Montclair and Poplar Elementary in Fontana. Currently designs are being created for each garden. Schools began breaking ground to prepare sites for irrigation installation early December. Planting will begin in January and continue through April.
- **National Theatre for Children** - The National Theatre for Children (NTC) performances at elementary schools within IEUA’s service area began late November and will continue through May 2007. Currently 33 performances have been scheduled.
- **Groundwater Model** - Chino Hills’ and IEUA’s staffs are now in the process of learning how to operate the model. It is anticipated that the model will be ready for presentations in spring 2007.
- **MWD Solar Cup 2007** - The Solar Cup 2007 program kicked off with its first two boat-building workshops on December 9th and December 16th with a record high of 47 teams participating. Five schools within IEUA’s service area have been accepted as participants for the 2007 Solar Cup program including Rancho Cucamonga High School (CVWD), Montclair High School (MVWD), Upland High School (Upland), Ayala High School and Chino Hills High School (Chino Hills). The Solar Cup event will take place May 18-20, 2007.
- **2006 California Ground Water Institute for Teachers** - IEUA co-sponsored with American Ground Water Trust and Western Municipal Water District and participated in a regional teacher training program on ground water resources.
- **Chino Youth Museum** - In 2002, the City of Chino, Monte Vista Water District and IEUA joined with the Chino Youth Museum to create a water exhibit to educate children on different elements of water. Over the past year the group has rejoined together, along with the City of Chino Hills and the Chino Basin Water Conservation District to rejuvenate and improve the exhibit. The planning committee has received drawings from the consultant for the design of the new exhibit. Construction of the exhibit will begin this winter.

Outreach

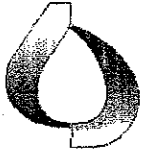
- **Water Fair** - The planning committee began meeting for the Water Fair 2007 in December. In addition to the participating agencies for the 2006 event, Three Valleys MWD will join in the planning and implementation of the 2007 event. The Water Fair 2007 will be held next fall.
- **Conservation Ads (monthly and special)** - Conservation tips are printed in the Daily Bulletin monthly. The ads are normally printed the last Sunday of each month.
- **Water Education Water Awareness Committee (WEWAC)** - The applications for the Edu-Grant program, which awards teachers and their classes \$500 to conduct water focused lessons and projects, were due November 10th. The committee reviewed the applications early December and eight classes have been selected. The selected winners will be announced late December.
- **Porous Concrete Workshop** - Chino Basin Watermaster, Southern California Water Committee, Southern California Nevada Concrete Association and IEUA sponsored a workshop on the use of porous concrete on November 9th. Over forty people attended to learn about how porous concrete can help increase infiltration and improve water quality.

CALENDAR

February 7, 2007	CUWCC Steering Committee Meeting (MWD)
February 10, 2007	PDA Mini-Landscape Class (City of Ontario)
February 27, 2007	Leadership Breakfast (IEUA)
March 3, 2007	PDA Landscape Series-Design Class (City of Upland)
March 10, 2007	PDA Mini-Landscape Class (Monte Vista Water District)
March 14, 2007	CUWCC Plenary Session (City of Santa Barbara)
March 17, 2007	PDA Landscape Series-Plants Class (City of Upland)
March 24, 2007	PDA Landscape Series-Systems Class (City of Upland)
March 31, 2007	PDA Landscape Series-W&F Class (City of Upland)
March 31, 2007	PDA Mini-Landscape Class (Cucamonga Valley Water District)
May 18-20, 2007	MWD Solar Cup 2007 (Lake Skinner)

G:\Board-Rec\2006\06418 Regional Conservation Programs-Dec 2006.doc

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



Inland Empire
UTILITIES AGENCY

Date: January 17, 2007
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (01/10/07)
From: Richard W. Atwater *RWA*
Chief Executive Officer/General Manager
Submitted by: Martha Davis *MD*
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:mef

Enclosure

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

BILL GEYER
JENNIFER WEST



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

MEMORANDUM

TO: Richard W. Atwater and Martha Davis

FROM: Jennifer West

DATE: December 28, 2006

RE: Legislative Report

Attached is a list of bills of interest introduced thus far for the 2007 legislative session. There are 32 new members of the Legislature – an all time high number of freshman since the advent of term limits. Legislators came into session on December 4, introduced 80 bills and then went back on recess until the first week of January. Legislators will have until the end of January to submit bills for session, so expect the next bill list to be much longer.

Flood Funding and Proposition 84 Implementation

Flood control for the Central Valley and bond implementation generally will be top priorities for legislators. There is more than \$10 billion in water-related and habitat funding from Propositions 84 and 1E. One challenge will be to ensure that the statewide competitive funding in Proposition 1E is not allowed to be earmarked for the Central Valley. Despite almost \$4 billion in flood funding for that region, DWR stated in a recent flood briefing that almost triple that amount will be needed to properly protect communities in the Central Valley. In the *Paterno* case, the state of California was held liable for flood damage in communities behind state-federal project levees. There are 1,600 miles of state-federal levees in the Central Valley. So the pressure to focus all funding in this region of the state may be coming from the Administration, as well as Central Valley interests.

Other priorities for bond implementation for IEUA will include Proposition 84 funding for the Integrated Regional Water Management Program, the flood corridor funding in Proposition 1E and 84, and the creation of the Santa Ana River Parkway administered by the Coastal Conservancy.

Have a wonderful Holiday break!

**Inland Empire Utilities Agency
Legislative Tracking 12/28/06**

SB 5 (Machado) Flood Management	Comprehensive flood management legislation backed by Senate leadership. It establishes the roles and responsibilities for the state of California, local governments and landowners in flood management.	Introduced
SB 8 (Kuehl) Environmental Justice	Includes "Environmental justice" as one of 12 programs in the California Bay-Delta Program.	Introduced
SB 17 (Florez) Reclamation Board and Powers	Gives the "Central Valley Flood Protection Board" new authority over flood control activities in the Central Valley. Specifically, the bill renames the Reclamation Board and increases its membership from 7 to 9 people. Creates ex parte rules and conflict of interest requirements governing the Board's activities.	Introduced
SB 27 (Simitian) Delta Bypass Canal	Authorizes the issuance of \$5 billion in bonds to build a water conveyance facility around the Delta, under certain conditions. Declares that this is necessary for the protection of fish and wildlife in the Delta and for the protection of the state's water supply.	Introduced
SCA 2 (Simitian) Bond	Places Delta bypass bond measure on the 2007 ballot.	Introduced
SB 34 (Torlakson) Delta User Fee	Declares that the Reclamation Board, in consultation with DWR, establish a "beneficiary pays system" and collect user fees and assessments for levee maintenance and other flood control purposes in the Delta. States that a significant portion of the state bond funds approved in Prop. 1E be prioritized in conjunction with the "beneficiary pays system."	Introduced
AB 5 (Wolk) Flood Protection	Gives priority for state funds to be given to local agencies that have adopted a local plan of flood protection. Prohibits local government in the central valley from approving new development within high-risk flood prone areas, unless adequate flood protection is assured.	Introduced
AB 35 (Ruskin) State Green Buildings	Requires the California Integrated Waste Management Board by 2009 to adopt regulations for sustainable building standards for the construction or renovation of state buildings.	Introduced



Inland Empire
UTILITIES AGENCY

Date: January 17, 2007
To: The Honorable Board of Directors
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis *MD*
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 Boccadoro 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.

RWA:MD:mef

Enclosure

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



January 5, 2007

To: Chino Basin/OBMP Coalition

From: Michael Boccadoro
Senior Vice President

RE: December Status Report

Please find attached the status report from The Dolphin Group for the month of December 2006.

The 2007 session of the California Legislature began on January 3rd, as 34 new members of the Assembly and Senate were sworn into office. Governor Schwarzenegger's second inauguration is set for January 5, 2007.

Water and energy issues are expected to play a prominent role in early Administration policy discussions. The Governor is set to discuss critical issues as he kicks off next week with a health care policy reform speech on January 8th, his State of the State address on January 9th and releases his 2007-08 state budget on January 10th.

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

Chino Basin / OBMP Coalition

Status Report – October 2006

ENERGY/REGULATORY

Energy Efficiency Funding for Water Conservation Efforts

Throughout December, utilities and water agencies continued work on the development of pilot programs to propose to the California Public Utilities Commission. The goals of the programs are to better understand embedded energy savings that can be reached through enhanced water conservation efforts.

A meeting of the Water/Energy Partnership was held in Oakland on December 12, where the investor-owned utilities outlined their draft proposals for applications that will be filed on January 15th. The Commission hopes to approve the pilot programs in time to implement them by July 2007.

Complicating the schedule is the fact that proposals relating to the 2009-11 Energy Efficiency cycles will likely be under development prior to the completion of the pilot programs. Parties are hopeful that insight garnered from the pilot programs can be incorporated and expanded in the next three-year Energy Efficiency cycle.

Both IEUA and DGI are involved in the discussions related to the January applications, and currently coordinating efforts to evaluate the proposed programs in order to maximize the effectiveness of the pilot phase.

Following the filing of the applications, the Commission is expected to hold a prehearing conference in late January to scope the case and set a schedule for consideration of the programs in order to achieve a July launch date.

DGI will be attending the Prehearing Conference and continues to monitor this proceeding.

AB 1969 Implementation

On January 1, AB 1969 (Yee D-South San Francisco) became law. Sponsored by IEUA, the new law requires investor-owned utilities to purchase excess renewable electricity generation, by water and wastewater agencies, up to 1.5 MW per facility.

The utilities are still determining whether to implement the measure as a standard contract or as a tariff option. DGI will remain engaged with the utilities as they develop their implementation plans in early 2007.

LEGISLATIVE/PLANNING

With the 2007 Legislative Session under way, new measures have begun to be introduced by the Assemblymembers and Senators. Topics such as greenhouse gas regulation and renewable energy generation are expected to be high priority issues for the Legislature and the Governor in this session.

Legislators have until January 26th to submit bill request to the Legislative Counsel office, outlining their proposed measures for the 2007 session. Specific bill language must be introduced by February 23rd.

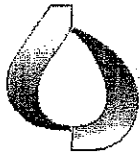
Legislation must be in print for 30 days before the measure can be heard in committee. Policy committee hearings generally begin in late March.

LEGISLATION

CA AB 94

AUTHOR: Levine [D]
TITLE: Renewable Energy
INTRODUCED: 12/20/2006
SUMMARY:

Revises the intent language so that the amount of electricity generated per year from eligible renewable energy resources is increased to an amount that equals at least 33% of the total electricity sold to retail customers in California per year by 2010.



Inland Empire
UTILITIES AGENCY

Date: January 17, 2007
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (01/10/07)
From: Richard W. Atwater *RWA*
Chief Executive Officer/General Manager
Submitted by: Martha Davis *MD*
Executive Manager of Policy Development
Subject: December Legislative Report from Innovative Federal Strategies, LLC

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:mef

Enclosure

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Rich Atwater and Martha Davis, IEUA

From: Letitia White and Heather McNatt

Date: December 21, 2006

Re: December Monthly Legislative Update

During December, IFS advised IEUA on the final appropriations and authorization developments of the year. It was unfortunate that most of those developments were not better news for IEUA. However, we did have a very productive conference call where we began to map out a legislative strategy for 2007. IFS also secured a commitment from staff on Capitol Hill to reintroduce IEUA's authorization bill when Congress reconvenes in January.

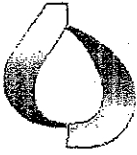
The 109th Congress came to a close this month, leaving behind a great deal of unfinished work and very few legislative successes. Many of the major initiatives announced by the Republicans for the past two years, including immigration reform, Social Security reform and a major overhaul of the tax code, failed to materialize. Of course, the biggest disappointment is that only the Department of Defense and Department of Homeland Security Appropriations bills were passed by Congress and signed by the President, leaving the bulk of the federal government funded by continuing resolution. This past year was an incredibly partisan one, mainly due to the mid-term elections, and most major legislation was doomed by political fighting.

The new Democratic majority will take control when the 110th Congress convenes on January 3rd. Typically, the Congress is sworn in and immediately recesses until the State of the Union in late January, but this will not be a typical year. The incoming leaders have announced an ambitious legislative agenda which includes a "First 100 Hours" push on many issues including ethics reform, stem cell research initiatives, "pay-go" accounting practices, raising the minimum wage, implementing 9/11 Commission's recommendations, repealing Big Oil subsidies and investing in renewable fuels, cutting interest rates on student loans, and requiring Medicare to negotiate lower drug prices. January promises to be a very busy month, and we will keep you posted as the details emerge.

One of the first tasks that Members must accomplish before the current continuing resolution expires on February 15th is wrapping up the Fiscal Year 2007 appropriations bills. As you know, incoming House and Senate Appropriations Chairmen Obey and Byrd plan to pass a large funding bill that excludes all earmarks. If they stand by the announcement they made, there will be no earmarks in the remaining FY07 appropriations legislation but there will be earmarks in the FY08 bills. The incoming Chairmen and Leadership want "transparency" in the FY08 earmark process, however, and plan to pass an ethics/earmark reform bill prior to inserting earmarks in the FY08 bills. We will continue to monitor this reform process as it moves forward and advise you on the best way to proceed on your projects.

Suite 800 • 525 Ninth Street, NW • Washington, DC 20004 • 202-347-5990 • Fax 202-347-5941

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



Inland Empire
UTILITIES AGENCY

Date: January 17, 2007
To: The Honorable Board of Directors
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.

RWA:MD:mef

Enclosure

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION

Agricultural Resources

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

December 22, 2006

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 2006

Highlights:

- **Transition – Congressional Changes**
- **News and Notes**
- **IEUA Working Partners**

Transition – Congressional Changes. During December, Congress completed action in the 109th Congress with major issues unaddressed, especially funding bills and a major transition pending. The Democratic Leadership, House and Senate, began the process of selecting chairs, and naming incoming members to committees. The Republicans did the same, with fewer new faces.

- * Chairs were selected, House and Senate (reported last month)
- * Incoming Chairs (Full Committee and Subcommittee) began publicly talking about “committee” and “legislative agendas.”
- * The mundane administrative challenges – switching offices, assigning new offices, assisting departing members transitions, getting some 60 new House and Senate Members office space and offices – along with new member briefings occurred.
- * Leadership elections – House and Senate, Majority and Minority – all occurred, including

several contested races.

- * Pelosi and House Democrats announced a "First 100 Hours" agenda that will dominate January (typically, the Congress convenes in January and then adjourns pending the President's State of the Union Address – this year, given the nature of the change, the House and Senate are immediately moving into legislation in January. Not unprecedented, but clearly unusual..
- * Rahall, the incoming chair to the Resources Committee indicated that he would rename to the "Natural Resources" Committee
- * Napolitano is expected to become the Water and Power Subcommittee chair, but that decision will not be finalized until sometime in January when the Committee organizes.
- * David Dreier will become the ranking Republican on Rules (formerly he was Chair)/
- * Baca will get a subcommittee on House Ag, but it's jurisdiction remains unclear.
- * Rep. Jerry Lewis becomes ranking on House Appropriations (formerly he was chair)
- * Feinstein will chair the Interior/Ag Appropriations Subcommittee, but left the Senate Energy Committee
- * Boxer becomes Chair, Senate Committee on Environment and Public Works, with jurisdiction on perchlorate and the Army Corps, among other things.

It is anticipated that, in January, committee assignments will be completed and then Committees will begin organizing. Chairs will designate subcommittee jurisdiction and members will select, House and Senate, subcommittee chairmanships. Democrats are fast-tracking this process.

New House rules that impact authorizing legislation is pending (unseen so far) involving PAYGO rules (pay-as-you-go fiscal discipline rules that have the potential to impact our recycling bills).

The only completed funding bills in 2006 were for DOD and Homeland Security. All other appropriation bills for FY 2007 remain pending.

Key dates for start of the session. The 110th Congress, First Session, convenes January 4. The President will come before Congress on January 23rd to deliver the State of the Union, and is scheduled to submit its proposed budget the first week of February. The current Continuing Resolution expires February 15.

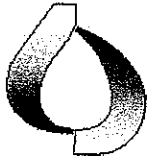
News and Notes. Rural Water Supply. Congress passed and the President signed into law legislation authorizing a Rural Water Supply program. Senators Domenici and Bingaman provided the leadership for that bill. **EPA Approves Treated Sludge Project in LA.** In late December, EPA announced approval of a program permit to inject treated sludge under Terminal Island. **ACWA Conference.** I attended the ACWA conference and participated in meetings with the Commissioner and his staff on Title XVI. **Senator Feinstein's Office on Title XVI.** Staff for the Senator began to reevaluate the need for organic changes to Title XVI, but began to reconsider competitive grants. **ACWA DC Conference.** ACWA announced it's program for it's DC Conference in February. **Rep. David Dreier on Water Recycling Bill.** Dreier indicated that,

at the beginning of the session, he would reintroduce the IEUA/CVWA recycling bill. **Rep. Gary Miller on Water Recycling Bill.** Miller and various water interests on the Santa Ana River are reviewing the bill from last year pending introduction in this Congress. **Rep. Joe Baca on Perchlorate Legislation.** Baca is planning to introduce his Southern California perchlorate bill from last year (passed the House, but not acted upon in the Senate).

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

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

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



Date: December 13 2006

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (12/06/06)

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

- November 8 and 10, 2006, two sets of delegations from China visited RP-5 and the HQ.

Calendar of Upcoming Events

- December 6, 2006, IEUA Service Awards luncheon at Centro Basco Restaurant at 12:00 p.m.
- December 21, 2006, IEUA Employee Holiday Luncheon at Los Serranos Country Club

Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign

- Three piece (3 days – 2 pages each) “Empire” ad appeared November 9, 10 and 12, 2006.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION



CHINO BASIN WATERMASTER

V. INFORMATION

1. Newspaper Articles



Close Window

Send To Printer

State may be amiss about perchlorate

Jason Pesick, Staff Writer
San Bernardino County Sun

Article Launched: 12/31/2006 12:00:00 AM PST

How much of a dangerous chemical is safe to drink?

The answer to that question is something two states - California and Massachusetts - don't agree upon. And a new study by scientists at the national Centers for Disease Control and Prevention has put California on the defense for its reliance on an older, smaller-scale study.

The dangerous chemical in question is perchlorate, which has been found in drinking-water wells throughout the Inland Empire, leading Rialto and Colton to file federal lawsuits against a number of corporations and government entities, including Goodrich, Black & Decker, San Bernardino County and, in Rialto's case, the Defense Department.

Used in the production of products such as rocket fuel, explosives and fireworks, perchlorate can be harmful to humans by interfering with the functioning of the thyroid gland.

In July, Massachusetts capped the amount of perchlorate allowed in drinking water at two parts per billion.

California, on the other hand, is heading toward adopting a standard of six parts per billion. That won't become official until the state Department of Health Services responds to comments it received on the plan, which could take until the end of January.

The differences boil down to science and politics, officials and environmentalists say.

Limited study

This summer, before the release of the CDC study, the state Health Services Department proposed six parts per billion as the maximum level of perchlorate allowed in drinking water.

Some environmentalists complained that the level was too high, noting it was three times higher than the level set by Massachusetts only a month earlier.

State officials based their proposal on a study authored by the late Dr. Monte Greer, who reported that healthy adults could safely be exposed to perchlorate at concentrations of about 200 parts per billion.

"We felt that the Greer study was really the best study to use," Allan Hirsch, a spokesman for the California Office of Environmental Health Hazard Assessment, said before the CDC released its study.

The Greer study, however, was limited in scope. It exposed a relatively small number of healthy adults - 37 - to perchlorate for just 14 days.

Because of those limitations, Renee Sharp, an analyst at the Environmental Working Group, a nonprofit environmental research organization, said California should have considered how perchlorate can affect sensitive populations, such as children and people with thyroid conditions.

Massachusetts officials agreed.

Carol Rowan West, director of the Massachusetts Department of Environmental Protection's Office of Research and Standards, put less confidence in the Greer study than do her counterparts in California.

"We had more concerns about the quality of the data and lack of data on certain issues," she said.

In addition, while California officials assumed that 60 percent of the perchlorate a person ingests comes from drinking water, Massachusetts officials put that number at 20 percent, saying people consume more perchlorate from food.

Women and perchlorate

The CDC study provides policymakers with a great deal of new information to chew on.

"It's a very respectable study from a highly respected organization," said Kevin Mayer, the regional perchlorate coordinator for the Environmental Protection Agency.

The nationwide study found that even low levels of perchlorate can affect thyroid hormone levels.

"We didn't expect to see such low levels of perchlorate have this effect on the thyroid," said one of the study's co-authors, James Pirkle.

He said women with low urinary iodine levels or low levels of iodine in their diet are particularly vulnerable.

"This is going to be important information for those people who are setting acceptable levels (for perchlorate)," he said.

The California Office of Environmental Health Hazard Assessment is now analyzing the CDC's data, Hirsch said.

Kevin Riley, the deputy director for prevention services at the California Department of Health Services, said the agency is not legally permitted to set a lower standard than what California Office of Environmental Health Hazard Assessment recommends.

The political factor

Environmentalists also claim that political and cost considerations help explain why California is moving toward a higher standard than the one adopted by Massachusetts.

If the California standard were set at two parts per billion, the costs of treating water would be "astronomical," said Eric Fraser, Colton's director of water and wastewater.

He said water standards are often based on factors other than public health. Water in the Bay Area, for example, is only disinfected, not filtered, he said, because of political pressure to lower water-quality standards.

"It just shows you how the political process sometimes can impact the adoption of drinking-water standards," he said.

Close Window

Send To Printer

Southland looks to be out \$111M

Change in Congress puts damper on funds

Lisa Friedman, Washington Bureau
San Bernardino County Sun

Article Launched:

WASHINGTON - Southern California stands to lose more than \$111million for everything from hospitals to road improvements next year as Democrats vow to strip legislators' pet projects out of the federal budget.

The looming cuts are certain to squeeze hundreds of projects from the San Fernando Valley to the San Bernardino Valley, drawing the ire of local officials who say important programs are being unfairly punished for years of reckless spending in Washington.

Perhaps nowhere will the cuts be noticed more than in San Bernardino County, where Rep. Jerry Lewis, R-Redlands, has lost his post as chairman of the House Appropriations Committee.

The 15-term congressman became beloved by his constituents for his skill at bringing back millions of dollars, although a continuing federal investigation into Lewis and his relationship with contractors and lobbyists likely has tempered some of those feelings.

Lewis did not return a call for comment, so it is tough to tell what types of funding expenditures he had worked on that could be lost. But a congressional watchdog has said previously that Lewis can expect to receive about two-thirds of the earmarks he garnered in the past.

If there are any more "luxury items" such as swimming pools paid for with federal dollars like the one Banning is currently building, they probably won't remain in the budget. Lewis' earmark caused a small controversy back in the nation's capital, even leading to some criticism from Republicans.

But officials throughout the Southland say the funding requests they have asked for are needed.

"This is not a bridge to nowhere," said Scott Ward, director of the Armory Center of the Arts of Pasadena, alluding to \$320million earmarked this year for a controversial bridge to connect two communities in rural Alaska.

The Pasadena center, which provides free after-school and weekend art projects for children, had hoped to receive \$50,000 to expand its programs to underserved neighborhoods.

The federal funds for the center - secured as part of a social services funding bill by Rep. Adam Schiff, D-Pasadena - are among hundreds of millions for congressional pet projects expected to be eliminated in the pending budget.

The crackdown comes as the Congressional Research Service calculates earmarks - those items in spending bills that lawmakers use to bring home the bacon to their states - have soared from about 3,000 in 1996 to 13,000 this year.

The costly bridge, an earmark by Sen. Ted Stevens, R-Alaska, became a lightning rod for voter outrage over congressional appropriations when it was disclosed that it would connect 8,000 residents of Ketchikan with 50 residents of the Island of Gravina.

This month, Democrats targeted such pork-barrel items when the GOP-led Congress adjourned after passing only two of 11 appropriations bills needed to fund the federal budget through Sept. 30.

Republicans passed a continuing resolution to keep the government operating for the fiscal year that began in October, but effectively dumped the unfinished job in the lap of Democrats who will control the House and Senate next year.

Last week, Congress' incoming Appropriations chairmen, Sen. Robert Byrd, D-W.Va., and Rep. David Obey, D-Wis., said they plan to expedite the budget by approving overall spending bills at last fiscal year's levels - stripped of earmarks.

Passing a second continuing resolution through Sept. 30, as Democrats plan to do, will effectively negate most of the earmarks and much of the horse-trading that has become a trademark of annual spending measures.

While the suspension is temporary - earmark funding could be reopened in 2008 - both incoming chairmen vowed to reform the system to create greater transparency and accountability.

Reforms have not yet been identified, but some Democratic and GOP leaders have proposed measures including ensuring lawmakers' names are attached to any earmark that's inserted into a bill.

But Rep. Howard "Buck" McKeon, R-Santa Clarita, said the immediate move to cut earmarks hurts his district, which includes Victorville and Barstow. His funding losses will include money for a cross-valley connector road and perchlorate cleanup.

"I fight hard for appropriations, and I fight hard for earmarks," he said. "It's the only way that our district gets any help."

But Schiff called the earmarking process "out of control" and said the temporary ban is painful to his district and others but necessary.

"Those late-night, back-room deals, that's got to stop, and I think it will stop," said Schiff, who was recently appointed to the House Appropriations Committee.

Rep. Brad Sherman, D-Sherman Oaks, said he has been calling local officials to break the news, but agreed that elimination of earmarks is needed.

"Republicans left us with bills that have a lot of problems. We're making the best of a bad situation," he said.

Jo Maney, spokeswoman for Rep. David Dreier, R-Glendora, whose district includes Rancho Cucamonga and Wrightwood, blamed the Senate for failing to enact spending measures but agreed reform is needed.

Other Republicans, meanwhile, called the Democrats' move an empty gesture disguised as real reform.

"The Democrats don't have it in their power to have real reform," said Rep. Dana Rohrabacher, R-Huntington Beach. "Why are they trying to fool people with some silly maneuver that doesn't change anything in the long run?"

Steve Ellis, spokesman for the D.C.-based watchdog group Taxpayers for Common Sense, agreed that eliminating pork projects for a year does not amount to real reform.

In addition to transparency, Ellis said, Congress must consider a drastic scale-back.

"We don't have to have 12,000 earmarks like we did last year or 15,000 like we did before that. We can start ramping the numbers back down," he said.

In the meantime, however, directors of local programs like the Jewish Home for the Aging in Reseda are reconfiguring their budgets.

"We had hoped to use this money for part of our continuing renovations," said Molly Forrest, president of the senior citizens home that had received a \$150,000 appropriation secured by Sherman.

"We're disappointed at this moment but hopeful that such funding will be provided at a later date," Forrest said.

Staff writer George Watson contributed to this report.

Close Window

Send To Printer

Change said likely on perchlorate issue

By Fred Ortega Staff Writer
San Gabriel Valley Tribune

The federal government's attitude toward perchlorate contamination, sharply contrasted in recent years by California's efforts to deal with the potentially dangerous chemical, could be about to change.

Tens of millions of dollars have been spent throughout the state to remove perchlorate - an ingredient in rocket fuel and dry-cleaning solvent - from drinking water supplies. State officials are close to establishing a mandatory limit on the amount of the chemical allowed.

At the same time, the federal government has set a non-mandatory limit for perchlorate contamination that is four times higher than what California is considering, and the U.S. Environmental Protection Agency recently nixed a requirement to even test for the chemical in drinking water.

Changing the seemingly lackadaisical approach taken by the federal government toward perchlorate will be among the top priorities of the new Democratic Congress, said Sen. Barbara Boxer, D-San Francisco.

"We are going to look at perchlorate in drinking water and its risks to kids and pregnant women," said Boxer in early December, announcing a series of hearings she plans to hold as incoming chairwoman of the Senate Environment and Public Works Committee. "There is a lot we need to do in protecting our families, and there is a lot the people need to know because the EPA has been moving backwards on this."

Studies have suggested that perchlorate can harm thyroid function and is particularly dangerous to pregnant women and their unborn children. Even at 6 parts per billion - the mandatory limit being considered in California - thousands of pregnant women may still have to be treated because of perchlorate contamination in drinking water in California alone, said Sujatha Jahagirdar of Los Angeles-based Environment California.

"The decision of the U.S. EPA to not require testing of rocket fuel pollution in drinking water can only be described as negligent," said Jahagirdar, whose nonprofit group has studied the effects of perchlorate. "Over the last few years we have seen a slowdown and even reversal on environmental priorities (at the federal level) and we hope Sen. Boxer's chairmanship signals a sea change."

Boxer was adamant that Democratic control of Congress would indeed lead to a change of direction on environmental issues.

"The days of these rollbacks without questioning, without oversight, are over," said Boxer, who called the nation's record on global warming issues "disastrous." "When the EPA does a rollback, we are going to look at it, bring them forward, and say, 'Why is this in the public interest to roll back this regulation or weaken that regulation?'"

Even as a committee chairwoman, Boxer cannot simply force the EPA to change policy, said Jack Pitney, politics professor at Claremont McKenna College.

"But she can use publicity to bring pressure to bear," said Pitney, referring to Boxer's ability to call for hearings on issues under the committee's purview. "Expect a lot of investigations."

He also noted that the Democrats' razor-thin majority in the Senate means Boxer would definitely need Republican support to effect any legislative change.

"On the issue of perchlorate, she is taking on every dry cleaner in the country," Pitney said. "So I wouldn't expect a flood of legislation. But I would expect a barrage of hearings."

Boxer also said she hopes to steer more federal money toward environmental causes. She pointed out that the \$469 billion funding gap for the government's environmental programs could be completely covered by the resources spent so far on the Iraq War - now approaching \$500 billion - with money to spare.

Locally, the federal government has already kicked in more than 13 percent of the cleanup costs spearheaded by the San Gabriel Water Quality Authority, said Bob Kuhn, a member of the authority's board of directors. That funding came from a bipartisan effort led by Rep. David Dreier, R-Glendora, but also including Sen. Dianne Feinstein and Rep. Adam Schiff, D-Pasadena, among others.

Since the Nov. 7 election, Schiff has been appointed to the powerful House Appropriations Committee, which sets funding priorities for the federal government.

"We have already received \$72 million of the \$85 million pledged by the feds five years ago," said Kuhn, adding that his organization plans to ask for more federal assistance.

fred.ortega@sgvn.com

(626) 962-8811, Ext. 2306

FOR IMMEDIATE RELEASE:
CONTACT: Jo Maney 202-226-2006

Thursday, January 4, 2007

Dreier Introduces Key Bills on Opening Day of 110th Congress

WASHINGTON, DC - Congressman David Dreier (R-San Dimas, CA), House Rules Committee Ranking Republican, has introduced several pieces of legislation today aimed at enhancing our border security and meeting local needs in the Foothills. Dreier said he looked forward to working with his colleagues, Republicans and Democrats, to secure passage of these bills.

"As the 110th Congress begins, border security, economic growth, and meeting local needs remain my top priorities," Dreier said. "I will be reintroducing my bipartisan legislation to make the Social Security card counterfeit proof and crack down on the hiring of illegal immigrants. I believe this legislation must be a critical component of any legislation aimed at fixing the broken immigration system in this country. Also to be introduced today will be two bills key to maintaining a safe, reliable water supply for the Foothills. The new Congress will bring new challenges, and I intend to vigorously pursue these bills for the good of the Foothills, of California, and the country."

Dreier also reiterated that reducing traffic congestion and extending the Gold Line Foothill Extension Light Rail to Montclair would be a top priority in this Congress. He will do so by continuing to seek federal funds in support of the extension. "Providing a viable transit alternative is critical to improving the quality of life in the Foothills," Dreier said.

Following are brief summaries of the bills Mr. Dreier will be introducing today, the opening day of the 110th Congress.

Illegal Immigration Enforcement and Social Security Act - This bill deals with stopping illegal immigration by addressing the issue of too many unreliable documents, a faulty employment verification system, and lax enforcement. The legislation amends the Immigration and Nationality Act to enforce restrictions on employment in the United States of unauthorized aliens through the use of improved Social Security cards and an Employment Eligibility Database.

Inland Empire Regional Water Recycling Initiative - This bill authorizes \$30 million for the Inland Empire Utilities Agency and the Cucamonga Valley Water District to produce approximately 100,000 acre feet of new recycled water annually to reduce our dependence on expensive imported water.

San Gabriel Basin Restoration Fund increase - The San Gabriel Basin Restoration Fund was created to allow the San Gabriel Basin Water Quality Authority (WQA) to use federal funds to clean up perchlorate contamination in the Valley. With an existing authorization of \$85 million, the WQA has made significant progress in keeping our drinking water safe. The continuing need to aggressively clean up our drinking water supply requires an additional \$50 million in authorized funds. This bill will provide that increase to the original authorization, bringing the total fund to \$135 million.

THIS PAGE
HAS
INTENTIONALLY
BEEN LEFT
BLANK
FOR PAGINATION