













## **NOTICE OF MEETINGS**

### Thursday, January 11, 2007

9:30 a.m. - Annual Non-Agricultural Pool Elections

10:00 a.m. - Annual Appropriative Pool Elections

10:15 a.m. - Annual Appropriative & Non-Ag Pool Meeting

#### AT THE CHINO BASIN WATERMASTER OFFICES

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

### Tuesday, January 16, 2007

9:00 a.m. - Annual Agricultural Pool Meeting

#### AT THE INLAND EMPIRE UTILITIES AGENCY OFFICES

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



## Thursday, January 11, 2007

9:30 a.m. – Annual Non-Agricultural Pool Elections 10:00 a.m. – Annual Appropriative Pool Elections 10:15 a.m. – Annual Appropriative & Non-Ag Pool Meeting

## **January 16, 2007**

9:00 a.m. - Annual Agricultural Pool Meeting

## AGENDA PACKAGE



# CHINO BASIN WATERMASTER ANNUAL NON-AGRICULTURAL POOL MEETING

9:30 a.m. – January 11, 2007 At The Offices Of Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730

#### **AGENDA**

#### **CALL TO ORDER**

I.

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

AN A.	INUAL ELECTIONS – Action Calendar-Year 2007 Non-Agrid Nominations will be heard for Poduring Calendar-Year 2007.	cultural Pool Officers ool Chair, followed by nominations for Pool Vice-Chair, to serve
	Chair Vice-Chair Secretary/Treasurer	Watermaster Chief Executive Officer
В.	Calendar-Year 2007 Advisory ( Pool member(s) will be asked to Committee during Calendar-Year	o elect representatives and alternates to serve on the Advisory
	Member:	Alternate:
C.	Agricultural Pool will be asked to Committee during Calendar-Yea	Committee Officers ce established among the pools, the members of the Non- appoint a designated representative, Vice-Chair of the Advisory ar 2007. If the appointed representative is unable to attend an remaining pool officer may serve as his/her alternate.
	Appropriative Pool	Chair
	Non-Agricultural Pool	Vice-Chair
	Agricultural Pool	2 <sup>nd</sup> Vice-Chair
D.	The Pool members will be asked	esentation on Watermaster Board to select one representative to serve on the Watermaster 7 and one alternate representative.
	Member:	Alternate:

Meeting Adjourn

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#### **CHINO BASIN WATERMASTER** ANNUAL APPROPRIATIVE POOL ELECTION MEETING AND

#### JOINT ANNUAL APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING

10:00 a.m. - January 11, 2007 At The Offices Of Chino Basin Watermaster 9641 San Bernardino Road Rancho Cucamonga, CA 91730

#### **AGENDA**

#### **CALL TO ORDER**

#### AGENDA - ADDITIONS/REORDER

I.	ANNUAL ELECTIONS - ACTION

A. Calendar Year 2007 Appropriative Pool Officers Nominations will be heard for the Appropriative Pool Chair to serve during calendar year 2007. Chair Vice-Chair Secretary/Treasurer Watermaster Chief Executive Officer B. Calendar Year 2007 Advisory Committee Members & Officers According to the rotation sequence established among the pools, the appropriators will be asked to appoint a designated representative to serve on the Advisory Committee during calendar year 2007. Chair Appropriative Pool

Vice-Chair Non-Agricultural Pool 2<sup>nd</sup> Vice-Chair Agricultural Pool

C. Calendar Year 2007 Pool Representation on the Watermaster Board

Based on the Court-adopted Rotation Schedule for Representatives to the Watermaster, during calendar year 2007, the following will represent the Appropriative Pool on the Watermaster Board.

City of Ontario - New Member: Jim W. Bowman Alternate: Sheila Mautz

#### II. CONSENT CALENDAR

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

#### A. MINUTES

Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held December 14, 2006 (Page 1)

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

- 1. Cash Disbursements for the month of December 2006 (Page 11)
- 2. Combining Schedule of November 30, 2006 (Page 15)
- 3. Treasurer's Report of Financial Affairs for the Period November 1, 2006 through November 30, 2006 (Page 17)
- 4. Profit & Loss Budget vs. Actual July 2006 through November 2006 (Page 19)

#### 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 21)

#### D. LOCAL AGENCY INVESTMENT FUND

Resolution 07-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) (Page 23)

#### E. NOTICE OF INTENT

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

#### 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. Recharge Update
- 2. Cyclic Storage Account
- 3. AGWA February 5, 2007

#### IV. INFORMATION

1. Newspaper Articles (Page 27)

#### V. POOL MEMBER COMMENTS

#### VI. OTHER BUSINESS

#### VII. FUTURE MEETINGS

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 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
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#### Meeting Adjourn

# CHINO BASIN WATERMASTER ANNUAL AGRICULTURAL POOL MEETING

9:00 a.m. - January 16, 2007

At The Offices Of

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

Chino, CA 91710

#### **AGENDA**

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

I.	ΔΝΝΙΙΔΙ	<b>ELECTIONS -</b>	ACTION
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A. <u>Calendar-Year 2007 Agricultural Pool Members</u>

The Agricultural Pool membership shall consist of <u>not less than ten representatives</u> selected at large by members of the pool. Pool members will be asked to make any necessary changes to the following list in order to establish pool membership and alternates during calendar year 2007:

	Current	Agricultural Pool Me	embers	Current	Alternates:
	Crops:	Glen Durrington Jeff Pierson		Crops:	
	Dairy:	Robert Feenstra Gene Koopman Peter Hettinga Nathan deBoom John Huitsing		Dairy:	Syp Vander Dussen
	State:	Pete Hall Edward Gonsman Robert Nobles Nate Mackamul	1	State:	Gary Lord Peter Von Haam Aboyomi Sunomi
В.		ar <b>Year 2007 Agric</b> i ions will be heard fo			ninations for Pool Vice-Chair.
		Chair Vice-Chair Secretary/Treasur	er <u>Water</u>	master Chief Exe	ecutive Officer
C.	The poo Advisory	Committee and,	sked to dete according to	rmine the ten agr the rotation se	Officers icultural representatives to serve on the quence established among the pools, committee during calendar year 2007
		Chair Vice-Chair 2 <sup>nd</sup> Vice-Chair	Appropriati Non-Agricu <b>Agricultur</b>	ıltural Pool	

#### D. Calendar-Year 2007 Pool Representation on Watermaster Board

The Pool members will be asked to consider selecting two representatives to serve on the Watermaster Board during Calendar-Year 2007 and one or two alternate representatives.

Member:	_Alternate:
Member:	Alternate:

#### II. CONSENT CALENDAR

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#### A. MINUTES

1. Minutes of the Agricultural Pool Meeting held December 19, 2006 (Page 7)

#### B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of December 2006 (Page 11)
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1. Rialto Request

#### C. FINANCIAL REPORT

1. Assessment Package Update

#### D. CEO/STAFF REPORT

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

IV. <u>INFORMATION</u>1. Newspaper Articles (*Page 27*)

### V. POOL MEMBER COMMENTS

#### VI. OTHER BUSINESS

#### VII. <u>FUTURE MEETINGS</u>

10:00 a.m.	Annual Appropriative Pool Meeting
11:00 a.m.	Annual Non-Agricultural Pool Meeting
9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
9:00 a.m.	GRCC Meeting
9:00 a.m.	Annual Advisory Committee Meeting
11:00 a.m.	Annual Watermaster Board Meeting
	11:00 a.m. 9:00 a.m. 9:00 a.m. 9:00 a.m.

#### **Meeting Adjourn**

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## II. CONSENT CALENDAR

#### A. MINUTES

1. Joint Appropriative and Non-Agricultural Pool – December 14, 2006



# Draft Minutes CHINO BASIN WATERMASTER JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING

December 14, 2006

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 14, 2006 at 10:00 a.m.

#### <u>APPROPRIATIVE POOL MEMBERS PRESENT</u>

Robert DeLoach, Chair Cucamonga Valley Water District

Mark Kinsey Monte Vista Water District

Charles Moorrees San Antonio Water Company
Mike McGraw Fontana Water Company

Ken Jeske City of Ontario Raul Garibay City of Pomona

Chris Diggs Fontana Union Water Company

Rosemary Hoerning City of Upland
Dave Crosley City of Chino
Mike Maestas City of Chino Hills

Justin Brokaw Marygold Mutual Water Company

#### NON-AGRICULTURAL POOL MEMBERS PRESENT

Justin Scott-Coe Vulcan Materials Company (Calmat Division)

#### **Watermaster Board Members Present**

Sandra Rose Monte Vista Water District

#### 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.
Tom McCarthy Wildermuth Environmental Inc.

#### **Others Present**

Jo Lynne Russo-Pereyra Cucamonga Valley Water District

Chair DeLoach called the meeting to order at 10:02 a.m.

#### AGENDA - ADDITIONS/REORDER

Mr. Manning asked that Item 1C Water Transaction be pulled from the agenda per Monte Vista Water District's request.

#### I. CONSENT CALENDAR

#### A. MINUTES

 Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held November 9, 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
- 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 Jeske, second by McGraw, and by unanimous vote – Non-Ag concurred Moved to approve Consent Calendar Items A through B, as presented

Item 1C was pulled from the agenda.

#### C. WATER TRANSACTION

Consider Approval for Transaction of Notice of Sale or Transfer – The lease and/or purchase of 500 acre-feet of water from West Valley Water District's storage account to Monte Vista Water District. This lease is made first from WVWD's net underproduction, if any, in Fiscal Year 2006-07, with any remainder to be recaptured from storage. Date of application: October 31, 2006

#### II. BUSINESS ITEMS

#### A. DR. SUNDING ECONOMIC BENEFITS REPORT

Mr. Manning stated Dr. Sunding will make his presentation in person regarding his updated report, however, his calendar would only allow one day and it was decided to have him give his report at the Advisory Committee and Watermaster Board meeting next week. Chair DeLoach inquired that when this report is presented at the Advisory and Board meeting will it also be presented as a receive and file? Mr. Manning stated that was correct. Mr. Kinsey commented on the written and verbal comments presented at the workshop and noted he would like to see those questions and comments drawn up with responses made available to see that those items were responded to or incorporated into the updated report. It was decided having the comments and questions with Dr. Sunding's responses would be valuable to the parties and it was noted that would not be done prior to the Advisory Committee and Watermaster Board meeting next week. Mr. Manning stated the benefits in the report are quite large and the analysis is very thorough. Staff is asking this report be forwarded to the Advisory Committee and Watermaster Board to receive and file this report with the court. Mr. Garibay noted he had some general comments that he wished to submit and Mr. Manning asked that he submit those to him as soon as he could.

Motion by Kinsey, second by Garibay, and by unanimous vote – Non-Ag concurred
Moved to approve to move this item onto the Advisory Committee and Watermaster
Board for the approval to receive and file with the court the Dr. Sunding Economic
Benefits Report, 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 has heard 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 news paper as opposed to what was done in the past with mainly inserts. Mr. Manning noted this item is in the FY 2006-2007 budget. Chair DeLoach stated he has had a lot of positive feedback regarding the past issues and feels this is a very worth while campaign. A discussion ensued with regard to the value of this campaign. Ms. Rose asked who has the final approval on the publicity items and Mr. Manning noted it was Inland Empire Utilities Agency. A discussion ensued with regard to the context of the articles and it was noted by the committee members how important it is for the customers to see a link to what their reading and how it actually affects them in one way or another.

Motion by Jeske, second by Maestas, and by unanimous vote – Non-Ag concurred

Moved to approve the continued community outreach with another 12-month
advertising campaign with matching contributing funds in the amount of \$10,000.00,
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 right 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 seen in a long time 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. Chair DeLoach inquired about the desalter agreements. Counsel Fife stated we are currently talking about defining the desalter project. Mr. Kinsey commented on the missing micro economic analysis that was going to be presented to all the parties before they considered moving forward on the judgment amendments. Mr. Kinsey stated there were a couple other items such as storage limits and the change in how we address Agricultural over allocation which are not defined as part of the steps in the draft timeline handout. Counsel Fife stated those items will be covered in step four of the timeline. A discussion ensued with regard to the listed items on the timeline.

#### Added Comment:

Mr. Jeske shared a plaque which was received from the American Public Works for "Project of the Year Award" to the Chino Basin Desalter Authority for the expansion project at Plant 1 and 2. Mr. Jeske stated Inland Empire Utilities Agency was very instrumental in coming into a complex construction project. Mr. Jeske offered comment on putting together the new projects and indicated that Ontario has been working with Western to define a project. A long discussion ensued with regard to the desalter projects and the six month notice period under the Non-Binding Term Sheet.

#### 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 31<sup>st</sup> 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 news yesterday 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 columns titles and explained their meanings. Mr. Manning stated the context of this matrix will now work 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

Mr. Manning stated he received a flyer this morning regarding the retirement of Patrick Meade from the San Bernardino County Department of Public Works and noted there will be a retirement reception held in his honor on January 17, 2007 in San Bernardino. Copies of the flyer will be made available on the back table at the Advisory and Board meeting next week.

#### VI. OTHER BUSINESS

No comment was made regarding this item.

#### VII. FUTURE MEETINGS

December 13, 2006

1:00 p.m.

Water Quality Committee Meeting

9:00 a.m.	MZ1 Technical Committee Meeting
10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
9:00 a.m.	Agricultural Pool Meeting @ IEUA
9:00 a.m.	GRCC Meeting
9:00 a.m.	Advisory Committee Meeting
11:00 a.m.	Watermaster Board Meeting
	9:00 a.m. 9:00 a.m. 9:00 a.m.

#### Meeting Adjourn

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## II. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool – December 19, 2006



# Draft Minutes CHINO BASIN WATERMASTER AGRICULTURAL POOL MEETING

December 19, 2006

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on December 19, 2006 at 9:00 a.m.

**Agricultural Pool Members Present** 

Nathan deBoom, Chair Dairy

Gene Koopman Milk Producers Council

Jeff PiersonCropsGlen DurringtonCropsJohn HuitsingDairyPete HettingaDairyBob FeenstraDairy

Edward Gonsman State of California CIM

Watermaster Board Member Present

Sandra Rose Monte Vista Water District

Watermaster Staff Present

Kenneth R. Manning Chief Executive Officer
Sheri Rojo CFO /Asst. General Manager

Gordon Treweek Project Engineer
Danielle Maurizio Senior Engineer
Sherri Lynne Molino Recording Secretary

Watermaster Consultants Present

Michael Fife Hatch & Parent

Andy Malone Wildermuth Environmental Inc.

Others Present

Steve Lee Reid & Hellyer
Ken Jeske City of Ontario

Chair deBoom called the meeting to order at 9:12 a.m.

#### AGENDA - ADDITIONS/REORDER

Mr. Manning stated Item 1C Water Transaction was pulled from the agenda at the joint Appropriative and Non-Agricultural Pool meeting on December 14, 2006 at Monte Vista Water District's request.

#### I. CONSENT CALENDAR

#### A. MINUTES

1. Minutes of the Agricultural Pool Meeting held November 15, 2006

#### B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of November 2006
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- 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 Hettinga, second by Pierson, and by unanimous vote

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

Item 1C was pulled from the agenda.

#### C. WATER TRANSACTION

Consider Approval for Transaction of Notice of Sale or Transfer – The lease and/or purchase of 500 acre-feet of water from West Valley Water District's storage account to Monte Vista Water District. This lease is made first from WVWD's net underproduction, if any, in Fiscal Year 2006-07, with any remainder to be recaptured from storage. Date of application: October 31, 2006

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#### A. DR. SUNDING ECONOMIC BENEFITS REPORT

Mr. Manning stated Dr. Sunding will his presentation in person regarding his updated report, however, his calendar would only allow one day and it was decided to have him give his report at the Advisory Committee and Watermaster Board meeting. Mr. Manning stated staff is seeking a Receive and File motion from the Pools, Advisory Committee, and the Watermaster Board. A brief discussion ensued with regard to the updated report.

Motion by Koopman, second by Feenstra, and by unanimous vote – Non-Ag concurred

Moved to approve to move this item onto the Advisory Committee and Watermaster

Board for the approval to receive and file with the court the Dr. Sunding Economic

Benefits Report, 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 has heard 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 news paper as opposed to what was done in the past with mainly inserts. Mr. Manning noted this item is budgeted in the FY 2006-2007 budget. A discussion regarding this item ensued.

Motion by Koopman, second by Pierson, and by unanimous vote – Non-Ag concurred

Moved to approve the continued community outreach with another 12-month
advertising campaign with matching contributing funds in the amount of \$10,000.00,
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 right 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 seen in a long time 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 long discussion ensued with regard to the draft timeline and what is needed from the parties as far as comments.

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#### 4. MZ1 Long Term Plan

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Mr. Manning stated he received a flyer this morning regarding the retirement of Patrick Meade from the San Bernardino County Department of Public Works and noted there will be a retirement reception held in his honor on January 17, 2007 in San Bernardino. Copies of the flyer will be made available on the back table at the Advisory and Board meeting next week.

#### VI. OTHER BUSINESS

No comment was made regarding this item.

VII.	FU.	<b>TURE</b>	MEE.	<b>TINGS</b>
------	-----	-------------	------	--------------

December 13, 2006	1:00 p.m.	Water Quality Committee Meeting
December 14, 2006	9:00 a.m.	MZ1 Technical Committee Meeting
December 14, 2006	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
December 19, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
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
		<del>-</del>

The Agricultural Pool Meeting Adjourned at 9:50 a.m.

		Secretary:	
Minutes Approved:			



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

### **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





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.

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# CHINO BASIN WATERMASTER Cash Disbursement Detail Report December 2006

Туре	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 Bill Pmt -Check	12/4/2006 12/4/2006	10982	CA SOCIETY OF MUNICIPAL FINANCE OFFICERS	-110.00
Bill Pmt -Check	12/4/2006	10983 10984	CUCAMONGA VALLEY WATER DISTRICT DIRECTV	-5,340.00
Bill Pmt -Check	12/4/2006	10985	ELLISON, SCHNEIDER & HARRIS, LLP	-74.98
Bill Pmt -Check	12/4/2006	10986	HAMRICK, PAUL	-18,080.12 -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	<del>-4,9</del> 88.83
Bill Pmt -Check Bill Pmt -Check	12/4/2006	10996	SCOTT-COE, JUSTIN	-125.00
Bill Pmt -Check	12/4/2006 12/4/2006	10997 10998	SOUTHERN CALIFORNIA WATER COMMITTEE	-290.00
Bill Pmt -Check	12/4/2006	10998	STANDARD INSURANCE CO.	-555.18
Bill Pmt -Check	12/4/2006	11000	THE FURMAN GROUP, INC. UNION 76	-2,590.00
Bill Pmt -Check	12/4/2006	11001	UNITEK TECHNOLOGY INC.	-147.94 -129.27
Bill Pmt -Check	12/4/2006	11002	VANDEN HEUVEL, GEOFFREY	-129.27 -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 Bill Pmt -Check	12/14/2006 12/14/2006	11011 11012	CITISTREET	-2,632.30
Bill Pmt -Check	12/14/2006	11012	CUCAMONGA VALLEY WATER DISTRICT FIRST AMERICAN REAL ESTATE SOLUTIONS	-5,340.00
Bill Pmt -Check	12/14/2006	11014	HATCH AND PARENT	-125.00
Bill Pmt -Check	12/14/2006	11015	LOS ANGELES TIMES	-64,535.39 -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 Bill Pmt -Check	12/14/2006 12/14/2006	11024 11025	STATE COMPENSATION INSURANCE FUND UNITED PARCEL SERVICE	-1,149.98
Bill Pmt -Check	12/14/2006	11025	VERIZON	-296.92
Bill Pmt -Check	12/14/2006	11027	VIP AUTO DETAILING	-352.13
Bill Pmt -Check	12/14/2006	11028	WATER EDUCATION FOUNDATION	-798.80 -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 Bill Pmt -Check	12/20/2006 12/20/2006	11036 11037	INLAND EMPIRE UTILITIES AGENCY	-10,000.00
Bill Pmt -Check	12/20/2006	11037	JASON KARNER  PARK DI ACE COMPLITED SOLUTIONS INC	-30.00
Bill Pmt -Check	12/20/2006	11038	PARK PLACE COMPUTER SOLUTIONS, INC. PRE-PAID LEGAL SERVICES, INC.	-3,135.00
Bill Pmt -Check	12/20/2006	11040	RICOH BUSINESS SYSTEMS-Maintenance	-103.60 -24.82
Bill Pmt -Check	12/20/2006	11041	STAULA, MARY L	-24.62 -136.61
			···	-130.01

# CHINO BASIN WATERMASTER Cash Disbursement Detail Report December 2006

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

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

Administrative Revenues	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTR APPROPRIATIVE POOL			GROUNDWATER O GROUNDWATER REPLENISHMENT	PERATIONS SB222 FUNDS	S EDUCATION FUNDS	GRAND TOTALS	BUDGET 2006-2007
Administrative Assessments Interest Revenue Mutual Agency Project Revenue Grant Income Miscellaneous Income		- -	5,103,741 59,855	7,409	110,425 2,573			24	5,214,166 69,861	\$7,308,205 136,500 138,000 0
Total Revenues	-		5,163,596	7,409	112,998	-		24	5,284,027	7,582,705
Administrative & Project Expenditures Watermaster Administration Watermaster Board-Advisory Committee Pool Administration Optimum Basin Mgnt Administration OBMP Project Costs Education Funds Use	393,780 20,380	824,897 1,963,549	9,054	31,971	3,090			375	393,780 20,380 44,115 824,897 1,963,549 375	601,598 52,123 118,245 1,855,795 5,904,269 375
Mutual Agency Project Costs Total Administrative/OBMP Expenses	7,806	0.700.440		······································					7,806	5,000
Net Administrative/OBMP Income	421,966 (421,966)	2,788,446 (2,788,446)	9,054	31,971	3,090			375	3,254,902	8,537,405
Allocate Net Admin Income To Pools	421,966	(2,700,440)	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)					_	n
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 MZ1 Supplemental Water Assessments Water Purchases MZ1 Imported Water Purchase Groundwater Replenishment Net Other Income						369,248 (1,480,310) (1,111,062)			369,248 - - - (1,480,310)	0 0 0 0
						(1,111,002)	<del>-</del>	<u> </u>	(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 Working Capital, End Of Period			4,439,157 6,422,991	470,561 475,345	186,984 227,842	1,139,615 28,553	158,251 158,251	1,942 1,591	6,396,510 7,314,573	
05/06 Assessable Production 05/06 Production Percentages			124,900.575 76.961%	33,899.960 20.888%	3,490.589 2.151%				162,291.124 100.000%	

Q:\Financial Statementa\08-07\06 Nov\(CombiningSchedule Nov.xis)Sheet1

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

	DEPOSITORIES: Cash on Hand - Petty Cash Bank of America		\$ 500
	Governmental Checking-Demand Deposits Zero Balance Account - Payroll Vineyard Bank CD - Agricultural Pool Local Agency Investment Fund - Sacramento	\$ 72,603 	72,603 428,645 2,073,222
	TOTAL CASH IN BANKS AND ON HAND TOTAL CASH IN BANKS AND ON HAND	11/30/2006 10/31/2006	<b>\$ 2,574,970</b> 3,136,148
	PERIOD INCREASE (DECREASE)		\$ (561,178)
CHANGE IN CASH POSITION DUE TO:		,	
(Decrease)/Increase in Liabilities	Assessments Receivable Prepaid Expenses, Deposits & Other Current Assets		\$ - (5,214,166) (56,877) (80,641) (6,673) 4,797,179
	PERIOD INCREASE (DECREASE)		\$ (561,178)

SHIMMARY OF FINANCIAL TRANSACTIONS	 Petty Cash	•	Sovt'l Checking Demand	Ze	ero Balance Account Payroll	S	avings	,	Vineyard Bank	ocal Agency	Totals
SUMMARY OF FINANCIAL TRANSACTIONS: Balances as of 10/31/2006 Deposits Transfers Withdrawals/Checks	\$ 500 - - -	\$	125,406 - 431,443 (484,246)		78,279 (78,279)	\$	9,722 - (9,722) -	\$	427,298 1,347	\$ 2,573,222	\$ 3,136,148 1,347 - (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 11/13/2006 Withdrawal	\$ Activity 500,000	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
TOTAL INVESTMENT TRANSACTIONS	\$ 500,000	•			

<sup>\*</sup> 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

Financial Institution		Principal Amount	Number of Days	Interest Rate	Maturity Date
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

Q:\Financial Statements\06-07\06 Nov\[Treasurers Report Nov.xis]Sheet1

	Jul - Nov 06	Budget	\$ Over Budget	% of Budget
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	· o	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	5,284,027	7,582,705	-2,298,678	69.69%
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	43.11%
6040 · Postage & Printing Costs	42.805	78,500	-25,415 -35,695	
6050 · Information Services	57,962	112,500	-54,538	54.53%
6060 · Contract Services	51,568	131,000	-79,432	51.52% 39.37%
6080 · Insurance	0 1,555	25,210	-79,432 -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	73.76% 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	
6200 · Advisory Comm - WM Board	4,993	15,168	-10,175	93.66%
6300 · Watermaster Board Expenses	15,388	36,955	-10,175 -21,567	32.92%
8300 - Appr PI-WM & Pool Admin	9,054	15,918	-21,5 <del>6</del> 7 -6,864	41.64%
8400 · Agri Pool-WM & Pool Admin	8,288	18,633	-10,345	56.88%
8467 · Agri-Pool Legal Services	21,058	65,000	-43,942	44.48%
8470 · Ag Meeting Attend -Special	2,625	12,000	-9,375	32.4%
8500 · Non-Ag PI-WM & Pool Admin	3,090	6,694	-9,575 -3,604	21.88%
6500 · Education Funds Use Expens	375	375	-3,804	46.16%
9500 · Allocated G&A Expenditures	-167,723	-408,749	241,026	100.0%
Subtotal G&A Expenditures	458,650	772,341	-313,691	<u>41.03%</u> 59.38%
6900 - Optimum Basin Mgmt Plan	765,414	4 742 700	0.40.000	
6950 · Mutual Agency Projects	7,806	1,713,780	-948,366	44.66%
9501 - G&A Expenses Allocated-OBMP	·	5,000	2,806	156.12%
Subtotal OBMP Expenditures	59,483 832,703	142,015 1,860,795	-82,532 -1,028,092	41.89% 44.75%
7101 . Draduation Manitoring	45 770	04 505		
7101 · Production Monitoring 7102 · In-line Meter Installation	45,770	61,565	-15,795	74.35%
	4,820	64,904	-60,084	7.43%
7103 · Growth Lovel Manifestor	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%

	Jul - Nov 06	Budget	\$ Over Budget	% of Budget
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	1,963,549	5,904,269	-3,940,720	33.26%
Total Expense	3,254,902	8,537,405	-5,282,503	38.13%
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	369,248	0	369,248	100.0%
Other Expense				
5010 · Groundwater Replenishment	1,480,310			
9999 · To/(From) Reserves	918,063	-954,700	1,872,763	-96.16%
Total Other Expense	2,398,373	-954,700	3,353,073	-251.22%
Net Other Income	-2,029,125	954,700	-2,983,825	-212.54%
Net Income	0	0	0	0.0%



## 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 25<sup>th</sup> day of January 2007. **ADOPTED** by the Watermaster Board on this 25<sup>th</sup> day of January 2007.

Chino Basin Watermaster

	By:
APPROVED:	Chairman, Watermaster Board
Chairman, Advisory Committee	
ATTEST:	

STATE OF CA	LIFORNIA	)	
COUNTY OF S	SAN BERNARDINO	) ss )	
	,		
I, <u>Ken</u> foregoing Reso Board by the fo	olution being No. 07-01	of the Chino Basin Wat I, was adopted at a regul	ermaster, DO HEREBY CERTIFY that the lar meeting of the Chino Basin Watermaster
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 <u>Board of Directors</u> 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.

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

**APPROVED** by the Advisory Committee this 25<sup>th</sup> day of January 2007. **ADOPTED** by the Watermaster Board on this 25<sup>th</sup> day of January 2007.

By:		
-	Chairman, Watermaster Board	_

APPROVED:					
Chairman, Ad	visory Committee				
ATTEST:					
Board Secreta Chino Basin W	ry /atermaster	4			
STATE OF CA	LIFORNIA SAN BERNARDINO	) ) ss )			
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AYES:	Unanimous				
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## **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

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**PLEASE TAKE NOTICE** that on this 25<sup>th</sup> 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).

	By:Secretary		
,	ATTEST:		
By:Chair	By:Chair		
CHINO BASIN WATERMASTER ADVISORY COMMITTEE	CHINO BASIN WATERMASTER BOARD OF DIRECTORS		

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# **CHINO BASIN WATERMASTER**

## V. <u>INFORMATION</u>

1. Newspaper Articles



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### 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.

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## Southland looks to be out \$111M

#### Change in Congress puts damper on funds

Lisa Friedman, Washington Bureau San Bernardino County Sun

Article Launched:

2 FW . 8

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.

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### 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 drycleaning 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 \$469billion 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.

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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.

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